STAND. COM. REP. NO. **545**-12

Honolulu, Hawaii

Feb 17 , 2012

RE: H.B. No. 2571 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2012 State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 2571, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EMPLOYMENT EXEMPTION FOR DOMESTIC SERVICES FOR PERSONS WITH DEVELOPMENTAL AND INTELLECTUAL DISABILITIES,"

begs leave to report as follows:

The purpose of this measure to help increase access to homeand community-based services by extending the exemption from laws relating to unemployment insurance, workers' compensation, temporary disability insurance, and the Prepaid Health Care Act to domestic in-home and community-based services for persons with developmental and intellectual disabilities when the services are provided through state-funded medical assistance to individuals who are ineligible for Medicaid.

The Department of Health, Department of Labor and Industrial Relations, and State Council on Developmental Disabilities testified in support of this measure.

Currently, recipients of federally funded social service payments with developmental and intellectual disabilities are exempt from providing unemployment insurance, workers' compensation insurance, temporary disability insurance, and prepaid health care when contracting or hiring an individual to perform domestic services for them. However, confusion exists as to whether individuals who are not Medicaid eligible but receive

State funded home- and community-based services need to provide these benefits. This measure clarifies this matter by exempting recipients of Department of Human Services' state-funded home- and community-based services from having to provide unemployment insurance, workers' compensation, temporary disability insurance, and pre-paid health care benefits to individuals they hire or contract to perform services for them. Your Committee finds that this exemption will allow greater access to home- and community-based services to needy individuals.

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. 2571, H.D. 1, and recommends that it be referred to the Committee on Finance.

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

KARL RHOADS, Chair



State of Hawaii House of Representatives The Twenty-sixth Legislature

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: HD 2571 HD1	Committee Referral: HUSっLADっ FIN	Date	: 2-14-1	12_
☐ 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. RHOADS, Karl (C)				
2. YAMASHITA, Kyle T. (VC)				
3. AQUINO, Henry J.C.				
4. CULLEN, Ty				
5. ICHIYAMA, Linda		May.		
6. LEE, Marilyn B.				
7. LUKE, Sylvia				
8. OKAMURA, Tom				
9. SAIKI, Scott K.				····
10. SOUKI, Joseph M.				
11. TAKUMI, Roy M.				
12. FONTAINE, George R.				
13. JOHANSON, Aaron Ling				
TOTAL (13)	10			2
The recommendation is: Adopte If joint ref	•		ort recommendation	
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Diplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				