



Before the Senate Committee on Judiciary & Labor

DATE: February 9, 2015 TIME: 9:30 A.M.

PLACE: Conference Room 016

Re: SB 1219 Relating to Employment Security

Testimony of Melissa Pavlicek for NFIB Hawaii

We are testifying on behalf of the National Federation of Independent Business (NFIB) in support to SB 1219 relating to employment security. NFIB Hawaii respectfully supports this measure.

SB 1219 aims to allow the Department of Labor and Industrial Relations to set criteria for independent contractor status. The measure will establish criteria for applicable definitions that the department shall use to deem that an individual is an independent contractor. The language further charges the department to certify independent contractors and requires independent contractors to provide a written copy of certification to each customer. Finally, the measure places the burden of proving an employee-employer relationship on the certified independent contractor if the contractor files an unemployment insurance benefits claim against a customer.

This bill appears designed to address a chasm that exists in Hawai'i's current employment and labor law. The benefits of this measure are set to improve the working conditions, opportunities, and security of those who are self-employed and/or those seeking to utilize their services.

We look forward to engaging in continued conversation and mahalo the legislature for its consideration.

Aloha,

I am writing in support of HB1219.

We perform photography and video production services as an independent contractor under the name Maui Total Visual. Through this our business, we serve multiple clients every year and are not employees of our customers. We realize this means that we do not receive employment benefits from our customers and that we are required to have our own materials and equipment, insurance, health coverage, etc.

We also are in the flip side of this situation when occasionally retain other independent contractors to assist us in projects that are larger than our 2 employee company can handle ourselves. We require all of the independent contractors to provide us with all of the 4 items listed in the bill (FEIN, GET#, etc.). In addition, we have all of them provide a certificate of liability insurance and sign and Independent Contractor Agreement with us.

Being an independent contractor allows us to keep our business at the small level we want it, and to be selective about who we work with.

Therefore, I support HB1219. However, we would not be in favor of any additional paperwork requirements, as we believe we are already in compliance of the requirements of the bill.

Mahalo,

Dave Thomas