A BILL FOR AN ACT

RELATING TO OFFICE OF YOUTH SERVICES.

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- Office of youth services revolving fund;

commercial enterprise vocational programs. (a) There is established 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, the for-profit activity of providing goods and services, and appropriations made by the legislature to the revolving fund 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.

(b) The administrators for each individual commercial enterprise vocational program 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 commercial enterprise vocational programs may market goods and services to both the public and private sectors.

(d) The administrator for each individual commercial enterprise 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-3, Hawaii Revised Statutes, is amended by amending the definition of "young adult at risk" or "young adult" to read as follows:

""Young adult at risk" or "young adult" means any adult between the ages of eighteen and twenty-four who has been arrested, or who has had contact with the police, or who is experiencing social, emotional, psychological, educational, or physical problems, and who is no longer eligible for child protective services provided by the State due to the adult's age."
SECTION 3. 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 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. 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) Commercial enterprise vocational programs for

young adults only; and

(6) Other programs that encourage the development

of positive self-images and useful skills in

youth[+] at risk and 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 at risk and young
adults 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, Session Laws of Hawaii 1987. These functions shall include but not be limited to all responsibilities, under chapter 352, for the Hawaii youth correctional facilities."

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of $ or so much thereof as may be necessary for fiscal year 2020-2021 to be deposited into the office of youth services revolving fund.

SECTION 5. 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 2020-2021 to carry out the purposes of this Act.

SECTION 6. The sums appropriated shall be expended by the office of youth services for the purposes of this Act.

SECTION 7. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.
SECTION 8. This Act shall take effect upon its approval.

INTRODUCED BY: [Signature]

BY REQUEST
**Report Title:**
Office of Youth Services Revolving Fund; Commercial Enterprise Vocational Programs

**Description:**
Permits individual vocational programs within the purview of the Office of Youth Services to engage in commercial enterprises, including the sale of goods and services, for self-sustainability purposes, for young adults only. Establishes the Office of Youth Services Revolving Fund. Appropriates funds.
DEPARTMENT: Office of Youth Services, Department of Human Services.

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

PURPOSE: To provide young adults at risk with the necessary job skills to become productive and employed members of the community through commercial enterprise vocational programs. This bill would authorize individual vocational programs to sell the goods and services produced by the program to be self-sustaining and would establish self-funding vocational programming within the Office of Youth Services (OYS), Department of Human Services, for young adults at risk as defined in section 352D-3, Hawaii Revised Statutes (HRS).

This bill will create the Office of Youth Services Revolving Fund within OYS, Department of Human Services, for receipt of income and payment of expenses generated from and by the commercial enterprise vocational programs. This bill also appropriates funds from the general fund to the Office of Youth Services Revolving Fund.

The bill also corrects the definition of "young adult at risk" or "young adult."

MEANS: Add a new section to chapter 352D, HRS; and amend sections 352D-3 and 352D-4, HRS. Make an appropriation from the general fund to the Office of Youth Services Revolving Fund.

JUSTIFICATION: Over 15,000 young adults ages eighteen through twenty-four in Hawaii are neither employed nor in school, resulting in a life-time state expenditure of $6.5 billion in lost wages and costs.
This bill will fulfill the OYS requirement under section 352D-4, HRS, to provide vocational training services for young adults in a self-sustaining fashion. It will allow individual vocational programs under the jurisdiction of OYS to engage in commercial enterprises that are related to their primary educational purpose.

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 young adults engage in comprehensive, real-world, immersive experiences.

The new section to chapter 352D, HRS, will allow OYS to expand and support the career programs by providing that proceeds from the sale of products and services be deposited back into the office of youth services revolving fund. This is a crucial component of being able to sustain, support, and expand the vocational programs that are geared to improving the employment and productive citizenship status of young adults.

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

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 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: This bill will affect the Department of Budget and Finance because the bill appropriates general funds. There is no foreseeable impact on other agencies. Other impact may be on the administration at OYS to manage the accounting for the Office of Youth Services Revolving Fund, and for the fiscal office of the Department of Human Services to provide appropriate oversight. It may on the other hand create more funding stability for vocational programs.

GENERAL FUNDS: Undetermined amount.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: HMS 501.

OTHER AFFECTED AGENCIES: Department of Human Services.

EFFECTIVE DATE: Upon approval.