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# A BILL FOR AN ACT

RELATING TO INTERNSHIP PROGRAMS.

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

1        SECTION 1. Section 76-16, Hawaii Revised Statutes, is  
2        amended by amending subsection (h) to read as follows:  
3                "(h) The director shall establish rules to implement this  
4        section that shall be in accordance with the following:  
5                (1) Whenever a position exempted under subsection (b) or  
6                (c) is no longer exempted from the civil service,  
7                normal civil service recruitment procedures shall  
8                apply, unless the incumbent is to be retained without  
9                the necessity for examination by action of the  
10          legislature; provided that in such event, the  
11          incumbent shall be retained, but only if the incumbent  
12          meets the minimum qualification requirements of the  
13          position; [and]  
14                (2) The manner for setting the compensation of incumbents  
15          upon their inclusion in the classification systems  
16          shall be fair and equitable in comparison to the  
17          compensation of other incumbents with comparable



experience in the same or essentially similar classes; provided that the compensation of incumbents who are in the same bargaining unit, prior to and after their inclusion in the classification systems, shall be in accordance with the applicable collective bargaining agreement [.]; and

(3) Experience gained by an intern participating in the internship program established pursuant to section 394-11 shall be applied towards the experience needed to meet the minimum qualification requirements under this chapter for civil service positions of a similar level and scope to the internship."

13 SECTION 2. Section 394-10, Hawaii Revised Statutes, is  
14 amended to read as follows:

15        "[+]S394-10[+]    On-the-job training work experience

16    **program; private sector.**    (a)    The department of labor and

17    industrial relations may enter into contracts with employers or

18    [registered apprenticeship program] sponsors and trade

19    organizations in the private sector to provide on-the-job

20    training to eligible interns; provided that any participating

21    [apprenticeship program] sponsor in the private sector shall



1 only offer to eligible interns on-the-job training in [public]  
2 private sector projects. The department may provide to the  
3 employers or sponsors up to \$20.00 per hour in reimbursements  
4 for an intern's wages only for the costs of training and  
5 supervising an intern. The employers or sponsors shall not be  
6 required to provide documentation of these costs.

7 (b) Eligible employers or sponsors shall demonstrate  
8 compliance with Hawaii compliance express or any successor  
9 program established to facilitate compliance with  
10 section 103D-310(c).

11 (c) Contracts with employers or sponsors under this  
12 section shall be limited to a period of twelve weeks for college  
13 or university students, with an extension of up to twelve  
14 additional weeks if approved by the director of labor and  
15 industrial relations, and six weeks for high school students,  
16 with an extension of up to eight weeks during the summer break.  
17 In determining the appropriate length of the contract, the  
18 director shall consider the:

19 (1) Occupation's skill requirements;  
20 (2) Intern's existing academic and occupational skill  
21 levels; and



1 (3) Intern's prior work experience.

2 (d) The employer or sponsor shall comply with state and  
3 federal employment laws pursuant to chapter 387 and the Fair  
4 Labor Standards Act of 1938, as amended.

10 (1) Ensure that participating interns are eligible  
11 pursuant to subsection (f) and participating employers  
12 or sponsors are eligible pursuant to subsection (g);

16 (3) Reimburse employers or sponsors up to \$20.00 per hour  
17 for an intern's wages only for the extraordinary costs  
18 of providing intern training and supervision;

19 (4) Develop a training plan for participating interns of  
20 the program in collaboration with the intern and  
21 employer or sponsor:



- (5) Monitor each intern's progress in the program to ensure that training plan objectives are being met;
- (6) Consult with interns and onsite supervisors to address any problems affecting the training plan;
- (7) Terminate an internship, if necessary, due to problems at the worksite caused by either the intern or the employer or sponsor; and
- (8) [Limit] Determine the maximum number of interns an employer or sponsor [participation to no more than five interns] may retain at one time, as tracked by the federal employer identification number of the employer or sponsor.

(f) The department of labor and industrial relations shall develop eligibility criteria for interns, including requirements for the intern:

- (1) Be sixteen years of age or older;
- (2) Be a Hawaii resident;
- (3) Be currently enrolled:
  - (A) In a public high school, or has earned a high school diploma or its equivalent [within one year of applying for the internship]; or







(13) For [private] sponsors, contribute fifty per cent [~~in cost sharing benefits, including wages and fringe benefits;~~] of each intern's wages; and

(14) Indemnify and hold 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 under this section and procure sufficient insurance to provide this indemnification.

(h) The department of labor and industrial relations may  
contract with trade organizations for different industry sectors  
out regard to chapters 103D and 103F to:

(1) Coordinate internship placements with the department  
of labor and industrial relations and employers or  
sponsors; and

(2) Provide administrative support to employers or  
sponsors who would otherwise lack the capacity to  
participate in the program;

ided that each contract shall expressly state that the trade  
nization shall indemnify and hold harmless the State of  
Hawaii and its officers, agents, and employees from and against



1       any and all claims arising out of or resulting from activities  
2       carried out or projects undertaken by the trade organization  
3       with funds provided under this section and procure sufficient  
4       insurance to provide this indemnification.

5            (i) As used in this section:

6            "Sponsor" means any person, employer, association,  
7       committee, or organization operating an apprenticeship program  
8       and in whose name the program is registered with the department  
9       of labor and industrial relations.

10           "Trade organization" means a not-for-profit entity  
11       registered with the division of business registration of the  
12       department of commerce and consumer affairs, that supports and  
13       represents companies in a particular industry."

14       SECTION 3. Section 394-11, Hawaii Revised Statutes, is  
15       amended to read as follows:

16           **"[+]S394-11[+] State internship and workforce development**  
17       **program.** (a) There is established within the department of  
18       labor and industrial relations the state internship and  
19       workforce development program. The department of labor and  
20       industrial relations shall collaborate with the department of  
21       human resources development to process all public program



1 applications and place interns in temporary or permanent  
2 positions at state executive branch departments, agencies, or  
3 programs. The program shall:

4 (1) Provide paid internship opportunities within various  
5 state departments and agencies;

6 (2) Prioritize placement in departments with significant  
7 workforce shortages; and

8 (3) Include comprehensive training, mentorship, and  
9 evaluation components.

10 (b) Selection of internship participants shall be based  
11 upon:

12 (1) Academic achievement or relevant work experience;

13 (2) Interest in public service careers; and

14 (3) Alignment with departmental workforce needs.

15 (c) As part of the program, internship participants shall:

16 (1) Attend and actively participate in all required work  
17 experience training sessions;

18 (2) Perform assigned duties and responsibilities in  
19 accordance with program guidelines; and

20 (3) Adhere to workplace policies and procedures.



3 (1) Provide meaningful and adequate work experience to  
4 help interns meet the minimum qualification  
5 requirements for employment in the relevant  
6 position[†], including employment pursuant to  
7 chapter 76;

8 (2) Conduct regular performance evaluations of interns and  
9 provide feedback to the coordinating agency;

10 (3) Collaborate with the department of labor and  
11 industrial relations to create career pathways  
12 interns; and

13 (4) Ensure that viable and vacant positions relative to  
14 the interns' field of study are available for them to  
15 participate in this program.

16 (e) The department of [labor and industrial relations]  
17 human resources development shall:

18 (1) Ensure that the experience gained through the program  
19 [qualifies] helps participants to [apply] qualify for  
20 vacant positions of a similar level and scope within  
21 the hosting department [ ], including recognizing the



1                   experience as meeting part of the minimum

2                   qualification requirements of employment in a position

3                   pursuant to chapter 76;

4                   (2) Develop standardized guidelines to align internship

5                   duties with the qualifications required for full-time

6                   employment;

7                   (3) Provide ongoing support to coordinating agencies to

8                   ensure compliance with program objectives; and

9                   (4) Collaborate with coordinating agencies to create

10                   career pathways for interns.

11                   (f) As part of the program, participants shall receive

12                   opportunities for professional development and skills training.

13                   (g) Before the first day of each internship, the

14                   department of labor and industrial relations shall provide the

15                   department of human resources development with:

16                   (1) The name of the intern;

17                   (2) The state executive branch department, agency, or

18                   program to which the intern is assigned;

19                   (3) The expected start and end dates of the internship;

20                   and



(4) Any other relevant information that the department of human resources development may require to assist the intern in pursuing future employment with the state executive branch.

(h) The department of labor and industrial relations and  
tment of human resources development shall develop  
elines for participation in the program, including  
gements that the intern:

- (1) Be sixteen years of age or older;
- (2) Be a Hawaii resident;
- (3) Be currently enrolled:

- (A) In a public high school, or has earned a high school diploma or its equivalent; or
- (B) In an accredited college or university, or has earned a college or university degree;

(4) Have, or has graduated with, a cumulative grade point average of 2.5 or higher on a scale of 4.0 or its equivalent; and

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



1 provided that the department of labor and industrial relations  
2 or department of human resources development may conduct  
3 criminal history background checks as appropriate.

4       (i) The director of human resources development shall  
5 apply the experience gained by an intern participating in the  
6 program towards the experience needed to meet the minimum  
7 qualification requirements under chapter 76 for civil service  
8 positions of a similar level and scope to the internship.

9       [~~h~~] (j) For the purposes of this section:

10       "Coordinating agency" means the participating State of  
11 Hawaii department, agency, or office hosting and employing an  
12 intern program participant.

13       "Eligible participant" means an individual who meets  
14 established guidelines for participation in the program[~~r~~]  
15 developed pursuant to subsection (h), including [~~recent~~] public  
16 high school students, high school graduates, college students,  
17 and [~~post~~-graduate students, and individuals seeking to  
18 ~~transition into public service careers.] college graduates.~~

19       "Internship program" or "program" means the state  
20 internship and workforce development program established  
21 pursuant to this section.



1     "Minimum qualification" means the minimum experience,  
2     education, licensing, or other special requirements essential to  
3     performance in a class of work or a position.

4 "Participant" means an individual accepted into the  
5 internship program."

6 SECTION 4. 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 2026-2027 to be  
9 allocated as follows:

10 (1) \$ for the implementation and operation of the  
11 on-the-job training work experience program for the  
12 private sector established pursuant to section 394-10,  
13 Hawaii Revised Statutes, including contracting with  
14 trade organizations; and

18 The sum appropriated shall be expended by the department of  
19 labor and industrial relations for the purposes of this Act.

20 SECTION 5. Statutory material to be repealed is bracketed  
21 and stricken. New statutory material is underscored.

1 SECTION 6. This Act shall take effect on July 1, 2026.

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INTRODUCED BY:

Nadine K. Nihira

JAN 27 2026



**Report Title:**

DLIR; DHRD; Internship Programs; Workforce Development; Hele Imua; On-the-Job Training Work Experience Program; State Internship and Workforce Development Program; Minimum Qualifications; Civil Service; Appropriation

**Description:**

Expands the on-the-job training work experience program for the private sector by authorizing the Department of Labor and Industrial Relations to enter into contracts with trade organizations to provide on-the-job training to participating interns. Removes the requirement that high school, college, or university graduates have graduated within 1 year of applying for the on-the-job training work experience program and state internship and workforce development program. Repeals the requirement that participating sponsors contribute 50 per cent of each intern's fringe benefits. Amends the state internship and workforce development program for the public sector by requiring the coordinating agency work sites to provide work experience that helps interns meet the minimum qualification requirements for employment in the relevant positions, including civil service positions. Transfers certain duties from the Department of Labor and Industrial Relations to the Department of Human Resources Development. Requires the Department of Human Resources Development to apply the internship experience towards the minimum qualification requirements for similar civil service positions. Appropriates moneys.

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