
A BILL FOR AN ACT

RELATING TO UNEMPLOYMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that immediate, speedy
2 action must be taken to reduce unemployment in this State. The
3 present decline in the health of the state and national
4 economies and the high rates of unemployment that will accompany
5 this decline will cause considerable hardship among the
6 residents of the State. The legislature further finds it is
7 therefore prudent at this time to take steps to alleviate the
8 effects of a high rate of unemployment through the development
9 of a state unemployment program aimed at creating one hundred
10 thousand jobs for the unemployed and underemployed. The purpose
11 of this Act is to:

12 (1) Enable unemployed and underemployed persons with
13 employment in needed public service jobs, and,
14 whenever feasible, related training and manpower
15 services, to move into employment or training
16 supported under this chapter; and



1 (1) Unemployed persons who have been unemployed for more
2 than fifteen weeks, including those who have exhausted
3 their unemployment benefits;

4 (2) All other unemployed persons, who are unemployment
5 insurance claimants including those who have exhausted
6 their unemployment benefits;

7 (3) All other unemployed persons, whether or not they are
8 unemployment insurance claimants, who are certified by
9 the director as recipients of state public assistance
10 under chapter 346; and

11 (4) All other unemployed persons, whether or not they are
12 unemployment insurance claimants.

13 (b) Persons employed in public service jobs under this
14 chapter shall not be paid wages below the state minimum wage.

15 (c) Persons under subsection (b) shall not be considered
16 state employees and shall not be subject to the provisions of
17 law relating to state employment, including those regarding
18 hours of work, rates of compensation, leave, unemployment
19 compensation, and state employee benefits.

20 (d) For purposes of chapter 386, persons under subsection
21 (b) shall be deemed employees of the State within the meaning of



1 the term "employee" as defined in section 386-1, and the
2 provisions of that chapter shall apply.

3 § -3 Relationship of program under this part to other
4 state programs. The program under this part is a state-funded
5 program. Accordingly, the director shall not be required to
6 conform this program with that of other public service
7 employment programs.

8 The director, immediately upon the effective date of this
9 chapter, shall implement this part. The director shall
10 coordinate the activities with any other state or county
11 activities relating to public service employment, including but
12 not limited to programs under chapters, 202, 394, and 394B, and
13 sections 346-71 and 346-101.

14 § -4 Rules. The director shall adopt rules pursuant to
15 chapter 91 necessary for the purposes of this chapter.

16 § -5 Reports. The director shall report on the
17 progress of this chapter to the legislature annually.

18 PART II. STATE ASSISTANCE FOR CERTAIN EMPLOYMENT

19 § -11 State subsidy for certain employers. Any
20 employer, whether profit-making or nonprofit making, who agrees
21 to participate in an employment program to train and permanently



1 hire unemployed persons, shall be entitled to a state subsidy in
2 accordance with this part and rules as may be necessary.

3 § -12 Nature of subsidy. The subsidy shall be to defray
4 extra costs of providing employment and a program of training
5 and support services. It may be used for on-the-job training
6 and counseling, job orientation, job-related education,
7 instruction in English as a second language, medical and dental
8 services, transportation expenses, a portion of wages, and other
9 costs related to the employment.

10 All subsidies shall be made directly to the employer by the
11 director. The amounts of the subsidies shall be determined by
12 the director in accordance with guidelines adopted by the
13 director, and all subsidies shall be incorporated into contracts
14 entered into between the director and the participating
15 employers.

16 § -13 Limitations. No subsidy shall exceed \$
17 for one permanent job position. The maximum subsidy allowed to
18 any one employer shall be \$ or an amount not to exceed
19 twenty-five per cent of any one employer's workforce, whichever
20 is the lesser amount, except under exceptional circumstances as
21 determined by the director. The training subsidy for a given
22 position shall not exceed twenty weeks.



1 PART III. STATE LOANS FOR CERTAIN EMPLOYMENT

2 § -21 State loans for certain private employers. Any
3 private employer, whether profit or nonprofit, who agrees to
4 participate in an employment program to train and permanently
5 hire unemployed persons shall be entitled to qualify for state
6 low-interest loans for purposes described in this part.

7 § -22 Nature of loans. The employer who qualifies shall
8 be entitled to a loan of not more than \$ for each
9 unemployed person that the employer immediately hires; provided
10 that the persons shall be employed at least one year or for the
11 term of the loan, whichever is longer.

12 The loan shall be for five years maximum, at the rate of
13 per cent interest a year, and shall be payable in equal
14 monthly installments of principal and interest.

15 The loan shall be for purposes directly related to the
16 maintenance or expansion of the employer's business activity.

17 Any provision to the contrary notwithstanding, the director
18 shall have full authority and discretion to consider, approve,
19 or disapprove any loan application and impose restrictions on
20 any loan made pursuant to this part. Under no circumstances
21 shall any one employer be granted loans exceeding \$."



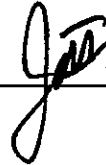
1 SECTION 3. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$ or so
3 much thereof as may be necessary for fiscal year 2010-2011 to
4 implement section 2 of this Act by creating up to jobs
5 for the unemployed and underemployed.

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

8 SECTION 4. This Act shall take effect on July 1, 2010.

9

INTRODUCED BY:

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JAN 27 2010



Report Title:

State Comprehensive Employment Training Program

Description:

Creates the State Comprehensive Employment Training Program (SCET) providing subsidized employment for work with a public purpose. Appropriates funds.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

