

JUSTIFICATION SHEET

DEPARTMENT: Labor and Industrial Relations

TITLE: A BILL FOR AN ACT RELATING TO WORKFORCE DEVELOPMENT.

PURPOSE: The purpose of this bill is to align and merge the Hawaii Workforce Development Council with the Department of Labor and Industrial Relations' Workforce Development Division and eliminate the Executive Director position.

MEANS: Amend section 202-3, and 202-5, Hawaii Revised Statutes.

JUSTIFICATION: The Hawaii Workforce Development Council ("WDC") is an attached agency to the Department of Labor and Industrial Relations mandated to perform the following:

1. Creation of comprehensive State Plan for Workforce Development and evaluate that plan to see if it is being carried out;
2. Review and assess the coordination between the State's workforce development programs, including programs of the federal government operating in the State, and placements in higher-skilled jobs to expand economic development and diversification;
3. Recommend to the governor and the legislature, state policies and funding priorities based on local community input that it believes should be adopted by the state government in meeting its workforce development responsibilities to:
 - (A) Establish a workforce development system in the State in which resources are pooled and programs are coordinated and streamlined;

- (B) Establish reporting requirements for job placement results by category of occupations in high-demand and high-growth areas;
 - (C) Encourage a program of useful research into the State's workforce requirements, development, and utilization; and
4. Be the designated State Workforce Investment Board for purposes of receiving and providing oversight of federal Workforce Investment Act (WIA) funds.

The DLIR's Workforce Development Division (WDD) is the state agency tasked with acting as the administering entity for the majority of the state's workforce development programs, including federal WIA.

The proposed amendment would merge and align the state's two primary agencies responsible for workforce development into one. This alignment would ensure that the Governor's visions, policy, and program recommendations from the appointed members of the WDC are implemented at the program level (WDD).

This alignment also assists in alleviating, in part, funding issues caused by significant budget cuts imposed by the federal government regarding the Workforce Investment Act which is one of the primary funders of both the WDC and WDD. Elimination of the WDC Executive Director position and requiring the WDD administrator to act as the Executive Director would eliminate administrative duplication while preserving the role of the appointed members of the WDC.

Impact on the public: Reduces duplication of effort and better aligns the governor's policy and oversight agency with the agency tasked with administration of those programs.

Impact on the department and other agencies:

In addition to aligning and merging the functions of the WDC with the WDD, this would alleviate funding issues caused by significant budget cuts imposed by the federal government regarding the Workforce Investment Act.

GENERAL FUND:

None.

OTHER FUNDS:

Federal.

PPBS PROGRAM
DESIGNATION:

LBR-135 and LBR 111.

OTHER AFFECTED
AGENCIES:

Workforce Development Council and the
Workforce Development Division.

EFFECTIVE DATE:

July 1, 2013.

____.B. NO.____

A BILL FOR AN ACT

A BILL FOR AN ACT RELATING TO WORKFORCE DEVELOPMENT.

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

1 SECTION 1. The purpose of this act is to align and merge
2 the state's workforce development council with the department of
3 labor and industrial relations' workforce development division.

4 SECTION 2. The Hawaii Workforce Development Council
5 ("WDC") is an attached agency to the Department of Labor and
6 Industrial Relations mandated to perform the following:

- 7 1. Creation of comprehensive State Plan for Workforce
8 Development and evaluate that plan to see if it is being
9 carried out;
- 10 2. Review and assess the coordination between the State's
11 workforce development programs, including programs of the
12 federal government operating in the State, and placements in
13 higher-skilled jobs to expand economic development and
14 diversification;
- 15 3. Recommend to the governor and the legislature, state policies
16 and funding priorities based on local community input that it
17 believes should be adopted by the state government in meeting
18 its workforce development responsibilities to:

_____.B. NO.

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(B) Establish reporting requirements for job placement results by category of occupations in high-demand and high-growth areas; and

(C) Encourage a program of useful research into the State's workforce requirements, development, and utilization.

4. Be the designated State Workforce Investment Board for purposes of receiving and providing oversight of federal Workforce Investment Act (WIA) funds.

The DLIR's Workforce Development Division (WDD) is the state agency tasked with acting as the administering entity for the majority of the state's workforce development programs, including federal WIA.

The proposed amendment would merge and align the state's two primary agencies responsible for workforce development into one. This alignment would ensure that the Governor's visions, policy, and program recommendations from the appointed members of the WDC are implemented at the program level.

_____.B. NO.

1 This alignment also assists in alleviating, in part,
2 funding issues caused by significant budget cuts imposed by the
3 federal government regarding the Workforce Investment Act which
4 is one of the primary funders of both the WDC and WDD.
5 Elimination of the WDC executive director position and requiring
6 the WDD administrator to act as the executive director would
7 eliminate administrative duplication while preserving the role
8 of the appointed members of the WDC.

9 SECTION 3. Section 202-3, Hawaii revised Statutes is
10 amended to read as follows:

11 "**§202-3 Powers of council.** (a) [~~The workforce~~
12 ~~development council shall appoint and fix the compensation of an~~
13 ~~executive director, who shall be exempt from chapter 76, and may~~
14 ~~employ any other personnel as it deems advisable within chapter~~
15 ~~76.] The workforce development council shall appoint
16 administrator of the division assigned by the department of
17 labor and industrial relations' to effectuate chapters 372, 383-
18 104, 383-128, 394, and 394B, Hawaii Revised Statutes, to act as
19 the council's executive director;~~

20 SECTION 4. Section 202-5, Hawaii Revised Statutes is
21 amended to read as follows:

_____.B. NO.

1 "**§202-5 Organizational relationships.** The workforce
2 development council is placed within the department of labor and
3 industrial relations [~~for administrative purposes~~] and shall act
4 in an advisory capacity to the governor.

5 SECTION 5. Statutory material to be repealed is bracketed
6 and stricken. New statutory material is underscored.

7 SECTION 6. This Act shall take effect July 1, 2013

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INTRODUCED BY: _____

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BY REQUEST

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Report Title:

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Description:

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