

Honolulu, Hawaii

March 23, 2012

RE: S.B. No. 2810
S.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 S.B. No. 2810, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EMPLOYMENT EXEMPTION FOR DOMESTIC SERVICES AUTHORIZED BY THE DEPARTMENT OF HUMAN SERVICES,"

begs leave to report as follows:

The purpose of this measure is to provide clarity and consistency to Hawaii's workers' compensation and temporary disability insurance laws and Prepaid Health Care Act with regard to aged recipients and disabled recipients of home- and community-based services and recipients of Department of Human Services' state-funded home- and community-based services. Specifically, this measure amends the definition of "employment" under the workers' compensation law, temporary disability insurance law, and the Prepaid Health Care Act, by excluding from the definition, certain domestic services and day care services authorized by the Department of Human Services when performed by an individual in the employ of a recipient of social service payments.

The Department of Labor and Industrial Relations, Department of Human Services, and Department of Health testified in support of this measure.

Currently, only those domestic services performed for persons with developmental and intellectual disabilities under the Medicaid Home- and Community-Based Services Program are excluded

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from the definition of employment under the workers' compensation law, temporary disability insurance law, and the Prepaid Health Care Act. As such, other domestic services authorized by the Department of Human Services under the Social Security Act or when provided through state funded medical assistance to individuals ineligible for Medicaid that are performed by an individual in the employ of a recipient of social service payments must provide workers' compensation insurance, temporary disability insurance, and prepaid health care. Your Committee notes that, according to the Department of Human Services, without the exemption provided for in this measure, the Department and its contracted health plans will be out of compliance with State labor laws and will require the Department to allocate approximately \$6,000,000 to pay for these insurance and health care costs. This measure attempts to address this issue.

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 S.B. No. 2810, S.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

ASCR 1200-12

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: <i>SB2010 SD1</i>	Committee Referral: <i>HUS, LAB & FIN</i>	Date: <i>3-20-12</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> 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	/			
6. LEE, Marilyn B.	/			
7. LUKE, Sylvia	/			
8. SAIKI, Scott K.				/
9. SOUKI, Joseph M.				/
10. TAKUMI, Roy M.	/			
11. FONTAINE, George R.	/			
12. JOHANSON, Aaron Ling	/			
TOTAL (12)	<i>10</i>	—	—	<i>2</i>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature:				
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