

ACT 180

H.B. NO. 2011-86

A Bill for an Act Relating to Employment Security.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 383-62, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) [Each employer shall pay contributions equal to three per cent of wages paid by him during each calendar year with respect to employment except as otherwise prescribed in this part.] Except as otherwise provided in this section, each employer shall pay contributions determined in accordance with sections 383-66 and 383-68.

Notwithstanding any other provision of this part to the contrary, for the calendar years 1977 and 1978 each employer (except any employer making payments instead of contributions pursuant to subsection (b) or (d) [of this section]) shall pay contributions equal to three and one-half per cent (3.5%) of wages paid by him during such calendar years.”

SECTION 2. Section 383-65, Hawaii Revised Statutes, is amended to read as follows:

“**§383-65 Charges and noncharges for benefits.** (a) Except as otherwise provided in [this section,] subsection (b), benefits paid to an individual shall be charged against the accounts of his base period employers and the amount of benefits so chargeable against each base period employer’s account shall bear the same ratio to the total benefits paid to the individual as the base period wages paid to the individual by the employer bear to the total amount of base period wages paid to the individual by all of his base period employers. Benefits paid in benefit years beginning after June 30, 1963, shall be charged to employers’ accounts in the calendar year in which the benefits are paid.

(b) Benefits paid to an individual shall not be charged against the account of any of the individual’s base period employers on a contributory plan under section 383-61 when such benefits are:

- (1) Paid to an individual during any benefit year beginning October 5, 1986, and thereafter, if the individual:
 - (A) Left work voluntarily without good cause; or
 - (B) Was discharged for misconduct connected with the individual’s work; or
 - (C) Left work voluntarily for good cause not attributable to the employer.

The chargeability of benefits to an employer’s account shall be determined in accordance with section 383-94 and other applicable provisions of this chapter, or as may be otherwise specified by the department.

- [(b)] (2) [Benefits paid] Paid to an individual, who, during his base period, earned wages for part-time employment with an employer, [shall not be charged to the account of the employer] if [he] the employer continues to give the individual employment to the same extent while [he] the individual is receiving benefits as during the base period and the employer establishes such fact to the satisfaction of the director of labor and industrial relations.
- [(c)] (3) [Benefits paid] Paid to an individual for the period [he] the individual is enrolled in and is in regular attendance at a vocational training or retraining course approved by the director pursuant to section 383-29 [shall not be charged to any of his base period employers].
- [(d)] For the purposes of the arrangements in which the department will participate pursuant to section 383-106(b) only, “base period” as used in this section shall mean the base period of this or any other state applied to a claim involving the combining of an individual’s wages and employment covered under two or more state unemployment compensation laws.]
- (4) Paid to an individual under the extended benefits program, sections 383-168 to 383-174; except that one-half of the amount of such benefits which are based on services performed for a governmental

employer on a contributory plan shall be charged to the account of such employer.

- [(e)] (5) [Benefits paid] Paid to an individual who qualifies to receive benefits by meeting the minimum earnings and employment requirements only by combining [his] the individual's employment and wages earned in two or more states [shall not be charged to the reserve account of any base period employer on a contributory plan within this State].
- [(f)] (6) [Any benefit] Benefits overpaid to a claimant as a result of ineligibility or disqualification under sections 383-29 and 383-30 [shall not be charged to the reserve account of a base period employer on a contributory plan] unless such overpayment resulted from the employer's failure to furnish information as required by this chapter or the rules of the department.
- [(g)] (7) [Benefits paid] Paid to an individual with respect to wages paid for previously uncovered services as defined in section 383-22(b) or for services for which an exclusion was granted pursuant to section 383-78 [shall not be charged to the account of any of such individual's base period employers], but only to the extent that the fund is reimbursed for such benefits by the federal government pursuant to section 121 of Public Law 94-566.

(c) The amount of noncharged benefits shall bear the same ratio to the total benefits paid to the individual as the base period wages paid to the individual by the employer or employers not charged bear to the total amount of base period wages paid to the individual by all of the individual's base period employers. The noncharging provisions of subsection (b) shall not apply to governmental employers or nonprofit organizations making payments in lieu of contributions under section 383-62.

(d) For the purposes of the arrangements in which the department will participate pursuant to section 383-106(b) only, "base period" as used in this section means the base period of this or any other state applied to a claim involving the combining of an individual's wages and employment covered under two or more state unemployment compensation laws."

SECTION 3. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved May 17, 1986.)