

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR



JADE T. BUTAY
DIRECTOR

WILLIAM G. KUNSTMAN
DEPUTY DIRECTOR

STATE OF HAWAII
KA MOKU'ĀINA O HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
KA 'OIHANA PONO LIMAHANA

February 14, 2023

To: The Honorable Scot Z. Matayoshi, Chair,
The Honorable Andrew Takuya Garrett, Vice Chair, and
Members of the House Committee on Labor & Government Operations

Date: Tuesday, February 14, 2023
Time: 9:30 a.m.
Place: Conference Room 309, State Capitol

From: Jade T. Butay, Director
Department of Labor and Industrial Relations (DLIR)

Re: H.B. 1353 RELATING TO UNEMPLOYMENT INSURANCE

I. OVERVIEW OF PROPOSED LEGISLATION

The **DLIR supports** this measure and provides comments. This proposal seeks to appropriate \$1,961,260 in general funds for the fiscal years 2023-2024 and 2024-2025 to support the administration of the Unemployment Insurance (UI) program. It also appropriates \$36M in general funds to help upgrade and modernize the unemployment insurance system.

II. COMMENTS ON THE HOUSE BILL

The DLIR strongly supports this measure provided that the appropriation in Section 1 does not replace or adversely impact priorities indicated in the Governor's Executive Budget request. The UI program intends to use the appropriation to support fifteen (15) vacant, federally unfunded positions that will be used to ensure service levels to the community remain constant.

The \$36M will supplement the costs associated with procuring a vendor and modernizing the UI system (HUI Mod). This \$36M appropriation also is approved under F.M. 23-03 Governor's Decisions on FB2023-25 Executive Budget Requests for the Green Administration.



TIME/DATE: 9:30 am, Tuesday, February 14, 2023
PLACE: State Capitol Conference Room 309 & Videoconference
COMMITTEES: House Labor and Government Operations & House Finance
BILL: HB1353, Relating to Unemployment Insurance
POSITION: Support

Aloha Chair Matayoshi, Vice Chair Garrett, Chair Yamashita, Vice Chair Kitagawa, and members of the committees!

THG (Transform Hawai'i Government) strongly supports HB1353, relating to unemployment insurance. As a nonprofit organization whose mission is to accelerate government modernization, we believe investing in the state workforce, streamlined workflow processes, IT infrastructure and change management strategies is vitally necessary to create a more responsive, efficient government and enable our state to become more resilient.

We learned during the pandemic that our state's unemployment insurance system was incapable of adequately meeting the increased demand for support at such a critical time. Many Hawai'i residents — our family members, friends, and coworkers — lost their jobs and turned to the state's Unemployment Office for assistance. To add insult to injury, instead of finding peace of mind, they found themselves exasperated with a system that failed them at a time when they needed help the most to meet the basic needs for themselves and their families. The pain and frustration from that trying time are still fresh in our minds.

HB1353 offers a way forward so that we do not find ourselves confronted with the same challenging circumstances in the future. By allocating \$1.9 million in funding for 15 new specialists and assistants and \$72 million to upgrade the unemployment system over the next two years, the Department of Labor and Industrial Relations (DLIR) will be much more prepared for challenging circumstances. We owe it to Hawai'i's people to make this investment a priority.

Mahalo for considering our testimony.

Sincerely,

A handwritten signature in blue ink, appearing to read 'C. Sakuda', is written over a faint circular watermark.

Christine Sakuda
Executive Director

Transform Hawai'i Government

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HB-1353

Submitted on: 2/13/2023 11:23:22 PM

Testimony for LGO on 2/14/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Clair Mason	Individual	Support	Written Testimony Only

Comments:

Aloha chair, vice chair, members of the committee,

My name is Clair Mason, I am a resident of Kailua-Kona, and I stand in support of HB1353. Our unemployment system is completely outdated. Every working member of Hawai'i deserves to go to work each day knowing that if another disaster hits like Covid-19, or if their company goes under, that they will not go hungry or be unable to care for their Keiki. These concerns can be mitigated simply by updating one system. Our UI system is an embarrassment to the greatness of Hawai'i and it needs to be fixed! Thank you for hearing this bill and for considering my testimony. Please pass HB1353!

Mahalo,

Clair Mason

808-741-0124

info@clairmason.com