



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

Date: 02/15/2022

Time: 10:30 AM

Location: CR 211 & Videoconference

Committee: Senate Ways and Means

Department: Education

Person Testifying: Keith T. Hayashi, Interim Superintendent of Education

Title of Bill: SB 2826, SD1 RELATING TO EDUCATION.

Purpose of Bill: Establishes a career development success program to provide financial incentives for participating public high schools to encourage students enrolled in grades nine through twelve to enroll in and successfully complete qualified industry-credential programs. Establishes a similar program for public charter schools. Appropriates funds. (SD1)

Department's Position:

The Hawaii State Department of Education (Department) supports SB 2826, SD1 and appreciates the inclusion of funding but asks that any additional funding does not affect the Department's top budget priorities to restore funds that were reduced as a result of the fiscal fallout from COVID-19 and the funding of existing budget shortfalls that were included in the Department's supplemental budget request. Without those funds, the Department will face severe constraints on its ability to continue to promote equity and access to needed resources and support for all students.

The Department recognizes that SB 2826, SD1 creates a career development success program to provide financial incentives for participating public high schools to encourage students to enroll in and complete a qualified industry-credential program. The Department appreciates the appropriation in this bill to distribute monetary awards based on the number of students who earn various credentials on the *Promising Credentials* list.

As public high schools establish or expand their Career and Technical Education programs of study within their school design, the Department is committed to

strengthening a concerted effort among various partners to prepare students for the college and career pipeline with the appropriate skills, attributes, certifications, work-based learning experiences, and/or post-secondary credits to contribute to the vitality of Hawaii's workforce.

Thank you for the opportunity to provide testimony in support of SB 2826, SD1.

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
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
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 (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
SENATE BILL NO. 2826, S.D. 1

February 15, 2022
10:30 a.m.
Room 211 and Videoconference

RELATING TO EDUCATION

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

Senate Bill No. 2826, S.D. 1, adds a new section to Chapter 302A, HRS, and Chapter 302D, HRS, to establish a Career Development Success Program (Program) to provide financial incentives for participating public high schools and charter schools to encourage students enrolled in grades 9 through 12 to enroll in and successfully complete qualified industry-credential programs. The bill appropriates an unspecified sum of general funds for FY 23 for the Program.

B&F notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and

- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.

DAVID Y. IGE
GOVERNOR



JOHN S.S. KIM
CHAIRPERSON

LATE

STATE OF HAWAII
STATE PUBLIC CHARTER SCHOOL COMMISSION
(‘AHA KULA HO‘ĀMANA)

<http://CharterCommission.Hawaii.Gov>
1111 Bishop Street, Suite 516, Honolulu, Hawaii 96813
Tel: (808) 586-3775 Fax: (808) 586-3776

FOR: SB2826 SD1 Relating to Education
DATE: February 15, 2022
TIME: 10:30 A.M.
COMMITTEE: Committee on Ways & Means
ROOM: Conference Room 211 & Videoconference
FROM: Yvonne Lau, Interim Executive Director
State Public Charter School Commission

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

The State Public Charter School Commission (“Commission”) appreciates the opportunity to submit this testimony in **SUPPORT of SB2826 SD1** which establishes a career development success program to provide financial incentives for participating public high schools to encourage students enrolled in grades nine through twelve to enroll in and successfully complete qualified industry-credential programs. Establishes a similar program for public charter schools, and appropriates funds.

The Commission is deeply grateful for the inclusion of our public charter schools in new program. The Commission is available to work with this committee, the Hawaii Department of Education, and public charter schools in moving this legislation forward.

Thank you for the opportunity to provide this testimony.



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hawaiikidscan.org

David Miyashiro
Executive Director

February 15, 2022

Committee on Ways and Means
Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair

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

HawaiiKidsCAN strongly supports SB2826 SD1, which establishes a career development success program to provide financial incentives for participating public high schools to encourage students enrolled in grades nine through twelve to enroll in and successfully complete qualified industry-credential programs; establishes a similar program for public charter schools; and appropriates funds.

Founded in 2017, HawaiiKidsCAN is a local nonprofit organization committed to ensuring that Hawaii has an excellent and equitable education system that reflects the true voices of our communities and, in turn, has a transformational impact on our children and our state. We strongly believe that all students should have access to excellent educational opportunities, regardless of family income levels and circumstances.

In terms of generational sustainability, it is clear the status quo won't cut it. Hawaii continues to be a place that is losing population, and research shows that a significant number of young and educated former residents have now found other states their home.¹ That means our leaders and policymakers must be taking bold steps to ensure our students are fully equipped to survive and thrive in Hawaii, especially given the economic stresses heightened by the COVID-19 pandemic.

One clear way to achieve this call to action is to fully harness the power of Hawaii's innovative career readiness programs in our public schools. It's not just a matter of *if* students are getting career readiness opportunities, but rather if those experiences are

¹ <https://www.civilbeat.org/2022/01/hawaiis-population-drain-outpaces-most-states-again/#:~:text=From%20July%202020%20to%20July,from%20the%20U.S.%20Census%20Bureau.&text=This%20means%20about%2014%2C500%20people,Hawaii%20has%20lost%2030%2C000%20residents.>

strategically aligned to provide students with the most benefits. SB516 – Act 163 – was passed last year to help schools, policy leaders, and funders better understand and prioritize programming for students when it comes to getting them ready for quality and available jobs in Hawaii. For the first time, data will be available and shared from all state educational systems and workforce training agencies to analyze the cross-agency longitudinal education and workforce outcomes of students who attempted an educational course, training program, career program, postsecondary program, or other state-supported workforce training program.

SB2826 SD1 would build on this foundation to create an incentive program for public schools based on how successfully students attain industry recognized credentials that are aligned to the local Promising Credentials report. In particular, the report used intensive labor market analysis and outreach to local Hawaii businesses to curate a list of industry-recognized credentials that are associated with in-demand, living wage occupations throughout the state. That means a student earning a Promising Credential is better prepared for jobs that are forecasted to increase in demand, pay a family sustaining wage, and have a promising career ladder.

This effort is a win for students, schools, local employers, and the broader Hawaii economy, and would make our education system among the most exciting in the world. In Switzerland, for example, student pairing with businesses begins at the age of sixteen, with 71 percent of high schoolers participating in all fields (trades, blue- and white-collar occupations). Spending up to three days per week working in industry-specific training, the Swiss youth earn a monthly stipend of between \$800 and \$1,400. Upon graduation from high school at the age of nineteen or twenty, students leave with a diploma, several years of work experience, a sizable savings cushion, and typically an in-hand offer from an employer or a targeted higher-education pathway.²

And investment in today's kid is an investment in Hawaii's bright present *and* future.

Mahalo for your consideration,

David Miyashiro
Founding Executive Director
HawaiiKidsCAN

² <https://epicenter.wcfia.harvard.edu/blog/our-labor-market-crisis-paving-new-path-future-work>



Chamber of Commerce HAWAII

The Voice of Business

**Testimony to the Senate Committee on Education
Friday, February 4, 2022, at 3:00 P.M.
Conference Room 229 & Videoconference**

RE: SB 2826 Relating to Education

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

The Chamber of Commerce Hawaii ("The Chamber") **supports** SB 2826 which establishes a career development success program to provide financial incentives for participating public high schools to encourage students enrolled in grades nine through twelve to enroll in and successfully complete qualified industry-credential programs. It also establishes a similar program for public charter schools.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Through strategic and deliberate collaboration, the Chamber is investing in K-12 career and technical education, and synergy with business community, resulting in new industry partner connections, sector-driven workforce development solutions, increased certification attainment and high-quality work-based learning (WBL) experiences.

The Chamber supports the development and funding of sector-driven collaboratives to address Hawaii's talent pipeline and workforce development solutions. Sector Partnerships provide a forum for employers, educators, community partners and public sector leaders to collaborate on opportunities to strengthen and grow their sector. We believe that convening and facilitating a shared space for employers and educators is instrumental to preparing Hawaii residents for in-demand jobs and helping employers find skilled workers.

Establishing a career development success program in Hawaii would ensure that students learn skills and earn credentials required by industry for employment after graduation. Industry-recognized credentials are important because they teach the specific knowledge and skills that are required for an occupation or industry. With the rise in student debt and workforce shortages across multiple industries, this bill helps students find a career path they can thrive in, while also strengthening and diversifying our economy.

Thank you for the opportunity to testify.

SB-2826-SD-1

Submitted on: 2/13/2022 9:05:43 PM

Testimony for WAM on 2/15/2022 10:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Amy Sun	Individual	Support	No

Comments:

I support SB2826, because our students deserve a clear pathway to their future careers. Not only will the Promising Credentials better prepare students for their jobs and explore possible careers, the credentials program will provide clear connections between academics and different professions. Students are often asking "When will I need this or use this?" The credentials program will encourage teachers to explore that question and make learning more engaging and meaningful for students.