



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

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March 28, 2011

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

Date: Thursday, March 31, 2011
Time: 2:00 p.m.
Place: Conference Room 308, State Capitol

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

Re: S.B. 1088 S.D. 1 H.D. 1 Relating to Unemployment Insurance Benefits

I. OVERVIEW OF PROPOSED LEGISLATION

S.B. 1088 S.D. 1 H.D. 1 proposes to amend section 383-30, Hawaii Revised Statute (HRS), by:

- Repeals the June 30, 2012 sunset date of provisions related to partial unemployment benefits such that the provisions are permanent effective July 1, 2011.
- Removes the 8-week limitation on partial unemployment benefit status.
- Permanently removes the registration and work search requirements for individuals who are partially employed as they are attached to a regular employer to whom they will return to work.
- Clarifies the conditions under which individuals, whose UI claims are based on full-time work, may establish good cause for voluntarily leave subsequent part-time employment.

II. CURRENT LAW

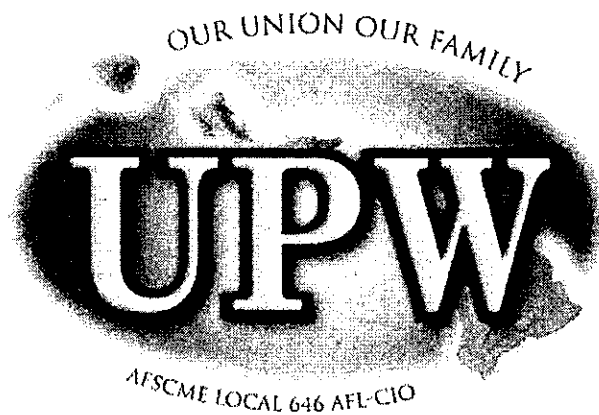
- Section 383-29.8, HRS, provides that registration for work and active search for work requirements under section 383-29(a)(2), HRS, may be waived for certain individuals, including those who are deemed partially unemployed.
- Existing statutes permit no distinction between determining eligibility for

voluntarily leaving part-time or full-time jobs for purposes of applying section 383-30(1), HRS. Further, adjudication of terminations does not consider whether the UI claim is based on full-time or part-time employment.

- Section 383-29.7 provides that individuals must convert from partial unemployment to total unemployment status after 8 weeks of no earnings. As such, they are considered laid off from work and therefore, similarly situated as totally unemployed claimants who must comply with registration and search for work requirements.

III. SENATE BILL

The Department is in support of this measure.



**Twenty-Sixth Legislature, State of Hawaii
HOUSE COMMITTEE ON FINANCE
Hearing Date: March 31, 2011**

Testimony By United Public Workers

Re: SB 1088, SD1, HD1(HSCR1216) - RELATING TO UNEMPLOYMENT INSURANCE BENEFITS

My name is Dayton M. Nakanelua and I am the State Director of the United Public Workers, AFSCME, Local 646, AFL-CIO. The UPW is the exclusive bargaining representative for public employees in bargaining Unit 1 blue collar non-supervisory and Unit 10 institutional, health and correctional facilities.

The United Public Workers support S.B. 1088, SD1, HD1 which repeals the June 30, 2012, sunset date of provisions related to partial unemployment benefits. Removes the eight-week limitation on partial unemployment benefit status. Makes mandatory, rather than discretionary, the waiver of registration and work search requirements for individuals who are partially unemployed. This measure will provide unemployment insurance benefits for people attached to their regular employer who is not offering work.

Thank you for the opportunity to testify in support of S.B. 1088, SD1, HD1.

The Twenty-Sixth Legislature
Regular Session of 2011

HOUSE OF REPRESENTATIVES
Committee on Finance
Rep. Marcus R. Oshiro, Chair
Rep. Marilyn B. Lee, Vice Chair

State Capitol, Conference Room 308
Thursday, March 31, 2011; 2:00 p.m.

**STATEMENT OF THE ILWU LOCAL 142 ON S.B. 1088, SD1, HD1
RELATING TO UNEMPLOYMENT INSURANCE BENEFITS**

The ILWU Local 142 strongly supports S.B. 1088, SD1, HD1, which repeals the June 30, 2012 sunset of provisions related to partial unemployment benefits and makes various amendments to the existing statutes pertaining to partial unemployment.

Partial unemployment benefits are provided to those employees who are "attached" to a regular employer. These employers are not able to offer consistent work or, in some cases, no work at all. Attachment to a regular employer, as defined in S.B. 1088, SD1, HD1, allows a claimant to receive unemployment benefits without being required to register for work with the Workforce Development Division or look for work as a condition of receiving benefits. Furthermore, if the claimant should voluntarily leave a part-time job while receiving benefits for certain reasons defined as "good cause" in the bill, the claimant will not be disqualified from receiving benefits.

This bill clarifies eligibility requirements for partial unemployment benefits and, more importantly, repeals the sunset of these provisions. We believe the bill to be thoughtfully crafted and addresses the needs of both employers who wish to have their employees return to the job when work becomes available and employees who need income to see them through periods of unemployment. An attached employer who provides medical coverage or vacation and sick leave credits to employees receiving partial unemployment benefits demonstrates a strong commitment to rehire the employees, thereby ultimately keeping more individuals in the workforce.

S.B. 1088, SD1, HD1 is a product of the committee chairs who previously heard the bill as well as the Department of Labor and Industrial Relations. We commend them all for a bill that satisfies most, if not all, interests.

The ILWU urges passage of S.B. 1088, SD1, HD1. Thank you for the opportunity to share our views on this matter.