
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".~~
17 ~~For the purposes of this paragraph a week with respect to which~~



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

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

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

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

18 "§383-29.7 Partial unemployment; claim filing
19 requirements [7]; determinations. (a) Claims for partial
20 unemployment benefits shall be filed according to section 383-
21 32. [~~For partially unemployed individuals, a new claim may be~~



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

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



1 and extent that apply to total or part-total unemployment
2 benefits."

3 SECTION 3. 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.]~~ 2021;
20 contribution rate schedule F shall apply for calendar year 2022;



1 and contribution rate schedule G shall apply for calendar year
2 2023."

3 SECTION 4. Section 383-69, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "§383-69 Procedure for rate determination. The department
6 [~~of labor and industrial relations~~], as soon as is reasonably
7 possible in each period, shall make its classification of
8 employers for the period and notify each employer of the
9 employer's rate of contributions for the period as determined
10 pursuant to sections 383-63 to 383-69. The determination shall
11 become conclusive and binding upon the employer unless the
12 employer appeals the determination by filing a written notice of
13 appeal within fifteen days after the mailing of notice of the
14 determination to the employer's last known address. The appeal
15 shall be heard by the referee in accordance with applicable
16 provisions of sections 383-38 and 383-39 but no employer shall
17 have standing, in any proceeding involving the employer's rate
18 of contributions or contribution liability, to contest the
19 chargeability to the employer's account of any benefits paid in
20 accordance with a determination, redetermination, or decision
21 pursuant to sections 383-31 to 383-43; provided that the



1 services on the basis of which the benefits were found to be
2 chargeable did not constitute services performed in employment
3 for the employer and only if the employer was not a party to the
4 determination, redetermination, or decision, or to any other
5 proceedings under this chapter in which the character of the
6 services was determined. The referee's determination shall
7 become final unless a proceeding for judicial review in the
8 manner provided in chapter 91 is commenced in the circuit court
9 of the judicial circuit in which the employer resides or has the
10 employer's principal place of business or in the circuit court
11 of the first judicial circuit. An appeal may be taken from the
12 decision of the circuit court to the intermediate appellate
13 court, subject to chapter 602. Notwithstanding any other
14 provision of this chapter to the contrary, to address the
15 disruptions caused by the coronavirus disease 2019 (COVID-19)
16 pandemic, the director may modify the annual contribution rate
17 computation method for calendar years 2021 and 2022 for all
18 employers to omit benefits charged to their accounts."

19 SECTION 5. Statutory material to be repealed is bracketed
20 and stricken. New statutory material is underscored.



1 SECTION 6. This Act shall take effect upon its approval;
2 provided that sections 3 and 4 of this Act shall take effect
3 retroactive to January 1, 2021.

4



Report Title:

Employment Security; Unemployment Compensation Trust Fund

Description:

Sets the rate of employer contributions to the State Unemployment Compensation Trust Fund for calendar years 2021, 2022, and 2023, at schedules D, F, and G, respectively, under the Hawaii employer security law. Allows the director of labor and industrial relations to modify the annual contribution rate computation method for all employers for calendar years 2021 and 2022, by omitting from the calculation, benefits charged against their accounts. Amends the definitions of benefit year and week. Conforms the manner of filing partial unemployment benefits claims to those of total and part-total unemployment benefits claims. Effective date of amendments to the contribution rate schedule and computation method is retroactive to 1/1/2021. (SD1)

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