Workforce Update – September 24, 2018*

Special Monthly Feature, The SWIB Chairs’ Corner

National Current Developments

Senate Passes Major Spending Bill with Continuing Resolution**
On Tuesday, the Senate passed an appropriations package to fund the Departments of Labor, Health and Human Services, Education and Defense through fiscal year 2019 combined with a continuing resolution to fund all remaining government spending without a full year appropriation through December 7, 2018. The House is expected to take up the measure next week. The bill must be passed by the House and signed by the President by September 30 to avoid a partial government shutdown. The conference report with the text of the bill can be found here and the joint explanatory statement can be found here.

President’s National Council for the American Worker Meets
President Trump delivered remarks at the Inaugural Meeting of the President’s National Council for the American Worker on September 17, 2018. The Council was established by Executive Order this past July and is charged with providing a “coordinated process for developing a national strategy to ensure that America’s students and workers have access to affordable, relevant, and innovative education and job training that will equip them to compete and win in the global economy, and for monitoring the implementation of that strategy.”

News from the States

Wyoming ENDOW Releases Plan
Wyoming Gov. Matthew Mead’s 20-year Economic Diversification Initiative, ENDOW (Economically Needed Diversification Options for Wyoming) Executive Council recently released its Transforming Wyoming Plan. ENDOW is a public-private partnership aimed at diversifying the Wyoming economic to better align the state for the future. More information is available at the ENDOW website and Facebook page.
Aloha Colleagues,

We hope this email finds you well, and you're enjoying all the traditions of fall harvest. The beautiful fall colors, apple picking, outdoor sports, and the sounds of school buses are just some of the signs fall is here. This season is an important time of year as government, school systems, teachers, students, and families come together for another academic year advancing our future workforce.

This month's feature in the Chairs' Corner is Leslie Wilkins, SWIB Chair of Hawaii. Chair Wilkins shares her greetings and updates from the great state of Hawaii. Our featured state has been ranked the “Happiest State in the Nation” by WalletHub. It’s not hard to understand that Hawaii has the lowest unemployment rate in the country, sitting at 2.0 percent.

However, we’ve watched and prayed for our fellow citizens as Hawaii has experienced great devastation and national disasters that have taken place this past year from storms, flooding, fires, and of course the volcano eruption. Please see attached photos. Now, Rapid Response Teams, Dislocated Worker Funds, FEMA, Disaster Grants are being dispersed to aid citizens and communities. In the spirit of Aloha, Hawaii continues to partner, collaborate, and serves as a guiding force to rebuild their state.

While we feature Hawaii’s courageous response to disaster, we are thinking of and praying for the good people of North Carolina, South Carolina, and the surrounding states as they struggle with the devastation of Hurricane Florence.

Reminder, if your state is interested in hosting our 2019 NGA Summer meeting, please reach out to Martin Simon or Michael Bartlett for more details.

Please feel free to reach out to us if you have any suggestions or comments.

Best wishes,

John Rico
Chair, National Association of State Workforce Board Chairs, 
Chair Illinois SWIB, and CEO Rico Enterprises

Laura Beeth
Vice Chair, National Association of State Workforce Board Chairs, 
Chair Minnesota SWIB and Vice President Fairview Health Services
Surviving Disasters with Aloha
Hawaii Workforce Development Council Helps Dislocated Workers

Florence, Olivia, Norman, Hector, Lane, and Jebi are nice names. These names are not so nice when they are hurricanes, typhoons and tropical storms making a beeline to your state. Add to the mix active volcanoes on an island in the Pacific Ocean and the result is a combustible display of epic proportions that show the force of Mother Nature.

**Hurricanes and Tropical Storms**
Between April 13 to 16, 2018, a record setting rainstorm pommeled the County of Kauai and the City and County of Honolulu (Oahu). Rain, flooding and landslides dumped over 900 tons of debris on state and county roads. The storm dropped 49.69 inches of rain in a 24-hour period on the north shore of Kauai. A two-mile stretch of the Kuhio Highway experienced dozens of landslides, which left the busy one-lane road impassible. More than 500 Kauai residents and visitors were evacuated by Hawaii Army National Guard helicopters from two communities hardest hit by flooding, bridges collapses, crumbling cliff faces and sinkholes. Over 516 residences sustained damage. Housing and labor shortages posed challenges to these households to make repairs and/or find long-term accommodations.

Kauai farmers felt the effects of crop losses, damaged irrigation infrastructure, and broken fences. The 917-acre Hanalei River Valley is a verdant valley with crops including rice and taro. Bison from Hanalei Buffalo Ranch were washed down to the beach. Many local residents and paniolo (cowboys) helped roundup the animals. The Hawaii Department of Agriculture prioritized low-interest loans to help get damaged farms back into production; deferred loan payments until production restarted; and provided technical assistance to farmers.

Tourism is a major economic driver for the state of Hawaii. Tourism directly supports over 200,000 jobs statewide and generates a large portion of the tax revenue. The effects of tourism from this disaster is widespread, with many hotels and tour operators reporting cancellations even outside the impacted areas. The average daily visitor population on Kauai in 2017 was 26,275; about 25% of everyone on Kauai is a visitor. The Hawaii Tourism Authority reports tourists spend on average $206 per person per day. Tourism is particularly important on the north shore of Kauai where nearly 80% of the businesses in the area serve tourists.

The statewide storm also dropped 5 inches of rain in a few hours on East Oahu. Flooding closed a major artery through East Honolulu, the Kalanianaole Highway, and fast-rising flood waters trapped drivers.
Over 280 homes were damaged. Honolulu county removed over 335 tons of additional bulky household waste and over 475 white goods and appliances. City and County of Honolulu officials estimate well over $7 million of damage to storm drains. The rainstorm caused major damage, if not total crop losses, on at least four farms who supplied a high volume of the state’s restaurants and stores with vegetables and papayas.

The estimated total of damage for Oahu and Kauai include at least 532 homes impacted by the storm and that damage to public properties added up to more than $19.7 million. Hurricane Lane was the wettest tropical cyclone on record in Hawaii that hit the islands between August 22 to 25, 2018, with rainfall of 52.02 inches. Lane reached to Category 5 intensity before weakening and sustaining damage to all islands. Schools, federal, state and county agencies were closed, leaving only
essential workers and emergency first responders to care of those in need. Statewide, more than 211 homes were destroyed or damaged. Of these, 25 were destroyed while 32 sustained major damage. Across the three counties, damage left behind by the storm to state properties estimated at more than $22 million, which includes damage to public buildings, debris removal and damage to roads and bridges.

In the midst of the threats of Hurricane Lane, the town of Lahaina on Maui also battled fast-moving wildfires caused by down power lines sparking brush fires. About 30 vehicles were burned along with a base yard that housed heavy equipment. As many as 13 homes were burned with over 60 people displaced by the fires. Flames blackened some 2,000 acres fueled by dry brush and strong winds from a downgraded Tropical Storm Lane. Another 800 acres burned in the tourist resort area of Kaanapali.

In 1992, Hurricane Iniki, the most powerful to strike the islands in recorded history, killed six people on Kauai, and damaged or destroyed more than 14,000 homes. Damage totaled $3 billion. When Hurricane Iwa swept the Garden Island of Kauai in 1982, it did about $250 million in damage.

### Volcano Eruption

In Hawaiian folklore, Pelehonuamea is the Goddess of fire and volcanoes who lives in the Halemaumau crater at the top of Kilauea and is revered as the creator of Hawaii’s landscape. Also referred to as Pele, Madame Pele and Tutu Pele. Ka Wahine ‘ai honua is the woman who devours the land or the earth eating woman.

On May 1, 2018, an earthquake with a 4.0 magnitude occurred in the vicinity of the Kilauea East Rift Zone on Hawaii County that caused the wall of the Puu Oo vent to collapse and release lava into the East Rift Zone lava tube network. On May 3, 2018, a 5.0 magnitude earthquake occurred, and cracks developed on Mohala Street in the Leilani Estates neighborhood in the Puna District. The Hawaii County Civil Defense Agency called for an evacuation of the Leilani Estates and Lanipuna Gardens subdivisions based on the potential threat from lava intrusion. These neighborhoods have 835 homes and 1,777 residents.

On May 4, the lava broke through the surface within Leilani Estates and a 100-foot fountain of lava spewed from the fissure. On May 5, a magnitude 6.9 earthquake occurred generating a small tsunami. It was the largest earthquake in Hawaii since 1975. More than 24 active fissures have forced the evacuation of three surrounding communities, destroying more than 700 structures, severely damaging seven private roadways, and covered/destroyed two state highways. Ongoing lava flows have covered more than 8,000 acres of land in lower Puna. This has been the longest period of lava flow lasting 88 days, adding new lava land and reconfiguring the shape of Hawaii Island. Aftershocks and lava continue to flow, and it is unknown how long Madame Pele will remain active.
Workforce Helping Dislocated Workers and Businesses

The Hawaii Workforce Development Council (WDC) is the state workforce board administering the Workforce Innovation and Opportunity Act (WIOA) for Hawaii. The WDC is a voluntary board of 41 members, one of the largest boards in the state. The Governor has appointed 29 executives and community leaders from the private business and labor sectors to serve on the WDC. The WDC board oversees a staff of eleven. It receives Title I funds for adults, dislocated workers and youth services. Federal funds are allocated to the four local areas (Oahu, Hawaii Island, Kauai and Maui Workforce Development Boards) which procure the One-Stop Operator and service providers for their respective American Job Centers (AJCs).

The population of Hawaii is 1.43 million people. The state as a whole is projected to grow to 1.47 million, up by 9 percent by 2030. Hawaii has the lowest unemployment rate in the nation from 2.0 percent to 2.1 percent compared to the national unemployment rate of 3.9 percent. As of July 2018, there were 14,354 persons determined as unemployed in Hawaii. Effective January 1, 2018, Hawaii’s minimum wage is $10.10 per hour. The new median cost of a single-family home is now $810,000.

Self-employed individuals make up about 10 percent of the state workforce. The largest percentage share of self-employed workers is found in the agriculture, forestry, fishing and hunting industry. A large segment of the self-employed population lives in the regions impacted by the rainstorm on Kauai. Similar to the traditional workforce, self-employed individuals, seasonal, and contract workers are facing unemployment due to the results of the severe flooding.

The WDC is responsible for the statewide coordination of rapid response services and as such, has applied and received Federal Emergency Dislocated Worker Grants from the U.S. Department of Labor, Employment and Training Administration for disaster recovery work on Kauai and Hawaii Island.

To assist with the Kauai recovery effort, the WDC is administering a $500,000 and also administering another emergency dislocated worker grant for Hawaii Island’s volcano disaster in the amount of $3.5 million. Both grants are to temporarily employ up to 175 dislocated workers on Kauai and Hawaii Island in declared disaster areas to assist with clean-up and recovery efforts, including military service members. Part-time and full-time temporary jobs are restricted to clean-up and recovery efforts including demolition, repair, renovation and reconstruction of damaged and destroyed structures, facilities and lands located within the disaster area and in offshore areas related to the emergency or disaster. It also includes the distribution of food, clothing, and other humanitarian assistance for disaster victims.

The WDC’s Statewide Rapid Response Coordinator has been to each island to conduct site surveys, meet with disaster workers, FEMA and community meetings with affected individuals to provide relief information. The WDC is in the process of procuring staffing agencies for both islands to place and manage eligible individuals with approved businesses of record and administer individual payroll services that include benefits, insurance, taxes and workers compensation.

To administer provisions of the two Disaster Dislocated Worker Grants, the WDC is collaborating with county and private agencies, and with American Job Center networks in each county. The American Job Center determines participant eligibility, the county and private agencies provide the worksites.
A new grant for statewide damage from Hurricane Lane is pending. The WDC cannot apply for disaster recovery funding until President Trump signs a disaster declaration that triggers public assistance by FEMA.

The WDC has been designated Emergency Support Function 6 Mass Care (ESF-6) by the Hawaii Emergency Management Agency (HI-EMA). WDC participates in daily ESF-6 conference calls for updates.

**Hawaii is Happiest State**
Ironically, Hawaii is the happiest state in the nation, according to a ranking released by WalletHub on September 10, 2018. Besides having the lowest percentage of depressed adults and a low suicide rate when compared to other states, Hawaii ranked high in emotional and physical health, work environment and the community.

**People Helping People**
At the time of this article, Hurricane Olivia is making her presence felt. This has been an unusually hectic hurricane season with hopes that with the end of the typical season ending in November, that Mother Nature will be calmer for the holidays. As an island state in the middle of the Pacific, the people of Hawaii depend on each other in times of disaster. That support and collaboration across political and geographic silos not only rebuilds communities, but also serves as a guiding force for the spirit of Aloha.

Hawaii is thinking of the good people of North Carolina, South Carolina and the surrounding states impacted by Hurricane Florence.

Leslie Wilkins
President & CEO of Maui Economic Development Board.
Chair of the Hawaii State Workforce Development Council and
Chair of the Maui County Workforce Development Board

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**Excerpt from NGA’s “This Just In”
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