SYLVIA LUKE LIEUTENANT GOVERNOR



JADE T. BUTAY DIRECTOR

WILLIAM G. KUNSTMAN DEPUTY DIRECTOR

STATE OF HAWAI'I KA MOKU'ĀINA O HAWAI'I DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS KA 'OIHANA PONO LIMAHANA

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WORKFORCE DEVELOPMENT COUNCIL

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WORKFORCE DEVELOPMENT COUNCIL'S QUARTERLY BOARD MEETING MINUTES Wednesday, August 20, 2025 9:30 a.m. – 11:30 a.m.

ATTENDANCE:

Council Members in Person

Ken Loui, Council Chair, CEO, Pacific Marine
Cary Miyashiro, Council Vice Chair and President, Quad D Solution
Cheryl Cross, Executive Search Consultant, Inkinen and Associates
Shelli Ihori, Associate Director, Workforce Development, Hawaii Pacific Health
Trang Malone, Manager, Workforce Initiative, CVS Health
Sean Nakamura, Corporate Controller and Treasure, Tradewinds Group
David Rodriguez, Designee of DLIR Director Jade Butay
Pane Meatoga III, Deputy Political Director, Operating Engineers Local 3

Council Members on Zoom:

Tui Scanlan, President, International Association of Stage and Theater Employees (IASTE) Mixed Local 665

Rep. Andrew Takuya Garett, Hawaii State House of Representative

Dan Kouchi, Policy Advisor to Governor Green

Sean Knox, President, Hawaii Employment Services, Inc.

Nalani Brun, Director, Office of Economic Development. County of Kauai

Jade Rojas-Letisi, Designee of Richard Bissen, County of Maui Office of the Mayor and Executive Assistant Office of Economic Development

Kehele Dukelow, Designee for Wendy Hensel, President, University of Hawaii System (Vice Chancellor for Academic Affairs Maui College)

Manu Bermudes, Vice President of Human Resources, Hawaii Gas

Rosella Guardascione, Chair, Hawaii County Workforce Development Board

Kehaulani Kukahiko, Manager, Kau'l Economic Development Board

Chentelle Rowland, Designee for Leslie Wilkins, Vice President, Maui Economic Development Board **Lea Dias**, Administrator, Department of Vocational Rehabilitation

Amber Akana, Safety Director, Seafarers International Union of North America

Scott Collins, Field Services Officer, Hawaii Government Employees Association (HGEA)

Andy Kawano, Designee for Mayor Rick Blangiardi, Honolulu City & County and Director of Finance **Lorna Woo, Director,** Government Affairs, International Union of Painters and Allied Trades, District Council 50

Keith DeMello, Senior Vice President of Communications & External Affairs, Ulupono Initiative

Excused Members

Sen Donovan Dela Cruz, Senate designee, Hawaii State Senate and WDC Assistant Vice Chair **Wanelle Kaneshiro,** designee of Keith Hayashi and Director, Workforce Development Branch **Gina Woo Anonuevo**, Vice Chair and Chief Administrative Officer/Chief Human Resources Officer, First Hawaiian Bank

Rona Fukumoto, President & CEO, Lanakila Pacific

Derek Kanehira, Senior Vice President, Human Resources, Alexander and Baldwin

Robert Lietzke, Vice President, Indo-Pacific Western Region, Booz Allen Hamilton

Thomas Chock, designee of Department of Business Economics and Tourism Director James Tokioka **Carla Kurokawa,** Manager, Employment and Training, Alu Like, Inc.

Dion Dizon, Executive Director, Center for Labor Education and Research (CLEAR)

Jared Higashi, Vice President, Hawaii Lodging and Tourism Association

Benson Medina, Designee of Kimo Alameda and Director of Department of Research & Development, County of Hawaii

Guests:

Jun Yun Ha, Deputy Attorney General (In person)

Caroline Witherspoon, Becker Communications

Jocelyn Collado, Vice President, Becker Communications, Inc.

Valynn Kwon, Work Hawaii Youth Program

Andrea Gaines, City and County of Honolulu, Work Hawaii Division

Rep. Jackson Sayama, Chair of House Committee on Labor

Leinaala Nakamura, City Department of Community Services Work Hawaii Division

Lee Williams-Naeole, Amer. Job Center Hawaii/Work Hawaii: Manager - Youth and Adult Programs

Rose Templeton, HARIETT Program Manager

Erick Pascua, DLIR, Workforce Development Division, Oahu Branch Manager

Denise Pacheco, DLIR Workforce Development Division, Hawaii County Branch Manager

Kevin Kimizuka, DLIR, Workforce Development Division, Maui County Branch Manager

Staff:

Bennette Misalucha, Executive Director, WDC Kelly Quitevis, Program Specialist IV, WDC Rachel Wong, Quest Intern, WDC Sahara Sauni-Medina, Hele Imua Intern WDC Julie Radke, Fiscal Office-ASO

WRITTEN MINUTES

I. Call to Order Workforce Development Council Chair Ken Loui
Chair Ken Loui called the meeting to order at 09:38 a.m.
II. Administrative Matters: Chair Loui welcomed two new interns affiliated with WDC members. He introduced Rachel Wong and Sahara Sauni-Medina, both of whom recently began their internships, and provided a brief overview of their backgrounds.
Due to technical issues, the session was briefly reconvened. The meeting was officially called to order a second time at 09:40a.m.
Kelly Quitevis, Program Specialist WDC, conducted the roll call. A total of 22 members were present as of 9:42 a.m. Quorum was established.
Guests attending via Zoom were asked to type their names and offices into the chat for inclusion in the official record. Chair Ken Loui recognized Deputy Attorney General Kelly Ha, who was present and acknowledged by the board.
In accordance with Workforce Development Council Bylaws (Article 5, Section 7) and pursuant to HRS 92-15 and HRS 202-1, quorum for Council business requires 16 members. With 22 Council members present, Chair Loui confirmed that quorum was met and that any Council action taken would be valid.
Approval of the minutes from the June 24, 2025, meeting, as documented on pages 20 through 31 of the Board Packet.
Chair Loui requested a motion to approve the minutes of the August 20, 2025, meeting.
Board Action: Minutes approved as submitted. The motion was carried unanimously.
III. Presentation: Federal Funding MattersTim Carlton, National Governors Association, Director of Legislative Affairs

Tim Carlton provided the Council with a comprehensive briefing on several key federal workforce developments. His update covered the status of Fiscal Year (FY) 2025 funding, the White House's proposed FY 2026 budget, the potential reauthorization of the Workforce Innovation and Opportunity Act (WIOA), and the introduction of the Workforce Pell Grant.

Tim explained that the current administration has advanced a workforce initiative titled "Make America Skilled Again (MASA)," which would significantly alter the funding structure for WIOA. Under MASA, the separate funding streams for Youth, Adult, and Dislocated Worker programs would be eliminated and consolidated into a single block grant. He cautioned that this restructuring could result in a nationwide reduction of approximately \$1.6 billion in workforce funding. To illustrate the impact, Tim presented a comparative chart showing the administration's budget proposal alongside the Senate's version, which retains the existing funding streams. He noted that while the House will not mark up its budget until after the Labor Day recess, there is speculation that it may align itself with the administration's proposal.

Despite these developments, Tim emphasized that any final budget must secure 60 votes in the Senate. Encouragingly, there is bipartisan support to maintain the current WIOA structure, even if modest reductions in funding are enacted. He reminded the Council that in 2024, the National Governors Association supported WIOA reauthorization through a proposal titled "A Stronger Workforce for America." Given that WIOA funding operates through a formula mechanism, it is widely expected that federal appropriations will continue under a Continuing Resolution (CR) starting October 1. However, he identified a major potential obstacle: the administration's proposal to transfer Adult Education programs from the U.S. Department of Education to the Department of Labor, a move that could complicate reauthorization.

Finally, Tim highlighted the Workforce Pell initiative as a positive step forward. This program, slated for implementation on July 1, 2026, will allow Pell Grants to be used for short-term training programs. Under this framework, state workforce boards and governors will be required to:

- a) certify programs aligned with state economic priorities, and
- b) identify training pathways that can lead to recognized postsecondary credentials.

In conclusion, he noted that it remains uncertain how the "Stronger Workforce for America" framework, (which re-authorizes WIOA), which fare out with the administration's proposed MASA.

Executive Director Bennette Misalucha acknowledged Representative Jackson Sayama, Chair of the House Labor Committee, and Representative Andrew Garrett, the designated House appointee to the Workforce Development Board. Their presence was recognized in support of the Council's ongoing legislative and workforce development initiatives.

Ms. Witherspoon and Ms. Collado provided an overview of the statewide public awareness campaign for the American Job Centers, launched in June and scheduled to continue through September. The campaign utilizes a multi-channel strategy, including video content, social media platforms, and traditional public relations outreach, to enhance public recognition of American Job Center services across Hawaii.

The presentation included preliminary findings from a statewide survey assessing current awareness levels of the centers. Becker Communications also shared the planned messaging framework and rollout schedule for upcoming outreach efforts.

No formal board action was taken on this item. The presentation was informational and followed by brief discussion among Council members.

Mr. Kouchi provided a brief update on behalf of Governor Josh Green, highlighting recent national leadership appointments and key legislative accomplishments:

A. National Leadership Roles: Governor Green was appointed to the Executive Committee of the National Governors Association (NGA), a bipartisan body composed of eight members, including at-large governors and leadership positions. He also currently serves as Vice Chair of the Western Governors Association (WGA), with plans to assume the role of Chair in July 2027. As Chair, Governor Green will host the WGA Winter Meeting in Hawaii in 2026 and lead a national initiative, the details of which are under development.

B. Legislative Session Highlights: Mr. Kouchi reported that the Governor signed 313 of the 321 bills passed during the 2025 legislative session, with eight vetoes. He expressed appreciation to the Legislature, including Representative Andrew Garrett, for their support.

Key legislation included:

Green Fee Bill: Implements a 0.75% increase to the Transient Accommodations Tax (TAT), projected to generate approximately \$100 million annually. Revenue will be allocated to environmental stewardship, climate and hazard mitigation, and sustainable tourism.

Senate Bill 1044: Reactivates the Hawaii Hurricane Relief Fund, strengthens the Hawai'i Property Insurance Association (HPIA), and establishes a condominium loan program to support insurability. It also mandates a comprehensive study by the Insurance Commissioner to stabilize the property insurance market.

Fireworks Enforcement Legislation: In response to the New Year's Eve incident in Aliamanu, new legislation updates criminal statutes to enhance enforcement capabilities and extends the sunset date of the Illegal Fireworks Task Force.

Mr. Kouchi concluded by reaffirming his commitment to attending future quarterly meetings and offered to respond to follow-up questions or provide additional information after the meeting.

VI. Labor Director's Update...... David Rodriguez, Designee for Department of Labor and Industrial Relations Director Jade Butay

Mr. Rodriguez provided an update on DLIR's priorities, focusing on federal budget uncertainty and its impact on workforce funding. He noted delays and reductions in federal awards, including WIOA allocations, and emphasized that planning for Program Years 2025 and 2026 remains premature due to shifting federal policies and limited fiscal clarity. He also referenced recent notices of award and regulatory provisions that allow for partial or full termination of federal grants.

Ms. Radke presented the WIOA grant summary as of June 30, 2025, covering Program Years (PY) 2022 and 2023: (Note that the financial statements can be found on the August 20, 2025 board packet)

PY2022: Total allocation was \$10.3 million. As of June 30, 2025, \$9.4 million has been expended or obligated, with the remaining \$830,000 expected to be fully utilized by September 30, 2025. No funds are anticipated to be returned to the federal government.

PY2023: Total allocation was \$10.1 million. As of June 30, 2025, \$5.5 million has been expended. Remaining balances include:

Honolulu County: \$1.3 million Hawaii County: \$572,000 Maui County: \$319,000

Kauai County: \$333,000 Expenditures are ongoing, and no funds are expected to be

returned.

PY2024: No expenditures reported to date.

Executive Director Bennette Misalucha noted that the preliminary forecast of PY2023 unexpended funds would be addressed later in the agenda following discussion of PY2022-funded projects.

Ms. Misalucha presented two budget proposals for the WDC General Appropriation funds:

FY2026 Spending Plan (July 1, 2025 – June 30, 2026): Total allocation: \$455,000

Includes a 10% savings requirement per Governor's directive Funds earmarked for personnel support, workforce studies, a new grants program, and two major events: a Future of Work Conference and an Employer Bootcamp Total proposed spending: \$452,000

FY2027 Proposed Budget (July 1, 2026 – June 30, 2027): Mirrors FY2026 plan with one adjustment: addition of one FTE for administrative support Total proposed budget: \$450,500

Proposal to be submitted to DLIR Administrative Services Office by September for inclusion in the Governor's legislative package.

ED Misalucha further noted that the budget proposals were first vetted by the WDC Executive Committee, which is in line with the Workforce Development Council's Bylaws which stipulates that "The Executive Committee reviews and makes recommendations on all personnel matters, Council governance and compliance matters, standing committee matters, and other matters as directed by the Council". The Executive Committee unanimously approved both proposals at its July 30, 2025 meeting.

Board Action

Roll Call for Fiscal Action: Chair Loui called for a second roll call to confirm quorum for fiscal decision-making. A total of 22 members were present. Quorum was established. Board Action: The motion was presented and approved. The action passed unanimously.

VIII. Status Report of Program Year 2022 WIOA Unexpended Funds Executive Director's Report...... Bennette Misalucha, Executive Director, Workforce Development Council

The report can also be viewed on pages 71 through 74 of the agenda packets.

ED Misalucha provided a status update on the use of Program Year (PY) 2022 WIOA unexpended funds. These funds, originally allocated to local areas and not spent within two years, were reallocated to the state for statewide activities as approved by the Board at its November 2024 meeting.

Six projects are currently supported by PY2022 unexpended funds. Highlights included: American Job Center Awareness Campaign: Launched on June 30, 2025, and scheduled to continue through September, the campaign aims to increase public awareness of services statewide.

Fiscal Training Initiative: Conducted on June 29–30, 2025, by a team of former U.S. Department of Labor administrators, the training focused on improving alignment between fiscal and program operations and updating WIOA policies.

ED. Misalucha also presented an analysis of WIOA spending trends from PY2021 to

PY2024, noting that while total spending by local areas has increased, utilization rates appear lower due to increase in federal allocations and the availability of alternative funding sources such as the Good Jobs Hawaii grant. She emphasized that WIOA program rules require full expenditure of prior-year funds before accessing new allocations, creating structural challenges for local areas.

For information purposes only. No Board action is needed.

IX. Success Stories

Materials found on pages 77 of the board packet

Presenters:

Mr. Harrison Kuranishi, Executive Director, Oahu Workforce Development Board Ms. Chentelle Rowland, Executive Director, Maui Workforce Development Board

Mr. Kuranishi introduced Ms. Valynn Kwan, who joined via Zoom to share her career journey. Ms. Kwan transitioned from massage therapy to her current role as an Office Assistant with the Work Hawai'i Youth Program through the QUEST Internship Program at the American Job Center. She credited staff support and training for her success.

Ms. Rowland highlighted a Maui youth participant who entered the Olaikahana Program as an in-school youth facing barriers such as low income, limited work experience, and basic skills deficiency. With support from Goodwill's Community Work Experience Program and staff-provided resources, the individual successfully completed a semester at UH Maui College and is on track to graduate with a Liberal Arts degree. He plans to transfer to UH West Oahu to pursue a bachelor's in creative media.

The Board acknowledged the significance of these stories in demonstrating the impact of workforce development services and the value of personalized support.

X. Executive Director's Report...... Bennette Misalucha, Executive Director, Workforce Development Council

The Materials for the Report can be found on Page 92-94

The Executive Director presented the Program Year 2024–2025 Annual Report, which

was previously reviewed by the Executive Committee on July 30, 2025. The report highlighted key accomplishments including implementation of the State Workforce Development Unified Plan, improvements in board governance, fiscal management, and local board coordination, as well as expanded roles in convening, analysis, and community collaboration. Challenges such as uncertainty in federal WIOA funding, limited resources, and the need to prioritize initiatives were noted, along with opportunities for statewide alignment and advancement of Hawai'i's Generational Commitment. Updates were provided on the Unified Plan's approval in June 2024 and the Synergy Summit II held on July 9, 2025, with over 100 stakeholders. The Council continues to refine its role as an attached agency to DLIR, with a memorandum of agreement in progress. Third quarter priorities include operational transition, Kauai expansion, and strengthening strategic partnerships. Members were reminded that nominations for the Workforce Heroes Awards are due August 22, and the Future of Work Conference is scheduled for September 24, featuring Mayor Rick Blangiardi and Managing Director Mike Formby. The Executive Director concluded by expressing appreciation to Chair Ken Louis and board members, reaffirming a commitment to continued collaboration and progress.

XI. Review of Written Reports from Standing Committees.

Chair Loui presented the written reports from the standing Committees, namely Youth Services Committee, Sector Partnership and Career Pathways Committee, and the Special Projects Committee. These reports were accepted by the Board into the records, and copies of the written reports can be found in the Board packet.

XII. Review of Written Reports from Core Partners

Chair Loui presented the written reports from Title I and III (Workforce Development Division), Title II (The Department of Education -Adult Education) and Title IV (The Division of Vocational Rehabilitation). These reports were accepted by the Board into the WDC records. Copies of these written reports can be found in the Board packet.

XIII. Review of Written Reports from Local Workforce Boards

Chair Loui presented the written reports from the local workforce development boards, namely Oahu Workforce Development Board, Maui Workforce Development Board, and Hawaii Workforce Development Board. These reports were accepted by the Board into the WDC records. Copies of these written reports can be found in the

Board packet.

Chair Ken Loui led a discussion on the Executive Director's performance review, based on survey results. Historically, personnel matters were addressed in executive session; however, following guidance from the Office of Information Practices (OIP), this evaluation was conducted in open session to comply with transparency requirements. The Executive Committee previously reviewed the matter at its July 30, 2025 meeting, in accordance with the Workforce Development Council By-laws. The full board will need to validate the Executive Committee's recommendation.

Board Action: The motion under consideration required unanimous approval. Let the record reflect that the motion passed with 23 total votes in favor, meeting the requirement for unanimous consent.

XV. Announcements and Public Testimony

At this time, the public is welcome to announce upcoming events and comment on relevant issues that were not included in this meeting's agenda. Please be advised that in compliance with the Sunshine Law, the Committee cannot discuss or act on issues that were not included in this meeting's agenda, but issues raised in constituent comments may be included in a future agenda for the Committee's consideration.

No public announcements or testimonials were offered.

XVI. Chair Loui reminded attendees that future meetings are listed in the Board Packet and on the Council website.

XVII. Next meeting

The next meeting will be on Wednesday, November 19,2025, at 9:30am at the Department of Labor Office at 830 Punchbowl Street, Room#317, Honolulu, HI 96817.

XVIII. Adjournment

With no further business, Chair Loui adjourned the meeting at 11:36am.