STAND. COM. REP. NO. 858 -10

Honolulu, Hawaii Migh 19, 2010

RE: S.B. No. 2324 S.D. 2 H.D. 1

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

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 2324, S.D. 2, entitled:

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

begs leave to report as follows:

The purpose of this bill is to assist those receiving partial unemployment benefits who are attached to a regular employer by clarifying that a claimant receiving partial unemployment benefits is not disqualified from receiving benefits upon separating from another employer that offers only part-time employment.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO and ILWU Local 142 testified in support of the intent of this bill. The Department of Labor and Industrial Relations and General Contractors Association of Hawaii opposed this measure.

Currently, individuals who are attached to an employer but separated from that employer because of lack of work may receive "partial" unemployment insurance (UI) benefits. This exempts that individual from work registration and job search requirements because the individual is obligated to be available for work by the employer the worker is attached to and it is expected that work will be available in a timely manner. In addition, the



claimant may voluntarily seek part-time or full-time employment to supplement or supplant the UI benefits that are being received.

However, should this individual be separated from employment with the secondary employer, the possibility exists that the individual would be disqualified from receiving any UI benefits. This measure attempts to correct this issue.

Your Committee notes that H.B. 2257, H.D. 2, provides similar relief to these partially unemployed individuals through amendments to statutory provisions establishing criteria for the disqualification of UI benefits rather than amending statutory provisions that establish eligibility requirements for partial unemployment, which, according to supporters of this measure, would make the language more straightforward and unambiguous. Accordingly, your Committee has amended this measure by replacing it with the provisions contained in H.B. No. 2257, H.D. 2.

Technical, nonsubstantive amendments have also been made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2324, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2324, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

> Respectfully submitted on behalf of the members of the Committee on Labor & Public Employment,

1/2l March

KARL RHOADS, Chair



State of Hawaii House of Representatives The Twenty-fifth Legislature



## Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: Co SB 2324, SD2	Committee Referral: Date: LAB;FIN 3-16-10			3
□ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Image: Pass, unamended (as is) Image: Pass, with amendments (HD) Image: Hold   Image: Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. RHOADS, Karl (C)	/			
2 VAMASHITA Kalo T (VC)				
2. YAMASHITA, Kyle T. (VC)				
3. AQUINO, Henry J.C.	/			
4. AWANA, Karen Leinani				
5. HANOHANO, Faye P.				the research of the second state
6. KEITH-AGARAN, Gilbert S.C.				
7. LEE, Marilyn B.				
8. NAKASHIMA, Mark M.				
9. SAIKI, Scott K.				
10. SOUKI, Joseph M.				
11 TAKIMI Dog M				
11. TAKUMI, Roy M.				
12. PINE, Kymberly Marcos				~
TOTAL (12)	1 (			
The recommendation is: Adopted If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				