

JAN 25 2017

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# A BILL FOR AN ACT

RELATING TO EDUCATION.

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

1           SECTION 1. The legislature finds that a gap exists between  
2 the skills that students in the State have upon graduation and  
3 the skills that employers in the State are seeking. Business  
4 leaders in Hawaii's expanding industries have reported that it  
5 is often difficult to recruit local applicants who have the  
6 skills and experiences that the employer needs. The legislature  
7 further finds that many high school graduates in Hawaii go  
8 elsewhere to attend college or seek employment, resulting in a  
9 "brain drain" in the State.

10           Employers say there are not enough skilled workers  
11 graduating. For in-demand jobs in health care, engineering,  
12 computer science, and advanced manufacturing, there are not  
13 enough people in Hawaii being trained.

14           The legislature additionally finds that for most of the  
15 twentieth century, people obtained marketable skills and  
16 achieved prosperity in one of two ways. The first was on the  
17 job. By promoting from within, firms enabled workers to



1 progress to higher-level occupations. Unions negotiated career  
2 ladders that were linked to skills and seniority, and they  
3 joined employers at an occupation or industry level to host  
4 apprenticeship and other training programs. That system ensured  
5 an adequate flow of new talent equipped with state-of-the-art  
6 skills.

7 But as unions declined, so did apprenticeships, other  
8 union-employer training programs, and promotion from within.  
9 Only twelve per cent of the total United States workforce and  
10 seven per cent of the private sector workforce is now unionized.  
11 At the same time, the kinds of skills needed by employers  
12 changed from incremental new ones that can easily be learned on  
13 the job to those that require advanced technical and behavior  
14 skills in problem solving, communication, teamwork, and  
15 leadership that existing production and employment paradigms  
16 lacked.

17 The second path to skills acquisition was through college.  
18 Young people were told that the key to the American dream was to  
19 play by the rules and major in a field that suited the student's  
20 interests and talents, but the demand for people with liberal  
21 arts degrees has dropped sharply. Only fifteen per cent of



1 college graduates in the United States major in science,  
2 technology, engineering, or math. This is a percentage that has  
3 remained constant for two decades even as demand for these  
4 skills has grown.

5 Consequently, the capacity of the United States system to  
6 nurture midlevel skills is in decline, just as a shift to  
7 flatter, team-based structures is increasing the need for those  
8 skills and automation is reducing the demand for less skilled  
9 workers. Nevertheless, forward-looking local initiatives are  
10 making progress in addressing the skills gap in their regions.  
11 These initiatives embody at least one of the following  
12 attributes:

- 13 (1) Multiple employers in the region or industry sector  
14 cooperate with one another and with educational  
15 institutions to design and fund initiatives to train  
16 and hire graduates;
- 17 (2) Classroom education is integrated with opportunities  
18 to apply new concepts and skills in actual or  
19 simulated work settings, in an approach proven to be  
20 the way adults learn best; and



1 (3) Training focuses on offering workers career pathways  
2 rather than just skills for the initial job.

3 The legislature also finds that there needs to be an  
4 alignment between the department of education and local  
5 industries creating a workforce pipeline from kindergarten to  
6 twelfth grade to career. Currently, the department has  
7 established several options to prepare students for either a  
8 college or career pathway:

9 (1) Academies or pathways for high school;

10 (2) Dual-credit programs enabling students to graduate  
11 high school with college credits; and

12 (3) Career and technical education programs.

13 However, no high school or complex has developed and  
14 established an industry specific pipeline to prepare high school  
15 graduates with the skills needed to enter the workforce upon  
16 graduating high school. Such programs may include  
17 certifications, licenses, foreign languages, and other  
18 credentials and skills that make the students career ready.

19 No aggregate estimate of the shortage of middle-skills  
20 workers exists, but the number is expected to grow substantially  
21 as more baby boomers retire. The problem is most acute in the



1 utilities and aerospace sectors, where fifty to sixty per cent  
2 of those workforces are eligible to retire by 2020 or likely to  
3 leave for other reasons, but it afflicts other industries as  
4 well. Although the United States Bureau of Labor Statistics  
5 does not publish estimates of job openings by skill category,  
6 combining government data on education and training requirements  
7 leads labor market experts to estimate that as many as twenty-  
8 five million, or forty-seven per cent, of all new job openings  
9 from 2010 to 2020 will fall into the middle-skills range.  
10 Shortages of workers for these types of jobs are already  
11 undermining competitiveness and causing firms to shift their  
12 operations abroad. Developing ways to train people to fill  
13 those well-paid jobs could help remedy the wage stagnation  
14 gripping the State and close the growing gap between high-income  
15 and low-income households.

16 The primary obstacle is execution. For the past three  
17 decades, businesses and government have focused on overhauling  
18 kindergarten through twelfth grade science, math, and reading  
19 education and on addressing persistently high dropout rates.  
20 There exists a need for such reforms, but progress has been too  
21 slow to remedy the looming skills shortages.



1           The legislature further finds that educational programs  
2 specializing in career readiness and technical skills can be  
3 effective in preparing students in Hawaii to enter the job  
4 market in the State. In January 2016, the governor announced a  
5 state-wide initiative to help prepare students for careers in  
6 fast-growing segments of the State's economy. The legislature  
7 also finds that similar educational initiatives at schools  
8 within the State have been established to develop students'  
9 technical skills and prepare them to enter the workforce.

10           The legislature additionally finds that public-private  
11 partnerships can assist in training workers to fill the middle-  
12 skills gap. Realistically, that can happen on a large enough  
13 scale only if business leaders cooperate with one another, and  
14 with unions and educational institutions, regionally and  
15 nationally.

16           The purpose of this Act is to allow students to enroll in  
17 career and technical programs in schools outside of the service  
18 area in which they reside.

19           SECTION 2. Chapter 302A, Hawaii Revised Statutes, is  
20 amended by adding a new section to be appropriately designated  
21 and to read as follows:



1           "§302A- Career and technical education programs;

2 enrollment. (a) A school having a career and technical  
3 education program shall:

4           (1) Enroll any student who resides within the school's  
5 geographic service area pursuant to section 302A-1143;

6           (2) Enroll all students from outside the school's  
7 geographic service area who submit an application,  
8 unless the number of students who submit an  
9 application exceeds the capacity of a program, class,  
10 grade level, or building;

11           (3) Determine whether capacity is sufficient to enroll all  
12 students, and if not, then use a lottery system to  
13 select students described in paragraph (2) who have  
14 submitted a timely application; and

15           (4) Give an enrollment preference to students enrolled in  
16 the school during the previous school year.

17           (b) The department shall adopt rules pursuant to chapter  
18 91 to carry out the purposes of this section.

19           (c) For the purpose of this section, "career and technical  
20 education program" means a program operated by a school that  
21 primarily focuses on learning and skill development in students



1 through the practical application of academic and technical  
2 skills and knowledge."

3 SECTION 3. Section 302A-1143, Hawaii Revised Statutes, is  
4 amended to read as follows:

5 **"§302A-1143 Attending school in what service area. A**  
6 person of school age shall be required to attend the school of  
7 the service area, as determined by the department, in which the  
8 person resides, unless:

9 (1) The person is enrolled in a Hawaiian language medium  
10 education program or charter school;

11 (2) A geographic exception to attend a school in another  
12 service area is requested and granted at the  
13 discretion of the department; [~~or~~]

14 (3) Out-of-service-area attendance is mandated by the  
15 department or by federal law[-]; or

16 (4) The person is enrolled in a career and technical  
17 education program under section 302A- ."

18 SECTION 4. Statutory material to be repealed is bracketed  
19 and stricken. New statutory material is underscored.

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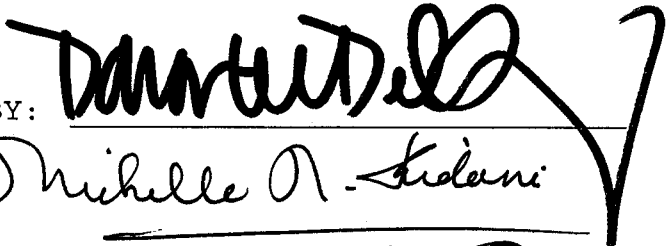



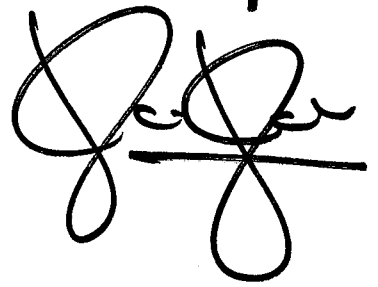
# S.B. NO. 1042

1 SECTION 5. This Act shall take effect upon its approval.

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INTRODUCED BY:

  
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# S.B. NO. 1042

**Report Title:**

Career and Technical Education Programs; Public Schools;  
Department of Education; Educational Choice

**Description:**

Allows students to enroll in career and technical education programs in schools outside the service area in which the student resides.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

