

Honolulu, Hawaii

Feb 8 , 2012

RE: H.B. No. 2576

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 2576 entitled:

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

begs leave to report as follows:

The purpose of this measure is to maintain uniformity in the unemployment insurance contribution rate notice appeals process by clarifying that an appeal by an employer of the Department of Labor and Industrial Relations' determination of an unemployment insurance rate contribution must first be appealed to the Employment Security Appeals Referees' Office rather than directly to the circuit court.

The Department of Labor and Industrial Relations testified in support of this measure.

Currently, when an employer is unsatisfied with the Department of Labor and Industrial Relations' unemployment insurance rate contribution calculation, the employer has 15 days after the mailing of the contribution rate notice to file an appeal of the Department's decision with the Employment Security Appeals Referees' Office. If the employer is not satisfied with the decision rendered by the Employment Security Appeals Referees' Office, the employer can then appeal the decision to the circuit court. Your Committee notes that, although this is the procedure currently in place, the Department has stated that current statutory provisions in place have caused some confusion as to whether the initial appeal is made to the Employment Security



Appeals Referees' Office or directly to the circuit court. This measure clarifies the appeals process.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2576 and recommends that it pass Second Reading and be referred to the Committee on Economic Revitalization & Business.

Respectfully submitted on  
behalf of the members of the  
Committee on Labor & Public  
Employment,



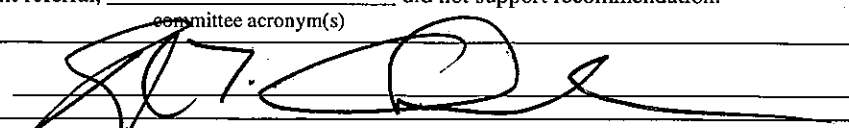
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KARL RHOADS, Chair



State of Hawaii  
House of Representatives  
The Twenty-sixth Legislature

Record of Votes of the Committee on Labor & Public Employment

|   |                                      |                 |      |         |
|---|--------------------------------------|-----------------|------|---------|
| Bill/Resolution No.:<br>HB 2576   | Committee Referral:<br>LAB, ERB, FIN | Date:<br>2-3-12 |      |         |
| <input type="checkbox"/> The committee is reconsidering its previous decision on the measure.   |                                      |                 |      |         |
| The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold<br><input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit) |                                      |                 |      |         |
| LAB Members   | Ayes                                 | Ayes (WR)       | Nays | Excused |
| 1. RHOADS, Karl (C)   | /                                    |                 |      |         |
| 2. YAMASHITA, Kyle T. (VC)  | /                                    |                 |      |         |
| 3. AQUINO, Henry J.C.   | /                                    |                 |      |         |
| 4. CULLEN, Ty   | /                                    |                 |      |         |
| 5. ICHIYAMA, Linda  | /                                    |                 |      |         |
| 6. LEE, Marilyn B.  | /                                    |                 |      |         |
| 7. LUKE, Sylvia   | /                                    |                 |      |         |
| <del>8. OKAMURA, Tom</del>  |                                      |                 |      |         |
| 9. SAIKI, Scott K.  | /                                    |                 |      |         |
| 10. SOUKI, Joseph M.  | /                                    |                 |      |         |
| 11. TAKUMI, Roy M.  | /                                    |                 |      |         |
| 12. FONTAINE, George R.   | /                                    |                 |      |         |
| 13. JOHANSON, Aaron Ling  | /                                    |                 |      |         |
| TOTAL (13)  | 12                                   | —               | —    | —       |
| The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted<br>If joint referral, _____ did not support recommendation.<br>committee acronym(s)   |                                      |                 |      |         |
| Vice Chair's or designee's signature:   |                                      |                 |      |         |
| Distribution: Original (White) – Committee    Duplicate (Yellow) – Chief Clerk's Office    Duplicate (Pink) – HMSO  |                                      |                 |      |         |