

STAND. COM. REP. NO.

1468

Honolulu, Hawaii

MAR 21 , 2025

RE: S.B. No. 327
S.D. 2
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Labor, to which was referred S.B. No. 327,
S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO INTERNSHIPS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Authorize the Department of Labor and Industrial Relations to administer an on-the-job training work experience program for eligible interns and appropriate funds for the establishment of this program;
- (2) Require the Department of Labor and Industrial Relations to collaborate with the Department of Human Resources Development to place interns within executive branch departments, agencies, and programs; and
- (3) Clarify that the State is the responsible employer for providing workers' compensation coverage for students or recent graduates participating in the internship program.

Your Committee received testimony in support of this measure from the Department of Education; Department of Labor and

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Industrial Relations; Department of Human Resources Development; University of Hawai'i System; Hawaii State Council on Developmental Disabilities; Hawai'i P-20 Partnerships for Education; Healthcare Association of Hawaii; Hawai'i Alliance of Nonprofit Organizations; Kohala Coast Resort Association; Purple Maia Foundation; Hawai'i Pacific Health; Chamber of Commerce Hawaii; Liberty Dialysis Hawai'i; Kapolei Chamber of Commerce; Hawaii Food Industry Association; Maui Chamber of Commerce; and Hawaiian Lifeguard Association. Your Committee received comments on this measure from the Department of the Attorney General and Department of Business, Economic Development, and Tourism.

Your Committee finds that expanding state-funded internships to include private-sector positions will benefit the State by promoting economic growth, fostering public-private collaborations, and supporting job creation. Your Committee also finds that state-funded private-sector internships create opportunities for students to gain practical work experience and prepare them for the workforce. Future employers will also benefit from this measure by having a larger pool of skilled applicants who can fill critical roles in Hawaii's labor market. Your Committee believes that this measure is a strategic investment in the State's economic future by supporting students and local businesses, developing a skilled workforce, and ensuring that Hawaii remains competitive in the global economy.

Your Committee further finds that H.B. No. 430, H.D.2 (Regular Session of 2025), a substantially similar measure, was previously passed by the House.

Your Committee has amended this measure by deleting its contents and inserting the contents of H.B. 430 H.D.2, a measure that:

- (1) Authorizes and appropriates funds for the Department of Labor and Industrial Relations to administer an on-the-job training work experience program that partners with private entities to increase opportunities for eligible high school and college and university students to participate in summer internship programs and allow internships with private sector employers through a cost-sharing strategy;



- (2) Requires certain reporting by the Department of Labor and Industrial Relations;
- (3) Clarifies that the State is the responsible employer for purposes of workers' compensation coverage for students or recent graduates participating as interns in the work experience program, with certain limitations; and
- (4) Contains an effective date of July 1, 3000, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 327, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 327, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

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



JACKSON D. SAYAMA, Chair



