



**STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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March 21, 2014

To: The Honorable David Ige, Chair,
The Honorable Michele Kidani, Vice-Chair, and
Members of the Senate Committee on Ways and

Date: Tuesday, March 25, 2014
Time: 9:00 a.m.
Place: Conference Room 211
State Capitol

Re: H.B. No. 2217 HD 2 Relating to Workforce Development

I. OVERVIEW OF PROPOSED LEGISLATION

- The proposed legislation amends Chapter 371, HRS (Hawaii Revised Statutes), by adding a new section that allows the department to establish work groups for the purposes of identifying emerging or growing industries, determining necessary skill sets for jobs in those industries, and developing training programs to provide those skills.
- The work groups shall consist of representatives from education, post-secondary education, and business communities.

The department supports this bill if its passage does not replace or adversely affect priorities indicated in the Executive Budget.

II. CURRENT LAW

Act 99, Session Laws of Hawaii 2013, added a new section to Chapter 371, HRS, to establish an agricultural workforce advisory board to promote agricultural self-sufficiency. However, no funding was appropriated to implement its operation.

III. **COMMENTS ON THE HOUSE BILL**

- Workgroups that identify and address skill shortages in specific areas will help remove silos among education, workforce, and business communities so that public resources can nimbly respond to business needs and create a highly skilled workforce to support growing demands.
- The workgroups are intended to quickly address immediate workforce needs and solve long-term workforce issues. Having a qualified workforce supports the establishment and growth of new industries and enables businesses to utilize local workers instead of recruiting from out-of-state.
- The workgroups would encourage companies normally in competition with each other to solve shared human resource problems and collaboratively develop training programs and materials for their workers.
- The success of workgroups has been demonstrated in different states, including Washington State, where over 30 work groups (called “skill panels”) have identified and addressed skill shortages in numerous occupations.*
- A variation of the Washington skills panel model was used by the department to identify specific skill gaps in Hawaii’s healthcare, agriculture, and software development industries. The department and the State Workforce Development Council convened industry leaders, educators, and workforce partners to identify skills shortages and recommend solutions in each area. (For Hawaii’s Skill Panels Reports, go to <http://labor.hawaii.gov/wdc/reports/>)
- However, when the federal grants used to convene these work groups expired, the groups could not be sustained. There were no funds to develop recommended training. For a work group to be effective, additional funds would be necessary to develop training and to sustain work groups over a longer period so their continued feedback can help redesign training to meet changing market demands.
- For these reasons, DLIR supports this proposal if its passage does not replace or adversely affect priorities indicated in the Executive Budget.

*”Industry Skill Panels” State of Washington Workforce Training and Educational Coordinating Board. www.wtb.wa.gov/IndustrySkillPanel.asp



**Testimony to the Senate Committee on Ways and Means
Tuesday, March 25, 2014 at 9:00 A.M.
Conference Room 211, State Capitol**

RE: HOUSE BILL 2217 HD2 RELATING TO WORKFORCE DEVELOPMENT

Chair Ige, Vice Chair Kidani, and Members of the Committee:

The Chamber of Commerce of Hawaii ("The Chamber") **supports** HB 2217 HD2 which authorizes DLIR to establish working groups to identify high growth industries and workforce needs and to develop training programs.

The Chamber is the largest business organization in Hawaii, representing over 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

It is important for Hawaii to focus its efforts in developing training programs to support the workforce. A strong workforce is necessary to strengthen Hawaii's economy. Investing in Hawaii's resources would bring outside development and attract foreign industries to Hawaii and ensure the continuation of these new investments by offering educated workers who are well-equipped to fulfill a variety of positions.

Thank you for the opportunity to testify.



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March 25, 2014

HEARING BEFORE THE
SENATE COMMITTEE WAYS AND MEANS

TESTIMONY ON HB 2217, HD2
RELATING TO WORKFORCE DEVELOPMENT

Room 211
9:00 AM

Aloha Chair Ige, Vice Chair Kidani, and Members of the Committees:

I am Christopher Manfredi, President of the Hawaii Farm Bureau Federation (HFBF). Organized since 1948, the HFBF is comprised of 1,832 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interest of our diverse agricultural community.

Hawaii Farm Bureau **supports HB 2217, HD2**, authorizing the DLIR to establish workgroups to identify workforce and training needs.

Hawaii's commercial farmers' average age is more than 60 years. To maintain and expand production levels, it's clear that we need a new generation of farmers and ranchers equipped to assume the task of growing crops and livestock. This is critical to achieving Hawaii's goal of increased self sufficiency and sustainability. Two years ago DLIR in conjunction with HDOA conducted a series of meetings in all Counties to identify workforce needs of the industry. We expect that this measure is a follow up of these sessions and we applaud this effort.

The activities enabled by passage of this legislation will lead to implemented strategies yielding favorable outcomes for the state's economy, particularly the agricultural sector.

Additionally, farmers and ranchers endure numerous regulatory requirements. Among them, labor laws are among the most problematic; with significant differences between Federal and State requirements. Training to meet these and other requirements is vital. Farmers and ranchers have been inspected and cited by Federal DOL on Oahu, Big Island and Maui for infractions that they did not realize were in non-compliance. The 2013 Legislature passed into law training provisions for agriculture that was left unfunded. We ask for your support of funding requests to implement this measure as requested by the Department of Labor and Industrial Relations.

We respectfully request your **strong support of this measure with funding and by restoring the effective date to the passage of this measure.**

Thank you.



HPCA

HAWAII PRIMARY CARE ASSOCIATION



Senate Committee on Ways and Means

The Hon. David Y. Ige, Chair

The Hon. Michelle N. Kidani, Vice Chair

Testimony in Support of House Bill 2217, HD2

Relating to Workforce Development

Submitted by Robert Hirokawa, Chief Executive Officer

March 25, 2014, 9:00 am, Room 211

The Hawaii Primary Care Association (HPCA), which represents the federally qualified community health centers in Hawaii, supports House Bill 2217 HD2, calling for the establishment of work groups to identify high job growth industries and workforce needs.

The HPCA is a staunch believer in the social determinants of health, those economic and social conditions that influence an individual and a community's health status. These conditions serve as risk factors endemic to a person's living and working environment, rather than their behavioral or genetic histories. Factors such as income, education, access to recreation and healthy foods, housing, and employment, can and do have measurable impacts on a person and a community, both in health and financial outcomes.

House Bill 2217 HD 2 speaks to one of these major determinants directly by seeking to expand the workforce population and provide Hawaii residents with necessary training.

For these reasons, we strongly support this measure and thank you for the opportunity to testify.



Testimony in Support of House Bill 2217, HD2

Relating to Workforce Development

Submitted by Robert Kobayashi, Waiakea High School Teacher:

- Secondary Educator of Career and Technical Education (13 years)
 - Industrial and Engineering Technology Vocational Education certified (Gr. 6 – 12)
 - Public and Human Services Vocational Education certified (Gr. 6 – 12)
 - (In Process) Natural Resources Vocational Education certified (Gr. 6 – 12)
 - State of California Vocational Education certified (Gr. K – Adult)
- Automotive Technician (7 years)
- Automotive Service Business Manager (4 years)
- Small Farm / Rancher (3 years)

This testimony is done on my personal time and is based on my individual experience which does not imply the institution of Waiakea High School in any shape or form.

As a secondary vocational education instructor, current small farm / rancher, former automotive industry employee and manager, and an avid student of vocational education and workforce development, I am in support of this House Bill 2217 HD2.

Although having our own advisory panel of industry representatives (employers, post-secondary, parents, leaders, etc.) to help develop a needs assessments at Waiakea High School, I stood reassured on the larger community's workforce needs when I participated at the East Hawaii Skills Panel put on by the State.

A lot of concerns were based on employees' abilities to perform even if post-secondarily trained. The current state of education seems assured that all students will find their way through the workforce and skills even if most, if not all, experience is incomplete, hypothetical, or theoretical. It is my hope that the House Bill 2217 HD2 will address workforce and education issues similar to:

- Facilitation and funding of a robust and articulated scaffolding program of general and broad vocational skills maturing towards exceeding the chosen industry introductory standards by high school graduation or necessary post-secondary graduation.
 1. Some students may not seek post-secondary education but all students attend some form of K – 12 education program.
 2. Aim to continually increase introductory employment standards and output.
 3. Aim to continually increase post-secondary education experiences and output.
 4. Aim to continually increase validity of public education institutions and possible post-secondary institutions.
 5. Aim to continually increase student responsibility and attitudes towards a proactive future and career and prepare students for an ambiguous future.
 6. Give all students greater opportunity towards choice and success in non-traditional and demographically “different” occupations.
- Facilitation and funding to require all students to complete a mandatory internship program before entering into junior year (11th gr.).
 1. Same notes as 1 – 6 above.

2. With no to minimal actual work experience in a chosen field, students will have an unfair direction on such an encompassing life choice, especially after completing post-secondary education.
 3. Students should have time and opportunity to try out other futures while still able to get personalized help before graduation.
 4. Aim to promote community involvement, service, and networking.
 5. Aim to incentivize and supplement workforce needs.
 6. Aim to provide similar benefits touted in other extra-curricular activities (other adult mentors, after school child care, lessening detrimental opportunities, change “free time” to constructive time, and etc.).
- Facilitation and funding to require all students to take a social improvement course (ex. natural resources, public and human services, environmental management, etc.)
 1. Aim to provide instantaneous and early direction towards a more civic or societal community, leading to long term attitudes and future support.
 2. Aim to reduce costs, time, and improve implementation of associated societal initiatives (waste management, improvements in inefficient and ineffective practices, outreach/education programs, new priorities, and etc.).
 3. Aim to find and procure future leaders in societal development (engineers, planners, managers, future leaders of unforeseen, and etc.).
 - Keeping House Bill 2217 HD2 autonomous but yet imposable on National and State Departments of Education initiatives due to the possibility of conflicts of interest.