

Honolulu, Hawaii

FEB 08 , 2022

RE: H.B. No. 2469
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Labor & Tourism, to which was referred H.B. No. 2469 entitled:

"A BILL FOR AN ACT RELATING TO THE UNEMPLOYMENT COMPENSATION TRUST FUND,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish an Unemployment Compensation Insolvency Special Fund to be expended solely to resolve an Unemployment Compensation Trust Fund insolvency emergency declared by the Governor;
- (2) Permit the Governor to declare an Unemployment Compensation Trust Fund insolvency emergency and to expend monies from the special fund if the Director of Finance determines that the trust fund balance is insufficient to meet the State's obligations; and
- (3) Appropriate monies into the Unemployment Compensation Insolvency Special Fund.

Your Committee received testimony in support of this measure from the Hawaii Food Industry Association. Your Committee received comments on this measure from the Department of Labor and



Industrial Relations, Department of Budget and Finance, Tax Foundation of Hawaii, and Parents and Children Together.

Your Committee finds that as a result of the coronavirus disease 2019 pandemic, unanticipated demands were placed upon the Unemployment Compensation Trust Fund. This measure is intended to better prepare the State for instances where the trust fund's balance is insufficient to meet the State's obligations.

Your Committee amended this measure by changing the effective date to December 25, 2040, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor & Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2469, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2469, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Tourism,


RICHARD H.K. ONISHI, Chair



