

## ACT 34

S.B. NO. 1665

A Bill for an Act Relating to Higher Education.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The legislature finds that Hawaii's community colleges can play a critical role in the economic recovery and revitalization of the State, from supporting the individual worker going back to school for enhanced career opportunities to helping companies and nonprofit organizations change the way they do business in these difficult economic times.

Community colleges are at the forefront of workforce training both locally and across the United States. Nationally, fifty-nine per cent of new nurses and a majority of new health care workers are educated at community colleges. Nearly eighty per cent of firefighters, law enforcement officers, and emergency medical technicians are credentialed at community colleges. And ninety-five per cent of businesses and organizations that employ community college graduates recommend and support community college workforce education and training programs.

In Hawaii, enrollment in the community colleges has grown by ten per cent in the past year, with the seven campuses serving a record twenty-eight

thousand five hundred ninety-one students. Hawaii's community colleges have been in the forefront of helping employers improve their operations and overall efficiency through training programs. For example, during the five months that a first time supervisory training program was offered, over three hundred thirty individuals participated in the program, saving businesses \$71,000 through discounted tuition fees. And in response to mass layoffs at Aloha Airlines, ATA, Molokai Ranch, and Weyerhaeuser, \$70,000 was allocated from the community college rapid response fund to help displaced workers. Eligible for a one-time fifty per cent tuition scholarship (up to \$500 per displaced worker), eighty-four individuals took advantage of this program to enhance their job skills during the fall of 2008, with more students expected to enroll in the spring 2009 semester.

Hawaii's community colleges are poised to help both employees and employers prepare to change the way they work. Employers will need to consider downsizing, cross-training, identifying efficiencies, and developing new business models to survive and to preserve as many jobs as possible. Employees will need access to affordable training and professional services that can be delivered in a timely manner.

The purpose of this Act is to enhance the workforce development capacity of Hawaii's community colleges by establishing a skilled worker and business development center to provide workforce development to meet the rapidly evolving needs of both employers and employees.

The skilled worker and business development center shall be established at each community college and shall consist of programs including job search assistance, job referral, placement assistance, reemployment services to unemployment insurance claimants, and recruitment services to employers with job openings.

This Act makes an appropriation to the University of Hawaii to establish and implement the skilled worker and business development center, provided that a specific amount of the appropriation is allocated for each community college to implement programs within the skilled worker and business development center as they deem most appropriate for the particular community they serve.

Additionally to the extent possible, appropriated funds shall be from moneys received by the State pursuant to section 209 of the Job Creation and Workers Assistance Act of 2002, commonly referred to as the Reed Act. The University of Hawaii may also expend moneys appropriated to it by the legislature and additional revenues generated to cover the cost of effectuating this Act to the extent that federal moneys are not permitted to be used under the requirements of the Reed Act.

**SECTION 2.** (a) There is established under program ID UOH 800, University of Hawaii community colleges, a skilled worker and business development center to develop curriculum to assist businesses and nonprofit organizations retrain and cross-train workers to adapt to the economic downturn and new technology. The skilled worker and business development center may be modeled after the Pacific center for advanced technology training, which is a not-for-profit consortium of the University of Hawaii community colleges.

The skilled worker and business development center shall provide workforce development programs, including:

- (1) Facilitated self-help courses that work with employees to reassess skill sets, obtain additional training, and consider new fields of work following a layoff or loss of employment for other reason;
- (2) Affordable re-training and cross-training programs to assist specific small business and nonprofit organizations that are in the process of reorganizing their business plan or structure;

- (3) Specialized training courses to assist workers in adapting to work-place changes, provided that the necessity of the courses shall be supported by empirical and statistical data; and
  - (4) Other permissible program services pursuant to the Wagner-Peyser Act of 1933.
- (b) In addition to providing workforce development, the skilled worker and business development center shall include a two-fold counseling component providing:
- (1) Assistance to businesses and nonprofit organizations that face difficult economic times or changes in their industry; and
  - (2) Occupational and career counseling for displaced workers or other individuals.
- (c) There is established an advisory board for the skilled worker and business development center, which shall include representatives from the:
- (1) University of Hawaii community college system;
  - (2) Seven community college campuses;
  - (3) Department of education;
  - (4) County workforce investment boards;
  - (5) Hawaii Alliance of Nonprofit Organizations;
  - (6) Hawai'i Community Foundation;
  - (7) Hawaii Business Roundtable Incorporated;
  - (8) Chamber of Commerce of Hawaii;
  - (9) Small Business Administration; and
  - (10) United States armed forces in Hawaii.
- (d) The skilled worker and business development center shall submit a report to the legislature no later than twenty days prior to the convening of the 2010 regular session setting forth, at minimum, the progress achieved regarding the establishment and start-up of the skilled worker and business development center; the development plan for the skilled worker and business development center; funding options, recommendations, and requirements for the skilled worker and business development center and the specific programs thereunder at the various community colleges. Funding options shall include funds appropriated pursuant to section 383-123(b), Hawaii Revised Statutes, other state funds, private funds, federal grants, and self-generating income of the University of Hawaii.

Thereafter, the skilled worker and business development center shall submit an annual report to the legislature no later than twenty days prior to the convening of each regular session detailing the training and counseling programs, the numbers of businesses, nonprofit organizations, and individuals participating in the center programs, and the usage of Reed Act funds and other moneys from other sources used for the skilled worker and business development center.

SECTION 3. (a) There is appropriated out of the unemployment trust fund from moneys deposited pursuant to section 383-123(b), Hawaii Revised Statutes, the sum of \$2,400,000 or so much thereof as may be necessary for fiscal year 2009-2010 to assist in the establishment and start-up of the skilled worker and business development center and the development of its skills-based program, including curriculum design and counseling services; provided, however, that \$200,000 shall be provided to each community college of the University of Hawaii system to implement skills-based programs deemed appropriate by each community college consistent with the skilled worker and business development center.

The sums appropriated shall be expended by the department of labor and industrial relations for the purposes of this Act; provided that the funds shall

be expended in conjunction with the University of Hawaii through the rapid response fund established under program ID UOH 800, University of Hawaii community colleges.

(b) To the extent that moneys appropriated pursuant to subsection (a) are not permitted to be used to effectuate this Act, the University of Hawaii may also expend moneys previously appropriated to it by the legislature and additional revenues generated.

**SECTION 4.** If any part of this Act is found to be in conflict with federal requirements that are a prescribed condition for the allocation of federal funds to the State, the conflicting part of this Act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder of this Act in its application to the agencies concerned.

**SECTION 5.** This Act shall take effect on July 1, 2009.

(Vetoed by Governor and veto overridden by Legislature on July 15, 2009.)