February 17, 2014

2014 - Employment Bills After First Lateral

**Employment Practices and Employment Rights**

**HB 2400**  
**Temporary Disability Insurance; Organ Donors** – Revises definition of “disability” under Hawaii’s temporary disability law to include a disability caused by “organ donation.”

**HB 2649 HD1**  
**Victims Leave Law** – Defines “domestic or sexual violence victim” as an individual who is the victim of domestic or sexual violence. Prohibits discrimination against a victim of domestic or sexual violence who provides their employer with a copy of a TRO unless the employer reasonably believes the restrained person could endanger other employees. Deletes current language allowing for verification of status as a victim of domestic or sexual violence. Replaces current language for accommodations with a requirement that the employer post the victim’s TRO in the workplace and (1) alert necessary personnel of the TRO and (2) call the police if the TRO is violated.

**SB 3126 SD1**  
**Non-compete Agreements; Technology Businesses; Licensed Physicians** – Prohibits the use of non-compete agreements and non-solicitation agreements against employees in an employment contract, post-employment contract or separation agreement for employees of a technology business or for licensed physicians.

**Minimum Wage**

**HB 2580**  
**Minimum Wage; Tip Credit Repeal; CPI** – Increases the State minimum wage to $8.00 on January 1, 2015; $8.75 on January 1, 2016; and $9.50 on January 1, 2017. Repeals tip credit. Beginning 2018, minimum wage to be adjusted according to Honolulu region consumer price index.

**SB 2609**  
**Minimum Wage; Tip Credit Repeal; CPI** – Increases the State minimum wage to $8.20 on January 1, 2015; $9.15 on January 1, 2016; and $10.10 on January 1, 2017. Repeals tip credit. Authorizes DLIR to adjust minimum wage based on Honolulu region consumer price index.

**Wage and Hour; Miscellaneous**

**HB 1814 HD1**  
**Direct Deposit of Wages; Debit Card Payment** – Provides that employers may pay wages to employees via direct deposit or debit cards, provided that the employer satisfy certain legal requirements. For direct deposit, legal requirements are (1) the employee provides written authorization for direct deposit into a financial institution of the employee’s choice; (2) the financial institution selected is insured by the FDIC; (3) the employee may cancel the direct deposit authorization at any time; (4) the employer shall provide a pay statement; (5) no employee shall be required to pay any costs or fees for the direct deposit and (6) no employee may be disciplined or otherwise penalized for authorizing or refusing to authorize direct deposit of wages. For debit cards, requirements are: (1) the employer shall not mandate that an employee use an electronic...
payment card; (2) the employee shall not pay any of the costs or fees for the withdrawal of earned wages; (3) the employer shall assume or otherwise absorb fees or costs imposed by a financial institution for the use of an electronic payment card; (4) the employer shall comply with recordkeeping requirements; (5) the employee may cancel the use of an electronic payment card with reasonable notice; (6) the employer shall make available to the employee the employee's balance and certain records; and (7) the employer shall provide liability protections against fraud and identity theft associated with the use of an employer-issued electronic payment card.

**SB 2366 SD1**  
**Wage and Hour Law; Exempt Status** – Increases the guaranteed-salary exemption under Hawaii wage and hour law from $2,000 to a formula of 320 times the applicable minimum wage or more per month.

**Workers’ Compensation (“WC”)**

**HB 1961 HD2, SB 2123 SD1**  
**WC Medical Examinations; Mutual Agreement** – Requires independent medical examinations and permanent impairment rating examinations for workers' compensation claims to be performed by physicians mutually agreed upon by employers and employees. In the event the parties are unable to agree, they shall jointly prepare a list of five physicians and select one through a process of elimination. In House version the employee selects three of the five physicians. In Senate version, the employer selects three of the five physicians. Also prohibits combining IME and permanent rating examination without consent of employee.

**HB 1973 HD1, SB 2127 SD1**  
**WC; Penalty for Failure to Timely Pay TPD** – Imposes a penalty on an employer who does not pay an employee temporary partial disability benefits within fourteen calendar days after the end of the employee's customary work week. House version requires that attending physician must certify the employee’s disability every 30 days to continue benefits. Allows one-time retroactive certification. Senate version provides that nonpayment of disability payments is excused if the employer or insurance carrier was unable to make payment due to conditions over which the employer or carrier has no control (such as compliance with public employment pay periods). Both bills clarify that failure of employee’s physician to certify the disability does not automatically disqualify the employee from benefits.

**HB 1974 HD1, SB 2923 SD1**  
**WC Fee Schedule; Annual Review** – Requires DLIR to update the workers' compensation medical fee schedule annually. Authorizes DLIR to establish a workers' compensation medical fee ceiling that exceeds 110% of the fees prescribed in the Medicare Resource Relative Value Scale for Hawaii.

**HB 2579**  
**WC Settlements** – Provides that settlements in workers’ compensation cases involving third-party liability do not require approval by the Director of Labor and Industrial Relations.

**SB 2064**  
**WC; Psychological and Psychiatric Services** – Provides that any employee suffering a work injury shall be entitled to up to 20 visits for psychological and psychiatric services, if performed within a 60 day period.
SB 2365 SD1  **WC Repackaged Drugs** – Establishes price caps for the Hawaii workers' compensation and motor vehicle insurance charges for prescription drugs. Sets reimbursement price at exactly (instead of up to) 140% of the Medi-Span Master Drug Database. Clarifies that the reimbursement price is set at the date of purchase rather than the date of dispensing.

**Electronic Cigarettes (“E-Cigarettes”)**

HB 2313 HD1  **E-Cigarettes; HHSC Prohibitions** – Prohibits smoking and tobacco use, including the use of electronic cigarettes, on all premises operated by HHSC. Provides that tobacco and e-cigarette use prohibitions shall not be subject to collective bargaining. Requires HHSC to provide tobacco cessation programs for public employees.

SB 2222 SD1  **E-Cigarettes; Sales Prohibited** – Prohibits the sale of any flavored smoking products, including menthol cigarettes and electronic smoking devices.

SB 2495 SD1  **E-Cigarettes; Prohibitions** – Includes electronic smoking devices within the definition of "tobacco products" under chapter 245, Hawaii Revised Statutes, thereby subjecting wholesalers, dealers, and retailers of electronic smoking devices to the same licensing and permitting requirements as wholesalers, dealers, and retailers of cigarettes and other tobacco products. Increases the license and permit fees for persons engaged as a wholesaler or dealer or retailer of cigarettes or tobacco products, including electronic smoking devices. Establishes an excise tax on electronic smoking devices equal to an unspecified per cent of the wholesale price of each electronic smoking device kit, electronic smoking device nicotine cartridge, or electronic smoking device nicotine refill sold, used, or possessed by a wholesaler or dealer on or after October 1, 2014. Amends Hawaii's anti-smoking statute to prohibit the use of electronic smoking devices in places open to the public and places of employment. Clarifies that the sale, distribution, sampling, or display of electronic smoking devices and the distribution of promotional materials, or coupons redeemable for promotional materials, for tobacco products, including electronic smoking devices, are restricted in the same manner as cigarettes and other tobacco products. License and permit fees and excise tax effective 01/01/2015.

**Health and Insurance**

HB 1718 HD1  **Long-term Care Insurance** – Requires long-term care insurance policies or certificates to cover care at adult residential care homes, expanded adult residential care homes, and community care foster family homes.

HB 1752 HD1  **Cost-Effective Healthcare** – Appropriates funds to provide primary medical, dental, and behavioral healthcare to uninsured and underinsured patients and restores basic adult dental benefits to Medicaid enrollees. Appropriates blank ($__) amount to community health centers to provide outreach and eligibility services as well as behavioral services and to establish health care homes for Medicaid enrollees.

HB 1754 HD1  **Medicaid Buy-In Program; Disabled Workers** – Establishes and appropriates funds for the Medicaid buy-in program for workers with disabilities. Senate version also appropriates funds for outreach and training relating programs.
<table>
<thead>
<tr>
<th>Bill No.</th>
<th>Title</th>
<th>Description</th>
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<tbody>
<tr>
<td>HB 1852</td>
<td><strong>Dental Insurance</strong></td>
<td>Permits insured patients to assign insurance reimbursement for dental services directly to their dentist of choice.</td>
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<td>SB 2121 SD1</td>
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<tr>
<td>HB 1880 HD1</td>
<td><strong>Podiatrists</strong></td>
<td>Conforms the definition of &quot;podiatric medicine&quot; to national standards regarding diagnosis and treatment of the foot and ankle.</td>
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<td>SB 2467</td>
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<tr>
<td>HB 2056 HD1</td>
<td><strong>Alzheimer’s Disease and Related Dementia Services</strong></td>
<td>Deletes the provision requiring the Director of Health to hire the Alzheimer’s Disease and Related Dementia Services Coordinator. Establishes the Elder Justice Coordinator. Appropriates funds for the Alzheimer’s Disease and Related Dementia Services Coordinator position, various senior centers, Elder Justice Coordinator position, and services and programs to prevent elder financial exploitation.</td>
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<tr>
<td>HB 2061 HD2</td>
<td><strong>Fertility; Insurance Coverage</strong></td>
<td>Requires insurance coverage for embryo, oocyte, and sperm cryopreservation procedures to preserve the fertility of adults diagnosed with cancer who have not yet started cancer treatment.</td>
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<td>HB 2099 HD1</td>
<td><strong>Advance Practice RNs; Scope of Practice</strong></td>
<td>Expands scope of practices that can be performed by APRNs, including certification for disability, renewal of driver’s licenses, exemption from seatbelts, child immunization, daily living and cognitive impairment for insured’s need for long-term care, and other duties.</td>
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<td>SB 2492 SD1</td>
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<td>HB 2115 HD1</td>
<td><strong>Chiropractic Care; Med-QUEST and Medicaid</strong></td>
<td>Requires Med-QUEST and Medicaid coverage for chiropractic care, limited to 24 visits per calendar year.</td>
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<td>SB 2479 SD1</td>
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<tr>
<td>HB 2174 HD2</td>
<td><strong>Health Insurance; Autism Spectrum Disorders</strong></td>
<td>Requires health insurers, mutual benefit societies, and health maintenance organizations to provide coverage for autism spectrum disorder treatments. House version applies to an unspecified age. Senate version applies to individuals under 21 years of age.</td>
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<td>SB 2054</td>
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<td>HB 2269 HD1</td>
<td><strong>Health Insurance Premium Information</strong></td>
<td>Authorized the Insurance Commissioner to collect and publish health premium information.</td>
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<td>HB 2319 HD1</td>
<td><strong>Privacy of Health Information</strong></td>
<td>Repeals current language under Hawaii law regarding confidentiality of information for individuals with developmental disabilities and mental health records, and replaces it with language from HIPAA allowing for reasonable use and disclosure.</td>
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<td>SB 2869 SD1</td>
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<td>HB 2355 HD2</td>
<td><strong>Insurance Coverage; IVF and Infertility</strong></td>
<td>Requires health insurers to cover the cost of in vitro fertilization for three procedures or a live birth when the patient has a history of infertility of one year if 35 years or younger or six months if thirty-six year or older.</td>
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<td>SB 2909 SD1</td>
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<td>HB 2411 HD1</td>
<td><strong>Telehealth; Insurance and Reimbursement</strong></td>
<td>Requires reimbursement for services provided through telehealth to be equivalent to reimbursement for the same services provided via face-to-face contact between a health care provider and a patient. Clarifies that a health care provider of telehealth includes primary care providers, mental health providers, and oral health providers such as physicians and osteopathic physicians, advanced practice registered nurses, psychologists, and dentists. Amends references to &quot;telemedicine&quot; in the Hawaii Revised Statutes to &quot;telehealth&quot; for consistency.</td>
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<tr>
<td>SB 2469 SD1</td>
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<td>HB 2458 HD1</td>
<td><strong>Board of Dentistry</strong></td>
<td>Renames the &quot;Board of Dental Examiners&quot; to the &quot;Board of Dentistry and Dental Hygiene&quot;. Effective July 1, 2015, changes the Board composition.</td>
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Requires at least one of the practicing dentist members to be a practicing dentist with a background in public health dentistry. Prohibits members from being in any way connected with or having financial interest in specified areas.

**HB 2525 HD2 Health Insurance Rates; Community Rating** – Requires individual health insurance plans and small group plans to establish rates based upon community rating. Creates a temporary premium subsidy program to offset certain rate increases for qualified plans purchased through the Hawaii Health Connector.

**SB 2034 Dental Services; Fees** – Prohibits mutual benefit societies from requiring a dentist to provide services at a fee set by the mutual benefit society unless the dental services are covered services. “Covered services” means dental care services for which a reimbursement is available under an enrollee’s dental service plan, or for which reimbursement would be available but for the application of contractual limitations (deductibles, co-payments, etc.).

**SB 2067 SD1 Dietary Supplements** – Prohibits the sale of any dietary supplement that does not conform to federal good manufacturing practices for dietary supplements.

**SB 2192 Medical Records; Bankruptcy** – Requires medical facilities to inform their patients when they are going to file for bankruptcy. Permits patients to obtain their medical records from the medical facility upon written authorization.

**SB 2349 Drug and Alcohol Treatment** – Appropriates $500,000 for a statewide pilot program to treat chronic, substance-dependent adults to be established by the Department of Health. Services would include individual, group, and family counseling; intensive care management and referral; medication management; cognitive-behavioral skill training; and daily living skills, and supportive services, including housing assistance, employment training, job placement, and continuing care support, to chronic, substance-dependent adults.

### Healthcare Industry; Licensing

**HB 1882 HD1 Podiatrists; Minimum Residency Requirements** – Adopts the national standard of a minimum of 24 months in an accredited podiatric residency prior to licensure as a podiatrist.

**HB 2031 Marriage and Family Therapists; Continuing Education** – Requires licensed marriage and family therapists to completely a minimum of 45 continuing education credit hours, including six hours in ethics courts, during each licensing period.

**HB 2042 Occupational Therapists; Licensing** – Establishes an occupational therapy program and licensing requirements for occupational therapists and occupational therapy assistants.

**HB 2095 Advance Practice RNs; Licensure** – Technical amendments to Hawaii APRN licensing statute to align with federal law. Deletes reference to “recognized” as an APRN; maintains language requiring “licensure.”
SB 2490 SD1 Nurses; Continuing Competency and Licensure – Requires licensed registered nurses and licensed practical nurses to submit evidence of continuing competency at each renewal period, beginning with the June 30, 2015, licensing biennium.

SB 2611 Psychologists; Licensing – Deletes statutory requirement that psychologists complete one year of post doctoral supervised training prior to licensure.

SB 2927 Dentistry; Continuing Education – Requires the continuing education program for dentists to include three hours of ethics training per year.

**Hawaii Health Connector**

HB 2529 Hawaii Health Connector; State Entity; Board Composition – Transitions the Hawaii Health Connector from a private to a state entity. Makes changes to the composition of the Hawaii Health Connector Board. Creates a consumer, patient, business, and health care advisory group and an intergovernmental agency advisory group to provide input and recommendations to the Board.

SB 2470 Hawaii Health Connector; Board – Lowers the number of members on the board of directors of the Hawaii health connector to twelve, with a maximum of nine total voting members. Removes members representing insurers and dental benefit providers from the board and requires all but one of the state agency representatives on the board to be ex officio, nonvoting members. Establishes procedures for filling vacancies on the board.

SB 3050 SD1 Hawaii Health Connector; Sustainability Fee – Designates the Hawaii health connector as the health insurance exchange for the State of Hawaii. Establishes the Hawaii health insurance exchange special fund. Beginning January 1, 2015, assesses a Hawaii health insurance exchange surcharge of .345 per cent of the premiums derived from the sale of comprehensive medical insurance plans, including dental plans, in the State, to be deposited into the Hawaii health insurance exchange special fund. Requires the board of directors of the connector to prepare and submit to the legislature a fully documented biennial budget request for the connector. Permits the legislature to annually appropriate funds collected from the surcharge to the Hawaii health insurance exchange. Clarifies that the connector must submit the results of the connector's annual audit to the legislature.

**Medical Marijuana; Legalization of Marijuana**

HB 1721 Marijuana; Schedule II – Amends the Uniform Controlled Substances Act by adding a definition for "marijuana extract," adding new scheduling criteria to the five scheduling sections for controlled substances, and making marijuana and marijuana extract a schedule II controlled substance under Hawaii law.

HB 2092 Medical Marijuana Registration – Makes clarifying amendments to the registration requirements for medical marijuana. Deletes language requiring that the certifying physician is the patient’s primary care physician.

SB 2574 SD1 Medical Marijuana Prescriptions – Permits board certified pain specialist physicians to prescribe medical marijuana.
Contractors

HB 1500 HD1, SB 2613  
**Contractors Work** – Allows general engineering contractors and general building contractors to perform work subordinate to but necessary for completion of the project and for which the contractors do not have a license, if the value of the work performed is equal to or less than one percent of the total contract price.

HB 1527 HD1, SB 2618  
**Contractors License Board** – Increases the membership of the contractors license board from 13 to 15. Increases from 10 to 12 the members who are actively engaged in the contracting business. Increases from 5 to 7 the members who are specialty contractors. Requires that 1 member be affiliated with a state apprenticeship program. Decreases from 3 to 2 the members who are noncontractors.

HB 1639 HD1, SB 2076  
**Unlicensed Contractor Fraud** – Clarifies the offense of unlicensed contractor fraud by specifying that the "intent to deprive" may be formed before or after the person obtains or exerts control over the property of another.

HB 2219 HD1, SB 2945  
**Electrical Contractor Licensing** – Requires any person applying for a license as an electrical contractor, pole and line contractor, or high voltage electrical contractor to possess a journey worker electrician license. For any person applying for a license as an electronic systems contractor, the individual must possess a journey worker specialty electrician license.

HB 2583 HD1, SB 2475  
**Unlicensed Contractors; Aiding and Abetting** – Adds language to unlicensed contractor law stating that any contractor licensee who aids and abets an unlicensed contractor to evade or violate Hawaii unlicensed contractor laws shall be subject to additional discipline to be determined by the contractor licensing board.

Public Works Contracts

HB 1958 HD1, SB 2704 SD1  
**Public Works; Overtime Compensation** – Establishes the calculation of overtime compensation for government public works construction contracts that are greater than $2,000 to be not less than one and one-half times the laborer's or mechanic's basic hourly rate of pay plus the cost of fringe benefits. Establishes that the overtime compensation rate shall be the rate specified in a collective bargaining agreement if the basic hourly rate is based on such agreement.

HB 1976 HD1, SB 3039 SD1  
**Public Works: Wage and Hour Special Fund** – Establishes the Wage and Hour for Public Works Projects Special Fund and establishes and funds two additional labor law enforcement specialist IV positions to assist the enforcement of Hawaii's wage and hour law on public construction projects. Specifies a funding mechanism for the special fund and requires an annual report. Exempts the Department of Transportation's Airports Division from the special fund fee.

HB 1977 HD1, SB 2259 SD1  
**Collective Bargaining Arbitration; Public Employers** – Amends a provision of the final position in a collective bargaining arbitration to include only proposals that were submitted before impasse. Provides the arbitration panel with authority to determine if final positions submitted are compliant with statutory requirements.
HB 1979 HD1  **Exempt Employees; Salaries and Benefits** - Authorizes the directors of all state departments to withhold or alter the benefits packages of excluded employees who are exempt from civil service in exchange for higher compensation.

HB 2047 HD1  **Procurement Contracts; Liability; Duty to Defend** – House version prohibits governmental procurement contracts for the services of contractors, engineers, architects, surveyors, or landscape architects, from requiring the contracting entity to defend the governmental body against liability, except for claims arising out of or resulting from the negligent, reckless, or wrongful acts, errors, or omissions of the contracting entity. Senate version provides that the requirement for persons licensed under chapter 444, Hawaii Revised Statutes, to defend a governmental body, or its officers, employees, or agents from claims arising out of the contractor's performance under the contract shall not extend beyond the expiration of the time limitation in section 657-8, Hawaii Revised Statutes.

HB 2323 HD1  **Prevailing Wage Violations; Fines** – Increases the penalty for interference or delay of an investigation from $1,000 to $10,000 per project and from $100 to $1,000 for each day thereafter. Provides definition of “contractor” and “public work.” Makes contractors secondarily liable for violations of their subcontractors. Prohibits private agreements from contravening requirements of Little Davis Bacon Act.

HB 2383  **Competitive Sealed Bidding; Bid Invitations** – Requires procuring agencies to include in invitations for bids on construction contracts a listing of the licenses that are required to perform work under the contract.

HB 2413 HD1  **Public Works; Public-Private Partnerships** – Includes public-private partnerships in the definition of “governmental contracting agency” for purposes of Hawaii Little Davis Bacon Act.

SB 2034  **Dental Services; Fees** – Prohibits mutual benefit societies from requiring a dentist to provide services at a fee set by the mutual benefit society unless the dental services are covered services. “Covered services” means dental care services for which a reimbursement is available under an enrollee’s dental service plan, or for which reimbursement would be available but for the application of contractual limitations (deductibles, co-payments, etc.).

SB 2260 SD1  **Prevailing Wage Violations; Suspensions** – Increases the suspension period from three to five years for a third violation of a person or firm who violates state law on wages and hours of employees on public works. Clarifies the effective date of suspension. Specifies that suspension for falsification of records or delay or interference with an investigation is immediate. Specifies who the director of labor and industrial relations must notify of any suspension order.

**Public Employees**

HB 272 HD1  **Abusive Workplaces; Public Employers** – Requires public employers to post a poster with information describing what actions constitute abusive conduct in the workplace and what redress is available to public employees experiencing abusive conduct in the workplace.
HB 1601  **Public Workers; Repeal of Apprenticeship Preference** – Repeals five per cent preference for bidders on public works construction contracts who are party to an apprenticeship agreement.

HB 1962  **Workforce Development** – Makes technical amendments to the statute on the workforce development council under the DLIR.

HB 1975 HD1  **Public Employees; Criminal Background Checks** – Allows State and counties to perform criminal history record checks on employees, prospective employees, volunteers, and contractors who work with children, have contact with vulnerable adults, have unescorted access to secured areas related to a traffic management center, handle or use firearms for other than law enforcement purposes, and work with an agency's information technology operation and have access to sensitive information. Removes exemption from employer inquiry into and consideration of conviction records of positions involving handling or use of firearms for other than law enforcement purposes.

HB 1977 HD1  **Collective Bargaining Arbitration** – Amends a provision of the final position in a collective bargaining arbitration to include only proposals that were submitted before impasse. Provides the arbitration panel with authority to determine if final positions submitted are compliant with statutory requirements.

HB 1979 HD1  **Benefits and Salary** – Authorizes the directors of all state departments to withhold or alter the benefits packages of excluded employees who are exempt from civil service in exchange for higher compensation.

SB 2030 SD1  **Criminal History Record Checks; State and County Employees** – Allows the State and counties to perform criminal history record checks on employees, prospective employees, volunteers, and contractors whose positions allow them access to sensitive information, firearms for other than law enforcement purposes, and secured areas related to a traffic management center. Allows the counties to perform criminal history record checks prior to making an employment offer, and be exempt from the ten year look-back period, for prospective employees whose positions involve the handling or use of firearms for other than law enforcement purposes.

SB 2959 SD1  **Nepotism** – Prohibits a legislator or public official from advocating for, appointing, employing, promoting, supervising, or advancing any relative to public office or employment. Allows the director of human resources development, administrative director of the courts, and senate president and speaker of the house of representatives to prescribe rules for the temporary employment of relatives in the event of any emergency resulting from a natural disaster or similar unforeseen event or circumstance.

**Government Agencies**

HB 1957 HD1  **DHRD; Office of Talent Management** – Establishes the office of talent management within DHRD to design and facilitate state initiatives in the areas of talent administration, professional development, performance management, and leadership enterprise. Authorizes the talent management administrator to receive from any state agency the assistance, services, facilities, and data the administrator deems necessary to carry out the duties of the office.
HB 2038 HD1  **DLIR; Human Trafficking Fund** – Establishes the human trafficking victim services fund to be administered by the department of labor and industrial relations to provide support and services to human trafficking victims.

HB 2217 HD2  **Workforce Development** – Authorizes DLIR to establish working groups to identify high growth industries and workforce needs and to develop training programs.

HB 2496  **Hawaii Labor Relations Board** – Provides that public employer and public unions can submit names to the governor for the Hawaii Labor Relations Board (“HLRB”) member representing management or the public, from which the governor must consider but is not required to select. Also provides that the public unions shall submit a list of three nominees for the labor representative, from which the governor must select one.

SB 2822 SD1  **Criminal Background Checks; Real Estate Appraisers** – Allows the DCCA to conduct a criminal background check on applicants for a real estate appraiser license.

SB 3038  **HLRB; Replacement of Absent Member; Electronic Service** – Authorizes notice of hearings to be served by electronic service through a company designated by the Hawaii labor relations board. Clarifies the process to replace a recused Hawaii labor relations board member representing labor.

**Tax; General Excise Tax (“GET”); Tax Credits**

HB 1525  **Commission on Fiscal Responsibility and Reform** – Establishes a commission within the Department of Taxation (“DoTax”) to review and make recommendations on expenditures, revenue enhancement, and tax reform.

HB 1569  **Taxation of Pension Income** – Provides for the taxation of the pension income of: (1) an individual filer with federal adjusted gross income of $100,000 or more; (2) a joint or surviving spouse filer with federal adjusted gross income of $200,000 or more; and (3) a head of household with federal adjusted gross income of $150,000 or more. Effective for taxable years beginning after December 31, 2013.

HB 1606  **County Surcharge on State Tax** – Repeals deadline for counties electing to establish a county surcharge on state tax to pass an ordinance to enact the surcharge. Increases maximum rate of surcharge from 0.5% to 1%. Allows counties under 500,000 population to use proceeds without restriction. Reduces the amount deducted from the county surcharge on state tax to reimburse the State for costs of assessment, collection, and disposition from 10% to 2%. Makes permanent the counties' authority to establish a surcharge on state tax.

HB 1651  **Use Tax; Internet Sales** – Unless preempted by federal law, requires the collection of use taxes by sellers of tangible personal property who enter into agreements under which a person in the State refers potential purchasers to the seller, including by an internet link or web site, or performs related services in the State on behalf of the seller.

HB 1703  **Conveyance Tax** – Imposes a tax on the conveyance of a controlling interest in an entity that has an interest in real property in the State of Hawaii for conveyances after June 30, 2014.
HB 1754 HD1  Medicaid Buy-In Program for Workers With Disabilities – Establishes and appropriates funds for the Medicaid Buy-in Program for Workers with Disabilities.

HB 1847  GET Returns; Electronic Filing – Requires all GET returns to be filed electronically beginning January 1, 2015.

HB 1848  GET Monthly Returns; Electronic Filing – Requires all GET monthly returns to be filed electronically beginning January 1, 2015.

HB 2078  Tobacco GET – Imposes an excise tax of 85% of the wholesale price of any tobacco product except for large cigars sold by a wholesaler or dealer. Requires additional moneys collected under this excise tax to be deposited to Hawaii cancer research special fund.

SB 2496  Tobacco GET – Imposes an excise tax equal to eighty-five per cent of the wholesale price of any tobacco product, other than large cigars, sold by a wholesaler or dealer on and after January 1, 2015, whether or not sold at wholesale, or if not sold then at the same rate upon the use by the wholesaler or dealer. Requires any increase in the excise tax rate imposed on cigarettes or little cigars on or after 1/1/2015 to trigger an automatic excise tax increase on other tobacco products on or after 1/1/2015. Requires the additional moneys collected under the excise tax to be deposited to the credit of the Hawaii cancer research special fund.

SB 2496 SD1  Tobacco GET – Imposes an excise tax of 85% of the wholesale price of any tobacco product except for large cigars sold by a wholesaler or dealer on and after January 1, 2015, whether or not sold at wholesale, or if not sold then at the same rate upon the use by the wholesaler or dealer. Requires any increase in the excise tax rate imposed on cigarettes or little cigars on or after 1/1/2015 to trigger an automatic excise tax increase on other tobacco products on or after 1/1/2015. Requires the additional moneys collected under the excise tax to be deposited to the credit of the Hawaii cancer research special fund.

SB 2670  GET; Exemptions – Prohibits a person from deducting any amount for tangible personal property furnished in conjunction with engaging or continuing in a service business or calling unless the person separately bills or otherwise shows the amount of the gross income of the business derived from the furnishing of the property.

SB 3041  Liquor Tax – Defines "barrel" and "small brewery or brewpub". Establishes a tax rate of 47 cents per wine gallon on draft beer and beer other than draft beer that are brewed or produced by a small brewery or brewpub.

Miscellaneous

HB 1072 HD1  UH Board of Regents; Financial Disclosures – Requires members of the UH Board of Regents to file an annual disclosure of financial interests with the state ethics commission. Make the disclosure public record.

SB 1386
HB 1504 HD1  **Child Support** – Provides that child support orders are presumed to apply on a per child basis. Automatically terminates child support payments for a child when the obligee is no longer eligible to receive child support payments.

HB 1509  **Use of Mobile Devices on Highways** – Specifies that operating a motor vehicle in the State while using a mobile device is a traffic infraction. Specifies that the penalty for such an infraction shall be a fine of not less than $250 and that collected fines shall be deposited in the state highway fund.

HB 1621  **Public Accommodations; Homeless** – Amends HRS § 489-3 to add homelessness, receipt of public assistance and receipt of UI benefits as protected classes for purposes of public accommodations.

HB 1634  **Uniform Mediation Act** – Technical amendment for exceptions for mediation conducted by judges to include only mediations conducted by judges, and not judges who might make a ruling on a case.

HB 1642  **Violation of Privacy** – Adds distribution of images of a person’s intimate body parts with the intent to cause serious emotional distress to crime of violation of privacy.

HB 1668  **Invasion of Privacy** – Makes the distribution of private, intimate images of another person with the intent to cause serious emotional distress a misdemeanor.

HB 1713  **Aging; Long-term Care Education** – Appropriates general funds to provide ongoing financial support to healthy aging programs and services. Requires the Executive Office on Aging to conduct a public education and awareness campaign on long-term care and appropriates general funds for its support and evaluation.

HB 1909  **Boards and Commissions; Gender Equity** – Requires the governor or appointing authority to attempt gender equity when appointing members of state boards and commission. Requires DHRD to report the number of men and women on boards and commissions.

HB 2006  **Public Accommodations; Religious Exemption** – Amends Chapter 489 to exclude religious facilities from the definition of "place of public accommodation" to exempt those facilities from the law regarding discrimination in public accommodations.

HB 2020  **Private Guards; Continuing Education** – Reduces continuing education requirement to four hours every two years instead of annually. Delays renewal requirement until June 30, 2016 instead of 2014. Repeals sunset provision.

HB 2033 HD1  **Breastfeeding Exemption from Jury Duty** – Exempts breastfeeding mothers from jury duty for up to one year from the time the mother began breastfeeding the child.

HB 2041  **Franchises** – Voids provisions in a franchise that restricts the resolution of claims arising to foreign forums.

HB 2243  **Criminal Background Checks; Care or Care Placement Services** – Allows qualified entities to conduct state and national fingerprint-based criminal history record checks on their applicants, employees, and volunteers who provide care for children, vulnerable adults, or the disabled, and to receive the results directly.
HB 2348  **Commercial Driver’s Licensing** – Amends or deletes various statutes containing federal commercial driver's licensing requirements that are addressed in Hawaii Administrative Rules.

HB 2373  **Invasion of Privacy** – Broadens the offense of violation of privacy in the first degree to include distributing, where there has been an agreement or understanding that the image shall remain private, images of the intimate body parts of another with intent to cause serious emotional distress.

HB 2395 SD1  **Sexual Assault of a Minor; Minimum Sentencing** – Establishes a mandatory minimum sentence of twenty years for class A felony of first degree sexual assault of a minor who is less than fourteen years of age.

HB 2497 HD1  **Successor Liability; Exceptions** – Provides that successor employers shall not be liable for the debts and liabilities of the predecessor corporation. Exceptions shall apply when the successor agrees to assume such liability, the transaction between the two corporations constitutes a merger, the successor is a mere continuation or reincarnation of the predecessor corporation, or clear and convincing evidence proves the succession was designed to escape liability, or for tort actions.

HB 2568 HD1  **Definition of Hotel; Liquor Licenses** – Amends definition of “hotel” for purposes of qualification for a hotel class liquor license by deleting requirement that the hotel have a kitchen and dining room.

SB 2326 SD1  **Board of Regents; Prohibition on Executive Sessions** – Prohibits the board of regents from meeting in executive session for the purpose of reviewing the performance of the University of Hawaii system president or campus chancellors.

SB 2497 SD1  **Tobacco Regulations; License Fee** – Increases the license fee for persons engaged as a wholesaler or dealer of cigarettes or tobacco products. Increases the retail tobacco permit fee for retailers engaged in the retail sale of cigarettes and other tobacco products. Specifies that revenue from the license and permit fees shall be used to support smoking cessation programs in the State.

SB 2681  **Financial Disclosure Statements; Public Access** – Makes financial disclosure statements of members of the UH Board of Regents and states boards and commissions available for public inspection and duplication.

SB 2682 SD1  **Financial Disclosures; Boards and Commissions** – Requires public disclosure of financial disclosure statements filed by paid state board or commission members who have original terms of office for periods exceeding one year, have functions that are not solely advisory, and serve on boards of commissions that are authorized to approve contracts or expenditures valued at more than $1,000,000.

SB 2687 SD1  **Sex Assault on a Minor; Statute of Limitations** – Allows a victim of child sexual abuse to bring a civil action against victim's abuser or an entity, except for the State or counties, when the entity was grossly negligent, if the statute of limitations for filing a civil claim has lapsed and the victim has not yet attained the age of fifty-five.

SB 2729 SD1  **Mobile Electronic Devices While Driving** – Clarifies Hawaii’s mobile electronic devices law to specifically include non-emergency calls and texting. Adds exemptions for drivers

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searching for current traffic conditions, accidents or alternative traffic routes, or drivers who are at a complete stop, whether or not the engine is running, in a safe location by the side of the road out of the way of traffic.

SB 2745  **Credit Card Surcharges** – Prohibits retailers in any sales, service or lease transaction with a consumer from imposing a surcharge on a cardholder who elects to pay with credit card in lieu of cash, check or similar means. Provides that a retailer may offer discounts for the purpose of inducing payment by cash, check or other means.