

# S.B. NO. 1230

JAN 24 2019

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## A BILL FOR AN ACT

RELATING TO YOUTH SERVICES PROGRAMS.

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

1           SECTION 1. Chapter 352D, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately  
3 designated and to read as follows:

4           "§352D- Vocational training programs; commercial  
5 enterprise; revolving fund; operations. (a) There is  
6 created the office of youth services revolving fund to be  
7 administered by the office of youth services. All moneys  
8 collected from the sale of goods and services by individual  
9 vocational programs that engage in commercial enterprise,  
10 as established under section 32D-4(5) shall be deposited  
11 into the office of youth services revolving fund. The  
12 moneys in the revolving fund shall be used for the purposes  
13 of vocational programs within the office of youth services  
14 as determined by the office of youth services

15           (b) The administrators for each individual vocational  
16 program except those at a youth correctional facility shall  
17 determine the prices at which all goods and services are  
18 sold. The prices shall be as near to the prevailing market

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1 prices for similar goods and services as practicable.

2 (c) The vocational programs may market goods and  
3 services to both the public and private sectors.

4 (d) The administrator for each individual vocational  
5 program shall ensure that the quality of goods and services  
6 produced is comparable to similar goods and services  
7 available from the private sector. For sales to the State  
8 or the counties, the quality of the goods or services shall  
9 be consistent with the specifications for the goods or  
10 services requested."

11 SECTION 2. Section 352D-4, Hawaii Revised Statutes, is  
12 amended to read as follows:

13 **"§352D-4 Establishment; purpose.** There is  
14 established within the department of human services for  
15 administrative purposes only the office of youth services.  
16 The office of youth services is established to provide  
17 services and programs for youth at risk under one umbrella  
18 agency in order to facilitate optimum service delivery, to  
19 prevent delinquency, and to reduce the incidence of  
20 recidivism among juveniles through the provision of  
21 prevention, rehabilitation, and treatment services. The  
22 office shall also be responsible for program planning and  
23 development, intake/assessment, oversight, as well as

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1 consultation, technical assistance, and staff training  
2 relating to the delivery of services.

3 The office shall provide a continuum of services as  
4 follows:

- 5 (1) An integrated intake/assessment and case  
6 management system;
- 7 (2) The necessary educational, vocational, social  
8 counseling and mental health services; provided  
9 that the department of education shall be the  
10 only provider of standards-based education  
11 services for all youth adults at risk and young  
12 adults identified with special education needs or  
13 actively receiving special education services, in  
14 accordance with the Individuals with Disabilities  
15 Education Act (20 U.S.C. section 1400 et seq.)  
16 and all applicable federal and state educational  
17 requirements;
- 18 (3) Community-based shelter and residential  
19 facilities;
- 20 (4) Oversight of youth services; and
- 21 (5) Other programs which encourage the development of  
22 positive self-images and useful skills in such  
23 youth [-] and young adults, including commercial

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1           enterprise programs for young adults.

2           The executive director of the office of youth services  
3 shall submit annual reports to the legislature no later  
4 than twenty days prior to the convening of each regular  
5 session, reporting the services or programs funded pursuant  
6 to this section, the number of youth served by each service  
7 or program, and the results of the services or programs  
8 funded.

9           To this end, on July 1, 1991, this office shall assume  
10 the responsibilities for juvenile corrections functions,  
11 which were temporarily placed in the department of  
12 corrections pursuant to Act 338 of 1987. These functions  
13 shall include, but not be limited to, all responsibilities,  
14 under chapter 352, for the Hawaii youth correctional  
15 facilities."

16           SECTION 3. There is appropriated out of the office of  
17 youth services revolving fund the sum of \$           , or  
18 so much thereof as may be necessary for fiscal year 2019-  
19 2020, to carry out the purposes of this Act.

20           SECTION 4. Statutory material to be repealed is  
21 bracketed and stricken. New statutory material is  
22 underscored.

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

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INTRODUCED BY:           *W.M.D.M.*          

6

BY REQUEST

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**Report Title:**

Department of Human Services; Office of Youth Services; Youth Services Centers; Vocational Programming; Commercial Enterprises.

**Description:**

Permits individual non-justice vocational programs within the purview of the Office of Youth Services to engage in commercial enterprises, including the sales of goods and services, for self-sustainability purposes.

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

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## JUSTIFICATION SHEET

DEPARTMENT: Office of Youth Services(OYS), Department of Human Services

TITLE: A BILL FOR AN ACT RELATING TO YOUTH SERVICES PROGRAMS.

PURPOSE: To establish self-funded commercial enterprise vocational programs within OYS for young adults (between the ages of eighteen and twenty-four) at risk as defined in section 352D-3, Hawaii Revised Statutes, to prepare young adults at risk with the necessary job skills to become productive and employed members of the community. Individual vocational programs will be allowed to sell the goods and services produced by the program in order to be self-sustaining. The establishment of the commercial enterprise vocational programs shall not affect the provision of services by the Department of Education.

To create the Office of Youth Services Revolving Fund within OYS, for the receipt of income and payment of expenses generated from and by the commercial enterprise vocational programs.

MEANS: Add a new section to chapter 352D, Hawaii Revised Statutes, and amend section 352D-4.

JUSTIFICATION: Over 15,000 young adults ages eighteen through twenty-four years old in Hawaii are neither employed nor in school, resulting in a lifetime state expenditure of \$6.5 billion in lost wages and costs.

This measure will fulfill the OYS requirement under 352D-4 to provide vocational training services for at risk youth and young adults in a self-sustaining fashion.

This proposal also supports the Connect 2 Careers partnership, which is formed to

build, measure, and scale high-quality work-based learning experiences that align with local, county, and state economic and labor market needs. This measure will enhance the rigor and relevance of work-based learning as students engage in comprehensive, real-world immersive experiences.

The new section of chapter 352D, Hawaii Revised Statutes, will allow OYS to expand and support the career programs to allow for the sale of products and services and deposit these funds back into the Offices of Youth Services Revolving Fund. This is a crucial component of being able to sustain, support, and expand the vocational programs that are geared toward improving the employment and productive status of at risk young adults.

The goal is not to compete with commercial business, and at this scale it will not. The goal is to provide an opportunity for self-sustainability, accountability, and entrepreneurship for our emerging young adults.

In addition, the State will save money by authorizing OYS to fund its own vocational programs through commercial enterprise.

Act 169, Session Laws of Hawaii 2018, consists of a similar law on behalf of the Department of Education that authorizes individual departments, career pathways, or programs to engage in commercial enterprise by the sale of goods and services produced by or for the program in order to generate funding for the program.

Impact on the public: There is a positive impact for the public in that it lessens the funding that will be required for OYS programming, while creating skilled young adults who can enter the workforce and become self-sufficient. The agricultural vocational programs also add to the State's



plan to become more self-reliant and provide our citizens with locally produced products.

Impact on the department and other agencies:

There is no foreseeable impact on other agencies. The only impact is on OYS for needing to manage the accounting for the Office of Youth Services Revolving Fund. On the other hand, it will save OYS money and will create stability for the vocational programs.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM  
DESIGNATION: HMS \_\_\_\_\_

OTHER AFFECTED  
AGENCIES: None.

EFFECTIVE DATE: Upon approval.