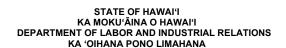
JOSH GREEN, M.I. GOVERNOR

SYLVIA LUKE LIEUTENANT GOVERNOR JADE T. BUTAY DIRECTOR

WILLIAM G. KUNSTMAN DEPUTY DIRECTOR



February 11, 2025

To: The Honorable Jackson D. Sayama, Chair,

The Honorable Mike Lee, Vice Chair, and

Members of the House Committee on Labor

Date: Tuesday, February 11, 2025

Time: 9:00 a.m.

Place: Conference Room 309, State Capitol

From: Jade T. Butay, Director

Department of Labor and Industrial Relations (DLIR)

## Re: H.B. 874 H.D.1 RELATING TO CHILD PERFORMERS

#### I. OVERVIEW OF PROPOSED LEGISLATION

The **DLIR offers comments** on this proposal. HB874 HD1 proposes to amend the Child Labor Law, Chapter 390, Hawaii Revised Statutes (HRS), by adding provisions to require a parent or legal guardian of a minor in theatrical employment to establish a trust account for the minor and require the employer to deposit at least 15% of the minor's gross earnings into the trust account until the minor becomes an adult. The measure provides that a parent or legal guardian of a minor in theatrical employment may access the funds within the trust account for the minor, but only for the benefit of the minor, and any misappropriation or fraudulent use of funds by the parent, legal guardian, or independent third-party trustee, is a breach of fiduciary duty subject to civil penalties, criminal prosecution, and, in the case of the third-party trustee, removal from the position of trustee. The measure also proposes to amend the definition of "theatrical employment" in §390-1, HRS, to include social media influencer.

#### II. CURRENT LAW

Chapter 390, HRS, establishes hazardous employment, work hour standards, and employment certificate requirements for minors under age 18.

There is no current law requiring a trust account to be established for a minor employed in theatrical employment.

Under §390-4, HRS, the DLIR director may suspend, revoke, or invalidate any certificate of employment or age if it was improperly issued, the minor is illegally employed, or the nature or condition of employment is such as to injuriously affect

HB874 HD1 February 11, 2025 Page 2

the health, safety or well-being of the minor or contribute toward the minor's delinquency.

#### III. COMMENTS ON THE HOUSE BILL

The measure mandates the establishment of a trust account which will require additional effort from parents or legal guardians and the employer prior to applying for a child labor work permit. In addition, this measure will require the DLIR to verify that the mandatory trust account has been established with an independent third-party trustee prior to the minor's first instance of theatrical employment. It is unclear to the DLIR how to verify that the trust account was appropriately established.

In theatrical employment situations, oftentimes, minors are selected at the last minute to appear in a production. The process to issue their work permit may be delayed if the trust account has not been established at the time of applying for a work permit.

Social media influencers are generally considered independent contractors or selfemployed, unless there is a formal employer-employee relationship with a specific company. Chapter 390, HRS, does not apply where no employment relationship exists.



# HAWAII STATE AFL-CIO

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Telephone: (808) 597-1441 Fax: (808) 593-2149

The Thirty-Third Legislature **House of Representatives** Committee on Labor

> Testimony by Hawaii State AFL-CIO

February 11, 2025

#### TESTIMONY IN SUPPORT OF HB874 HD1 - RELATING TO CHILD PERFORMERS

Chair Sayama, Vice Chair Lee, and members of the committee:

The Hawaii State AFL-CIO is a state federation of 76 affiliate labor organizations representing over 69,000 union members across Hawaii in industries including healthcare, construction, hospitality, entertainment, transportation, and government. The Hawaii State AFL-CIO serves its affiliates by advocating for the rights of working families, promoting fair wages, safe working conditions, and policies that strengthen Hawaii's workforce.

We are in support of HB874 HD1, which requires parents or legal guardians of minors in theatrical employment to establish trust accounts for their children and mandates employers to deposit a portion of the child's earnings into these accounts. This measure will protect the financial well-being of child performers, ensuring they benefit from their hard work upon reaching adulthood.

Passage of this bill will provide an essential safeguard for Hawaii's youngest and most vulnerable performers by requiring protections for their earnings. Additionally, the inclusion of social media influencers within the definition of theatrical employment modernizes Hawaii's child labor laws to reflect changes in the entertainment industry, recognizing the unique challenges and opportunities faced by minors in this rapidly evolving space.

Respectfully submitted,

Randy Perreira

President



February 11, 2025

Committee on Labor Chair Sayama Vice Chair Lee The House of Representatives The Thirtieth-Third Legislature Regular Session of 2025

#### RE: HB 847 - RELATING TO CHILD PERFORMERS.

DATE: Tuesday, February 11, 2025

TIME: 9:00 am

PLACE: Conference Room 309

State Capitol 415 South Beretania Street, Honolulu HI

Aloha Chair Sayama, Vice Chair Lee, and the Members of the Committee,

Thank you for the opportunity to testify in <u>SUPPORT</u> of HB 847 -RELATING TO CHILD PERFORMERS.

SAG-AFTRA represents over 160,000 actors, recording artists, and media professionals nationwide and over 1400 in Hawai'i. We are the professional performers working in front of the camera and behind the microphone. The SAG-AFTRA Hawai'i Local has a long-standing history of protecting performers in all areas of the entertainment, advertising, and media industries.

By requiring a parent or legal guardian of a minor in theatrical employment to establish a trust account for the minor, and requiring the employer of a minor in theatrical employment to deposit a portion of the minor's earnings into the trust account until the child becomes an adult, we provide a layer of protection for the child performer's financial wellbeing.

Additionally, and importantly, this measure will also update Hawaii's child labor law, to include gainful occupation as a social media influencer.

Mericia Palma Elmore, Executive Director SAG-AFTRA Hawaii Local mericia.palmaelmore@sagaftra.org 201 Merchant St. Suite 2301 Honolulu, HI 96813 Ph: 808-596-0388 Fax: 808-593-2636

SCREEN ACTORS GUILD - AMERICAN FEDERATION OF TELEVISION AND RADIO ARTISTS SAGAFTRA.org Associated Actors & Artistes of America / AFL-CIO



Over the last decade, the rise of social media has introduced great opportunities for many people, including child performers and their families, in digital entertainment and advertising. According to Forbes, "[t]he influencer industry is worth approximately \$250 billion, a figure that Goldman Sachs predicts will grow to nearly \$500 billion by 2027." While many people often associate influencers with genres such as beauty, health & fitness, or gaming, family influencers and vloggers have become increasingly popular. Parents often choose to share intimate, relatable content around family life, parenting, their children, and everyday moments. For the children featured in this type of content, their homes have also become their workplace, which has introduced new challenges and substantial risks. These include a lack of oversight over how and how much children are working on the creation of digital content, a lack of transparency and accountability around their compensation for that work, and the reality that it can be very difficult for kids to control where and for how long their images and performances are available in the digital world.

There are efforts in several states to create safer, more transparent work environments, greater control over the use (or misuse) of a child's likeness, and guaranteed financial protections for children who create digital content. One of the most important is the requirement, already in place in many states, that a portion of a child's income generated by their performance work be placed in a trust account and made available when they legally become an adult.

Thank you for hearing this important measure, passage of this bill will help protect our most vulnerable performers, and will contribute to their financial security.

Respectfully,

Mericia Palma Elmore

Mericia Palma Elmore, Executive Director SAG-AFTRA Hawaii Local

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https://www.forbes.com/sites/daniellechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/2024/10/28/forbes-daily-the-250-billion-influencer-economy-is-booming/controllechemtob/controllechemtob/controllechemtob/controllechemtob/controllechemtob/controllechemtob/controllechemtob/controllechemtob/controllechemtob/controllechemtob/controllechemtob/co

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# HB-874-HD-1

Submitted on: 2/9/2025 9:32:55 AM

Testimony for LAB on 2/11/2025 9:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Michael Golojuch, Jr. (he/him)	Pride at Work – Hawai'i	Support	Remotely Via Zoom

#### Comments:

Aloha Representatives,

Pride at Work – Hawai'i is an official chapter of <u>Pride at Work</u> which is a national nonprofit organization that represents LGBTQIA+ union members and their allies. We are an officially recognized constituency group of the AFL-CIO that organizes mutual support between the organized Labor Movement and the LGBTQIA+ Community to further social and economic justice.

Pride at Work – Hawai'i fully supports HB 874 HD 1.

We ask that you support this needed piece of legislation.

Mahalo,

Michael Golojuch, Jr. (he/him) President <u>Pride at Work – Hawai'i</u>

## HB-874-HD-1

Submitted on: 2/10/2025 7:13:55 AM

Testimony for LAB on 2/11/2025 9:00:00 AM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Sally "Kalei" Davis	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am Sally "Kalei" Davis. I am in support of HB8874,

I have worked in our Hawaii film industry as an actor, stunt performer and stand in for 35 years.

I also did casting and had to get the work permits for children. I believe that it is best for the child to have their earrings put in a trust that they can decide what to do with when they become of age,

Mahal,

Kalei

# HB-874-HD-1

Submitted on: 2/10/2025 10:30:55 AM

Testimony for LAB on 2/11/2025 9:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Dion Dizon	Individual	Support	Written Testimony Only

#### Comments:

I support this bill to protect child performers from being financially and unscrupulously taken advantage of. Financial safeguards and an expanded definition will promote the health, safety, and well-being of child performers and social media influencers at a time when data or content is used for profit, often with consent buried in EULAs.