JOSH GREEN, M.D. GOVERNOR



KEITH T. HAYASHI SUPERINTENDENT

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

> Date: 02/07/2024 Time: 03:00 PM Location: CR 229 & Videoconference Committee: Senate Education

| Department:        | Education  |
|--------------------|--|
| Person Testifying: | Keith T. Hayashi, Superintendent of Education  |
| Title of Bill:     | SB 2975 RELATING TO EDUCATION.   |
| Purpose of Bill:   | Establishes the qualified internship grant program within the<br>Department of Education to provide grants to businesses and<br>organizations that employ qualified interns participating in<br>work-based learning through a qualified internship program.<br>Appropriates funds. |

#### **Department's Position:**

The Hawaii State Department of Education (Department) respectfully offers comments on SB 2975, 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 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 high school 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 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 respectfully requests that the definition of "qualified intern" be amended to read as follows:

Page 4, lines 20-21: ""Qualified intern" means an individual no less than 16 years of age enrolled in a public school."

The Department also respectfully requests that the compensation for the qualified intern be increased to no less than \$14 per hour, the current minimum wage in Hawaii (page 5, lines 6-7).

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 will need more information to assess the impact and any administrative costs that may be associated with implementation of this bill. Furthermore, there already exists within the Department of Labor and Industrial Relations an internship program that this grant program may overlap with.

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

SYLVIA LUKE LIEUTENANT GOVERNOR



JADE T. BUTAY DIRECTOR

WILLIAM G. KUNSTMAN DEPUTY DIRECTOR

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

February 7, 2024

To: The Honorable Michelle N. Kidani, Chair, The Honorable Donna Mercado Kim, Vice Chair, and Members of the Senate Committee on Education

Date: Wednesday, February 7, 2024

Time: 3:00 p.m.

- Place: Conference Room 229, State Capitol
- From: Jade T. Butay, Director Department of Labor and Industrial Relations (DLIR)

# Re: S.B. 2975 RELATING TO EDUCATION

# I. OVERVIEW OF PROPOSED LEGISLATION

The **DLIR offers comments and opposes the subminimum wage** contained in the measure. SB2975 amends Chapter 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 with work-based learning experiences and compensates the qualified intern no less than \$12 per hour.

# II. CURRENT LAW

Section 387-2, HRS, provides a minimum wage of \$14.00 per hour beginning January 1, 2024; \$16.00 per hour beginning January 1, 2026; and \$18.00 per hour beginning January 1, 2028.

Employers are generally subject to both state child labor laws and the federal child labor provisions of the Fair Labor Standards Act (FLSA), 29 U.S.C. 212(c), and the FLSA regulations at 29 CFR Part 570.

# III. COMMENTS ON THE SENATE BILL

Under this bill, "Qualified intern" means an individual enrolled in a public school (page 4, lines 20-21). The DLIR suggests the definition of "Qualified intern" be amended to read: ""Qualified intern" means an individual who is at least sixteen years of age enrolled in a public school."

SB2975 February 7, 2024 Page 2

This measure provides that the businesses or employers participating in the qualified internship program compensate the qualified intern no less than \$12 per hour (page 5, lines 6-7) which is lower than the current minimum wage. The DLIR suggests the qualified intern be compensated no less than the current statutory minimum wage provided under Section 387-2, HRS.

The U.S. Department of Labor (USDOL) reminded the DLIR (attached) that even if state child labor laws are weakened, the Fair Labor Standards Act (FLSA) would still govern. The USDOL asked the DLIR to include language on its website and materials reminding employers of this fact:<sup>1</sup>

Employers are generally subject to both state child labor laws and the federal child labor provisions of the Fair Labor Standards Act (FLSA), 29 U.S.C. 212(c), and the FLSA regulations at 29 CFR Part 570. Certain provisions of Hawaii state law may be less restrictive than federal law, and employers covered by the FLSA that only follow a less restrictive provision of Hawaii state law will be in violation of federal law. See 29 U.S.C. 218(a).

Therefore, the DLIR suggests the definition of "Qualified internship program" (page 5, lines 1-13) be amended with an additional paragraph as follows:

(4) Complies with the child labor provisions of the Fair Labor Standards Act, 29 U.S.C. 212(c), the Fair Labor Standards Act regulations at 29 Code of Federal Regulations Part 570, and Chapter 390, HRS, including obtaining the appropriate work permit certification."

<sup>&</sup>lt;sup>1</sup> Letter dated July 28, 2023, from Principal Deputy Administrator Jessica Looman to Director Jade Butay.

Wage and Hour Division Washington, DC 20210



July 28, 2023

Jade Butay Director Hawaii Department of Labor and Industrial Relations 830 Punchbowl Street, Room 340 Honolulu, Hawaii 96813

Dear Director Butay:

I write to you with the goal of working together to ensure the safety and welfare of young workers in Hawaii.

As Principal Deputy Administrator of the Department of Labor's (Department) Wage and Hour Division (WHD), I am responsible for administering and enforcing some of our nation's most foundational labor laws, including the child labor provisions of the Fair Labor Standards Act (FLSA), 29 U.S.C. 212(c). Child labor laws ensure the safety and well-being of young workers and prevent work experiences from having a negative effect on their health or education. The federal child labor regulations generally prohibit employers subject to the FLSA from employing children in hazardous occupations and limit the hours that 14- and 15-year-olds can work in agricultural and nonagricultural employment. The FLSA also restricts the employment of children under the age of 14. The FLSA's child labor provisions cover children under the age of 18 who are employed by businesses or organizations that have an annual dollar volume of sales or business done of at least \$500,000 or who are individually engaged in commerce or in the production of goods for commerce as part of their employment. *See, e.g.,* Fact Sheet #14: Coverage Under the Fair Labor Standards Act (FLSA) | U.S. Department of Labor (dol.gov).

Most states also have laws setting standards for child labor in both agricultural and nonagricultural occupations, and employers may be subject to both state and federal child labor provisions. WHD has seen a disturbing increase in efforts to weaken these state child labor laws across the country. While states may establish higher child labor standards than those set by the FLSA, the FLSA sets the minimum standards for child labor for covered employers and children. When both federal and state child labor laws apply, and the state child labor law is less restrictive than federal law, the federal law must be followed. State child labor laws that purport to authorize employment practices that are prohibited by the FLSA present an obstacle to accomplishing the objective of the FLSA's child labor provision—to protect the education and well-being of children and to end oppressive child labor. Moreover, without clear guidance from the state, these laws could create confusion for employers as to whether they must comply with the FLSA's provisions.

To provide clarity to employers who may inadvertently violate the FLSA by complying only with a less protective state law, WHD strongly recommends including the following language on the Hawaii Department of Labor and Industrial Relations website and in compliance assistance materials for employers:

Employers are generally subject to both state child labor laws and the federal child labor provisions of the Fair Labor Standards Act (FLSA), 29 U.S.C. 212(c), and the FLSA regulations at 29 CFR Part 570. Certain provisions of Hawaii state law may be less restrictive than federal law, and employers covered by the FLSA that only follow a less restrictive provision of Hawaii state law will be in violation of federal law. *See* 29 U.S.C. 218(a). For more information on federal child labor law, please visit the U.S. Department of Labor's Wage and Hour Division Website at <u>www.dol.gov/whd</u>.

If you have questions about how Hawaii state law interacts with federal child labor law, WHD is available to provide technical assistance. Please direct any questions to Chereesse Thymes at <u>Thymes.Chereesse@dol.gov</u> in WHD's Division of Fair Labor Standards Act and Child Labor. WHD is also available to provide compliance assistance to Hawaii employers, parents, and young workers to help each understand their rights or obligations under the FLSA and the Department's regulations. We appreciate the opportunity to work with you to ensure children in Hawaii who work do so in a safe and healthy environment.

Sincerely,

Vessica Looman Principal Deputy Administrator



# Testimony to the Senate Committee on Education Wednesday, February 7, 2024 at 3PM Conference Room 229 & Videoconference

#### **RE: SB2975 Relating to Qualified Internship Grant Program**

Aloha Chair Kidani, Vice Chair Kim, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports SB 2975**, which establishes a qualified internship grant program to be administered by a non-profit organization and provided to employers of qualified interns. This would enable the interns to participate in workbased learning and gain applicable work experience with the intention of contributing to Hawaii's workforce while incentivizing the employer. This measure would perpetuate 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 indemand 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 in this bill 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.



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.

SB2975, 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 7, 2024

Committee on Education Senator Michelle N. Kidani, Chair Senator Donna Mercado Kim, Vice Chair

Aloha Chair Kidani, Vice Chair Kim, and Members of the Committee,

**HawaiiKidsCAN strongly supports SB2975**, 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 for 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.<sup>1</sup>

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

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.<sup>2</sup>

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.<sup>3</sup> 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.<sup>5</sup> 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.

Hawaii has a number of work-based learning intermediaries that can help facilitate these grants. This will fill critical gaps, as existing internship programs through agencies like DLIR are only available to those with a high school diploma or equivalent. There is

<sup>&</sup>lt;sup>2</sup> <u>https://www.epi.org/blog/class-of-2023-young-adults-are-graduating-into-a-strong-labor-market/</u> 3 <u>https://www.mathematica.org/dataviz/youth-unemployment-tracker</u>

<sup>&</sup>lt;sup>4</sup> 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,

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

also no reason a student shouldn't be able to earn credits and compensation at the same time.

# We also humbly request that SB2975 be amended to match the technical changes made by the House Committee on Education for companion bill HB1654.

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                       | Email                   | Zip<br>code | Organization                               |
|----------------------------|-------------------------|-------------|--|
| Phaedra Robinson,<br>Ph.D. | drphaedra@raihawaii.org | 96734       | RAI Hawai'i                                |
| Erica Nakanishi-<br>Stanis | nakanishista@gmail.com  | 96822       |  |
| Anne Weber-<br>Yarbrough   | aweb3388@gmail.com      | 96819       |  |
| Keala Peters               | kpeters@cochawaii.org   | 96821       | Chamber of Commerce Hawaii                 |
| Matt Stevens               | matt@hawaiiwork.org     | 96755       | Hawai'i Workforce Funders<br>Collaborative |
| Lord Ryan Lizardo          | Irlizardo@cochawaii.org | 96813       |  |

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| Lina Kikuta               | lkikuta22@gmail.com                           | 96821                       |       |



# **ON THE FOLLOWING MEASURE:** S.B. NO. 2975, RELATING TO EDUCATION.

**BEFORE THE:** SENATE COMMITTEE ON EDUCATION

DATE:Wednesday, February 7, 2024TIME: 3:00 p.m.LOCATION:State Capitol, Room 229 and VideoconferenceTESTIFIER(S):Anne E. Lopez, Attorney General, or<br/>Anne T. Horiuchi, Deputy Attorney General

Chair Kidani and Members of the Committee:

The Department of the Attorney General (Department) provides the following comments.

The bill establishes the qualified internship grant program (Program) within the Department of Education (DOE) to provide grants to businesses and organizations that employ qualified interns participating in work-based learning through a qualified internship program. The bill also appropriates funds.

Section 4 of article VII of the State Constitution provides that, "[n]o grant of public money or property shall be made except pursuant to standards provided by law." This bill does not appear to include adequate standards by which the DOE or its contracted third-party administrator is to distribute grants. We therefore recommend that this bill be amended to insert sufficient standards for the DOE or the third-party administrator to distribute the funds to eligible businesses and organizations who wish to participate in the Program. Examples of existing statutes that provide standards for agencies to expend funds are part II of chapter 9, and sections 10-17, 210D-11, and 383-128, Hawaii Revised Statutes (HRS). Additionally, we have attached draft standards to this testimony as a sample to work from, and we are happy to work with you on developing more specific standards.

Furthermore, the Program – as set forth in a new section added to chapter 302A, HRS, by section 2 of the bill – appears to be established through the definition in new

Testimony of the Department of the Attorney General Thirty-Second Legislature, 2024 Page 2 of 4

section 302A-\_\_(d) on page 5, lines 1-13. Substantive provisions, however, should not be placed in definitions. We recommend that the bill be revised to place this content in a new subsection.

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

# POSSIBLE STANDARDS FOR THE FUNDING PROGRAM IN THIS BILL

(a) Each application for funding provided by the qualified internship program shall at a minimum:

- (1) State the name of the applicant requesting program funds;
- (2) State the amount of program funds being requested; and
- (3) Describe the daily tasks to be completed by the qualified intern, as well as the expected student learning outcomes to be achieved by the completion of the internship period.

(b) An applicant may be eligible for program funds under the grant program if the applicant uses the funds to:

- (1) Compensate qualified interns for work performed during the qualified internship program; and
- (2) Cover the cost of additional labor or materials required to operate the qualified internship program.
- (c) Program funds shall be distributed as follows:
- Up to \$\_\_\_\_\_ for the employment of the qualified intern for up to \_\_\_\_\_\_ hours; or
- (2) Up to \$\_\_\_\_\_ for the employment of the qualified intern for up to \_\_\_\_\_\_ hours.

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

(e) The applicant shall have applied for or received all applicable licenses or permits necessary for the operation of its business, and for the employment of personnel.

(f) The applicant for or recipient of the program funds shall comply with other requirements or conditions as the department may prescribe, including those prescribed by the department to implement the program.

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

Testimony of the Department of the Attorney General Thirty-Second Legislature, 2024 Page 4 of 4

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

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

(j) The recipient of the program funds shall indemnify and save harmless the State of Hawaii and its officers, agents, and employees from and against any and all claims arising out of or resulting from activities carried out or projects undertaken with funds provided hereunder and procure sufficient insurance to provide this indemnification.

(k) The department or its contractor shall not release the public funds approved for an applicant unless a contract is entered into between the department or its contractor and the recipient of the program funds. The department shall develop and determine, in consultation with and subject to the review and approval of the attorney general, the specific contract form to be used. Each such contract shall be monitored by the department or its contractor to ensure compliance with this part. Each such contract shall be evaluated annually to determine whether the program funds attained the intended results in the manner contemplated.

(I) The applicant shall satisfy any other standards that may be required by the source of funding.

(m) Any recipient of program funds who withholds or omits any material fact or deliberately misrepresents facts to the department shall be in violation of this section. In addition to any other penalties provided by law, any recipient found by the department to have violated this section or the terms of its contract shall be prohibited from applying for any department grants for a period of five years from the date of termination.



1200 Ala Kapuna Street • Honolulu, Hawaii 96819 Tel: (808) 833-2711 • Fax: (808) 839-7106 • Web: www.hsta.org

> Osa Tui, Jr. President

Logan Okita Vice President

Lisa Thompson Secretary-Treasurer

Ann Mahi Executive Director

### TESTIMONY TO THE HAWAI'I SENATE COMMITTEE ON EDUCATION

Item: SB2975 - Relating to education

Position: Support

Hearing: February 7, 2024, 3:00 p.m., Conference Room 229

Submitter: Osa Tui, Jr. - President, Hawai'i State Teachers Association

Chair Kidani, Vice Chair Kim, and members of the committee,

The Hawai'i State Teachers Association **supports** SB2975 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.

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.



1050 Bishop St. PMB 235 | Honolulu, HI 96813 P: 808-533-1292 | e: info@hawaiifood.com

#### **Executive Officers**

Gary Okimoto, Safeway Hawaii, *Chair* Maile Miyashiro, C&S Wholesale Grocer, *Vice Chair* Kit Okimoto, Okimoto Corp., *Secretary/Treas.* 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, *Immediate Past Chair* 

TO: Committee on Education

FROM: HAWAII FOOD INDUSTRY ASSOCIATION Lauren Zirbel, Executive Director

DATE: February 7, 2024 TIME: 3pm PLACE: Room 229

RE: SB2975 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 Kidani, Vice Chair Kim, Members of the Commitee,

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.



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 7, 2024

# HEARING BEFORE THE SENATE COMMITTEE ON EDUCATION

TESTIMONY ON SB 2975 RELATING TO EDUCATION

Conference Room 229 & Videoconference 3:00 PM

Aloha Chair Kidani, Vice-Chair Kim, 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 SB 2975, 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.



# Testimony to the Senate Committee on Education Wednesday, February 7, 2024; 3:00 p.m. State Capitol, Conference Room 229 Via Videoconference

### RE: SENATE BILL NO. 2975 – RELATING TO EDUCATION.

Chair Kidani, Vice Chair Kim, 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 <u>SUPPORTS</u> Senate Bill No. 2975, 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 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, and appropriate an unspecified amount of general funds for fiscal year 2024-2025 to implement the program.

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

Testimony on Senate Bill No. 2975 Wednesday, February 7, 2024; 3:00 p.m. Page 2

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.



February 3, 2024

Senator Michelle Kidani, Chair Senator Donna Mercado Kim, Vice Chair Committee on Education The Senate Hawaii State Legislature

#### Support for SB2975

Dear Chair Kidani, Vice Chair Kim and Members of the Senate Committee on Education,

Thank you for the opportunity to provide our testimony in support of SB2975.

We are very supportive of opportunities to increase internship programs for high school students with businesses across Hawaii and would be grateful to work with the Department of Education on this initiative. Our member properties work very closely with ClimbHI on tourism industry exposure and internships for high school students currently, and would look forward to expanding those programs.

On behalf our 5,000 employees and their 20,000 family members, thank you for the opportunity to support SB2975.

Sincerely,

Stephanie P. Donako

Stephanie Donoho, Administrative Director



February 5, 2024

RE: SB 2975: Relating to Education

Dear Chair Kidani, Vice Chair Mercado Kim, and members of the Senate Committee on Education,

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** Senate Bill 2975: Relating to Education.

In January, 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 in Hawai'i. 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 that 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.

We ask you to vote in favor of Senate Bill 2975: Relating to Education.

Sincerely,

Wendy Laros

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

#### <u>SB-2975</u> Submitted on: 2/5/2024 3:46:44 PM Testimony for EDU on 2/7/2024 3:00:00 PM

| Submitted By  | Organization                           | <b>Testifier Position</b> | Testify                   |
|---------------|--|---------------------------|---------------------------|
| Monty Pereira | Testifying for Watanabe<br>Floral, Inc | Support                   | Written Testimony<br>Only |

Comments:

We are so excited about the possibilities that this Bill will have on the small business community. Our ability to work with young people to provide training and generate excitement for our industry through these programs is something that I find exhilirating and a practical solution to our increasingnly difficult challenge of finding staff and keeping our Keiki home. Please, please move bill SB2975 through and let's start the process of putting our Keiki to work in a wonderful environment where there are no losers, only winners! Mahalo nui loa!!

Monty Pereira

General Manager and Sales & Marketing Director

Watanabe Floral, Inc.



### Written Statement of Steven Golden Vice President – External Affairs

#### **BEFORE THE SENATE COMMITTEE ON EDUCATION**

February 7, 2024 – 3:00 PM Conference Room 229, Hawai'i State Capitol & Videoconference

#### SUPPORT FOR: S.B. 2975 – RELATING TO QUALIFIED INTERNSHIPS GRANT PROGRAM

To: Sen. Michelle Kidani, Chair Sen. Donna Mercado Kim, Vice Chair Members of the Committee on Education

#### Re: Testimony providing support for SB 2975

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

Thank you for the opportunity to submit written support for SB 2975, 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 SB 2975, and respectfully urges your Committee's passage of this legislation.

<u>SB-2975</u> Submitted on: 2/5/2024 5:50:10 AM Testimony for EDU on 2/7/2024 3:00:00 PM

| Submitted By     | Organization | <b>Testifier Position</b> | Testify                   |
|------------------|--------------|---------------------------|---------------------------|
| Leilani Kailiawa | Individual   | Support                   | Written Testimony<br>Only |

Comments:

Aloha,

I am in support of this bill.

Mahalo nui loa

Leilani Kailiawa

Send DataSend Data

<u>SB-2975</u> Submitted on: 2/5/2024 3:50:40 PM Testimony for EDU on 2/7/2024 3:00:00 PM

| Submitted By    | Organization | <b>Testifier Position</b> | Testify                   |
|-----------------|--------------|---------------------------|---------------------------|
| Alan S. Hayashi | Individual   | Support                   | Written Testimony<br>Only |

Comments:

Support passage of SB2975

#### <u>SB-2975</u> Submitted on: 2/5/2024 9:45:16 PM Testimony for EDU on 2/7/2024 3:00:00 PM

| Submitted By   | Organization | <b>Testifier Position</b> | Testify                   |
|----------------|--------------|---------------------------|---------------------------|
| Dylan Cablayan | Individual   | Support                   | Written Testimony<br>Only |

Comments:

Aloha Chair Kidani, Vice Chair Kim, and Committee Members,

I hope you're all doing well. My name is Dylan Cablayan, and I'm a student at Farrington High School. I'm here to express my strong support for SB2975, the education-related bill currently under consideration.

This bill proposes something pretty great – a grant program that would benefit students like me who are interested in internships. It aims to encourage our local small and medium-sized businesses to offer internships. I believe this is a fantastic idea because it would help us learn valuable skills while giving local businesses a chance to invest in us, the future workforce of Hawaii.

In today's world, where college applications are more competitive than ever, it's crucial to provide opportunities for success to all our keiki, whether they plan to go to college or not. These internships can be a game-changer, not only for potential future careers but also for helping us figure out what we're passionate about.

Internships mean real-world experience and practical skills that can shape our careers right here in Hawaii. Supporting this grant won't just boost our local economy; it will also help build a pool of talented individuals who are committed to the future of our beautiful state.

I ask you to think about how SB2975 can make a positive impact on Hawaii's youth, our local economy, and the future we're all a part of. Mahalo for your time and consideration.

Best,

Dylan Student at Farrington High School



#### February 6, 2024

The Honorable Michelle Kidani Senate Committee on Education State Capitol of Hawaii Honolulu, Hawai'i 96813

Chairperson Kidani 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 Senate Bill 2975**, 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 Senate Bill 2975.

#### Stephanie Chavis Guillory State Government Relations Director

#### **State and Federal Programs**

500 ACT Dr. | Iowa City, Iowa 52243-0168 stephanie.guillory@act.org www.ACT.org











Testimony Before the Senate Committee on Education Wednesday, February 7, 2024; 3:00 pm Conference Room 229 & Via Videoconference State Capitol, 415 South Beretania Street, Honolulu, HI 96813

## **RE: Support for SB2975**

Dear Chair Kidani, Vice Chair Mercado Kim, and Distinguished Members of the Committee:

As the voice of the business community on Kaua'i, the Kaua'i Chamber of Commerce takes great interest in legislative actions that impact our youth, workforce development, and the broader economic landscape of our state. It is in this context that we express our strong support for SB2975, a bill that significantly advances our shared objectives of fostering a skilled workforce and supporting the economic vitality of our island and state at large.

SB2975 proposes the establishment of a qualified internship grant program, administered by a qualified nonprofit organization in partnership with the Department of Education. This program is designed to incentivize businesses to provide high-quality, work-based learning experiences for high school students. By offering grants to businesses that host student interns, SB2975 addresses a critical gap in work-based learning opportunities, particularly for small-to-medium sized enterprises that might otherwise lack the resources to offer such experiences.

The legislature's findings underscore the importance of equitable access to diverse industries for our students, recognizing that the future of our economy depends on our ability to prepare young people for the workforce in a meaningful and practical way. The bill's focus on establishing a structured, professional internship program that compensates students fairly and provides valuable, real-world experience aligns with the Chamber's commitment to workforce readiness and economic development.

In light of these considerations, the Kaua'i Chamber of Commerce urges the Hawaii State Senate to support SB2975. We are confident that this bill will provide invaluable opportunities for our students, ease the integration of emerging talent into our workforce, and foster a stronger, more dynamic economy for generations to come.

Mahalo for your attention to this important matter. We look forward to the positive outcomes that SB2975 will undoubtedly bring to our state and its people.

Sincerely,

Mark Perriello President & CEO



February 7, 2024 3:00 p.m. Room 229

Senate Committee on Education Senator Kidani, Chair Senator Kim, Vice Chair

Aloha Chair Kidani, Vice Chair Kim, and Members of the Committee,

I am a local business owner at Ho`onui LLC and I strongly support SB2975 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 incentive will help 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.

Internships is a work-based learning opportunity that 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 and keep our locals home.

Mahalo for your consideration,

Karen (Chang) Barr Ho`onui LLC Founder and Small and Mobile Food Business Consultant February 7, 2024





Committee on Education Senator Michelle Kidani, Chair Senator Donna Mercado Kim, Vice Chair

Working together for Kapolei

Wednesday, February 7, 2024, 3 p.m. Conference Room #229 and Videoconference

#### RE: SB 2975, Relating to Education (Qualified Internship Grant Program)

Dear Chair Kidani, Vice Chair Kim and members of the Committee,

My name is Kiran Polk, and I am the Executive Director 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 **strongly supports SB 2975**, which establishes a qualified internship grant program to be administered by a non-profit organization and provides employers qualified interns. 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 a mentoring and work-based learning experience for our future workforce, but simply do not have the resources and capacity to do so. This qualified internship grant program would provide the support needed for these small and medium size businesses to pursue having 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 1<sup>st</sup> multi-school student career expo. We now bring over 1300 9<sup>th</sup> grade students from five (5) West O'ahu high schools onto the campus at UH West O'ahu to interact and explore careers by interacting with over 70 employers 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 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, this grant program 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