
A BILL FOR AN ACT

RELATING TO EMPLOYMENT SECURITY.

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

1 SECTION 1. The legislature finds that the coronavirus
2 disease 2019 (COVID-19) pandemic devastated Hawaii's economy.
3 Many businesses in the State could not continue to keep their
4 employees working the same hours as before, and many employees
5 were laid off. Among the employees who remained employed, many
6 of their work hours were reduced due to lower demand for their
7 respective employers' services. These factors affected the
8 aggregate amount of wages paid, which affected the amount of
9 moneys that employers contributed to the unemployment
10 compensation trust fund. As unemployment reached staggering
11 levels as high as twenty-five per cent, over \$600,000,000 from
12 the fund was expended in less than three months.

13 The legislature also finds that as a result of the
14 reduction of the moneys in the unemployment compensation trust
15 fund, the State, which is responsible for ensuring that there
16 are sufficient moneys in the fund, borrowed hundreds of millions
17 of dollars from the federal government for this purpose. The



1 legislature recognizes the importance of timely paying this loan
2 obligation.

3 The purpose of this Act is to appropriate moneys from the
4 general fund to repay the federal government for its loan to the
5 State for the purpose of paying unemployment benefit claims.

6 SECTION 2. There is appropriated out of the general
7 revenues of the State of Hawaii the sum of \$ or so
8 much thereof as may be necessary for fiscal year 2021-2022 and
9 the same sum or so much thereof as may be necessary for fiscal
10 year 2022-2023 for the purpose of reimbursing the federal
11 government for moneys lent to the State for the payment of
12 unemployment benefit claims.

13 The sums appropriated shall be expended by the department
14 of labor and industrial relations for the purposes of this Act.

15 SECTION 3. This Act shall take effect on July 1, 2050.



Report Title:

Employment Security; Unemployment Compensation Trust Fund;
Appropriation

Description:

Appropriates unspecified sums of general fund revenues for fiscal years 2021-2022 and 2022-2023 for the purpose of reimbursing the federal government for moneys lent to the State for the payment of unemployment benefit claims. Effective 7/1/2050. (SD2)

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