A BILL FOR AN ACT

RELATING TO EMPLOYMENT.

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

1 SECTION 1. Section 383-22, Hawaii Revised Statutes, is 2 amended by amending subsection (b) to read as follows: " (b) 3 In the case of an individual whose benefit year 4 begins after January 4, 1992, the individual's weekly benefit 5 amount shall be, except as otherwise provided in this section, 6 an amount equal to one twenty-first of the individual's total 7 wages for insured work paid during the calendar quarter of the 8 individual's base period in which such total wages were highest. 9 The weekly benefit amount, if not a multiple of \$1, shall be 10 computed to the next higher multiple of \$1. If an individual's 11 weekly benefit amount is less than \$5, it shall be \$5. 12 maximum weekly benefit amount shall be determined annually as 13 follows: On or before November 30 of each year the total 14 remuneration paid by employers, as reported on contribution 15 reports submitted on or before such date, with respect to all 16 employment during the four consecutive calendar quarters ending on June 30 of the year shall be divided by the average monthly **17** 18 number of individuals performing services in the employment



- 1 during the same four calendar quarters as reported on the
- 2 contribution reports. The amount thus obtained shall be divided
- 3 by fifty-two and the average weekly wage (rounded to the nearest
- 4 cent) thus determined. For benefit years beginning January 1,
- 5 1992, but prior to January 1, 2008, and beginning again on
- 6 January 1, 2012, but prior to April 1, 2012, then beginning
- 7 again on January 1, [2013,] 2014, seventy per cent of the
- 8 average weekly wage shall constitute the maximum weekly benefit
- 9 amount and shall apply to all claims for benefits filed by an
- 10 individual qualifying for payment at the maximum weekly benefit
- 11 amount in the benefit year commencing on or after the first day
- 12 of the calendar year immediately following the determination of
- 13 the maximum weekly benefit amount. For benefit years beginning
- 14 January 1, 2008, and ending December 31, 2011, and beginning
- 15 again on April 1, 2012, and ending December 31, [2012,] <u>2013,</u>
- 16 seventy-five per cent of the average weekly wage shall
- 17 constitute the maximum weekly benefit amount and shall apply to
- 18 all claims for benefits filed by an individual qualifying for
- 19 payment at the maximum weekly benefit amount in the benefit year
- 20 commencing on or after the first day of the calendar year
- 21 immediately following the determination of the maximum weekly
- 22 benefit amount. The maximum weekly benefit amount, if not a



1 multiple of \$1, shall be computed to the next higher multiple of2 \$1.

| 3 | (Column A) | (Column B) | (Column C) | (Column D) |
|-----------|-------------------|------------|------------|-----------------|
| 4 | High | Basic | Minimum | Maximum |
| 5 6 | Quarter | Weekly | Qualifying | Total Benefits |
| 6 | Wages | Benefit | Wages | in Benefit Year |
| 7 8 | \$ 37.50 - 125.00 | \$ 5.00 | \$ 150.00 | \$ 130.00 |
| ·9 | 125.01 - 150.00 | 6.00 | 180.00 | 156.00 |
| 10 | 150.01 - 175.00 | 7.00 | 210.00 | 182.00 |
| 11 | 175.01 - 200.00 | 8.00 | 240.00 | 208.00 |
| 12 | 200.01 - 225.00 | 9.00 | 270.00 | 234.00 |
| 13 | 225.01 - 250.00 | 10.00 | 300.00 | 260.00 |
| 14 | 250.01 - 275.00 | 11.00 | 330.00 | 286.00 |
| 15 | 275.01 - 300.00 | 12.00 | 360.00 | 312.00 |
| 16 | 300.01 - 325.00 | 13.00 | 390.00 | 338.00 |
| 17 | 325.01 - 350.00 | 14.00 | 420.00 | 364.00 |
| 18 | 350.01 - 375.00 | 15.00 | 450.00 | 390.00 |
| 19 | 375.01 - 400.00 | 16.00 | 480.00 | 416.00 |
| 20 | 400.01 - 425.00 | 17.00 | 510.00 | 442.00 |
| 21 | 425.01 - 450.00 | 18.00 | 540.00 | 468.00 |
| 22 | 450.01 - 475.00 | 19.00 | 570.00 | 494.00 |
| 23 | 475.01 - 500.00 | 20.00 | 600.00 | 520.00 |
| 24 | 500.01 - 525.00 | 21.00 | 630.00 | 546.00 |
| 25 | 525.01 - 550.00 | 22.00 | 660.00 | 572.00 |
| 26 | 550.01 - 575.00 | 23.00 | 690.00 | 598.00 |
| 27 | 575.01 - 600.00 | 24.00 | 720.00 | 624.00 |
| 28 | 600.01 - 625.00 | 25.00 | 750.00 | 650.00 |
| 29 | 625.01 - 650.00 | 26.00 | 780.00 | 676.00 |
| 30 | 650.01 - 675.00 | 27.00 | 810.00 | 702.00 |
| 31 | 675.01 - 700.00 | 28.00 | 840.00 | 728.00 |
| 32 | 700.01 - 725.00 | 29.00 | 870.00 | 754.00 |
| 33 | 725.01 - 750.00 | 30.00 | 900.00 | 780.00 |
| 34 | 750.01 - 775.00 | 31.00 | 930.00 | 806.00 |
| 35 | 775.01 - 800.00 | 32.00 | 960.00 | 832.00 |
| 36 | 800.01 - 825.00 | 33.00 | 990.00 | 858.00 |
| 37 | 825.01 - 850.00 | 34.00 | 1020.00 | 884.00 |
| 38 | 850.01 - 875.00 | 35.00 | 1050.00 | 910.00 |
| 39 | 875.01 - 900.00 | 36.00 | 1080.00 | 936.00 |
| 40 | 900.01 - 925.00 | 37.00 | 1110.00 | 962.00 |
| 41 | 925.01 - 950.00 | 38.00 | 1140.00 | 988.00 |

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| 1 | 950.01 - 975.00 | 39.00 | 1170.00 | 1014.00 |
|-----------|------------------|-------|---------|-----------|
| 2 | 975.01 -1000.00 | 40.00 | 1200.00 | 1040.00 |
| 3 | 1000.01 -1025.00 | 41.00 | 1230.00 | 1066.00 |
| 4 | 1025.01 -1050.00 | 42.00 | 1260.00 | 1092.00 |
| 5 | 1050.01 -1075.00 | 43.00 | 1290.00 | 1118.00 |
| 6. | 1075.01 -1100.00 | 44.00 | 1320.00 | 1144.00 |
| 7 | 1100.01 -1125.00 | 45.00 | 1350.00 | 1170.00 |
| 8 | 1125.01 -1150.00 | 46.00 | 1380.00 | 1196.00 |
| 9 | 1150.01 -1175.00 | 47.00 | 1410.00 | 1222.00 |
| 10 | 1175.01 -1200.00 | 48.00 | 1440.00 | 1248.00 |
| 11 | 1200.01 -1225.00 | 49.00 | 1470.00 | 1274.00 |
| 12 | 1225.01 -1250.00 | 50.00 | 1500.00 | 1300.00 |
| 13 | 1250.01 -1275.00 | 51.00 | 1530.00 | 1326.00 |
| 14 | 1275.01 -1300.00 | 52.00 | 1560.00 | 1352.00 |
| 15 | 1300.01 -1325.00 | 53.00 | 1590.00 | 1378.00 |
| 16 | 1325.01 -1350.00 | 54.00 | 1620.00 | 1404.00 |
| 17 | 1350.01 and over | 55.00 | 1650.00 | 1430.00." |
| | | | | |

- 18 SECTION 2. Section 383-68, Hawaii Revised Statutes, is
- 19 amended by amending subsection (c) to read as follows:
- 20 "(c) Effective with calendar year 1992 and thereafter,
- 21 before December 31 of the previous year the contribution rate
- 22 schedule for the following calendar year shall be determined on
- 23 the basis of the relationship between the most recent current
- 24 reserve fund and the most recent adequate reserve fund, in
- 25 accordance with this subsection and subsection (d).
- 26 (1) Whenever the ratio of the current reserve fund to the
- 27 adequate reserve fund is greater than 1.69,
- contribution rate schedule A shall apply.

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| 2 | | adequate reserve fund is 1.3 to 1.69, contribution |
|----|-----|--|
| 3 | | rate schedule B shall apply. |
| 4 | (3) | Whenever the ratio of the current reserve fund to the |
| 5 | | adequate reserve fund is 1.0 to 1.29, contribution |
| 6 | | rate schedule C shall apply. |
| 7 | (4) | Whenever the ratio of the current reserve fund to the |
| 8 | | adequate reserve fund is .80 to .99, contribution rate |
| 9 | | schedule D shall apply. |
| 10 | (5) | Whenever the ratio of the current reserve fund to the |
| 11 | | adequate reserve fund is .60 to .79, contribution rate |
| 12 | | schedule E shall apply. |
| 13 | (6) | Whenever the ratio of the current reserve fund to the |
| 14 | | adequate reserve fund is .40 to .59, contribution rate |

(2) Whenever the ratio of the current reserve fund to the

(7) Whenever the ratio of the current reserve fund to the adequate reserve fund is .20 to .39, contribution rate schedule G shall apply.

schedule F shall apply.

19 (8) Whenever the ratio of the current reserve fund to the 20 adequate reserve fund is less than .20, contribution 21 rate schedule H shall apply.

- 1 Notwithstanding the ratio of the current reserve fund to
- 2 the adequate reserve fund, contribution rate schedule D shall
- 3 apply for calendar year 2010 and contribution rate schedule F
- 4 shall apply for calendar years 2011 [and], 2012[-], and 2013."
- 5 SECTION 3. Section 383-70, Hawaii Revised Statutes, is
- 6 amended by amending subsection (a) to read as follows:
- 7 "(a) Contributions are hereby levied against employers as
- 8 provided in this chapter. Except as may be provided to the
- 9 contrary in accordance with such regulations as the department
- 10 of labor and industrial relations may prescribe, contributions
- 11 shall be paid quarterly on or before the last day of the month
- 12 succeeding the last month of each quarter[-]; provided that for
- 13 the first quarter of 2013, contributions shall be paid on or
- 14 before May 31, 2013."
- 15 SECTION 4. Section 387-2, Hawaii Revised Statutes, is
- 16 amended to read as follows:
- 17 "§387-2 Minimum wages. Except as provided in section
- 18 387-9 and this section, every employer shall pay to each
- 19 employee employed by the employer, wages at the rate of not less
- **20** than:
- 21 [(1) \$6.25 per hour beginning January 1, 2003;
- 22 (2) \$6.75 per hour beginning January 1, 2006; and

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- 1 $\frac{(3)}{(1)}$ \$7.25 per hour beginning January 1, 2007[\div];
- 2 (2) \$7.75 per hour beginning January 1, 2014;
- 3 (3) \$8.25 per hour beginning January 1, 2015;
- 4 (4) \$8.75 per hour beginning January 1, 2016; and
- 5 (5) \$9.00 per hour beginning January 1, 2017.
- 6 The hourly wage of a tipped employee may be deemed to be
- 7 increased on account of tips if the employee is paid not less
- 8 than 25 cents below the applicable minimum wage by the
- 9 employee's employer and the combined amount the employee
- 10 receives from the employee's employer and in tips is at least 50
- 11 cents more than the applicable minimum wage."
- 12 SECTION 5. Statutory material to be repealed is bracketed
- 13 and stricken. New statutory material is underscored.
- 14 SECTION 6. This Act shall take effect upon its approval
- 15 and shall apply retroactively to January 1, 2013.

Report Title:

Employment Security; Weekly Benefit Amounts; Contribution Rate Schedules; Minimum Wages; Increases

Description:

Extends the calculation of the maximum weekly unemployment benefit amount at seventy-five percent of the average weekly wage to December 31, 2013. Retains, for calendar year 2013, the employer contribution rate for unemployment benefits at schedule F and extends the 2013 first quarter deadline for payment of employer contributions to May 31, 2013. Increases the hourly minimum wage to \$7.75 on January 1, 2014, \$8.25 on January 1, 2015, \$8.75 on January 1, 2016, and \$9.00 on January 1, 2017. Applies retroactively to January 1, 2013. (HB1028 HD2)

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