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# A BILL FOR AN ACT

RELATING TO EDUCATION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that students should have  
2 an opportunity to participate in a high-quality work-based  
3 learning experience before they graduate from high school.  
4 While partnerships between schools and employers have expanded  
5 in the past decade, the legislature also finds that equitable  
6 access to a diverse range of industries will require  
7 significantly greater employer participation in these programs.

8           The legislature further finds that to drastically increase  
9 work-based learning experience opportunities, offering  
10 additional resources for employers will incentivize companies to  
11 offer work-based learning opportunities and increase capacity to  
12 host student interns. Without crucial assistance to support  
13 work-based learning experiences, many employers, especially  
14 small- to medium-sized companies, may lack the resources  
15 necessary to hire and retain student interns and youth will be  
16 unable to gain invaluable work experience before entering the  
17 workforce.



1           Accordingly, the purpose of this Act is to establish a  
2 qualified internship grant program, to be administered by an  
3 eligible and qualified non-profit organization in partnership  
4 with the department of education.

5           SECTION 2. Chapter 302A, Hawaii Revised Statutes, is  
6 amended by adding a new section to be appropriately designated  
7 and to read as follows:

8           "§302A-       Qualified internship grant program;  
9 administration; requirements. (a) There is established within  
10 the department a qualified internship grant program. The  
11 qualified internship grant program shall provide grants to  
12 businesses and organizations providing qualified interns with  
13 work-based learning experiences through a qualified internship  
14 program, which shall be a highly structured, time-limited  
15 professional internship program with a workplace mentor that  
16 provides a qualified intern the opportunity to apply technical  
17 and employability skills in an authentic workplace environment  
18 that:

19           (1) Compensates the qualified intern no less than the  
20           minimum wage as prescribed in section 382-2;



1       (2) Schedules the qualified intern to work for no more  
2       than fifteen hours per week during the academic year  
3       and no more than forty hours per week during winter,  
4       spring, and summer holiday periods;

5       (3) Employs the qualified intern for no more than one  
6       hundred and fifty hours; and

7       (4) Complies with the child labor provisions of the  
8       federal Fair Labor Standards Act, title 29 United  
9       States Code 212(c), the federal Fair Labor Standards  
10       Act regulations at title 29 Code of Federal  
11       Regulations part 570, and chapter 390, including  
12       obtaining the appropriate work permit certification.

13       (b) The qualified internship grant program shall be  
14       administered by an eligible and qualified non-profit  
15       organization selected by the department through a competitive  
16       bid process and in compliance with chapter 103D. The eligible  
17       and qualified non-profit organization shall:

18       (1) Verify that internship applicants have provided the  
19       following information:

20       (A) The name of the applicant requesting program  
21                 funds;



- 1           (B) The amount of program funds being requested;
- 2           (C) A description of the daily tasks to be completed
- 3           by the qualified intern;
- 4           (D) Expected student learning outcomes to be achieved
- 5           by the completion of the internship period; and
- 6           (E) Confirmation that the internship has been
- 7           approved as part of a department approved work-
- 8           based learning program; and
- 9       (2) Report the following to the department at the
- 10       conclusion of the internship:
- 11       (A) Confirmation that each qualified intern was
- 12       employed and supervised in the State in a
- 13       position in which the qualified intern received
- 14       training and experience in the intern's chosen
- 15       field of study;
- 16       (B) Total wages paid to each qualified intern and
- 17       each qualified intern's hourly wage rate; and
- 18       (C) Total number of hours worked by each qualified
- 19       intern.



1       (c) An internship applicant may be eligible for program  
2 funds under the grant program if the applicant uses the funds  
3 to:

4       (1) Compensate qualified interns for work performed during  
5 the qualified internship program; and

6       (2) Cover the cost of additional labor or materials  
7 required to operate the qualified internship program.

8       (d) Program funds shall be distributed as follows:

9       (1) Up to \$                    for the employment of the qualified  
10 intern for up to            hours; or

11       (2) Up to \$                    for the employment of the qualified  
12 intern for up to            hours.

13       (e) Any grant of program funds shall be used exclusively  
14 for the purposes under this section.

15       (f) An internship applicant shall have applied for or  
16 received all applicable licenses or permits necessary for the  
17 operation of its business, and for the employment of personnel.

18       (g) The internship applicant or recipient of program funds  
19 shall comply with other requirements or conditions as the  
20 department may prescribe, including those prescribed by the  
21 department to implement the program.



1       (h) The recipient of the program funds shall comply with  
2 all federal, state, or county statutes, rules, or ordinances,  
3 necessary to conduct the activities for which program funding is  
4 given.

5       (i) The internship applicant or recipient of the program  
6 funds shall comply with all applicable federal and state laws  
7 prohibiting discrimination against any person on the basis of  
8 race, color, national origin, religion, creed, sex, age, sexual  
9 orientation, or disability, or any other characteristic  
10 protected under applicable law.

11       (j) The internship applicant or recipient of the program  
12 funds shall allow the department, and its staff or contractor,  
13 and the auditor full access to the applicant's or recipient's  
14 records, reports, files, and other related documents and  
15 information for purposes of monitoring and ensuring the proper  
16 expenditure of program funds.

17       (k) The recipient of the program funds shall indemnify and  
18 save harmless the State of Hawaii and its officers, agents, and  
19 employees from and against any and all claims arising out of or  
20 resulting from activities carried out or projects undertaken



1 with funds provided hereunder and procure sufficient insurance  
2 to provide this indemnification.

3 (l) The department or its contractor shall not release the  
4 public funds approved for an internship applicant unless a  
5 contract is entered into between the department or its  
6 contractor and the recipient of the program funds. The  
7 department shall develop and determine, in consultation with and  
8 subject to the review and approval of the attorney general, the  
9 specific contract form to be used. Each such contract shall be  
10 monitored by the department or its contractor to ensure  
11 compliance with this section. Each such contract shall be  
12 evaluated annually to determine whether the program funds  
13 attained the intended results in the manner contemplated.

14 (m) The internship applicant shall satisfy any other  
15 standards that may be required by the source of funding.

16 (n) Any recipient of program funds who withholds or omits  
17 any material fact or deliberately misrepresents facts to the  
18 department shall be in violation of this section. In addition  
19 to any other penalties provided by law, any recipient found by  
20 the department to have violated this section or the terms of its



1 contract shall be prohibited from applying for any department  
2 grants for a period of five years from the date of termination.

3 (o) The department shall report to the legislature no  
4 later than twenty days prior to the convening of each regular  
5 session. The report shall include:

6 (1) The total value of qualified internship grants  
7 provided in the previous calendar year;

8 (2) The total number of qualified interns who participated  
9 in the program in the previous calendar year;

10 (3) Information on the department's process in  
11 administering the qualified internship grant program;  
12 and

13 (4) An analysis of the effectiveness of the qualified  
14 internship grant program as an incentive to encourage  
15 employment of qualified interns.

16 (p) For the purposes of this section:

17 "Eligible and qualified non-profit organization" means an  
18 organization that is registered with the State and has been  
19 certified by the Internal Revenue Service as a charitable or  
20 otherwise tax-exempt organization under section 501(c)(3) of the  
21 Internal Revenue Code of 1986, as amended.



1       "Internship applicant" means a business or employer who  
2 applies to participate in the qualified internship grant  
3 program.

4       "Qualified intern" means an individual who is at least  
5 sixteen years of age and enrolled in a public school."

6       SECTION 3. There is appropriated out of the general  
7 revenues of the State of Hawaii the sum of \$                    or so  
8 much thereof as may be necessary for fiscal year 2024-2025 for  
9 the establishment and implementation of the qualified internship  
10 grant program.

11       The sum appropriated shall be expended by the department of  
12 education for the purposes of this Act.

13       SECTION 4. In accordance with section 9 of article VII of  
14 the Hawaii State Constitution and sections 37-91 and 37-93,  
15 Hawaii Revised Statutes, the legislature has determined that the  
16 appropriations contained in H.B. No.           , will cause the state  
17 general fund expenditure ceiling for fiscal year 2024-2025 to be  
18 exceeded by \$                    or            per cent. In addition, the  
19 appropriation contained in this Act will cause the general fund  
20 expenditure ceiling for fiscal year 2024-2025 to be further  
21 exceeded by \$                    or            per cent. The combined total



1 amount of general fund appropriations contained in only these  
2 two Acts will cause the state general fund expenditure ceiling  
3 for fiscal year 2024-2025 to be exceeded by  
4 \$                    or                    per cent. The reasons for exceeding the  
5 general fund expenditure ceiling are that:

- 6            (1) The appropriation made in this Act is necessary to  
7                    serve the public interest; and  
8            (2) The appropriation made in this Act meets the needs  
9                    addressed by this Act.

10            SECTION 5. New statutory material is underscored.

11            SECTION 6. This Act shall take effect on July 1, 3000.



**Report Title:**

Qualified Internship Grant Program; Work-Based Learning;  
Appropriation; Expenditure Ceiling

**Description:**

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. (HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

