

JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LIEUTENANT GOVERNOR



JADE T. BUTAY  
DIRECTOR

WILLIAM G. KUNSTMAN  
DEPUTY DIRECTOR

STATE OF HAWAII  
KA MOKU'ĀINA O HAWAII  
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
KA 'OIHANA PONO LIMAHANA

February 28, 2023

To: The Honorable Donovan M. Dela Cruz, Chair  
The Honorable Gilbert S.C. Keith-Agaran, Vice Chair and  
Member of the Senate Committee on Ways and Means

Date: Tuesday, February 28, 2023  
Time: 10:00 a.m.  
Place: Conference Room 211, State Capitol

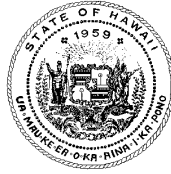
From: Jade T. Butay, Director  
Department of Labor and Industrial Relations (DLIR)

**Re: S.B. 1567 SD1 RELATING TO CAREER AND TECHNICAL EDUCATION**

**I. OVERVIEW OF PROPOSED LEGISLATION**

SB1567 SD1 proposes to amend Chapter 304, Hawaii Revised Statutes (HRS) to in part require the State Board for Career and Technical Education to develop and implement workforce development pathways in collaboration with the Department of Business, Economic Development and Tourism (DBEDT) and Department of Labor and Industrial Relations (DLIR). The measure also amends the membership composition of the Career and Technical Education Coordinating Advisory Council to include the Director of the Department of Labor and Industrial Relations or the Director's designee. DLIR **supports** the addition of the DLIR Director or the Director's designee to the Career and Technical Education Coordinating Advisory Council.

**JOSH GREEN, M. D.**  
GOVERNOR  
KE KIA'ĀINA



**BRENN A H. HASHIMOTO**  
CHIEF NEGOTIATOR

**SYLVIA LUKE**  
LT. GOVERNOR  
KA HOPE KIA'ĀINA

**STATE OF HAWAII**  
**OFFICE OF COLLECTIVE BARGAINING**  
**EXECUTIVE OFFICE OF THE GOVERNOR**  
235 S. BERETANIA STREET, SUITE 1201  
HONOLULU, HAWAII 96813-2437

Statement of  
**BRENN A H. HASHIMOTO**  
Chief Negotiator, Office of Collective Bargaining

Before the  
**SENATE COMMITTEE ON WAYS AND MEANS**  
Tuesday, February 28, 2023  
10:00 AM  
State Capitol, Conference Room 211

In consideration of  
**SB1567 SD1, RELATING TO CAREER AND TECHNICAL EDUCATION**

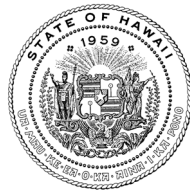
Chair Dela Cruz, Vice Chair Keith-Agaran, and the members of the committee:

The Office of Collective Bargaining (OCB) appreciates the intent of SB 1567 SD1, which in part appropriates funds for the development and implementation of workforce development pathways and differential pay increases for certain career and technical education teachers. However, OCB offers the following comments on this measure specifically on the appropriation of funds that would provide differential pay increases:

- The OCB is concerned this measure is premature as cost items including wages, are submitted to the Legislature after agreement is reached in accordance with 89-10 HRS.
- The OCB is concerned this measure may set a precedent for future legislative sessions. The other fourteen (14) bargaining units may expect similar benefits and seek funding from the legislature for cost items that are subject to negotiations through collective bargaining.
- Finally, Sections 7 and 8 of the measure still contains references to a memorandum of understanding negotiated between the superintendent of education and the exclusive representative of bargaining unit 5. The OCB recommends should this measure pass, all references to "the superintendent of education" be replaced with the "Employer" to include the governor, and the Board of Education.

Thank you for the opportunity to provide testimony and comments on this measure.

JOSH GREEN, M.D.  
GOVERNOR



LUIS P. SALAVERIA  
DIRECTOR

SABRINA NASIR  
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
*Ka 'Oihana Mālama Mo'ohelu a Kālā*  
P.O. BOX 150  
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT

**WRITTEN ONLY**

TESTIMONY BY LUIS P. SALAVERIA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE SENATE COMMITTEE ON WAYS AND MEANS  
ON  
SENATE BILL NO. 1567, S.D. 1

**February 28, 2023**  
**10:00 a.m.**  
**Room 211 and Videoconference**

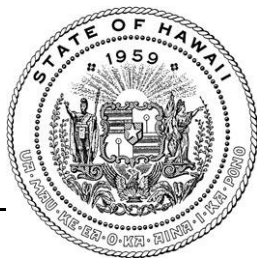
RELATING TO CAREER AND TECHNICAL EDUCATION

The Department of Budget and Finance (B&F) offers comments on this bill.

Senate Bill No. 1567, S.D. 1: 1) authorizes the State Board for Career and Technical Education (SBCTE) to cooperate with the Legislature to advise on provisions of all nonfederal funds received that are earmarked for career and technical education; 2) requires the SBCTE, in collaboration with the Department of Business, Economic Development and Tourism and Department of Labor and Industrial Relations, to develop and implement workforce development pathways; 3) amends the membership composition of the Career and Technical Education Coordinating Advisory Council; 4) requires annual reports from SBCTE to the Legislature on the progress of the workforce development pathways' implementation; and 5) provides separate general fund appropriations of unspecified amounts for the development and implementation of career and technical education workforce development pathways and for career and technical education teacher differentials for the Department of Education and Charter Schools for FY 24 and FY 25.

B&F points out that in accordance with Section 89-10, HRS, funding for any pay increase for teachers should be provided only after an agreement has been reached with the exclusive representative of Bargaining Unit 5.

Thank you for your consideration of our comments.



**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**  
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI  
A HO'OMĀKA'IKĀ'I

**JOSH GREEN, M.D.**  
GOVERNOR

**CHRIS J. SADAYASU**  
DIRECTOR

**DANE K. WICKER**  
DEPUTY DIRECTOR

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Statement of  
**CHRIS J. SADAYASU**  
Director  
Department of Business, Economic Development, and Tourism  
before the  
**SENATE COMMITTEE ON WAYS AND MEANS**

Tuesday, February 28, 2023  
10:00 AM  
State Capitol, Conference Room #211

In consideration of  
**SB1567 SD1**  
**RELATING TO CAREER AND TECHNICAL EDUCATION.**

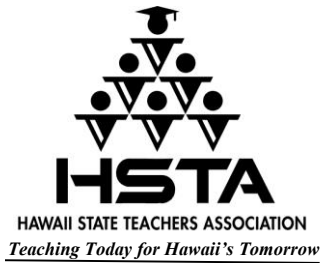
Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means. The Department of Business, Economic Development and Tourism (DBEDT) supports **SB1567, SD1**, that proposes amendments to Chapter 304 of the Hawaii Revised Statutes in part, allowing for the collaboration with the Department of Business, Economic Development and Tourism to develop and implement workforce development pathways and amends the composition of the Career and Technical Education Coordinating Advisory Council.

DBEDT currently collaborates with the University of Hawaii Community Colleges (UHCC) on career pathways to equip Hawaii's residents with relevant, industry required skills development. Most recently, the Creative Industries Division, whose division chief serves on the Arts and Communications CTE Advisory Council, has joined with the Hawaii State Energy Office as sub-contractors with UHCC's to lead their respective sectors in the federally sponsored UH Good Jobs Hawaii initiative. They will serve as industry leaders in collaboration with UHCC's, providing insights, strategy and access to

valuable industry-led workforce needs to develop new and innovative career pathways. Further, the Business Development and Support Divisions participates in the Defense Economy Sector Strategy Project which is designed to create greater workforce opportunities for our residents in Hawaii's defense contracting businesses.

The addition of the DBEDT Director or the Director's designee to the Career and Technical Education Coordinating Advisory Council will increase access to business and industry professionals who can provide relevant and timely input on workforce needs to Hawaii's CTE programs. DBEDT defers to our relevant sister agencies on implementation.

Thank you for the opportunity to testify in support of SB1567 SD1.



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Osa Tui, Jr.  
President  
Logan Okita  
Vice President  
Lisa Morrison  
Secretary-Treasurer  
Ann Mahi  
Executive Director

## TESTIMONY BEFORE THE SENATE COMMITTEE ON WAYS & MEANS

RE: SB 1567 SD1 - RELATING TO CAREER AND TECHNICAL EDUCATION

TUESDAY, FEBRUARY 28, 2023

OSA TUI, JR., PRESIDENT  
HAWAII STATE TEACHERS ASSOCIATION

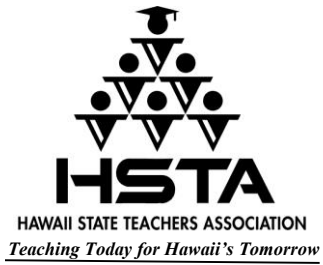
Chair Dela Cruz and Members of the Committee:

The Hawaii State Teachers Association **supports w/reservations SB 1567, SD1**, relating to career and technical education. This bill authorizes the State Board for Career and Technical Education to cooperate with the Legislature to advise on provisions of all non-federal funds received that are earmarked for career and technical education. It requires the State Board for Career and Technical Education, in collaboration with the Department of Business, Economic Development, and Tourism and the Department of Labor and Industrial Relations, to develop and implement workforce development pathways. The bill also amends the membership composition of the Career and Technical Education Coordinating Advisory Council and requires annual reports to the Legislature. Finally, the bill appropriates funds for the development and implementation of workforce development pathways and differential pay increases for certain career and technical education teachers.

We need to support our Career and technical education (CTE) pipeline of educators and students who require CTE credits to complete their studies. We still have reservations, because some of our teachers already have a standard teaching license with CTE fields, and this bill doesn't provide for them to receive differentials, thus someone with a standard limited CTE license would qualify, but not our CTE teachers who already have a standard license in CTE.

Many students decide not to attend college, choosing instead to learn a trade that doesn't require a degree to enter into a career and make a good living. This bill will help support them in their endeavor. CTE programs allow students the opportunity to explore and learn through practical application of academic and technical skills.

Many of the job openings today are for positions that do not require a college degree; however, we do need to attract instructors who are experts in their field to support our students in learning these advanced skills in CTE to become certified in many areas. By improving the CTE pipeline, we can expand educational and career options for our students while supporting our local economy.



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**Osa Tui, Jr.**  
President

**Logan Okita**  
Vice President

**Lisa Morrison**  
Secretary-Treasurer

**Ann Mahi**  
Executive Director

Once the courses supported by this bill are established, the Board of Education would have better options for alternative pathways toward graduation for students who are in CTE programs, as it would be within the Board of Education's authority to do.

Thank you for allowing us to testify.





**WRITTEN TESTIMONY OF  
THE DEPARTMENT OF THE ATTORNEY GENERAL  
KA 'OIHANA O KA LOIO KUHINA  
THIRTY-SECOND LEGISLATURE, 2023**

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**ON THE FOLLOWING MEASURE:**

S.B. NO. 1567, S.D. 1, RELATING TO CAREER AND TECHNICAL EDUCATION.

**BEFORE THE:**

SENATE COMMITTEE ON WAYS AND MEANS

**DATE:** Tuesday, February 28, 2023      **TIME:** 10:00 a.m.

**LOCATION:** State Capitol, Room 211

**TESTIFIER(S):**      **WRITTEN TESTIMONY ONLY.**  
(For more information, contact Candace J. Park,  
Deputy Attorney General, at 808-585-0618)

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Chair Dela Cruz and Members of the Committee:

The Department of the Attorney General provides the following comments.

The bill: (1) authorizes the State Board for Career and Technical Education (Board) to cooperate with the Legislature to advise on provisions of all nonfederal funds received that are earmarked for career and technical education, (2) requires the Board, in collaboration with the Department of Business, Economic Development, and Tourism and the Department of Labor and Industrial Relations, to develop and implement career and technical education workforce development pathways, (3) requires the Board to submit annual reports to the Legislature on the conditions and progress of career and technical education, (4) amends the membership composition of the Career and Technical Education Coordinating Advisory Council; and (5) appropriates funds for the development and implementation of career and technical education workforce development pathways and differential pay increases for career and technical education teachers in public schools.

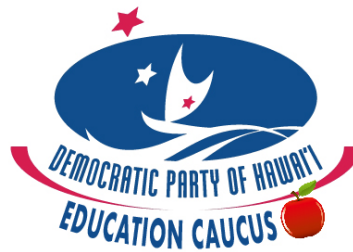
Section 6 of article X of the Hawai'i State Constitution gives the Board of Regents of the University of Hawai'i "exclusive jurisdiction over the internal structure, management, and operation of the university." Section 6 further provides: "[t]his section shall not limit the power of the legislature to enact laws of statewide concern. The legislature shall have the exclusive jurisdiction to identify laws of statewide concern." Even though the bill states, on page 2, lines 13-14, that one of its purposes is

to "[f]acilitate *statewide* and regional economic development" (emphasis added), the bill may benefit from a statement expressly identifying this bill as a law of statewide concern. If the Committee decides to pass this bill, we recommend an amendment that adds such a statement.

Additionally, to clarify that the Career and Technical Education Coordinating Advisory Council, established by section 304A-303, HRS, complies with the requirements of section 6 of article V of the Hawai'i State Constitution, we recommend adding wording in section 304A-303(a) at page 9, lines 6 through 11, to explicitly provide that it is established or placed "within" a principal department. We recommend the following wording:

(a) There is established a career and technical education coordinating advisory council ~~[which]~~ that shall serve in an advisory capacity to the board of regents. The council shall be placed within the university of Hawaii for administrative purposes. The council shall consist of ~~[eleven]~~ nine members, ~~[nine]~~ four appointed and ~~[two]~~ five ex officio ~~[,]~~ voting members.

Thank you for the opportunity to provide these comments.



## **SENATE BILL 1567, SD1, RELATING TO CAREER AND TECHNICAL EDUCATION**

FEBRUARY 28, 2023 · SENATE WAYS AND MEANS  
COMMITTEE · CHAIR SEN. DONOVAN DELA CRUZ

**POSITION:** Support.

**RATIONALE:** The Democratic Party of Hawai'i Education Caucus **supports** SB 1567, SD1, relating to career and technical education, which authorizes the State Board for Career and Technical Education to cooperate with the Legislature to advise on provisions of all nonfederal funds received that are earmarked for career and technical education; requires the State Board for Career and Technical Education, in collaboration with the Department of Business, Economic Development, and Tourism and Department of Labor and Industrial Relations, to develop and implement workforce development pathways; amends the membership composition of the Career and Technical Education Coordinating Advisory Council; requires annual reports to the Legislature; and appropriates funds for the development of workforce development pathways and differential pay increases for certain career and technical education teachers.

According the Hawai'i 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 tested subjects.

Most 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,” recent job projections by the Hawai‘i Department of Labor showed that, overall, more than 72 percent of the state’s projected openings through last year (2022) required a high school diploma or less. For comparison, about 15 percent of recent openings required a bachelor’s degree and only 4 percent required a master’s, doctoral, or professional degree.

Therefore, Hawai‘i’s CTE offerings must be expanded 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 working families.** One way of increasing participation in CTE programming is to establish differential pay increases for the CTE teaching field, which is one of the highest vacancy fields in the local teaching profession.

**Providing incentives for hard-to-fill positions works.** The Hawai‘i Department of Education, in consultation with the Hawaii State Teachers Association, implemented differential pay increases during the 2019-2020 school year to reduce teacher shortages in special education, hard-to-staff, and Hawaiian immersion teaching positions. Instituting differential pay increases led to significant progress in reducing longstanding teacher shortages in high-demand areas.

Departmental data shows that the percentage of special education teacher vacancies dropped by 45 percent during the 2020-2021 school year, with 43 percent more teachers choosing to move into a special education teaching line than the year before. The number of teachers choosing to

work in hard-to-fill positions in rural or remote areas increased by 52 percent over the same period, while the number of Hawaiian immersion teachers increased by 7 percent. **We can expect a differential pay increase program for CTE teachers to have a similar impact.**

Approximately 44 percent of Hawai'i high school graduates do not seek post-secondary education of any kind. They deserve the opportunity to learn the industry-based skills that are required to join the 21<sup>st</sup> Century job market and become prosperous members of the modern workforce.

**Kris Coffield · Chairperson, DPH Education Caucus · (808) 679-7454 · [kriscoffield@gmail.com](mailto:kriscoffield@gmail.com)**



Testimony Presented Before the  
Senate Committee on  
Ways and Means  
Tuesday, February 28, 2023, at 10:00 a.m.  
By  
Stephen Schatz, Executive Director  
Hawai'i P-20 Partnerships for Education

## SBI567 SDI – RELATING TO CAREER AND TECHNICAL EDUCATION

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee:

Thank you for the opportunity to offer comments on SBI567 SDI relating to Career and Technical Education (CTE).

We appreciate the Legislature's interest in CTE. Hawai'i P-20 Partnerships for Education (Hawai'i P-20) is committed to helping build pathways through the education pipeline and into the workforce to provide students with momentum towards their future college and career goals.

Hawai'i's education, workforce, business, and philanthropy sectors are collaborating together to align industry required skills to education and workforce training. Hawai'i P-20 and its partners have identified five critical design components to build high-quality career pathways: 1) leadership structure for cross-sector partnerships; 2) alignment with labor market demand; 3) rigorous academic preparation; 4) work-based learning; and 5) college and career advising/counseling. For more information, see: <https://hawaiip20.org/p-20-initiatives/college-career-pathways/>.

Over the past few years, Hawai'i P-20 has worked with regional education and industry partners to build pathways that lead to jobs. This work has been a collaborative effort among high schools, higher education partners, and state and regional industries. We will continue to work on providing statewide guidance and regional technical assistance to build pathways that include the components listed above so that our students are able to live and work in Hawaii and employers have a pool of qualified local applicants for in-demand, high-wage and high-skilled jobs.

Giving the State Board for Career and Technical Education (SBCTE) additional authority for non-federal CTE funds, as proposed with the addition of Section 304A-A of the bill, would be a

significant change to the current structure and authority of the board. Neither the SBCTE nor Hawaii P-20 have authority over the non-federal funds. Currently, non-federal CTE funds appropriated to the University of Hawai'i Community College System (UHCC) and the Hawai'i Department of Education (DOE) are under the authority of the UH Board of Regents (BOR) and the Board of Education (BOE), respectively.

Furthermore, Section 304A-B requires the SBCTE, in collaboration with the Department of Business, Economic Development, and Tourism (DBET) and the Department of Labor and Industrial Relations (DLIR), to develop and implement workforce development pathways that align with regional and economic development, assets, and facilities and address statewide initiatives and mandates, as well as submit an annual progress report. Creating statewide aligned career pathways that connect DOE to postsecondary to Hawai'i workforce needs is already a shared goal and collaborative effort of UH, DOE and Hawai'i P-20. However, authority over programs and curricula offered by the DOE and UH, including how funds are allocated among programs, are under the authority of the BOE and BOR, respectively.

The bill also proposes to modify Section 304A-303 by changing the composition of the Career and Technical Education Coordinating Advisory Council (CTECAC). We appreciate the intent of revising the CTECAC to include the directors of DBEDT, DLIR and the Chamber of Commerce president/CEO. Ideally, these representatives will add diverse perspectives to the CTECAC and could help set direction for the educational entities about the workforce development needs of today and the economic development needs of tomorrow.

Recruiting industry professionals to serve as CTE teachers has historically been difficult, and we appreciate the Legislature's intention to solve these recruitment challenges by providing differential compensation. We defer to the DOE regarding the implementation and provisions of this section of the bill.

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