A BILL FOR AN ACT

RELATING TO YOUTH SERVICES PROGRAMS.

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

SECTION 1. Chapter 352D, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§352D-Vocational training programs; commercial enterprise; revolving fund; operations. (a) There is created the office of youth services revolving fund to be administered by the office of youth services. All moneys collected from the sale of goods and services by individual vocational programs that engage in commercial enterprise, as established under section 32D-4(5) shall be deposited into the office of youth services revolving fund. The moneys in the revolving fund shall be used for the purposes of vocational programs within the office of youth services as determined by the office of youth services.

(b) The administrators for each individual vocational program except those at a youth correctional facility shall determine the prices at which all goods and services are sold. The prices shall be as near to the prevailing market.
prices for similar goods and services as practicable.

(c) The vocational programs may market goods and services to both the public and private sectors.

(d) The administrator for each individual vocational program shall ensure that the quality of goods and services produced is comparable to similar goods and services available from the private sector. For sales to the State or the counties, the quality of the goods or services shall be consistent with the specifications for the goods or services requested."

SECTION 2. Section 352D-4, Hawaii Revised Statutes, is amended to read as follows:

"§352D-4 Establishment; purpose. There is established within the department of human services for administrative purposes only the office of youth services. The office of youth services is established to provide services and programs for youth at risk under one umbrella agency in order to facilitate optimum service delivery, to prevent delinquency, and to reduce the incidence of recidivism among juveniles through the provision of prevention, rehabilitation, and treatment services. The office shall also be responsible for program planning and development, intake/assessment, oversight, as well as
consultation, technical assistance, and staff training relating to the delivery of services.

The office shall provide a continuum of services as follows:

(1) An integrated intake/assessment and case management system;

(2) The necessary educational, vocational, social counseling and mental health services; provided that the department of education shall be the only provider of standards-based education services for all youth adults at risk and young adults identified with special education needs or actively receiving special education services, in accordance with the Individuals with Disabilities Education Act (20 U.S.C. section 1400 et seq.) and all applicable federal and state educational requirements;

(3) Community-based shelter and residential facilities;

(4) Oversight of youth services; and

(5) Other programs which encourage the development of positive self-images and useful skills in such youth [and young adults, including commercial]
enterprise programs for young adults.

The executive director of the office of youth services shall submit annual reports to the legislature no later than twenty days prior to the convening of each regular session, reporting the services or programs funded pursuant to this section, the number of youth served by each service or program, and the results of the services or programs funded.

To this end, on July 1, 1991, this office shall assume the responsibilities for juvenile corrections functions, which were temporarily placed in the department of corrections pursuant to Act 338 of 1987. These functions shall include, but not be limited to, all responsibilities, under chapter 352, for the Hawaii youth correctional facilities."

SECTION 3. There is appropriated out of the office of youth services revolving fund the sum of $ , or so much thereof as may be necessary for fiscal year 2019-2020, to carry out the purposes of this Act.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.
SECTION 5. This Act shall take effect upon its approval.

INTRODUCED BY: __________________________

BY REQUEST

JAN 22 2019
Report Title:
Department of Human Services; Office of Youth Services; Youth Services Centers; Vocational Programming; Commercial Enterprises.

Description:
Permits individual non-justice vocational programs within the purview of the Office of Youth Services to engage in commercial enterprises, including the sales of goods and services, for self-sustainability purposes.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.
DEPARTMENT: Office of Youth Services (OYS), Department of Human Services

TITLE: A BILL FOR AN ACT RELATING TO YOUTH SERVICES PROGRAMS.

PURPOSE: To establish self-funded commercial enterprise vocational programs within OYS for young adults (between the ages of eighteen and twenty-four) at risk as defined in section 352D-3, Hawaii Revised Statutes, to prepare young adults at risk with the necessary job skills to become productive and employed members of the community. Individual vocational programs will be allowed to sell the goods and services produced by the program in order to be self-sustaining. The establishment of the commercial enterprise vocational programs shall not affect the provision of services by the Department of Education.

To create the Office of Youth Services Revolving Fund within OYS, for the receipt of income and payment of expenses generated from and by the commercial enterprise vocational programs.

MEANS: Add a new section to chapter 352D, Hawaii Revised Statutes, and amend section 352D-4.

JUSTIFICATION: Over 15,000 young adults ages eighteen through twenty-four years old in Hawaii are neither employed nor in school, resulting in a lifetime state expenditure of $6.5 billion in lost wages and costs.

This measure will fulfill the OYS requirement under 352D-4 to provide vocational training services for at risk youth and young adults in a self-sustaining fashion.

This proposal also supports the Connect 2 Careers partnership, which is formed to
build, measure, and scale high-quality work-based learning experiences that align with local, county, and state economic and labor market needs. This measure will enhance the rigor and relevance of work-based learning as students engage in comprehensive, real-world immersive experiences.

The new section of chapter 352D, Hawaii Revised Statues, will allow OYS to expand and support the career programs to allow for the sale of products and services and deposit these funds back into the Offices of Youth Services Revolving Fund. This is a crucial component of being able to sustain, support, and expand the vocational programs that are geared toward improving the employment and productive status of at risk young adults.

The goal is not to compete with commercial business, and at this scale it will not. The goal is to provide an opportunity for self-sustainability, accountability, and entrepreneurship for our emerging young adults.

In addition, the State will save money by authorizing OYS to fund its own vocational programs through commercial enterprise.

Act 169, Session Laws of Hawaii 2018, consists of a similar law on behalf of the Department of Education that authorizes individual departments, career pathways, or programs to engage in commercial enterprise by the sale of goods and services produced by or for the program in order to generate funding for the program.

**Impact on the public:** There is a positive impact for the public in that it lessens the funding that will be required for OYS programming, while creating skilled young adults who can enter the workforce and become self-sufficient. The agricultural vocational programs also add to the State's
plan to become more self-reliant and provide our citizens with locally produced products.

**Impact on the department and other agencies:**
There is no foreseeable impact on other agencies. The only impact is on OYS for needing to manage the accounting for the Office of Youth Services Revolving Fund. On the other hand, it will save OYS money and will create stability for the vocational programs.

**GENERAL FUND:** None.

**OTHER FUNDS:** None.

**PPBS PROGRAM DESIGNATION:** HMS

**OTHER AFFECTED AGENCIES:** None.

**EFFECTIVE DATE:** Upon approval.