

Honolulu, Hawaii

Feb 7, 2007

RE: H.B. No. 1280
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1280 entitled:

"A BILL FOR AN ACT RELATING TO INNOVATION IN WORKFORCE DEVELOPMENT,"

begs leave to report as follows:

The purpose of this bill is to develop a competitive workforce with the skill levels to support high-skill, high-wage industries in the future by:

- (1) Establishing a lifelong learning accounts program to encourage employer and employee investment in upgrading the skills of the incumbent workforce;
- (2) Establishing a rapid response training program and revolving fund in the Department of Business, Economic Development, and Tourism (DBEDT) to facilitate rapid customized training for high priority business investments;
- (3) Establishing the "Kama'aina Come Home" Program in DBEDT to attract former Hawaii residents to jobs in Hawaii; and
- (4) Merging certain workforce development programs currently in the Department of Labor and Industrial Relations (DLIR) with economic development programs in DBEDT to



more effectively and efficiently develop a skilled workforce to meet Hawaii's workforce and economic needs.

The Governor of the State of Hawaii, DLIR, DBEDT, Department of Taxation, Workforce Development Council, University of Hawaii System, American Society of Civil Engineers, John M. Knox & Associates, Inc., Council for Adult and Experiential Learning, Castle & Cooke Hawaii, Hawaii Pacific University, and several concerned individuals testified in support of this bill.

Hawaii is facing a number of critical workforce issues that, if left unresolved, can derail our future economic growth. While an estimated 29,000 jobs will need to be filled each year due to economic expansion and anticipated worker retirements, Hawaii's high schools only graduate approximately 14,000 high school seniors annually. This has resulted in a critical shortage of workers in an already strained employment market.

Compounding this problem is the fact that a changing economic market both in Hawaii, and throughout the world, necessitates a higher level of education and training than is currently offered in Hawaii's public high schools. Since only 38 percent of high school graduates in Hawaii further their education or training within the state, the gap between the number of jobs available and the number of qualified individuals to fill these positions will continue to widen.

Your Committee finds that developing Hawaii's workforce to meet future economic demands is a complex issue and that, while this measure appears to take a comprehensive approach to addressing this issue, questions regarding the implementation of this plan remain. Accordingly, your Committee has amended this measure by:

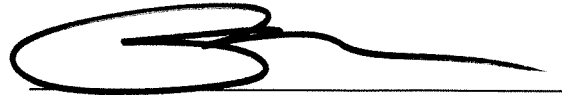
- (1) Changing its effective date to July 1, 2059, to continue further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.



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As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1280, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1280, H.D. 1, and be referred to the Committee on Economic Development & Business Concerns.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,



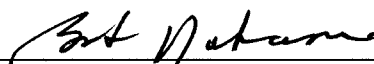
ALEX M. SONSON, Chair



State of Hawaii
House of Representatives
The Twenty-fourth Legislature

HSCR 136

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: <p style="text-align: center;">HB 1280</p>		Date: <p style="text-align: center;">1-30-07</p>		
Committee Referral: <p style="text-align: center;">LAB, EDB, FIN</p>		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to: <input type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommitment for further consideration				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. SONSON, Alex M. (C)	/			
2. NAKASONE, Bob (VC)	/			
3. EVANS, Cindy	/			
4. HAR, Sharon E.	/			
5. LEE, Marilyn B.	/			
6. LUKE, Sylvia				/
7. McKELVEY, Angus L.K.	/			
8. NISHIMOTO, Scott Y.				/
9. SOUKI, Joseph M.	/			
10. TAKAMINE, Dwight Y.	/			
11. TAKUMI, Roy M.				/
12. MEYER, Colleen Rose	/			
13. PINE, Kymberly Marcos	/			
TOTAL	10			3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. committee acronym(s)				
				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Clerk's Office				