

Honolulu, Hawaii

MAR 24 2011

RE: H.B. No. 169
H.D. 2
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred
H.B. No. 169, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish an optional total unemployment rate trigger for the extended benefit provisions if one hundred percent federal sharing is available under federal law, subject to certain conditions; and
- (2) Appropriate an unspecified amount for an automated extended benefit claims system.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations (DLIR); ILWU Local 142; and Hawaii State AFL-CIO.

Your Committee finds that currently, extended unemployment benefits are payable for thirteen additional weeks when the insured unemployment rate during a thirteen-week period is at least 120 percent of the average insured unemployed rate during a corresponding thirteen-week period ending in each of the two preceding calendar years and the insured unemployment rate is at least five percent. Under this measure, however, if the unemployment rate exceeds 6.5 percent, the State can access



federal extended benefits to allow unemployed workers to receive benefits beyond the twenty-six weeks provided by the State.

While this measure represents an attempt to incorporate the necessary statutory authority to implement these federal extended benefit provisions, your Committee notes that the DLIR raised concerns in its testimony regarding the form of the measure. To address these concerns, the DLIR recommended an alternative draft, for which the DLIR received input from and approval of the United States Department of Labor.

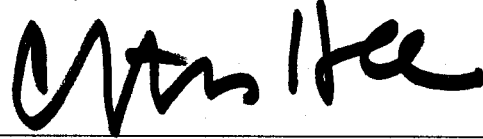
Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and replacing it with the language recommended by the DLIR that, among other things:
 - (A) Amends section 383-168, Hawaii Revised Statutes, to add a "state 'on' indicator" until the week ending four weeks prior to the last week of unemployment for which one hundred percent federal sharing is available under Section 2005(a) of Public Law No. 111-5, under certain conditions;
 - (B) Adds a "state 'off' indicator" for a week based on the rate of total unemployment only if for the period consisting of the most recent three months for which there is no "on" indicator under the conditions described above; and
 - (C) Revises the total extended benefit amount payable to an eligible individual;
- (2) Inserting an effective date of July 1, 2050, to allow for further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 169, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 169, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committee on Judiciary and
Labor,




CLAYTON HEE, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Judiciary and Labor
JDL

Bill / Resolution No.:* HB169, HD2	Committee Referral: JDL, WAM	Date: 3/22/11		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
HEE, Clayton (C)	✓			
SHIMABUKURO, Maile (VC)	✓			
GABBARD, Mike	✓			
IHARA, Jr., Les	✓			
SLOM, Sam			✓	
TOTAL	4	0	1	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes