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# A BILL FOR AN ACT

RELATING TO CHILD PERFORMERS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1       SECTION 1. The legislature finds that the Coogan Act, also  
2 known as the California Child Actor's Bill, was first passed in  
3 California in 1939 to protect child actors from exploitation in  
4 the entertainment industry. The act was named after actor  
5 Jackie Coogan, who became one of the highest-paid child stars of  
6 his time, only to have his earnings mismanaged by his parents,  
7 leaving him with little financial security when he reached  
8 adulthood. The Coogan Act has had a lasting impact by securing  
9 financial protection for child actors, ensuring that they can  
10 enjoy the benefits of their hard work once they become adults,  
11 and promoting greater responsibility in the entertainment  
12 industry.

13       The purpose of this Act is to protect the safety, morals,  
14 health, and well-being of child performers who work or reside in  
15 the State by requiring that a portion of the child performer's  
16 earnings be kept in trust for the benefit of the child performer  
17 until the child reaches the age of majority.



1       SECTION 2. Chapter 390, Hawaii Revised Statutes, is  
2       amended by adding three new sections to be appropriately  
3       designated and to read as follows:

4       **"§390-A Mandatory trust account.**   (a) The parent or legal  
5       guardian of a minor in theatrical employment shall establish a  
6       trust account for the benefit of the minor prior to the minor's  
7       first instance of theatrical employment and shall maintain the  
8       account until the custodian of the account transfers the  
9       contents of the account to the minor or the minor's estate.

10       (b) The employer of the minor in theatrical employment  
11       shall deposit at least fifteen per cent of the minor's gross  
12       earnings to the trust account for the minor's benefit until the  
13       minor attains majority or is emancipated.

14       (c) The trust account shall be established with an  
15       independent third-party trustee that ensures the security and  
16       growth of the trust account and that provides the minor and the  
17       minor's parent or legal guardian with quarterly statements.

18       **§390-B Financial oversight.**   (a) Any contracts or  
19       agreements involving a minor in theatrical employment shall be  
20       signed by at least one parent or legal guardian.



1        (b) A parent or legal guardian of a minor in theatrical  
2        employment may access the funds within the mandatory trust  
3        account established pursuant to section 390-A, for the minor,  
4        but only for the benefit of the minor.

5        **§390-C Breach of fiduciary duty.** Any misappropriation or  
6        fraudulent use of funds within the mandatory trust account  
7        established pursuant to section 390-A by the parent or legal  
8        guardian of a minor in theatrical employment, or the independent  
9        third-party trustee acting as the custodian of the mandatory  
10       trust account, shall be a breach of fiduciary duty subject to  
11       civil penalties, criminal prosecution, and, in the case of the  
12       third-party trustee, removal from the position of trustee."

13       SECTION 3. In codifying the new sections added by section  
14       2 of this Act, the revisor of statutes shall substitute  
15       appropriate section numbers for the letters used in designating  
16       the new sections in this Act.

17       SECTION 4. This Act does not affect rights and duties that  
18       matured, penalties that were incurred, and proceedings that were  
19       begun before its effective date.

20       SECTION 5. New statutory material is underscored.



1 SECTION 6. This Act shall take effect on July 1, 3000.



**Report Title:**

Child Labor Law; Child Performers; Trust Accounts; Theatrical Employment

**Description:**

Requires a parent or legal guardian of a minor in theatrical employment to establish a trust account for the minor with an independent third-party trustee. Requires the employer of a minor in theatrical employment to deposit a portion of the minor's earnings into the trust account until the child becomes an adult. Effective 7/1/3000. (HD2)

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