
A BILL FOR AN ACT

RELATING TO THE HAWAII EMPLOYMENT SECURITY LAW.

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

1 SECTION 1. Section 383-29, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) An unemployed individual shall be eligible to receive
4 benefits with respect to any week only if the department finds
5 that:

6 (1) The individual has made a claim for benefits with
7 respect to that week in accordance with rules the
8 department may prescribe and with section 383-29.7 for
9 partially unemployed individuals;

10 (2) The individual has registered for work, [~~as defined in~~
11 ~~section 383-1,~~] and thereafter continued to report, at
12 an employment office in accordance with rules adopted
13 by the department [~~may prescribe~~], or such other place
14 as the department may approve, except that the
15 department may waive or alter either or both of the
16 requirements of this paragraph for:



1 (A) Partially unemployed individuals pursuant to
2 section 383-29.8;

3 (B) Individuals attached to regular jobs;

4 (C) Union members in good standing being referred to
5 jobs through the labor union job placement
6 service; provided that the labor union agrees to
7 report to the department all individuals who
8 refuse job referrals or offers of work and all
9 individuals not ready, willing, and able to work,
10 and the labor union is approved by the department
11 for the purpose of waiving work registration;

12 ~~[(D) Individuals involved in a labor dispute and for~~
13 ~~whom an employer-employee relationship continues~~
14 ~~to exist;~~

15 ~~-(E)]~~ (D) Individuals who are suspended from work and
16 for whom an employer-employee relationship
17 continues to exist; provided that the waiver
18 shall apply only to the period of suspension but
19 shall not exceed four consecutive weeks of
20 unemployment immediately following the week in
21 which the individual was suspended; or



1 ~~[(F)]~~ (E) Other types of cases or situations in which
2 the department finds that compliance with those
3 requirements would be oppressive, or would be
4 inconsistent with the purpose of this chapter;

5 (3) The individual is able to work and is available for
6 work; provided that no claimant shall be considered
7 ineligible with respect to any week of unemployment
8 for failure to comply with this paragraph if the
9 failure is due to an illness or disability, as
10 evidenced by a physician's certificate, which occurs
11 during an uninterrupted period of unemployment with
12 respect to which benefits are claimed and no work that
13 would have been suitable before the beginning of the
14 illness or disability has been offered the claimant;

15 (4) The individual has been unemployed for a waiting
16 period of one week within the individual's benefit
17 year; provided that no week shall be counted as a
18 waiting period if benefits have been paid with respect
19 thereto unless the individual was eligible for
20 benefits with respect thereto as provided in this



1 section and section 383-30, except for the
2 requirements of this paragraph;

- 3 (5) In the case of an individual whose benefit year begins
4 after January 4, 1992, the individual has been
5 employed, as defined in section 383-2, and has been
6 paid wages for insured work during the individual's
7 base period in an amount equal to not less than
8 twenty-six times the individual's weekly benefit
9 amount, as determined under section 383-22(b), and the
10 individual has been paid wages for insured work during
11 at least two quarters of the individual's base period;
12 provided that no otherwise eligible individual who
13 established a prior benefit year under this chapter or
14 the unemployment compensation law of any other state,
15 shall be eligible to receive benefits in a succeeding
16 benefit year until, during the period following the
17 beginning of the prior benefit year, that individual
18 worked in covered employment for which wages were paid
19 in an amount equal to at least five times the weekly
20 benefit amount established for that individual in the
21 succeeding benefit year.



1 For purposes of this paragraph, wages and weeks
2 of employment shall be counted for benefit purposes
3 with respect to any benefit year only if the benefit
4 year begins subsequent to the dates on which the
5 employing unit by which the wages or other
6 remuneration, as provided in the definition of weeks
7 of employment in section 383-1, were paid has
8 satisfied the conditions of section 383-1 with respect
9 to becoming an employer.

10 Effective for benefit years beginning January 1,
11 2004, and thereafter, if an individual fails to
12 establish a valid claim for unemployment insurance
13 benefits under this paragraph, the department shall
14 make a redetermination of entitlement based upon the
15 alternative base period[~~, as defined in section 383-~~
16 ~~1~~]; provided further that the individual shall satisfy
17 the conditions of this paragraph that apply to claims
18 filed using the base period[~~, as defined in section~~
19 ~~383-1,~~] and the establishment of claims using the
20 alternative base period shall be subject to the terms
21 and conditions of sections 383-33 and 383-94; and



1 (6) Effective November 24, 1994, an individual who has
2 been referred to reemployment services pursuant to the
3 profiling system under section 383-92.5 shall
4 participate in those services or in similar services.
5 The individual may not be required to participate in
6 reemployment services if the department determines the
7 individual has completed those services, or there is
8 justifiable cause for the claimant's failure to
9 participate in those services.

10 For the purposes of this subsection, employment and wages
11 used to establish a benefit year shall not thereafter be reused
12 to establish another benefit year."

13 SECTION 2. Section 383-44, Hawaii Revised Statutes, is
14 amended by amending subsection (c) to read as follows:

15 "(c) The individual liable, in the discretion of the
16 department, shall repay the overpaid amount and the penalty
17 assessment amount to the department for the fund or have the
18 overpaid amount only deducted from any future benefits payable
19 to the individual under this chapter [~~within two years after the~~
20 ~~date of mailing of the notice of redetermination or the final~~
21 ~~decision on an appeal from the redetermination.~~ Effective April



1 1, 2013, the]. The overpaid benefits amount and the penalty
2 assessment amount, costs, and administrative fees may be
3 deducted from federal income tax refunds."

4 SECTION 3. Section 383-70, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "**§383-70 Contributions; levy; returns; assessments.** (a)

7 Contributions are hereby levied against employers as provided in
8 this chapter. Except as may be provided to the contrary in
9 accordance with ~~[such regulations as]~~ rules adopted by the
10 department ~~[of labor and industrial relations may prescribe]~~,
11 contributions shall be paid quarterly on or before the last day
12 of the month succeeding the last month of each quarter.

13 (b) Each employer shall make at the time and in the manner
14 prescribed by the department a full, true, and correct report
15 with respect to the wages paid by the employer, which report
16 shall contain other information as may be prescribed by the
17 department. For each calendar quarter beginning July 1, 1988,
18 ~~[such]~~ the report shall include wage information for each
19 employee in accordance with ~~[such]~~ the rules as adopted by the
20 department ~~[may prescribe]~~. The report shall be made by the



1 employer even though the employer is not required to pay
2 contributions.

3 (c) If any return filed is erroneous, or is so deficient
4 as not to disclose the full liability, or if the employer
5 disclaims liability for contributions with respect to any wages
6 upon which contributions are required to be paid, the department
7 shall assess the correct amount of contributions and shall
8 notify the employer thereof; and if any employer fails,
9 neglects, or refuses to make a return, the department shall
10 proceed as it deems best to obtain information on which to base
11 the assessment of contributions and shall assess the same and
12 notify the employer thereof. The amount so assessed shall be
13 paid on the twenty-first day after the notice was mailed,
14 properly addressed to the employer at the employer's last known
15 place of business.

16 (d) Notices of assessment of contributions, records of
17 contributions assessed and payments thereon, and delinquent
18 contributions lists showing unpaid contributions assessed
19 against any employer shall be prima facie proof of the
20 assessment of the person assessed, the amount of contributions
21 due and unpaid, and the delinquency in payment, and that all



1 requirements of law in relation to the assessment of the
2 contributions have been complied with.

3 (e) If the department determines that any reason exists
4 why the collection of any contributions accrued will be
5 jeopardized by delaying collection, it may make an immediate
6 assessment thereof and the director [~~of labor and industrial~~
7 ~~relations~~] may proceed to enforce collection immediately, but
8 interest shall not begin to accrue upon any contributions until
9 the date when such contributions would normally have become
10 delinquent.

11 (f) The department shall assess and collect a service
12 charge for any assessment made under this section that is
13 dishonored for any reason. The service charge collected shall
14 be deposited into the special unemployment insurance
15 administration fund established under section 383-127."

16 SECTION 4. Section 383-94, Hawaii Revised Statutes, is
17 amended to read as follows:

18 "**§383-94 Records and reports.** (a) Each employing unit
19 shall keep true and accurate work records, for [~~such periods~~] a
20 period of time and containing [~~such~~] information as the
21 department [~~of labor and industrial relations~~] may prescribe.



1 The records shall be open to inspection and be subject to being
2 copied by the authorized representatives of the department at
3 any reasonable time and as often as may be necessary. Any
4 authorized representative of the department, or the referee, may
5 require from any employing unit any sworn or unsworn reports,
6 with respect to persons employed by it, which such authorized
7 representative, or the referee, deems necessary for the
8 effective administration of this chapter.

9 ~~[(b) Each employer shall report all new employees hired~~
10 ~~subject to procedures prescribed by the department, within five~~
11 ~~working days after the first day of employment of such~~
12 ~~individual. If any employer fails to report with respect to a~~
13 ~~newly hired employee within five working days after the first~~
14 ~~day of employment, the employer shall pay a penalty in the~~
15 ~~amount of \$10. Effective October 1, 1998, employers need not~~
16 ~~report all new hires to the department.~~

17 ~~(e)]~~ (b) Each employer shall report the separation of any
18 employee or the wages paid to ~~[such]~~ the employee, or both, upon
19 request of the department within five calendar days from the
20 date that the request was mailed or transmitted by electronic
21 notification to the employer. If any employer fails to report



1 with respect to the separation of an individual, or the
2 remuneration [~~which~~] that the employer paid to the individual,
3 or both, within five calendar days after mailing of notice or
4 electronic notification from the department, the employer shall
5 pay a penalty in the amount of [~~\$10.~~] \$1,000.

6 [~~(d)~~] (c) Each employer or employing unit [~~as defined in~~
7 ~~section 383-1~~] shall furnish the department with wage
8 information for each employee in accordance with rules [~~as~~
9 adopted by the department [~~of labor and industrial relations may~~
10 ~~prescribe~~], except that no report shall be filed with respect to
11 an employee of a state or local agency performing intelligence
12 or counterintelligence functions, if the head of that agency has
13 determined that filing such a report could endanger the safety
14 of the employee or compromise an ongoing investigation or
15 intelligence mission. [~~Such~~] The quarterly wage report shall be
16 filed with the department on or before the last day of the month
17 succeeding the last month of each quarter. Any employer who
18 fails to file a report of wages paid to each of the employer's
19 employees for any period in the manner and within the time
20 prescribed by this chapter and the rules of the department, or



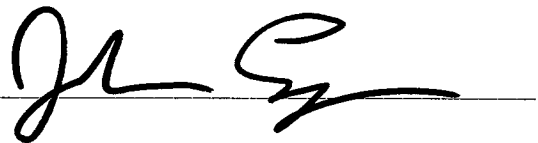
1 any employer who the department finds has filed an insufficient
2 report, shall pay a penalty of [~~\$30.~~] \$1,000.

3 [~~(e)~~] (d) Penalties shall be assessed, collected, and paid
4 into the fund in the same manner as contributions. The
5 director, in a case of excusable failure to file any report
6 under this section within the required time, may remit the
7 penalty."

8 SECTION 5. Statutory material to be repealed is bracketed
9 and stricken. New statutory material is underscored.

10 SECTION 6. This Act shall take effect upon its approval;
11 provided that sections 2, 3, and 4, shall take effect on April
12 1, 2027.

13
INTRODUCED BY:



JAN 26 2026



H.B. NO. 2165

Report Title:

DLIR; Hawaii Employment Security Law; Unemployment Benefits;
Recovery of Benefits; Assessments; Records and Reports

Description:

Amends the qualifications for unemployed individuals who are able to receive unemployment benefits. Beginning 4/1/2027, removes the two-year limitation on the recoupment of overpayments. Beginning 4/1/2027, requires the Department of Labor and Industrial Relations to assess and collect a service charge for dishonored unemployment insurance assessments. Beginning 4/1/2027, specifies that employers must report separation and wage information within five calendar days of notice being sent, whether by mail or electronic notification. Beginning 4/1/2027, increases the penalty for failure to report separations or wages and for failure to file or for filing insufficient, quarterly wage reports.

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