

ACT 70

H.B. NO. 2722

A Bill for an Act Relating to Unemployment.

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

SECTION 1. The legislature finds that a number of large employers, including the State's last large-scale sugar operation, recently announced mass layoffs in Maui county. During the first four months of 2016, the department of labor and industrial relations received, via dislocated worker notices pursuant to chapter 394B, Hawaii Revised Statutes, notification of 2,808 workers either losing or potentially losing jobs. These workers represent approximately 3.5 per cent of the 82,550 employed persons in Maui county during February 2016.

The legislature further finds that it may be difficult for a large number of these workers to find work quickly because their occupational skills are not suitable for the current job market on Maui, especially those workers with agricultural and medical skills.

The purpose of this Act is to create a temporary program limited to Maui county to provide additional benefits to unemployed workers by extending unemployment insurance benefits. The funds for state additional benefits payable under this Act shall be withdrawn from the unemployment compensation trust fund pursuant to sections 383-121 to 383-123, Hawaii Revised Statutes. If necessary, additional moneys may be allocated from the state general fund and used for the payment of expenses incurred for the administration of state additional benefits.

SECTION 2. For the purpose of this Act:

"Base period" shall be defined as in section 383-1, Hawaii Revised Statutes.

"Benefit year" shall be defined as in section 383-1, Hawaii Revised Statutes.

"Continued claim certification" means an application that certifies the completion of a week of total, part-total, or partial unemployment to claim benefits for a week of unemployment as described in the definition of "continued claim certification" in section 12-5-73, Hawaii Administrative Rules.

“Initial claim” includes a new claim, an additional claim, or a reopened claim as defined in section 12-5-73, Hawaii Administrative Rules.

“Regular benefits” means the unemployment insurance benefits paid on an initial claim filed under chapter 383, Hawaii Revised Statutes, except as provided for in sections 383-168 through 383-176, Hawaii Revised Statutes.

“State additional benefits” means the unemployment compensation benefits payable under this Act.

“State additional benefits eligibility period” means the period beginning on September 4, 2016, and ending on October 28, 2017.

“Week of unemployment” shall be defined as in section 383-1, Hawaii Revised Statutes.

SECTION 3. An individual shall be eligible to receive a payment of state additional benefits with respect to a week of unemployment in accordance with this Act; provided that:

- (1) The benefit year for the most recent initial claim filed by the individual begins on or after March 1, 2015;
- (2) The individual had at least two quarters of insured employment in Maui county during the base period of the initial claim filed under (1);
- (3) The individual exhausted regular benefits under chapter 383, Hawaii Revised Statutes, within the state additional benefits eligibility period;
- (4) The individual filed an initial claim and filed continued claim certifications for state additional benefits during the state additional benefits eligibility period;
- (5) The week of unemployment falls within the state additional benefits eligibility period;
- (6) The individual is not receiving unemployment benefits under federal law or the laws of any other state, or any federal or federal-state extended benefits program or adjustment assistance under chapter 2 of title II of the Trade Act of 1974, as amended, during the same weeks within the state additional benefits eligibility period for which state additional benefits are claimed; and
- (7) The individual has met all other conditions of eligibility that apply to regular benefits under chapter 383, Hawaii Revised Statutes, except that no individual shall be required to serve a waiting period in the state additional benefits eligibility period.

SECTION 4. (a) The weekly state additional benefits amount payable to an eligible individual for a week of total unemployment within the state additional benefits eligibility period shall be an amount equal to the weekly benefit amount payable in the individual’s current or most recently expired benefit year within the state additional benefits eligibility period.

(b) The maximum state additional benefits amount payable to any eligible individual during the state additional benefits eligibility period shall be thirteen times the individual’s weekly state additional benefits amount.

(c) No state additional benefits shall be payable for any week beginning prior to the state additional benefits eligibility period or for any week beginning after the state additional benefits eligibility period ends.

SECTION 5. State additional benefits paid to an individual shall be charged against the account of any of the individual’s base period employers in the same manner as regular benefits were charged on the individual’s current or

most recently expired benefit year within the state additional benefits eligibility period, and consistent with section 383-65, Hawaii Revised Statutes.

SECTION 6. Except when the result would be inconsistent with this Act, the provisions of chapter 383, Hawaii Revised Statutes, which apply to claims for, or the payment of, regular benefits shall apply to claims for, and the payment of, state additional benefits.

SECTION 7. No provision contained in this Act shall apply when the balance of the unemployment compensation trust fund is below the adequate reserve fund defined by section 383-63, Hawaii Revised Statutes.

SECTION 8. No provision contained in this Act shall apply to the payment of state additional benefits if the provision conflicts with federal statutes and jeopardizes the receipt of federal administrative funding and certification for the federal Unemployment Tax Act employer tax offset credit.

If any provision in this Act jeopardizes the receipt of federal funds, the governor is authorized to revise any provision of this Act to the extent required to maximize the receipt of federal funds. The governor shall promptly report any revision and reasons therefor to the legislature at the next legislative session thereafter.

SECTION 9. There is appropriated out of the general revenues of the State of Hawaii the sum of \$650,000 or so much thereof as may be necessary for fiscal year 2016-2017 to carry out the purposes of this Act.

The sum appropriated shall be expended by the department of labor and industrial relations for the purposes of this Act.

SECTION 10. This Act shall take effect upon its approval and shall be repealed on October 28, 2017; provided that section 9 shall take effect on July 1, 2016.

(Approved June 17, 2016.)