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Honolulu, Hawaii

APR 2 8 2023

RE:

S.B. No. 1383

S.D. 1 H.D. 1 C.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 1383, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYMENT SECURITY LAW,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to

- (1) Institute an unemployment insurance technology assessment to be imposed on employers at an unspecified rate of taxable wages;
- (2) Establish the Unemployment Insurance Technology Special Fund into which the assessment shall be deposited, and which shall be used to defray the costs of information technology infrastructure for the Unemployment Insurance Program; and

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(3) Clarify the order of priority to apply collections from delinquent employers to delinquent amounts under Hawaii's Employment Security Law.

Your Committee on Conference finds that federal funds are currently available for the infrastructure and equipment necessary to modernize the Unemployment Insurance Program, and the costs of operating and maintaining the information technology systems are not covered by federal funds. This measure would provide a permanent funding mechanism to support the necessary continued maintenance of the Unemployment Insurance Division's information technology infrastructure.

Your Committee on Conference has amended this measure by:

- Specifying that the unemployment insurance technology (1) assessment be at a rate of .01 percent of taxable wages as specified in section 383-61, Hawaii Revised Statutes; and
- (2) Making it effective upon its approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1383, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1383, S.D. 1, H.D. 1, C.D. 1.

> Respectfully submitted on behalf of the managers:

> > THE SENATE

ON THE PART OF THE HOUSE

ANDREW Co-Chair SHARON MORIWAK

Chair

MAILE S.L. SHIMABUKURO

Co-Chair



Hawai'i State Legislature

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Record of Votes of a Conference Committee

SB 1383, SD 1, HD 1				Date/Time: 4/28/23 10:309m					
The recommendation of the House and Senate managers is to pass with amendments (CD).									
☐ The Committee is reconsidering its previous decision.									
The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure				The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.					
Senate Managers	A	WR	N	Е	House Managers	A	WR	N	Е
MORIWAKI, Sharon Y., Chr.	X				MATAYOSHI, Scot Z., Co-Chr.	X			
SHIMABUKURO, Maile S.L., Co-Chr.	X				GARRETT, Andrew Takuya, Co-Chr.	X			
FEVELLA, Kurt	X				MARTINEZ, Rose	X			
					ALCOS III, David				X
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						1			
						1			
						1			
				-		†			
TOTAL	3				TOTAL	3			1
A = Aye $WR = Aye$ with Reservations $N = Nay$ $E = Excused$									
Senate Recommendation is:				House Recommendation is:					
Adopted Not Adopted				Adopted Not Adopted					
Senate Lead Chair's or Designee's Signature:				House Lead Chair's or Designee's Signature:					
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