

STAND. COM. REP. NO.

2003

Honolulu, Hawaii

JAN 31 2022

RE: S.B. No. 988  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 988 entitled:

"A BILL FOR AN ACT RELATING TO LABOR,"

begs leave to report as follows:

The purpose and intent of this measure is to establish clear guidelines for unpaid internships under the state wage and hour law.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations.

Your Committee finds that upholding labor laws and the minimum wage requirements are among the State's highest priorities. Since 2018, the United States Department of Labor has put forth numerous guidelines to ensure individuals are not being taken advantage of by companies under the guise of offering unpaid internships. However, these guidelines have not yet been codified in the United States Code Annotated, nor have they been incorporated into the Hawaii Revised Statutes. This measure will incorporate those guidelines into state law to ensure that unpaid internships at for-profit companies or institutions are carefully regulated.

Your Committee notes that during the hearing there was a discussion regarding the status of true volunteers. Your

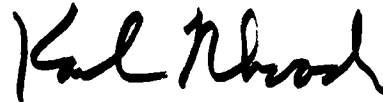


Committee agrees with the Department of Labor and Industrial Relations that as long as volunteers understand that they are volunteers only and no wages were promised to them, then volunteers do not qualify as employees and are ineligible to receive wages. This measure exempts anyone working in a volunteer capacity.

Your Committee has amended this measure by amending section 1 to reference the federal Fair Labor Standards Act rather than the Fair Wages Act.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 988, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 988, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary,



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KARL RHOADS, Chair



