
A BILL FOR AN ACT

RELATING TO EMPLOYMENT SECURITY.

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

1 SECTION 1. (a) There is established, within the
2 department of labor and industrial relations, a temporary
3 program to be known as the self-employment assistance program.
4 The self-employment assistance program shall be developed by the
5 department of labor and industrial relations and approved by the
6 director of labor and industrial relations.

7 (b) The self-employment assistance program shall include,
8 but not be limited to, entrepreneurial training, business
9 counseling, technical assistance, and requirements for
10 participants to engage in activities relating to the
11 establishment of a business and becoming self-employed.

12 (c) An unemployed individual shall be eligible to
13 participate in the self-employment assistance program if it has
14 been determined by the department of labor and industrial
15 relations that the unemployed individual meets the following
16 qualifications:



1 (1) The unemployed individual is eligible to receive
2 unemployment benefits under chapter 383, Hawaii
3 Revised Statutes; and

4 (2) The unemployed individual has been identified as
5 likely to exhaust unemployment benefits before finding
6 employment.

7 (d) The department of labor and industrial relations shall
8 identify, under rules adopted by the department pursuant to
9 chapter 91, Hawaii Revised Statutes, unemployed individuals that
10 are likely to exhaust regular benefits before finding employment
11 and shall notify the identified unemployed individuals of the
12 opportunity to enroll in the self-employment assistance program.

13 (e) Unemployed individuals participating in the self-
14 employment assistance program shall be eligible to receive
15 benefits under the federal Emergency Unemployment Compensation
16 Program; provided that:

17 (1) The requirements of chapter 383, Hawaii Revised
18 Statutes, regarding being available for work, actively
19 seeking work, or refusing to accept suitable work
20 shall not apply to the unemployed individual; and



1 (2) An unemployed individual participating in self-
2 employment assistance activities shall be considered
3 to be unemployed.

4 (f) An unemployed individual participating in the self-
5 employment assistance program who fails to participate in self-
6 employment assistance activities or who fails, on a full-time
7 basis, to actively engage in establishing a business and
8 becoming self-employed shall be disqualified from participating
9 in the self-employment assistance program.

10 (g) The director of labor and industrial relations shall
11 take all steps necessary to carry out the purposes of the self-
12 employment assistance program to assure collaborative
13 involvement of interested parties in the development of the
14 self-employment assistance program, and to ensure that the self-
15 employment assistance programs meet all federal criteria for
16 withdrawal under the federal Emergency Unemployment Compensation
17 Program. The director of labor and industrial relations may
18 approve, as self-employment assistance programs, existing self-
19 employment training programs available through community
20 colleges, workforce investment boards, or other organizations
21 and is not obligated to expend any departmental funds for the
22 operation of self-employment assistance programs unless specific



1 funding is provided to the department of labor and industrial
2 relations for that purpose through federal or state
3 appropriations.

4 (h) An unemployed individual completing the self-
5 employment assistance program may not directly compete with the
6 unemployed individual's separating employer for a specific time
7 period and in a specific geographic area as determined by the
8 director of labor and industrial relations. The time period may
9 not exceed one year. Both the time period and the geographic
10 area must be reasonable, considering whether:

11 (1) Restraining the unemployed individual from performing
12 services is necessary for the protection of the
13 employer or the employer's goodwill;

14 (2) The agreement harms the unemployed individual more
15 than is reasonably necessary to secure the employer's
16 business or goodwill; and

17 (3) The loss of the unemployed individual's services and
18 skills injures the public to a degree warranting
19 nonenforcement of the agreement.

20 (i) The director of labor and industrial relations shall
21 adopt rules in accordance with chapter 91, Hawaii Revised



1 Statutes, to implement and carry out the purposes of the self-
2 employment assistance program.

3 (j) As used in this Act, the term "unemployed individual"
4 shall have the same meaning as used in Chapter 383, Hawaii
5 Revised Statutes.

6 SECTION 2. This Act shall take effect on January 1, 2049,
7 and shall be repealed on June 30, 2015.



Report Title:

Employment Security; Unemployment; Self-Employment Assistance Program

Description:

Establishes a temporary Self-employment Assistance Program in the Department of Labor and Industrial Relations. Establishes benefits and requirements. Effective January 1, 2049. Repealed on June 30, 2015. (HB2024 HD1)

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