

JAN 22 2016

A BILL FOR AN ACT

RELATING TO WORKFORCE DEVELOPMENT.

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

1 SECTION 1. The legislature finds that actions must be
2 taken to provide a strategy for helping businesses cultivate the
3 skilled workforce necessary for competition and to ensure Hawaii
4 employers will have the talent they need to compete and grow in
5 an ever-changing twenty-first century economy.

6 The purpose of this Act is to establish a competitive
7 workforce development grant program that is industry-led and
8 regional in focus to be known as the Hawaii Employment
9 Advancement Right Now Program or EARN Hawaii. EARN Hawaii will
10 invest in strategic industry partnerships from key economic
11 sectors in every region. These partnerships will use the power
12 of coordination across education and workforce and economic
13 development initiatives to address the multiple needs of
14 companies, starting with the training of skilled workers. Once
15 formed, the partnerships will develop plans to train and educate
16 workers and place them in meaningful employment.

17 EARN Hawaii aims to:



- (1) Address the demands of businesses by focusing intensively on the workforce needs of a specific industry sector over a sustained period;
- (2) Address the needs of workers by creating formal career paths to good jobs, reducing barriers to employment, and sustaining or growing middle class jobs; and
- (3) Encourage mobility for Hawaii's most hard-to-serve jobseekers through career readiness training.

SECTION 2. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

"CHAPTER

HAWAII EMPLOYMENT ADVANCEMENT RIGHT NOW PROGRAM

§ -1 **Definitions.** As used in this chapter:

"Credential" means a recognized:

- (1) Educational diploma;
- (2) Certificate or degree;
- (3) Occupational license;
- (4) Apprenticeship certificate;
- (5) Industry recognized certification; or



(6) Award for skills attainment and completion, issued by an approved training provider in the State or a third-party credential provider.

"Department" means the department of labor and industrial relations.

"EARN Hawaii" means the Hawaii Employment Advancement Right Now Program established by this chapter.

"High-demand occupation" means an occupation that:

- (1) Has a significant presence within target industries;
- (2) Is in demand by employers; and
- (3) Pays or leads to payments of a family sustaining wage.

"Identifiable skill" means the attainment of proficiency in a specific work-related skill that is likely to lead to future job advancement and improvement in an individual's earning potential.

"Job readiness training" means training for the purpose of assisting and supporting jobseekers in overcoming individual barriers to employment and developing the skills necessary to maintain employment and to qualify for skills training opportunities. "Job readiness training" includes:

- (1) Occupational skills development;



- (2) GED preparation;
- (3) Literacy advancement;
- (4) Financial stability services, including financial coaching;
- (5) Credit counseling;
- (6) Transportation; and
- (7) Child care.

"Local board" means a local workforce investment board established to administer services in a workforce investment area established by this chapter.

"Strategic industry partnership" means a collaboration that brings together a regional group that may include employers, nonprofits, workforce training entities, higher education institutions, community colleges, local boards, the counties, or other relevant partners to:

- (1) Identify common workforce needs for high-demand occupations within a target industry; and
- (2) Develop and implement industry strategies to meet the common workforce needs and shortages based on regional needs.



1 "Target industry" means a group of employers closely linked
2 by a common product or service, workforce skills, similar
3 technologies, supply chains, or other economic ties.

4 § -2 Hawaii employment advancement right now program;
5 EARN Hawaii. (a) There is established within the department
6 the Hawaii Employment Advancement Right Now Program to be called
7 EARN Hawaii. The department shall adopt rules pursuant to
8 chapter 91 necessary to carry out the purposes of this chapter.

9 (b) The purpose of EARN Hawaii is to create industry-led
10 partnerships to advance the skills of the State's workforce,
11 grow the State's economy, and increase sustainable employment
12 for working families.

13 (c) The department, in consultation with the department of
14 business, economic development, and tourism and the department
15 of education, shall administer the EARN Hawaii program to
16 provide grants on a competitive basis for:

17 (1) An approved strategic industry partnership for
18 development of a plan consistent with the purpose of
19 EARN Hawaii;

20 (2) Workforce training programs and other qualified
21 programs that provide industry valued skills training



1 to individuals that result in a credential or
2 identifiable skills consistent with an approved
3 strategic industry partnership plan; and

4 (3) Job readiness training and skills training that
5 results in a credential or an identifiable skill.

6 § -3 **Grant application.** (a) An application for a grant
7 under section -2(c) shall:

8 (1) Include:

9 (A) Evidence of shortages in skilled employment
10 within the target industry over a sustained
11 period of time;

12 (B) A description of specific high-demand occupations
13 or sets of occupations within the target
14 industry; and

15 (C) The specifics of training programs that would
16 result in individuals obtaining credentials or
17 identifiable skills to facilitate their
18 employment or advancement in the targeted
19 industry; and



(2) Identify members participating in the strategic industry partnership, target industry, and participating local board.

(b) Grants may be awarded for skills training consistent with an approved strategic industry partnership plan developed under section -2(c) to:

(1) Industries with identified positions and a demonstrated need for incumbent worker training that can be accessed by employees at their place of employment or another location;

(2) Industries with an identified workforce shortage that will be seeking to hire individuals to train to meet a specific skill need;

(3) A member of a strategic industry partnership that can provide job readiness training to qualified individuals directly or through accounts held at local boards on behalf of the individual; and

(4) Educational providers that offer training consistent with the goals of the plan.

(c) The competitive grant process shall give priority to strategic industry partnerships that maximize the potential of



1 the collaboration through direct financial or in-kind
2 contributions by members of the target industry.

3 (d) The department shall monitor all grants provided under
4 EARN Hawaii. The department may require that all grant
5 recipients:

6 (1) Demonstrate an ability to collaborate successfully;
7 and

8 (2) Include additional provisions in a grant proposal to
9 ensure accountability.

10 (e) The department may revoke grant funding from a
11 strategic industry partnership, workforce training program, or
12 partnership member if goals contained in a grant agreement
13 approved by the department are not met.

14 (f) To the extent practicable and consistent with relevant
15 judicial opinions and statutory law, any intellectual property
16 developed as a result of a grant awarded under the EARN Hawaii
17 program shall remain in the public domain.

18 § -4 State employment advancement strategy. The
19 department, in consultation with the department of budget and
20 finance, shall develop and implement a state employment
21 advancement strategy that shall identify:



- 1 (1) Positions in state government in need of skilled
2 employees; and
- 3 (2) Mechanisms to provide incumbent state employees with
4 access to skills training programs that result in:
- 5 (A) Employment advancement resulting in title
6 promotion or wage promotion; or
- 7 (B) The potential for future employment advancement
8 as the result of obtaining a credential or
9 identifiable skill.

10 § **-5 Train Hawaii website.** The department, in
11 consultation with the department of business, economic
12 development, and tourism, department of education, and office of
13 information management and technology, shall develop a uniform
14 and easily accessible statewide "Train Hawaii" website promoting
15 available training programs in the State, including those
16 available under the EARN Hawaii program.

17 § **-6 Annual report.** The department shall report its
18 findings and recommendations on the EARN Hawaii program,
19 including any proposed legislation, to the legislature no later
20 than twenty days prior to the convening of each regular session.
21 The report shall include:



- (1) Identification of training needs statewide, including industries in urgent need of qualified workers;
- (2) Information on measures being used to track the success and accountability of the EARN Hawaii program;
- (3) A description of each strategic industry partnership receiving grant funding and the status of the partnership;
- (4) The number, demographic information, and participation level of individuals participating in the EARN Hawaii program; and
- (5) An assessment of whether and to what extent the approved strategic industry partnerships utilized existing data concerning the training needs of the State and applicable skills needs identified in existing workforce studies, plans, or research."

SECTION 3. The department of labor and industrial relations shall convene a working group of stakeholders including interested employers, nonprofits, workforce training entities, higher education institutions, community colleges, and local investment boards to advise on the initial development and



1 implementation of the EARN Hawaii program established by section
2 2 of this Act.

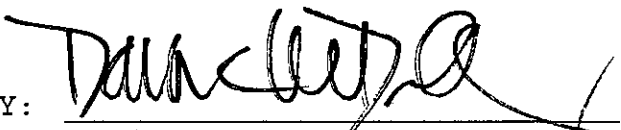

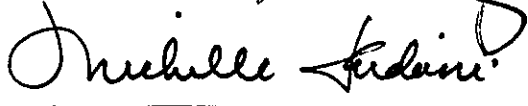

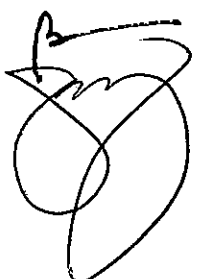
3 SECTION 4. The department of labor and industrial
4 relations shall provide to individuals receiving or applying for
5 unemployment benefits information on the EARN Hawaii program
6 established pursuant to section 2 of this Act, including
7 information on how to obtain job readiness and skills training
8 in the State.

9 SECTION 5. There is appropriated out of the general
10 revenues of the State of Hawaii the sum of \$ or so
11 much thereof as may be necessary for fiscal year 2016-2017 for
12 the EARN Hawaii program.

13 The sum appropriated shall be expended by the department of
14 labor and industrial relations for the purposes of this Act.

15 SECTION 6. This Act shall take effect upon its approval;
16 provided that section 5 shall take effect on July 1, 2016.
17

INTRODUCED BY:



S.B. NO. 2527

Report Title:

Department of Labor and Industrial Relations; Workforce Development; Hawaii Employment Advancement Right Now Program; EARN Hawaii; State Employment Advancement Strategy; Train Hawaii Website

Description:

Establishes the EARN Hawaii program to administer grants to strategic industry partnerships for job skills training. Requires DLIR to develop and implement a state employment advancement strategy. Requires DLIR to develop the "Train Hawaii" website. Requires DLIR to convene a working group of stakeholders to advise on the initial develop and implementation of the EARN Hawaii program. Makes an appropriation.

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

