
A BILL FOR AN ACT

RELATING TO WORKFORCE DEVELOPMENT BOARDS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 202, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§202- Conflict of interest. (a) The Hawaii workforce
5 development board and local workforce development boards shall
6 develop written conflict of interest policies consistent with
7 P.L. 113-128 (29 U.S.C. 3111(f), 3122(h)), and chapter 84.

8 (b) Separate from and in addition to any standards of
9 conduct set forth in chapter 84, a member of the workforce
10 development board, or a member or standing committee member of a
11 local workforce development board shall not:

12 (1) Vote on or participate in a discussion about a matter
13 under consideration by a board:

14 (A) Regarding the provision of services by the member
15 or by an entity the member represents; or

16 (B) That would provide direct financial benefit to
17 the member or the member's immediate family; or



(2) Engage in any other activity determined by the governor or the governor's designee to constitute a conflict of interest under P.L. 113-128 (29 U.S.C. 3111(f) and 3122(h))."

SECTION 2. Chapter 202, Hawaii Revised Statutes, is amended by amending its title to read as follows:

"CHAPTER 202

HAWAII WORKFORCE DEVELOPMENT [COUNCIL] BOARD"

SECTION 3. Section 202-1, Hawaii Revised Statutes, is amended to read as follows:

"§202-1 [Council;] Hawaii workforce development board; appointment; tenure. [†] (a) [†] ~~The advisory commission on employment and human resources is hereby constituted as the workforce development council.~~ The [council] Hawaii workforce development board is established and placed within the department of labor and industrial relations and shall [also] fulfill the functions of the state workforce development board for purposes of the federal Workforce Innovation and Opportunity Act of 2014, P.L. No. 113-128.

[†] ~~(b) Except for the ex officio members or their designees, the council members shall be appointed by the governor for four~~



~~1 year staggered terms as provided for in section 26-34. The~~
~~2 governor shall appoint the chairperson of the council. The~~
~~3 council shall be constituted as provided by P.L. 113-128 (29~~
~~4 U.S.C. 3111) of the following members:~~

~~(1) The directors of labor and industrial relations and~~
~~business, economic development, and tourism; the~~
~~superintendent of education; and the president of the~~
~~University of Hawaii or their designees, as ex~~
~~officio, voting members;~~

~~(2) The administrator of the division of vocational~~
~~rehabilitation, department of human services, as an ex~~
~~officio, voting member;~~

~~(3) The private sector chairpersons of the four county~~
~~workforce development boards, or their designees from~~
~~the private sector membership of their respective~~
~~boards, as ex officio, voting members;~~

~~(4) Seventeen representatives from the private sector,~~
~~including nonprofit organizations and businesses in~~
~~the State, appointed from individuals nominated by~~
~~state business organizations and business trade~~
~~associations;~~



~~(5) Eight representatives from labor organizations and workforce training organizations, two or more of whom shall be representatives of labor organizations who have been nominated by state labor federations, and one of whom shall be a labor representative from a community-based native Hawaiian organization that operates workforce development programs;~~

~~(6) A member of each house of the legislature, for two-year terms beginning in January of odd-numbered years, appointed by the appropriate presiding officer of each house, as ex officio, voting members;~~

~~(7) The four mayors or their designees, as ex officio, voting members; and~~

~~(8) The governor or the governor's designee.~~

~~[(c)] Council members shall serve without compensation but shall be reimbursed for travel expenses necessary for the performance of their duties.~~

~~[(d)] From June 6, 2016, and until such time that the council has forty-one members, sixteen council members shall constitute a quorum to do business, and the concurrence of at~~



~~1 least sixteen council members shall be necessary to make any~~
~~2 action of the council valid.~~

~~3 [(c)] All council members may continue to serve on the~~
~~4 council until their respective successors have been appointed.~~
~~5 A person appointed to fill a vacancy shall serve the remainder~~
~~6 of the term of the person's predecessor.]~~

7 (b) The board shall be constituted as provided by P.L.
8 113-128 (29 U.S.C. 3111) of the following members:

9 (1) The governor or the governor's designee;

10 (2) A member of each house of the legislature, for two-
11 year terms beginning in January of odd-numbered years,
12 appointed by the appropriate presiding officer of each
13 house, as ex officio, voting members;

14 (3) The following members to be appointed by the governor:

15 (A) The mayors of four counties or their designees,
16 as ex officio, voting members;

17 (B) The director of labor and industrial relations or
18 the director's designee, as an ex officio, voting
19 member;



- 1 (C) The superintendent of education or the
2 superintendent's designee, as an ex officio,
3 voting member;
- 4 (D) The administrator of the division of vocational
5 rehabilitation, department of human services, as
6 an ex officio, voting member;
- 7 (E) Thirteen representatives from the private sector,
8 comprised of:
- 9 (i) One or more private sector chairpersons of
10 the local workforce development boards, or
11 their designees from the private sector
12 membership of their respective boards, as ex
13 officio, voting members; and
- 14 (ii) Representatives of nonprofit organizations
15 and businesses in the State, appointed from
16 individuals nominated by state business
17 organizations and business trade
18 associations; and
- 19 (F) Five representatives of the workforce within the
20 State, at least two of whom shall be
21 representatives of labor organizations who have



1 been nominated by state labor federations, and at
2 least one of whom shall be a labor representative
3 from a joint labor-management apprenticeship
4 program, or if none exists, of an apprenticeship
5 program in the State; provided that no more than
6 a total of two workforce representatives shall be
7 from community-based organizations with
8 demonstrated experience and expertise in
9 addressing employment, training, or education
10 needs of individuals with barriers to employment,
11 or from organizations with demonstrated
12 experience and expertise in addressing
13 employment, training, or education needs of
14 eligible youth.

15 (c) Except for the ex officio members or their designees,
16 the board members appointed by the governor under subsection
17 (b) (3) shall serve for four-year staggered terms as provided for
18 in section 26-34.

19 (d) The governor shall select the chairperson of the board
20 from among the members described in subparagraph (b) (3) (E).



1 (e) Board members shall serve without compensation but
2 shall be reimbursed for travel expenses necessary for the
3 performance of their duties.

4 (f) All board members may continue to serve on the board
5 until their respective successors have been appointed. A person
6 appointed to fill a vacancy shall serve the remainder of the
7 term of the person's predecessor."

8 SECTION 4. Section 202-3, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "**\$202-3 Powers of [council.] board.** (a) The [workforce
11 ~~development council]~~ director of labor and industrial relations
12 shall appoint and fix the compensation of an executive director,
13 who shall be exempt from [chapter] chapters 76[~~, and may employ~~
14 ~~any other personnel as it deems advisable within chapter 76.~~]
15 and 89.

16 (b) The [council,] board, or on the authorization of the
17 [council,] board, any subcommittee or panel thereof, may, for
18 the purpose of carrying out its functions and duties, hold such
19 hearings and sit and act at such times and places as the
20 [council] board may deem advisable.



1 ~~[(c) The council may negotiate and enter into contracts~~
2 ~~with public agencies or private organizations to carry out its~~
3 ~~studies and to prepare reports that the council determines to be~~
4 ~~necessary to the fulfillment of its duties.]~~

5 ~~[(d)]~~ (c) The ~~[council]~~ board may secure through the
6 governor's office, any information from any executive
7 department, agency, or independent instrumentality of the State
8 it deems necessary to carry out its functions.

9 ~~[(e)]~~ (d) The ~~[council]~~ board may convene such public
10 conferences and forums as it deems useful to keep the public
11 informed of workforce development needs, developments, and
12 initiatives.

13 ~~[(f) The council may administer funds allocated for its~~
14 ~~work and may accept, disburse, and allocate funds which may~~
15 ~~become available from other governmental and private sources;~~
16 ~~provided that all the funds shall be disbursed or allocated in~~
17 ~~compliance with the objectives set forth herein, and applicable~~
18 ~~laws.]~~"

19 SECTION 5. Section 304A-303, Hawaii Revised Statutes, is
20 amended by amending subsection (a) to read as follows:



1 "(a) There is established a career and technical education
2 coordinating advisory council, which shall serve in an advisory
3 capacity to the board of regents. The council shall consist of
4 eleven members, nine appointed and two ex officio[+],[+] voting
5 members. Of the nine appointed members:

6 (1) Three shall be appointed from the board of regents by
7 the chairperson of that body;

8 (2) Three shall be appointed from the board of education
9 by the chairperson of that body; and

10 (3) Three shall be appointed from the workforce
11 development [~~council~~] board by that [~~council~~] board.

12 Of the three members appointed from the workforce
13 development [~~council~~] board, one member shall represent
14 management, one member shall represent labor, and the third
15 shall represent the public. Of the two ex officio members, one
16 shall be the president of the university and the other shall be
17 the superintendent of education."

18 SECTION 6. Section 348-8, Hawaii Revised Statutes, is
19 amended as follows:

20 1. By amending subsection (a) to read:



1 "(a) There is established within the department a state
2 rehabilitation council. The council shall consist of twenty-one
3 members appointed by the governor as provided in section 26-34
4 and without regard to section 78-4. The members shall include:

5 (1) At least one representative of a parent training and
6 information center;

7 (2) At least one representative of the client assistance
8 program;

9 (3) At least one qualified vocational rehabilitation
10 counselor with knowledge of and experience with
11 vocational rehabilitation programs, who shall serve as
12 an ex officio, nonvoting member if employed by the
13 vocational rehabilitation division of the department;

14 (4) At least one representative of community
15 rehabilitation program service providers;

16 (5) Four representatives of business, industry, and labor;

17 (6) Representatives of disability advocacy groups
18 representing a cross section of individuals with
19 physical, cognitive, sensory, and mental disabilities,
20 and parents, family members, guardians, advocates, or
21 authorized representatives of individuals with



1 disabilities who have difficulty in representing
2 themselves or are unable due to their disabilities to
3 represent themselves;

4 (7) Current or former applicants for or recipients of
5 vocational rehabilitation services;

6 (8) At least one representative of the state educational
7 agency responsible for the public education of
8 students with disabilities;

9 (9) At least one representative of the state workforce
10 development [~~council;~~] board; and

11 (10) The administrator of the vocational rehabilitation
12 division of the department, who shall be an ex
13 officio, nonvoting member;

14 provided that the council shall include at least one member from
15 each county; and provided further that a majority of the council
16 members shall be persons who have disabilities and are not
17 employed by the vocational rehabilitation division of the
18 department. The council members shall elect a chairperson from
19 the membership. Each member of the council shall serve a three-
20 year term but may not serve more than two consecutive full
21 terms. Any vacancy occurring in the council membership shall be



1 filled in the same manner as the original appointment, except
2 that the governor may delegate the authority to fill such a
3 vacancy to the remaining members of the council after making the
4 original appointment."

5 2. By amending subsection (c) to read:

6 "(c) The council, after consulting with the state
7 workforce development [~~council~~,] board, shall advise the
8 vocational rehabilitation division of the department on
9 eligibility, order of selection, extent, scope, and
10 effectiveness of services provided, and performance of state
11 agencies that affect or that potentially affect the ability of
12 individuals with disabilities in achieving employment outcomes.
13 The council shall develop, agree to, and review state goals and
14 priorities, advise the vocational rehabilitation division of the
15 department regarding authorized activities, and assist in the
16 preparation of the state plan and amendments to the plan,
17 applications, reports, needs assessment, and evaluations. The
18 council shall conduct a review and analysis of the effectiveness
19 of, and consumer satisfaction with, the performance by the
20 vocational rehabilitation division of the department, vocational
21 rehabilitation services provided by state agencies, and other



1 public and private entities, and employment outcomes achieved by
2 eligible individuals receiving services, including the
3 availability of health and other employment benefits in
4 connection with employment outcomes. The council shall prepare
5 and submit an annual report to the governor on the status of
6 vocational rehabilitation programs within the State and make the
7 report available to the public."

8 3. By amending subsection (d) to read:

9 "(d) The council shall coordinate with other councils
10 within the State including the state council on developmental
11 disabilities, [the] state council on mental health, [the]
12 advisory panel of individuals with disabilities in education,
13 and [the] state workforce development [~~council~~] board. The
14 council shall establish working relationships between the
15 vocational rehabilitation division of the department and other
16 councils and coordinate other functions as deemed appropriate
17 under federal law."

18 SECTION 7. Section 202-5, Hawaii Revised Statutes, is
19 repealed.

20 "~~§202-5 Organizational relationships. The workforce~~
21 ~~development council is placed within the department of labor and~~



~~1 industrial relations for administrative purposes and shall act~~
~~2 in an advisory capacity to the governor.]"~~

SECTION 8. Sections 201-16, 202-2, 202-4, 202-10,
304A-1143, 304A-3252, 373C-23, and 394-5, Hawaii Revised
Statutes, are amended by substituting the word "board", or
similar term, wherever the word "council", or similar term,
appears, as the context requires.

SECTION 9. All rules, policies, procedures, guidelines,
and other material adopted or developed by the workforce
development council to implement provisions of the Hawaii
Revised Statutes that are reenacted or made applicable to the
department of labor and industrial relations or workforce
development board, as appropriate, by this Act shall remain in
full force and effect until amended or repealed by the
department of labor and industrial relations pursuant to chapter
91, Hawaii Revised Statutes, as appropriate. In the interim,
every reference to the workforce development council in those
rules, policies, procedures, guidelines, and other material is
amended to refer to the department of labor and industrial
relations or workforce development board, as appropriate.



1 SECTION 10. All deeds, leases, contracts, loans,
2 agreements, permits, or other documents executed or entered into
3 by or on behalf of the workforce development council, pursuant
4 to the provisions of the Hawaii Revised Statutes, that are
5 reenacted or made applicable to the department of labor and
6 industrial relations by this Act shall remain in full force and
7 effect. Upon the effective date of this Act, every reference to
8 the workforce development council or the executive director of
9 the workforce development council in those deeds, leases,
10 contracts, loans, agreements, permits, or other documents shall
11 be construed as a reference to the department of labor and
12 industrial relations or director of labor and industrial
13 relations, as appropriate.

14 SECTION 11. Statutory material to be repealed is bracketed
15 and stricken. New statutory material is underscored.

16 SECTION 12. This Act shall take effect on December 25,
17 2040.



Report Title:

Workforce Development Board; Local Workforce Development Boards;
Composition; Conflict of Interest; DLIR

Description:

Amends the Hawaii Revised Statutes to change the workforce development council to the workforce development board. Requires the board to develop written conflict of interest policies consistent with federal law. Amends the composition and powers of the board. Makes other conforming amendments. Effective 12/25/2040. (HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

