
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. The purpose of this Act is to:

10 (1) Assist unemployed persons who have used all available
11 unemployment insurance benefits with employment in
12 needed public service jobs, and, whenever feasible,
13 related training and manpower services, to enable them
14 to move into temporary full-time or part-time
15 employment or training supported under this chapter;
16 and



1 (2) Provide subsidies for certain private employers to
2 participate in the employment programs involving the
3 training and hiring of unemployed persons.

4 SECTION 2. The Hawaii Revised Statutes is amended by
5 adding a new chapter to be appropriately designated and to read
6 as follows:

7 **"CHAPTER**

8 **STATE COMPREHENSIVE EMPLOYMENT AND TRAINING PROGRAM**

9 **PART I. GENERAL PROVISIONS**

10 § -1 **Definitions.** As used in this chapter, unless the
11 context clearly requires otherwise:

12 "Department" means the department of labor and industrial
13 relations.

14 "Director" means the director of labor and industrial
15 relations.

16 "Unemployed person" means a person who is without a job and
17 is able, available, and seeking full-time employment.

18 § -2 **Authority.** (a) The director may create and
19 administer a statewide state-funded subsidized public service
20 employment program. In carrying out the program, the director
21 shall accord priority to individuals to be hired in the
22 following order:



1 (1) Unemployed persons who have exhausted their
2 unemployment benefits; and

3 (2) All other unemployed persons that do not qualify for
4 unemployment benefits.

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

7 (c) Persons under subsection (b) shall not be considered
8 state employees and shall not be subject to the provisions of
9 law relating to state employment, including those regarding
10 hours of work, rates of compensation, leave, unemployment
11 compensation, and state employee benefits.

12 (d) For purposes of chapter 386, persons under subsection
13 (b) shall be deemed employees of the State within the meaning of
14 the term "employee" as defined in section 386-1, and the
15 provisions of that chapter shall apply.

16 **§ -3 Relationship of program under this part to other**
17 **state programs.** The program under this part is a state-funded
18 program. Accordingly, the director shall not be required to
19 conform this program with that of other public service
20 employment programs.

21 The director, immediately upon enactment of this part,
22 shall implement this part. The director shall coordinate the



1 activities with any other federal, state, or county activities
2 relating to public service employment, including but not limited
3 to programs under chapters, 202, 394, and 394B, and sections
4 208-5, 346-71, and 346-101.

5 § -4 **Rules.** The director shall adopt rules pursuant to
6 chapter 91 necessary for the purposes of this chapter.

7 § -5 **Reports.** The director shall report on the
8 progress of this chapter to the legislature annually.

9 **PART II. STATE ASSISTANCE FOR CERTAIN EMPLOYMENT**

10 § -11 **State subsidy for certain employers.** Any
11 employer, whether profit-making or nonprofit making, who agrees
12 to participate in an employment program to train and permanently
13 hire unemployed persons, shall be entitled to a state subsidy in
14 accordance with this part and rules as may be necessary;
15 provided that no employer receiving this subsidy shall directly
16 replace current workers with individuals from the state
17 comprehensive employment and training program.

18 § -12 **Nature of subsidy.** The subsidy shall be to defray
19 extra costs of providing employment and a program of training
20 and support services. It may be used for on-the-job training
21 and counseling, job orientation, job-related education,
22 instruction in English as a second language, medical and dental



1 services, transportation expenses, a portion of wages, and other
2 costs related to the employment.

3 All subsidies shall be made directly to the employer by the
4 director. The amounts of the subsidies shall be determined by
5 the director in accordance with guidelines adopted by the
6 director, and all subsidies shall be incorporated into contracts
7 entered into between the director and the participating
8 employers.

9 § -13 **Limitations.** No subsidy shall exceed \$
10 for one permanent job position. The maximum subsidy allowed to
11 any one employer shall be \$ or an amount not to exceed
12 twenty-five per cent of any one employer's workforce, whichever
13 is the lesser amount, except under exceptional circumstances as
14 determined by the director. The training subsidy for a given
15 position shall not exceed twenty weeks."

16 SECTION 3. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$ or so
18 much thereof as may be necessary for fiscal year 2009-2010 to
19 implement section 2 of this Act.

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



1 SECTION 4. This Act shall take effect on the later of:

2 (1) July 1, 2009; or

3 (2) The date upon which:

4 (A) The State's seasonally-adjusted unemployment rate
5 is determined by the department of labor and
6 industrial relations to have exceeded seven per
7 cent; and

8 (B) The governor issues a proclamation that the
9 events in subparagraph (A) have occurred and
10 publishes a notice statewide as provided in
11 section 1-28.5, Hawaii Revised Statutes,
12 and shall be repealed on June 30, 2010.



Report Title:

State Comprehensive Employment Training Program

Description:

Creates the state comprehensive employment training program providing subsidized employment for work with a public purpose. Prohibits direct replacement of current employees. Appropriates funds. (HB987 HD1)

