
A BILL FOR AN ACT

RELATING TO WORKERS' COMPENSATION.

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

1 SECTION 1. Section 386-153, Hawaii Revised Statutes, is
2 amended to read as follows:
3 "**§386-153 Levy on insurers of employers insured under**
4 **section 386-121(a)(1).** (a) For the calendar year 1974 and for
5 each calendar year thereafter, insurers of employers, as defined
6 in section 386-1, shall pay a levy determined by the director
7 which shall be based on a percentage on gross premiums, as
8 defined in section 431:7-202(a), derived from workers'
9 compensation insurance issued during the prior year in
10 accordance with chapter 386 and chapter 431, if the levying and
11 collecting of such a levy is required pursuant to section 386-
12 152, which levy shall be collected in the same manner as the tax
13 provided for in section 431:7-202 is collected and shall be
14 deposited in the special compensation fund established in
15 section 386-151. This levy shall be in addition to any tax
16 imposed in chapter 431 on gross premiums derived from workers'
17 compensation insurance.



1 (b) Notwithstanding subsection (a), from its inception
2 through December 31, 2007, the Hawaii Employers' Mutual
3 Insurance Company, Inc., shall be exempt from this levy;
4 provided that this exemption shall apply to the first
5 \$25,000,000 of written premiums in each calendar year; and
6 provided further that annual written premiums in excess of
7 \$25,000,000 shall be subject to this levy at the same rate as
8 other insurers. Any moneys heretofore paid by Hawaii Employers'
9 Mutual Insurance Company, Inc., to the special compensation fund
10 shall be retained by the special compensation fund to be
11 credited to future levy balances owed by Hawaii Employers'
12 Mutual Insurance Company, Inc.

13 (c) Notwithstanding subsection (a), the levy as determined
14 by the director for the calendar years 2010 and 2011 shall be no
15 more than fifty per cent of the levy in calendar year 2009."

16 SECTION 2. Section 386-154, Hawaii Revised Statutes, is
17 amended by amending subsection (b) to read as follows:

18 "(b) For the calendar year 1974 and for each calendar year
19 thereafter an employing unit shall, except as otherwise provided
20 in section 386-152, pay into the special compensation fund a
21 charge in an amount which is equal to the product derived by



1 multiplying the employing unit's most recent compensation ratio
2 by the most recent anticipated total assessment.

3 For each calendar year the director shall determine the
4 amount of the charge to be paid by each employing unit, and
5 shall give notice of such charge to each employing unit by
6 August 15 of the year for which the charge is assessed. The
7 amount of the charge shall be paid to the director on or before
8 September 30 following notification.

9 The director of finance may withhold the additional charge
10 due from a political subdivision from any moneys due the
11 subdivision from the State if the subdivision has not paid its
12 charge as required by this section and shall deposit the
13 withheld amount in the special compensation fund.

14 (c) Notwithstanding subsection (b), the amount of the
15 charge to be paid by each employing unit as determined by the
16 director for calendar years 2010 and 2011 shall be no more than
17 fifty per cent of the charge in calendar year 2009."

18 SECTION 3. New statutory material is underscored.

19 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

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[Signature]
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Gothi Thelen
J-R
Santana Monemot

JAN 20 2010



Report Title:

Workers' compensation

Description:

Reduces the levies and charges paid into the workers' compensation special fund by insurers and employers by fifty per cent for calendar years 2010 and 2011.

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

