STAND. COM. REP. NO. 244-08

Honolulu, Hawaii

Fuy 8, 2008

RE: H.B. No. 1969 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fourth State Legislature Regular Session of 2008 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1969, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION,"

begs leave to report as follows:

The purpose of this bill is to determine the appropriate extent of mandatory workers' compensation coverage by exempting services performed by:

- (1) A partner for a partnership;
- (2) A partner with at least a 50 percent transferable interest in a limited liability partnership;
- (3) A member with at least a 50 percent distributional interest in a limited liability company; and
- (4) A sole proprietor for the sole proprietorship.

The Chamber of Commerce of Hawaii, Hawaii Business League, National Federation of Independent Business, Risk Solution Partners, LLC, and a concerned individual testified in support of this bill. ILWU Local 142 opposed this measure. The Hawaii Independent Insurance Agents Association submitted comments.

This bill provides exemptions from mandatory workers' compensation coverage in cases where the employees to be covered

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are owners or partners who are unlikely to file a workers' compensation claim or sue themselves for work-related injuries. On the other hand, creating additional exemptions from the workers' compensation law may have impacts on premiums and the affordability of coverage. Your Committee is moving this bill along to facilitate further discussion of these issues.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1969, H.D. 1, and recommends that it be referred to the Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

ROBERT N. HERKES, Chair

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State of Hawaii House of Representatives The Twenty-fourth Legislature

JISCR 244-08

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.:	Committee Referral:	Date	", ,, , , , , , , , , , , , , , , , , ,	
HB 1969, HD1 (HSCR23-08	LAB, CPC, F	in Q	2/04/08	
☐ The committee is reconsidering its previous	us decision on the measure.			:
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. HERKES, Robert N. (C)		and fiver agency (2001)		
2. McKELVEY, Angus L.K. (VC)	>			
3. EVANS, Cindy				nin juga
4. GREEN, Josh, M.D.	*			
5. ITO, Ken				
6. LUKE, Sylvia	<u> </u>		25000 - 10000 - 10000 - 10000 - 10000 - 10000 - 10000 - 10000 - 10000 - 10000 - 10000 - 10000 - 10000 - 10000	
7. MORITA, Hermina M.				
8. SONSON, Alex M.	×		issi ee saaraa ka saa waa ka saa	
9. SOUKI, Joseph M.		(2001) SS (17 (17 (17 (17 (17 (17 (17 (17 (17 (17	anjinance suos ser recojane	
10. TSUJI, Clift			The property of the state of th	
11. YAMANE, Ryan I. 12. YAMASHITA, Kyle T.				
13. MARUMOTO, Barbara C.	X	resultation of statements from the statement of the state	syetana seo sa seo sa seo se	est est
14. THIELEN, Cynthia				L
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TOTAL (14)	13		0	
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:	JAN-			
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office				