

DAVID Y. IGE
GOVERNOR

JOSH GREEN
LIEUTENANT GOVERNOR



ANNE E. PERREIRA-EUSTAQUIO
DIRECTOR

DEPT. COMM. NO. 01
JOANN A. VIDINHAR
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STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
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November 5, 2021

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

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

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

For your information and consideration, I am transmitting two (2) copies of the Department of Labor and Industrial Relations (DLIR) Non-General Fund Reports for the fiscal year ending June 30, 2021, as required by section 37-47, Hawaii Revised Statutes (HRS).

The following reports are included in this transmittal: (1) Unemployment Insurance Trust Fund; (2) Unemployment Insurance Special Fund; (3) Unemployment Insurance Administration Fund; (4) UI Fraud Detection; (5) Employment Security Appeals Referees' Office; (6) UI Emergency Administrative Grants – EUISAA; and (7) COVID-19 Pandemic UI Grant Programs.

In accordance with section 93-16, HRS, I am also informing you that the report may be viewed electronically at <http://labor.hawaii.gov/find-a-report/>.

Sincerely,

A handwritten signature in black ink, reading "Anne Eustaquio".

Anne E. Perreira-Eustaquio
Director

Enclosure

**Report on Non-General Fund Information
for Submittal to the 2022 Legislature**

Department: Labor and Industrial Relations
 Prog ID(s): LBR 171
 Name of Fund: Unemployment Insurance Fund
 Legal Authority: Chapter 383-121, HRS

Contact Name: Ferdinand Casabay
 Phone: 586-8905
 Fund type (MOF): Trust (T)
 Appropriation Acct. No. **T-912-L, T-913-L (Effective 07/01/16)**
(Previous Appropriation S-312-L, S-313-L)

Intended Purpose: All contributions pursuant to this chapter shall be paid into the fund and compensation and benefits payable pursuant to this chapter shall be paid from the fund.

Source of Revenues: Contributions collected pursuant to Chapter 383 Hawaii Revised Statutes, interest earned on moneys in the fund, property or securities and earnings of such property or securities, and moneys credited pursuant to Section 903 of the Social Security Act.

Current Program Activities/Allowable Expenses: Payment of unemployments insurance benefits and for refunds of contributions, and payment of Administrative expenses from money credited pursuant to Section of the Social Security Act.

Variances: TBD

Financial Data							
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
	(actual)	(actual)	(actual)	(actual)	(actual)	(estimated)	(estimated)
Appropriation Ceiling	358,000,000.00	358,000,000.00	358,000,000.00	358,000,000.00	358,000,000.00	358,000,000.00	358,000,000.00
Beginning Cash Balance		513,503,936.90	530,287,508.45	569,144,145.62	88,164,662.49	3,061,953.45	0.00
Revenues	182,714,380.90	193,972,879.55	203,048,926.34	1,444,306,488.78	3,805,935,006.13	1,500,000,000.00	500,000,000.00
Expenditures	173,796,550.00	177,245,623.00	164,192,289.17	1,925,285,971.91	4,161,051,511.17	1,503,061,953.45	500,000,000.00
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
Trf fr S-312	504,160,664.00						
Trf fr S-313	425,442.00	56,315.00					
Trf fr T-915					270,013,796.00		
Net Total Transfers	504,586,106.00	56,315.00			270,013,796.00		
Ending Cash Balance	513,503,936.90	530,287,508.45	569,144,145.62	88,164,662.49	3,061,953.45	0.00	0.00
Encumbrances							
Unencumbered Cash Balance	513,503,936.90	530,287,508.45	569,144,145.62	88,164,662.49	3,061,953.45	0.00	0.00

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

**Report on Non-General Fund Information
for Submittal to the 2022 Legislature**

Department: Labor and Industrial Relations
 Prog ID(s): LBR 171
 Name of Fund: Unemployment Insurance Fund
 Legal Authority: Chapter 383-127, HRS

Contact Name: Ferdinand B. Casabay
 Phone: 586-8905
 Fund type (MOF) Special (B)
 Appropriation Acct. No. **S-313-L (Effective 07/01/16)**
(Previous Appropriation S-314-L)

Intended Purpose: Payment of refunds, interest, and expenditures deemed necessary in the administration of thi chapter for which no allocation of federal adminstration funds have been made.

Source of Revenues: Interest, fines and penatlities collected pursuant to Chapter 383 Hawaii Revised Statutes.

Current Program Activities/Allowable Expenses: Payment of various expenses relating to the administration of the unemployment insurance program.

Variances: None

Financial Data							
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
	(actual)	(actual)	(actual)	(actual)	(actual)	(estimated)	(estimated)
Appropriation Ceiling	2,000,000	3,191,310	3,191,310	3,112,993	3,112,993	3,117,682	3,117,682
Beginning Cash Balance	0	9,349,983	7,963,666	6,004,656	8,080,326	10,123,585	8,323,585
Revenues	1,561,001	670,565	1,042,038	2,075,671	2,043,259	1,200,000	1,200,000
Expenditures	2,105,912	2,000,566	3,001,049	0	0	3,000,000	3,000,000
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
Misc Trf/Adj fr S-314	9,894,879						
CW E09339 adj	14						
Adj Trf to T-913		(56,315)					
Net Total Transfers	9,894,893	(56,315)					
Ending Cash Balance	9,349,982	7,963,666	6,004,656	8,080,326	10,123,585	8,323,585	6,523,585
Encumbrances							
Unencumbered Cash Balance	9,349,982	7,963,666	6,004,656	8,080,326	10,123,585	8,323,585	6,523,585

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

Department: LBR
 Prog ID(s): LBR 171 / LA
 Name of Fund: Unemployment Insurance Administration
 Legal Authority: Social Security Act, As Amended

Contact Name: Nora Iba
 Phone: 808-586-9971
 Fund type (MOF) N
 Appropriation Acct. No. S-XX-211-L
S-15-211, S-16-211, S-17-211,
S-18-211, S-19-211, S-20-211,
S-21-211

Intended Purpose: To administer the statewide Unemployment Insurance Program.

Source of Revenues: Federal grant from U.S. Department of Labor
 CFDA 17.225

Current Program Activities/Allowable Expenses: Payment of administrative costs to administer the Unemployment Insurance Program.

Variances: Increase in revenue and expenditures in FY 2020 & FY 2021 due to increase in grant funds received and expenditures incurred due to COVID-19.

Financial Data							
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
	(actual)	(actual)	(actual)	(actual)	(actual)	(estimated)	(estimated)
Appropriation Ceiling	21,000,000	15,000,000	15,000,000	13,500,000	14,000,000	20,000,000	20,000,000
Beginning Cash Balance	622,182	2,702,428	2,723,659	4,720,835	4,749,530	3,639,955	3,639,955
Revenues	15,168,162	13,149,641	15,664,525	18,824,968	24,613,694	18,000,000	16,000,000
Expenditures	11,906,940	13,642,648	12,700,047	18,544,453	12,818,073	18,000,000	16,000,000
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
Transfers to S-227	(862,812)	(430,994)	(316,186)	(326,133)	(1,257,883)		
Transfers to S-245			(24,298)	(475,687)			
Transfers to S-269					(3,939,342)		
Transfers to S-272					(6,661,657)		
Transfers to S-281					771,277		
Other transfers	(318,164)	945,232	(626,818)	550,000	(1,817,591)		
Net Total Transfers	(1,180,976)	514,238	(967,302)	(251,820)	(12,905,196)	0	0
Ending Cash Balance	2,702,428	2,723,659	4,720,835	4,749,530	3,639,955	3,639,955	3,639,955
Encumbrances	826,075	1,203,568	1,031,563	601,518	1,051,422		
Unencumbered Cash Balance	1,876,353	1,520,091	3,689,272	4,148,012	2,588,533	3,639,955	3,639,955

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

Department: LBR
 Prog ID(s): LBR 171 / LA
 Name of Fund: UI Fraud Detection System
 Legal Authority: Social Security Act, As Amended

Contact Name: Nora Iba
 Phone: 808-586-9971
 Fund type (MOF) N
 Appropriation Acct. No. S-XX-245-L
 S-17-245-L, S-20-245-L

Intended Purpose: To detect and prevent fraudulent UI overpayments.

Source of Revenues: Federal grant from U.S. Department of Labor
 CFDA 17.225

Current Program Activities/Allowable Expenses: To design and implement applications to detect and prevent fraudulent UI overpayments.

Variances:

Financial Data							
	FY 2017 (actual)	FY 2018 (actual)	FY 2019 (actual)	FY 2020 (actual)	FY 2021 (actual)	FY 2022 (estimated)	FY 2023 (estimated)
Appropriation Ceiling	500,000	500,000	500,000	500,000	0	0	0
Beginning Cash Balance			0	0	0	0	0
Revenues			0	0	0	0	0
Expenditures			24,298	475,687	0	0	0
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
Transfers from S-211			24,298	475,687	0	0	0
Net Total Transfers	0	0	24,298	475,687	0	0	0
Ending Cash Balance	0	0	0	0	0	0	0
Encumbrances							
Unencumbered Cash Balance	0	0	0	0	0	0	0

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

Department: LBR
 Prog ID(s): LBR 871 / LB
 Name of Fund: Employment Security Appeals Referee Office
 Legal Authority: Social Security Act, As Amended

Contact Name: Nora Iba
 Phone: 808-586-9971
 Fund type (MOF) N
 Appropriation Acct. No. S-21-281-L

Intended Purpose: To capture total expenditures of the Employment Security Appeals Referee Office in the fiscal year.

Source of Revenues: Funded by federal grant from U.S. Department of Labor awarded to pay administrative costs of the Unemployment Insurance Program. Funds are received in LBR171 LA, S-211.

Current Program Activities/Allowable Expenses: Payment of expenditures to fund the activities of the Employment Security Appeals Referee Office.

Variances: No transfers from S-211 to X-281 were made prior to FY 2021. In FB 21-23 Executive Budget request for FY22 & FY 23, LBR871 is to be folded into LBR171 as funds are actually received into LBR171.

Financial Data							
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
	(actual)	(actual)	(actual)	(actual)	(actual)	(estimated)	(estimated)
Appropriation Ceiling	1,165,559	1,165,559	1,165,559	1,165,559	1,165,559	0	0
Beginning Cash Balance	0	0	0	0	0	(0)	(0)
Revenues					771,277		
Expenditures							
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
Transfers from S-211					(771,277)		
Net Total Transfers	0	0	0	0	(771,277.00)	0	0
Ending Cash Balance	0	0	0	0	(0)	(0)	(0)
Encumbrances							
Unencumbered Cash Balance	0	0	0	0	(0)	(0)	(0)

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

Department: LBR
 Prog ID(s): LBR 171 / LA
 Name of Fund: UI Emergency Administrative Grants-EUISAA
 Legal Authority: H.R.6199 - Emergency Unemployment Insurance
Stabilization and Access Act of 2020

Contact Name: Nora Iba
 Phone: 808-586-9971
 Fund type (MOF) N
 Appropriation Acct. No. S-20-269-L

Intended Purpose: Emergency grant from the U.S. Department of Labor in response to the coronavirus outbreak. To cover administrative costs of processing and paying claims

Source of Revenues: Federal grant from U.S. Department of Labor
CFDA 17.225

Current Program Activities/Allowable Expenses: Payment of Administrative costs to administer the Unemployment Insurance Program.

Variances:

Financial Data							
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
	(actual)	(actual)	(actual)	(actual)	(actual)	(estimated)	(estimated)
Appropriation Ceiling				3,939,342	3,939,342	0	0
Beginning Cash Balance				0	0	0	0
Revenues				0	0	0	0
Expenditures				0	3,939,342	0	0
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
Transfers from S-211					3,939,342	0	0
Net Total Transfers	0	0	0	0	3,939,342	0	0
Ending Cash Balance	0	0	0	0	0	0	0
Encumbrances							
Unencumbered Cash Balance	0	0	0	0	0	0	0

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

Department: LBR
 Prog ID(s): LBR 171 / LA
 Name of Fund: COVID-19 Pandemic UI Grant Programs
 Legal Authority: Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020, Public Law 116-136

Contact Name: Nora Iba
 Phone: 808-586-9971
 Fund type (MOF) N
 Appropriation Acct. No. S-XX-272-L

Intended Purpose: To cover administrative costs of the Unemployment Insurance Division incurred in implementing and administering benefit programs authorized under the CARES Act of 2020. These include eliminating the waiting week, Federal Pandemic Unemployment Compensation (FPUC) which provides an additional \$600 per week benefit, Pandemic Emergency Unemployment Compensation (PEUC) which pays up to 13 additional weeks of unemployment benefits, Pandemic Unemployment Assistance (PUA) which provides benefits to individuals who are self-employed or otherwise don't qualify for regular unemployment compensation or PEUC, and Mixed Earners Unemployment Compensation (MEUC) which provides an additional \$100 per week benefit for certain individuals.

Source of Revenues: Federal grant from U.S. Department of Labor
 CFDA 17.225

Current Program Activities/Allowable Expenses: Payment of implementation costs and ongoing administrative costs including programming fees and staff time and overhead.

Variances:

Financial Data							
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
	(actual)	(actual)	(actual)	(actual)	(actual)	(estimated)	(estimated)
Appropriation Ceiling							
Beginning Cash Balance					0	0	0
Revenues					0	26,000,000	0
Expenditures					6,661,657	26,000,000	0
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
Transfers from S-211					6,661,657		0
Net Total Transfers	0	0	0	0	6,661,657	0	0
Ending Cash Balance	0	0	0	0	0	0	0
Encumbrances							
Unencumbered Cash Balance	0	0	0	0	0	0	0

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							