



GOV. MSG. NO. 1223

EXECUTIVE CHAMBERS
HONOLULU

NEIL ABERCROMBIE
GOVERNOR

June 14, 2011

The Honorable Shan Tsutsui, President
and Members of the Senate
Twenty-Sixth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Calvin Say, Speaker
and Members of the House
Twenty-Sixth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Tsutsui, Speaker Say and Members of the Legislature:

This is to inform you that on June 14, 2011, the following bill was signed into law:

HB1076 HD1 SD2

RELATING TO EMPLOYMENT SECURITY LAW
Act 120 (11)

Aloha
Signed,
Neil Abercrombie

NEIL ABERCROMBIE
Governor, State of Hawaii

on JUN 14 2011

HOUSE OF REPRESENTATIVES
TWENTY-SIXTH LEGISLATURE, 2011
STATE OF HAWAII

ACT 120
H.B. NO. 1076
H.D. 1
S.D. 2

A BILL FOR AN ACT

RELATING TO EMPLOYMENT SECURITY LAW.

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

1 SECTION 1. Section 383-123, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§383-123 Withdrawals; administrative use. (a)

4 Withdrawals. Moneys requisitioned from the State's account in
5 the unemployment trust fund shall be used exclusively for the
6 payment of benefits and for refunds of contributions pursuant to
7 section 383-76 and section [+]383-7(a)(6)[+], except that moneys
8 credited to this State's account pursuant to [~~section~~] Section
9 903 of the Social Security Act, as amended, shall be used
10 exclusively as provided in subsection (b). The director of
11 finance shall from time to time, with the approval of the
12 department of labor and industrial relations in accordance with
13 rules prescribed by the comptroller of the State, requisition
14 from the unemployment trust fund such amounts, not exceeding the
15 amount in the State's account, as it deems necessary for the
16 payment of benefits and refunds of contributions for a
17 reasonable future period. The moneys shall be deposited in the
18 benefit account. Expenditures of such moneys in the benefit



1 account and refunds from the clearing account shall not be
2 subject to any provisions of law requiring specific
3 appropriations or other formal release by state officers of
4 moneys in their custody. All benefits and refunds of
5 contributions shall be paid from the fund upon warrants drawn
6 upon the director of finance by the comptroller of the State
7 supported by vouchers approved by the department. Any balance
8 of moneys requisitioned from the unemployment trust fund [~~which~~
9 that remains unclaimed or unpaid in the benefit account after
10 the expiration of the period for which the sums were
11 requisitioned shall either be deducted from estimates for, and
12 may be [~~utilized~~] used for the payment of, benefits and refunds
13 during succeeding periods[~~7~~] or, in the discretion of the
14 department, shall be redeposited with the Secretary of the
15 Treasury of the United States, to the credit of this State's
16 account in the unemployment trust fund, as provided in section
17 383-122.

18 (b) Administrative use. Moneys credited to the account of
19 this State in the unemployment trust fund by the Secretary of
20 the Treasury of the United States pursuant to [~~section~~] Section
21 903 of the Social Security Act, as amended, may be requisitioned
22 and used for the payment of benefits and for the payment of



1 expenses incurred for the administration of this State's
2 unemployment compensation law and public employment offices
3 pursuant to a specific appropriation of the legislature;
4 provided that the expenses are incurred and the money is
5 requisitioned after the enactment of an appropriation law that:

- 6 (1) Specifies the purposes for which the moneys are
7 appropriated and the amounts appropriated therefor;
- 8 (2) Limits the period within which the moneys may be
9 obligated to a period ending not more than two years
10 after the date of the enactment of the appropriation
11 law; and
- 12 (3) Limits the amount that may be obligated to an amount
13 that does not exceed the amount by which the aggregate
14 of the amounts credited to the account of this State
15 pursuant to [~~section~~] Section 903 of the Social
16 Security Act, as amended, exceeds the aggregate of the
17 amounts obligated pursuant to this subsection and
18 charged against the amounts credited to the account of
19 this State.

20 Moneys credited to the account of this State pursuant to
21 [~~section~~] Section 903 of the Social Security Act, as amended,
22 may not be withdrawn or used except for the payment of benefits

1 and for the payment of expenses for the administration of this
2 chapter pursuant to this subsection.

3 The appropriation, obligation, and expenditure or other
4 disposition of moneys appropriated under this subsection shall
5 be accounted for in accordance with standards established by the
6 United States Secretary of Labor. Moneys appropriated for the
7 payment of expenses of administration pursuant to this
8 subsection shall be requisitioned as needed for the payment of
9 obligations incurred under the law appropriating the moneys and,
10 upon requisition, shall be deposited in the employment security
11 administration fund from which the payments shall be made.
12 Moneys so deposited, until expended, shall remain a part of the
13 unemployment compensation fund and, if not expended within one
14 week after withdrawn from the unemployment trust fund, shall be
15 returned at the earliest practical date to the Secretary of the
16 Treasury of the United States for credit to this State's account
17 in the unemployment trust fund.

18 (c) Notwithstanding subsection (b), moneys credited to the
19 State's account in federal fiscal years ending in 2000, 2001,
20 and 2002 shall be used solely for the administration of the
21 unemployment compensation program and are not subject to the
22 specific appropriation requirements of subsection (b), except



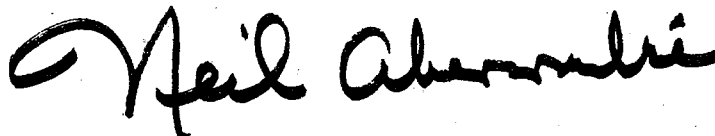
1 that moneys credited in calendar year 2002 with respect to P.L.
2 107-147 shall not be subject to the conditions of this
3 subsection or the two-year limitation requirement specified in
4 subsection (b).

5 (d) Notwithstanding subsection (b), moneys credited to the
6 account of this State pursuant to the special transfer made in
7 2009 under Section 903(g) of the Social Security Act, as
8 amended, shall be used solely for the payment of expenses for
9 the administration of this chapter."

10 SECTION 2. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 3. This Act shall take effect upon approval.

APPROVED this 14 day of JUN, 2011



GOVERNOR OF THE STATE OF HAWAII

