STAND. COM. REP. NO. 2003

Honolulu, Hawaii

JAN 3 1 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

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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,

KARL RHOADS, Chair

The Senate Thirty-First Legislature State of Hawai'i

Record of Votes Committee on Judiciary JDC

Bill / Resolution No.:*	Committee Referral:			Date:	
SB988	JDC			01-25-22	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (W	R) Nay	Excused
RHOADS, Karl (C)		\]		
KEOHOKALOLE, Jarrett (VC)		/			
ACASIO, Laura		J			
GABBARD, Mike		√			
KIM, Donna Mercado		1			
LEE, Chris					1
FEVELLA, Kurt		V			
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TOTAL		6		-	
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original File with Committee Re	Yellow Pink Goldenrod port Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes