



**STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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February 28, 2011

To: The Honorable Marcus R. Oshiro, Chair
and Members of the House Committee on Finance

Date: Monday, February 28, 2011
Time: 3:30 p.m.
Place: Conference Room 308, State Capitol

From: Dwight Takamine, Director
Department of Labor and Industrial Relations

LATE

Re: H.B. 837 H.D 1 Relating to Unemployment Insurance Benefits

I. OVERVIEW OF PROPOSED LEGISLATION

H.B. 837 H.D 1 proposes to amend section 383-30, Hawaii Revised Statute (HRS), by codifying good cause conditions for voluntarily leaving part-time employment for individuals who are still attached to a regular employer.

The intent of this measure is to encourage individuals, who have been temporarily laid off from a regular employer, to accept other part-time work until reinstatement into the full-time job.

II. CURRENT LAW

Currently, sections 383-30(1) and 383-30(2), HRS, which disqualifies individuals who quit a job without good cause or is discharged for misconduct, are applicable to all individuals receiving unemployment benefits regardless of whether that individual is on a partial, part-total or total claim status.

The fundamental purpose of the Unemployment Insurance (UI) program is to pay benefits to individuals who are unemployed through no fault of their own. Accordingly, any job separation that affects the payment of UI compensation is properly adjudicated to determine whether benefits will be allowed or denied. Where the voluntary quit is for

good cause or the discharge is for no misconduct connected with work, UI benefits are allowed. Conversely, benefits are denied if the termination is without good cause or for misconduct.

III. HOUSE BILL

The Department supports this measure to limit the eligibility of claimants to collect UI benefits to situations involving voluntary separation with good cause. This measure clearly describes situations in which an individual who, while on partial claim status, accepts a job with another employer and subsequently quit due to the following reasons will not be subject to denial under section 383-30(1), HRS:

- (1) Loss of full-time work with a regular employer made it economically unfeasible to continue part-time employment;
- (2) The part-time employment was outside of the individual's customary occupation and would not have been considered suitable work under section 12-5-55 (c), Administrative Rules, at the time that the individual accepted the part-time employment;
- (3) The employer failed to provide sufficient advance notice of a work schedule change;
- (4) There was a work schedule conflict with the regular full-time employer; or
- (5) Any other factor relevant to a determination of good cause.