

JAN 22 2021

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# 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 the  
15 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, determinations.** (a) Claims for partial  
20 unemployment shall be filed according to section 383-32. [~~For~~  
21 ~~partially unemployed individuals, a new claim may be taken~~



1 ~~within twenty-eight days from the week-ending date of the first~~  
2 ~~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 claim~~  
12 ~~certification shall be filed in the same manner as prescribed in~~  
13 ~~rules of the department for continued claim certifications for~~  
14 ~~total or part-total unemployment benefits and not later than~~  
15 ~~twenty-eight days from the end of the week for which the~~  
16 ~~individual claims benefits; provided that an individual shall~~  
17 ~~not be required to file a continued claim certification earlier~~  
18 ~~than two weeks from the date wages are paid for a claim period.]~~  
19 Continued claim certifications for partial unemployment benefits  
20 shall be filed in the same manner and extent that apply to total  
21 or part-total unemployment benefits."



# S.B. NO. 602

1           SECTION 3. Section 383-68, Hawaii Revised Statutes, is  
2 amended by amending subsection (c) 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.

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



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

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

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

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

13 Notwithstanding the ratio of the current reserve fund to  
14 the adequate reserve fund, contribution rate schedule [D] C  
15 shall apply for calendar year [2010 and contribution rate  
16 schedule F shall apply for calendar years 2011 and 2012.] 2021,  
17 D for calendar year 2022, and E for calendar year 2023."

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

20 "**§383-69 Procedure for rate determination.** The department  
21 of labor and industrial relations, as soon as is reasonably



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



# S.B. NO. 602

1 become final unless a proceeding for judicial review in the  
2 manner provided in chapter 91 is commenced in the circuit court  
3 of the judicial circuit in which the employer resides or has the  
4 employer's principal place of business or in the circuit court  
5 of the first judicial circuit. An appeal may be taken from the  
6 decision of the circuit court to the intermediate appellate  
7 court, subject to chapter 602. Notwithstanding any other  
8 provision of this chapter, the director may for calendar years  
9 2021 and 2022 modify the annual computation to omit benefits  
10 charged for all employers to address the disruptions caused by  
11 COVID-19."

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 provided that sections 3 and 4 of this Act shall take effect  
16 retroactive to January 1, 2021.

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INTRODUCED BY:

R. D. O. G. e.  
by request



# S.B. NO. 682

**Report Title:**

Employment Security; DLIR

**Description:**

Amends the definitions of benefit year and week. Conforms the manner of filing claims for partial benefits to the same as for total or part-total benefits. Allows the director of labor and industrial relations to omit benefits charged for experience rating for employers due to the event of COVID-19 in calendar years 2021 and 2022. For calendar years 2021, 2022, and 2023, sets the employer contribution rate at schedule C, D, and E, respectively. Makes amendments to contribution rate schedule and procedure for determination retroactive to 1/1/2021.

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

