JOSH GREEN, M.I. GOVERNOR

SYLVIA LUKE LIEUTENANT GOVERNOR



JADE T. BUTAY DIRECTOR

WILLIAM G. KUNSTMAN DEPUTY DIRECTOR

LATE

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

February 20, 2025

To: The Honorable Scot Z. Matayoshi, Chair,

The Honorable Cory M. Chun, Vice Chair, and

Members of the House Committee on Consumer Protection & Commerce

Date: Thursday, February 20, 2025

Time: 2:00 p.m.

Place: Conference Room 329, State Capitol

From: Jade T. Butay, Director

Department of Labor and Industrial Relations (DLIR)

Re: H.B. 874 H.D.2 RELATING TO CHILD PERFORMERS

I. OVERVIEW OF PROPOSED LEGISLATION

The **DLIR offers comments** on this proposal. The DLIR suggests the provisions contained in this measure may be more suited for HRS Chapters 553A and 554B, among others.

HB874 HD2 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 or is emancipated
- Permits a parent or legal guardian of a minor in theatrical employment to access the funds within the trust account for the minor, but only for the benefit of the minor, and
- Creates a breach of fiduciary duty for any misappropriation or fraudulent use of funds by the parent, legal guardian, or independent third-party trustee, subject to civil penalties, criminal prosecution, and, in the case of the third-party trustee, removal from the position of trustee.

II. CURRENT LAW

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

HB874 HD2 February 20, 2025 Page 2

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

Under §390-4 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 the health, safety or well-being of the minor or contribute toward the minor's delinquency.

III. COMMENTS ON THE HOUSE BILL

The amendments to Chapter 390 in this measure are ill-fitting for Chapter 390 and unusual in general for HRS chapters in which the DLIR has administrative responsibilities. The DLIR notes the measure's preamble references Coogan's Law in California's law, which does not reside in California's Child Labor Law-for an overview of California's Child Labor Law issued by CA-DIR see: https://www.dir.ca.gov/dlse/ChildLaborLawPamphlet.pdf.

The department suggests the provisions in this measure may be more suited for HRS Chapters 553A Uniform Transfers to Minor Act and 554B Uniform Custodial Trust Act, and possibly others as the department is not conversant with these parts of Hawaii Law.



February 20, 2025

Committee on Consumer Protection and Commerce Chair Matayoshi Vice Chair Chun The House of Representatives The Thirtieth-Third Legislature Regular Session of 2025

RE: HB 847 HD2 - RELATING TO CHILD PERFORMERS.

DATE: Thursday, February 20, 2025

TIME: 2:00pm

PLACE: Conference Room 309

State Capitol 415 South Beretania Street, Honolulu HI

Aloha Chair Matayoshi, Vice Chair Chun, and the Members of the Committee,

Thank you for the opportunity to testify in <u>SUPPORT</u> of HB 847 HD2 -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.

While this HD2 does not omit the language about social media influencers, we should note that 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

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



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

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

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The Thirty-Third Legislature House of Representatives Committee on Consumer Protection & Commerce

Testimony by Hawaii State AFL-CIO

February 20, 2025

TESTIMONY IN SUPPORT OF HB874 HD2 - RELATING TO CHILD PERFORMERS

Chair Matayoshi, Vice Chair Chun, 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 HD2, 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

Submitted on: 2/18/2025 7:51:08 PM

Testimony for CPC on 2/20/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	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 2.

We ask that you support this needed piece of legislation.

Mahalo,

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



IATSE LOCAL 665



FILM, TELEVISION, STAGE, PROJECTION AND TRADESHOWS Since 1937

INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYEES, MOVING PICTURE TECHNICIANS, ARTISTS AND ALLIED CRAFTS
OF THE UNITED STATES, ITS TERRITORIES AND CANADA, AFL-CIO, CLC

Thirty-Third Legislature, State of Hawai'i Regular Session of 2025
House Committee on Finance

Testimony by IATSE 665 February 20th, 2025

HB874 HD2 - RELATING TO CHILD PERFORMERS

Aloha Chair Yamashita, Vice Chair Takenouchi, and Members of the House Committee,

My name is Tuia'ana Scanlan, International Trustee and president of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. **Local** 665 supports HB874 HD2, relating to child performers.

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.

While this HD2 does not omit the language about social media influencers, we should note that 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.

IATSE 665 supports HB874 HD2. We urge your committee to defer this bill. Thank you for the opportunity to testify.

In Solidarity,

Tuia'ana Scanlan International Trustee

President, IATSE 665

(he/him/his)



IATSE Local 665

HAWAII'S TECHNICIANS

for

FILM, TELEVISION, STAGE AND PROJECTION

Since 1937



State of Hawai'i
The Thirty-Third Legislature
The House of Representatives
Committee on Consumer Protection and Commerce



Thursday, February 20, 2025 2:00 PM – Conference Room 309

State Capitol, 415 South Beretania Street, Honolulu, HI

TESTIMONY IN SUPPORT OF HB847 HD2 - RELATING TO CHILD PERFORMERS

Aloha, Chair Matayoshi, Vice Chair Chun and the Members of the Committee:

Mahalo for the opportunity to testify in **SUPPORT** of HB847 HD2.

The IATSE represents approximately 168,000 members in the United States and Canada and 800 members across the Hawaiian Islands. We are the artists and technicians who work behind-the-scenes in film, television, live events, tradeshows and conventions. Often, we work closely with child performers and support SAG-AFTRA Hawai'i in their efforts to protect their most vulnerable workers.

HB847 HD2 will provide a layer of financial protection for Hawai'i's child performers by requiring the employer of a minor in theatrical employment to deposit a portion of the minor's earnings into their trust account until the child becomes an adult. It also establishes guidelines for establishing and accessing the trust account and outlines penalties for guardians or trustees who misappropriate funds or breach their fiduciary duty.

Many minors who monetize their social media platforms or work as professional child actors will benefit from the financial protections of HB847 HD2, and we request that the Committee pass this measure.

Respectfully,

Irish Barber

Business Representative

Submitted on: 2/19/2025 9:14:48 AM

Testimony for CPC on 2/20/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shereen Balles	Individual	Support	In Person

Comments:

Aloha Chair Matayoshi, Vice Chair Chun, and the Members of the Committee,

Thank you for the opportunity to testify in SUPPORT of HB 847 HD2 -RELATING TO CHILD PERFORMERS.

My name is Shereen Balles, SAGAFTRA Member, Kanaka Mā'oli Actress, Writer, Director, Producer, Film Maker, Entertainer, Mother of 4 beautiful children.

It is important to protect our youth. This bill does so as it keeps their talent and the earnings they make from working in the film industry protected. Requiring parents or legal guardians to etablish a trust for the youth to deposit a portion of their earnings, of which will remain until they become adults, keeps our standards as professionals in tact for these beautiful and talented young artists.

As a member of SAG-AFTRA, I would like to mention that 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, including our YOUTH!!!

HD2 does not omit the language about social media influencers, and we should note that 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. Although this language is not omitted, as it stands I do SUPPORT HOUSE BILL 847 HD2.

Mahalo Piha a me ke Aloha Pumehana Pau'ole,

Shereen Balles

Submitted on: 2/19/2025 10:36:54 AM

Testimony for CPC on 2/20/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael Olderr	Individual	Support	Written Testimony Only

Comments:

I support this bill. Children must be protected when it comes to employment from whoever may exploit them, whether it be their employers or their parents, who are lost in their own greed for their child's success. Children must be protected because they are, first and foremost, children and deserve to have an engaging and protected childhood.

Submitted on: 2/19/2025 10:51:39 PM

Testimony for CPC on 2/20/2025 2:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Ruth Love	Individual	Support	Written Testimony Only

Comments:

I support this bill as a protective measure for child performers.

Thank you

Mrs Ruth Love