

DARWIN L.D. CHING DIRECTOR

COLLEEN Y. LaCLAIR DEPUTY DIRECTOR

STATE OF HAWAII DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

830 PUNCHBOWL STREET, ROOM 321 HONOLULU, HAWAII 96813 www.hawaii.gov/labor Phone: (808) 586-8842 / Fax: (808) 586-9099 Email: dlir.director@hawaii.gov

March 17, 2009

To:

The Honorable Karl Rhoads, Chair

and Members of the House Committee on Labor & Public Employment

Date:

March 20, 2009

Time:

9:30 a.m.

Place:

Conference Room 309, State Capitol

From:

Darwin L.D. Ching, Director

Department of Labor and Industrial Relations

S.B. 1664 S.D. 2 - Relating to Employment Security

I. OVERVIEW OF PROPOSED LEGISLATION

S.B. 1664 S.D. 2 proposes to amend Chapter 383, Hawaii Revised Statutes (HRS) to add definitions and claimants' requirements relating to partial unemployment for eligibility, claims filing, and registration, and the employers' reporting requirements. This measure basically seeks to codify what is already contained in our administrative rules for a temporary period, from 7/1/09 thru 6/30/12.

II. CURRENT LAW

Currently, the requirements for partial claims are contained in the Department's administrative rules, Chapter 5, Title 12.

- 1. §12-5-1 on definitions.
- 2. §12-5-31 on registration.
- 3. §12-5-81 on claims filing.
- 4. §12-5-17 on employer reporting.

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III. SENATE/HOUSE BILL

The Department would like to offer the following comments regarding this measure:

The proposed provisions of this bill are already being applied to partial claims as prescribed in our administrative rules. The only difference to our current practice is the extension of partial unemployment from four to eight weeks, which our existing rule permits and we have applied in numerous circumstances to allow employers the flexibility to maintain their staff.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

RANDY PERREIRA Executive Director Tel: 808.543.0011 Fax: 808.528.0922 NORA A. NOMURA
Deputy Executive Director
Tel: 808.543.0003
Fax: 808.528.0922

DEREK M. MIZUNO
Deputy Executive Director
Tel: 808.543.0055
Fax: 808.523.6879

The Twenty-Fifth Legislature, State of Hawaii House of Representatives Committee on Labor & Public Employment

Testimony by Hawaii Government Employees Association March 20, 2009

> S.B. 1664, S.D. 2 – RELATING TO EMPLOYMENT SECURITY

The Hawaii Government Employees Association strongly supports S.B. 1664, S.D. 2, which adds definitions relating to partial unemployment and sets out requirements for claimants' eligibility, registration and employers' reporting for partial unemployment.

The proposal to codify implementation of the partial unemployment system and extend the duration of employees' eligibility for unemployment benefits under partial unemployment is especially important as Hawaii's unemployment rate has reached its highest point in 26 years and has more than doubled since January 2008. We urge passage of this measure.

Thank you for the opportunity to testify in support of S.B. 1664, S.D. 2.

Respectfully submitted,

Nora A. Nomura

Deputy Executive Director



HAWAII STATE AFL-CIO

320 Ward Avenue, Suite 209 • Honolulu, Hawaii 96814

Telephone: (808) 597-1441 Fax: (808) 593-2149

The Twenty-Fifth Legislature, State of Hawaii Hawaii State House of Representatives Committee on Labor and Public Employment

> Testimony by Hawaii State AFL-CIO March 20, 2009

> > S.B. 1664, SD2 – RELATING TO EMPLOYMENT SECURITY

The Hawaii State AFL-CIO strongly supports S.B. 1664, SD2 which adds definitions relating to partial unemployment and sets out claimants' eligibility, claims filing, and registration requirements, and employers' reporting requirements for partial unemployment.

There is no question that Hawaii and the rest of the United States are facing some of the worst economic conditions since the Great Depression. Hawaii unemployment is climbing, with many local businesses closing. Across the country, families are losing their homes and are forced to live in shelters or on the streets with no relief in sight. In fact, on March 6, 2009, the U.S. Labor Department had very disheartening news. Unemployment skyrocketed to a whopping 8.1 percent nationwide with over 650,000 employees laid-off in the month of February alone. The Associated Press stated "the grim figures were further proof that the nation's job climate is deteriorating at an alarming clip with no end in sight." The truth is, the numbers are terribly alarming, and unless something is done soon, the numbers will continue to rise and more and more families will have no choice but to live on the streets rather than in the comfort of their own home.

That is why the state of Hawaii must take action. It is imperative to pass S.B. 1664, SD2 to further help the unemployed and partially unemployed in Hawaii. Keeping families off the streets and children fed should be one of the top priorities for the state of Hawaii.

Thank you for the opportunity to testify.

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Randy Perrein President