



STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/23/2024

Time: 01:00 PM

Location: 308 VIA VIDEOCONFERENCE

Committee: House Finance

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Title of Bill: HB 1654, HD2 RELATING TO EDUCATION.

Purpose of Bill: Establishes the qualified internship grant program within the Department of Education to provide grants to businesses and organizations that employ qualified interns participating in work-based learning through a qualified internship program. Appropriates funds. Effective 7/1/3000. (HD2)

Department's Position:

The Hawaii State Department of Education (Department) respectfully offers comments on HB 1654, HD 2, which establishes an internship grant program to be administered by a non-profit organization in partnership with the Department. The program would provide grants to organizations that employ qualified public school students for work-based learning.

The Department appreciates the Legislature's support in increasing the number of work-based learning opportunities available for public high school students across the state. Equitable access to work-based learning opportunities provides all students the means to attain the experience and develop the skills necessary to succeed in the workforce. This supports Goal 1.3 of the Board of Education Strategic Plan – "All students graduate high school prepared for college and career success and community and civic engagement" – and enables students to be globally competitive and locally committed, positively contributing to Hawaii's economy.

The Department is concerned about the time and resources that will be required to procure through a competitive bid process the services of a non-profit organization to administer the grant program and to draft and execute contracts with selected internship grant applicants. We will need more information to assess the impact and any administrative costs that may be associated with implementation of this bill. We will also need to compare the program outlined in this bill with the programs that currently exist. The Department has the ability to contract

intermediaries to support our complex areas' work-based learning needs and the Department's budget request includes funding to support work-based learning, including student internships. Furthermore, the Department of Labor and Industrial Relations currently administers an internship program that this grant program may overlap. The ability to fund student internships in the private sector would increase the opportunities available for our students and for employers.

Thank you for the opportunity to provide testimony on this measure.

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR



JADE T. BUTAY
DIRECTOR

WILLIAM G. KUNSTMAN
DEPUTY DIRECTOR

STATE OF HAWAII
KA MOKU'ĀINA O HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
KA 'OIHANA PONO LIMAHANA

February 23, 2024

To: The Honorable Kyle T. Yamashita, Chair,
The Honorable Lisa Kitagawa, Vice Chair and
Members of the House Committee on Finance

Date: Friday, February 23, 2024
Time: 1:00 p.m.
Place: Conference Room 308, State Capitol

From: Jade T. Butay, Director
Department of Labor and Industrial Relations (DLIR)

Re: H.B. 1654 HD2 RELATING TO EDUCATION

The **DLIR offers comments**. HB1654 HD2 amends Chapters 302A, Hawaii Revised Statutes (HRS), by adding a new section to establish the qualified internship program within the Department of Education to provide grants to businesses and organizations that employ qualified interns, who are at least sixteen years of age and enrolled in a public school with work-based learning experiences and compensates the qualified intern no less than the minimum wage. The Department believes that the intent of the measure may overlap with pre-existing DLIR and DOE programs and capabilities and therefore the measure may be unnecessary.



STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
1010 RICHARDS STREET, Room 122
HONOLULU, HAWAII 96813
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
February 23, 2024

The Honorable Representative Kyle Yamashita, Chair
House Committee on Finance
The Thirty-Second Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Representative Kyle Yamashita and Committee Members:

SUBJECT: HB1654 HD2 RELATING TO EDUCATION

The Hawaii State Council on Developmental Disabilities **supports HB1654 HD2**, which establishes the qualified internship grant program within the Department of Education to provide grants to businesses and organizations that employ qualified interns participating in work-based learning through a qualified internship program. Appropriates funds. Effective 7/1/3000. (HD2)

The Council recognizes HB1654 HD2's potential to address the ongoing shortage of Direct Support Professionals (DSPs) in the state. This measure aligns with our mission to enhance the quality of life for individuals with developmental disabilities, and we appreciate the opportunity to provide our perspective. Hawaii continues to grapple with a shortage of Direct Support Professionals, essential individuals who provide vital support and care to individuals with developmental disabilities. These professionals play a crucial role in promoting independence, community inclusion, and overall well-being for those they serve.

HB1654 HD2 presents an opportunity to expand such internship programs, providing valuable hands-on experiences for students and simultaneously addressing the shortage of DSPs. By creating a framework for internship opportunities, this measure has the potential to cultivate a pipeline of skilled professionals who can fill the much-needed roles within our communities.

Thank you for the opportunity to submit testimony in **support of HB1654 HD2**.

Sincerely,

Daintry Bartoldus
Executive Administrator

HB-1654-HD-2

Submitted on: 2/22/2024 12:57:59 PM

Testimony for FIN on 2/23/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Susan Rocco for Martha Guinan	Special Education Advisory Council	Support	Written Testimony Only

Comments:

The Special Education Advisory Council is in strong support of HB 1654 HD 2 which establishes a grant program within the Hawaii Department of Education to provide grants to businesses and organizations that employ qualified interns participating in work-based learning. Currently, only one in three students with disabilities who exit high school are attending a higher education program within a year of leaving. Many more are employed but making minimum wage and/or less than 40 hours a week. High school work-based learning opportunities provide the structure for these students to get valuable work experience prior to leaving high school, as well as potential offers of employment after graduation.



February 21, 2024

Representative Kyle Yamashita, Chair
Representative Lisa Kitigawa, Vice Chair
Committee on Finance
Hawaii House of Representatives
Hawaii State Legislature

Support for HB1654 HD2

Dear Chair Yamashita, Vice Chair Kitigawa and Members of the Committee on Finance,

Thank you for the opportunity to provide our testimony in support of HB1654 HD2.

We are very supportive of opportunities to increase paid internships and would be grateful to work with the Department of Education on this initiative. We work very closely with ClimbHI on tourism industry exposure and internships for high school students currently, and would look forward to expanding those programs not just for our members, but for the small businesses within our resorts and hotels as well.

On behalf our 5,000 employees and their 20,000 family members, thank you for the opportunity to support HB1654 HD2.

Sincerely,

A handwritten signature in black ink that reads "Stephanie P. Donoho". The signature is written in a cursive, flowing style.

Stephanie Donoho, Administrative Director

PO Box 6991, Kamuela, HI 96743 * (808) 747-5762 * kohalacoastresortasn@gmail.com * www.kohalacoastresorts.com



Testimony to the House Committee on Finance

Friday, February 23, 2024

1:00 P.M.

Video Conference

Conference Room 308

HB 1654 HD2: RELATING TO QUALIFIED INTERNSHIPS TAX CREDIT

Chair Yamashita, Vice Chair Kitagawa and Members of the House Committee on Finance:

My name is Gary Kai and I am the Executive Director of the Hawaii Business Roundtable. The Hawaii Business Roundtable supports House Bill 1654 HD2 which establishes a Qualified Internship Grant Program within the Hawaii State Department of Education. This initiative seeks to provide grants to businesses and organizations that employ qualified interns participating in work-based learning through a qualified internship program. The HBR wholeheartedly supports the concept and intent of this program and we look forward to the finalization of key details within the proposed House Bill 1654 HD2.

The Hawai'i Business Roundtable is a statewide organization made up of Chief Executive Officers of many of the largest companies in Hawaii. While it is made up of business leaders, the Hawaii Business Roundtable is a community organization focused on broad community issues. It partners with government, private, nonprofit and other community organizations in building a stronger future for Hawaii and its keiki.

The HBR supports work-based learning opportunities for students across the state. Equitable access to work-based learning opportunities provides all students the means to obtain the experience and develop the skills necessary to succeed in the workforce. This will enable students to secure high-demand, high-wage jobs and positively contribute to Hawaii's economy.

However, as we lend our support to this initiative, it is imperative that we carefully consider the specifics of its implementation. The success of any grant program hinges upon the allocation of resources in a manner that maximizes impact and ensures

equitable access for all stakeholders. The proposed framework of the Qualified Internship Grant Program. However, in light of the financial constraints facing businesses and organizations, it is essential to strike a balance between incentivizing their participation in the program and mitigating potential burdens on their resources.

We look forward to working with the Legislature and the Hawaii State Department of Education to ensure that this program serves as a catalyst for innovation, opportunity, and economic prosperity in Hawaii. Thank you for the opportunity to testify.

Gary K. Kai, Executive Director
Hawaii Business Roundtable

HB-1654-HD-2

Submitted on: 2/21/2024 4:07:01 PM

Testimony for FIN on 2/23/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Monty Pereira	Watanabe Floral, Inc	Support	Written Testimony Only

Comments:

Aloha e!! We are fully supportive of Bill HB1654. Staffing shortages continue to plague many if not all of us. Finding viable solutions that benefit all participants is something that could play immediate and long term benefits for our Keiki here in Hawaii. Businesses can provide valuable work experience while providing an opportunity to earn money. Not only does this fill an immediate staffing need for small businesses or any employer, but could be one of the vehicles that provides hope and a path for our Keiki to believe in the future of Hawaii and its opportunities. This from someone with 2 daughters who are both now living on the mainland because of limited opportunities as well as cost of living challenges. Let's work together to provide hope for our young people while simultaneously helping small businesses like Watanabe Floral to fill positions so we can better serve the people of Hawaii.

Thank you so much for your consideration!

February 21, 2024

RE: House Bill 1654 HD2: Relating to Education

Dear Chair Yamashita, Vice Chair Kitagawa, and members of the House Committee on Finance,

Founded in 1968, the Kona-Kohala Chamber of Commerce works to enhance the quality of life for our community through a strong, sustainable economy on Hawai'i Island. With 470 member businesses and organizations, our mission is to provide leadership and advocacy for a successful business environment in West Hawai'i.

The Kona-Kohala Chamber of Commerce **strongly supports** House Bill 1654 HD2: Relating to Education.

In January 2024, the Chamber of Commerce Hawai'i, in partnership with neighbor island chambers, launched the 2030 Blueprint for Hawai'i, a data-based action plan. The report identified outmigration and 'brain drain' as challenges that must be overcome due to the impacts on small businesses and job growth.

Work-based learning experiences can help young people connect to future employers. The grant proposed in this bill aims to encourage more small and medium-sized businesses in Hawai'i to offer work-based learning opportunities to students through internships. This will help students acquire in-demand skills while ensuring local employers have a diverse pool of skilled employees.

Work-based learning experiences are critical for Hawai'i's economic future. We must work together to develop our workforce and provide pathways for future generations to succeed in Hawai'i.

Please vote to pass House Bill 1654 HD2: Relating to Education.

Sincerely,



Wendy J. Laros, President and CEO
Kona-Kohala Chamber of Commerce



**Testimony to the House Committee on Finance
Friday, February 23, 2024; 1:00 p.m.
State Capitol, Conference Room 308
Via Videoconference**

RE: HOUSE BILL NO. 1654, HOUSE DRAFT 2, RELATING TO EDUCATION.

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS** House Bill No. 1654, House Draft 2, RELATING TO EDUCATION.

By way of background, the HPCA represents Hawaii's Federally Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines to over 150,000 patients each year who live in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

The bill, as received by your Committee, would:

- (1) Establish a qualified internship grant program (program), to be administered by an eligible and qualified non-profit organization in partnership with the Department of Education;
- (2) Mandate certain minimum standards on wages, hours and the certification of interns; and
- (3) Appropriate an unspecified amount of general funds for fiscal year 2024-2025 to implement the program.

This measure would take effect on July 1, 3000.

The State of Hawaii is experiencing a severe shortage of health care professionals in the workforce, especially in rural areas. Recent studies note that the current shortage of physicians is at 20% of the total full-time equivalent positions throughout the State. The shortage is especially severe in the fields of primary care, infectious diseases, colorectal surgery, pathology, general surgery,

Testimony on House Bill No. 1654, House Draft 2
Friday, February 23, 2024; 1:00 p.m.
Page 2

pulmonology, neurology, neurosurgery, orthopedic surgery, family medicine, cardiothoracic surgery, rheumatology, cardiology, hematology/oncology, and pediatric subspecialties of endocrinology, cardiology, neurology, hematology/oncology, and gastroenterology.

The same can be said for registered and practical nurses, community health workers, social workers, pharmacists, and other disciplines in the field of health care.

The HPCA believes this program would provide a needed service to our community by preparing students for meaningful employment, diversifying their learning opportunities, and promoting responsible citizenship. In addition, the program will facilitate partnerships between businesses and educators for the creation of mentoring ventures and other opportunities so that Hawaii's youth may gain the practical experience that will enable them to be productive members of our labor force. This is critical for the field of health care, especially in rural communities.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiipca.net.



P.O. Box 253, Kunia, Hawai'i 96759
Phone: (808) 848-2074; Fax: (808) 848-1921
e-mail info@hfbf.org; www.hfbf.org

February 23, 2024

HEARING BEFORE THE
HOUSE COMMITTEE ON FINANCE

TESTIMONY ON HB 1654, HD2
RELATING TO EDUCATION

Conference Room 308 & Videoconference
1:00 PM

Aloha Chair Yamashita, Vice-Chair Kitagawa, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate, and advance the social, economic, and educational interests of our diverse agricultural community.

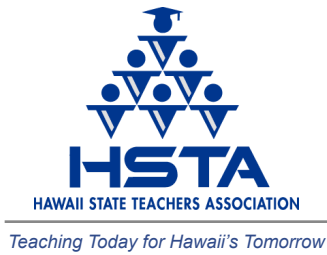
The Hawai'i Farm Bureau supports HB 1654, HD2, which establishes the qualified internship grant program within the Department of Education to provide grants to businesses and organizations that employ qualified interns participating in work-based learning through a qualified internship program.

Hawai'i's farmers and ranchers are aging. The average age of Hawai'i's farmers and ranchers exceeds 60 years old, and if they were in other professions would most likely be retired. Yet many of these farmers and ranchers are those who provide agricultural products to supermarkets, restaurants, hotels, farmers' markets, and the Farm to School program and truly make a difference in reducing imports.

Multigenerational commercial farms and ranches are facing the prospect of closure because succession plans do not exist. As these farmers and ranchers retire, their lands go out of agricultural production. There is an urgent need for interns or apprentices who are willing to not only work on these farms but also take over their operations.

The Qualified Internship Grant Program will incentivize and assist small farms train the next generation of new farmers who are interested in developing the skills and knowledge needed to be successful agriculture businesses.

Thank you for the opportunity to testify on this important matter.



1200 Ala Kapuna Street • Honolulu, Hawaii 96819
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Osa Tui, Jr.
President

Logan Okita
Vice President

Lisa Thompson
Secretary-Treasurer

Ann Mahi
Executive Director

TESTIMONY TO THE HAWAII HOUSE COMMITTEE ON FINANCE

Item: **HB1654 HD2 - Relating to Education**
Position: **Support**
Hearing: **February 23, 2024, 1:00 p.m., Conference Room 308**
Submitter: **Osa Tui, Jr. – President, Hawai'i State Teachers Association**

Chair Yamashita, Vice Chair Kitagawa and members of the committee,

The Hawai'i State Teachers Association **supports** HB1654 HD2 which establishes the qualified internship grant program within the Department of Education to provide grants to businesses and organizations that employ qualified interns participating in work-based learning through a qualified internship program.

Experiential learning is one of the most effective methods to understand and appreciate what one is trying to learn. In this case, work-based learning offers experiences and opportunities that a classroom is not able to do. Work-based learning can only happen when opportunities are provided and available for that to happen. Businesses and organizations may be hesitant to offer such experiences (including making a financial commitment) without a program like one proposed in this bill. This bill is an investment in our keiki and their success.

The Hawai'i State Teachers Association asks your committee to **support** this bill.

February 22, 2024

The Honorable Kyle Yamashita
House Committee on Finance
State Capitol of Hawaii
Honolulu, Hawaii 96813

Chairman Yamashita and Members of the Committee:

Grounded in more than sixty years of research, ACT is a mission-driven organization who uses data and measurement to partner with educators, policymakers, parents, and employers to provide students with the insight and tools they need to ensure they are ready for postsecondary life.

ACT **SUPPORTS House Bill 1654**, which would create a qualified internship program and award grants to Hawaii businesses and organizations to provide qualified interns with work-based learning experiences.

An education system that uses a holistic framework to incorporate both college readiness and career training, experience, and credentialing exposes students to their full range of knowledge, skills, and other abilities, and provides them with the insight necessary to pursue the further education and training that will allow them to thrive in their chosen path after high school.

Expanding schools' partnership with employers to expose students to a wide range of diverse industries is an important step in providing Hawaii students with multiple pathways to success.

Thank you for the opportunity to speak in support of House Bill 1654.

Stephanie Chavis Guillory
State Government Relations Director

State and Federal Programs
500 ACT Dr. | Iowa City, Iowa 52243-0168
stephanie.quillory@act.org www.ACT.org





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Toby Taniguchi, KTA Superstores, *Advisor*
Joe Carter, Coca-Cola Bottling of Hawaii, *Advisor*
Eddie Asato, Pint Size Hawaii, *Immediate Past Chair*

TO: Committee on Finance

FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: February 23, 2024
TIME: 1pm
PLACE: Conference Room 308

RE: HB1654 HD2 Relating to Education

Position: Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, manufacturers, and distributors of food and beverage related products in the State of Hawaii.

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee,

Like many industries in our state the food industry is facing a shortage of workers. While there is a huge range of diverse jobs in this field, there are often not enough applicants with the necessary skills and experience that our food businesses need.

This program will help our local food companies, and other businesses, work directly with young people to help them develop the specific skills they need to thrive in their future careers. Expanding work based learning programs is a win for high school students as it provides valuable hands on learning and it's a win for businesses that get to engage these bright young people and help shape the workforce of tomorrow.

We encourage the Committee to pass this measure and we thank you for the opportunity to testify.

2024 Hawaii Leadership Board

Lori McCarney, Chair
Community Advocate

Dr. Pokii Balaz, Immediate
Past Chair
*Obama Foundation
Kokua Kalihi Valley*

Tricia Medeiros, Past Chair
*Chief Operating Officer
The Plaza Assisted Living*

Gina Fujikami, MD
*The Queen's Medical
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Travis Kikuchi
*Senior Vice President
Central Pacific Bank*

Kai Ohashi
*Financial Advisor
Edward Jones*

Michael Robinson
*Vice President
Hawaii Pacific Health*

Kimberly Soares
*Vice President
Atlas Insurance*

Gino Soquena
*Executive Director
Hawaii Building and
Construction Trade Council*

Gordon Takaki
*Past President
Hawaii Island Chamber of
Commerce*

Cary Tanaka
*Past President
Island Insurance
Companies*

Caroline Witherspoon
*President
Becker Communications*

LJ R. Duenas
*Executive Director
Alzheimer's Association*

Testimony to the House Committee on Finance

Friday, February 23, 2024; 1:00 p.m.

Hawaii State Capitol, Conference Room 308, and Videoconference

RE: HOUSE BILL NO. 1654 HOUSE DRAFT 2 – RELATING TO EDUCATION

Chair Kyle Yamashita, Vice Chair Lisa Kitagawa, and Members of the Committee:

I am Ron Shimabuku, Director of Public Policy and Advocacy for the Alzheimer's Association. We testify in **SUPPORT of House Bill No. 1654 House Draft 2.**

The Alzheimer's Association was established to assist those facing Alzheimer's disease and other dementias by providing local support groups and educational resources while advancing crucial research and public policy initiatives.

Alzheimer's disease is a public health crisis across the country. In Hawaii, approximately 29,000 individuals aged 65 and older live with Alzheimer's disease. This figure is projected to increase to over 35,000 by next year. In 2022, 60,000 family caregivers provided 91 million hours of unpaid care valued at \$1.9 billion.

The bill, as received by your Committee, would establish a qualified internship grant program, to be administered by an eligible non-profit organization in partnership with the department of education.

According to the recently released *Hawaii 2035: State Strategic Plan on Alzheimer's Disease and Related Dementias*, "The direct care workforce is declining which will result in a potential critical shortage of direct care workers for Hawaii's older adults seeking assistance with a range of care needs and supported living arrangements." Initiatives to introduce the future generation to career pathways in senior care are critical to address this issue. Additionally, it provides an opportunity to educate students on brain health and awareness.

The Alzheimer's Association supports all efforts to recruit, retain, and enhance the healthcare workforce. **We ask you to pass House Bill No. 1654 House Draft 2.**

Mahalo for the opportunity to testify. If you have questions, please contact Ron Shimabuku at 808.451.3410 or rkshimabuku@alz.org.



Ron Shimabuku
Director, Public Policy and Advocacy
Alzheimer's Association – Hawaii



February 22, 2024

House Committee on Finance
Representative Yamashita, Chair
Representative Lisa Kitagawa, Vice Chair

RE: HB 1654 Relating to Education – In Support

Aloha Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee,

On behalf of FCH Enterprises, Inc. and our best-known brand name, Zippy's Restaurants, I strongly support HB 1654 relating to education.

The grant proposed in this bill will incentivize more of Hawaii's small and medium sized businesses to offer work-based learning opportunities through internships. This helps our students learn in-demand skills and diversifies the pool of employees for local employers. These work-based learning experiences are critical for the economic future of our state as we prepare our young people for the in-demand careers of the future.

Work-based learning opportunities, such as internships give students the chance to learn on-the-job skills and gain the experience necessary to build careers right here in Hawaii. This grant will directly stimulate the Hawaii economy and increase Hawaii's talent pipeline for the future.

Mahalo for your consideration,

Jason Higa
Chief Executive Officer
FCH Enterprises, Inc.

Written Statement of
Steven Golden
Vice President – External Affairs

BEFORE THE HOUSE COMMITTEE ON FINANCE
February 23, 2024 – 1:00 PM (AGENDA #3)
Conference Room 308, Hawai'i State Capitol & Videoconference

SUPPORT FOR:
H.B. 1654, H.D. 2 – RELATING TO QUALIFIED INTERNSHIPS GRANT PROGRAM

To: Rep. Kyle T. Yamashita, Chair
Rep. Lisa Kitagawa, Vice Chair
Members of the Finance Committee

Re: Testimony providing support for HB 1654, HD2

Aloha Honorable Chair, Vice-Chair, and Committee Members:

Thank you for the opportunity to submit written support for HB 1654 HD2, which would establish a qualified internship grant program, administered by the Hawaii Department of Education, for employers that employ qualified interns in work-based learning programs.

Hawaiian Telcom supports this initiative to provide workplace incentives that help public school students develop their careers and workforce skills. A skilled and trained workforce is critical for technology companies like ours to service customers that rely on high-speed fiber optic broadband for commerce, telework, telemedicine and education. Grant-based internships are a win-win to incentivize employers to establish internship programs and to provide more opportunities for students to build workforce skills and develop career pathways.

Hawaiian Telcom appreciates the opportunity to offer support for HB 1654 HD2, and respectfully urges your Committee's passage of this legislation.



Chamber of Commerce HAWAII

The Voice of Business

**Testimony to the House Committee on Finance
Friday, February 23, 2024, at 1PM
Conference Room 308**

RE: HB1654 HD2 Relating to Education

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports HB1654 HD2**, which establishes a qualified internship grant program to be administered by a non-profit organization and provided to employers of qualified interns, thereby enabling interns to participate in work-based learning, gain applicable work experience, and contribute to Hawaii's workforce while incentivizing the employer.

The Chamber emphasizes this measure would perpetuate the effective partnerships between Hawaii public schools and Hawaii employers to strengthen our local talent pipeline and support workforce retention while increasing workforce equitability across our in-demand industries.

Throughout the duration of the interim and beyond, The Chamber has collaborated through a working group consisting of private sector leaders, education non-profits such as HawaiiKidsCAN, DOE, Kamehameha Schools, and other community groups to identify the best way to advance work-based-learning and career pathways for high school students while benefiting the employer. Without critical assistance to support work-based learning experiences, many employers, especially small- to medium sized companies, may lack the resources necessary to hire and sustain student interns and provide for them the valuable work experience prerequisites sought.

At the Chamber, our Education and Workforce Development Department brings together leaders of in-demand industries and educators to address our workforce shortage while strengthening our local talent pipeline. Advancing work-based-learning through work-based internship opportunities such as the one provided by HB1654 HD2 is unanimously identified as a positive. However, we need more private-sector partnership at the table to employ prospective qualified interns. The incentive provided for companies to offer such work-based learning opportunities for interns will increase the capacity for such companies and capacitate a win-win for our future workforce and our current industries both.

Comparatively, at least 30 U.S. States and territories offer incentives to businesses hiring interns or apprentices, and that list is growing every year. Moreover, a 2019 survey of internship programs by the National Association of Colleges and Employers found that 70% of interns received a job offer after the conclusion of their program. Internships provide clear paths to stable, well-paying jobs.



Chamber of Commerce HAWAII

The Voice of Business

There is a cost associated with businesses taking on new interns, and it takes resources and time to get a new intern up to speed, as other employees take time out of their day for teaching and mentoring. This translates to real costs, meaning internships are unsustainable to take on and offer for many small businesses.

This incentive will also enable high school students to gain valuable experience in their chosen field. Internships can provide students with the opportunity to develop a deeper understanding of their field of interest, as well as gain important professional skills such as communication, problem solving, and collaboration. The experience gained from an internship can be invaluable for a student's career prospects as the student graduates and enters the workforce as an adult.

HB 1654 HD2, if passed, will help to bridge the gap between the education system and the job market. By providing real-world experiences to high school students, employers can help to create a more well-rounded and educated workforce.

This bill is mutually beneficial for students and employers alike. Boosting opportunities in students' fields of study will create thousands of new positions that some students might not be able to find otherwise, while simultaneously providing businesses with promising, driven young adults who are ready and willing to work but only lack the opportunity to do so.

The Chamber of Commerce Hawaii firmly considers this grant program an investment in Hawaii's future. We are committed to supporting employers and their employees who are willing to invest in the development of our students and are confident this grant program will help to create a brighter future for our state.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Thank you for this opportunity to testify.



david.miyashiro@hawaiikidscan.org
hawaiikidscan.org

David Miyashiro
Executive Director

February 23, 2024

Committee on Finance
Rep. Kyle T. Yamashita, Chair
Rep. Lisa Kitagawa, Vice Chair

Aloha Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee,

HawaiiKidsCAN strongly supports HB1654 HD2, which establishes the qualified internship grant program within the Department of Education to provide grants to businesses and organizations that employ qualified interns participating in work-based learning through a qualified internship program. Appropriates funds.

Founded in 2017, HawaiiKidsCAN is a local nonprofit organization committed to ensuring that Hawaii has an excellent and equitable education system that reflects the true voices of our communities and, in turn, has a transformational impact on our children and our state. We strongly believe that all students should have access to excellent educational opportunities, regardless of family income levels and circumstances.

Hawaii's youth are facing an affordability crisis if they want to remain in the state for years to come. While there are many elements needed to address this issue, a must-have is making sure our youth are equipped with the skills and connections they need to pursue their dream careers. Work-based learning opportunities, such as internships in skilled fields including healthcare, IT, and air travel give students the chance to learn and earn on-the-job and gain experience and connections that will make them stand out for high-paying job opportunities in the future. Additionally, work-based learning provides employers across Hawaii the opportunity to recruit and grow their own workforce of local talent, providing mentorship and training for their next generation of workers. Research has shown that part-time work as a student translates to future career benefits that include higher hourly wages upwards to 20%, increased annual earnings, and less time spent out of work.¹

¹ <https://epionline.org/release/new-study-finds-teens-early-work-experiences-have-long-lasting-career-benefits/>

Making sure our youth have a strong springboard prior to graduation and applying for full-time employment is more important than ever. The COVID pandemic significantly increased youth (ages 16-24) unemployment. The July 2023 employment figure of 55% remains below its level of 56.2% in July 2019. Moreover, it is important to note that Asian American and Pacific Islander youth have the lowest rates of youth employment nationwide.²

The potential impact of paid internships for youth is clearly described in several examples of academic research. One journal article highlights the benefits of internships, including the “application of experiential learning” to promote a greater understanding of their chosen field and increased confidence in entering the workforce or attaining postsecondary education.³ Furthermore, employers reported that an applicant having experience, such as through an internship, was the most important factor when considering a decision to hire someone; with data supporting this assumption, showing that internship experience can increase the likelihood of an interview by more than 14%.⁴ Additionally, paid internships add significant value to the internship experience. A study done by the National Association of Colleges and Employers shows that 72% of companies offer interns full-time employment nationally, with nearly 80% of those interns accepting those offers and more than 75% still employed there one year later, compared with just 51.5% of employees who didn’t take part in an internship.⁵ Paid internships show clear linkages with the overall success of the economy and labor market stability, as well as providing direct benefits to youth by increasing equity and access to students who may have not been able to work for employers for free due to their cost and benefit analysis.

This bill will create greater opportunities for local students by encouraging and enabling more employers to offer paid internships through official programs. This capacity is critical, especially for small and medium-sized employers and minority-owned businesses with limited capacity. This has a direct impact on developing Hawaii’s future workforce by diversifying the pool for potential employers, thereby better responding to student interest.

We also note that we are unaware of any state or federal law that prohibits students from receiving course credits and compensation simultaneously for their internships, as institutions set their policies accordingly. This bill will complement efforts already

² <https://www.epi.org/blog/class-of-2023-young-adults-are-graduating-into-a-strong-labor-market/>

³ <https://www.mathematica.org/dataviz/youth-unemployment-tracker>

⁴ College Major, Internship Experience, and Employment Opportunities: Estimates From a résumé Audit’ John M. Nunley a,1 , Adam Pugh a,2 , Nicholas Romero b,3 , R. Alan Seals Jr. c,

⁵ <https://www.forbes.com/sites/svanderziel/2023/07/27/paid-internships-are-vital-to-student-and-employer-success/?sh=25c0d49d4bed>

happening around the state and close existing gaps where students don't currently have access to work-based learning.

HawaiiKidsCAN recognizes the financial investment required to implement this bill, but finds the long-term benefits for our future workforce and economy far outweigh the costs. These grants will directly stimulate the Hawaii economy, and are a literal investment in the success of our youth.

Mahalo for your consideration,

David Miyashiro
Founding Executive Director
HawaiiKidsCAN

Co-signers



Name	Zip code	Organization
Phaedra Robinson, Ph.D.	96734	RAI Hawai'i
Erica Nakanishi-Stanis	96822	
Anne Weber-Yarbrough	96819	
Keala Peters	96821	Chamber of Commerce Hawaii
Matt Stevens	96755	Hawai'i Workforce Funders Collaborative
Lord Ryan Lizardo	96813	
Piikea Kalakau-Baarde	96813	Teach for America Hawai'i
Gary Namm	33744	Namm Foundation
Dyson Chee	96814	
Noel Nichols	96762	

Shannon Davies	96754	
Kathleen Hassler	96817	
Jacqueline Sills	96743	
Lina Kikuta	96821	
Ann Herkes Keeler	86746	
Sierra Callihan	96701	
Felecia Shin	96763	
Lillian Coltin	96813	



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

**HEARING BEFORE THE SENATE COMMITTEE ON COMMERCE & CONSUMER
PROTECTION AND THE COMMITTEE ON JUDICIARY
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 229
Friday, February 23, 2024 at 10:15 AM**

To The Honorable Senator Jarrett Keohokalole, Chair
The Honorable Senator Carol Fukunaga, Vice Chair
Members of the Committee on Commerce & Consumer Protection
To The Honorable Senator Karl Rhoads, Chair
The Honorable Senator Mike Gabbard, Vice Chair
Members of the Committee on Judiciary

OPPOSE SB2715 SD1 RELATING TO UNFAIR LABOR PRACTICES

The Maui Chamber of Commerce is **opposed to SB2715**.

We understand and appreciate the intent of this bill. We all agree that everyone has a right to their own political opinions and should not be penalized for that, but believe this bill has negative unintended consequences.

We are concerned that this bill goes above and beyond to limit employees from hearing from both employers and union representatives regarding unionization and the pros and cons of joining the union. We understand this is already protected by the National Labor Relations Act.

Additionally, this bill may go further than the intent to prohibit any political discussions in the workplace. If this bill passes, would an employee be able to leave the job while an owner and other employee are discussing politics in their presence? We can also think of other circumstances where an employer may bring up politics in a meeting on business/economic decisions, customer service, and more, where it is critical for an employee to attend.

For these reasons, we ask that you defer SB2715.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

HB-1654-HD-2

Submitted on: 2/21/2024 4:19:14 PM

Testimony for FIN on 2/23/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alan S. Hayashi	Individual	Support	Written Testimony Only

Comments:

Alan Hayashi is in strong support of This measure HB1654 HD2