

DAVID Y. IGE
GOVERNOR

JOSH GREEN
LIEUTENANT GOVERNOR



LESLIE WILKINS
CHAIRPERSON

ALLICYN C.H. TASAKA
EXECUTIVE DIRECTOR

STATE OF HAWAII
WORKFORCE DEVELOPMENT COUNCIL
830 Punchbowl Street, Suite 417, Honolulu, Hawaii 96813
Phone: (808) 586-8630 Web: <http://labor.hawaii.gov/wdc/>

March 23, 2021

To: Representative Richard H.K. Onishi, Chair
Representative Jackson D. Sayama, Vice Chair, and
Members of the House Committee on Labor and Tourism

Date: Tuesday, March 23, 2021
Time: 10:00 a.m.
Place: Videoconference

From: Allicyn Tasaka, Executive Director
Workforce Development Council

Re: SB 1270 RELATING TO THE WORKFORCE DEVELOPMENT COUNCIL

I. OVERVIEW OF PROPOSED LEGISLATION

This measure amends HRS Chapter 202 by replacing the Director of Human Services with the Administrator of the Division of Vocational Rehabilitation as an ex-officio voting member on the Workforce Development Council.

The Workforce Development Council (WDC) strongly supports this bill.

II. CURRENT LAW

HRS Chapter 202-1 details the WDC, its appointments of members and tenure.

Chapter 202-1(1) identifies the Directors of the departments of Labor and Industrial Relations, Human Services, and Business, Economic Development, and Tourism, the Superintendent of Education, and the President of the University of Hawaii or their designees, as ex-officio voting members.

The federal regulations in the Workforce Innovation and Opportunity Act of 2014 (WIOA) 34 Code of Federal Regulations (C.F.R.) Section 361.13(c)(1) of the Federal Register specifies certain functions that are the sole

responsibility of the vocational rehabilitation agency, including participation in the State workforce development system.

20 C.F.R. Section 679.110(b)(3)(iii)(A)(I)(iii) and C.F.R. Section 679.120(a) mandates a representative from the vocational rehabilitation agency who has optimum policy-making authority serve on the State workforce board.

III. COMMENTS ON SENATE BILL

The WDC strongly supports the measure to amend its statute to comply with federal regulations regarding the composition of the council members. The replacement of the Director of Human Services with the Administrator of the Division of Vocational Rehabilitation merely changes the positions and not the number of participants. There are currently 41 members of the council, of whom 29 are business executives and community and labor leaders, a representative from the House and Senate, and ten ex-officio state and county representatives from the departments, DOE and UH, including the Governor and the four Mayors (HRS Chapter 202-1). Failure to amend this chapter would result in federal non-compliance, non-approval of the WIOA Hawaii Unified State Plan (approval is a requirement for continued funding), and possible sanctions with existing federal funds.

We urge passage of this measure to prevent potential loss of over \$9 million at a time when resources to get people back into the labor market is most needed for the State's workforce and economy.

DAVID Y. IGE
GOVERNOR



CATHY BETTS
DIRECTOR

JOSEPH CAMPOS II
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

P. O. Box 339
Honolulu, Hawaii 96809-0339

March 21, 2021

TO: The Honorable Representative Richard H.K. Onishi, Chair
House Committee on Labor & Tourism

FROM: Cathy Betts, Director
Department of Human Services

SUBJECT: **SB 1270 – RELATING TO THE WORKFORCE DEVELOPMENT COUNCIL.**

Hearing: Tuesday, March 23, 2021, 10:00 AM
Via Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports this measure that will bring Hawaii's law into compliance with federal regulations regarding the composition of the Workforce Development Council.

PURPOSE: The purpose of the bill replaces the Director of Human Services with the Administrator of the Division of Vocational Rehabilitation, Department of Human Services, as an ex officio, voting member on the Workforce Development Council.

The proposed amendment is required by the federal Workforce Innovation Opportunity Act (WIOA) of 2014, specifically, 34 Code of Federal Regulations (CFR) 361.13(c)(1), 20 CFR 679.110(b)(3)(iii)(A)(I)(iii), and 20 CFR 679.120(a). These regulations require that a representative from the vocational rehabilitation agency, with the requisite experience and expertise, serve on the State's Workforce Development Council (WDC) as a voting member with the sole responsibility of the vocational rehabilitation agency, including participation in the State Workforce Development and Local Workforce Development Boards (LWDBs). The DVR representative on the WDC must be an individual who has optimum policy making authority for

the DVR program, and each LWDB is required to have at least one representative from the program carried out under Title I of the Rehabilitation Act (other than Section 112 or part C of that Title).

The WDC's six core programs, including the Division of Vocational Rehabilitation (DVR) Administrator, together set strategy and policies for an aligned workforce development system that partners with the education continuum, economic development, human services, and businesses. These core programs work together to create and implement the required WIOA Hawaii Unified State Plan (USP) in accordance with 20 CFR 676.105.

Currently, the Hawaii USP is under conditional approval and may not be approved if the statutory language is not amended. We are also informed that fiscal penalties may be imposed for failing to conform Hawaii's law with federal regulations.

Thank you for the opportunity to provide testimony to this committee.



March 20, 2021

TO: Representative Richard H.K. Onishi, Chair
Representative Jackson D. Sayama, Vice Chair and
The Members of the Committee on Labor and Tourism

From: Ian Kitajima, Director of Corporate Development, Oceanit

RE: SB 1270 Relating to the Workforce Development Council
Tuesday, March 23, 2021, 10:00 a.m.

POSITION: STRONG SUPPORT

My name is Ian Kitajima and a volunteer member of the Workforce Development Council for the past four years. I serve as the Chair of the Workforce Development Council's Youth Services Committee.

The Youth Services Committee has prioritized three initiatives to supplement county Youth Programs with funds to enhance capacity and resources for the following youth program service elements: entrepreneurial skills training, postsecondary education and transition activities, paid and non-paid work experience, and comprehensive guidance and counseling services.

This Youth Committee supports the work of the county workforce boards and the American Job Centers (AJC) in developing their Youth Programs and contributes to the design of a comprehensive community workforce development system, with opportunities on career pathways for all youth in the state of Hawaii.

The Committee has initiated two pilot programs to be carried out by the Oahu American Job Center. Those programs are: Entrepreneurial Skills Training and Trauma-informed Assessments. The Oahu Workforce Development Board, the AJC Operator, and the Youth Program have agreed to work with the leaders of the projects on their implementation. The third initiative, transition activities will be considered for a future program year.

The Committee plans to continue to focus discussions on other initiatives to assist youth and provide opportunities for training, education, upskilling, and readiness to finding a career and employment.

Please pass SB1270 so the WDC can continue to help build the public workforce system.

Sincerely,

Ian Kitajima
Director of Corporate Development a.k.a. Tech Sherpa
Oceanit Laboratories, Inc
828 Fort. St. Mall. Suite 600
Honolulu, HI 96813

ALAN S. HAYASHI
207-4 KAWAIHAE STREET
HONOLULU, HAWAII 96825

To: House Committee on Labor & Tourism
The Honorable Richard Onishi, Chairman
The Honorable Jackson Sayama, Vice Chairman
Members of the House Committee on Labor & Tourism

Date: Tuesday, March 23, 2021

Time: 10:00 AM

Location: Via Video Conference

From: Alan S. Hayashi, Vice Chairman
Workforce Development Council

Subject: SB 1270 Relating to the Workforce Development Council

My name is Alan Hayashi, Vice Chairman of the Workforce Development Council (WDC) Board. I am testifying **in support of SB 1270**, which attempts to bring the WDC into compliance with the Federal Workforce Innovation Opportunity Act (WIOA) of 2014, specifically, 34 Code of Federal Regulations (CFR) 361.13(c)(1), 20 CFR 679.110(b)(3)(iii)(A)(I)(iii), and 20 CFR 679.120(a).

These regulations require that a representative from the vocational rehabilitation agency, with the requisite experience and expertise, serve on the State's Workforce Development Council (WDC) as a voting member with the sole responsibility of representing the interests of the vocational rehabilitation agency, including participation in the State Workforce Development and Local Workforce Development Boards (LWDBs). Without this specific assignment the WDC will not be in compliance with Federal law and subject to any actions and penalties that may be imposed by the Federal Department of Labor.

The WDC Board serves **all sectors** of the Hawaiian economy, and as such requires the size (41 members) and diversity of its membership (Labor, Business, and Government Agencies). As the former executive director of the Hawaii Convention Center Authority, that planned and built the Hawaii Convention Center, I can verify the WDC is an excellent functioning organization with very active committee structure and leadership. WDC needs the large membership to provide the various sector's intimate knowledge of the specific needs for personnel training and development. Structurally the WDC's seven (7) standing committees report to the Executive Committee. The Board and Committee meetings are well attended and exceed quorum requirements. Business is conducted professionally and efficiently. I personally have witnessed the excellent participation, as I attend three standing committees, the Executive Committee, and the WDC Board meetings.

I respectfully request the House Labor & Tourism Committee pass this measure. I will be glad to answer any questions, if appropriate. Thank you for the opportunity to testify.



HAWAII LABORERS-EMPLOYERS COOPERATION AND EDUCATION TRUST

650 Iwilei Road, Suite 285 · Honolulu, HI 96817 · Phone: 808-845-3238 · Fax: 808-845-8300

March 22, 2021

To: **Representative Richard H.K. Onishi, Chair, Representative Jackson D. Sayama, Vice Chair and Members of the House Committee on Labor and Tourism**

Re: **Testimony in Support of SB1270 Relating to the Workforce Development Council**

For Hearing on Tuesday, March 23, 2021 at 10:00 am

Aloha Honorable Chair Onishi, Vice Chair Sayama, and Committee Members,

The **Hawaii Laborers & Employers Cooperation and Education Trust Fund** (Hawaii LECET) is a labor-management partnership established in 1992 between the 5,000 statewide members of the Hawaii Laborers Union and over 250 unionized contractor members of the General Contractors Association and the Building Industry Association. The Laborers International is the largest construction trade union in the country, and Hawaii LECET is part of a network of 38 labor-management LECET Funds in North America.

I currently serve as the Chair of the **Workforce Development Council's (WDC) Performance Measures and Accountability Committee**. Our Committee meets quarterly to review the performance goals of each County's **American Job Centers** and strategize on how to improve performance attainment during a national health pandemic.

The Performance Measures and Accountability Committee has approved several projects:

- 1) When feasible, Committee members will tour each local area's **American Job Center** (AJC) interact with staff, partners, and **Local Workforce Development Board** (LWDB) leadership as part of the committee meeting. Travel to each of the counties will coincide with their board meetings and the committee will request that local area stakeholders are invited to the meetings.
- 2) The development of a website for each local area to post LWDB documents, agenda, and meeting minutes; policies and procedures; AJC information; and other information as appropriate. Update: WDC staff completed the web pages which are accessed through the WDC home page.

- 3) Training and technical assistance to LWDB staff and board members. WDC has offered these training sessions in the past and it has proven helpful, particularly to local areas with new administrations. Each county will be offered the training with the option to customize the extent and direction.
- 4) Provide training to **Eligible Training Providers** (ETPs) on the new **HireNet Hawaii** module for ETPs, which will integrate the ETP list on HireNet Hawaii and facilitate the reporting process for the providers; and conduct a statewide evaluation of training providers. Update: A request for proposal for a statewide evaluation of training providers was issued on January 11, 2021. WDC is looking for a provider to evaluate the current training providers that the American Job Centers refers clients for training and compliance with federal, state and county policies.
- 5) Contract with a consultant to conduct an evaluation of organizations statewide and out-of-state with offices in Hawaii who would qualify to provide WIOA Title I adult, dislocated worker and youth services as service providers, then work with them to connect with state and local boards. With this project, the Committee hopes to grow the pool of eligible service providers.

I have found my volunteer service on the WDC to be rewarding, and can see how the agency's good work positively impacts businesses, displaced workers, and develops our workforce.

I humbly request that SB1270 be passed by your Committee.

Mahalo,

Brian Lee

**Hawaii Laborers & Employers Cooperation
and Education Trust Fund**



KAPI'OLANI
PALI MOMI
STRAUB
WILCOX

March 23, 2021

TO: Representative Richard H.K. Onishi, Chair
Representative Jackson D. Sayama, Vice Chair and
The Members of the Committee on Labor and Tourism

From: Yvette Gibson, Human Resource Manager
Hawaii Pacific Health

RE: SB 1270 Relating to the Workforce Development Council
Tuesday, March 23, 2021, 10:00 a.m.

POSITION: STRONG SUPPORT

Aloha. My name is Yvette Gibson from Hawaii Pacific Health. I serve as Chair of the Workforce Development Council's Sector Strategies and Career Pathways Committee.

The Sector Strategies and Career Pathways Committee convenes sub-committees based on key industry sectors and career pathways identified in the Workforce Innovation and Opportunity Act (WIOA) Hawaii Unified State Plan. These sub-committees provide employer and industry perspective and discussions to develop traditional and non-traditional education pathways. The objectives of the sub-committees are:

- Assess training needs and skills gaps, inventory current resources and services, identify high priority gaps;
- Build stronger networks between firms and among education and training partners to identify high-priority skill gaps and in-demand sectors;
- Review and provide feedback on Hawaii State Department of Education and University of Hawaii Community College standards and assessments, academic and career technical content and work skills;
- Increase high quality, work-based learning opportunities for secondary and postsecondary students that lead to industry recognized credentials;
- Identify new industry-recognized credentials or work-based programs that give companies confidence in skills of new hires and provide workers with more mobility;
- Develop opportunities for professional development training for teachers, school/job counselors, training providers, etc.; and
- Identify policies and/or strategies to sustain the model.

The Committee contracted with SMS Consulting to provide project management, facilitation and strategic planning for the engineering and healthcare sectors. SMS staff will work closely with the Chamber of Commerce to develop career pathways in the areas of engineering and healthcare.

The Engineering Sector Partnership is focused with the pilot school complexes comprised of Waipahu High School, Campbell High School and Castle High School. The students' technical challenges have been identified as language skills, critical thinking, calculus and physics courses. Through industry and education collaboration, the target is to build a streamlined and connected cradle-to-career Science Technology Engineering and Math (STEM) talent pipeline, improving the preparedness and increasing the number of students in the pipeline to meet Hawaii's engineering needs.

The Healthcare Sector Partnership has an ambitious agenda to develop a standardized method for capturing health data; centralize hub and spoke model to support health management and information sharing; require health impact assessment for new large projects, similar to environmental impact statements that incorporates workforce development, telehealth, health plans/financing, care coordination, team-based care and patient transitions.

The University of Hawaii Community Colleges was awarded a \$13.5M three-year grant, the Hana Career Pathways. The WDC is a key partner of the grant which will train displaced workers for employment opportunities and credentials in healthcare, skilled trades and technology sectors. The grant will develop clear pathways that start with in-demand, entry-level occupations advance in skills, careers, wage, credential, education and training. They will establish more apprenticeships to "learn and earn" and meet employers' needs, and identify, award and track credentials which are valued by Hawaii employers and are stackable for students. Target goals in the first year for short-term training is 300 students in healthcare, 300 in skilled trades, and 105 in technology field. Apprenticeship goals in the first year include 75 in healthcare, 75 in skilled trades, and 26 in technology. The grant was awarded to UH Community Colleges in partnership with WDC and other partners.

The sector strategies and career pathways connect industries to developing educational opportunities and skilled trades to develop future work needs.

I kindly request that your Committee pass SB1270 so we can continue this important work.

Thank you.

Sincerely,

Yvette Gibson
Manager, Talent Acquisition
Human Resources



March 22, 2021

TO: Representative Richard H.K. Onishi, Chair
Representative Jackson D. Sayama, Vice Chair and
The Members of the Committee on Labor and Tourism

From: Glen Kaneshige, President
Nordic PCL Construction, Inc.

RE: SB 1270 Relating to the Workforce Development Council
Tuesday, March 23, 2021, 10:00 a.m.

POSITION: STRONG SUPPORT

Good Morning. I am Glen Kaneshige, President of Nordic PCL. I have served as the Chair of the Workforce Development Council's (WDC) Employer Engagement Committee for the past four years. The Workforce Innovation and Opportunity Act of 2014 (WIOA) prioritizes employers as customers of the state's workforce development system. This prioritization is why WIOA requires that the WDC consist of at least 51% private sector business leaders.

The goal of the Employer Engagement Committee is to increase employer participation rates, including repeat customers and to increase the retention rates of employees placed into employment by the American Job Centers (AJC). This rate would help raise the confidence of employers in the public workforce system and lead to increased employer engagement and satisfaction.

The Employer Engagement Committee contracted two consultants to provide recommendations for employer engagement in the State's workforce system. The first consultant completed a Statewide Business Services Framework Plan that will coordinate the business services of the partner programs in the statewide workforce system. The plan will aid in widening the reach of the employer engagement system, develop the expertise and services of the business engagement team members, and ensure that the needs of employers are met.

The second consultant conducted qualitative and quantitative assessments of the AJC brand among employers. The assessments were followed by recommendations to improve services and increase awareness of available services, increase brand awareness, maintain brand awareness, rollout of the new plan, and development of an outreach plan.

The Committee also contracted a vendor to produce videos highlighting the services of the AJCs. The videos include shorter, specialized versions created for each county and will be used for outreach to employers. The videos will be used by each county for outreach to employers.

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**Representative Richard H.K. Onishi, Chair
Representative Jackson D. Sayama, Vice Chair and
The Members of the Committee on Labor and Tourism**

**SB 1270 Relating to the Workforce Development Council
Tuesday, March 23, 2021, 10:00 a.m**


The Committee created the Opportunities Population Subcommittee who will work to improve entered employment and retention rates of the opportunity population (those with barriers to employment) within the workforce system. The subcommittee will make recommendations to the full committee.

The Committee also supported the Hawaii is Hiring website initiated by the Chamber of Commerce and other partners in response to the effects of COVID-19. The website is now in phase two, WDC provided support to enhancements such as: translations in seven languages, links were added for the top 10 companies hiring now, and an Instagram feed was added for real-time updates.

I ask for your support in passing this measure. Thank you.

Yours truly,

NORDIC PCL CONSTRUCTION, INC.

A handwritten signature in black ink, appearing to read "Glen Kaneshige".

Glen Kaneshige
President



March 23, 2021

TO: Representative Richard H.K. Onishi, Chair
Representative Jackson D. Sayama, Vice Chair and
The Members of the Committee on Labor and Tourism

From: Jason Ito, Vice President, Administration, Labor & Community Relations
Kyo-ya Management Company, Ltd.

RE: SB 1270 Relating to the Workforce Development Council
Tuesday, March 23, 2021, 10:00 a.m.

POSITION: STRONG SUPPORT

My name is Jason Ito of Kyo-ya Management Company. I serve as the Chair of the Workforce Development Council's (WDC) Data Management and Technology Committee.

The Data Management and Technology committee evaluates HireNet Hawaii, Hawaii's federally required job board, WDC websites, data collection system and other available systems to make recommendations to the full Council.

With the agreement of the core partners, the WDC Data Management and Technology committee took the lead in the development of the Hawaii Online Workforce Referral System. In 2016, the WDC was awarded the National Reemployment and System Integration Dislocated Worker Grant (RSI-DWG) in the amount of \$1.1M. A portion of the funds awarded through this grant was used to streamline the application process for individuals seeking employment services, and to integrate the participant management systems of the Workforce Innovation and Opportunity Act of 2014 (WIOA) Titles I, II, III & IV (Adult, Dislocated Worker, Youth, Wagner-Peyser, Adult Education, Vocational Rehabilitation Programs). Through the utilization of the referral system, individuals create an account, then complete questions set to determine if they qualify for any WIOA services. If an individual is eligible for WIOA services, American Job Center (AJC) staff contacts the individual to schedule an appointment for WIOA registration. The easy accessibility of completing the on-line referral form helps to determine the applicant's qualification rather than visiting the AJC directly saving valuable time for busy individuals.

Geographic Solutions, the vendor for HireNet Hawaii, has successfully completed the Sapphire update in the HireNet Hawaii system. The new Sapphire update in HireNet

Hawaii features a redesigned interface, new skill matching tools, enhanced Resume Builder functions, and improved security and case management services for staff, job seekers and employers.

A new reCAPTCHA security feature was added into HireNet Hawaii to assist with the recent increase in detected suspicious activity in the system. When logging in, the system will allow for a maximum of (5) failed log-in attempts before the account is placed into lockout. The WDC and the Workforce Development Division received feedback from the AJC staff about the confusing layout of the reCAPTCHA feature. As a result, based on AJC staff recommendations, the reCAPTCHA layout was adjusted to avoid confusion for all system users.

To respond to the effects of the pandemic on the workforce, the use of the remote signature functionality feature in HireNet Hawaii has been extended to June 30, 2021. The remote signature functionality allows for the signing of documents by those who are receiving services and job seeking virtually. It is an important tool to help people maintain the recommended social distance.

Lastly, the Social Security number (SSN) requirement as a required field as part of the Virtual One-Stop (VOS) registration is being worked on. Currently, voluntary SSNs resulted in a substantial number of duplicate records in the system. This requirement will assist in meeting the USDOL performance measures.

Hawaii Is Hiring is a one-stop online resource that connects local residents to job opportunities, training programs and career navigation for jobs in the State. During June 2020, the Committee assisted Upspring Digital with the development of the Hawaii Is Hiring website. As a result of the partnership, Hawaii is Hiring provides job seekers with a job search option to the HireNet Hawaii job board.

During July 2020, the Committee assisted the web developer for the Maui County Virtual Job Fair website implementing similar features as the Hawaii Is Hiring website. Now, job seekers are able to search through HireNet Hawaii Maui County job postings through the site.

The WDC is dedicated to improving the public workforce system by helping job seekers secure jobs and employers acquire qualified workers. I encourage you to support and pass SB1270 so the Workforce Development Council can continue to achieve success for both job seekers and employers in the State of Hawaii.

Sincerely,

Jason Y. Ito