

ACT 194

H.B. NO. 1706

A Bill for an Act Relating to the Employment and Training Fund.

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

SECTION 1. The legislature finds that we are entering an important era during which greater cooperation is needed between employers and employees and their respective representatives in order to afford more employment opportunities and to reduce the likelihood of unemployment in Hawaii. When the unemployment insurance training fund was created in 1991, its primary objective was to promote job growth and reduce short-term unemployment through employee training. The fund has grown over a period of five years to more than \$8,000,000 and some relief is needed for employers.

Accordingly, we find it in the public interest to provide employers immediate economic relief.

SECTION 2. Section 383-129, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) Effective January 1, 1992, through June 30, 1997, and from January 1, 1999, through December 31, 2000, in addition to contributions determined by section 383-68, every employer, except an employer who has selected an alternative method of financing liability for unemployment compensation benefits pursuant to section 383-62 or an employer who has been assigned a minimum rate of zero per cent or the maximum rate of five and four-tenths per cent in accordance with section 383-68, shall be subject to an employment and training fund assessment at a rate of .05 per cent of taxable wages as specified in section 383-61.”

SECTION 3. The department of labor and industrial relations shall report to the legislature no later than twenty days prior to the convening of the Regular Session of 1999, on the advisability of continuing the moratorium under section 2 of this Act in employer contributions to the employment and training fund and justification thereto.

SECTION 4. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved June 16, 1997.)