



GOV. MSG. NO. 1101

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

March 2, 2021

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirty First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on March 2, 2021, the following bill was signed into law:

HB1278 HD1

**RELATING TO EMPLOYMENT SECURITY
ACT 001 (21)**

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

ORIGINAL

Approved by the Governor

on MAR 02 2021

HOUSE OF REPRESENTATIVES
THIRTY-FIRST LEGISLATURE, 2021
STATE OF HAWAII

ACT 001
H.B. NO. 1278
H.D. 1

A BILL FOR AN ACT

RELATING TO EMPLOYMENT SECURITY.

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

1 SECTION 1. Section 383-1, Hawaii Revised Statutes, is
2 amended as follows:
3 1. By amending the definition of "benefit year" to read:
4 "~~Benefit year" [with respect to any individual means the~~
5 ~~one-year period beginning with the first day of the first week~~
6 ~~with respect to which the individual first files a valid claim~~
7 ~~for benefits and thereafter the one-year period beginning with~~
8 ~~the first day of the first week with respect to which the~~
9 ~~individual next files a valid claim for benefits after the~~
10 ~~termination of the individual's last preceding benefit year.~~
11 ~~Any claim for benefits made in accordance with section 383-32~~
12 ~~shall be deemed a "valid claim" for the purpose of this~~
13 ~~paragraph if the individual has satisfied the conditions~~
14 ~~required under section 383-29(a)(5). Nothing in sections 383-29~~
15 ~~and 383-30, except section 383-29(a)(5), shall affect the filing~~
16 ~~of a "valid claim" or the establishment of a "benefit year".~~



1 ~~For the purposes of this paragraph a week with respect to which~~
 2 ~~an individual files a valid claim shall be deemed to be "in",~~
 3 ~~"within", or "during" that benefit year which includes the~~
 4 ~~greater part of such week.]~~ means a period of fifty-two
 5 consecutive weeks beginning with the first day of the week in
 6 which an individual files a new valid claim for benefits; except
 7 that the benefit year shall be fifty-three weeks if the filing
 8 of a new valid claim would result in overlapping any quarter of
 9 the base year of a previously filed new claim. A subsequent
 10 benefit year cannot be established until the expiration of the
 11 current benefit year."

12 2. By amending the definition of "week" to read:

13 ""Week" means ~~[any period of seven consecutive days as the~~
 14 ~~department may by rule prescribe.]~~ a period of seven consecutive
 15 calendar days commencing with Sunday and ending at midnight the
 16 following Saturday."

17 SECTION 2. Section 383-29.7, Hawaii Revised Statutes, is
 18 amended to read as follows:

19 **"§383-29.7 Partial unemployment; claim filing**
 20 **requirements, determinations.** (a) Claims for partial
 21 unemployment shall be filed according to section 383-32. [~~For~~



1 ~~partially unemployed individuals, a new claim may be taken~~
2 ~~within twenty-eight days from the week ending date of the first~~
3 ~~week of partial unemployment for which the claim is filed;~~
4 ~~provided that an individual shall not be required to file a~~
5 ~~claim earlier than two weeks from the date wages are paid for~~
6 ~~the claim period.]~~

7 (b) ~~[An individual may file a continued claim~~
8 ~~certification for partial unemployment benefits in person, by~~
9 ~~mail, by telephone, or by using other alternative claim filing~~
10 ~~procedures as instructed or authorized by the department and in~~
11 ~~the manner prescribed by the department with respect to each~~
12 ~~week of the individual's partial unemployment. A continued claim~~
13 ~~certification shall be filed in the same manner as prescribed in~~
14 ~~rules of the department for continued claim certifications for~~
15 ~~total or part-total unemployment benefits and not later than~~
16 ~~twenty-eight days from the end of the week for which the~~
17 ~~individual claims benefits; provided that an individual shall~~
18 ~~not be required to file a continued claim certification earlier~~
19 ~~than two weeks from the date wages are paid for a claim period.]~~
20 Continued claim certifications for partial unemployment benefits



1 shall be filed in the same manner and extent that apply to total
2 or part-total unemployment benefits."

3 SECTION 3. Section 383-62, Hawaii Revised Statutes, is
4 amended by amending subsection (a) to read as follows:

5 "(a) Except as otherwise provided in this section, each
6 employer shall pay contributions determined in accordance with
7 sections 383-66 and 383-68.

8 Notwithstanding any other provision of this part to the
9 contrary, for the calendar years 1977 and 1978 each employer
10 (except any employer making payments instead of contributions
11 pursuant to subsection (b) or (d)) shall pay contributions equal
12 to three and one-half per cent of wages paid by the employer
13 during such calendar years.

14 Notwithstanding any other provision of this part to the
15 contrary, for weeks of unemployment beginning March 15, 2020,
16 and ending on March 20, 2021, any base period employer charged
17 with benefits that are not a direct result of the COVID-19
18 pandemic shall be entitled to a relief in the form of a fifty
19 per cent credit against the amount owed by the reimbursable
20 employer; provided that this relief shall not apply to any base



1 period employer making reimbursements instead of contributions
2 pursuant to subsection (b)."

3 SECTION 4. Section 383-68, Hawaii Revised Statutes, is
4 amended by amending subsection (c) to read as follows:

5 "(c) Effective with calendar year 1992 and thereafter,
6 before December 31 of the previous year the contribution rate
7 schedule for the following calendar year shall be determined on
8 the basis of the relationship between the most recent current
9 reserve fund and the most recent adequate reserve fund, in
10 accordance with this subsection and subsection (d).

11 (1) Whenever the ratio of the current reserve fund to the
12 adequate reserve fund is greater than 1.69,
13 contribution rate schedule A shall apply.

14 (2) Whenever the ratio of the current reserve fund to the
15 adequate reserve fund is 1.3 to 1.69, contribution
16 rate schedule B shall apply.

17 (3) Whenever the ratio of the current reserve fund to the
18 adequate reserve fund is 1.0 to 1.29, contribution
19 rate schedule C shall apply.



1 (4) Whenever the ratio of the current reserve fund to the
2 adequate reserve fund is .80 to .99, contribution rate
3 schedule D shall apply.

4 (5) Whenever the ratio of the current reserve fund to the
5 adequate reserve fund is .60 to .79, contribution rate
6 schedule E shall apply.

7 (6) Whenever the ratio of the current reserve fund to the
8 adequate reserve fund is .40 to .59, contribution rate
9 schedule F shall apply.

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

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

16 Notwithstanding the ratio of the current reserve fund to
17 the adequate reserve fund, contribution rate schedule D shall
18 apply for calendar [~~year 2010 and contribution rate schedule F~~
19 ~~shall apply for calendar years 2011 and 2012.~~] years 2021 and
20 2022."



1 SECTION 5. Section 383-69, Hawaii Revised Statutes, is
2 amended to read as follows:

3 **"§383-69 Procedure for rate determination.** The department
4 of labor and industrial relations, as soon as is reasonably
5 possible in each period, shall make its classification of
6 employers for the period and notify each employer of the
7 employer's rate of contributions for the period as determined
8 pursuant to sections 383-63 to 383-69. The determination shall
9 become conclusive and binding upon the employer unless the
10 employer appeals the determination by filing a written notice of
11 appeal within fifteen days after the mailing of notice of the
12 determination to the employer's last known address. The appeal
13 shall be heard by the referee in accordance with applicable
14 provisions of sections 383-38 and 383-39 but no employer shall
15 have standing, in any proceeding involving the employer's rate
16 of contributions or contribution liability, to contest the
17 chargeability to the employer's account of any benefits paid in
18 accordance with a determination, redetermination, or decision
19 pursuant to sections 383-31 to 383-43; provided that the
20 services on the basis of which the benefits were found to be
21 chargeable did not constitute services performed in employment



1 for the employer and only if the employer was not a party to the
2 determination, redetermination, or decision, or to any other
3 proceedings under this chapter in which the character of the
4 services was determined. The referee's determination shall
5 become final unless a proceeding for judicial review in the
6 manner provided in chapter 91 is commenced in the circuit court
7 of the judicial circuit in which the employer resides or has the
8 employer's principal place of business or in the circuit court
9 of the first judicial circuit. An appeal may be taken from the
10 decision of the circuit court to the intermediate appellate
11 court, subject to chapter 602. Notwithstanding any other
12 provision of this chapter, the director shall for calendar years
13 2021 and 2022 modify the annual computation to omit benefits
14 charged for all employers to address the disruptions caused by
15 the COVID-19 pandemic."

16 SECTION 6. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 7. This Act shall take effect upon its approval;
19 provided that sections 4 and 5 of this Act shall take effect
20 retroactive to January 1, 2021.



H.B. NO. 1278
H.D. 1

APPROVED this 02 day of MAR, 2021

A handwritten signature in black ink, appearing to read "David Ige". The signature is written in a cursive style with a large, sweeping flourish at the end.

GOVERNOR OF THE STATE OF HAWAII

HB No. 1278, HD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: February 8, 2021
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Third Reading in the House of Representatives of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2021.



Scott K. Saiki
Speaker
House of Representatives



Brian L. Takeshita
Chief Clerk
House of Representatives

THE SENATE OF THE STATE OF HAWAII

Date: FEB 22 2021
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Third Reading in the Senate of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2021.



Ronald D. Kouchi
President of the Senate



Carol T. Taniguchi
Clerk of the Senate