



STATE of HAWAII

**LOCAL PLAN MODIFICATION
FOR
IMPLEMENTING THE EMPLOYMENT AND TRAINING
PROVISIONS OF THE
AMERICAN RECOVERY AND REINVESTMENT ACT (“ARRA”)**

**TITLE I-B
OF THE WORKFORCE INVESTMENT ACT (“WIA”)
AND
THE WAGNER-PEYSER ACT**

JULY 1, 2009 – JUNE 30, 2010



HAWAII INSTRUCTIONS
For July 1 2009 – June 30, 2010 Local Area Plans For
Title I – Workforce Investment Act and the Wagner-Peyser Act

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HAWAII INSTRUCTIONS

For July 1 2009 -- June 30, 2010 For Title I-B – Workforce Investment Act and the Wagner-Peyser Act

Purpose

The purpose of these planning instructions is to provide guidance to Local Areas and Local Workforce Investment Boards (“LWIB”s) for the modification of their Local Area Plans for Title I-B of the Workforce Investment Act (“WIA”) and the Wagner-Peyser Act. The Local Area Plan Modification should identify changes in practices and a course of action for the LWIB and its One-Stop Job Centers and these changes must be consistent with the Hawaii State Plan Modification for Implementing the Employment and Training Provisions of the American Recovery and Reinvestment Act (“ARRA”), July 1, 2009 – June 30, 2010.

The ARRA plans include additional funds to be disbursed by the US DOL ETA. TEGL # 14-08, issued on March 18, 2009, includes items to be addressed for modification of state and local plans. The State Plan Modification describes revised strategies to meet the challenges of the current economic downturn, and to describe plans to use the funds provided under the ARRA legislation. On June 9, 2009, the Director of the Hawaii Department of Labor & Industrial Relations issued Bulletin No. 4-07, which extended the existing Local Area Plans to June 30, 2009.

The Plan Modification will allow LWIBs the ability to re-evaluate their current system’s delivery of employment and training services in light of changing economic conditions, new initiatives and performance. In developing new strategies and policies, local areas should consult revised LMI projections to review data and trends that will impact planning efforts.

Per the June 9 memorandum, the State is issuing the instructions for development of the Local Area Plans by July 30, 2009. The timeline on the following page highlights milestones in development of the Local Plans, which will be discussed and approved at the Workforce Development Council meeting on November 12, 2009.

Local Area Plan Calendar

June 9, 2009	Department of Labor and Industrial Relations (“DLIR”) Director issued Bulletin No. 07-09 to extend the Workforce Investment Act
July 30, 2009	Final Local Area Plan Instructions are issued by State
August-September 2009	Workforce Development Council (“WDC”) available to review and advise on sections of Local Area Plans, as requested
By October 1, 2009	Local Areas publicize and invite public comment on Local Area Plans (30-day period)
By November 2, 2009	Local Areas submit Local Area Plans to WDC
By November 6, 2009	WDC reviews and, if necessary, returns Local Area Plans to Local Areas for revision and re-submittal
By November 11, 2009	Local Areas submit revised Local Area Plans to WDC for approval at WDC Meeting on November 12.

References

1. Workforce Investment Act of 1998 (WIA), P.L. 105-220
2. Training and Employment Guidance Letter (“TEGL”) No. 14-08, “*Guidance for Implementation of the Workforce Investment Act and Wagner-Peyser Act Funding in the American Recovery and Reinvestment Act of 2009 and State Planning Requirements for PY 2009*,” USDOL-ETA, March 18, 2009.
3. Hawaii State Plan Modification for Title I-B of the Workforce Investment Act and the Wagner-Peyser Act, for July 1, 2009 to June 30, 2010. Located on the Department of Labor and Industrial Relations website at:
http://hawaii.gov/labor/wdc/pdf/State%20Plan%20Mod_061909_FINAL.pdf
4. DLIR Bulletin No. 07-09, dated June 9, 2009, extends the existing Local Area Plans for the Workforce Investment Act and Wagner-Peyser Act.
5. <http://www.hiwi.org/> – web page of DLIR’s Research & Statistics Office

Logistical Instructions

Format

Local Areas should respond to the italicized instructions in this guide. Non-italicized material provides background. Plans should include the italicized instructions, followed by the Local Area response. See a list of References on page 4.

Use 8.5 x 11 inch white paper and a font size of 12 or greater. Organize the plan by sections, following the same order as these plan instructions. Include a cover sheet with the contact person's name, address, phone, fax, and e-mail address. Include a table of contents. Place a list of attachments and the attachments at the end of the plan.

Submittal

See the Local Area Plan Calendar on page 3. Local Areas are to submit Local Area Plans to WDC no later than November 2, 2009 for review. Each Local Area Plan is to be submitted via a cover letter, jointly signed by the Mayor and the LWIB chairperson.

Revisions may be required. Revised Local Area Plans are to be submitted to WDC with a cover letter, jointly signed by the Mayor and the LWIB chairperson, no later than November 11, 2009 for presentation at the November 12 WDC meeting.

Please submit three hard copy sets of the final WIA Local Plan, with original signatures, and an electronic file, no later than November 11, 2009. Submit to:

James P. Hardway, Executive Director
Workforce Development Council
830 Punchbowl Street, Room 417
Honolulu, HI 96813

Cover and Signature Page

Name of Grant Recipient _____

Contact Person/Title _____

Phone _____ **Fax** _____ **E-mail** _____

This WIA Local Area Plan Modification is submitted for the period of July 1, 2009 through June 30, 2010 in accordance with the provisions of the American Recovery and Reinvestment Act, the Workforce Investment Act and the Wagner-Peyser Act. We further certify that we will operate our Workforce Investment Act and Wagner-Peyser programs in accordance with this plan and applicable federal and state laws and regulations.

Chair of _____ Mayor of _____
Workforce Investment Board

Name (printed or typed) Name (printed or typed)

Date Date

State Vision and Goals:

The State Plan Modification addresses changes in portions of Hawaii's WIA State Plan required by the US Department of Labor as required by the ARRA legislation . The activities in this Modification will enable the State to accelerate plans to transform the use of formula and ARRA funds to meet the needs of the "21st century workforce."

Governor Linda Linda's vision for a statewide workforce investment system starts with her vision for economic development—a transformation from an economy based on land development to one based on the limitless potential of human innovation. The Governor initiated a five-point plan to address the challenging times ahead:

- Increased tourism outreach and marketing;
- Investing in improvements to infrastructure and state facilities;
- Lowering business fees and providing tax relief;
- Attracting private investment, especially in energy; and
- Maximizing federal dollars and partnerships.

The State WIA Plan Modification for 2009-2010 notes seven major workforce development issues for Hawaii:

- An insufficient number of living wage jobs (calculated as \$49,853 for a single parent with two children);
- A continuing loss of "baby-boom" workers;
- Leaks in the education to workforce pipeline;
- The need for lifelong learning for incumbent workers,
- A lack of affordable/workforce housing for all income levels;
- The inability to meet demand in critical occupations areas; and
- Inadequate workforce intelligence. Hawaii's workforce system is loosely organized and not well understood by policymakers and the general public.

The state priorities to address short and long-term workforce development issues are to:

- Improve the delivery of timely education and training to prepare current and future workers for high-demand occupations;
- Focus more attention on upgrading the skills of incumbent workers;
- Expand the labor pool in the face of anticipated long-term labor shortages; and
- Address workforce housing.

I. Local Vision and Goals

1. *Describe your vision and strategic goals for:*

Background:

Under the Workforce Investment Act of 1998 (WIA), the statewide and local workforce investment systems have the responsibility to “. . . increase the employment, retention, and earnings of participants, and increase occupational skill attainment by participants, and, as a result, improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the Nation.” While Hawaii touts the lowest unemployment rate in the nation, due to the high cost of living and an affordable housing crisis, we continue to see a greater than desirable portion of our population living in poverty.

Since the publication of books like “The World is Flat” by Thomas Friedman and “Flight Capital” by David Heenan, there has been a nationwide push to focus on developing our Science, Technology, Engineering, and Mathematics (STEM) programs and recruiting individuals in these fields of studies and retaining them in the U.S. workforce. However, while an understanding of scientific and mathematical principles, a working knowledge of computer hardware and software, and the problem solving skills developed by courses in STEM are necessary for most jobs, Oahu still has a large service and labor industry that has unmet workforce needs.

MISSION

***The mission of the Oahu Workforce Investment Board
is to ensure an effective workforce development system.***

ORGANIZATION OVERVIEW

OWIB’s mission and goals are to establish a collaborative network of business, government, and educational organizations working with training providers and job-seekers to facilitate an adequate and appropriately trained workforce and to promote the availability of living wage jobs.

OWIB’s objectives are to:

- Advocate for policies, resources, collaborative networks, and programs that address Oahu’s current and future workforce needs.
- Promote and support strategic planning and policy development related to the local workforce investment system.

- Support the education system to ensure job seekers with various educational achievements, i.e., high school diploma or GED, are work ready.
- Provide guidance and counsel to the One-Stop Center operators on current and emerging business workforce needs.
- Assist with resource development to support the local One-Stop Center programs.

MEMBERS

The Oahu Workforce Investment Board (OWIB) is comprised of leaders of for profit and nonprofit businesses, community and business organizations, educational organizations, organized labor groups, and government agencies who share a common interest of ensuring an adequate and appropriate workforce to meet Oahu’s present and future employment needs. OWIB members are volunteers, appointed by the Mayor of the City and County of Honolulu, serving two-year terms.

a. education and training—what is the LWIB’s vision for ensuring a continuum of education and training opportunities that support a skilled workforce?

OWIB members have observed and collected feedback from employer groups about the level of basic skills and varying degrees of work ethic of the existing and incoming workforce.

OWIB members also believe they have a role to play in ensuring that the public education system is able to produce a skilled and work-ready workforce that is capable of meeting the needs of local businesses and the economy. To accomplish this, the board has begun a partnership with Roosevelt High School to establish a pilot program that will allow businesses to easily partner with schools to offer students exposure to career options, opportunities for students to experience different careers through job shadowing, mentorship, and student training programs, and/or summer job opportunities.

Further, the OWIB with its partner Oahu WorkLinks is piloting a project to test two work readiness credential systems at two of our One-Stop locations. These credentialing systems are being examined as one means of bringing objectivity and uniformity to measure work readiness skills in both basic skills as well as soft skills.

OWIB also was a team member of state grant applications submitted to the US Department of Labor for the six competitive Green Grants which addressed areas of training and opportunities across the community.

d. One-Stop Job Center services,

The OWIB’s vision and goal for One-Stop Job Centers is to ensure that both businesses and job seekers are able to receive and benefit from comprehensive services that fit their needs

within the constraints of its resources. The OWIB selected the Oahu One-Stop Consortium, a group of multiple agencies, as the One-Stop Operator. The Consortium was formed in June 1999 to implement the Workforce Investment Act (WIA) in the City and County of Honolulu. WIA provides the framework for a unique national workforce preparation and employment system designed to meet the needs of businesses and job seekers or workers who want to further their careers. It requires the establishment of a One-Stop system of job centers to enable customers to easily access the information and services to meet their employment needs.

Oahu WorkLinks offers services from eight One-Stop centers located in Dillingham/Kalihi, downtown Honolulu, Kaneohe, Waianae, Waipahu, Hauula, and two satellite resource centers in Kapolei and Waiialua. The centers have the flexibility to respond to unique community needs while at the same time being held to the same standard of customer service excellence. One-Stop center services include job information services, employment-related workshops, training opportunities, a computer resource center, a library-learning center, and complimentary office support service.

Oahu WorkLinks offers specific services to businesses related to human resources such as:

- Posting employer listings with local and national job banks;
- Providing financial support for employer-driven on-the-job training programs;
- Providing support, facilities, and resources for customized job fairs;
- Providing funds to pay for company-site or classroom training;
- Customizing programs or course work training in computers, interpersonal skills, team building, customer service, sales, English as a Second Language;
- Providing assistance with the application and certification process for Work Opportunity Tax Credits;
- And by matching qualified applicants with federal contractor job requirements.

e. youth development,

OWIB's vision is to expand youth development opportunities by serving more out-of-school, hard-to-serve youth through the Youth Operator. OWIB's goals in this area include:

- Ensuring that youth from all of Oahu have access to services and activities in the coming year;
- Ensuring that services and activities cover areas that are not currently covered;
- Ensuring that a majority of its Youth Program funds are used to serve out-of-school youth.

To achieve our goals, OWIB will advocate for service provider organizations to expand their programs to offer services in areas that are currently not being served and/or encouraging organizations to expand service activities currently not being offered.

f. communication and coordination-- What is the LWIB vision for bringing together the key workforce development players in the region to continuously identify the workforce challenges facing the region and to

develop innovative strategies and solutions that effectively leverage resources to address those challenges?

g. use of resources—what is the LWIB’s vision for maximizing and leveraging resources available in the county in order to ensure a skilled workforce for the county’s business and industry?

Oahu’s workforce issues are highly challenging and diverse. The key to the OWIB’s success in achieving its goals is through collaboration and partnerships as we generally all share the same goals. We must also ensure that we maximize the use of tools and systems that can enhance our efficiency and effectiveness, such as capitalizing on the use of technology (HIRENET) and systems that are already in place, such as the community college system and the State Department of Labor and Industrial Relations (DLIR).

As resources and collaborative partnerships allow, the OWIB will work with private and government economic development agencies to address workforce needs in the emerging and high growth industries.

In addition, OWIB is working on the following projects related to communication, coordination and use of resources:

Job Communications Tool – OWIB Website:

To make more efficient use of resources, the OWIB website hosting was transferred from an outside vendor to the City’s server. The website is undergoing a complete redesign to allow users to access timely information in a more straightforward and expedient manner. For example, hyperlinks were added to the Unemployment Insurance Office and a calendar of Oahu WorkLinks workshops is also being posted. A Twitter feature was added to expand the ways in which we can communicate with our customers.

Jobs Searching Tool -- TORQ:

To help with coordination of resources via helping job searchers find jobs that match their capabilities or that are in related fields, OWIB received approval from DLIR to utilize Reed Act Funds for this project. We are now in the process of procuring TORQ for implementation at Oahu WorkLinks sites. TORQ – the Transferable Occupation Relationship Quotient – is an analytical tool that links occupations based on the *abilities, skills, and knowledge* required by workers in a vast number of occupations. TORQ™ expands the notion of career pathways into an interconnected web of possibilities based on the factors that really matter for career mobility – not a specific job that someone is doing or has done, but what someone is *capable* of doing.

h. performance accountability, and
i. other local priorities.

One-Stop Job Center staff and Consortium partners are always in attendance at board and committee meetings. Strategies and goals that directly impact the One-Stop Job Center are generally developed in consultation with One-Stop Job Center staff. General visioning and strategic planning activities are further memorialized in minutes from these meetings, which are distributed to administrators from each of the entities identified above, who in turn share that information with their respective staff. Feedback is solicited and received by the board through board staff, One-Stop staff, and service provider staff in attendance at meetings.

Effective management is provided through the OWIB's oversight of the One-Stop operator and Youth operator. The operators provide quarterly performance reports to the board.

2. Indicate differences, if any, from the State's vision and goals

As 75% of the State's workforce is located on Oahu, the OWIB's vision and goals are generally aligned with the State's vision and goals. The OWIB has and will continue to work closely with the Workforce Development Council (WDC) and the Workforce Development Division of the State Department of Labor and Industrial Relations to ensure that we are working collaboratively and synergistically together.

3. Identify the LWIB's two to four priorities for the next year.

As stated previously, the OWIB's highest priorities are:

- o To increase access and availability of training programs to help education a "work ready" pool of candidates by streamlining the application process for the Eligible Training Provider (ETP) program and also change the ETP application from a once per year event to a year-around/rolling basis application process.
- o To launch a pilot project comparing work readiness credentialing tools for testing of job seekers on their "work readiness."
- o Developing opportunities for people to gain awareness of and training in the emerging "Green Jobs" fields.
- o Strengthening outreach and connectivity with major industries to increase awareness about their projected labor needs post-recession.

II. Assessment of Labor and Economic Market Needs

This section should address how the economic downturn has impacted the economy of the local area and the labor market context. Provide an analysis of the local economy, the local labor pool, and the labor market context, addressing the following issues:

4. What are the regional economic development goals for attracting, retaining and growing business and industry in your region? What strategies does the LWIB

have to support the creation, sustainability and growth of small businesses and support for the workforce needs of small businesses?

5. *What jobs/occupations are most critical to the county's economy? What are the skills requirements for these jobs and occupations?*
6. *What workforce development issues has the LWIB prioritized as being most critical to its economic health and growth?*
7. *Based on the regional economic and labor market analysis, what strategies has the LWIB implemented or plan to implement to identify and target industries and occupations with the area that are high growth, high demand and vital to the local economy?*
8. *How has the local area begun to prepare for "green jobs" training and job placement? What processes will the LWIB be implementing in One-Stop Centers in order to adequately prepare staff to assist customers in identifying green job opportunities, including education and training?*
9. *Is the county experiencing any in-migration or out-migration of workers that impacts or will impact the labor pool?*

One of the most current profiles of existing and projected employment opportunities is from the Hawaii State Department of Labor & Industrial Relations (DLIR). Approximately 75% of the workforce resides on Oahu and these statewide forecasts can easily translate to an Oahu forecast. Here is DLIR's Short-Term forecast for the period 2008 – 2010:

Short-Term Occupational Forecasts, 2008-2010, State of Hawaii

- ◆ Statewide employment is forecast to decline by 2.8 percent (19,270 jobs) from the third quarter 2008 to the third quarter 2010.
- ◆ The most promising occupational group in terms of positive growth will be education, training, and library with 2.5 percent growth over the two-year period, representing 1,120 more jobs. Nine of the occupations in this group ranked among the top 20 fastest growing occupations. They were in the postsecondary or special education areas. The second-best growing occupational group is community and social services with 2.4 percent projected growth (or 260 jobs). Four of those occupations placed in the top 20 fastest growing occupations, mainly the counselors and social workers and assistants. Three other major groups are forecasted to experience positive growth: healthcare support; healthcare practitioners and technical; and life, physical, and social science.
- ◆ The remaining 17 major groups are all expected to show a decline. Construction and extraction occupations are the only group with a projected double-digit drop,

forecasted to decrease by 11.9 percent over the 2008-2010 period. This contraction will mean 5,240 fewer jobs over the two-year period.

Occupational Employment and Growth, 2008-2010, State of Hawaii					
Occupational Group	3rd Qtr. 	2008	3rd Qtr. 	2010	Growth Net
Total, All Occupations		680,630		661,360	-19,270
Management Occupations		43,800		41,870	-1,930
Business and Financial Operations Occupations		28,560		28,360	-200
Computer and Mathematical Occupations		9,100		9,080	-20
Architecture and Engineering Occupations		9,710		9,480	-230
Life, Physical, and Social Science Occupations		7,920		7,950	30
Community and Social Services Occupations		10,850		11,110	260
Legal Occupations		5,230		5,140	-90
Education, Training, and Library Occupations		44,900		46,020	1,120
Arts, Design, Entertainment, Sports, & Media Occupations		12,870		12,610	-260
Healthcare Practitioners and Technical Occupations		27,230		27,470	240
Healthcare Support Occupations		16,240		16,430	190
Protective Service Occupations		21,180		20,990	-190
Food Preparation and Serving Related Occupations		71,050		68,240	-2,810
Building & Grounds Cleaning & Maintenance Occupations		37,560		36,460	-1,100
Personal Care and Service Occupations		26,210		25,890	-320
Sales and Related Occupations		72,680		70,460	-2,220
Office and Administrative Support Occupations		104,670		101,430	-3,240
Farming, Fishing, and Forestry Occupations		4,920		4,640	-280
Construction and Extraction Occupations		44,100		38,860	-5,240
Installation, Maintenance, and Repair Occupations		23,530		22,690	-840
Production Occupations		18,070		17,460	-610
Transportation and Material Moving Occupations		40,260		38,700	-1,560

In this time of rising national and global unemployment, employers are being significantly more conservative in their human resource needs and even the most qualified job candidates are finding themselves without employment opportunities. It is predicted over the next several years, rehiring will be mostly of the employees who were laid-off and who already have needed job skills. Beyond that, as during times of low unemployment, the job skills necessary to obtain employment opportunities will be a balance of technical skills/knowledge and application of soft skills.

The U.S. Census Bureau's data set of the 2006 American Community Survey "Sex by Age by Employment Status for the Population 16 Years and Over", indicates that, the total workforce in the City & County of Honolulu, including Armed Forces, is 472,099. Of the total workforce 213,659 (45.26%) are women. Of the total workforce, 20,045 (4.25%) are between the ages of 16 to 19 years old. The data also indicates that 213,425 (45.21%) of the total workforce are in the age bracket of 25 to 44 years old

For an insight on employment opportunities, OWIB looked at a report issued during the Summer of 2009, by the University of Hawaii's Economic Research Organization. It stated in part:

"Two recent developments have caused us to mark down a bit our already weak outlook for the Hawai'i economy. The H1N1 flu epidemic has worsened prospects for Japanese tourism, which will lead to somewhat larger visitor losses this year. But the bigger concern is fallout from the State fiscal crisis. Government actions to address the growing revenue shortfall will further depress jobs and especially income this year and next, with the risk that recovery could be further delayed.

- The US economy is approaching the business cycle trough, and modest growth will resume in the second half of the year. Japan's downturn is severe, with real GDP contracting at a staggering 15.2% annual rate in the first quarter. We expect Japanese output to stabilize in the current quarter, with a return to modest growth in the year's second half. The drop has been so dramatic that it will take quite a while for production to make a significant recovery.
- The outlook for international visitors has worsened, because of the falloff in Japanese travel since the discovery of H1N1 cases in Hawai'i and Japan. We now expect Japanese visitor arrivals for 2009 to be nearly 14% lower than their 2008 level. Arrivals from markets other than the US and Japan are also expected to fall by about 14%. Prospects for the US market have not changed markedly. We still expect a bit more than 3% decline in 2009 before modest growth recovery begins in 2010.
- The situation for Hawai'i hoteliers is bleak. We expect the occupancy rate to average 66% this year and to remain below 70% until 2012. Aggressive discounting will continue, and the average daily room rate this year will be nearly 12% lower than 2008. Total visitor expenditure will fall by about 10% in 2009 and will not firm until 2011. The industry will see additional job losses.
- Job shedding in the construction industry has continued to accelerate in recent months. We now expect the construction job count to drop by more than 14% in 2009, and an additional 10% over the next two years. Federal and State stimulus programs will provide significant support for the industry, especially as we get into 2010.
- The overall job count will contract by 2.9% this year, about half a percent larger decline than we anticipated in our last forecast. We expect more than half a percent decline in payroll jobs in 2010 before recovery begins. The unemployment situation has deteriorated more rapidly than we had hoped, and the unemployment rate for the

state as a whole will average 7.4% this year and 8.1% in 2010. Unemployment will only gradually recede thereafter.

- The recently announced furloughs will slash State worker salaries nearly 14%, and they will lead to some additional private sector job and income losses as State workers cut back on spending. By 2010, statewide real labor income will be 1.6 percentage points lower than in our March forecast. Total real personal income, which includes non-labor income and government transfer payments, will decline 2.7% this year and 0.6% in 2010, before a moderate recovery begins. Actual cuts to public sector jobs and income could well end up being larger, which would further delay recovery of the overall state economy.
- There are now a few signs that the worst of the US and Japanese downturns may soon be behind us. It is harder to find such "green shoots" here in Hawai'i. The best news is that US arrivals appear to have stabilized, albeit at a level far below the numbers we saw before the beginning of the current downturn. There has not yet been any decisive bottoming out of local jobs. We continue to expect the Hawai'i economy to have stabilized by the end of the year. But it remains difficult to see where a robust recovery might come from. "

OWIB also looked at the Hawaii State Department of Business, Economic Development and Tourism projections for the following in key economic indicators:

“ACTUAL AND FORECAST KEY ECONOMIC INDICATORS FOR HAWAII: 2007 TO 2012

	2007	2008	2009	2010	2011	2012
	(Actual)		(Forecast)			
Annual Percentage Change						
Total population	0.2	0.8	0.8	0.8	0.8	0.8
Visitor arrivals ¹	0.0	-10.6	-5.9	1.2	4.3	5.4
Visitor days ¹	0.3	-8.4	-5.8	0.7	4.4	5.4
Visitor expenditures ¹	2.6	-11.0	-11.5	2.9	12.0	7.8
Honolulu CPI-U	4.9	4.3	0.6	1.5	2.4	2.4
Personal income	5.9	4.0	1.0	1.5	3.0	3.5
Real personal income ²	1.0	-0.2	0.4	0.0	0.6	1.1
Total wage & salary jobs	1.2	-1.0	-3.0	-0.4	0.8	1.0
Gross domestic product	4.9	2.9	0.1	1.8	2.9	3.9
Real gross domestic product	1.5	0.7	-1.1	0.4	1.5	2.2
Gross domestic product deflator	3.4	2.2	1.2	1.4	1.4	1.7

1/ Visitors who came to Hawaii by air and by cruise ship.

2/ DBEDT calculated using BEA estimate of nominal personal income deflated by U.S. Bureau of Labor Statistics Honolulu CPI-U.

Source: Hawaii State Department of Business, Economic Development & Tourism, August 19, 2009.

Given these economic analysis, OWIB believes that the labor market on Oahu will continue to be down through the next calendar year. In the past year alone, the unemployment rate in Hawaii accelerated at a speed faster than any other state – our unemployment rate doubled from the prior year. Further drops in employment are projected into 2010. And, given that those drops will be compounded upon those already experienced, at best it may be at least two to three years before Hawaii is back to (or close to) its pre-recessionary employment rates.

We believe that the recovery will take two to three years based on analysis done by major financial organizations. For example, the Mortgage Bankers Association's chief economist Jay Brinkmann, in an Associated Press article on October 13, 2009, said: "The recession is behind us but the effects of the recession will linger for some time in the form of higher unemployment and lower levels of business investment and home construction." The economist forecasts economic activity will slow again in the first half of next year but pick up in the second half. That won't be enough to slow unemployment, which is expected to peak at 10.2 percent by mid-2010 and not fall below 8 percent until late 2012.

At a panel session on Monday, Freddie Mac CEO Charles Haldeman Jr. noted that the speed at which businesses are rehiring is lagging. Unemployment is the main reason homes are now being lost to foreclosure, as borrowers struggle without income and lenders are left with fewer options for reworking troubled loans (Associated Press, Alex Veiga; October 13, 2009)."

Oahu's labor pool will continue to be challenged by the global economic environment for the coming few years. Long term labor pool needs include a focus on soft skills development, facilitating partnerships between education organizations and human resource organizations, and creating a repository of contacts for people exploring emerging job trends such as those associated with the Green Economy. At the same time, OWIB will need to help employers adapt their organizational structures, strategic plans and work processes to adapt more effectively with how technology will impact many standard business practices (such as offices going paperless or the growth of cloud technology instead of specific physical locations) and how the Millennial generation will create and bring new work to the work environment.

10. What are the regional economic development goals for attracting, retaining and growing business and industry in your region? What strategies does the LWIB have to support the creation, sustainability and growth of small businesses and support for the workforce needs of small businesses?

The regional economic goals to attract, retain and grow business and industry on Oahu include:

- Investing in improvements to infrastructure and county facilities including establishing a light rail system which will create construction jobs over the term of its development, revitalize small businesses and industries who will benefit from increased accessibility to their goods and services.
- Continuing to invest in and support our tourism industry.
- Continuing to support the military sector of our economy.
- Assisting the healthcare industry and educational institutions with their workforce needs.

- Partnering with trade associations, human resource groups and the education industry towards our common goals of having a “work ready” pool of job seekers on Oahu to address projected needs.
- Supporting the growth of Hawaii’s emerging Green Industry.

11. What jobs/occupations are most critical to the county’s economy? What are the skills requirements for these jobs and occupations?

Most critical are the jobs/occupations in the top industries in the state:

- Jobs in the hospitality industry.
 - Skill requirements cover a vast range of occupations from housekeepers, to cooks, to executives, to landscapers and entertainers.
- Jobs that support the military industry.
 - Skill requirements cover a vast range of occupations from laborers who work on military construction projects, to wholesalers who provide food supplies, to healthcare professionals, and others.
- Jobs in the healthcare industry.
 - Skills requirements range from housekeeping to lab techs to nurses to physicians and executives
- Jobs in the construction industry.
 - Skills requirements range from journey men to plumbers to sheet metal workers to electricians.

12. What workforce development issues has the LWIB prioritized as being most critical to its economic health and growth?

As stated previously, the OWIB’s highest priorities are:

- To increase access and availability of training programs to help education a “work ready” pool of candidates by streamlining the application process for the Eligible Training Provider (ETP) program and also change the ETP application from a once per year event to a year-around/rolling basis application process.
- To launch a pilot project comparing work readiness credentialing tools for testing of job seekers on their “work readiness.”
- Developing opportunities for people to gain awareness of and training in the emerging “Green Jobs” fields.
- Strengthening outreach and connectivity with major industries to increase awareness about their projected labor needs post-recession.

13. Based on the regional economic and labor market analysis, what strategies has the LWIB implemented or plan to implement to identify and target industries and occupations with the area that are high growth, high demand and vital to the local economy?

See answer II.4.

14. How has the local area begun to prepare for “green jobs” training and job placement? What processes will the LWIB be implementing in One-Stop Centers in order to adequately prepare staff to assist customers in identifying green job opportunities, including education and training?

See answer I.3.

15. Is the county experiencing any in-migration or out-migration of workers that impacts or will impact the labor pool?

There are no significant changes in in/out migration patterns that will impact the labor pool.

III. Service Delivery Strategies and Support for Training:

A. Priority of Service to Low-Income Individuals

16. Describe the method(s) that will be used to identify an individual as a priority customer:

- A description of how documentation is collected and maintained when an individual self-identifies as a public assistance recipient or other low-income individual;*
- The parameters to be used that qualifies someone as a low-income individual (note that income earned while on active duty status is to be disregarded in eligibility determination);*
- The estimated percentage or number of WIA adult customers that will qualify for priority of service during the program year;*

As part of the eligibility determination process, the employment consultant requires the individual to bring in documents from the public assistance program showing that he is a recipient of the program, or other documents showing the family income and family size of the individual to demonstrate the low-income status. The consultant reviews this documentation with the customer and the documentation becomes part of the customer file. This file documentation is reviewed as part of the data validation process performed by the State.

Low income eligibility is determined by documentation such as past pay stubs and tax documents showing the individual’s family income and size, and the documents are usually provided from the past six months to arrive at an annualized income. There are guidelines for incomes that are to be included (as well as to be excluded) for the determination.

About 95% of the adult customers will qualify for priority of service. The other 5% may qualify under the self-sufficiency guidelines as incumbent workers.

17. If your local area will not be applying priority of service to all adults, describe the procedures that will be used to differentiate between Recovery WIA Adult and non-Recovery WIA Adult customers for purposes of priority of service.

Not applicable

18. Describe the internal monitoring process that will be initiated to ensure federal priority of service requirements under the Recovery Act are successfully implemented.

OWIB staff will do unannounced onsite monitoring of files similar to that done with WIA programs. City fiscal staff will track spending.

19. Describe the methods of communication that will be used at the local level to ensure all impacted staff members are aware of and using priority of service in the daily operations.

WIA Bulletins that describe priority of service are communicated to all staff. One-Stop staff have weekly meetings that include training, policies, and review of standard operating procedures.

B. Priority of Service to Veterans

20. Describe or attach the policies that ensure covered persons are identified at the point of entry, allowing them to take full advantage of priority of service. This includes both in-person and virtual access service delivery points.

Procedures at the One-Stop Centers follow the guidelines of the WIA Bulletins for giving priority of service to veterans.

21. Describe the internal monitoring process that will be initiated to ensure federal priority of service requirements under the Recovery Act are successfully implemented.

OWIB staff will do unannounced onsite monitoring of files similar to that done with WIA programs.

22. Describe the methods of communication that will be used at the local level to ensure all impacted staff members are aware of and using priority of service in the daily operations.

One-Stop staff has weekly meetings that include training, policies, and review of standard operating procedures.

C. Service Delivery to Youth

Summer Employment Opportunities:

23. Describe your PY 2009 summer youth employment program design and include the following:

a. Activities broken out by age groups

All training activities were offered to all youth participants.

b. Work readiness component, including definition

The USDOL pre-approved work readiness component included: (1) pre and post “Work Readiness Check List”; (2) weekly participant work readiness evaluation completed by work site supervisor that rated the following skills: (a) punctuality; (b) attendance; (c) exhibits good conduct; (d) follows directions; (e) getting along with others; (f) completing tasks; (g) accepts responsibility; (h) shows initiative and (i) overall performance; and (3) participant overall work readiness skills evaluation at program completion.

c. How measurable increases of work readiness were determined

The participants work readiness skills were determined, monitored, and gains were reported by calculating an overall rating based on the total rating score divided by number of training weeks completed per skill.

d. How “green” work experiences or training were incorporated into the program

Program information was widely dispersed with an emphasis to attract work sites that could provide “green” experiences. Consequently, 2 work sites were established at offered training in energy and waste efficiency.

e. If apprenticeship opportunities were included

Apprenticeship opportunities were not part of the program.

f. Outreach and services to the neediest youth populations. Describe the various strategies employed to recruit the target population.

Recruitment strategies included: (1) newspaper ad; (2) program information and application posted on the Office of Special Project website; (3) electronic program information sent to hundreds of non-profit organizations and associations, youth-servicing agencies and government agencies including the Departments of Education, Judiciary, Health and Human Services; and (4) applications were available at the City's Satellite Halls.

24. What percentage of Recovery Act funds for youth were spent on summer 2009 activities from 5/1/09 to 9/30/09, and how many participants were served?

Through the 2009 Summer Program, 359 participants were served and approximately 35% of our funds were spent.

25. What percentage of Recovery Act funds for youth do you plan to spend on servicing older youth participating in work experience-only activities from 10/1/09 through 3/31/2010 and how many participants will be served?

During this period, approximately 25 older youth will be served utilizing approximately 11% of the Recovery funds.

26. If the fiscal agent or grant recipient did not operate the summer employment program, describe the local board's procedures for procuring summer employment opportunities.

Not applicable

27. Describe the summer program worksites that were identified:

- *How were worksites selected?*

Sites selected through an application process.

- *Identify the types of sites (public, private non-profit, etc.)*

government agencies and private, non-profit organizations

- *How did the local area ensure adherence to workplace safety guidance and applicable federal/state minimum wage requirements were observed?*

Through the work site application, agreement and orientation process, the agencies and organizations agreed to adhere to safety and minimum wage requirements. Throughout the program, the sites were monitored and corrective action was taken to resolve issues pertaining to these matters.

- *How did the local area ensure that youth work experience did not unfavorably impact current employees or replace laid-off employees?*

Through the work site agreement, agencies and organizations assured that youth work experience did not unfavorably impact current employers or replace laid-off employees.

- *How were youth matched to work sites?*

Through an individual service strategy, the youth identified their needs including career interests, strengths, barriers and employment goal. This information was used to match youth to a work site that could best meet their needs.

- *Identify any project-based or service learning that was used.*

Not applicable

25. *Did your local area offer classroom-based learning along with the work experience during the summer youth employment program? If so, detail who participated in the learning and how it provided a direct link to the summer employment experience.*

The program did not incorporate classroom-based learning into the training.

26. *Describe how the local area is coordinating the expenditure of WIA formula and Recovery funds to optimize program flexibility and ensure adequate expenditure rates for both funding sources.*

Formula funds were utilized to provide training opportunities that were not allowable through Recovery funds such as training at a City golf course and the Honolulu Zoo.

27. *Describe your local strategy for continued services supporting older, out-of-school youth during non-summer months including any supportive services incentives and needs-based payments; Co-enrolling youth in adult training services; and support past the ARRA funding period.*

The Operator has developed specific recruitment and retention strategies for older, out-of-school youth including: (1) monetary incentives for post-secondary education; unsubsidized employment and occupational skills training certification; (2) increase follow up services; (3) provide employment services including job matching and referrals; and (4) increase outreach to community colleges and other private educational institutions, and (5) increase support services such as payment towards preparation for military placement exam.

D. One-Stop Centers and Re-employment Services

28. Describe the actions the LWIB has taken to ensure an integrated One-Stop Center service delivery system including the additional services provided by the Recovery Act funding. How does the LWIB ensure the quality of service delivery?

The Wagner-Peyser funded partner agency in OWL, the Workforce Development Division (WDD) is already mandated by USDOL (though not funded) to provide re-employment services to selected UI claimants who are identified by the UI Division to meet the profile of those most likely to exhaust their benefits. Every week, the UI Division refers a set number of "profiled" individuals to the WDD staff located at selected One-Stop Centers for group orientation sessions and individualized interviews to update each claimant's intake data in HireNet. Staff assesses the individual's needs and evaluates the individual's job knowledge, skills and achievements to develop an Individual Re-employment Plan with each claimant.

While the primary goal is to return the claimant as quickly as possible to unsubsidized employment, many claimants may choose to take intermediate steps to prepare for re-entry into the world of work by participating in re-employment services and activities such as attending One-Stop workshops in interviewing techniques, resume-writing, etc in order to better prepare for competitive job search. In addition, some claimants may decide they need short-term classes or long-term training to achieve their employment goals. Others are provided one-on-one intensive job search assistance, including job development assistance, by trained WDD and/or other One-Stop personnel.

These activities are incorporated into each individual's re-employment plan of action. If not ready for immediate job search assistance, some claimants are referred to qualified training programs and/or support services that can enhance the claimant's return to employment.

The WDD staff submits quarterly achievement reports for Worker Profiling Re-employment Services program to their agency administration, which reports back to USDOL.

The OWIB's One-Stop operator is the Oahu One-Stop Consortium. The Consortium was selected to serve as the board's One-Stop operator through designation and is made up of the following partners:

- WorkHawaii Division, City and County of Honolulu, Department of Community Services
- Oahu Branch, Workforce Development Division, Hawaii State Department of Labor and Industrial Relations
- Honolulu Community Action Program, Inc.
- ALU LIKE, Inc.

Effective management is provided through the OWIB's oversight of the One-Stop operator and Youth operator. The operators provide quarterly performance reports to the board.

Partner agency staff is provided office space at OWL to perform core services such as assisting customers on HireNet and conducting outreach for their own programs. Partner

agency staff is invited to attend OWL staff training sessions. Interagency referral systems are in place with partner agencies and cross training is on going.

The OWIB through its operator holds regular meetings with partner agencies to ensure proper coordination of all programs. In addition, partner staff stationed at OWL is trained in operational procedures such as HireNet, resource center services, and referral systems.

Interagency referral systems are in place with partner agencies and internal monitoring is completed on a monthly basis to ensure performance measures are met. To ensure seamless service, partner staff stationed at OWL is trained in operational procedures such as HireNet, resource center services, and referrals. This training is also extended to partner agency staff not currently assigned to an OWL site.

OWIB is committed to working with the State in order to maximize the use of the HireNet for reporting of performance outcomes.

29. Describe how the LWIB will ensure that a full array of reemployment services is provided to UI customers, including skills assessment, career planning and training.

The intensive services that will be provided through the One-Stop system are:

- Comprehensive and specialized assessment of the skill levels and service needs
 - Development of individual employment plans
 - Group counseling
 - Individual counseling and career planning
 - Case management
 - Short-term pre-vocational services such as interviewing skills, punctuality, communication skills, etc.
 - Work experience
 - Internships
 - Out-of-area job search assistance
 - Literacy activities related to workforce readiness
- Relocation assistance

30. Explain how the local area is dealing with increased numbers of UI customers. Describe the county's strategy for providing reemployment services to UI claimants most likely to exhaust benefits. With the emphasis on training in the Recovery Act, explain how you are promoting training to UI customers.

Oahu WorkLinks (OWL) encourages customers to take advantage of the HireNet Hawaii website that provides self service 24/7. While the State OWL sites are closed on furlough Fridays, the City OWL centers stay open to continue to provide staff assistance to customers.

Oahu WorkLinks (OWL) employment consultants review current labor market needs data provided by the Hawaii State Department of Labor & Industrial Relations as a part of the career guidance services they provide customers and related tuition assistance. Customers interested in training opportunities are invited and signed up to attend a WIA training briefing session held weekly. Tuition assistance is not provided for courses of study which have very low/no demand and instead customers are guided to look at high demand occupations and the training opportunities available in those areas.

31. Is the local area entering into contracts with institutions of higher education or other eligible training providers to facilitate the training of individuals for high-demand occupations? If so, describe the occupations and identify the training providers from which you will be purchasing training. If your local area is not entering into such contracts, please explain why not.

Yes, the University of Hawaii-Community Colleges and Hawaii Pacific University are both institutions of higher learning who participate in the ETP program. We are also meeting with the University of Hawaii-Manoa campus to have them consider applying to the program. The occupations there training addresses range from computer science to construction jobs and many more. A MOU is in the process of being executed with Employment Training Center, Windward Community College, to provide training and support components.

32. Please describe the LWIB's activities and plans for supplementing WIA funding and/or adjusting its operations to the availability of funding. For instance, explain how the local area intends to utilize Pell Grants and coordinate them with other financial aid resources for training and education purposes.

The customer is required to apply for Pell Grant or financial assistance to supplement WIA funding and to use these resources in conjunction with WIA. Other funding resources such as the State Rapid Response funds, and ALU LIKE's Native American Employment Training Program funds are coordinated with WIA to leverage the availability of training.

33. Describe policies, if any, to restrict training funds for uses the LWIB has identified as a Local Area priority; e.g., a) direct a certain percentage of training funds to high demand, economically vital, and/or targeted skills and occupations, or b) give priority to training for jobs that pay at least a self-sufficiency wage.

There are no specific policies at this time except that training funds are only used to provide training that are in high demand as documented in labor market information such as that found in Hawaii Workforce Information and US DOL Bureau of Labor Statistics.

34. Describe how Reed Act funds have been used to improve the One-Stop system.

Reed Act funds have been used to improve the One-Stop system in the following manner:

- Conduct outreach to small businesses in the Leeward area as well as Honolulu to promote awareness of OWL business services; improve job matching
- Conduct outreach and coordination to increase participation of under-represented groups such as people experiencing homelessness, at risk youth and ex-offenders by facilitating their entry into the labor force
- Implement a pilot project to establish a work readiness credentialing system
- Establish a satellite One-Stop Center in Hauula Civic Center
- Provide training and technical assistance to OWIB members, OWL and Youth Services staff
- Upgrade computer equipment and phone system and purchase video conference equipment
- Provide maintenance support for HireNet Hawaii

IV. Performance Goals and Levels

35. The performance levels for the State apply to all the Local Areas. Insert the sheet below into your plan.

**WORKFORCE INVESTMENT ACT (“WIA”) AND WAGNER-PEYSER
STATE PERFORMANCE MEASURES
PROGRAM YEAR 2009 (July 1,2009 to June 30, 2010)**

Performance Goals		
	PY 2008	PY 2009
Adult Program		
Entered Employment Rate	79%	65%
Employment Retention Rate	85%	74%
Average Earnings	\$10,800	\$10,800
Employment and Credential Rate	62%	62%
Dislocated Worker Program		
Entered Employment Rate	79%	57%
Employment Retention Rate	86%	86%
Average Earnings	\$14,000	%5,996
Employment and Credential Rate	66%	57%
Older Youth (19-21)		
Entered Employment Rate	73%	33%
Employment Retention Rate	80.5%	60%
Average Earnings Change	\$3,900	-\$244
Credential Rate	69%	38%

Younger Youth (14-18)		
Skill Attainment Rate	70.5%	71%
Diploma Attainment Rate	44%	44%
Retention Rate	51%	44%
Customer Satisfaction		
Participant	72%	72%
Employer	82%	82%
Wagner Peyser		
Entered Employment Rate	60%	50.7%
Employment Retention Rate	82%	78.4%
Average Earnings	\$12,276	\$10,971

V. WIA Compliance

36. *The Local Plan Modification will extend the existing Local Plan to June 30, 2010 and will become the basis for local area policy and monitoring. This section asks for any changes to policies—indicate if a policy has changed, and if so, attach a copy of the new policy.*

Policy

Changed? Yes or No

“No” to all items below

- a. selecting and certifying one-stop operators
- b. contracting for service providers
- c. priority of service (new policy required)
- d. self-sufficiency
- e. supportive services
- f. grievances and complaints
- g. youth services
 - a. Eligibility definitions
 - b. Performance
 - c. Design framework
 - d. Recovery act provisions
- h. Adult, Dislocated and Wagner-Peyser
 - a. Eligibility definition
 - b. Performance
 - c. Rapid response
 - d. Business services.

VI. Budget

37. *Attach your currently approved WIA budget that includes ARRA funding.*

Please refer to copy filed with the WDD.

38. Identify all other amounts and sources of funds that support your activities.

The OWIB's plan to use the Reed Act Funds in the One-Stop system is detailed in its proposed plan to the State that is on file with the WDD.

VII. Local Plan Development Process

39. Describe the process used to ensure public comment on and input into the development of the local plan. Include a description of specific steps taken to include input from members of businesses and labor organizations.

A draft of this local plan will be posted on the Board's website. This website is available virtually 24/7 to anyone. The website one of the top 72 city government websites (out of over 500 city government websites). A tweet will also be sent out via Twitter. And as budget permits, a notice will be placed in the newspaper of greatest circulation which lets interested persons know how to obtain a draft of the local plan and submit comments.

40. Describe how comments were considered in the plan development process.

Based on prior years, no comments were anticipated.

41. Summarize and include as an attachment public comments on the draft Local Area Plan, particularly those that express disagreement with the plan. Please include information on LWIB response to the comments.

Not applicable.

VIII. Required Attachments

- *Current LWIB roster*
- *Current LWIB Youth Council roster*
- *Any public comments regarding the draft Local Area Plans, including those that express disagreement with this Local Area Plan and information regarding the LWIB's actions towards addressing them.*