JOSH GREEN, M.D. GOVERNOR



KEITH T. HAYASHI SUPERINTENDENT

STATE OF HAWAI'I DEPARTMENT OF EDUCATION KA 'OIHANA HO'ONA'AUAO P.O. BOX 2360 HONOLULU, HAWAI'I 96804

> Date: 02/11/2025 Time: 03:10 PM Location: CR 229 & Videoconference Committee: Senate Higher Education

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Bill Title: SB 1585 RELATING TO WORKFORCE DEVELOPMENT.

Purpose of Bill: Establishes and implements evidence-based performance metrics for the P-20 Partnerships for Education to allow better evidence-based assessments of the P-20 Partnerships for Education advisory council's workforce and pathway development programs. Requires reports to the Legislature. Authorizes the expenditure of federal funds.

Department's Position:

The Hawaii State Department of Education (Department) respectfully offers comments on SB 1585, which is intended to develop improved evidence-based assessments of the P-20 Partnerships for Education (P-20) advisory council's workforce and pathway development programs. The Department would like to express strong concerns around any actions that might reduce the amount of funding that is provided for the Department's Career and Technical Education (CTE) Pathways.

The Department has implemented 13 CTE Pathways, which include 43 related programs of study that are designed to prepare students for various high-skill, high-wage and high-demand occupations in Hawaii. Department schools have the ability to determine which CTE programs they offer based upon important factors including staffing, funding availability, student interest, facilities, and local job forecasts. P-20 does not have the authority to mandate pathways or programs for schools. The Department currently works closely with P-20 and industry partners to ensure that CTE programs meet the needs of students, and remain aligned with local and state workforce demands.

The Department is also working collaboratively with P-20, the UH Community College System, the Workforce Development Council, and private sector partners to update Hawaii's CTE State Plan. This updated plan will include measures for accountability to help ensure that CTE programs are aligned with regional and state workforce needs. The Department defers to P-20 regarding any challenges of meeting the reporting requirements of this bill.

The Department will continue to work closely with P-20 and industry partners to align CTE programming to meet the ever changing workforce needs.

Thank you for the opportunity to provide testimony on SB 1585.

JOSH GREEN, M. D. GOVERNOR KE KIA'ĂINA

SYLVIA LUKE LT. GOVERNOR KA HOPE KIA'ĂINA



BRENNA H. HASHIMOTO DIRECTOR KA LUNA HO'OKELE

BRIAN K. FURUTO DEPUTY DIRECTOR KA HOPE LUNA HO'OKELE

STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT KA 'OIHANA HO'OMŌHALA LIMAHANA 235 S. BERETANIA STREET HONOLULU, HAWAI'I 96813-2437

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Statement of BRENNA H. HASHIMOTO

Director, Department of Human Resources Development

Before the SENATE COMMITTEE ON HIGHER EDUCATION Tuesday, February 11, 2025 3:10PM State Capitol, Conference Room 229

In consideration of SB1585, RELATING TO WORKFORCE DEVELOPMENT

Chair Kim, Vice Chair Kidani, and the members of the committee.

The Department of Human Resources Development (HRD) is in **support** of SB1585, Relating to Workforce Development.

SB1585 establishes and implements evidence-based performance metrics for the P-20 Partnerships for Education to allow better evidence-based assessments of the P-20 Partnerships for Education advisory council's workforce and pathway development programs. Requires reports to the Legislature. Authorizes the expenditure of federal funds.

HRD is tasked with working with Hawai'i P-20 and other state agencies to develop metrics and standards which will guide Hawai'i P-20's assessments of its workforce and pathway development programs for Hawai'i's students. HRD is committed to supporting this effort to try to make strides in lowering the state's vacancy rate and developing pathways into state jobs.

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

JOSH GREEN, M.D. GOVERNOR

> SYLVIA LUKE LT. GOVERNOR

JAMES KUNANE TOKIOKA DIRECTOR

> DANE K. WICKER DEPUTY DIRECTOR



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI A HO'OMĀKA'IKA'I

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Web site: dbedt.hawaii.gov

Telephone: (808) 586-2355 Fax: (808) 586-2377

Statement of JAMES KUNANE TOKIOKA Director Department of Business, Economic Development, and Tourism before the SENATE COMMITTEE ON HIGHER EDUCATION

> Tuesday, February 11, 2025, 3:10 PM State Capitol, Conference Room #229

In consideration of SB 1585 RELATING TO WORKFORCE DEVELOPMENT

Chair Kim, Vice Chair Kidani, and members of the HRE Committee. The Department of Business, Economic Development & Tourism (DBEDT) appreciates the opportunity to provide comments on SB1585, which seeks to establish evidence-based performance metrics for the Hawai'i P-20 Partnerships for Education (P-20) program to assess workforce and pathway development programs.

DBEDT supports efforts to improve accountability in workforce initiatives statewide and recognizes the importance of data-driven approaches to strengthening Hawai'i's workforce pipeline. However, DBEDT respectfully submits the following comments regarding implementation, funding, and performance measurement.

1. Clarification of DBEDT's Role: SB1585 mandates that DBEDT collaborate with P-20 and other agencies to develop workforce performance metrics. While DBEDT supports workforce planning, we do not administer P-20 programs directly and recommend that our role remain advisory to ensure alignment with economic diversification strategies. Recommendation: Specify that DBEDT's role in the development of performance metrics is strategic and advisory rather than administrative. **Justification**: DBEDT's primary function is economic planning and industry alignment, and it does not oversee education or workforce training programs directly.

- 2. Funding Transfers Need Defined Criteria: SB1585 allows P-20 funds to be reallocated to other agencies based on performance outcomes. While DBEDT supports performance-driven funding, the bill does not specify how these transfers will be determined or which agency will make funding decisions. Recommendation: Clearly define the performance thresholds and criteria that would trigger funding reallocations. Justification: Ensuring transparency in fund transfers will help stabilize long-term workforce programs and prevent unintended disruptions to high-growth industry pathways that take longer to show measurable employment outcomes.
- 3. Workforce Metrics Should Consider Both Immediate & Long-Term Impact: The bill emphasizes performance metrics, but the proposed framework focuses primarily on job placement as a measure of success. To fully assess the impact of workforce programs, metrics should also capture broader workforce readiness indicators. **Recommendation**: Incorporate both leading indicators (e.g., skills attainment, industry-recognized credentials, employer engagement) and lagging indicators (e.g., job placement, retention rates). **Justification**: Workforce development in emerging industries (e.g., technology, creative sectors, clean energy) requires longer timelines for impact than traditional job training programs. Expanding the metrics will provide a more accurate assessment of program effectiveness.
- 4. Support for Federal Funding Allocation for Career & Technical Education (CTE): DBEDT appreciates the \$6 million in federal funding allocated to support Career and Technical Education (CTE) through the University of Hawai'i. Strengthening CTE pathways aligns with DBEDT's economic development

strategy and supports workforce readiness in high-growth industries. **Recommendation**: Ensure that CTE funding allocation aligns with industry needs as identified in DBEDT's workforce and economic reports. **Justification**: Workforce investments should be targeted toward industry sectors with long-term job growth potential, including technology, creative industries, and renewable energy.

DBEDT supports the intent of SB1585 to enhance workforce development through performance-based accountability. However, we recommend amendments to:

- Clarify DBEDT's role as advisory rather than administrative.
- Define clear criteria for workforce funding transfers.
- Expand performance metrics to reflect both short-term job placement and longterm workforce readiness.
- Ensure CTE funding alignment with industry-driven economic priorities.

We appreciate the opportunity to provide these comments and look forward to further discussions on strengthening workforce development strategies for Hawai'i's future. Mahalo for the opportunity to testify.



UNIVERSITY OF HAWAI'I SYSTEM 'ŌNAEHANA KULANUI O HAWAI'I

Legislative Testimony Hōʻike Manaʻo I Mua O Ka ʻAhaʻōlelo

Testimony Presented Before the Senate Committee on Higher Education Tuesday, February 11, 2025, at 3:10 p.m. By Della Teraoka, Interim Vice President for Community Colleges University of Hawai'i System

SB 1585 - RELATING TO WORKFORCE DEVELOPMENT

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

The University of Hawai'i Community Colleges (UHCC) appreciates the opportunity to submit comments regarding SB 1585, which seeks to establish evidence-based performance metrics to enable more accurate assessments for workforce and pathway development programs.

The UHCC works closely with Hawai'i P-20 Partnerships for Education (Hawai'i P-20) and the Hawai'i Department of Education (HIDOE) to ensure strong, seamless workforce and educational pathways are developed to prepare our keiki for high-demand jobs needed in Hawai'i's future. Recently the UHCC participated in a collaborative effort with HIDOE, Hawai'i P-20, the Workforce Development Council, and representatives from the private sector to update the Hawai'i Career and Technical Education State Plan which includes accountability measures for providing access to high-quality, CTE programs for secondary and postsecondary students to equip them with the academic skills and technical skills needed for employment in jobs needed across the state.

Additionally, the UHCC has expanded their Annual Report of Program Data, also known as ARPD, (<u>https://uhcc.hawaii.edu/varpd/</u>) to include information about the alignment of programs to specific jobs in Hawai'i (see Figure 1) and the earnings of program leavers and graduates within 1, 2, and 3 years of exiting the program (Figure 2: Workforce Tab).

Figure1: Program Level Workforce Alignment.

	ctional Programs (CIP) -to- Standard Occupational Classification (SOC) 33-1021 - First-Line Supervisors of Firefighting and Prevention Workers
Fire & Environmental Emergency Resp CIP Code = 43.0203	33-2011 - Firefighters
	33-2021 - Fire Inspectors and Investigators
	33-2022 - Forest Fire Inspectors and Prevention Specialists
View Related Job Titles	
View Degree Level SOC Codes	

Figure 2: Workforce Tab.



The ARPD is used to evaluate program effectiveness at the college and system level, and the data is integrated for planning and budgeting purposes at each of the community colleges.

The allocation of Perkins V federal funds is a critical component for supporting community college program enhancements and innovations to meet the changing needs of the industry. For example, Perkins V federal funds have been used to acquire electric vehicle equipment for the Automotive Technology programs, so students can learn this new technology in preparation for working in the field. Perkins funding has also been used to support collaboration between the community colleges on innovative programs such as algae cultivation, the expansion of the veterinary tech program to the neighbor islands, neighbor island hospitality and tourism, online delivery of health care training, and medical assisting.

Thank you for the opportunity to submit comments regarding SB 1585.



ON THE FOLLOWING MEASURE: S.B. NO. 1585, RELATING TO WORKFORCE DEVELOPMENT. BEFORE THE: SENATE COMMITTEE ON HIGHER EDUCATION

DATE:	Tuesday, February 11, 2025	TIME:	3:10 p.m.
LOCATION:	State Capitol, Room 229		
TESTIFIER(S): Anne E. Lopez, Attorney Ger Candace J. Park, Deputy Atto	,	eneral

Chair Kim and Members of the Committee:

The Department of the Attorney General provides the following comments.

This bill adds a new part to chapter 304A, Hawaii Revised Statutes, designated "Hawaii P-20 Partnerships for Education," to require the Hawaii P-20 Partnerships for Education Office within the University of Hawai'i to establish and implement evidencebased assessments of its workforce and pathway development programs. Section 3 of the bill appropriates funds for "the career and technical education program."

Article X, section 6, of the Hawai'i 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: "This 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." We recommend an amendment that adds a statement identifying this bill as a law of statewide concern.

We also recommend amending section 3, on page 5, lines 10-15, to clarify that the purpose of the appropriation is for the Hawaii P-20 Partnerships for Education Office to establish and implement evidence-based assessments of its workforce and pathway development programs. The revised section 3 would read as follows:

SECTION 3. There is appropriated or authorized for expenditure out of the federal funds received by the State of Hawaii the sum of \$6,000,000 or so much thereof as may be necessary for fiscal year 2025-2026 and the same sum

Testimony of the Department of the Attorney General Thirty-Third Legislature, 2025 Page 2 of 2

or so much thereof as may be necessary for fiscal year 2026-2027 for the [career and technical education program.] Hawaii P-20 partnerships for education office to establish and implement evidence-based assessments of its workforce and pathway development programs.

It may be preferable to specify the federal funds out of which this appropriation is being made to ensure that the purpose of this appropriation is not inconsistent with funding restrictions on certain federal funds.

Thank you for the opportunity to provide these comments.



Testimony Presented Before the Senate Committee on Higher Education Tuesday, February 11, 2025, at 3:10 p.m. By Stephen Schatz, Executive Director Hawai'i P-20 Partnerships for Education

SB 1585 - RELATING TO WORKFORCE DEVELOPMENT

Chair Mercado Kim, Vice Chair Kidani, and Members of the Committee:

Hawai'i P-20 Partnerships for Education (Hawai'i P-20) appreciates the opportunity to submit comments regarding SB 1585, which seeks to establish evidence-based performance metrics to allow better evidence-based assessments for workforce and pathway development programs.

We understand and appreciate the intent to enhance accountability and transparency, and we share the committee's commitment to aligning educational programs with workforce needs. To this end, we are in the process of updating Hawai'i's Career and Technical Education (CTE) State Plan, which is an integration of state and federal priorities into an implementation plan for the Strengthening Career and Technical Education for the 21st Century Act (Perkins V). The state plan is a requirement under the federal Perkins V Act. The update of the state plan is a collaborative effort among the Hawai'i State Department of Education (HIDOE), the UH Community College System (UHCC), the Workforce Development Council, and the private sector. We are also currently engaging with the Department of Business Economic Development and Tourism (DBEDT) and the Department of Labor and Industrial Relations (DLIR) on the plan.

The state plan outlines the priorities, strategies, requirements and accountability measures for providing access to high-quality CTE programs for secondary and postsecondary students to equip them with the academic knowledge and technical skills needed for employment in relevant jobs. The plan is intended to be broader than just a federal compliance plan, but instead one which reflects the strategic visions of HIDOE and the University of Hawai'i. The plan will require HIDOE and UHCC – the eligible recipients of federal CTE funding – to conduct a data-based, local needs assessment intended to inform funding decisions and improve alignment of CTE programs with regional needs and workforce requirements. High schools and community colleges will also submit local applications in which they detail strategies, goals, and metrics that are required to be

Hawai'i P-20 – SB 1585 Testimony Page 2

aligned with the plan, be focused on achieving our collective goals, and demonstrate that their CTE programs are aligned with regional and state workforce needs.

Hawai'i P-20 does not have the authority to create or mandate pathways within HIDOE or UH, so the plan will not prescribe the workforce or pathway programs to be offered; however, both UH and HIDOE have established processes for the creation of CTE programs and/or pathways in which alignment to Hawai'i labor market data is required. Hawai'i P-20's role is to facilitate the alignment of pathways between the two agencies and connect them to jobs so that students are able to explore their interests, identify career options, and understand the education requirements for specific careers. While Hawai'i P-20 may pilot certain pathways, such as the current neighbor-island Stay at Home, Grow Your Own Teacher Pathway or the Kealakehe High School Automotive Mechanic Technology program, these are regional programs specified in extramural grant proposals and funded by non-CTE grant funds to help spur action and meet grant objectives.

While some data indicated in the bill are currently being reported, current data sharing between UH and DLIR only allow for linking and tracking UH graduates in the workforce (through unemployment insurance (UI) data), but not for those that are federally employed, self-employed, or leave the State. Furthermore, students who do not attend college are unable to be linked to UI data; this is due to HIDOE not collecting social security numbers, which is the method through which UH graduates are tracked and linked. In addition, the UI data does not collect occupation data and only collects general employer categories (i.e., healthcare). So, while a graduate may be employed by a healthcare employer, it is impossible to determine if they are in a direct healthcare profession tied to their education pathway, or another profession within healthcare, such as in information technology or business. Reporting required by the bill would be incomplete and unreliable because of these data limitations.

CTE federal funds are allocated on a formula basis as mandated by the Perkins V legislation and must be administered in accordance with federal statute. Under the new plan, Hawai'i P-20 will utilize, for the first time, the CTE reserve allowance (up to 15% of the local allocation, or 12.75% of the total grant) as an alternate means of distributing CTE federal funds to the eligible recipients (HIDOE and UHCC). The reserve will allow Hawai'i P-20 to award grants to HIDOE and UHCC to "promote the development, implementation, and adoption of programs of study or career pathways aligned with State-identified high-skill, high-wage, or in-demand occupations or industries."

Hawai'i P-20 will continue to engage with our partners, including HIDOE, UHCC, UH System, DBEDT, DLIR, the Department of Human Resources and Development, and industry representatives to ensure pathways are aligned to the workforce needs of Hawai'i.

Thank you for the opportunity to submit comments on SB 1585.