



STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/22/2017
Time: 02:45 PM
Location: 229
Committee: Senate Education
Senate Judiciary and Labor

Department: Education

Person Testifying: Kathryn S. Matayoshi, Superintendent of Education

Title of Bill: SB 0049, SD1 RELATING TO EDUCATION.

Purpose of Bill: Requires the Department of Education to collaborate with the Workforce Development Council on workforce development initiatives. (SD1)

Department's Position:

The Department of Education (Department) recognizes the intent of SB 49 and respectfully provides comments. This measure requires the Department to collaborate with the Work Development Council (WDC) on workforce development initiatives.

Prior to and following the passage of the federal Workforce Innovation and Opportunity Act (WIOA) on July 22, 2014, the Department collaborated with the WDC and numerous partners on developing and finalizing Hawaii's plan.

In April 2016, states submitted their WIOA plans. The U.S. Secretary of Labor approved Hawaii's Unified State Plan in September 2016. This Plan includes career pathways that consist of secondary, post-secondary levels and K-12 involvement by incorporating career-focused measures, pathways, and work-based learning experiences and credentials.

Hawaii State departments and the University of Hawaii and its community colleges are committed to sharing career pathway strategies as an effective way of helping adults and youth in acquiring marketable skills and industry recognized credentials. The development of a common Career Pathways System fosters integrated service delivery and implementation of the required new federal WIOA law and requires aligning core programs with all WIOA partners to improve the workforce system.

As a prominent required function of the core programs and local workforce development boards, adult education programs are WASC (Western Association of Schools and Colleges) accredited and provide a variety of courses for adult learners with integrated programs and services in the areas of basic education, English language acquisition, adult secondary education (high school equivalency credentials such as GED and HiSET) to include the incarcerated, family literacy,

citizenship, workforce education, employability skills and life enhancement.

The alignment of core programs with all WIOA partners, including adult education and career and technical education programs, are all important and integral educational components to fulfill Hawaii's Unified State Plan.

While agencies share in the responsibilities to align, coordinate, and develop a more comprehensive and integrated approaches to services, the ensuing positive working relationship across programs coupled with enhanced coordination will avoid duplication of services through a strengthened service delivery model.

WIOA requires better alignment of federal workforce investments in job training to integrate service delivery across programs and to improve efficiency. This network of core programs and partner agencies provide a range of employment, education, training, and support services to help all job seekers secure good jobs while providing businesses with the skilled workers they need to compete in the global economy.

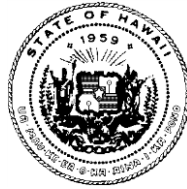
One of WIOA's principal areas of reform is to require planning across core programs and to develop a more comprehensive and integrated approaches to services, such as career pathways and sector strategies.

Hawaii public schools and students will greatly benefit from Hawaii's Unified State Plan and the Department's ongoing collaboration with the University of Hawaii to develop a new industry-led career and technical education.

Furthermore, transition services will provide improved access to post-secondary education and workforce services for individuals with significant barriers to employment—some veterans, individuals with disabilities, out-of-school and at-risk youth, the incarcerated, and other populations to help ensure that everyone has an opportunity to succeed in careers and the workforce.

Thank you for this opportunity to provide testimony on SB 49.

DAVID Y. IGE
GOVERNOR



PANKAJ BHANOT
DIRECTOR

BRIDGET HOLTHUS
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96808

February 22, 2017

TO: The Honorable Michelle N. Kidani, Chair
Senate Committee on Education

FROM: Pankaj Bhanot, Director

SUBJECT: **SB 49 SD 1 – Relating to Education**

Hearing: Wednesday, February 22, 2017, 2:45 p.m.
Conference Room 229, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports the intent of this bill provided passage of the bill does not adversely impact nor replace the priorities set forth in the Executive Budget and existing operations.

PURPOSE: The purpose of SB 49 SD 1 is to amend the law relating to education by requiring the Department of Education to collaborate with the Workforce Development Council on workforce development initiatives.

The Division of Vocational Rehabilitation (DVR) of DHS is a core partner of the Workforce Development Council under the Workforce Innovation and Opportunity Act (WIOA) signed by President Obama in 2014 and the Rehabilitation Act of 1973, as amended. Title IV of WIOA provides federal oversight to DVR. Contained within Title IV of the WIOA is a requirement for all state vocational rehabilitation agencies to invest 15% of its basic federal grant to students with disabilities. Therefore, having the Department of Education (DOE) taking an active role in collaboration efforts with the Workforce Development Council (WDC) will be critical in advancing the employment opportunities for Hawaii's youth transitioning into our workforce.

DHS through its divisions, DVR, the core WIOA partner, and the mandatory WIOA partner, the Temporary Assistance to Needy Families (TANF) program, administered by the

AN EQUAL OPPORTUNITY AGENCY

Benefit, Employment & Support Services Division (BESSD), believe that for Hawaii to progress in the 21st Century, we must invest in our youth. Not just in resources, but in our time and efforts in the transition of our youth to adulthood. DOE is a key player in preparing their students for the world of work. Our DHS divisions look forward to having DOE at the WDC table, to collaborate, plan and invest our efforts in the future of our young people.

Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR

SHAN S. TSUTSUI
LIEUTENANT GOVERNOR



LESLIE WILKINS
CHAIRPERSON

ALLICYN C. H. TASAKA
EXECUTIVE DIRECTOR

STATE OF HAWAII
WORKFORCE DEVELOPMENT COUNCIL
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February 21, 2017

To: The Honorable Michelle N. Kidani, Chair
The Honorable Kaiali'i Kahele, Vice Chair and
Members of the Senate Committee on Education

To: The Honorable Gilbert S.C. Keith-Agaran, Chair
The Honorable Karl Rhoads, Vice Chair and
Members of the Senate Committee on Judiciary and Labor

From: Allicyn H. Tasaka, Executive Director
Workforce Development Council

RE: SB 49, SD 1 Relating to Education, February 22, 2017 at 2:45p.m., Room 229

POSITION: COMMENTS

Good afternoon Chairs Kidani and Keith-Agaran, Vice Chairs Kahele and Rhoads, and members of the Committees on Education and Judiciary and Labor. I am Allicyn Tasaka, Executive Director of the Hawaii Workforce Development Council (WDC) offering comments on SB49, SD1 Relating to Education.

The purpose of this measure is to add to the education statute 302 A, Hawaii Revised Statutes, (HRS) to require the Department of Education (DOE) to collaborate with the Workforce Development Council on workforce development initiatives. Additionally, SB49 SD1 adds new language to the Workforce Development Council (WDC) chapter 202-2, HRS, to require WDC to collaborate with the DOE on workforce development initiatives, sector strategies, career pathways, training, assessments, and submit a report to the Legislature on the progress of these initiatives.

WDC is responsible for administrative oversight and implementation of the Workforce Innovation & Opportunity Act (WIOA) in Hawaii. This includes managing the governance structure, grant signatory, grant oversight and grant reporting as well as the allocation of funds, issuing policy and procedural guidance and conducting fiscal and program monitoring.

The WDC is a small agency reconstituted over a year ago and surviving on federal funds to meet administrative needs to implement WIOA. WDC allocates the federal funds to the Counties to enable them to procure providers to deliver employment services at the American Job Centers (One-Stop Centers and affiliates). These centers include the core and mandatory

partners who must work across programs in collaboration to provide a seamless customer experience. The service delivery is the responsibility of the Counties.

SB49, SD1 adds responsibilities to WDC that are outside the requirements of the federal WIOA program it is tasked to administer. WDC is 99.9% federally funded. Funds are earmarked to be used to administer WIOA programs only. State requirements will need general funds if this measure passes. Mandating initiatives listed in this bill is estimated to cost WDC to implement the new services and initiatives at least \$800,000.

It should be noted that DLIR also has a separate Workforce Development Division (WDD) that administers WIOA Title III, the Wagner-Peyser Act program, which provides employment services to support and empower customers to make informed decisions on education and employment goals. Wagner-Peyser also funds jobs for the veterans State grant program. WDD also administers several grants, including apprenticeship, healthcare, information technology, and Trade Adjustment Assistant programs. The Department also has statutory public/private advisory groups on healthcare, agriculture, information technology and robotics that are administered by this Division.

The bill states that the WDC shall collaborate with the DOE on workforce development initiatives that include the following, which are challenging and may make it very difficult to implement:

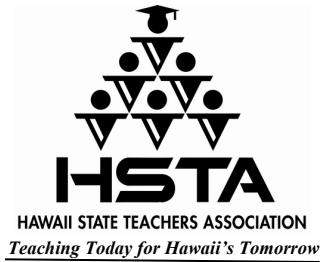
- Page 8, lines 12-15, (C) Focusing public resources on training that moves workers into industries with high-quality jobs that lead to better financial outcomes and longer job tenures for workers;” WDC currently operates on 99.9% federal funding and only \$12,000 is appropriated from State funds. The federal funds have extensive federal requirements attached to them. WDC does not have the sole responsibility for federally-funded training programs. WDC and the Counties’ Local Workforce Development Boards (LWDBs) partner to approve training programs and training providers for programs in each county through their American Job Centers. WDC is concerned about the definition of “longer job tenures” as our computer information systems are currently able to only measure the new federally required measure of four quarters after exit. Any other requirement would require redesigning the system. Redesigning the system would be costly to WDC and we respectfully request state funding for the redesign if this responsibility is assigned to WDC.
- Page 8, lines 16-20, “(D) Facilitating the development of common programs for individuals to choose to enroll in postsecondary education and individuals who choose to development employment skills through work experience or on-the-job training.” WDC does not provide programs and design programs for training. As discussed in the previous section, the training programs are also the responsibility of the Counties’ LWDBs, who identify eligible training providers and their courses when the training providers apply to provide training.
- “Work Experience” and on-the-job training are currently administered by federal programs and other programs within the State and Counties. These programs are subject to the availability of federal funds and grants. Consistent provision of these programs would require stable funding sources such as State general funds.

- Page 9, lines 1-2, “(E) Coordinating a common work assessment process between core partners;” Although the mandate is not clearly defined, we believe it would require designing and implementing a new information system and process that is not part of WDCs current system workflow. State funds would be required to design and implement the new system, and another Workforce Information and Data Coordinator position.
- Page 9, lines 3-4, “(F) Implementing the employment first state mentoring program; and...” The University of Hawaii Center for Disability Studies is the current administrator for the employment first state mentoring program. The program does not receive federal WIOA funds. WDC supports this program and is a participating partner through a cooperative agreement for employment first collaboration. The program is not a permanent program and is funded through a grant.

Page 9, lines 5-8, “(G) Maintaining the iCAN bridging program at the community schools for adults as a stepping stone to proceed into a career pathway leading to a work-readiness certificate or degree; and...” The iCAN bridging program is administered by DOE’s Adult Education Program and they receive WIOA Title II funds directly to pay for this program and fulfill the mandates of WIOA. The DOE Adult Education Program is a WIOA core partner committed to prepare individuals with skills and knowledge needed to succeed in postsecondary education and obtain employment.

- Page 9, lines 11-16, “(2) (A) Engage employers in the workforce development system by: (i) Promoting the benefits of using the system; (ii) Providing training in the system; and (iii) Making improvements to the system for the purpose of user friendliness;” The ability to engage employers is dependent on the availability of federal funds. The provision of training is limited to funds available. “Improvements to the system for the purpose of user friendliness” is also limited to fund availability as WDC’s access to administrative funds is limited by federal restrictions to administrative funds. These funds have seen drastic reductions in the past.
- Page 9, lines 17-18, “(B) Expanding employer involvement with program design. WDC does not currently have the ability to design programs, but rather WDC administers programs.
- Pages 9-10, lines 19 -2, WDC is not clear on the definition and intent of “sustained through industry oversight and participation” – does this mean each industry have an oversight advisory committee?
- Page 10, line 3, WDC convenes a core and mandatory partner group monthly for the purpose of coordinating and integrating their programs into the American Job Centers.
- Page 10, lines 4-10, regarding requiring the submission of annual reports to the Legislature, this is already a requirement under HRS 202-2 (a)(14) “the WDC shall submit annual reports of the its activities and recommendations to the Governor and the legislature, and post the annual reports electronically on the the WDC website.” This would be an additional requirement that would be considered duplicative.

Thank you for the opportunity to submit comments for your consideration on this measure.



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TESTIMONY BEFORE THE SENATE COMMITTEES ON
EDUCATION and JUDICIARY AND LABOR

RE: SB 49, SD1 - RELATING TO EDUCATION

WEDNESDAY, FEBRUARY 22, 2017

COREY ROSENLEE, PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

Chair Kidani, Chair Keith-Agaran, and Members of the Committee:

The Hawaii State Teachers Association **supports SB 49, SD1**, relating to schools.

According to the Hawaii State Department of Education, “Career and Technical Education is an educational structure that allows students the opportunity to explore and learn through the practical application of academic and technical skills and knowledge. The support and involvement of business and industry in CTE is critical to the preparation of tomorrow's skilled workforce.”

Yet, there is concern among CTE stakeholders (teachers, industry experts, and employers) about the lack of CTE inclusion in federal education legislation. As a result of the federal emphasis on high stakes accountability over the past decade, secondary schools across the state have diverted CTE funding to core content areas, especially English Language Arts and mathematics.

A majority of all current job openings, both locally and nationally, are for positions that do not require a college degree. While education reform rhetoric endlessly extols “college and career readiness,” job projections by the Hawai'i Department of Labor show that, overall, more than 72 percent of the state's projected openings through 2022 require a high school diploma or less. For comparison, about 15 percent of future openings require a bachelor's degree and only 4 percent require a master's, doctoral, or professional degree.

Hawai'i's CTE offerings must be expanded, then, to allow young people to design their own futures. According to a national study, only 25 percent of polled job

seekers reported receiving career pathing in high school, however, with 41 percent saying that they wished they had received more vocational guidance. Careers taught through the state's CTE program—from automotive technology to environmental management to digital media—are at the cutting edge of our local economy, requiring real-world skills that students and employers desire, and that the CCRI paradigm too often fails to advance.

Vocational training should be a viable alternative to college, which is increasingly cost prohibitive for high school graduates and their families. One way of increasing participation in CTE programming is to require the department of education to collaborate with the workforce development council on workforce development initiatives, as this bill proposes, which would allow the 44 percent of Hawai'i high school graduates who do not seek post-secondary education to receive industry-based skills and certifications required to join the 21st Century job market.

To prepare students to become members of the modern workforce, the Hawaii State Teachers Association asks your committee to **support** this bill.



Testimony to the Senate Committees on
Education and Judiciary and Labor
February 22, 2017 at 2:45 p.m.
State Capitol - Conference Room 229

RE: SB 49 Relating to Education

Aloha members of the Committee:

We are Cara Heilmann and John Knorek, the Legislative Committee co-chairs for the Society for Human Resource Management – Hawaii Chapter (“SHRM Hawaii”). SHRM Hawaii represents more than 800 human resource professionals in the State of Hawaii.

We are writing to support SB 49, which requires the Department of Education to collaborate with the Workforce Development Council on workforce development initiatives. We have longstanding partnerships and collaborate with the Department of Labor & Industrial Relations, the state Workforce Development Council and the Department of Education. Recently, SHRM Hawaii was recognized with a national award for a workforce development initiative, which included the approval of an HR pathway, with the state Department of Education. We strongly support the DOE’s efforts to promote workforce development.

Human resource professionals are keenly attuned to the needs of employers and employees. We are the frontline professionals responsible for businesses’ most valuable asset: human capital. We truly have our employers’ and employees’ interests at heart. We will continue to review this bill and, if it advances, request to be a part of the dialogue concerning it.

Thank you for the opportunity to testify.

