

STAND. COM. REP. NO.

237

Honolulu, Hawaii

Feb 11, 2011

RE: H.B. No. 1077
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1077, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY LAW,"

begs leave to report as follows:

The purpose of this bill is to authorize the payment of interest on Title XII loans advanced under provisions of Section 1202(b) of the Social Security Act, as amended, from the Employment and Training Fund (E&T Fund) and to allow for an increase in employer assessments to the E&T Fund in increments of .01 percent for the 2011 calendar year. This bill also includes provisions for refunds to employers for assessments paid, if Title XII interest payments are waived by federal law.

The Department of Labor and Industrial Relations testified in support of this bill. The Chamber of Commerce of Hawaii provided comments.

Your Committee has amended this bill by:

- (1) Removing the provisions requiring refunds to employers for assessments paid if Title XII interest payments are waived by federal law;

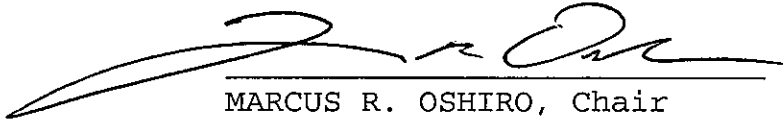
HB1077 HD2 HSCR FIN HMS 2011-2142



- (2) Adding provisions that if Title XII interest payments are waived by federal law, interest payments collected by employers will be applied to E&T Fund assessments for 2012 and no further assessments will be collected in that year; and
- (3) 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 H.B. No. 1077, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1077, H.D. 2.

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



MARCUS R. OSHIRO, Chair



