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February 24, 2020

To:

The Honorable Sylvia Luke, Chair,

The Honorable Ty J.K. Cullen, Vice Chair, and Members of the House Committee on Finance

Date:

Monday, February 24, 2020

Time:

11:00 a.m.

Place:

Conference Room 308, State Capitol

From:

Scott T. Murakami, Director

Department of Labor and Industrial Relations (DLIR)

Re: H.B. No. 2753 H.D.1 RELATING TO WORKFORCE DEVELOPMENT

HB2753 HD1 proposes to establish and codify a YouthBuild program within the DLIR and require the Department to establish program requirements that are similar to the ones administered by the U.S. Department of Labor (U.S. DOL).

The DLIR <u>supports the intent</u> of the measure, provided that it does not conflict with the priorities as identified in the Governor's Supplemental Budget request.

The DLIR notes that the intent of the measure involves expanding a federal program at the State level. If the intent is to match the federal grant requirements under the discretionary Workforce and Innovation Opportunity Act (WIOA) grants, then the administrative burden would be lower than if they differed. Currently, the federal grants allocate 10% for administration. Any deviation from federal grant requirements would necessitate even greater resources for administration.

The Department is aware of two entities receiving these discretionary WIOA grants in the State, both on Oahu. The DLIR believes eligible entities and Honolulu may face significant challenges in providing matching dollars. The discretionary WIOA youthBuild grants require a 25% match, which can include non-cash, in kind contributions.





Jason Okuhama Managing Partner,

Commercial & Business Lending

Secretary/Treasurer
Marcus Kawatachi
Deputy Director,
Hawai'i Civil Rights Commission

Trina Orimoto Clinical & Research Psychologist

Miwa Tamanaha Deputy Director, Kua'āina Ulu 'Auamo

HACBED Staff

Brent N. Kakesako Executive Director

Keoki Noji *Chief Operating Officer*

Merri Keli'ikuli *Office Manager & Program Support*

Sean Tangco Program Specialist Date: February 21, 2020

To: Representative Sylvia Luke, Chair, Representative Ty J.K. Cullen, Vice-

Chair, and members of the Committee on Finance

From: Brent Kakesako, Hawai'i Alliance for Community-Based Economic

Development (HACBED)

Re: Strong Support for HB2753 HD1

Aloha Chair Luke, Vice-Chair Cullen, and Committee Members,

The Hawai'i Alliance for Community-Based Economic Development (HACBED) strongly supports HB2753 HD1, which would codify the state YouthBuild program and provide employment, education, leadership development, and training opportunities for youth between the ages of 16 and 24.

HACBED was established in 1992 as a nonprofit statewide intermediary to address social, economic, and environmental justice concerns through community-based economic development. It advances its mission with core competencies in the areas of community and organizational capacity building, community and economic development planning, and asset policy development and advocacy. HACBED played a facilitating role in the State Asset Policy Task Force and was a key contributor to the State Asset Policy Road Map. HACBED currently serves on the Oʻahu Workforce Development Board and has also provided support to the Hawaiʻi Island Workforce Development Board. Through those experiences sees the dire need for place-based, skills driven opportunities for families, particularly youth, across our island and by extension our state.

In addition, the Department of Business, Economic Development and Tourism's latest Self-Sufficiency Income Standard Family Economic Self-Sufficiency Income Standard (2016) depicts the obstacles that Hawai'i families are facing. The Standard measures the amount of money that individuals and families require to meet their basic needs without government and/or other subsidies and the data

shows the following percentage of families who fall below the self-sufficiency standard statewide:

- 31.7% of families with two adults and two children;
- 50.8% of single-adult families with children.

The passage of HB2753 HD1 would help grow our next generation of affordable housing builders by creating a state YouthBuild program to provide employment, education, leadership development, and training opportunities to disadvantaged and low-income youth between ages of 16 and 24. Furthermore, the bill would match Federal funding with State dollars so we could have additional resources necessary to stand up YouthBuild programs in our communities across the state.

Mahalo for this opportunity to testify,

Brent N. Kakesako Executive Director