

ACT 208

S.B. NO. 1383

A Bill for an Act Relating to the Hawaii Employment Security Law.

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

SECTION 1. Chapter 383, Hawaii Revised Statutes, is amended by adding two new sections to part V to be appropriately designated and to read as follows:

“§383-A Unemployment insurance technology special fund. (a) There is established in the state treasury the unemployment insurance technology special fund to be administered by the department. All assessments collected pursuant to section 383-B and all moneys received by the fund from any other source shall be deposited in the unemployment insurance technology special fund.

(b) Moneys in the unemployment insurance technology special fund shall be used by the department for the operating expenses to operate and maintain the department’s information technology infrastructure used for the payment of benefits and contributions as provided for in this chapter. Administrative costs for the collection of the unemployment insurance technology assessments and for costs related to the establishment and maintenance of the unemployment insurance technology special fund shall be borne by the fund.

(c) The director shall submit a report to the legislature on the status of the unemployment insurance technology special fund, including expenditures and program results, not less than twenty days prior to the convening of each regular session; provided that the director may include the report in the report required by section 383-126.5.

§383-B Unemployment insurance technology assessment. (a) In addition to contributions determined by section 383-68, every employer, except an employer who has elected an alternative method of financing liability for unemployment compensation benefits pursuant to section 383-62, shall be subject to an unemployment insurance technology assessment at a rate of 0.01 per cent of taxable wages as specified in section 383-61.

(b) Collections from the unemployment insurance technology assessment shall be made in the same manner and at the same time as any contributions required under section 383-61, and shall not be deducted, in whole or in part, from the wages of individuals in an employer’s employ.

(c) Any assessments collected pursuant to this section shall remain separate and shall not be included in any manner in computing unemployment contribution rates assigned to employers in accordance with sections 383-63 to 383-69.

(d) The director may impose a penalty and interest on delinquent unemployment insurance technology assessments in the same manner as provided for contributions to the unemployment compensation fund in section 383-73. For purposes of computation of penalty and interest under this subsection, unemployment insurance technology assessments shall be considered part of the employer’s contributions to the unemployment compensation fund.

(e) Collection of money from an employer delinquent in paying unemployment insurance technology assessments, employment and training fund assessments, or contributions to the unemployment compensation fund pursuant to this chapter shall first be applied to interest and penalty, then applied to delinquent unemployment compensation contributions, then to delinquent unemployment insurance technology assessments, and finally to delinquent employment and training assessments.”

SECTION 2. Section 383-129, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:

“(e) Collection of money from an employer delinquent in paying employment and training assessments, unemployment insurance technology assessments, or contributions to the unemployment compensation fund pursuant to this chapter shall first be applied to interest and penalty, then applied to delinquent unemployment compensation contributions, then to delinquent unemployment insurance technology assessments, and finally to delinquent employment and training assessments.”

SECTION 3. In codifying the new sections added by section 1 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in the Act.

SECTION 4. New statutory material is underscored.¹

SECTION 5. This Act shall take effect upon its approval.

(Approved July 3, 2023.)

Note

1. Edited pursuant to HRS §23G-16.5.