



UNIVERSITY OF HAWAI'I SYSTEM

TESTIMONY

HB 240

Making an Appropriation for Job Training

Testimony Presented Before the
House Committee on Labor and Public Employment

February 4, 2005

By

Michael Rota
Associate Vice President for
Academic Affairs, Planning and Policy
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Chair Caldwell and Members of the Committee:

I am here today to testify on H.B. NO. 240 which proposes to appropriate out of unencumbered federal Temporary Assistance for Needy Families (TANF) funds, or out of the general revenues of the State of Hawaii, the sum of \$10,000,000 for training in construction industry vocations and other skilled trades, high technology vocations, maritime industry vocations, culinary arts, general equivalency degree programs, and labor shortage areas. It is also proposed that these funds would be expended by the State Department of Labor and Industrial Relations (DLIR).

Workforce education and training are currently an important part of my position at the University of Hawai'i; I currently represent the University President on the State Workforce Development Council, and sit on the Oahu Workforce Investment Board. We believe it is clear that we have a growing shortage of skilled workers in a variety of different areas, and that devoting significant additional funds for selected training is a step in the right direction. In data developed as part of a Hawai'i project funded by the National Governors Association in which we participated, the biggest mismatch between employment demand and the supply of qualified workers in those jobs that require education and training beyond high school but less than baccalaureate. It is also clear that

we must take steps to increase the percentage of Hawai'i's residents participating in the workforce, particularly from among individuals intended to be served through the expenditure of TANF funds. Given our low state unemployment rate, which is making it difficult for employers to find qualified workers, we need to move quickly to get more adults into education, training, and the workforce. In addition, we need to invest in the retraining of our incumbent workers so they are prepared to move up in their careers as aging workers leave the workforce.

It is our understanding that using federal TANF funds for training will require a significant applicant screening and certification process prior to entry for training and that most of our current expertise in that process is within the Department of Human Services (DHS). If this is the case, rather than appropriating the funding to DLIR, where there will likely be a fairly lengthy rule making, proposal solicitation and review, and training reimbursement processes, a more efficient process may be for DHS screen and qualify applicants and then provide qualified trainees with vouchers that can be used to procure education and training services from qualified providers.

In addition, it is our experience as the State's primary provider of workforce education and training that individuals who would likely meet the TANF eligibility requirements bring with them a number of problems, and that unless a comprehensive set of services is offered in addition to employment-focused training, that the participating individuals are unlikely to be successful in completing training and gaining secure employment. However the program is eventually structured, it is critical that resources be allocated to basic trainee support services, including: transportation, child care, counseling and job placement; in addition to the technical training.