

ACT 7

S.B. NO. 3

A Bill for an Act Relating to Unemployment.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. In the aftermath of the September 11th terrorist attacks and the damaging effect on the airline and visitor industries, Hawaii's economy has experi-

enced an immediate and significant downturn with an unprecedented number of workers being laid off.

The purpose of this Act is to create a temporary program providing additional benefits to unemployed workers by extending their unemployment insurance (UI) benefits. The funds for state additional benefits (SAB) payable under this Act shall be withdrawn from the unemployment compensation trust fund pursuant to sections 383-121 to 383-123, Hawaii Revised Statutes. If necessary, additional moneys may be allocated from the state general fund and used for the payment of expenses incurred for the administration of SAB.

SECTION 2. For the purpose of this Act:

“Applicable benefit year” means the individual’s current benefit year if the individual has an unexpired benefit year or the individual’s most recent benefit year for regular benefits ending on or after September 11, 2001.

“Benefit year” shall be as defined in section 383-1, Hawaii Revised Statutes.

“Continued claim certification” means an application that certifies the completion of a week of total, part-total, or partial unemployment to claim benefits for a week of unemployment as defined in section 12-5-73, Hawaii Administrative Rules.

“Eligibility period” for the receipt of SAB shall be the period beginning on the first Sunday following the date that this Act is approved by the governor and ending on June 30, 2002.

“Initial claim” includes a new claim, an additional claim, or a reopened claim as defined in section 12-5-73, Hawaii Administrative Rules.

“Regular benefits” means the unemployment insurance benefits paid on an initial claim filed under chapter 383, Hawaii Revised Statutes, except as provided for in sections 383-168 through 383-176, Hawaii Revised Statutes.

“State additional benefits” or “SAB” means the unemployment compensation benefits payable under this Act.

“Week of unemployment” shall be as defined in section 383-1, Hawaii Revised Statutes.

SECTION 3. An individual shall be eligible to receive a payment of SAB with respect to a week of unemployment in accordance with the provisions of this Act; provided that:

- (1) The individual filed an initial claim or continued claim certification for regular benefits on or after September 11, 2001, and was paid benefits for the period after September 11, 2001;
- (2) The week of unemployment falls within the eligibility period;
- (3) The individual exhausted all rights to receive regular benefits under chapter 383, Hawaii Revised Statutes, on or after September 11, 2001, or if regular benefits were not exhausted, the individual’s applicable benefit year expired on or after September 11, 2001;
- (4) The individual is not eligible to receive unemployment benefits under federal law or the laws of any other state, or any federal or federal-state extended benefits program, after September 11, 2001;
- (5) Any additional or extended unemployment benefits paid under federal law or the laws of any other state, or any federal or federal-state extended benefits program, shall not be deducted from the total SAB amount the individual is eligible for, but shall be in addition to SAB, and SAB shall be paid only when such federal, federal-state, or other state’s extended benefits are not payable to the individual; and

- (6) The individual has met all other conditions of eligibility that apply to regular benefits as required under chapter 383, Hawaii Revised Statutes, except that no individual shall be required to serve a waiting period in the eligibility period.

SECTION 4. (a) The weekly SAB amount payable to an individual for a week of total unemployment in the eligibility period shall be an amount equal to the weekly benefit amount payable in the individual's applicable benefit year.

(b) The maximum SAB amount payable to any eligible individual with respect to the individual's applicable benefit year shall be thirteen times the individual's weekly SAB amount.

(c) No SAB shall be payable for any week beginning prior to the eligibility period or after the close of the eligibility period.

SECTION 5. Benefits paid to an individual under the SAB program shall be charged against the account of any of the individual's base period employers except for employers on a contributory plan under section 383-61, Hawaii Revised Statutes.

SECTION 6. Effective for calendar year 2002 only, section 383-68, Hawaii Revised Statutes, shall not apply and the contribution rate schedule shall be maintained at schedule C. The governor may provide for a schedule change for the remainder of the calendar year 2002 only by issuance of a proclamation specifically invoking the change and the effective date of the change.

SECTION 7. Except when the result would be inconsistent with the provisions of this Act, the provisions of chapter 383, Hawaii Revised Statutes, which apply to claims for, or the payment of, regular benefits shall apply to claims for, and the payment of, SAB.

SECTION 8. No provision contained in this Act shall apply to the payment of SAB if such provision conflicts with federal statutes and jeopardizes the receipt of federal administrative funding and certification for the Federal Unemployment Tax Act (FUTA) employer tax offset credit.

In the event any provision in this Act jeopardizes the receipt of federal funds, the governor is authorized to revise any provision of this Act to the extent required to maximize the receipt of federal funds. The governor shall promptly report any such revision and reasons therefor to the legislature at the next legislative session thereafter.

SECTION 9. There is appropriated out of the general revenues of the State of Hawaii the sum of \$560,000 or so much thereof as may be necessary for fiscal year 2001-2002 to carry out the purposes of this Act.

The sum appropriated shall be expended by the department of labor and industrial relations.

SECTION 10. This Act shall take effect upon its approval and shall be repealed on June 30, 2002.

(Approved November 2, 2001.)