
A BILL FOR AN ACT

RELATING TO EMPLOYMENT SECURITY.

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

1 SECTION 1. Section 383-63, Hawaii Revised Statutes, is
2 amended by amending the definition of "adequate reserve fund" to
3 read as follows:

4 ""Adequate reserve fund" means an amount that is equal to
5 the amount derived by multiplying the benefit cost rate that is
6 the highest during the ten-year period ending on November 30 of
7 each year by the total remuneration paid by all employers, with
8 respect to all employment for which contributions are payable
9 during the last four calendar quarters ending on June 30 of the
10 same year, as reported on contribution reports filed on or
11 before October 31 of the same year. "Remuneration", as used in
12 this definition, means wages as defined in section 383-10. For
13 the purpose of determining the highest benefit cost rate, the
14 benefit cost rate for the first twelve-consecutive-calendar-
15 month period beginning with the first day of the first month of
16 the ten-year period and for each succeeding twelve-consecutive-
17 calendar-month period beginning with the first day of each
18 subsequent month shall be computed.



1 Effective for the calendar year 1992 [~~and thereafter,~~] to
2 2007, "adequate reserve fund" means an amount that is equal to
3 one and one-half times the amount derived by multiplying the
4 benefit cost rate that is the highest during the ten-year period
5 ending on November 30 of each year by the total remuneration
6 paid by all employers, with respect to all employment for which
7 contributions are payable during the last four calendar quarters
8 ending on June 30 of the same year, as reported on contribution
9 reports filed on or before October 31 of the same year.

10 Effective for calendar year 2008 and thereafter, "adequate
11 reserve fund" means an amount that is equal to the benefit cost
12 rate that is the highest during the six-year period ending on
13 November 30 of each year by the total remuneration paid by all
14 employers, with respect to all employment for which
15 contributions are payable during the last four calendar quarters
16 ending on June 30 of the same year, as reported on contribution
17 reports filed on or before October 31 of the same year.

18 "Remuneration", as used in this definition, means wages as
19 defined in section 383-10. For the purpose of determining the
20 highest benefit cost rate, the benefit cost rate for the first
21 twelve-consecutive-calendar-month period beginning with the
22 first day of the first month of the ten-year period and for each



1 succeeding twelve-consecutive-calendar-month period beginning
2 with the first day of each subsequent month shall be computed."

3 SECTION 2. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY:

Bob Hoke

JAN 19 2007



Report Title:

Employment Security

Description:

Redefines "adequate reserve fund" for purposes of unemployment insurance law.

