Honolulu, Hawaii

February 15, 2018

RE: H.B. No. 2602 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 2602 entitled:

"A BILL FOR AN ACT RELATING TO INDEPENDENT CONTRACTORS," begs leave to report as follows:

The purpose of this measure is to provide greater clarity to the Hawaii Employment Security Law regarding individuals choosing to become entrepreneurs by establishing three categories and twelve factors for the Department of Labor and Industrial Relations to apply to determine independent contractor status.

West Maui Taxpayers Association Inc., Maui Chamber of Commerce, Moloka'i Chamber of Commerce, and several individuals testified in support of this measure. The Department of Labor and Industrial Relations; Hawaii State AFL-CIO; Screen Actors Guild - American Federation of Television and Radio Artists Hawaii Local, International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artists and Allied Crafts Local 665; American Federation of Musicians' Local 677; Hawaii Teamsters & Allied Workers Local 996; Envisions Entertainment & Productions, Inc.; and Hawaii Regional Council of Carpenters opposed this measure.

Your Committee has amended this measure by changing its effective date to January 1, 2050, to facilitate further discussion.

Based on testimony on this measure, your Committee recognizes that there are concerns that need to be addressed as this measure proceeds through the legislative process.

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. 2602, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2602, H.D. 1, and be referred to your Committee on Finance.

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

AARON LING JOHANSON, Chair

State of Hawaii
House of Representatives
The Twenty-ninth Legislature

The Twenty-ninth Legislature

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Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: HB 2602	Committee Referral:	Date:	Date: February 06, 2018		
☐ The committee is reconsidering its previous 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)					
LAB Members	Ayes	Ayes (WR)	Nays	Excused	
1. JOHANSON, Aaron Ling (C)					
2. HOLT, Daniel (VC)					
2 FVANS Cindu					
3. EVANS, Cindy					
4. ICHIYAMA, Linda					
5. KEOHOKALOLE, Jarrett					
6. YAMASHITA, Kyle T.					
7 MATCHMOTO I WALL					
7. MATSUMOTO, Lauren Kealohi	liani 🗸				
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TOTAL (7)	b	(0	D	
The recommendation is: 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					