HOUSE OF REPRESENTATIVES TWENTY-SIXTH LEGISLATURE, 2011 STATE OF HAWAII H.B. NO. ¹⁶⁹ H.D. 2 S.D. 2

A BILL FOR AN ACT

RELATING TO EMPLOYMENT SECURITY.

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

1 SECTION 1. Section 383-168, Hawaii Revised Statutes, is 2 amended to read as follows:

3 "\$383-168 Definitions. As used in this part, unless the
4 context clearly requires otherwise:

5	(1)	"Extended	benefit period" means a period which:
6		(A) Begi	ns with the third week after the first week
7		for	which there is a state "on" indicator; and
8		(B) Ends	with either of the following weeks,
9		whic	chever occurs later:
10		(i)	The third week after the first week for
11			which there is a state "off" indicator; or
12		(ii)	The thirteenth consecutive week of [such]
13			the extended benefit period; provided that
14			no extended benefit period may begin before
15			the fourteenth week following the end of a
16			prior extended benefit period [which] that
17			was in effect with respect to this State.

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1	(2) (2	A)	There is a "state 'on' indicator" for this State
2			for a week [which] <u>that</u> begins before September
3			26, 1982, if the director of labor and industrial
4			relations determines, in accordance with the
5			regulations of the United States Secretary of
6			Labor, that for the period consisting of [such]
7			that week and the immediately preceding twelve
8			weeks, the rate of insured unemployment (not
9			seasonally adjusted) under this chapter:
10			(i) Equaled or exceeded 120 per cent of the
11			average of [such] <u>the</u> rates for the
12			corresponding thirteen-week period ending in
13			each of the preceding two calendar years,
14			and
15		(ii) Equaled or exceeded 4 per cent.
16	(]	B)	There is a "state 'on' indicator" for this State
17			for a week [which] <u>that</u> begins after
18		~	September 25, 1982, if the director of labor and
19			industrial relations determines, in accordance
20			with the regulations of the United States
21			Secretary of Labor, that for the period
22			consisting of [such] the week and the immediately
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preceding twelve weeks, the rate of insured unemployment (not seasonally adjusted) under this chapter: Equaled or exceeded 120 per cent of the (i) average of [such] the rates for the corresponding thirteen-week period ending in each of the preceding two calendar years, and (ii) Equaled or exceeded 5 per cent. (3) (A) There is a "state 'off' indicator" for this State for a week [which] that begins before September 26, 1982, if the director determines, in accordance with the regulations of the United States Secretary of Labor, that for the period consisting of [such] the week and the immediately preceding twelve weeks, the rate of insured unemployment (not seasonally adjusted) under this chapter:

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(i) Was less than 120 per cent of the average of
 [such] <u>the</u> rates for the corresponding
 thirteen-week period ending in each of the
 preceding two calendar years, or



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1		(ii) Was less than 4 per cent.
2	(B)	There is a "state 'off' indicator" for this State
3		for a week [which] <u>that</u> begins after
4		September 25, 1982, if the director determines,
5		in accordance with the regulations of the United
6.		States Secretary of Labor, that for the period
7		consisting of [such] <u>the</u> week and the immediately
8		preceding twelve weeks, the rate of insured
9		unemployment (not seasonally adjusted) under this
10		chapter:
11		(i) Was less than 120 per cent of the average of
12		[such] <u>the</u> rates for the corresponding
13		thirteen-week period ending in each of the
14		preceding two calendar years, or
15		(ii) Was less than 5 per cent.
16	(4) (A)	Effective with respect to compensation for weeks
17		of unemployment beginning after December 31,
18		1977, the determination of whether there has been
19		a state "on" or "off" indicator shall be made
20		under paragraphs (2)(A) and (3)(A) of this
21		section as if paragraph (2)(A) did not contain
22		clause (i) thereof and the figure "4" contained

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1	in clause (ii) thereof were "5", and as if
2	paragraph (3)(A) did not contain clause (i)
3	thereof and the figure "4" contained in clause
4	(ii) thereof were "5"; except that,
5	notwithstanding the other provisions of this
6	paragraph to the contrary, any week for which
7	there would otherwise be a state "on" indicator
8	shall continue to be such a week and shall not be
9	determined to be a week for which there is a
10	state "off" indicator.
11 (B)	Effective with respect to compensation for weeks
12	of unemployment beginning after September 25,
13	1982, the determination of whether there has been
14	a state "on" or "off" indicator shall be made
15	under paragraphs (2)(B) and (3)(B) of this
16	section as if paragraph (2)(B) did not contain
17	clause (i) thereof and the figure "5" contained
18	in clause (ii) thereof were "6"; except that,
19	notwithstanding the other provisions of this
20	paragraph to the contrary, any week for which
21	there would otherwise be a state "on" indicator
22	shall continue to be such a week and shall not be

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1		dete	rmined to be a week for which there is a
2		stat	e "off" indicator.
3	<u>(5)</u> (A)	Notw	ithstanding paragraphs (2)(B) and (4)(B) of
4		this	section, there is a "state 'on' indicator"
5		for	this State with respect to weeks of
6		unem	ployment beginning after January 1, 2011,
7		unti	l the week ending four weeks prior to the
8		last	week of unemployment for which one hundred
9		per	cent federal sharing is available under
10		Sect	ion 2005(a) of Public Law No. 111-5, without
11	1	rega	rd to the extension of federal sharing for
12		cert	ain claims as provided under Section 2005(c)
13		of t	nat law, if:
14		(i)	The average rate of total unemployment in
15			this State (seasonally adjusted), as
16			determined by the United States Secretary of
17			Labor, for the period consisting of the most
18			recent three months for which data for all
19	•		states are published before the close of the
20			week equals or exceeds 6.5 per cent, and
21		<u>(ii)</u>	The average rate of total unemployment in
22			this State (seasonally adjusted), as
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1		determined by the United States Secretary of
2		Labor, for the most recent three-month
3		period equals or exceeds 110 per cent of the
4		average for any or all of the corresponding
5		three-month periods ending in the preceding
6		three calendar years during the period
7		beginning January 1, 2011, and ending on
8		December 31, 2011, or the date established
, 9		in federal law permitting this provision.
10	(B)	Notwithstanding paragraphs (3)(B) and (4)(B) of
11		this section, there is a "state 'off' indicator"
12		for this State for a week based on the rate of
13		total unemployment only if for the period
14		consisting of the most recent three months for
15		which data for all States published before the
16		close of the week, subparagraphs (A)(i) and
17		(A)(ii) do not result in an "on" indicator.
18	(C)	Notwithstanding paragraph (10) of this section,
19		an individual's eligibility period shall include
20		any eligibility period provided for in Section
21		2005(b) of Public Law No. 111-5.



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[(5)] (6) "Rate of insured unemployment," for purposes of 1 2 paragraphs (2) and (3) of this section, means the 3 percentage derived by dividing: 4 The average weekly number of individuals filing (A) 5 claims for regular compensation in this State for 6 weeks of unemployment with respect to the most 7 recent thirteen-consecutive-week period, as 8 determined by the director on the basis of the 9 director's reports to the United States Secretary 10 of Labor, by 11 The average monthly employment covered under this (B) 12 chapter for the first four of the most recent six 13 completed calendar quarters ending before the end 14 of [such] the thirteen-week period. 15 [(6)] (7) "Regular benefits" means benefits payable to an 16 individual under this chapter or under any other state 17 law (including benefits payable to federal civilian employees and ex-servicemen pursuant to Title 5 United 18 19 States Code [chapter] Chapter 85) other than extended 20 benefits and additional benefits. 21 [(7)] (8) "Extended benefits" means benefits (including 22 benefits payable to federal civilian employees and to



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1		ex-servicemen pursuant to <u>Title</u> 5 United States Code
2		[chapter] <u>Chapter</u> 85) payable to an individual under
3		[the provisions of] this part for weeks of
4		unemployment in the individual's eligibility period.
5	[(8)]	(9) "Additional benefits" means benefits payable to
6		exhaustees by reason of conditions of high
7		unemployment or by reason of other special factors
8		under the provisions of any state law, including but
9		not limited to chapter 385.
10	[-(9)]	(10) "Eligibility period" of an individual means the
11		period consisting of the weeks in the individual's
12		benefit year [which] that begin in an extended benefit
13		period and, if the individual's benefit year ends
14		within [such] <u>the</u> extended benefit period, any week
15		thereafter [which] that begins in [such] the period.
16	[(10)]	(11) "Exhaustee" means an individual who, with
17		respect to any week of unemployment in the
18		individual's eligibility period:
19		(A) Has received, prior to $[such] \underline{a} week[\tau] \underline{of}$
20		unemployment, all of the regular benefits that
21		were available to the individual under this
22		chapter or any other state law (including
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1		dependents' allowances and benefits payable to
2		federal civilian employees and ex-servicemen
3		under <u>Title</u> 5 United States Code [chapter]
4		Chapter 85) in the individual's current benefit
5		year that includes [such] <u>the</u> week[;] <u>of</u>
6		unemployment; provided that for the purposes of
7	}	this subparagraph, an individual shall be deemed
8		to have received all of the regular benefits that
9		were available to the individual although, as a
10		result of a pending appeal with respect to wages
11		and/or employment that were not considered in the
12		original monetary determination in the
13		individual's benefit year, the individual may
14		subsequently be determined to be entitled to
15		added regular benefits; or
16	(B)	The individual's benefit year having expired
17		prior to [such] <u>the</u> week <u>of unemployment</u> has no,
18		or has insufficient, wages and/or employment on
19		the basis of which the individual could establish
20		a new benefit year that would include [such] the
21		week[+] of unemployment; and

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1	(C)	(i)	Has no right to unemployment benefits or
2			allowances, as the case may be, under the
3		·	Railroad Unemployment Insurance Act, the
4			Trade Expansion Act of 1962, the Automotive
5			Products Trade Act of 1965, and [such] other
6			federal laws as are specified in regulations
7			issued by the United States Secretary of
8			Labor; and
9	(ii)	Has not received and is not seeking
10			unemployment benefits under the unemployment
11			compensation law of the Virgin Islands or of
12			Canada; but if the individual is seeking
13			[such] <u>these</u> benefits and the appropriate
14			agency finally determines that the
15			individual is not entitled to benefits under
16			[such] <u>the</u> law the individual is considered
17			an exhaustee; provided that this provision
18			shall not be applicable to benefits under
19			the Virgin Islands law beginning on the day
20			after the day on which the United States
21			Secretary of Labor approves under section
22			3304(a) of the Internal Revenue Code of 1954



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1	an unemployment compensation law submitted
2	by the Virgin Islands for approval.
3	[(11)] (12) "State law" means the unemployment insurance law
4	of any state, approved by the United States Secretary
5	of Labor under section 3304 of the Internal Revenue
6	Code of 1954."
7	SECTION 2. Section 383-172, Hawaii Revised Statutes, is
8	amended to read as follows:
9	"§383-172 Total extended benefit amount. (a) The total
10	extended benefit amount payable to any eligible individual with
11	respect to the individual's applicable benefit year shall be
12	[fifty per-cent of the total amount of regular benefits which
13	were payable to the individual under this chapter in the
14	individual's applicable benefit year; provided that the amount
15	so determined shall be reduced by the total amount of additional
16	benefits paid (or deemed paid) to the individual for weeks of
17	unemployment in the individual's benefit year which began prior
18	to the effective date of the extended benefit period which is
19	current in the week for which the individual first claims
20	extended benefits.] the lesser of the following amounts:



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1	<u>(1)</u>	Fifty per cent of the total amount of regular benefits
2		that were payable to the individual under this chapter
3		in the individual's applicable benefit year; or
4	(2)	Thirteen times the individual's weekly benefit amount
5		that was payable to an individual under this chapter
6		for a week of total unemployment in the applicable
7		benefit year.
8	(b)	The amount determined under subsection (a) shall be
9	reduced b	y the total amount of additional benefits paid or
10	deemed pa	id to the individual for weeks of unemployment in the
11	individua	l's benefit year that began prior to the effective date
12	of the ex	tended benefit period that is current in the week for
13	which the	individual first claims extended benefits.
14	(C)	Effective with respect to weeks beginning in a high
15	unemploym	ent period, subsection (a) shall be applied by
16	substitut	ing:
17	(1)	"Eighty per cent" for "fifty per cent" in subsection
18		(a)(1); and
19	(2)	"Twenty" for "thirteen" in subsection (a)(2).
20	<u>(d)</u>	For purposes of this section, "high unemployment
21	period" m	eans any period during which an extended benefit period

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1	would be in effect if section 383-168(5)(A)(i) were applied by
2	substituting eight per cent for 6.5 per cent."
3	SECTION 3. There is appropriated out of the general
4	revenues of the State of Hawaii the sum of \$ or so
5	much thereof as may be necessary for fiscal year 2011-2012 for
6	an automated extended benefit claims system.
7	The sum appropriated shall be expended by the department of
8	labor and industrial relations for the purposes of this Act.
9	SECTION 4. Statutory material to be repealed is bracketed
10	and stricken. New statutory material is underscored.
11	SECTION 5. This Act shall take effect on July 1, 2050.



Report Title: Employment Security

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Description:

Establishes a temporary total unemployment rate trigger pursuant to P.L. No. 111-5. Appropriates an unspecified amount for an automated extended benefit claims system. Effective July 1, 2050. (SD2)

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