

Honolulu, Hawaii

MAR 19 2025

RE: H.B. No. 430
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Labor and Technology, to which was referred H.B. No. 430, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO INTERNSHIPS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Authorize 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;
- (2) Require annual reports to the Legislature;
- (3) 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; and
- (4) Appropriate funds.

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



of Education, State Council on Developmental Disabilities, University of Hawai'i System, Hawaii Food Industry Association, Hawai'i Primary Care Association, Hawai'i Alliance of Nonprofit Organizations, Kohala Coast Resort Association, Healthcare Association of Hawaii, Hawai'i Pacific Health, Hawai'i P-20 Partnerships for Education, Maui Chamber of Commerce, Hawai'i Forest Industry Association, Chamber of Commerce Hawaii, Liberty Dialysis Hawai'i, Pacific Resource Partnership, and Hawai'i Lodging and Tourism Association.

Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that many critical industries in the State are experiencing staffing shortages, including disability services, health care, food, and the nonprofit sector. The continued success of the State's economy is dependent on the prosperity of a diverse marketplace, supported by a qualified labor supply. Workforce development is therefore a fundamental goal shared by the public and private sectors. This measure facilitates collaboration between the State and private employers to administer internships, preparing a more qualified workforce for success through on-the-job training.

Your Committee has amended this measure by:

- (1) Inserting language that requires a cumulative grade point average of 2.5 or higher, on a scale of 4.0 or its equivalent as a criterion for interns to be eligible for the program;
- (2) Replacing language that would have required interns to pass a Hawaii Criminal Justice Data Center criminal history record check with language authorizing the Department of Labor and Industrial Relations to conduct criminal background checks as appropriate;
- (3) Requiring the Department of Labor and Industrial Relations to include the names of organizations where intern placements were made in the annual report to the Legislature;



- (4) Inserting a new section governing placement of interns in state executive branch departments, agencies, or programs that requires the Department of Labor and Industrial Relations to:
 - (A) Collaborate with the Department of Human Resources Development to process all public program applications and place certain interns within the state executive branch; and
 - (B) Provide certain relevant program information to the Department of Human Resources Development before the first day of each internship;
- (5) Amending section 1 to reflect its amended purpose;
- (6) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 430, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 430, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

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


HENRY J. C. AQUINO, Chair



