

ACT 67

H.B. NO. 2501

A Bill for an Act Relating to the Appropriation for State Employee Benefit Programs.

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

SECTION 1. Act 259, Session Laws of Hawaii 2001, by item K-23 of section 3, appropriated \$19,830,591 to the department of human resources development for workforce attraction, selection, classification and effectiveness (HRD 102) for fiscal year 2001-2002. Section 82 of Act 259 allocated \$4,933,726 for paying any claims against the State as required under chapter 386, Hawaii Revised Statutes, for fiscal year 2001-2002. Section 83 of Act 259 allocated \$2,221,620 for unemployment compensation claims of former state employees for fiscal year 2001-2002.

A critical funding emergency exists. The state workers' compensation fund will be exhausted by approximately March 31, 2002, and the department will not be able to meet its fiscal obligation to provide for the health and welfare of state employees.

The purpose of this Act is to amend sections 82 and 83 of Act 259, Session Laws of Hawaii 2001, by increasing the amount allocated to worker's compensation by \$1,000,000 and reducing the amount allocated to unemployment insurance by \$1,000,000 for fiscal year 2001-2002 only. The amendment will allow the State to meet its fiscal obligation to provide for the health and welfare of state employees and will not affect the State's ability to meet its unemployment insurance obligations according to the department of human resources development's projections. The total moneys appropriated to HRD 102 will remain the same for fiscal year 2001-2002.

SECTION 2. Act 259, Session Laws of Hawaii 2001, is amended by amending section 82 to read as follows:

“SECTION 82. Provided that of the general fund appropriation for work force attraction, selection, classification, and effectiveness (HRD 102), the sum of [~~\$4,933,726~~] \$5,933,726 for fiscal year 2001-2002, and the sum of \$4,933,726 for fiscal year 2002-2003, shall be expended for workers' compensation claims; and provided further that the department of human resources development shall submit a detailed report of all expenditures and number of claims for workers' compensation claim payments to the legislature no later than twenty days prior to the convening of the 2002 and 2003 regular sessions.”

SECTION 3. Act 259, Session Laws of Hawaii 2001, is amended by amending section 83 to read as follows:

“SECTION 83. Provided that of the general fund appropriation for work force attraction, selection, classification, and effectiveness (HRD 102), the sum of

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~~[\$2,221,620]~~ \$1,221,620 for fiscal year 2001-2002, and the sum of \$2,221,620 for fiscal year 2002-2003, shall be expended for unemployment compensation claims of former state employees; provided further that any unrequired and unencumbered funds shall be lapsed to the general fund; and provided further that the department of human resources development shall submit a detailed report of all expenditures and number of claims for unemployment compensation claim payments to the legislature no later than twenty days prior to the convening of the 2002 and 2003 regular sessions.”

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

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

(Approved May 23, 2002.)