

ACT 173

H.B. NO. 874

A Bill for an Act Relating to Child Performers.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the Coogan Law, also known as the California Child Actor's Bill, was first passed in California in 1939 to protect child actors from exploitation in the entertainment industry. The law was named after actor Jackie Coogan, who became one of the highest-paid child stars of his time, only to have his earnings mismanaged by his parents, leaving him with little financial security when he reached adulthood. The Coogan Law has had a lasting impact in California by securing financial protection for child actors, ensuring that they can enjoy the benefits of their hard work once they become adults, and promoting greater responsibility in the entertainment industry.

Accordingly, the purpose of this Act is to protect the safety, morals, health, and well-being of child performers who work or reside in the State by requiring that a portion of the child performer's earnings be kept in trust for the benefit of the child performer until the child reaches the age of majority.

SECTION 2. Chapter 554B, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§554B- Minors in theatrical employment; mandatory trust account; fiduciary duty; rules. (a) The parent or legal guardian of a minor in theatrical employment shall establish a trust account for the benefit of the minor before the minor's first instance of theatrical employment and shall maintain the account until the custodian of the account transfers the contents of the account to the minor or the minor's estate.

(b) The employer of the minor in theatrical employment shall deposit at least fifteen per cent of the minor's gross earnings to the trust account for the minor's benefit until the minor attains the age of majority or is emancipated.

(c) The trust account shall be established with an independent third-party trustee that ensures the security and growth of the trust account and that provides the minor and the minor's parent or legal guardian with quarterly statements.

(d) Any contracts or agreements involving a minor in theatrical employment shall be signed by at least one parent or legal guardian.

(e) A parent or legal guardian of a minor in theatrical employment may access the funds within the mandatory trust account established pursuant to subsection (a) for the minor, but only for the benefit of the minor.

(f) Any misappropriation or fraudulent use of funds within the mandatory trust account established pursuant to subsection (a) by the parent or legal guardian of a minor in theatrical employment, or the independent third-party trustee acting as the custodian of the mandatory trust account, shall be a breach of fiduciary duty subject to civil penalties, criminal prosecution, and, in the case of the third-party trustee, removal from the position of trustee.

(g) This section shall only apply when the gross income of the minor in theatrical employment is at least:

- (1) \$5,000 for a project; or
- (2) \$20,000 in a calendar year.

(h) For the purposes of this section:

“Employer” includes any individual, partnership, association, joint stock company, trust, corporation, or the personal representative of the estate of a deceased individual, or the receiver, trustee, or successor of any of the same, employing any person, but shall not include the State or any political subdivision thereof or the United States.

“Theatrical employment” means gainful occupation as a model; dancer; singer; musician; social media influencer; entertainer; or motion picture, television, radio, or theatrical performer.”

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. New statutory material is underscored.¹

SECTION 5. This Act shall take effect upon its approval.

(Approved June 4, 2025.)

Note

1. Edited pursuant to HRS §23G-16.5.