

Honolulu, Hawaii

Ag: 11, 2010

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

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

Sir:

Your Committee on Finance, to which was referred S.B. No. 2324, S.D. 2, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this bill is to help ease financial strain on partially unemployed individuals by authorizing an individual who is attached to a regular employer who is not offering work to receive unemployment insurance benefits under certain specified conditions.

The Hawaii Building and Construction Trades Council, AFL-CIO, and ILWU Local 142 testified in support of this bill. The Department of Labor and Industrial Relations (DLIR) and General Contractors Association of Hawaii testified in opposition to this measure.

Your Committee has amended this bill by inserting language that:

- (1) Requires DLIR, with assistance from the Department of Business, Economic Development, and Tourism (DBEDT), to conduct a study on the cost and feasibility of changing from annual to semi-annual the contribution rate schedules for unemployment contributions;



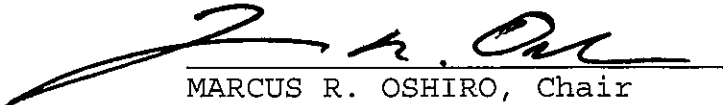
- (2) Requires DLIR, with assistance from DBEDT, to review the auditor's study conducted in 1982 regarding the financing mechanisms of the unemployment compensation fund;
- (3) Provides unspecified amounts of funds from the Special Unemployment Insurance Administration Fund for DLIR, with the assistance of DBEDT, to conduct the study and review; and
- (4) Requires DLIR, working with DBEDT, to submit reports of its findings and recommendations to the Legislature.

Your Committee has also amended this bill by:

- (1) Changing the effective date to July 1, 2020, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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

Respectfully submitted on
behalf of the members of the
Committee on Finance,


MARCUS R. OSHIRO, Chair



