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# A BILL FOR AN ACT

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RELATING TO EMPLOYMENT SECURITY.

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

1       SECTION 1. Section 383-68, Hawaii Revised Statutes, is  
2 amended by amending subsections (c) and (d) to read as follows:

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

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

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

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



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

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

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

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

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

Notwithstanding the ratio of the current reserve fund to the adequate reserve fund, contribution rate schedule D shall apply for calendar year 2010 and contribution rate schedule F shall apply for calendar years 2011 and 2012.

Notwithstanding the ratio of the current reserve fund to the adequate reserve fund, contribution rate schedule D shall



1 apply for calendar year 2021, contribution rate schedule E shall  
 2 apply for calendar year 2022, and contribution rate schedule F  
 3 shall apply for calendar year 2023.

4 (d) Subject to the requirements of sections 383-63 to  
 5 383-69, an employer's contribution rate for calendar year 1992  
 6 and for each calendar year thereafter shall be that rate which  
 7 appears on the same line as the employer's reserve ratio for  
 8 that year in the contribution rate schedule applicable for the  
 9 year as specified in subsection (c).

10 CONTRIBUTION RATE SCHEDULES (rates in percentages)

11	Reserve Ratio	A	B	C	D	E	F	G	H
12	.1500 and over	0.0	0.0	0.0	0.2	0.6	1.2	1.8	2.4
13	.1400 to .1499	0.0	0.0	0.1	0.4	0.8	1.4	2.0	2.6
14	.1300 to .1399	0.0	0.0	0.2	0.6	1.0	1.6	2.2	2.8
15	.1200 to .1299	0.0	0.1	0.4	0.8	1.2	1.8	2.4	3.0
16	.1100 to .1199	0.0	0.2	0.6	1.0	1.4	2.0	2.6	3.2
17	.1000 to .1099	0.1	0.3	0.8	1.2	1.6	2.2	2.8	3.4
18	.0900 to .0999	0.3	0.5	1.0	1.4	1.8	2.4	3.0	3.6
19	.0800 to .0899	0.5	0.7	1.2	1.6	2.0	2.6	3.2	3.8
20	.0700 to .0799	0.7	0.9	1.4	1.8	2.2	2.8	3.4	4.0
21	.0600 to .0699	0.9	1.1	1.6	2.0	2.4	3.0	3.6	4.2



1	.0500 to .0599	1.1	1.3	1.8	2.2	2.6	3.2	3.8	4.4
2	.0300 to .0499	1.3	1.5	2.0	2.6	3.0	3.6	4.2	4.8
3	.0000 to .0299	1.7	1.9	2.4	3.0	3.4	4.0	4.6	5.2
4	-.0000 to -.0499	2.1	2.3	2.8	3.4	3.8	4.4	5.0	5.4
5	-.0500 to -.0999	2.5	2.7	3.2	4.0	4.4	5.0	5.4	<del>5.6</del>
6									<u>5.4</u>
7	-.1000 to -.4999	2.9	3.1	3.6	4.6	5.0	5.4	<del>5.6</del>	<del>5.8</del>
8								<u>5.4</u>	<u>5.4</u>
9	-.5000 to -.9999	3.4	3.6	4.2	5.2	5.4	<del>5.6</del>	<del>5.8</del>	<del>6.0</del>
10							<u>5.4</u>	<u>5.4</u>	<u>5.4</u>
11	-1.0000 to -1.4999	4.1	4.2	4.8	5.4	<del>5.6</del>	<del>5.8</del>	<del>6.0</del>	<del>6.2</del>
12						<u>5.4</u>	<u>5.4</u>	<u>5.4</u>	<u>5.4</u>
13	-1.5000 to -1.9999	4.7	4.8	5.4	<del>5.6</del>	<del>5.8</del>	<del>6.0</del>	<del>6.2</del>	<del>6.4</del>
14					<u>5.4</u>	<u>5.4</u>	<u>5.4</u>	<u>5.4</u>	<u>5.4</u>
15	-2.0000 and less	5.4	5.4	<del>5.6</del>	<del>5.8</del>	<del>6.0</del>	<del>6.2</del>	<del>6.4</del>	<del>6.6</del>
16				<u>5.4</u>	<u>5.4</u>	<u>5.4</u>	<u>5.4</u>	<u>5.4</u>	<u>5.4"</u>

17 SECTION 2. Statutory material to be repealed is bracketed  
18 and stricken. New statutory material is underscored.

19 SECTION 3. This Act shall take effect upon its approval  
20 and shall apply retroactively to January 1, 2021; provided that  
21 this Act shall be repealed on January 1, 2024, and section



# H.B. NO. 1182

1 383-68(c) and (d), Hawaii Revised Statutes, shall be reenacted  
2 in the form in which they read on the day before the effective  
3 date of this Act.

4

INTRODUCED BY:

Val Oka

JAN 26 2021



# H.B. NO. 1182

**Report Title:**

Employment Security; Unemployment Insurance; Reserve Fund; Rate Calculation; Employer Contribution; Moratorium; Sunset

**Description:**

Temporarily reduces employer contribution rates for unemployment insurance. Repeals 1/1/2024.

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