

Honolulu, Hawaii

March 19, 2010

RE: S.B. No. 2324
S.D. 2
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 2324, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO UNEMPLOYMENT INSURANCE BENEFITS,"

begs leave to report as follows:

The purpose of this bill is to assist those receiving partial unemployment benefits who are attached to a regular employer by clarifying that a claimant receiving partial unemployment benefits is not disqualified from receiving benefits upon separating from another employer that offers only part-time employment.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO and ILWU Local 142 testified in support of the intent of this bill. The Department of Labor and Industrial Relations and General Contractors Association of Hawaii opposed this measure.

Currently, individuals who are attached to an employer but separated from that employer because of lack of work may receive "partial" unemployment insurance (UI) benefits. This exempts that individual from work registration and job search requirements because the individual is obligated to be available for work by the employer the worker is attached to and it is expected that work will be available in a timely manner. In addition, the



claimant may voluntarily seek part-time or full-time employment to supplement or supplant the UI benefits that are being received.

However, should this individual be separated from employment with the secondary employer, the possibility exists that the individual would be disqualified from receiving any UI benefits. This measure attempts to correct this issue.

Your Committee notes that H.B. 2257, H.D. 2, provides similar relief to these partially unemployed individuals through amendments to statutory provisions establishing criteria for the disqualification of UI benefits rather than amending statutory provisions that establish eligibility requirements for partial unemployment, which, according to supporters of this measure, would make the language more straightforward and unambiguous. Accordingly, your Committee has amended this measure by replacing it with the provisions contained in H.B. No. 2257, H.D. 2.

Technical, nonsubstantive amendments have also been made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2324, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2324, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,



KARL RHOADS, Chair



