Honolulu, Hawaii

, 2010

APR 2 3 2010

RE:

S.B. No. 2324

S.D. 2 H.D. 2 C.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2324, S.D. 2, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO UNEMPLOYMENT INSURANCE BENEFITS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Help ease the financial strain on partially unemployed individuals by authorizing an individual who is attached to a regular employer who is not offering work to receive unemployment insurance benefits under certain specified conditions;
- (2) Require the Department of Labor and Industrial Relations (DLIR), with assistance from the Department of Business, Economic Development, and Tourism (DBEDT), to conduct a

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study on the cost and feasibility of changing the contribution rate schedules for unemployment contributions from annual to semi-annual;

- Require the DLIR, with assistance from the DBEDT, to review the Auditor's study conducted in 1982 regarding the financing mechanisms of the unemployment compensation fund;
- Provide unspecified amounts of funds from the special (4) unemployment insurance administration fund for the DLIR, with the assistance of the DBEDT, to conduct the study and review; and
- (5) Require the DLIR, working with the DBEDT, to submit reports of its findings and recommendations to the Legislature.

Your Committee on Conference finds that an individual who is attached to a regular employer but is separated from that employer because of a lack of work or reduced hours may receive unemployment insurance benefits. In addition, the individual claimant may voluntarily seek part-time or full-time work to supplement or replace their receipt of unemployment insurance benefits. However, should this individual be separated from their secondary employer, the possibility exists that the individual would be disqualified from receiving any unemployment insurance benefits.

Your Committee on Conference believes that the unemployment insurance laws should not penalize an individual for voluntarily seeking employment to supplement their unemployment insurance benefits. Accordingly, your Committee on Conference further finds that if the employee should terminate from a part-time employer, the employee should not be disqualified from receiving their unemployment insurance benefits.

Your Committee on Conference has amended this measure by:

- (1) Deleting its contents and inserting the contents found in the H.D. 1 version of S.B. No. 2324; which essentially removes any requirement for the DLIR, with the assistance of the DBEDT, to conduct any studies, reviews, and reports; and
- Changing the effective date to upon approval. (2)



As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2324, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2324, S.D. 2, H.D. 2, C.D. 1.

Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

KARL RHOADS, Co-Chair

MARCUS R. OSHIRO, Co-Chair

DWIGHT Y. TAKAMINE, Chair

DONNA MERCADO KIM, CO-

Hawaii State Legislature

Record of Votes of a Conference Committee

115-10

Bill / Concurrent Resolution No.: SB 2324, SD 2, HD 2					Date/Time: 123, 2010 3:15 p.m.				
The recommendation of the House and Senate managers is to pass with amendments (CD).									
☐ The Committee is reconsidering its previous decision.									
The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	Е	House Managers	$\frac{1}{A}$	WR	N	Е
TAKAMINE, Dwight Y., Chr.	7				RHOADS, Karl, Co-Chr.	1			
KIM, Donna Mercado, Co-Chr.	V				OSHIRO, Marcus R., Co-Chr.	17			
TANIGUCHI, Brian T.	1				NAKASHIMA, Mark M.	/			
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Senate Recommendation is: Adopted Not Adopted					House Recommendation is: Adopted Not Adopted				
Senate Lead Chair's or Designee's Signature:					House Lead Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Conference Committee Report House Clerk's Office Senate Clerk's Office Drafting Agency									