

Honolulu, Hawaii

MAR 30 2026

RE: H.B. No. 2468
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committee on Labor and Technology, to which was referred H.B. No. 2468, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INTERNSHIP PROGRAMS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require experience gained by an intern in the State Internship and Workforce Development Program to be applied towards experience needed to meet minimum qualifications for civil service positions;
- (2) Authorize the Department of Labor and Industrial Relations to contract with trade organizations for the private sector On-the-Job Training Work Experience Program;
- (3) Expand eligibility for the private sector On-the-Job Training Work Experience Program;
- (4) Require the Department of Labor and Industrial Relations and Department of Human Resources Development to develop guidelines for participation in the State Internship and Workforce Development Program; and



- (5) Transfer certain responsibilities under the State Internship and Workforce Development Program from the Department of Labor and Industrial Relations to the Department of Human Resources Development.

Your Committee received testimony in support of this measure from the Department of Education, Department of Human Resources Development, Department of Labor and Industrial Relations, University of Hawai'i System, State Council on Developmental Disabilities, and Hawaii Primary Care Association.

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

Your Committee finds that workforce shortages persist throughout the State's public and private sectors, partially due to limited training capacity, outdated qualifying requirements, and lack of alignment between internship experience and the minimum qualifications required for civil service positions. Your Committee further finds that many employers lack the administrative resources necessary to support internship placements, and that rigid program rules hinder participants' ability to continue into long-term employment. Your Committee believes that expanding training collaborations, updating program eligibility standards, and crediting relevant internship experience toward minimum qualifications for employment will help establish a stronger, more sustainable workforce pipeline for the State.

Your Committee has amended this measure by:

- (1) For the On-the-Job Training Workforce Experience Program for the private sector:
 - (A) Separating provisions that apply to employers and provisions that apply to apprenticeship program sponsors and trade organizations, as the two groups serve different functions;
 - (B) Authorizing the Department of Labor and Industrial Relations to contract with employers, trade organizations, and sponsors without regard to



chapters 103D and 103F, Hawaii Revised Statutes (HRS), which govern public procurement;

- (C) Requiring employers to comply with chapter 388, HRS, governing the payment of wages and other compensation, in addition to the federal Fair Labor Standards Act of 1938 and chapter 387, HRS;
- (D) Restoring the existing statutory eligibility criteria requiring that interns who are not currently enrolled in high school earn a high school diploma or its equivalent within one year of applying for the program;
- (E) Inserting language establishing that an intern may become an apprentice in a registered apprenticeship program after satisfying the eligibility criteria and becoming an intern;
- (F) Repealing the requirement that employers pay not less than \$20 per hour:
 - (i) For a maximum of thirty hours per week for high school students; provided that the maximum hours may be increased to forty hours during the summer break; and
 - (ii) For a maximum of forty hours per week; provided that the maximum hours for college or university students who are enrolled in at least two college or university courses shall not exceed twenty hours,

and instead requiring employers to pay not less than \$20 per hour for all interns;

- (G) Inserting language requiring that, in any contract with a sponsor, the Department of Labor and Industrial Relations shall require the sponsor to contribute fifty percent of each intern's wages;
- (H) Inserting language requiring that, notwithstanding any contract entered into with the Department of



Labor and Industrial Relations, all sponsors shall pay, supervise, and train interns; provided that sponsors may receive reimbursement for administrative costs of ten percent of interns' wages;

- (2) For the State Internship and Workforce Development Program:
 - (A) Requiring that interns who are not currently enrolled in high school earn a high school diploma or its equivalent within one year of applying for the program, mirroring the eligibility criteria for the private sector On-the-Job Training Work Experience Program;
 - (B) Inserting a definition of "intern" to mean an individual accepted into the internship program and repealing the definitions of "eligible participant" and "participant";
- (3) Replacing the terms "participant" and "internship participant" with the term "intern" throughout the measure for the purposes of clarity and consistency;
- (4) Clarifying that the appropriation for the implementation and operation of the On-the-Job Training Work Experience Program includes funding not just for contracting with trade organizations, but also with employers and apprenticeship program sponsors;
- (5) Inserting an effective date of January 1, 2077, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that this measure, as amended, contains an unspecified appropriation amount and a number of full-time equivalent positions. Should your Committee on Ways and Means choose to deliberate on this measure, your Committee respectfully requests that, of the sum appropriated, \$190,632 be allocated to the Department of Human Resources Development for staffing and



operational support, including funding for the establishment of two full-time equivalent (2.0 FTE) positions.

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. 2468, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2468, H.D. 1, 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,

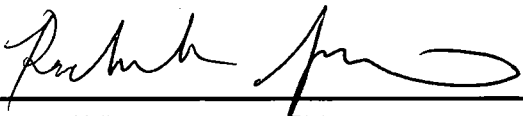


BRANDON J.C. ELEFANTE, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Labor and Technology
LBT

Bill / Resolution No.:* HB 2468 HD1	Committee Referral: LBT, WAM	Date: 3.18.26		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
ELEFANTE, Brandon J.C. (C)	✓			
LAMOSAO, Rachele (VC)	✓			
IHARA, Jr., Les	✓			
MORIWAKI, Sharon Y.	✓			
FEVELLA, Kurt	✓			
TOTAL	5	0	0	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink File with Committee Report Committee Drafting Agency				

*Only one measure per Record of Votes