

STAND. COM. REP. NO. 694

Honolulu, Hawaii

March 8, 2011

RE: H.B. No. 519
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 519
entitled:

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

begs leave to report as follows:

The purpose of this bill is to exclude from the definition of
"employment" under the workers' compensation law services
performed for:

- (1) A limited liability company by a member who is an individual with a distributional interest of at least 50 percent in the company;
- (2) A partnership by an individual who is a partner of the partnership;
- (3) A limited liability partnership by an individual who is a partner of the limited liability partnership with a transferable interest in the partnership of at least 50 percent; and
- (4) A sole proprietorship by its sole proprietor.

The Chamber of Commerce of Hawaii, Hawaii Independent Insurance Agents Association, National Federation of Independent Business Hawaii, Retail Merchants of Hawaii, and Integrated

HB519 HD1 HSCR FIN HMS 2011-2678

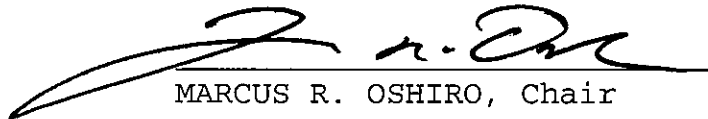


Economic Solutions, LLC, testified in support of this bill. ILWU Local 142 testified in opposition to this bill..

Your Committee has amended this bill by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 519, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 519, H.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



MARCUS R. OSHIRO, Chair



