

JOSH GREEN, M. D.
GOVERNOR
KE KIA'ĀINA

SYLVIA LUKE
LT. GOVERNOR
KA HOPE KIA'ĀINA



BRENNA H. HASHIMOTO
DIRECTOR
KA LUNA HO'OKELE

BRIAN K. FURUTO
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
KA 'OIHANA HO'OMŌHALA LIMAHANA
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813-2437

Statement of
BRENNA H. HASHIMOTO
Director, Department of Human Resources Development

Before the
SENATE COMMITTEE ON WAYS AND MEANS
Wednesday, February 12, 2025
10:01AM
State Capitol, Conference Room 211

In consideration of
SB327, SD1, RELATING TO INTERNSHIPS

Chair Dela Cruz, Vice Chair Moriwaki, and the members of the committee.

The Department of Human Resources Development (HRD) **supports** SB327 SD1.

The purpose of SB327 SD1 is to:

- Permit the Department of Labor and Industrial Relations to enter into contracts with eligible employers or registered apprenticeship programs in the private sector to provide on-the-job training to eligible interns.
- Require the Department of Labor and Industrial Relations to collaborate with the Department of Human Resources Development for certain portions of the on-the-job-training work experience program.
- Provide that the State shall be the responsible employer for purposes of workers' compensation coverage for students or recent graduates in the on-the-job-training work experience program, subject to certain limitations.
- Appropriate funds.

HRD supports this measure as a means to grow the State's workforce and promote employment opportunities within Hawai'i. HRD is prepared to collaborate with LBR on placing interns within the State Executive Branch departments and agencies. HRD has established an in-depth training program for current interns with the Executive Branch and looks forward to continuing this program, welcoming more interns to the Executive Branch, and supporting them as they begin their careers.

Thank you for the opportunity to provide comments 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 12, 2025

To: The Honorable Donovan M. Dela Cruz, Chair,
The Honorable Sharon Y. Moriwaki, Vice Chair, and
Members of the Senate Committee on Ways and Means

Date: Wednesday, February 12, 2025
Time: 10:01 a.m.
Place: Conference Room 211, State Capitol

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

Re: S.B. 327 SD1 RELATING TO INTERNSHIPS

I. OVERVIEW OF PROPOSED LEGISLATION

The **DLIR supports** this measure if it does not adversely impact priorities identified in the Executive Supplemental Budget Request for FB25-27 and **suggests an amendment**. SB327 SD1 supports the job training needs of Hawaii's youth and supports the economy by creating two new sections in Chapter 394, Hawaii Revised Statutes (HRS):

- (1) To authorize state-funded internships in the private sector, and
- (2) Codifying the Hele Imua internship program.

The department suggests adding a clarifying amendment to subsection (f) of Section 2 to avoid conflicts with the State and Federal Apprenticeship Laws:

"(5) Is not an apprentice in a registered apprenticeship program or journey worker."

The DLIR joins the DOE in supporting the workers' compensation amendments in Chapter 302A found in Part II of the measure.

II. CURRENT LAW

Act 251, SLH 1969, established Chapter 394 and was enacted to support the training needs of the State's economy by "increasing trained local labor." Act 251 envisioned the DLIR assisting Hawaii's workforce to obtain suitable employment by supporting training needs and thereby supporting Hawaii's economy.

The federal Workforce Innovation and Opportunity Act (WIOA) includes a major focus on providing work experience or internships for youth in a planned, structured,

time-limited learning experience that takes place in a workplace within the private or public sector (20 CFR § 680.180).

20 CFR Part 680 Subpart F—Work-Based Training outlines the requirements of On-the-Job training (OJT), which includes a contractual arrangement for the provision of occupational training between a sponsor and an employer wherein the sponsor provides reimbursement “for the extraordinary costs of providing the training and supervision related to the training.”

III. COMMENTS ON THE SENATE BILL

The DLIR supports providing state funding for work-based training via OJT contracts between the department and employers or registered apprenticeship program sponsors in the private sector for youth. State support to bolster WIOA supported work-based training comports with the intent of Chapter 394 HRS to support the local workforce and sustain Hawaii’s economy.

The proposed new section of Chapter 394 outlines the details of a State-supported program for the private sector that comports with the WIOA work-based training while including Hawaii specific elements the DLIR believes will enable it to operate a program that protects the interest of the department, employers or apprenticeship sponsors, and participants.

The DLIR also supports the codification of the Hele Imua internship program as outlined in the proposed §394-B beginning on Page 9.

Lastly, the DLIR is hopeful that by shifting the burden to the State as the responsible employer for the purposes of workers’ compensation coverage for these interns, it will encourage more employers in the private sector to participate in this program.



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

Date: 02/12/2025

Time: 10:01 AM

Location: CR 211 & Videoconference

Committee: Senate Ways and Means

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Bill Title: SB 0327, SD1 RELATING TO INTERNSHIPS.

Purpose of Bill: Permits the Department of Labor and Industrial Relations to enter into contracts with eligible employers or registered apprenticeship programs in the private sector to provide on-the-job training to eligible interns. Requires the Department of Labor and Industrial Relations to collaborate with the Department of Human Resources Development for certain portions of the on-the-job-training work experience program. Provides that the State shall be the responsible employer for purposes of workers' compensation coverage for students or recent graduates in the on-the-job-training work experience program, subject to certain limitations. Appropriates funds. Effective 7/1/2050. (SD1)

Department's Position:

The Hawaii State Department of Education (Department) supports SB 327, SD1, which establishes an on-the-job training work experience program that enables the Department of Labor and Industrial Relations (DLIR) to fund private-sector internships and establishes a process between DLIR and the Department of Human Resources and Development to place interns at State executive branch departments, agencies, and programs. SB 327, SD1 also extends workers' compensation coverage for recent graduates participating in Department- and University of Hawaii-sponsored work-based learning programs and interns participating in DLIR's on-the-job training work experience program.

The Department appreciates the support for paid student internships in the private sector, which will increase access to work-based learning opportunities for public high school students statewide. This aligns with the Department's mission to prepare students for college, career, and citizenship; promotes the state economy by encouraging students to consider a career with local industries and employers; and facilitates strong public-private partnerships, leading to a stronger sense of community and a shared responsibility over education, workforce development, and a sustainable economy. The Department thanks the Senate for amending the bill to clarify that interns will gain relevant skills and experience during the term of their internship (page 3, lines 6-8).

The Department also appreciates the appropriation of funds to support the on-the-job training work experience

program and requests clarification on whether the funding appropriated for the on-the-job training work experience program will be for internships in both the private and public sectors. The Department respectfully requests that a portion of the funding be dedicated for high school student internships.

The Department thanks the Legislature for extending workers' compensation coverage for recent graduates participating in "paid or unpaid work for a private or public employer as part of a school-approved, work-based learning program sponsored by the department of education or university of Hawaii" (page 10, line 21 to page 11, lines 1-3). To support new high school graduates as they transition to their post-secondary plans, the Department offers work-based learning opportunities, including industry-led summer training and internships, as an extension of their Career and Technical Education program of study. Planning and preparation for these activities take place during the graduates' senior year. This bill provides our new graduates the same coverage as our continuing students.

The Department defers to DLIR regarding the implementation of the on-the-job training work experience program and its collaboration with the Department of Human Resources Development outlined in Section 2.

The Department appreciates the Legislature's support of our work-based learning initiatives and our goal for all students to be globally competitive and locally committed. Preparing our students for the current and emerging workforce here at home will not only address our workforce needs, but will also lead to a thriving Hawaii.

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



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKĀ'I

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

JAMES KUNANE TOKIOKA
DIRECTOR

DANE K. WICKER
DEPUTY DIRECTOR

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LATE

Statement of
JAMES KUNANE TOKIOKA
Director

Department of Business, Economic Development, and Tourism
before the
SENATE COMMITTEE ON WAYS AND MEANS

Wednesday, February 12, 2025, 10:01 AM
State Capitol, Conference Room #211

In consideration of
SB 327 SD1
RELATING TO INTERNSHIPS

Chair Dela Cruz, Vice Chair Moriwaki, and members of the WAM Committee. The Department of Business, Economic Development, and Tourism (DBEDT) supports the intent of SB327 SD1 to expand state-funded internship opportunities through public-private partnerships, while offering comments on areas that may strengthen the program's effectiveness and sustainability. SB327 SD1 represents a valuable step in preparing Hawaii's workforce for high-demand occupations by providing hands-on training and mentorship, enhancing employability, and fostering public-private collaboration. We recognize the importance of structured internship opportunities as a tool for career exposure and workforce alignment, particularly in emerging and high-growth sectors.

We appreciate the refinements made in SB327 SD1, including expanded reporting requirements and the inclusion of public-sector internship placements. However, we offer the following considerations to ensure the program is efficiently implemented and leverages existing infrastructure.

1. **Administrative Capacity & Existing Workforce Infrastructure:** SB327 SD1 assigns the Department of Human Resources Development (DHRD) a central role in coordinating internship placements, including both public and private sector partnerships. However, we note that Hawaii already has established workforce training and internship programs that could serve as effective implementation vehicles. Specifically, we encourage further examination of:
 - a. Good Jobs Hawaii (UH Community Colleges) – A workforce initiative that already facilitates employer partnerships and funds internships in high-demand sectors.
 - b. American Job Centers (AJCs) & Workforce Innovation and Opportunity Act (WIOA) Funds – Existing federal and state-funded workforce programs that provide on-the-job training, wage reimbursements, and career services.
 - c. Other State-Supported Internship Pathways – Various agencies, including DOE, UH, and DLIR, administer structured internship and apprenticeship programs that could be leveraged rather than creating a new administrative process under DHRD.

We recommend that the bill's implementation structure be reconsidered to ensure that existing infrastructure is maximized rather than creating additional administrative burden within DHRD.

2. **Employer Accountability & Cost-Sharing:** As currently drafted, SB327 SD1 provides full wage reimbursement to participating employers, with no cost-sharing requirement. While we recognize that wage subsidies are a strong incentive for employer participation, we encourage a cost-sharing model to:
 - a. Ensure employer investment in intern training rather than reliance on the program for low-cost labor.
 - b. Increase employer commitment to long-term workforce development goals, including potential job placement post-internship.

- c. Align with best practices in existing internship programs, which often include some level of employer contribution.

We respectfully suggest exploring a model where employers contribute a portion of wages or commit to post-internship hiring goals to enhance program sustainability and effectiveness.

3. Post-Internship Outcomes & Career Pathways: SB327 SD1 expands reporting requirements, which we view as a positive addition. However, the bill still does not outline clear post-internship pathways. Without a mechanism to track intern outcomes, the long-term impact of the program remains uncertain. We recommend:

- a. Utilizing existing tracking mechanisms under Good Jobs Hawaii or WIOA programs to monitor whether interns transition into employment or further education.
- b. Requiring employer participation in career placement efforts, such as structured mentorship or direct hiring pipelines.
- c. Establishing performance metrics to measure internship-to-employment conversion rates over time.

A stronger post-internship support system will help ensure that interns are not just gaining temporary work experience but are moving into sustainable career pathways.

SB327 SD1 presents an important opportunity to expand internship and work-based learning availability in Hawaii. We look forward to continued discussions on how this measure can best support Hawaii's workforce development ecosystem.

Mahalo for the opportunity to testify.



STATE OF HAWAII
KA MOKU'ĀINA O HAWAII
STATE COUNCIL ON DEVELOPMENTAL DISABILITIES
'A'UNIKE MOKU'ĀPUNI NO KA NĀ KĀWAI KULA
PRINCESS VICTORIA KAMĀMALU BUILDING
1010 RICHARDS STREET, Room 122
HONOLULU, HAWAII 96813
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543

February 12, 2025

The Honorable Senator Donovan M. Dela Cruz, Chair
Senate Committee on Ways and Means
The Thirty-Third Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Senator Dela Cruz, and Committee members:

SUBJECT: SB327 SD1 Relating to Internships

The Hawaii State Council on Developmental Disabilities **SUPPORTS SB327 SD1**, which permits the Department of Labor and Industrial Relations to enter into contracts with eligible employers or registered apprenticeship programs in the private sector to provide on-the-job training to eligible interns. Requires the Department of Labor and Industrial Relations to collaborate with the Department of Human Resources Development for certain portions of the on-the-job-training work experience program. Provides that the State shall be the responsible employer for purposes of workers' compensation coverage for students or recent graduates in the on-the-job-training work experience program, subject to certain limitations.

Expanding state-funded internships to include private-sector opportunities strengthens Hawaii's workforce by preparing individuals with practical experience and skills that are necessary for all future employment. These internships create a bridge between education and employment, ensuring that participants receive training to close the gap in the workforce.

Including internships focused on advocacy for the Intellectually and Developmentally Disabled (I/DD) community is essential to ensuring that individuals working in this field receive comprehensive training to effectively support and serve Hawaii's communities. These internships would also be addressing a growing need for trained advocates, caregivers, and service providers. By creating internships around programs such as I/DD advocacy, greater awareness and understanding of our community's needs can be met. These programs also encourage policymakers, employers, and the general public to recognize the importance of inclusive employment opportunities and the value of creating workplaces and jobs that support individuals with I/DD.

SB327 SD1 Relating to Internships

February 12, 2025

Page 2 of 2

Thank you for the opportunity to submit testimony in **support of SB327 SD1**.

Sincerely,

A handwritten signature in blue ink that reads "Daintry Bartoldus". The signature is written in a cursive style.

Daintry Bartoldus
Executive Administrator



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
Senate Committee on Ways and Means
Wednesday, February 12, 2025, at 10:01 a.m.

By

Debora Halbert, Vice President for Academic Strategy
University of Hawai'i System

SB 327 SD1 – RELATING TO INTERNSHIPS

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

Thank you for the opportunity to testify in support of Senate Bill 327 SD1, which aims to expand opportunities for state-funded internships in the private sector to provide Hawai'i's high school and college-aged students with valuable work experience.

We thank the Senate for modifying the language of the bill to include the possibility of twenty hours per week for students enrolled in two or more courses. This amendment helps accommodate students who are enrolled in full-time academic programs recognizing that their ability to work full-time may be limited by their coursework. By limiting work hours to twenty per week for students in two or more courses, we ensure that they are able to gain valuable work experience while maintaining their academic performance.

For those who are not enrolled in school full-time or those who choose to complete a full-time internship over the summer or while not taking other courses, the original language allowing up to forty hours per week would still apply providing maximum flexibility for these individuals to participate in full-time internships. Furthermore, by providing flexibility in hours, we make internships more accessible to a wider range of students—especially those who might otherwise struggle to commit to an internship due to academic or personal obligations.

We continue to support a second amendment to the bill. As currently written, the bill limits internship opportunities to students who are planning to graduate within a year. The University of Hawai'i (UH) suggests language allowing students at any point in their college time to be eligible for such internship opportunities. Please consider striking the language on page 5, lines 14-18, in the bill so that it reads as follows:

~~“Be currently enrolled in an accredited college or university and anticipating the attainment of a degree within one year,~~ or has earned a college or university degree within one year of applying for the internship; and”

The benefits of internships should be available to students earlier in their academic journeys so they have the chance to intern at more than one company or to try more

than one role within a company so that they can develop career readiness skills over time. Furthermore, for students who are uncertain about their future professions, having an internship opportunity early may give them a chance to decide this is *not* what they want to do and choose a different career path.

Thank you for your time and consideration.



February 12, 2025 at 10:01 am
Conference Room 211

Senate Committee on Ways and Means

To: Chair Donovan M. Dela Cruz
Vice Chair Sharon Y. Moriwaki

From: Paige Heckathorn Choy
AVP, Government Affairs
Healthcare Association of Hawaii

Re: **Testimony in Support**
SB 327 SD 1, Relating to Internships

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 170 member organizations who represent almost every aspect of the healthcare continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, and assisted living facilities. In addition to providing access to appropriate, affordable, high-quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing more than 30,000 people statewide.

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 170 member organizations who represent almost every aspect of the healthcare continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, and assisted living facilities. In addition to providing access to appropriate, affordable, high-quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing more than 30,000 people statewide.

Thank you for the opportunity to testify in **support** of this measure, which seeks to make state-funded internships available to eligible private employers. This expansion represents an important step forward in our collective efforts to address Hawaii's healthcare workforce shortages by creating new opportunities for training, mentorship, and workforce entry.

Hawaii continues to face critical challenges in building a sustainable healthcare workforce. Our organization's most recent demand survey highlighted nearly 4,700 openings for non-physician, patient-facing positions across hospitals, nursing homes, clinics, and other care settings. Entry-level roles, particularly certified nurse aides (CNAs), are in especially high demand as Hawaii's aging population grows and requires increasingly complex care. Programs like the one this measure seeks to establish have the potential to strengthen our workforce pipeline by preparing more individuals for healthcare careers and addressing these persistent shortages.

Expanding state-funded internships to private entities could provide additional funding sources to support workforce development, particularly in administrative positions that are critical to healthcare operations but are not currently supported by other development programs. We believe that this expansion would complement (but not supplant) the state's existing healthcare workforce development efforts, such as high school certificate programs and CNA-to-LPN pathways, which have already shown measurable success. For instance, in 2023, over 100 students participated in certificate programs, achieving a 98% completion rate and a 74% employment rate. Expanding Hele Imua ensures that more individuals can access similar career-building opportunities.

This effort will contribute to a robust and sustainable healthcare workforce in our state, and we look forward to the potential partnerships and opportunities that could be made available. We appreciate the legislature's continued support for building our healthcare workforce and the opportunity to weigh in with support on this program.



February 10, 2025

Senator Donovan Dela Cruz, Chair
Senator Sharon Moriwaki, Vice Chair
Committee on Ways and Means
Hawaii Senate
Hawaii State Legislature

Support for SB327 SD1

Dear Chair Dela Cruz, Vice Chair Moriwaki and Members of the Committee on Ways and Means

Thank you for the opportunity to provide our testimony in support of SB327 SD1.

We are very supportive of opportunities to increase paid internships and would be grateful to work with the Department of Labor and Industrial Relations on this initiative. We work very closely with ClimbHI and the LEI program on tourism industry exposure and internships for students. We would look forward to expanding those programs.

On behalf our 5,500 employees and their 17,500 family members, we thank you for the opportunity to provide our comments in support of SB327 SD1.

Sincerely,

A handwritten signature in black ink that reads "Stephanie P. Donoho". The signature is fluid and cursive.

Stephanie Donoho, Administrative Director

Craig Anderson, VP Operations, Mauna Kea Resort –President
Pat Fitzgerald, CEO, Hualalai Investors – Vice President
Charlie Parker, General Manager, Four Seasons Hualalai – Secretary
Daniel Scott, Managing Director Rosewood Kona Village – Treasurer
Chris Sessions, DOSM, Fairmont Orchid – Board of Directors
Scott Head, VP Resort Operations, Waikoloa Land Company – Board of Directors
David Givens, General Manager, Hilton Waikoloa Village – Board of Directors
Rob Gunthner, Area VP Resort Operations, Hilton Grand Vacations – Board of Directors
Pete Alles, Regional VP and GM, Mauna Lani, Auberge Resorts Collection – Board of Directors
Mark Goldrup, General Manager, Waikoloa Beach Marriott – Board of Directors



**Testimony to the Senate Committee on Ways and Means
Wednesday, February 12, 2025; 10:01 a.m.
State Capitol, Conference Room 211
Via Videoconference**

RE: SENATE BILL NO. 0327, SENATE DRAFT 1, RELATING TO INTERNSHIPS.

Chair Dela Cruz, Vice Chair Moriwaki, 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** Senate Bill No. 0327, Senate Draft 1, RELATING TO INTERNSHIPS.

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.

This measure, as received by your Committee, would:

- (1) Establish an On-the-job Training Work Experience Program within the Department of Labor and Industrial Relations and authorize employers or sponsors to provide up to \$20 per hour in reimbursements for wages for the cost of training and supervising an intern; and
- (2) Provide worker's compensation coverage from the State for participants of the On-the-job Work Experience Program.

This measure would take effect on July 1, 2025.

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 Senate Bill No. 0327, Senate Draft 1
Wednesday, February 12, 2025; 10:01 a.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.

Because of this, the HPCA respectfully requests your favorable consideration of this measure.

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@hawaiiipca.net.



Testimony Presented Before the
Senate Committee on Ways and Means
Wednesday, February 12, 2025, at 10:01 AM

By
Stephen Schatz, Executive Director
Hawai'i P-20 Partnerships for Education

SB 327, SD1 – RELATING INTERNSHIPS

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

Thank you for the opportunity to testify on SB 327, SD1 relating to internships.

Hawai'i P-20 Partnerships for Education (Hawai'i P-20) supports SB 327, SD1, which creates an on-the-job training work experience program in the Department of Labor and Industrial Relations, allowing eligible interns to receive on-the-job training work experience in the private sector and provides funding for up to \$20.00 an hour in reimbursements for wages only.

Public funding to support paid on-the-job training will expand the number of opportunities available to Hawai'i State Department of Education and University of Hawai'i students, which is critical to ensuring that graduates of career and technical education programs at the secondary and postsecondary levels meet Hawai'i workforce needs.

Hawai'i P-20 also supports section 4 of SB 327, SD1, which amends HRS 302A-430 Coverage for Workers' Compensation to extend coverage to students or recent graduates who participate in a school-approved work-based learning program sponsored by the Hawai'i State Department of Education or University of Hawai'i.

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

Wednesday, February 12, 2025; 10:01 AM
Conference Room 211 & Video Conference

Senate Committee on Ways and Means

To: Senator Donovan Dela Cruz, Chair
Senator Sharon Moriwaki, Vice Chair

From: Michael Robinson
Vice President, Government Relations & Community Affairs

Re: **SB 327, SD1 – Testimony In Support
Relating to Internships**

My name is Michael Robinson, and I am the Vice President of Government Relations & Community Affairs at Hawai'i Pacific Health. Hawai'i Pacific Health is a not-for-profit health care system comprised of its four medical centers – Kapi'olani, Pali Momi, Straub and Wilcox and over 70 locations statewide with a mission of creating a healthier Hawai'i.

I am writing in SUPPORT of SB 327, SD1 which would make state-funded internships available to eligible private sector employers to provide Hawai'i's school and college-aged students with valuable work experience.

The Health Care Association of Hawai'i's most recent demand survey highlighted nearly 4,700 openings for non-physician, patient-facing positions across hospitals, nursing home, clinics and other healthcare settings. Entry-level positions, particularly certified nurse aides (CNAs) are in especially high demand as Hawai'i's aging population grows and requires increasingly complex care.

Programs such as those proposed in this measure will benefit the State by promoting economic growth, fostering public-private collaborations, and supporting job creation. State-funded private-sector internships will also create additional opportunities for interns to gain practical work experience and prepare for their future careers. Investing in our younger generation at this time will foster a robust and sustainable workforce in Hawai'i.

Thank you for the opportunity to testify.



**Senate Committee on Ways and Means
February 12, 2025 at 10:01 AM
Room 211, for decision making only**

Testimony in SUPPORT for SB327 SD1

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Committee:

On behalf of the Hawai'i Alliance of Nonprofit Organizations, I would like to offer our testimony in **support of SB327 SD1**, which seeks to make state-funded internships available to the nonprofit sector, helping to address workforce development and staffing challenges faced by Hawai'i nonprofit organizations.

The Hawai'i Alliance of Nonprofit Organizations (HANO) is a statewide, sector-wide professional association of nonprofits that works to strengthen and unite the nonprofit sector as a collective force to improve the quality of life in Hawai'i. Since 2006, HANO has been a leading voice for the nonprofit sector, leveraging resources, educating and advocating for policies and practices that promote the professionalism, sustainability, and effectiveness of nonprofits and the communities they serve.

Nonprofits play a crucial role in serving Hawai'i's communities, providing essential services in education, health, social welfare, environmental conservation, arts, and cultural preservation. Comprising approximately 12% of the state's workforce,¹ the sector is a significant employer that faces unique challenges in retaining skilled professionals due to limited funding and resources. By creating structured, paid internship opportunities through this program, SB327 will help build a sustainable talent pipeline for Hawai'i nonprofits, while providing invaluable work experience for local students and job seekers.

Additionally, investing in workforce development within the nonprofit sector has a multiplier effect: by strengthening community-based organizations, the state helps to enhance the quality and reach of the services nonprofits provide to the people of Hawai'i. This program would help ensure that residents and families continue to receive the support and resources they need, while simultaneously addressing the workforce shortages that impact a nonprofits' ability to fulfill their missions effectively.

We strongly urge the legislature to support SB327 and to recognize the essential role that nonprofits play in shaping a thriving, resilient, and compassionate Hawai'i.

Mahalo for the opportunity to testify in support.

¹ Bureau of Labor Statistics, U.S. Department of Labor, *The Economics Daily*, Nonprofits accounted for 12.8 million jobs, 9.9 percent of private-sector employment, in 2022 at <https://www.bls.gov/opub/ted/2024/nonprofits-accounted-for-12-8-million-jobs-9-9-percent-of-private-sector-employment-in-2022.htm> (visited February 10, 2025).



Hawai'i Forest Industry Association

7192 Kalaniana'ole Hwy
Suite A-143A, #249
Honolulu, HI 96825
Phone: 808/933/9411
Email: hfia@hawaiiiforest.org

Date: 02/10/25

TO: WAM Chair Dela Cruz and WAM Committee Members

FROM: Hawai'i Forest Industry Association (HFIA)

SUBJECT: In Support of SB327 SD1 Relating to Internships

Dear Chair Dela Cruz and WAM Committee Members,

On behalf of the Directors and members of the Hawai'i Forest Industry Association (HFIA), please support SB327 SD1 Relating to Internships.

HFIA is largely made up of tradesmen and artisans such as woodworkers (including makers of fine furniture, cabinet makers, woodturners and more), sawmillers, as well as foresters (and others). The HFIA board of directors often finds that more opportunities for hands-on, practical, education and professional training and experience is needed in Hawai'i to better prepare young people interested in these areas for a successful career. The need for such opportunities is frequently discussed within our board of directors, but typically the prospect of funding for such opportunities is a primary expected challenge. The Department of Labor and Industrial Relations entering into contracts with private sector employers, and providing funding to support internships and apprenticeships across a variety of sectors, has the potential to help educate and prepare the next generation of skilled workers for Hawai'i, including skilled woodworkers, sawmillers and foresters.

Please support SB327 SD1.

Mahalo for your time and consideration,

Guy Cellier

Guy Cellier, President

Hawaii Forest Industry Association

HFIA's mission is to promote healthy and productive forests and a sustainable forest industry through management, education, planning, information exchange, and advocacy. HFIA has over 130 members including woodworkers, landowners, sawyers, foundations, foresters, growers, educators, environmentalists, architects, millers, ranchers, and others interested in HFIA's mission and goals.

HFIA Board of Directors

Officers: President Guy Cellier, Vice President Irene Sprecher, Secretary Taylor Coons, Treasurer Wade Lee
Directors: Jeremy Campbell, Doug Gordon, Nicholas Koch, Michael Sowards, Aileen Yeh

February 12, 2025

Senate Committee on Ways and Means
Senator Donovan M. Dela Cruz, Chair
Senator Sharon Y. Moriwaki, Vice Chair



Working together for Kapolei

Wednesday, February 12, 2025, 10:01 a.m.
Conference Room #224 VIA VIDEOCONFERENCE

RE: SB 327 SD1 Relating to Internships

Dear Chair Dela Cruz, Vice Chair Moriwaki and members of the Committee,

My name is Kiran Polk, and I am the Executive Director and CEO of the Kapolei Chamber of Commerce. The Kapolei Chamber of Commerce is an advocate for businesses in the Kapolei region and West O'ahu. The Chamber works on behalf of its members and the entire business community to improve the regional and State economic climate and help Kapolei businesses thrive. We are a member-driven, member-supported organization representing the interests of all types of business: small, medium or large, for profit or non-profit businesses or sole proprietorship.

The Kapolei Chamber of Commerce **supports SB 327**, which permits and appropriates moneys for the Department of Labor and Industrial Relations (DLIR) to enter into contracts with eligible employers or registered apprenticeship programs in the private sector to provide on-the-job training to eligible interns. It also requires the Department of Human Resources Development to collaborate with the DLIR for certain portions of the on-the-job-training work experience program. The measure provides that the State shall be the responsible employer for purposes of workers' compensation coverage for students or recent graduates in the on-the-job-training work experience program.

Investing in our future workforce is a priority for the Kapolei Chamber to keep pace with the growth in our region. Providing a work-based learning experience has proven to strengthen our talent pipeline. Many of our businesses, especially our small businesses, would like the opportunity to offer mentoring and work-based learning experience for our future workforce, but simply do not have the resources and capacity to do so. **Providing access to DLIR's registered apprenticeship programs would provide the support needed for these small and medium size businesses to pursue an internship program.**

Kapolei Chamber of Commerce has established itself as a *Career Hub* that generates, supports, connects, documents and reports the programmatic efforts to assist schools in delivering world-class programs that improve student achievement, increase post-secondary attendance, and generate a vibrant workforce. The Kapolei Chamber does this in partnership with the University of Hawai'i at West O'ahu, the Hawai'i State Dept. of Education and our private and charter schools in West O'ahu. In 2018, the Chamber pioneered student career exploration in the State by holding the 1st multi-school student career expo. We now bring almost 2,000 9th grade students from West O'ahu high schools onto the campus at UH West O'ahu to interact and explore careers by interacting with over 60 businesses and organizations as they select their career academies.

Career exploration is only the launching point and work-based learning is the continuum needed to strengthen our pipeline from K-12 to post-secondary and into our workforce. The Kapolei Chamber is also dedicated to working with our education partners in West O'ahu to **address curricular and outreach gaps in the workforce pipeline by advocating and supporting internship and mentoring opportunities for our students with West O'ahu employers** among industry sectors including healthcare, innovative technology and the professional trades.

As our small businesses face challenges with staffing shortages and inflationary impacts, having the opportunity to apply for DLIR's apprenticeship program will provide the needed resources for our businesses and is a solid investment in our future. It will **provide the support needed for increased participation in work-based learning and will provide the needed investment into our future**. These collaborative learning experiences will help nurture and sustain our future workforce, bringing a brighter horizon for all.

Thank you for this opportunity to provide testimony.

Best,

Kiran Polk
Executive Director & CEO



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

LATE

**HEARING BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 211
Wednesday, February 12, 2025 AT 10:01 A.M.**

To The Honorable Senator Donovan M. Dela Cruz, Chair
The Honorable Senator Sharon Y. Moriwaki, Vice Chair
Members of the committee on Ways and Means

SUPPORT SB327 SD1 RELATING TO QUALIFIED INTERNSHIP TAX CREDIT

The Maui Chamber of Commerce **SUPPORTS SB327 SD1** which establishes a program to provide on-the-job training and work experience opportunities for interns through the Department of Labor and Industrial Relations (DLIR).

The Chamber emphasizes that expanding state-funded internships to include private-sector positions will benefit the state by promoting economic growth, fostering public-private collaboration, and supporting job creation. State-funded private-sector internships will also create additional opportunities for interns to gain practical work experience and better prepare for their future careers.

This bill will incentivize more of Hawaii's small and medium-sized businesses to offer work-based learning opportunities through internships. This initiative will help students acquire in-demand skills while diversifying the talent pool for local employers. These work-based learning experiences are crucial for the economic future of our state as we prepare our young people for the in-demand careers of tomorrow.

For these reasons, we **SUPPORT SB327 SD1**.

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.



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Executive Officers

Maile Miyashiro, C&S Wholesale Grocer, *Chair*
Kit Okimoto, Okimoto Corp., *Vice Chair*
Jayson Watts, Mahi Pono, *Secretary/Treasurer*
Lauren Zirbel, HFIA, *Executive Director*
Paul Kosasa, ABC Stores, *Advisor*
Derek Kurisu, KTA Superstores, *Advisor*
Toby Taniguchi, KTA Superstores, *Advisor*
Joe Carter, Coca-Cola Bottling of Hawaii, *Advisor*
Eddie Asato, Pint Size Hawaii, *Advisor*
Gary Okimoto, Safeway, *Immediate Past Chair*

TO: Committe on Ways and Means
FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: February 12, 2025
TIME: 10:01am

RE: SB327 SD1 Relating to Internships
Position: Support

LATE

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.

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 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. This measure also promotes economic growth and job creation in our state.

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

**Testimony to the Senate Committee on Ways and Means
Senator Donovan M. Dela Cruz, Chair
Senator Sharon Y. Moriwaki, Vice Chair**

**Wednesday, February 12, 2025, at 10:01 AM
Conference Room 415 & Videoconference**

LATE

RE: SB327 SD1 Relating to Internships

Aloha e Chair Aquino, Vice Chair Lee, and Members of the Committee:

My name is Sherry Menor, President and CEO of the Chamber of Commerce Hawaii ("The Chamber"). The Chamber supports Senate Bill 327 Senate Draft 1 (SB327 SD1), which permits the Department of Labor and Industrial Relations to enter into contracts with eligible employers or registered apprenticeship programs in the private sector to provide on-the-job training to eligible interns.

SB327 SD1 aligns with our 2030 Blueprint for Hawaii: An Economic Action Plan, specifically under the policy pillar for Business Services. This bill promotes policies that drive economic growth, enhance workforce opportunities, and improve the quality of life for Hawaii's residents.

Hawaii is experiencing a brain drain as young talent leaves in record numbers. Expanding apprenticeships and state-funded internships to include private-sector roles can provide valuable hands-on experience, creating career pathways that strengthen the workforce. These efforts align with the priorities outlined in the 2030 Blueprint for Hawaii, benefiting both employers and the local economy.

State-funded private-sector internships serve a vital role in fostering public-private collaborations, offering Hawaii's youth opportunities to gain valuable work experience, and preparing them for successful careers in a variety of industries. SB327 SD1 will contribute to workforce development by equipping interns with the skills and professional exposure needed to thrive in today's competitive job market.

The Chamber of Commerce Hawaii is the state's leading business advocacy organization, dedicated to improving Hawaii's economy and securing Hawaii's future for growth and opportunity. Our mission is to foster a vibrant economic climate. As such, we support initiatives and policies that align with the 2030 Blueprint for Hawaii that create opportunities to strengthen overall competitiveness, improve the quantity and skills of available workforce, diversify the economy, and build greater local wealth.

We respectfully ask to pass Senate Bill 327 SD1. Thank you for the opportunity to testify.

LATE

SB-327-SD-1

Submitted on: 2/11/2025 12:14:52 PM

Testimony for WAM on 2/12/2025 10:01:00 AM

Submitted By	Organization	Testifier Position	Testify
Ellen Awai	Individual	Support	Written Testimony Only

Comments:

I strongly support SB327 SD1 DLNR contracting with organizations for internship positions to see if the younger generation would care to be in the field. Youth see no future at many jobs, where older people are in charge and they have the technical computer skills. Constant conflicts happen within the workplace, where individuals just leave without explaining. Although other generations were told to respect their elders, these youths take advantage of them and may learn local ways and not explain them to their own parents, thereby using their own families in manipulating what they want in the U.S. Older people have the work experience and can teach youth, why they do things if given the time. But they also fear giving up their responsibilities and haven't taken time to train someone who may just leave their lifetime! Hawaii is hiring people just to fill vacancies but they do not have the skills or understanding of people born and raised here in the islands!

Believe me, although I assist people I meet that need assistance, I listen to all the issues my daughter shares with me working at her different positions, and the discrimination found in workplaces is incredible! Whether is youth vs. old, educated vs. uneducated, different Asian groups taking positions they don't qualify because they just arrived from a different country, people who are too vocal vs. those that rarely speak but have all the knowledge, which I can see for myself just attending a few meetings!