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## A BILL FOR AN ACT

RELATING TO OFFICE OF YOUTH SERVICES.

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

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

4           "§352D- Office of youth services revolving fund;  
5 commercial enterprise vocational programs. (a) There is  
6 established the office of youth services revolving fund to  
7 be administered by the office of youth services. All  
8 moneys collected from the sale of goods and services by  
9 individual vocational programs that engage in commercial  
10 enterprise, the for-profit activity of providing goods and  
11 services, and appropriations made by the legislature to the  
12 revolving fund shall be deposited into the office of youth  
13 services revolving fund. The moneys in the revolving fund  
14 shall be used for the purposes of vocational programs  
15 within the office of youth services as determined by the  
16 office.

17           (b) The administrators for each individual commercial  
18 enterprise vocational program shall determine the prices at

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1 which all goods and services are sold. The prices shall be  
2 as near to the prevailing market prices for similar goods  
3 and services as practicable.

4 (c) The commercial enterprise vocational programs may  
5 market goods and services to both the public and private  
6 sectors.

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

14 SECTION 2. Section 352D-3, Hawaii Revised Statutes,  
15 is amended by amending the definition of "young adult at  
16 risk" or "young adult" to read as follows:

17 ""Young adult at risk" or "young adult" means any  
18 adult between the ages of eighteen and twenty-four who has  
19 been arrested, or who has had contact with the police, or  
20 who is experiencing social, emotional, psychological,  
21 educational, or physical problems, and who is no longer  
22 eligible for child protective services provided by the  
23 State due to the adult's age."

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1 SECTION 3. Section 352D-4, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 **"§352D-4 Establishment; purpose.** There is  
4 established within the department of human services for  
5 administrative purposes only the office of youth  
6 services. The office of youth services is established to  
7 provide services and programs for youth at risk under one  
8 umbrella agency in order to facilitate optimum service  
9 delivery, to prevent delinquency, and to reduce the  
10 incidence of recidivism among juveniles through the  
11 provision of prevention, rehabilitation, and treatment  
12 services. The office shall also be responsible for program  
13 planning and development, intake/assessment, oversight, as  
14 well as consultation, technical assistance, and staff  
15 training relating to the delivery of services.

16 The office shall provide a continuum of services as  
17 follows:

- 18 (1) An integrated intake/assessment and case  
19 management system;
- 20 (2) The necessary educational, vocational, social  
21 counseling and mental health services; provided  
22 that the department of education shall be the  
23 only provider of standards-based education

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1 services for all youth at risk and young adults  
2 identified with special education needs or  
3 actively receiving special education services, in  
4 accordance with the Individuals with Disabilities  
5 Education Act (20 U.S.C. 1400 et seq.) and all  
6 applicable federal and state educational  
7 requirements;

8 (3) Community-based shelter and residential  
9 facilities;

10 (4) Oversight of youth services; ~~and~~

11 (5) Commercial enterprise vocational programs for  
12 young adults only; and

13 ~~[(5)]~~ (6) Other programs that encourage the development  
14 of positive self-images and useful skills in  
15 youth ~~[-]~~ at risk and young adults.

16 The executive director of the office of youth services  
17 shall submit annual reports to the legislature no later  
18 than twenty days prior to the convening of each regular  
19 session, reporting the services or programs funded pursuant  
20 to this section, the number of youth at risk and young  
21 adults served by each service or program, and the results  
22 of the services or programs funded.

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1           To this end, on July 1, 1991, this office shall assume  
2 the responsibilities for juvenile corrections functions,  
3 which were temporarily placed in the department of  
4 corrections pursuant to Act 338, Session Laws of Hawaii  
5 1987. These functions shall include but not be limited to  
6 all responsibilities, under chapter 352, for the Hawaii  
7 youth correctional facilities."

8           SECTION 4. Statutory material to be repealed is  
9 bracketed and stricken. New statutory material  
10 is underscored.

11           SECTION 5. This Act shall take effect upon its  
12 approval.

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INTRODUCED BY: \_\_\_\_\_

*Ren*

15

BY REQUEST

JAN 25 2021

# H. B. NO. 974

**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.

JUSTIFICATION SHEET

DEPARTMENT: Department of Human Services, Office of Youth 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.

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.

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

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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 added 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 will be positive impact for the public in that once revenue is generated it will reduce the funding that will be required for OYS programming, while creating skilled young



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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 immediate impact on other agencies. Once funds begin to be deposited to the revolving fund, there will be impact on the Department of Budget and Finance with the additional revolving fund.

The only 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: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: HMS 501.

OTHER AFFECTED AGENCIES: Department of Budget and Finance.

EFFECTIVE DATE: Upon approval.