

STAND. COM. REP. NO. 3724

Honolulu, Hawaii

APR 10 2026

RE: H.B. No. 2468
H.D. 1
S.D. 2

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

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 2468, H.D. 1, S.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 facilitate sustainable workforce development through increased access to, and participation in, state-sponsored internship programs.

Specifically, this measure:

- (1) Amends the On-the-Job Training Work Experience Program by:
 - (A) Authorizing the Department of Labor and Industrial Relations to enter into contracts with employers without regard to chapters 103D and 103F, Hawaii Revised Statutes;
 - (B) Repealing language limiting the number of interns that an employer may retain at a time, and instead authorizing the Department of Labor and Industrial Relations to establish a limit by rule;



- (C) Amending eligibility requirements for prospective interns;
 - (D) Providing that, upon satisfying eligibility criteria, an accepted intern may become an apprentice in a registered apprenticeship program;
 - (E) Amending the maximum number of hours an intern may work;
 - (F) Repealing the requirement that sponsors contribute fifty percent in cost-sharing benefits; and
 - (G) Establishing requirements applicable to trade organizations and apprenticeship program sponsors that participate in the program;
- (2) Amends the State Internship and Workforce Development Program by:
- (A) Requiring experience gained by an intern participating in the program to be applicable toward the minimum qualification requirements under the State's civil service law for positions of a similar level and scope to the internship;
 - (B) Requiring coordinating agency work sites and the Department of Human Resources Development to provide meaningful and adequate work experience that helps interns meet minimum qualification requirements for employment, including employment pursuant to the State's civil service law;
 - (C) Transferring certain responsibilities from the Department of Labor and Industrial Relations to the Department of Human Resources Development; and
 - (D) Requiring the Department of Labor and Industrial Relations and Department of Human Resources Development to develop eligibility guidelines for prospective interns; and



- (3) Makes an appropriation to implement the On-the-Job Training Work Experience Program and State Internship and Workforce Development Program, including the hiring of staff.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations, Department of Human Resources Development, University of Hawaii, Department of Education, Hawaii State Council on Developmental Disabilities, and one individual.

Your Committee finds that the State's internship and workforce development programs have the potential to address the State's existing chronic workforce shortages by creating a clear bridge from training to employment. Your Committee further finds that the amendments made by this measure to the On-the-Job Training Work Experience Program and State Internship and Workforce Development Program will facilitate increased participation in these programs and improve the quality of the State's workforce.

Your Committee has amended this measure by establishing uniform criteria for the reimbursement of an intern's wages pursuant to the On-The-Job Training Work Experience Program, as follows:

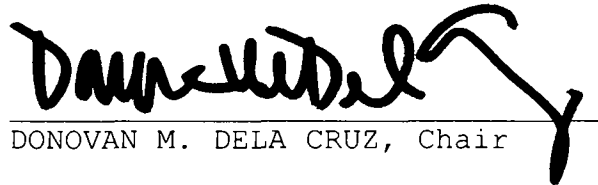
- (1) For an employer, trade organization, or sponsor having fewer than fifty employees, requiring the Department of Labor and Industrial Relations to reimburse one hundred percent of the intern's wages; provided that the employer, trade organization, or sponsor shall be reimbursed a maximum of \$20 per hour, or the intern's actual wages, whichever is less; and
- (2) For an employer, trade organization, or sponsor having fifty or more employees, requiring the Department of Labor and Industrial Relations to reimburse fifty percent of the intern's wages; provided that the employer, trade organization, or sponsor shall be reimbursed a maximum of \$10 per hour, or fifty percent of the intern's actual wages, whichever is less.



Your Committee has further amended this measure by making technical nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2468, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2468, H.D. 1, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



