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May 21, 2020

TO: The Honorable Senate Committees on Ways and Means and Energy, Economic Development, and Tourism

FROM: Scott T. Murakami
Director, Department of Labor and Industrial Relations (DLIR)

SUBJECT: REPORT ON CURRENT UNEMPLOYMENT STATISTICS

The DLIR has implemented all three of the new unemployment insurance & assistance programs pursuant to the Coronavirus Aid, Relief, and Economic Security (CARES) Act including the Federal Pandemic Unemployment Compensation (FPUC), Pandemic Unemployment Assistance (PUA), and Pandemic Emergency Unemployment Compensation (PEUC) programs.

The department reports the following statistics reflecting the period of March 1, 2020 to May 20, 2020:

Hawaii Unemployment Compensation Trust Fund benefits paid: \$286,470,939

- Total claims on mainframe: 241,120
- Claims denied: 43,606 (18.85%)
- Claims paid: 128,597 (73.84% of claims processed)
- Total claims processed: 174,164 (72.23%)
- Claims in process: 66,956 (27.77%)

Hawaii Unemployment Compensation Trust Fund Balance 5/19: \$399,223,732

Projected date for depletion of the Hawaii Unemployment Compensation Trust Fund: June 18, 2020.

Title XII Advance from Federal Unemployment Account approval: May 6, 2020. Pursuant to Public Law 116-127, no interest will accrue on any advance or advances during the period March 18 to December 31, 2020.

Federal Pandemic Emergency Unemployment Compensation (FPUC, \$600 plus up) 100% federally funded: \$335,127,000

Pandemic Unemployment Assistance 100% federally funded: \$125,887,949

- Total claims processed: 28,331

Pandemic Emergency Unemployment Compensation (PEUC) May 18, 506 applicants received.

Total State Unemployment Insurance & Federal Unemployment Assistance benefits paid: \$747,485,888

REDUCING UNEMPLOYMENT DISRUPTION & DRIVING ECONOMIC REGENERATION (RUDDER)

RUDDER is the DLIR's economic regeneration initiative that provides State Employment & Training Funds that immediately infuses money into the economy and serve as the foundational strategy for aligning federal workforce programs, such as the Disaster Recovery grants, in a unified effort to efficiently train and transfer labor into Hawai'i's businesses that can help reduce job losses and dampen the economic slide due to COVID-19.

The primary objective of RUDDER is to facilitate an efficient labor exchange between the sectors hardest hit by COVID-19 and employers hiring employees. For example, jobs involving cleaning, such as hotel housekeepers, could move into jobs in the healthcare with minimal training and the RUDDER program will facilitate that exchange.

The program provides up to \$100,000 of relief to registered and compliant Hawai'i businesses for new employees hired after March 1, 2020. The program provides an initial \$500 payment for each new employee to offset training and associated costs upon notification to the department of the initial hiring of the employee. After six months of continuous employment and upon receipt of certification from the employer that they have retained the employee, the DLIR will issue a second payment of \$500.

RUDDER to date:

- 351 new hires that employers received training funds for
- 50 participating employers
- 18 employers obtained funds
- \$224,400 disbursed

Thank you for your continued support as we work together to solve the unique challenges that have resulted from the COVID-19 Pandemic.