

STAND. COM. REP. NO.

1047

Honolulu, Hawaii

FEB 28 , 2025

RE: H.B. No. 874

H.D. 3

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 874, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO CHILD PERFORMERS,"

begs leave to report as follows:

The purpose of this measure is to provide some protection of a child performer's earnings by:

- (1) Specifying that the parent or legal guardian of a minor in theatrical employment must establish a trust account, with an independent third-party trustee, for the minor;
- (2) Requiring employers to deposit at least fifteen percent of the minor's gross earnings into the trust account; and
- (3) Making any misappropriation or fraudulent use of funds within the trust account by a parent or legal guardian or an independent third-party trustee a breach of fiduciary duty subject to civil penalties, criminal prosecution, and removal from the position of trustee.

Your Committee received testimony in support of this measure from the SAG-AFTRA Hawai'i Local; Hawaii State AFL-CIO; Pride at Work - Hawai'i; IATSE Local 665; and four individuals. Your

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Committee received comments on this measure from the Department of Labor and Industrial Relations.

Your Committee finds that minors may be employed in a variety of performance roles, including as models, dancers, singers, musicians, or motion picture, television, radio, or theatrical performers. Your Committee further finds that the minor's earnings may be mismanaged by the parents, harming the minor's financial wellbeing. This measure establishes certain safeguards to ensure that minors engaged in theatrical employment are financially protected and can financially benefit from their hard work upon reaching adulthood.

Your Committee notes that the Department of Labor and Industrial Relations raised concerns that the contents of this measure do not comport with the existing provisions of the Child Labor Law and suggested that its provisions may be more suited to other chapters of the Hawaii Revised Statutes, including the Hawaii Uniform Custodial Trust Act. Your Committee requests, as this measure progresses through the legislative process, that other departments provide suggestions on whether there is a more appropriate placement for the provisions of this measure.

Accordingly, your Committee has amended this measure by:

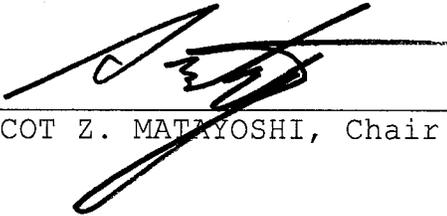
- (1) Moving the provisions of this measure from the Child Labor Law to the Hawaii Uniform Custodial Trust Act;
- (2) Specifying that the provisions of this measure only apply when the gross income of a minor in theatrical employment is at least \$5,000 for a project or \$20,000 in a calendar year;
- (3) Specifying that for purposes of this measure, "theatrical employment" includes a social media influencer; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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. 874, H.D. 2, as amended herein, and recommends



that it pass Third Reading in the form attached hereto as H.B. No. 874, H.D. 3.

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



SCOT Z. MATAYOSHI, Chair



