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: 01/30/2024 Time: 09:30 AM Location: 309 VIA VIDEOCONFERENCE Committee: House Labor & Government Operations

Department:	Education
Person Testifying:	Keith T. Hayashi, Superintendent of Education
Title of Bill:	HB 2575 RELATING TO CONSTRUCTION WORKFORCE DEVELOPMENT.
Purpose of Bill:	Establishes a construction trades workforce development program in the Department of Labor and Industrial Relations to develop, establish, and implement a construction trades career pathway program for high school students in the State. Appropriates funds.

#### **Department's Position:**

The Hawaii State Department of Education (Department) respectfully offers comments on HB 2575.

Within the Department, 37 of 45 high schools offer the Residential and Commercial Construction program of study. This program of study is composed of a four-course sequence that scaffolds learning as students progress through the program and culminates in a work-based learning opportunity in which students can apply what they have learned in the classroom. Work-based learning opportunities include simulated work environments or internship experiences.

The courses in the program of study center around standards that are aligned with the national Career Connections program curriculum. Students who complete the Career Connections program are eligible for direct entry into the Carpenter's Apprenticeship program after graduation.

We appreciate the efforts to support the pipeline from high school to workforce and would defer to the Department of Labor and Industrial Relations regarding implementation of this bill.

Thank you for the opportunity to provide testimony on HB 2575.

JOSH GREEN, M.D. GOVERNOR

SYLVIA LUKE LIEUTENANT GOVERNOR



JADE T. BUTAY DIRECTOR

WILLIAM G. KUNSTMAN DEPUTY DIRECTOR

STATE OF HAWAI'I KA MOKU'ĀINA O HAWAI'I DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS KA 'OIHANA PONO LIMAHANA

January 30, 2024

To: The Honorable Scott Z. Matayoshi, Chair, The Honorable Andrew Takuya Garrett, Vice Chair, and Members of the House Committee on Labor & Government Operations

Date: Tuesday, January 30, 2024

Time: 9:30 a.m.

- Place: Conference Room 309, State Capitol
- From: Jade T. Butay, Director Department of Labor and Industrial Relations (DLIR)

#### <u>Re: Amended Testimony for H.B. 2575 RELATING TO CONSTRUCTION</u> <u>WORKFORCE DEVELOPMENT</u>

### I. OVERVIEW OF PROPOSED LEGISLATION

The **DLIR notes concerns** regarding HB2575, especially regarding the measure's implementation. HB2575 proposes to establish a construction trades workforce development program in the DLIR aimed at developing a career pathway into the construction trades.

The measure gives the DLIR primary responsibility for education related functions including curriculum, teacher certification, classroom renovation and related capital improvement projects, and facilitating public-private partnerships between schools and private companies and industry professionals. If the implementation hurdles can be overcome, the department estimates the budget for this program at \$2,800,000 per year.

### II. CURRENT LAW

The DLIR and the Department of Education (DOE) have an existing internship program wherein the DLIR provides funding for up to thirty students to participate in internships. Those internships are not prescribed for a specific industry or occupation. The DLIR currently works with construction trades through the apprenticeship programs and with the DOE on a variety of workforce development programs. HB2575 January 30, 2024 Page 2

#### III. COMMENTS ON THE HOUSE BILL

The DLIR offers the following comments on the measure:

- The proposed 371-(b)(2): the DLIR is unsure of how it would "authorize and enable" industry trade professionals to both teach and administer training classes and assist in course development—this may be a function of the Hawaii Teacher Standards Board.
- The proposed 371-(b)(3) & (4): involve the DLIR in renovation and capital improvement projects in public schools—how would the department procure such items with the DOE for Oahu schools and with the Department of Accounting and General Services (DAGS) on the Neighbor Islands? Further, the DLIR would be tasked with facilitating such projects through memoranda of agreements with private entities.
- The proposed 371-(b)(5) permits unpaid internships and it is likely that most employers would fall under the Fair Labor Standards Act (FLSA). Courts have used the "primary beneficiary test" to determine whether an intern or student is, in fact, an employee under the FLSA. In short, this test allows courts to examine the "economic reality" of the intern-employer relationship to determine which party is the "primary beneficiary" of the relationship. If analysis of these circumstances reveals that an intern or student is actually an employee, then he or she is entitled to both minimum wage and overtime pay under the FLSA.
- Construction projects involve hazardous occupations and many hazardous occupations pursuant to Child Labor Law (Chapter 390, HRS) are not allowed for minors under eighteen years of age including those involving:
  - Exposure to radioactive substances and to ionizing radiation
  - Operation of elevators and other power-driven hoisting apparatus
  - o Manufacture of brick, tile, and kindred products
  - Wrecking, demolition, and shipbreaking operations
- Child Labor Law does provide exceptions for some other hazardous occupations not covered in the above list under the following circumstances:
  - 1. Student-learners enrolled in a course of study and training in a cooperative vocational training program under a bona fide vocational training program authorized and approved by the DOE, and
  - 2. Enrollee enrolled in a work training program approved and conducted by or under the auspices of a government agency.
- The DLIR also notes that this measure proposes a new section in Chapter 371, which is the department's enabling statute.

#### Testimony of Pacific Resource Partnership

#### House Committee On Labor & Government Operations Representative Scot Z. Matayoshi, Chair Representative Andrew Takuya Garrett, Vice Chair

#### HB 2575—Relating To Construction Workforce Development Tuesday, January 30, 2024 9:30 A.M.

Aloha Chair Matayoshi, Vice Chair Garrett, and Members of the Committee:

Pacific Resource Partnership (PRP) is a nonprofit organization that represents the Hawai'i Regional Council of Carpenters, the largest construction union in the state with approximately 6,000 members, in addition to more than 240 diverse contractors ranging from mom-and-pop owned businesses to national companies.

PRP writes in **strong support** of HB 2575, which aims to develop, establish, and implement a construction trades career pathway program specifically tailored for public high school students in the State. This greatly expands upon the existing program by setting up public-private partnerships for the construction industry to enter an MOU/MOA with the school to help build out the classroom, provide equipment, and supply instructors. Finally, the measure addresses our housing workforce needs and provides valuable competitive career opportunities for our youth.

As such, we respectfully request your favorable decision on this measure. Thank you for this opportunity to submit written testimony.



**PHONE** → 808.528.5557

1100 ALAKEA STREET / 4TH FLOOR HONOLULU / HL96813

#### HB-2575 Submitted on: 1/28/2024 10:19:27 PM Testimony for LGO on 1/30/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Jacob Wiencek	Hawaii Young Republicans	Support	Written Testimony Only

Comments:

Aloha Representatives,

On behalf of Hawaii Young Republicans, we support this bill. There is a serious shortage of skilled labor in our economy and lack of opportunity for young students to find good paying jobs. We strongly support this legislation that will create pathways to success, prosperity, and stability for young people. We urge this committee to strongly support this legislation!



January 29, 2024

To: COMMITTEE ON LABOR & GOVERNMENT OPERATIONS Rep. Scot Z. Matayoshi, Chair Rep. Andrew Takuya Garrett, Vice Chair Committee Members

Re: SUPPORT of HB2575 Relating to Construction Workforce Development

Hrg: Tuesday, Jan 30, 2024, 9:30 AM

The Hawaii Building Industry Foundation's mission is to strengthen, support, and sustain the building community by providing scholarships to deserving economically disadvantaged students interested in pursuing careers in the building industry and to develop a sustainable building industry workforce in the State of Hawaii by providing educational opportunities for career development.

HBIF supports HB2575 as the bill aims to establishes a construction trades workforce development program in the Department of Labor and Industrial Relations to develop, establish, and implement a construction trades career pathway program for high school students in the State. This would help prepare students for careers in the construction trades that pay living wages with benefits and provide high quality training through a state-approved apprenticeship program.

According to the recent "Hawai'i Skilled Trades Workforce Analysis" (May 2023), the leading skilled trades occupations in terms of employment volume within the state are as follows:

- Maintenance and Repair Workers, General 6,440 jobs
- Carpenters 5,670 jobs
- Construction Laborers 3,950 jobs
- Heavy and Tractor-Trailer Truck Drivers 3,510 jobs
- Electricians 3,040 jobs
- Automotive Service Technicians and Mechanics 2,650 jobs
- Plumbers, Pipefitters, and Steamfitters 2,330 jobs
- Painters, Construction, and Maintenance 2,010 jobs

Individuals interested in pursuing a career in the skilled trades need more pathways to choose from as these programs allow candidates to quickly enter the workforce while bypassing the conventional financial challenges associated with tuition costs and postsecondary loans. As they progress from apprentice to journeyman over 3 to 5 years on the job, they can gain valuable experience that positions them for career advancement, which can lead to higher earnings in supervisory roles or even licensure as contractors.

HBIF strongly supports HB2575 and respectfully asks that you pass this measure. Thank you for the opportunity to provide testimony on this important issue.

Respectfully submitted,

Holly Kessler Executive Director

> Hawaii Building Industry Foundation 94-487 Akoki Street, Suite 213 Waipahu, Hawaii 96797 www.hawaiibuildinginudstryfoundation.org

#### HB-2575 Submitted on: 1/27/2024 5:54:04 PM Testimony for LGO on 1/30/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Leimomi Khan	Individual	Support	Written Testimony Only

Comments:

Love this bill that would offer students the opportunity to prepare for blue collar jobs in the construction industry. No doubt with the rebuilding of Maui, more construction workers will be needed. Growing our own assures skills availability for jobs for our people and keeps our young people home.

#### <u>HB-2575</u> Submitted on: 1/28/2024 7:30:17 AM Testimony for LGO on 1/30/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Barbara Best	Individual	Support	Written Testimony Only

Comments:

apprentice programs that provide living wages in Hawaii are a great idea

#### HB-2575 Submitted on: 1/28/2024 9:25:44 AM Testimony for LGO on 1/30/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Ted Meehan	Individual	Support	Written Testimony Only

Comments:

As a retired executive from the Construction, Facilities and Real Estate industries, I was always searching for qualified individuals with construction trade skills background. HB 2575 would assist indivuduals who have an earnest desire to join the trades industry but need a construction career trades pathway program. I fully support HB 2575.

HB-2575 Submitted on: 1/28/2024 12:57:09 PM Testimony for LGO on 1/30/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Georgia L Hoopes	Individual	Support	Written Testimony Only

Comments:

I support this trades training program for high-school students.

#### HB-2575 Submitted on: 1/28/2024 8:33:53 PM Testimony for LGO on 1/30/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Ronald "Ron" Reilly	Individual	Support	Written Testimony Only

Comments:

Dear Chair Scot Z. Matayoshi, and Members of the Committee On Labor & Government Operations,

Thank you for hearing HB 2575 relating to Construction Workforce Development. Many thanks also to the introducers of this measure.

I believe that a construction trades career pathway program for high school students is of huge value to young people who would rather begin working in a trades program rather than dropping out to a low paying service job.

I enjoyed a long career as a medical laboratory technologist in Hawaii, that began when I was hired in to a 5-year hospital training program (essentially an apprenticeship) in Tauranga, New Zealand.

I respectfully urge your support of this measure.

Ron Reilly Volcano Village, Hawaii LATE \*Testimony submitted late may not be considered by the Committee for decision making purposes.



# **OPERATING ENGINEERS LOCAL UNION NO. 3**

2181 LAUWILIWILI STREET, KAPOLEI, HI 96707 • (808) 845-7871 • FAX (808) 682-0906 Jurisdiction: Northern California, Northern Nevada, Utah, Hawaii, and the Mid-Pacific Islands

January 29, 2024

Honorable, Scot Matayoshi, House Committee on Labor & Government Operations, Chair Honorable, Andrew Takuya Garrett, House Committee on Labor & Government Operations, Vice Chair Honorable Members of the House Committee on Labor & Government Operations,

## **RE: HB 2575- RELATING TO CONSTRUCTION WORKFORCE DEVELOPMENT**

Chair Matayoshi,

Operating Engineers Local 3 supports HB 2575, which aims to develop, establish, and implement a construction trades career pathway program specifically tailored for public high school students in the State. This greatly expands upon the existing program by setting up public-private partnerships for the construction industry to enter an MOU/MOA with the school to help build out the classroom, provide equipment, and supply instructors. Finally, the measure addresses our housing workforce needs and provides valuable competitive career opportunities for our youth.

We humbly ask for your support and approval of HB 2575.



1200 Ala Kapuna Street • Honolulu, Hawaii 96819 Tel: (808) 833-2711 • Fax: (808) 839-7106 • Web: www.hsta.org

> Osa Tui, Jr. President

Logan Okita Vice President

Lisa Thompson Secretary-Treasurer

Ann Mahi Executive Director

#### **TESTIMONY TO THE HAWAI'I HOUSE COMMITTEE ON LABOR & GOVERNMENT RELATIONS**

Item: HB2575 - Relating to Construction Workforce Development

Position: Support

Hearing: January 30, 2024, 9:30 a.m., Conference Room 309

Submitter: Osa Tui, Jr. - President, Hawai'i State Teachers Association

Chair Matayoshi, Vice Chair Garrett, and members of the committee,

The Hawai'i State Teachers Association **supports** HB2575 which establishes a construction trades workforce development program in the Department of Labor and Industrial Relations to develop, establish, and implement a construction trades career pathway program for high school students in the state.

As many students choose not to attend college in the traditional fashion, options must exist (like learning a trade) that will still lead towards being able to make a good living. This bill will help support those who wish to enter the construction trade in that endeavor. CTE programs allow students the opportunity to explore and learn through practical application of academic and technical skills.

Many of the job openings today are for positions that do not require a college degree; however, we do need to attract instructors who are experts in their field to support our students in learning these advanced skills in CTE to become certified in many areas. By establishing a workforce development program, we can expand educational and career options for our students while supporting our local economy.

The Hawai'i State Teachers Association asks your committee to support this bill.

#### <u>HB-2575</u>

Submitted on: 1/29/2024 5:31:02 PM Testimony for LGO on 1/30/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier</b> Position	Testify
Victor T Kimura	Individual	Support	Written Testimony Only

Comments:

January 29,2024

Mr, Scot Matayoshi

Chair, House of Representatives, Labor & Government Operations

Mr. Andrew T. Garrett

Vice Chair, House of Representatives, Labor & Government Operations

RE: Strong Support HB 2575

Aloha Chair Matayoshi, Vice Chair Garett and members of tje Labor & Government Operations,

I am in strong support of HB 2575 relating to the Construction Workforce Development. Investing in our high school youth towards a good occupation in the construction industry is a wonderful opportunity towards supporting the need for an increase in construction trade related occupations, and at the same time, provide a positive pathway for their career development. Currently the trade unions carry the training and development for skilled trades workers, and to expand this via the educational learning system increases the basic skill knowledge for the future of our youth. I believe that the construction and building trade unions should also be involved along with the public-private partnerships between schools and construction companies and industry professionals, as the respective unions will provide great knowledge and support to these programs by discipline and help to expedite the qualifications for journeyman status for skilled labor and reward the youth with great paying jobs,

Mahalo for your consideration,

Victor T. Kimura

95-1085 Ala Oki Street

Mililani, Hawaii 96789