A BILL FOR AN ACT

RELATING TO EMPLOYMENT SECURITY.

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

1 Section 383-68, Hawaii Revised Statutes, is SECTION 1. 2 amended by amending subsections (c) and (d) to read as follows: 3 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 Whenever the ratio of the current reserve fund to the (1)**10** adequate reserve fund is greater than 1.69, 11 contribution rate schedule A shall apply. 12 Whenever the ratio of the current reserve fund to the (2) 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

rate schedule C shall apply.

17

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	Notwi	ithstanding the ratio of the current reserve fund to
17	the adequa	ate reserve fund, contribution rate schedule D shall
18	apply for	calendar year 2010 and contribution rate schedule F
19	shall appl	ly for calendar years 2011 and 2012.
20	Notwi	ithstanding the ratio of the current reserve fund to

the adequate reserve fund, contribution rate schedule D shall

21

- 1 apply for calendar year 2022, contribution rate schedule E shall
- 2 apply for calendar year 2023, and contribution rate schedule F
- 3 shall apply for calendar year 2024.
- 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 Ra	atio	A	В	С	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	[5.6]
6											5.4
7	1000	to	4999	2.9	3.1	3.6	4.6	5.0	5.4	[5.6]	[5.8]
8										5.4	<u>5.4</u>
9	5000	to	9999	3.4	3.6	4.2	5.2	5.4	[5.6]	[5.8]	[6.0]
10									5.4	<u>5.4</u>	<u>5.4</u>
11	-1.0000	to	-1.4999	4.1	4.2	4.8	5.4	[5.6]	[5.8]	[6.0]	[6.2]
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	[5.6]	[5.8]	[6.0]	[6.2]	[6.4]
14							5.4	<u>5.4</u>	5.4	<u>5.4</u>	5.4
15	-2.0000	and	l less	5.4	5.4	[5.6]	[5.8]	[6.0]	[6.2]	[6.4]	[6.6]
16						5.4	<u>5.4</u>	5.4	5.4	<u>5.4</u>	5.4"
17	SECTION 2. Statutory material to be repealed is bracketed										
18	and stricken. New statutory material is underscored.										
19	SEC	CTIC	ON 3. Thi	s Act	shall	take 6	effect	upon i	ts app	roval	
20	and shal	ll a	apply retr	oactiv	vely t	o Janua	ary 1,	2022;	provid	ed that	t
21	this Act shall be repealed on January 1, 2025, and section										

- 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:

JAN 2 6 2022

Report Title:

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

Description:

Temporarily reduces employer contribution rates for unemployment insurance. Repeals 1/1/2025.

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