HB1076 SD2 LRB 11-3037.doc

## A BILL FOR AN ACT

RELATING TO EMPLOYMENT SECURITY LAW.

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

1 Section 383-123, Hawaii Revised Statutes, is 2 amended to read as follows: 3 "§383-123 Withdrawals; administrative use. 4 Withdrawals. Moneys requisitioned from the State's account in 5 the unemployment trust fund shall be used exclusively for the payment of benefits and for refunds of contributions pursuant to 6 7 section 383-76 and section [+]383-7(a)(6)[+], except that moneys 8 credited to this State's account pursuant to [section] Section 9 903 of the Social Security Act, as amended, shall be used 10 exclusively as provided in subsection (b). The director of finance shall from time to time, with the approval of the 11 12 department of labor and industrial relations in accordance with 13 rules prescribed by the comptroller of the State, requisition 14 from the unemployment trust fund such amounts, not exceeding the 15 amount in the State's account, as it deems necessary for the 16 payment of benefits and refunds of contributions for a 17 reasonable future period. The moneys shall be deposited in the 18 Expenditures of such moneys in the benefit benefit account.

- 1 account and refunds from the clearing account shall not be
- 2 subject to any provisions of law requiring specific
- 3 appropriations or other formal release by state officers of
- 4 moneys in their custody. All benefits and refunds of
- 5 contributions shall be paid from the fund upon warrants drawn
- 6 upon the director of finance by the comptroller of the State
- 7 supported by vouchers approved by the department. Any balance
- 8 of moneys requisitioned from the unemployment trust fund [which]
- 9 that remains unclaimed or unpaid in the benefit account after
- 10 the expiration of the period for which the sums were
- 11 requisitioned shall either be deducted from estimates for, and
- 12 may be [utilized] used for the payment of, benefits and refunds
- 13 during succeeding periods  $[\tau]$  or, in the discretion of the
- 14 department, shall be redeposited with the Secretary of the
- 15 Treasury of the United States, to the credit of this State's
- 16 account in the unemployment trust fund, as provided in section
- **17** 383-122.
- 18 (b) Administrative use. Moneys credited to the account of
- 19 this State in the unemployment trust fund by the Secretary of
- 20 the Treasury of the United States pursuant to [section] Section
- 21 903 of the Social Security Act, as amended, may be requisitioned
- 22 and used for the payment of benefits and for the payment of



1	expenses i	ncurred for the administration of this State's
2	unemployme	nt compensation law and public employment offices
3	pursuant t	o a specific appropriation of the legislature;
4	provided t	hat the expenses are incurred and the money is
5	requisitio	ned after the enactment of an appropriation law that:
6	(1)	Specifies the purposes for which the moneys are
7		appropriated and the amounts appropriated therefor;
8	(2)	Limits the period within which the moneys may be
9	1	obligated to a period ending not more than two years
10	,	after the date of the enactment of the appropriation
11	•	law; and
12	(3)	Limits the amount that may be obligated to an amount
13	-	that does not exceed the amount by which the aggregate
14	ţ	of the amounts credited to the account of this State
<b>15</b> .		pursuant to [section] Section 903 of the Social
16	;	Security Act, as amended, exceeds the aggregate of the
17	i	amounts obligated pursuant to this subsection and
18	(	charged against the amounts credited to the account of
19		this State.
20	Money	s credited to the account of this State pursuant to

[section] Section 903 of the Social Security Act, as amended,

may not be withdrawn or used except for the payment of benefits

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- 1 and for the payment of expenses for the administration of this
- 2 chapter pursuant to this subsection.
- 3 The appropriation, obligation, and expenditure or other
- 4 disposition of moneys appropriated under this subsection shall
- 5 be accounted for in accordance with standards established by the
- 6 United States Secretary of Labor. Moneys appropriated for the
- 7 payment of expenses of administration pursuant to this
- 8 subsection shall be requisitioned as needed for the payment of
- 9 obligations incurred under the law appropriating the moneys and,
- 10 upon requisition, shall be deposited in the employment security
- 11 administration fund from which the payments shall be made.
- 12 Moneys so deposited, until expended, shall remain a part of the
- 13 unemployment compensation fund and, if not expended within one
- 14 week after withdrawn from the unemployment trust fund, shall be
- 15 returned at the earliest practical date to the Secretary of the
- 16 Treasury of the United States for credit to this State's account
- in the unemployment trust fund.
- 18 (c) Notwithstanding subsection (b), moneys credited to the
- 19 State's account in federal fiscal years ending in 2000, 2001,
- 20 and 2002 shall be used solely for the administration of the
- 21 unemployment compensation program and are not subject to the
- 22 specific appropriation requirements of subsection (b), except



- 1 that moneys credited in calendar year 2002 with respect to P.L.
- 2 107-147 shall not be subject to the conditions of this
- 3 subsection or the two-year limitation requirement specified in
- 4 subsection (b).
- 5 (d) Notwithstanding subsection (b), moneys credited to the
- 6 account of this State pursuant to the special transfer made in
- 7 2009 under Section 903(g) of the Social Security Act, as
- 8 amended, shall be used solely for the payment of expenses for
- 9 the administration of this chapter."
- 10 SECTION 2. Statutory material to be repealed is bracketed
- 11 and stricken. New statutory material is underscored.
- 12 SECTION 3. This Act shall take effect upon approval.

## Report Title:

Employment Security

## Description:

Statutorily authorizes the 2009 special administrative transfer for payment of unemployment insurance program administrative expenses. (SD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.