

STAND. COM. REP. NO. **2888**

Honolulu, Hawaii

MAR 21 2012

RE: H.B. No. 2576
H.D. 2

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred H.B. No. 2576, H.D. 2, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to maintain uniformity in existing rate determination procedures for processing appeals by requiring an employer to file a notice of appeal of an unemployment insurance rate contribution determination with the Employment Security Appeals Referees' Office rather than directly to the circuit court.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations.

Your Committee finds that existing law requires employers to file an application for review and redetermination within fifteen days after the mailing of a contribution rate notice. If the Department of Labor and Industrial Relations grants a review, a hearing is held and the Department's redetermination is final unless proceedings are commenced in circuit court. However, existing law does not identify the Employment Security Appeals Referees' Office as the agency responsible for allowing or denying the review or conducting the hearing. This measure clarifies that an employer's contribution rate notices are required to be filed with the Employment Security Appeals Referees' Office, ensuring that responsibilities are clearly defined and delineated and



increasing the efficiency with which rate notice challenges are handled.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2576, H.D. 2, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary and
Labor,



CLAYTON HEE, Chair



