#### A BILL FOR AN ACT

RELATING TO THE HAWAII EMPLOYMENT SECURITY LAW.

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

- 1 SECTION 1. Section 383-1, Hawaii Revised Statutes, is 2 amended by deleting the definition of "registered for work" or 3 "registration for work". 4 [""Registered for work" or "registration for work" means 5 that an individual shall provide information to the employment 6 office to be posted on the department's internet job-matching 7 system, including the individual's name, job skills, education, 8 training, prior employment history and work duties, preferred 9 working conditions, occupational licenses, and other relevant 10 occupational information to facilitate work search efforts by 11 the individual and increase job referrals by the employment 12 office."] SECTION 2. Section 383-29, Hawaii Revised Statutes, is
- 13 14 amended as follows:
- 15 1. By amending subsection (a) to read:

1	"(a)	An unemployed individual shall be eligible to receive
2	benefits	with respect to any week only if the department finds
3	that:	
4	(1)	The individual has made a claim for benefits with
5		respect to that week in accordance with rules the
6		department may prescribe and with section 383-29.7 for
7		partially unemployed individuals;
8	(2)	The individual has registered for work[, as defined in
9		section 383-1,] and thereafter continued to report, at
10		an employment office in accordance with rules the
11		department may prescribe, or such other place as the
12		department may approve, except that the department[7
13		by rule, may waive or alter either or both of the
14		requirements of this paragraph for [partially]:
15		(A) Partially unemployed individuals pursuant to
16		section 383-29.8[, individuals];
17		(B) <u>Individuals</u> attached to regular jobs[, and
18		other];
19		(C) Union members in good standing and who are being
20		referred to jobs through the union job placement

service; provided that the union agrees to report

1		to the department all individuals who refuse job
2		referrals or offers of work and all individuals
3		not ready, willing, and able to work, and the
4		union is approved by the department for the
5		purpose of waiving work registration;
6	<u>(D)</u>	Individuals involved in a labor dispute and for
7		whom an employer-employee relationship continues
8		to exist;
9	<u>(E)</u>	Individuals who are suspended from work and for
10		whom an employer-employee relationship continues
11		to exist; provided that the waiver shall apply .
12		only to the period of suspension and shall not
13		exceed more than four consecutive weeks of
14		unemployment immediately following the week in
15		which the individual has been suspended; or
16	<u>(F)</u>	Other types of cases or situations with respect
17		to which [it] the department finds that
18		compliance with those requirements would be
19		oppressive, or would be inconsistent with the
20		purpose of this chapter[; provided that no rule
21		<pre>shall conflict with section 383-21];</pre>

1	(3)	The individual is able to work and is available for
2		work; provided that no claimant shall be considered
3		ineligible with respect to any week of unemployment
4		for failure to comply with this paragraph if the
5		failure is due to an illness or disability, as
6	•	evidenced by a physician's certificate, which occurs
7		during an uninterrupted period of unemployment with
8		respect to which benefits are claimed and no work
9		which would have been suitable prior to the beginning
10		of the illness and disability has been offered the
11		claimant;
12	(4)	The individual has been unemployed for a waiting
13		period of one week within the individual's benefit
14		year. No week shall be counted as a waiting period:
15		(A) If benefits have been paid with respect thereto;
16		(B) Unless the individual was eligible for benefits
17		with respect thereto as provided in this section
18		and section 383-30, except for the requirements
19		of this paragraph;
20	(5)	In the case of an individual whose benefit year
21		begins[÷

1	<del>(A)</del>	On o	<del>r after January 2, 1966, but prior to October</del>
2		1, 1	989, the individual has had during the
3		indi	vidual's base period a total of fourteen or
4		more	weeks of employment, as defined in section
5		383-	l, and has been paid wages for insured work
6		duri	ng the individual's base period in an amount
7		equa:	l to at least thirty times the individual's
8		week:	ly benefit amount as determined under section
9		<del>383-</del> 2	22 (b). For the purposes of this
10		subpa	aragraph, wages for insured work shall
11		incl	ude wages paid for services:
12		<del>(i)</del>	Which were not employment, as defined in
13			section 383-2, or pursuant to an election
14			under section 383-77 prior to January 1,
15			1978, at any time during the one-year period
16			ending December 31, 1975; and
17		<del>(ii)</del>	Which are agricultural labor, as defined in
18			section 383-9 except service excluded under
19			section [383-7(a)(1)], or are domestic
20			service except service excluded under
21			section [383-7(a)(2)]; except to the extent

1		that assistance under title II of the
2		Emergency Jobs and Unemployment Assistance
3		Act of 1974 was paid on the basis of those
4		services;
5	<del>(B)</del>	On and after October 1, 1989, to January 4, 1992,
6		the individual has been employed, as defined in
7		section 383-2, and has been paid wages for
8		insured work during the individual's base period
9		in an amount equal to not less than thirty times
10		the individual's weekly benefit amount, as
11		determined under section 383-22 (b), and the
12		individual has been paid wages for insured work
13		during at least two quarters of the individual's
14		base period; provided that no otherwise eligible
15		individual who established a prior benefit year
16		under this chapter or the unemployment
17		compensation law of any other state, shall be
18		eligible to receive benefits in a succeeding
19		benefit year until, during the period following
20		the beginning of the prior benefit year, that
21		individual worked in covered employment for which

1	wages were paid in an amount equal to at least
2	five times the weekly benefit amount established
3	for that individual in the succeeding benefit
4	<del>year; and</del>
5	(C) After] after January 4, 1992, the individual has
6	been employed, as defined in section 383-2, and has
7	been paid wages for insured work during the
8	individual's base period in an amount equal to not
9	less than twenty-six times the individual's weekly
10	benefit amount, as determined under section 383-22(b),
11	and the individual has been paid wages for insured
12	work during at least two quarters of the individual's
13	base period; provided that no otherwise eligible
14	individual who established a prior benefit year under
15	this chapter or the unemployment compensation law of
16	any other state, shall be eligible to receive benefits
17	in a succeeding benefit year until, during the period
18	following the beginning of the prior benefit year,
19	that individual worked in covered employment for which
20	wages were paid in an amount equal to at least five

times the weekly benefit amount established for that individual in the succeeding benefit year.

For purposes of this paragraph, wages and weeks of employment shall be counted for benefit purposes with respect to any benefit year only if the benefit year begins subsequent to the dates on which the employing unit by which the wages or other remuneration, as provided in the definition of weeks of employment in section 383-1, were paid has satisfied the conditions of section 383-1 with respect to becoming an employer[+]; and

Effective for benefit years beginning January 1, 2004, and thereafter, if an individual fails to establish a valid claim for unemployment insurance benefits under this paragraph, the department shall make a redetermination of entitlement based upon the alternative base period, as defined in section 383-1; provided further that the individual shall satisfy the conditions of section 383-29(a)(5) that apply to claims filed using the base period, as defined in section 383-1, and the establishment of claims using

1		the alternative base period shall be subject to the
2		terms and conditions of sections 383-33 and 383-94;
3		and
4	(6)	Effective November 24, 1994, an individual who has
5		been referred to reemployment services pursuant to the
6		profiling system under section 383-92.5 shall
7		participate in those services or in similar services.
8		The individual may not be required to participate in
9		reemployment services if the department determines the
10		individual has completed those services, or there is
11		justifiable cause for the claimant's failure to
12		participate in those services.
13	For	the purposes of this subsection, employment and wages
14	used to es	stablish a benefit year shall not thereafter be reused
15	to establ:	ish another benefit year."
16	2. 1	By amending subsection (e) to read:
17	"(e)	Notwithstanding any provisions of this chapter to the
18	contrary,	a claimant shall not be denied benefits because of the

claimant's regular attendance at a vocational training or

retraining course which the director has approved and continues

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2	approve s	uch c	course for a claimant only if:
3	(1)	The	training activity is authorized under [titles I,
4		II,	III, and IV (except on-the-job training) of the
5		<del>Job</del>	Partnership Training Act (P.L. 97-300); ] the
6		Work	force Innovation and Opportunity Act (P.L 113-
7		<u>128)</u>	<u>;</u> or
8	(2)	All	of the following conditions apply:
9		(A)	Reasonable employment opportunities for which the
10			claimant is fitted by training and experience do
11			not exist in the locality or are severely
12			curtailed;
13		(B)	The training course relates to an occupation or
14	٠		skill for which there are, or are expected to be
. 15			in the immediate future, reasonable employment
16			opportunities in the locality;
17		(C)	The training course is offered by a competent and
18			reliable agency; and
19		(D)	The claimant has the required qualifications and
20			aptitudes to complete the course successfully."

1 SECTION 3. Section 383-29.8, Hawaii Revised Statutes, is 2 amended by amending subsection (b) to read as follows: 3 "(b) An individual shall be exempted from the work search 4 requirements as determined by rules of the department, or be 5 subject to modified work search requirements as authorized by 6 the department if the individual is waived from the registration 7 for work requirements [, as defined in section 383-1.] under 8 section 383-29(a)." 9 SECTION 4. Section 383-36, Hawaii Revised Statutes, is 10 amended to read as follows: 11 "§383-36 Notice of determinations. Notice of a 12 determination or redetermination upon a claim shall be promptly 13 given to the claimant[, by delivery thereof or] by electronic 14 notification unless an election was made to receive notices by 15 mail, and in such case, by mailing the notice to the claimant's 16 last known address. In addition, notice of a determination or 17 redetermination with respect to the first week of a benefit year 18 shall be given to each employer by whom the claimant was employed during the claimant's base period, and to the last 19 20 employing unit by whom the claimant was employed, and notice of 21 any determination or redetermination which involves the

- 1 application of section 383-30 shall be given to the last
- 2 employing unit by whom the claimant was employed, in every case
- 3 by [delivery thereof to such party or] electronic notification
- 4 unless an election was made to receive notices by mail, and in
- 5 such case, by mailing the notice to the party's last known
- 6 address. The date of electronic notification shall be
- 7 equivalent to the mailing date."
- 8 SECTION 5. Section 383-38, Hawaii Revised Statutes, is
- 9 amended as follows:
- 1. By amending subsections (a) and (b) to read:
- "(a) The claimant or any other party entitled to notice of
- 12 a determination or redetermination as [herein] provided in this
- 13 subsection may file an appeal from the determination or
- 14 redetermination at the office of the department in the county in
- 15 which the claimant resides or in the county in which the
- 16 claimant was last employed, or with a copy of the contested
- 17 determination at the employment security appeals referee's
- 18 office, within ten days after the date of mailing of the notice
- 19 to the claimant's or party's last known address, or if the
- 20 notice is not mailed, within ten days after the date of
- 21 [delivery] the electronic notification of the notice to the



- 1 claimant or party. The department may for good cause extend the
- 2 period within which an appeal may be filed to thirty days. The
- 3 notice of a determination or redetermination shall be final and
- 4 shall be binding upon each party unless an appeal is filed by a
- 5 party pursuant to this subsection. Written notice of a hearing
- 6 of an appeal shall be sent by first class, nonregistered,
- 7 noncertified mail to the claimant's or party's last known
- 8 address at least twelve days prior to the initial hearing
- 9 date[-] or by electronic notification.
- 10 (b) The appeal under subsection (a) shall be heard in the
- 11 county in which the appeal is filed, except that the department
- 12 may by its rules provide for the holding of a hearing in another
- 13 county with the consent of all parties or where necessary in
- 14 order that a fair and impartial hearing may be had, and may
- 15 provide for the taking of depositions. Unless the appeal is
- 16 withdrawn with the permission of the referee, the referee after
- 17 affording the parties reasonable opportunity for a fair hearing
- 18 shall make findings and conclusions and on the basis thereof
- 19 affirm, modify, or reverse such determination or
- 20 redetermination. The parties to any appeal shall be promptly
- 21 notified of the decision of the referee and shall be furnished



- ${f 1}$  with a copy of the decision and the findings and conclusions in
- 2 support thereof and the decisions shall be final and shall be
- 3 binding upon each party unless a proceeding for judicial review
- 4 is [initiated] filed by the party pursuant to section 383-41;
- 5 provided that within the time provided for taking an appeal and
- 6 prior to the filing of a notice of appeal, the referee may
- 7 reopen the matter, upon the application of the director or any
- 8 other party, or upon the referee's own motion, and thereupon may
- 9 take further evidence or may modify or reverse the referee's
- 10 decision, findings, or conclusions. If the matter is reopened,
- 11 the referee shall render a further decision in the matter either
- 12 reaffirming or modifying or reversing the referee's original
- 13 decision, and notice shall be given thereof in the manner
- 14 hereinbefore provided. Upon reopening, the referee who heard
- 15 the original appeal shall reconsider the matter, except where
- 16 the referee is no longer employed as a referee or the referee
- 17 disqualifies oneself from reconsidering the referee's decision."
- 18 2. By amending subsections (d) and (e) to read:
- "(d) If a claimant or party does not receive the written
- 20 notice under subsection (a), a second written notice shall be



- 1 sent by certified mail  $[\tau]$  or by electronic notification, and the 2 hearing on the appeal shall be rescheduled accordingly. 3 [Upon application to, and approval by, the employment 4 security appeals referee's office, a claimant or party to an 5 appeal may elect to receive hearing notices, decisions, and 6 other appeal documents from the referee's office in electronic 7 format in lieu of notice by mail. The date of electronic 8 transmission is equivalent to the mailing date for purposes of 9 this section.] A claimant or party shall receive hearing 10 notices, decisions, and other appeal documents from the 11 referee's office by electronic notification, unless an election 12 was made to receive notices, decisions, and other appeal 13 documents from the referee's office by mail, and in such case, 14 the notices, decisions, and other appeal documents shall be 15 mailed to the claimant's or party's last known address. The 16 date of electronic notification shall be equivalent to the 17 mailing date. Electronic notification status may be rescinded 18 at any time by the referee's office, claimant, or any party upon
- 20 SECTION 6. Section 383-163.6, Hawaii Revised Statutes, is 21 amended by amending subsection (a) to read as follows:



written notification."

1	"(a)	An individual filing a new claim for unemployment
2	compensat	ion shall, at the time of filing the claim, be advised
3	that:	
4	(1)	Unemployment compensation is subject to federal and
5		state income tax;
6	(2)	Requirements exist pertaining to estimated tax
7		payments;
8	(3)	The individual may elect to have federal income tax
9		deducted and withheld from the individual's payment of
10		unemployment compensation at the amount specified in
11		the federal Internal Revenue Code;
12	(4)	The individual may elect to have state income tax
13		deducted and withheld from the individual's payment of
14		unemployment compensation at the amount specified in
15		section 235-69;
16	(5)	The individual may elect to have state and local
17		income taxes deducted and withheld from the
18		individual's payment of unemployment compensation for
19		other states and localities outside this State at the
20		percentage established by the state or locality, if

the department by agreement with the other state or



1		locality is authorized to deduct and withhold income
2		tax; and
3	(6)	The individual shall be permitted to change a
4		previously elected withholding status [no more than
5		<pre>once] during a benefit year."</pre>
6	SECT	ION 7. Section 383-12, Hawaii Revised Statutes, is
7	repealed.	
8	[" <del>[\$</del>	383-12] Requirement to post work availability online.
9	<del>To meet t</del>	he online registration for work requirements under
10	section 3	83-29(a), the department shall:
11	(1)	Allow an individual to post the required information
12		independently on the department's internet job-
13		matching system; or
14	<del>(2)</del>	Accept information provided by the individual in the
15		form prescribed by the department, and enter the
16		necessary information on the department's internet
17		job-matching system for the individual.
18	The	employment office shall provide the necessary
19	<del>informati</del>	on to the unemployment office for the purpose of
20	determini	ng whether the individual's registration for work
21	<del>requireme</del>	nts have been met."]

- 1 SECTION 8. Statutory material to be repealed is bracketed
- 2 and stricken. New statutory material is underscored.
- 3 SECTION 9. This Act shall take effect upon its approval;
- 4 provided that sections 4 and 5 shall take effect upon April 1,
- **5** 2027.

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INTRODUCED BY:

JAN 17 2025

#### Report Title:

Employment Security; Unemployment Benefits; Unemployment Claims; Electronic Notification

#### Description:

Repeals the definition for "registered for work" or "registration for work" and repeals the requirement to post work availability online. Amends the qualifications for unemployed individuals who are able to receive certain unemployment benefits. Beginning 4/1/2027, permits electronic notification of determinations or redeterminations of unemployment claims. Removes language that limited an individual's ability to change a previously elected withholding status only once during a benefit year.

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