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H.B. NO. 2096

A Bill for an Act Relating to Employment Security.

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

SECTION 1. Section 383-22, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

~~“(b) [In the case of an individual whose benefit year begins prior to January 5, 1992, the individual’s weekly benefit amount shall be, except as otherwise provided in this section, an amount equal to one twenty-fifth of the individual’s total wages for insured work paid during the calendar quarter of the individual’s base period in which such total wages were highest.] In the case of an individual whose benefit year begins after January 4, 1992, the individual’s weekly benefit amount shall be, except as otherwise provided in this section, an amount equal to one twenty-first of the individual’s total wages for insured work paid during the calendar quarter of the individual’s base period in which such total wages were highest. The weekly benefit amount, if not a multiple of \$1, shall be computed to the next higher multiple of \$1. If an individual’s weekly benefit amount is less than \$5, it shall be \$5. The maximum weekly benefit amount shall be determined annually as follows: On or before November 30 of each year the total remuneration paid by employers, as reported on contribution reports submitted on or before such date, with respect to all employment during the four consecutive calendar quarters ending on June 30 of the year shall be divided by the average monthly number of individuals performing services in the employment during the same four calendar quarters as reported on the contribution reports. The amount thus obtained shall be divided by fifty-two and the average weekly wage (rounded to the nearest cent) thus determined. [For benefit years beginning prior to January 1, 1992, two-thirds of the average weekly wage shall constitute the maximum weekly benefit amount and shall apply to all claims for benefits filed by an individual qualifying for payment at the maximum weekly~~

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benefit amount in the benefit year commencing on or after the first day of the calendar year immediately following the determination of the maximum weekly benefit amount.] For benefit years beginning January 1, 1992, but prior to January 1, 2008, and beginning again on January 1, 2012, but prior to April 1, 2012, then beginning again on January 1, 2013, seventy per cent of the average weekly wage shall constitute the maximum weekly benefit amount and shall apply to all claims for benefits filed by an individual qualifying for payment at the maximum weekly benefit amount in the benefit year commencing on or after the first day of the calendar year immediately following the determination of the maximum weekly benefit amount. For benefit years beginning January 1, 2008, and ending December 31, 2011, and beginning again on April 1, 2012, and ending December 31, 2012, seventy-five per cent of the average weekly wage shall constitute the maximum weekly benefit amount and shall apply to all claims for benefits filed by an individual qualifying for payment at the maximum weekly benefit amount in the benefit year commencing on or after the first day of the calendar year immediately following the determination of the maximum weekly benefit amount. The maximum weekly benefit amount, if not a multiple of \$1, shall be computed to the next higher multiple of \$1.

(Column A) High Quarter Wages	(Column B) Basic Weekly Benefit	(Column C) Minimum Qualifying Wages	(Column D) Maximum Total Benefits in Benefit Year
\$ 37.50 - 125.00	\$ 5.00	\$ 150.00	\$ 130.00
125.01 - 150.00	6.00	180.00	156.00
150.01 - 175.00	7.00	210.00	182.00
175.01 - 200.00	8.00	240.00	208.00
200.01 - 225.00	9.00	270.00	234.00
225.01 - 250.00	10.00	300.00	260.00
250.01 - 275.00	11.00	330.00	286.00
275.01 - 300.00	12.00	360.00	312.00
300.01 - 325.00	13.00	390.00	338.00
325.01 - 350.00	14.00	420.00	364.00
350.01 - 375.00	15.00	450.00	390.00
375.01 - 400.00	16.00	480.00	416.00
400.01 - 425.00	17.00	510.00	442.00
425.01 - 450.00	18.00	540.00	468.00
450.01 - 475.00	19.00	570.00	494.00
475.01 - 500.00	20.00	600.00	520.00
500.01 - 525.00	21.00	630.00	546.00
525.01 - 550.00	22.00	660.00	572.00
550.01 - 575.00	23.00	690.00	598.00
575.01 - 600.00	24.00	720.00	624.00
600.01 - 625.00	25.00	750.00	650.00
625.01 - 650.00	26.00	780.00	676.00
650.01 - 675.00	27.00	810.00	702.00
675.01 - 700.00	28.00	840.00	728.00
700.01 - 725.00	29.00	870.00	754.00
725.01 - 750.00	30.00	900.00	780.00
750.01 - 775.00	31.00	930.00	806.00
775.01 - 800.00	32.00	960.00	832.00
800.01 - 825.00	33.00	990.00	858.00
825.01 - 850.00	34.00	1020.00	884.00
850.01 - 875.00	35.00	1050.00	910.00
875.01 - 900.00	36.00	1080.00	936.00

900.01 - 925.00	37.00	1110.00	962.00
925.01 - 950.00	38.00	1140.00	988.00
950.01 - 975.00	39.00	1170.00	1014.00
975.01 -1000.00	40.00	1200.00	1040.00
1000.01 -1025.00	41.00	1230.00	1066.00
1025.01 -1050.00	42.00	1260.00	1092.00
1050.01 -1075.00	43.00	1290.00	1118.00
1075.01 -1100.00	44.00	1320.00	1144.00
1100.01 -1125.00	45.00	1350.00	1170.00
1125.01 -1150.00	46.00	1380.00	1196.00
1150.01 -1175.00	47.00	1410.00	1222.00
1175.01 -1200.00	48.00	1440.00	1248.00
1200.01 -1225.00	49.00	1470.00	1274.00
1225.01 -1250.00	50.00	1500.00	1300.00
1250.01 -1275.00	51.00	1530.00	1326.00
1275.01 -1300.00	52.00	1560.00	1352.00
1300.01 -1325.00	53.00	1590.00	1378.00
1325.01 -1350.00	54.00	1620.00	1404.00
1350.01 and over	55.00	1650.00	1430.00.”

SECTION 2. Section 383-68, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) Effective with calendar year 1992 and thereafter, before December 31 of the previous year the contribution rate schedule for the following calendar year shall be determined on the basis of the relationship between the most recent current reserve fund and the most recent adequate reserve fund, in accordance with this subsection and subsection (d).

- (1) Whenever the ratio of the current reserve fund to the adequate reserve fund is greater than 1.69, contribution rate schedule A shall apply.
- (2) Whenever the ratio of the current reserve fund to the adequate reserve fund is 1.3 to 1.69, contribution rate schedule B shall apply.
- (3) Whenever the ratio of the current reserve fund to the adequate reserve fund is 1.0 to 1.29, contribution rate schedule C shall apply.
- (4) Whenever the ratio of the current reserve fund to the adequate reserve fund is .80 to .99, contribution rate schedule D shall apply.
- (5) Whenever the ratio of the current reserve fund to the adequate reserve fund is .60 to .79, contribution rate schedule E shall apply.
- (6) Whenever the ratio of the current reserve fund to the adequate reserve fund is .40 to .59, contribution rate schedule F shall apply.
- (7) Whenever the ratio of the current reserve fund to the adequate reserve fund is .20 to .39, contribution rate schedule G shall apply.
- (8) Whenever the ratio of the current reserve fund to the adequate reserve fund is less than .20, contribution rate schedule H shall apply.

Notwithstanding the ratio of the current reserve fund to the adequate reserve fund, contribution rate schedule D shall apply for calendar year 2010 and contribution rate schedule F shall apply for calendar [year] years 2011[-] and 2012.”

SECTION 3. Section 383-128, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) The moneys in the employment and training fund may be used for funding:

- (1) The operation of the state employment service for which no federal funds have been allocated;

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- (2) Business-specific training programs to create a more diversified job base and to carry out the purposes of the new industry training program pursuant to section 394-8;
- (3) Industry or employer-specific training programs where there are critical skill shortages in high growth occupational or industry areas;
- (4) Training and retraining programs to assist workers who have become recently unemployed or are¹ likely to be unemployed;
- (5) Programs to assist residents who do not otherwise qualify for federal or state job training programs to overcome employment barriers; ~~and~~
- (6) Training programs to provide job-specific skills for individuals in need of assistance to improve career employment prospects~~[-]; and~~
- (7) The payment of interest due on Title XII advances made under the provisions of section 1202(b) of the Social Security Act, as amended, to the unemployment compensation fund.

SECTION 4. Section 383-129, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) 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 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 .01 per cent of taxable wages as specified in section 383-61. If interest is due on a Title XII advance under the provisions of section 1202(b) of the Social Security Act, as amended, the employment and training fund assessment shall be used to pay the interest due. The director shall have the discretion to determine the amount of the employment and training assessment rate for the calendar year 2012 in increments of .01 per cent. Notwithstanding any provisions of this chapter to the contrary, any amounts collected but not applied to interest payments due in 2012, shall not be returned retroactively to any employer and shall be retained in the employment and training fund.”

SECTION 5. (a) The director of labor and industrial relations may utilize section 103-6, Hawaii Revised Statutes, or may borrow moneys from the federal government pursuant to title XII of the Social Security Act, to cover the insolvency of the unemployment compensation fund.

(b) The director of labor and industrial relations shall use the loan proceeds only to pay unemployment benefits pursuant to chapter 383, Hawaii Revised Statutes, and may not use the loan proceeds to pay for any other expenses such as administrative expenses.

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect upon its approval and shall apply retroactively to January 1, 2012; provided that on January 1, 2013, sections 3 and 4 of this Act shall be repealed and sections 383-128 and 383-129, Hawaii Revised Statutes, shall be reenacted in the form in which they read on December 31, 2010.

(Approved March 9, 2012.)

Note

1. Should be underscored.