

STATE OF HAWAII
WORKFORCE DEVELOPMENT COUNCIL
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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February 5, 2008

To: Representative Alex M. Sonson, Chair
Representative Bob Nakasone, Vice Chair
and Members of the House Committee on Labor and Public Employment

From: Gregg Yamanaka, Chair
Workforce Development Council

Subject: HB2964 Relating to Employment Security
Appropriates Reed Act funds for Workforce Development Programs
Hearing Tuesday, February 5, 2008; 9:00 a.m.; Conference Room 309

The Workforce Development Council (“WDC”) **supports the intent** of HB2964, which provides the county Workforce Investment Boards (WIBs”) and WDC with Reed Act funds from the Unemployment Trust Fund. Background information on similar bills in the last two legislative sessions is provided as an Attachment to this testimony.

Severe cuts in federal funding has hampered ongoing operations of the state’s workforce system, such that an infusion of Reed Act funds in 2006 has permitted the WIBs and WDC to initiate activities that will benefit both Hawaii’s employers and employees. An additional infusion of funds will permit that work to continue, as well as efforts towards sustainability after the allocation of Reed Act funds are depleted.

Thank you for this opportunity to comment.

Respectfully submitted,

The Hawaii Workforce Development Council is a private-sector led body responsible for advising the governor on workforce development to support economic development and employment opportunities for all. The council is also the State Workforce Investment Board for purposes of the Workforce Investment Act (“WIA”) of 1998. It assists the Governor in developing and updating comprehensive five-year strategic workforce investment plans and oversees workforce (public) investment activities in the state.

Background
Act 190, SLH 2006 and Act 123, SLH 2007
Reed Act Funds to Workforce Investment Boards

The “Reed Act” is a provision of the Social Security Act. It provides for the distribution of federal unemployment tax funds to state unemployment insurance and employment service programs in the event the federal government collects excess unemployment tax revenues. As the federal government approached a balanced budget in the late-1990s, Reed Act distributions were made to the states, including a \$30.8 million distribution to Hawaii in March 2002.

In order to use any portion of the Reed Act distributions, the Legislature had to (1) amend Section 393-13, Hawaii Revised States to conform state law to federal requirements and (2) appropriate funds. In the 2006 Legislative session, a bill was passed and signed into law as Act 190 that made the requisite changes and appropriated the following amounts of Reed Act funds to the county Workforce Investment Boards (“WIBs”) and the Workforce Development Council (“WDC”).*

\$5,070,557	Oahu WIB
\$1,528,331	Maui WIB
\$1,275,556	Kauai WIB
\$1,925,556	Hawaii WIB
<u>\$200,000</u>	WDC
\$10,000,000	TOTAL

Federal law restricts the use of Reed Act funds to payment of (1) unemployment compensation, (2) the administration of the state’s unemployment compensation law, and (3) the administration of the state’s system of public employment offices. With respect to the use of Reed Act funds by “the state’s system of public employment offices”, Reed Act funds may be used in the same manner that Wagner-Peyser Act funds are used to support Hawaii’s One-Stop Job Centers. Examples of activities allowable under the Wagner-Peyser Act include:

- Staff for delivery of appropriate core and intensive service employment services;
- Equipment and resources for resource rooms;
- Payment of rent, utilities, and maintenance of facilities, including common spaces such as resource rooms, reception areas, conference areas, etc. in accordance with cost sharing guidelines;
- Shared costs of operation of local one-stops including payment for one-stop operators in accordance with cost sharing guidelines;
- Development of products that support service delivery such as labor market information products and job bank technology;

* HB2947 HD2 SD2 CD1 was signed into law as Act 190, SLH 2006.

- Compute equipment, network equipment, telecommunications equipment, application development, and other technology resources, including assisted technology, that support employment and workforce information service delivery;
- Outreach and educational materials targeted at users of one-stop employment and workforce information services;
- Training, technical assistance, and professional development of staff who deliver employment and workforce information services.

Act 190, SLH 2006 became effective on July 1, 2006. Appropriated funds must be legally obligated before June 30, 2007, and obligated expenditures must be made before June 30, 2008.

In the 2007 Legislative session, the WIBs and WDC supported a bill that extended the period provided for use of the \$10 million from June 30, 2008 to June 30, 2009, and language related to WDC's use of its \$200,000 was corrected. The bill passed as Act 123, SLH 2007 and became effective on June 29, 2007.**

** HB751 HD1 SD2 CD1 was signed into law as Act 123, SLH 2007.

http://www.capitol.hawaii.gov/session2007/bills/HB751_cd1_.htm

From: Mayor's Office
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

To: Chair Alex Sonson and Committee Members:

Re: HB 2907

On behalf of Mayor Harry Kim, I submit this testimony in support of HB 2907.

In 2006, this Legislature appropriated \$10,000,000 (Act 190) for the four counties Workforce Investment Boards (WIBs). Of that amount, \$1,900,000 came to Hawaii County. We believe that we have allotted the money to projects that the Legislature would be pleased with, including Going Home (our prison-to-community reentry initiative); Huiana, an island wide high school student internship program; and an initiative to directly serve and strengthen our work places through business center and business service representatives.

We are asking that this Legislature appropriate another \$2,000,000 from these federal funds, so that our initiatives can continue and new ideas can be developed by the WIB partners, such as expansion of our new disabilities consortium.

Attached are more complete descriptions of the use of the previous allocation (first attachment) and our proposal for the use of new funds (second attachment).

Any assistance you can give us will be appreciated and, we believe, the funds will be effectively used for the benefit of the community.

Respectfully submitted,



Andrew Levin

Hawaii County Workforce Investment Board (HCWIB)

Programs for Legislative Session 2007-2008

Contact: Susan Akiyama, 808/961-8379

Request: \$2,000,000.00 – Reed Act Programs

In 2006, the Hawaii State Legislature appropriated \$10,000,000 statewide (Act 190, 2006) for the four county Workforce Investment Boards (WIBs). Of that sum, \$1,900,000 came to Hawaii County. The Department of Labor and all involved with the Hawaii Island WIB efforts, are justly proud of the initiatives that this money enabled, such as Going Home, our prison-to-community reentry initiative; Huiana, our island-wide high school student internship program; and an initiative to directly serve and strengthen Hawaii County's work places through our business center and business services representatives.

We are asking the State legislature to appropriate another \$2,000,000 from these federal funds, so that these initiatives can continue, providing support to a growing network of WIB partners whose priorities include: expansion of a new disabilities consortium and its increased services to persons with disabilities—particularly our youth; expand our Huiana and Going Home initiatives to serve more students and ex-offenders on a state-wide level; and develop support programs to serve the homeless.

Operation Mainstream

Strategy: To proactively outreach, educate and prepare under-utilized target groups (seniors, youth, ex-offenders, persons with disabilities, expatriates, rural job seekers, welfare recipients, homeless, etc.) in an effort to "mainstream" these individuals into our workforce.

- Complement State's S.T.E.M. (Science, Technology, Engineering and Math) initiatives related to curriculum, articulation, and internship opportunities
- Promote the transition and self-sufficiency of students with disabilities at high schools island wide
- Offer employment preparation services to homeless population
- Provide employment, English-as-Second-Language, and acculturation assistance to increasing Micronesian population
- Establish an employment preparation network for incarcerated
- Develop work-based experience with the private sector to support the re-entry and transitioning of ex-offenders.

Employer Outreach

- Establish an economic and workforce development task force to: link key tax incentives to workforce benefits; bridge gap between information and services; convene regular meetings with key stakeholders: Hawaii County Research & Development, Hawaii Island Economic Development Board, Dept. of Business & Economic Development, Business & Tourism, Workforce Development Division, etc.
- Expand our business resource center services to include support to Kanoiehua Industrial Area Association (KIAA). Services: recruitment, assessment, labor market information, employer education, etc.

System Building

- Develop a permanent infrastructure for the Huiana student internship program and the Going Home ex-offender re-integration program.
- Disseminate materials and information for replication of the Huiana and Going Home programs in other interested counties.
- Provide transportation for youth to participate in the Huiana student internship program
- Build capacity by supporting board and staff attendance at local, state and national conferences and workshops.

Hawaii County Workforce Investment Board (HCWIB)

Reed Act Program Accomplishments 2006 - 2007

Contact: Susan Akiyama, 808/961-8379

Resource and Program Information:

Source: Reed Act Funds (Unemployment Insurance Trust Fund)
distributed by Act 190/Act 123

Total State Allocation: \$10,000,000.00

Amt allocated to HCWIB: \$1,900,554.00

Amt expended as of 12/31/07: \$778,986.40

Program start date: February 1, 2007

Completion date: September 30, 2008

Accomplishments by category:

Employer Outreach and Services

- Development of a Business Service Center within the local One-Stop Center is currently in progress
- Established links with employer advisory groups to include Chambers, Associations and HWCIB
- Business Service Reps coordinated industry studies to assess and prioritize business needs
- Facilitated /conducted **5 workshops for employers** providing information re: services for the ex-incarcerated, persons with disabilities and other program services available through the One-Stop
- Coordinated **2 job fairs serving over 400 job seekers and 40 employers**

Labor Force Pool Expansion

- Established first-ever island wide high school student "Huiiana" internship program
- **70+ high school students** participated in internship program (Huiiana)
- **50 employers** participated in internship program (Huiiana)
- Established "Going Home", a comprehensive prison-to-community reentry initiative for Hawaii County
- Held **5 employer forums** to promote ex-offenders and persons with disabilities
- Serving over **50 ex-offenders** and working with over **15 community agencies**
- Conducted **10 job readiness and life skills workshops** for furloughees
- Formed a Co-Case Management Team made up of **7 agencies to support ex-offender population**
- Created "Workforce Solutions" consortium to collectively promote persons with disabilities
- Conducted disability forums, consumer fairs, training workshops for disabilities population

Capacity Building

- Provided intensive training for Board members and One-Stop staff
- Enabled Board members and One-Stop staff to attend 3 national conferences
- Coordinated meetings to bridge partnering among workforce development, economic development and educational entities

Building Infrastructure (Technology and Equipment)

- Upgraded video conferencing equipment
- Provided wireless laptops to enhance service delivery in rural areas
- Currently providing transportation services for high school students to get to internship job sites

Testimony
By Ted Sakai
House Bill 2964 Relating to Employment Security
House Committee on Labor and Public Employment
Rep. Alex M. Sonson, Chair
Rep. Bob Nakasone, Vice Chair
Tuesday, February 5, 2008, 9:00 a.m.
Conference Room 309, State Capitol

Chair Sonson, Vice Chair Nakasone, and Members of the Committee:

I support the passage of House Bill 2964, Relating to Employment Security. This bill appropriates funds to the various county workforce investment boards to improve employer outreach and services, labor pool expansion, capacity building and operation of one stop career centers within each county.

My testimony is focused on the activity of the Workforce Investment Board in the County of Hawaii. After retiring from a career with the Department of Public Safety, I have been privileged to be involved with a dynamic consortium of public agencies, private agencies, and individual citizens called the Going Home Committee. Going Home seeks to insure that needed services are available to the criminal offender who is in the community after finishing a term of incarceration. This helps the community, as the offender becomes a productive, law-abiding citizen; the correctional system, as it can relieve prison overcrowding in the long run; and the individual offenders and their families.

Among other things, the County of Hawaii WIB has supported the efforts of the Going Home Committee. Because of this support, Going Home partners have been able to help offenders in the community find employment. Gainful employment is among the most critical services needed by offenders making the transition from secure incarceration to life in the free world. Without gainful employment, the offender is not likely to succeed in the community. With the support of the County of Hawaii WIB, the Going Home partners have developed some truly innovative and effective programs to help offenders prepare for, secure, and retain meaningful jobs. HB 2964 will enable the County and Going Home to continue its current efforts and perhaps develop even more creative approaches to help the criminal offender.

HB 2964 would enable the County to continue to support a much needed program that provides a sound re-entry program for offenders, promotes the public safety, and enables people to maintain their dignity.

Thank you.

Ted I. Sakai and Associates
47-571 Ahuimanu Road
Kaneohe, Hawaii 96744
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Rep. Alex M. Sonson, Chair
Labor and Public Employment Committee
Support of HB 2964 Relating to Employment Security
Hearing: February 5, 2008 at 9AM

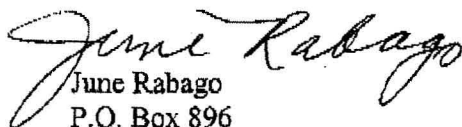
Dear Chair Sonson and Committee members:

My name is June Rabago, I am a board member of the Hawaii Island WIB.

I ask for your support of HB 2964 as it pertains to Hawaii County. In 2006, the Hawaii State Legislature appropriated \$10,000,000 statewide (Act 190, 2006) for the four county Workforce Investment Boards (WIBs). Of that sum, \$1,900,000 came to Hawaii County. The Department of Labor and all involved with the Hawaii Island WIB efforts, are justly proud of the initiatives that this money enabled, such as Going Home, our prison-to-community reentry initiative; Huiana, our island-wide high school student internship program; and an initiative to directly serve and strengthen Hawaii County's work places through our business center and business services representatives.

We in Hawaii County are asking the State legislature to appropriate another \$2,000,000 from these federal funds to enable us to continue initiatives related to improving employer outreach and services, labor force pool expansion, capacity building, and providing support to a growing network of WIB partners whose priorities include: expansion of a new disabilities consortium and its increased services to persons with disabilities—particularly our youth; expand our Huiana and Going Home initiatives to serve more students and ex-offenders on a state-wide level; and develop support programs to serve the homeless.

Supporting Hawaii County's workforce initiatives through this appropriation will provide long-term social and economic benefits. Therefore, I urge the committee to pass HB 2964.



June Rabago
P.O. Box 896
Pepeekeo, Hawaii 96783
Ph. 964-5354

Rep. Alex M. Sonson, Chair
Labor and Public Employment Committee
Support of HB 2964 Relating to Employment Security
Hearing: February 5, 2008 at 9AM

Dear Chair Sonson and Committee members:

My name is Julie Ann Beck and I am the Transition Center Coordinator/Career Counselor for Pahoa High & Intermediate School. I am also the Huiana Internship site coordinator for our school. If it were not for the partnership with the HI County Workforce Development Office, we would not have been able to launch this island-wide Huiana Internship Program for our high school students. The Huiana Internship is very well organized and currently has over 70 participating employers, with additional employers currently being recruited. Pahoa High School now has eight students serving internships with employers in East Hawaii and earning high school elective credits. Eight students probably don't seem significant to you now, but just imagine how we can grow the program if we had the funding to make it happen. One of the major problems that we face as a rural school is transportation to get our students to and from their internship sites. Continued funding can enable us to address the transportation issues and allow for increased participation from all students and employers who choose to take advantage of this valuable program.

I ask for your support of HB 2964 as it pertains to Hawaii County. In 2006, the Hawaii State Legislature appropriated \$10,000,000 statewide (Act 190, 2006) for the four county Workforce Investment Boards (WIBs). Of that sum, \$1,900,000 came to Hawaii County. The Department of Labor and all involved with the Hawaii Island WIB efforts, are justly proud of the initiatives that this money enabled, such as Going Home, our prison-to-community reentry initiative; Huiana, our island-wide high school student internship program; and an initiative to directly serve and strengthen Hawaii County's work places through our business center and business services representatives.

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Supporting Hawaii County's workforce initiatives through this appropriation will provide long-term social and economic benefits. Therefore, I urge the committee to pass HB 2964.

Thank you for your immediate attention to this matter.

Sincerely,

Julie Ann Beck
Pahoa High & Intermediate School
15-3038 Pahoa Village Road
Pahoa, HI 96778
(808) 965-2150 ext. 233

Hawai'i Island Workforce & Economic Development Ohana
1990 Kinoole Street, Suite 102 • Hilo, HI 96720

Rep. Alex M. Sonson, Chair
House Committee on Labor and Public Employment
Support of HB 2964 Relating to Employment Security
Hearing: February 5, 2008 at 9AM


Dear Chair Sonson and Committee members:

I serve as the Executive Director of the Hawaii Island Workforce & Economic Development Ohana, a non-profit established in Hawaii County by the Workforce Investment Board(WIB). Our mission parallels that of the WIB, and we are integrally involved with efforts to develop a comprehensive workforce development system for the County.

I ask for your support of HB 2964 as it pertains to Hawaii County. In 2006, the Hawaii State Legislature appropriated \$10,000,000 statewide (Act 190, 2006) for the four county Workforce Investment Boards (WIBs). Of that sum, \$1,900,000 came to Hawaii County. The Department of Labor and all involved with the Hawaii Island WIB efforts, are justly proud of the initiatives that this money enabled, such as Going Home, our prison-to-community reentry initiative; Huiana, our island-wide high school student internship program; and an initiative to directly serve and strengthen Hawaii County's work places through our business center and business services representatives.

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Supporting Hawaii County's workforce initiatives through this appropriation will provide long-term social and economic benefits. Therefore, I urge the committee to pass HB 2964.


Sandra Sakaguchi
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