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### A BILL FOR AN ACT

RELATING TO THE EMPLOYMENT SECURITY LAW.

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

1 SECTION 1. Chapter 383, Hawaii Revised Statutes, is 2 amended by adding a new part to be appropriately designated and 3 to read as follows: 4 "PART 5 WORK SHARING PROGRAM 6 \$383-A Shared work program; authority. There shall be 7 established within the department a voluntary work share 8 program. Notwithstanding any provision of this chapter, for the 9 purposes of this part, an individual is "unemployed" in any week 10 if the individual works less than the individual's normal weekly 11 hours of work for the individual's regular employer, and the 12 director rings that the regular employer has reduced or 13 restricted the individual's normal hours of work, or has rehired 14 an individual previously laid off and reduced that individual's 15 normal hours of work from those previously worked, as the result 16 of a plan by the regular employer to, in lieu of a layoff, 17 reduce employment and stabilize the workforce by a program of 18 sharing the work remaining after a reduction in total hours of

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- 1 work and a corresponding reduction in wages of at least ten per
- 2 cent, but in no case greater than fifty per cent.
- 3 §383-B Definitions. As used in this part:
- 4 "Normal weekly hours" shall mean the number of hours in a
- 5 week that the employee normally would work for the regular
- 6 employer or forty hours, whichever is less.
- 7 "Regular employer" shall have the same meaning as
- 8 "employer" and may also include, pursuant to an approved plan, a
- 9 labor organization that periodically employs individuals in
- 10 accordance with a collective bargaining agreement.
- 11 §383-C Plan; approvals and requirements. (a) An
- 12 application for approval of a plan under this part shall require
- 13 the employer to briefly describe the circumstances requiring the
- 14 use of work sharing to avoid layoffs.
- 15 (b) The plan shall involve the participation of at least
- 16 two employees and include not less than ten per cent of the
- 17 employer's regular permanent work force involved in the affected
- 18 employing unit in each week, or in at least one week of a two-
- 19 consecutive-week period.
- 20 (c) A plan approved by the director shall expire within
- 21 one year after the effective date of the plan.



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- 1 §383-D Benefit payable; minimum amount. (a) Except as
  2 otherwise provided in this part, each individual eligible under
  3 this chapter who is unemployed in any week shall be paid, with
- 4 respect to that week, a weekly shared work unemployment
- 5 compensation benefit amount equal to the percentage of reduction
- 6 of the individual's wages resulting from an approved plan,
- 7 rounded to the nearest percentage point, multiplied by the
- 8 individual's weekly benefit amount.
- 9 (b) The benefit payable, if not a multiple of \$1, shall be
- 10 increased to the next highest multiple of \$1.
- 11 (c) If the benefit payable is not greater than \$10, the
- 12 department may withhold payment of the benefit until such time
- 13 as the accrued benefit payable under this part is greater than
- 14 \$10, but in no case shall the department withhold payment for
- 15 more than two weeks.
- 16 (d) An employee shall not be eligible to receive any
- 17 benefits under this part unless the employer agrees, in writing,
- 18 and the bargaining unit, if any, pursuant to any applicable
- 19 collective bargaining agreement agrees, in writing, to
- 20 voluntarily participate in the shared work unemployment
- 21 insurance benefit program created by this part.



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Prohibition against multiple benefit eligibility; 1 extended claim; offset. (a) No individual who receives any 2 3 benefits under this part during any week shall be eligible for 4 any other benefit under this chapter while in employment status 5 with the regular employer who initiated the program of sharing 6 work under this part. No benefits under this part shall be 7 payable on any type of extended claim. 8 Any amount payable under this part shall be reduced by (b) 9 the amount of any and all compensation payable for personal 10 services, whether performed as an employee or an independent 11 contractor, or as a juror or as a witness, except compensation 12 payable by the regular employer under a shared work plan. §383-F Rulemaking; consistency with federal regulations. 13 14 Except as otherwise provided or if inconsistent with this part, 15 all provisions of this chapter and applicable rules apply to 16 this part. The department is authorized to adopt rules in 17 accordance with chapter 91 to effect the purposes of this part. 18 Rules shall be consistent with federal law. 19 §383-G Miscellaneous. (a) The department shall not be 20 required to notify an employer of additional claims that result 21 from an approved plan submitted by the employer under which



benefits are not paid in each week.

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- 1 (b) The director may terminate a shared work plan for good
- 2 cause if the plan is not being carried out according to its
- 3 terms and intent."
- 4 SECTION 2. In codifying the new sections added by section
- 5 1 of this Act, the revisor of statutes shall substitute
- 6 appropriate section numbers for the letters used in designating
- 7 the new sections in this Act.

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

INTRODUCED BY:

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### Report Title:

Employment Security

### Description:

Establishes a voluntary work sharing program for purposes of unemployment compensation within the department of labor and industrial relations.

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