

STAND. COM. REP. NO.

92

Honolulu, Hawaii

February 10, 2015

RE: H.B. No. 1213
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1213 entitled:

"A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY,"

begs leave to report as follows:

The purpose of this measure is to expedite the employment and confirmation of individuals or organizations as independent contractors by establishing a clearer definition of "independent contractor" and a process for certification by the Department of Labor and Industrial Relations as an independent contractor.

The Chamber of Commerce Hawaii; Maui Chamber of Commerce; Hawaii Island Chamber of Commerce; VIP Foodservice; Vantaggio HR ltd.; The Wright Company, LLC; Feed My Sheep, Inc.; National Federation of Independent Business; Society for Human Resource Management Hawaii; Island Landscape; Querubin & Associates, LLC; Entertainment Maui LLC; Kika, Inc.; Monsanto; CMS Group; MKC Enterprises; Kalalea Fire; Bev Gannon Restaurants; Eric Lee & Lee Enterprises; RicardoWEPA; No'eau Productions; Beach Activities of Maui; DeSilva Meeting Consultants; Avante-Guard LLC; Island Events LLC; and numerous individuals testified in support of this measure. The Department of Labor and Industrial Relations; ILWU Local 142; Hawaii Association of Realtors; Whalers Realty Management Company Inc.; and an individual testified in opposition to this measure. The National Kidney Foundation of Hawaii commented on this measure.

HB1213 HD1 HSCR LAB HMS 2015-1686



Your Committee has amended this measure by:

- (1) Establishing the "independent contractor" definition in a new section in Chapter 383, Hawaii Revised Statutes, instead of amending section 383-6, Hawaii Revised Statutes;
- (2) Including a \$10 filing fee for certification;
- (3) Changing the effective date to July 1, 2115, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1213, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1213, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,



MARK M. NAKASHIMA, Chair



State of Hawaii
House of Representatives
The Twenty-eighth Legislature

HSR 92

Record of Votes of the Committee on Labor & Public Employment

| Bill/Resolution No.: HB 1213 | Committee Referral: LAB, CPC, JUD | Date: 2/6/15 | | |
|---|---|------------------------|------|---------|
| <input type="checkbox"/> The committee is reconsidering its previous decision on the measure. | | | | |
| The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit) | | | | |
| LAB Members | Ayes | Ayes (WR) | Nays | Excused |
| 1. NAKASHIMA, Mark M. (C) | / | | | |
| 2. KEOHOKALO, Jarrett (VC) | / | | | |
| 3. AQUINO, Henry J.C. | | | | / |
| 4. HAR, Sharon E. | / | | | |
| 5. ICHIYAMA, Linda | / | | | |
| 6. JOHANSON, Aaron Ling | / | | | |
| 7. LOPRESTI, Matthew S. | / | | | |
| 8. SAN BUENAVENTURA, Joy A. | / | | | |
| 9. TAKAYAMA, Gregg | / | | | |
| 10. TAKUMI, Roy M. | / | | | |
| 11. YAMASHITA, Kyle T. | / | | | |
| 12. TUPOLA, Andria P.L. | / | | | |
| TOTAL (12) | 11 | | | 1 |
| The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s) | | | | |
| Vice Chair's or designee's signature: _____ | | | | |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO | | | | |