

Honolulu, Hawaii

February 15, 2018

RE: H.B. No. 2602
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 2602 entitled:

"A BILL FOR AN ACT RELATING TO INDEPENDENT CONTRACTORS,"

begs leave to report as follows:

The purpose of this measure is to provide greater clarity to the Hawaii Employment Security Law regarding individuals choosing to become entrepreneurs by establishing three categories and twelve factors for the Department of Labor and Industrial Relations to apply to determine independent contractor status.

West Maui Taxpayers Association Inc., Maui Chamber of Commerce, Moloka'i Chamber of Commerce, and several individuals testified in support of this measure. The Department of Labor and Industrial Relations; Hawaii State AFL-CIO; Screen Actors Guild - American Federation of Television and Radio Artists Hawaii Local, International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artists and Allied Crafts Local 665; American Federation of Musicians' Local 677; Hawaii Teamsters & Allied Workers Local 996; Envisions Entertainment & Productions, Inc.; and Hawaii Regional Council of Carpenters opposed this measure.

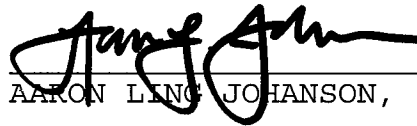
Your Committee has amended this measure by changing its effective date to January 1, 2050, to facilitate further discussion.



Based on testimony on this measure, your Committee recognizes that there are concerns that need to be addressed as this measure proceeds through the legislative process.

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. 2602, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2602, H.D. 1, and be referred to your Committee on Finance.

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



AARON LING JOHANSON, Chair



