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**Testimony to the House Committees on Labor & Public Employment and
Economic Revitalization and Business
Friday, February 4, 2011; 9:00 a.m.
Conference Room 309**

**RE: HOUSE BILL NO. 837 RELATING TO UNEMPLOYEMENT
INSURANCE**

Chairs Rhoads and McKelvey, Vice Chairs Yamashita and Choy, and Members of the Committees:

My name is Jim Tollefson and I am the President and CEO of The Chamber of Commerce of Hawaii ("The Chamber"). The Chamber does not support House Bill No. 837, relating to Unemployment Insurance.

The Chamber is the largest business organization in Hawaii, representing more than 1,100 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of its members, which employ more than 200,000 individuals, to improve the state's economic climate and to foster positive action on issues of common concern.

This measure provides that an individual shall not be disqualified for benefits in which the individual separates involuntarily or voluntarily, with or without good cause, from an employer offering part-time employment, if the individual is receiving benefits while attached to a regular employer who is not offering work, receiving partial unemployment benefits, and exempt from work search and registration for work requirements.

The Chamber particularly does not support the section that provides benefits will be paid regardless of whether the employee was separated with or without good cause or involuntarily or voluntarily even if the employee quits on his or her own terms for non-compelling reasons or has willfully acted against the employer's policies. The language does not allow an employer to challenge the payment of unemployment benefits.

The unemployment insurance trust fund is still underfunded and this measure may cause an increase in the negative balance. Also, employers contribute 100% to the fund to pay benefits, so additional payouts as a result of this measure will eventually increase the employer contributions.

For these reasons, The Chamber of Commerce of Hawaii respectfully requests that this measure be held.

Thank you for the opportunity to testify.

The Twenty-Sixth Legislature
Regular Session of 2011

LATE

HOUSE OF REPRESENTATIVES
Committee on Labor & Public Employment
Rep. Karl Rhoads, Chair
Rep. Kyle T. Yamashita, Vice Chair
Committee on Economic Revitalization & Business
Rep. Angus L.K. McKelvey, Chair
Rep. Isaac W. Choy, Vice Chair

State Capitol, Conference Room 309
Friday, February 4, 2011; 9:00 a.m.

**STATEMENT OF THE ILWU LOCAL 142 ON H.B. 837
RELATING TO UNEMPLOYMENT INSURANCE BENEFITS**

The ILWU Local 142 supports H.B. 837, which authorizes an individual who is attached to a regular employer that is not offering work to continue to be eligible to receive unemployment insurance benefits even if that individual voluntarily or involuntarily separates, with or without good cause, from part-time employment with a secondary employer.

When an employee is "attached" to a regular employer, but not offered work, and applies for unemployment insurance benefits, the claim is considered a "partial" rather than "total" claim. Partial claimants are exempt from registration for work and job search requirements. The regular employer must provide a "weekly report of low earnings" to verify the claimant's attached status with the employer and any work offered to the claimant during the week. The claimant must be available for work offered by his regular employer but may voluntarily seek part-time or full-time work to supplement or supplant the unemployment benefit.

In many cases, partial claimants are those whose regular employer has no work to offer due to a planned, temporary shutdown of operations. It is the employer who wants the employee to be "attached" and will provide medical and other benefits to be assured that the employee will return to the job when needed.

Under current law, if an "attached" employee obtains a second job and is terminated from that job, he may be disqualified for unemployment benefits derived due to employment with his regular employer. H.B. 837 seeks to remedy what we believe to be an inequity in the current law and will prohibit disqualification of a partial claimant for separation from a second job, which had no bearing on the employee's eligibility for unemployment benefits in the first place. We believe this amendment of the law is fair because the prohibition will only apply to claimants who are attached to a regular employer, are receiving "partial" unemployment benefits, are exempt from job search and registration for work requirements, and are available for work offered by the regular employer.

The ILWU urges passage of H.B. 837. Thank you for the opportunity to share our testimony on this bill.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

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The Twenty-Sixth Legislature, State of Hawaii
Hawaii State House of Representatives

Committee on Labor & Public Employment
Committee on Economic Revitalization & Business

Testimony by
Hawaii Government Employees Association

February 4, 2011

H.B. 837 – RELATING TO UNEMPLOYMENT
INSURANCE BENEFITS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports H.B. 837, which authorizes an individual that is attached to a regular employer who is not offering work to still receive unemployment insurance benefits even if that individual voluntarily or involuntarily separates from part-time employment.

The measure fairly seeks to preserve unemployment insurance benefits for individuals still attached to their regular employer who is not offering work, under very specific and reasonable circumstances.

Thank you for the opportunity to testify in support of H.B. 837.

Respectfully submitted,

Nora A. Nomura
Deputy Executive Director

