

406

Honolulu, Hawaii

FEB 18 2011

RE: S.B. No. 1088  
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 S.B. No. 1088 entitled:

"A BILL FOR AN ACT RELATING TO UNEMPLOYMENT INSURANCE BENEFITS,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize an individual who voluntarily or involuntarily separates from part-time employment with a secondary employer to continue to be eligible to receive unemployment insurance benefits if that individual is:

- (1) Attached to a regular employer that is not offering work to the individual;
- (2) Receiving partial unemployment benefits; and
- (3) Exempt from work search and registration for work requirements.

Your Committee received testimony in support of this measure from ILWU Local 142. Your Committee received testimony in opposition to this measure from the Department of Labor and Industrial Relations and The Chamber of Commerce of Hawaii.

Your Committee finds that the intent of this measure is to resolve an inequity in the current unemployment insurance law by prohibiting the disqualification of a claimant for partial



406

unemployment benefits based on the claimant's separation from a secondary job. Your Committee believes that the unemployment insurance laws should not penalize an individual for voluntarily seeking employment to supplement the individual's unemployment insurance benefits.

Your Committee notes that a substantively similar measure, S.B. No. 2324, S.D. 2, H.D. 2, C.D. 1 (2010), was passed by the Legislature in 2010 but was subsequently vetoed by the Governor. Your Committee still sees the merits in resolving this issue.

Your Committee also notes that, pursuant to Act 170, Session Laws of Hawaii 2009, the Legislature temporarily codified the implementation of a partial unemployment program in 2009, to allow employers to retain their full-time workers by reducing workers' hours, while allowing the employees to collect unemployment benefits and maintain certain benefits for up to four weeks of partial unemployment. These provisions were set to be repealed on July 1, 2012. Your Committee believes that this program continues to be beneficial to both employers and employees, with certain amendments for clarity and consistency with other unemployment insurance procedural requirements.

Your Committee has amended this measure by:

- (1) Amending the definition of "attached to a regular employer" to change the eight-week return-to-work period to one in which the employee's return to work is reasonably imminent;
- (2) Deleting the bifurcated claim process for partial unemployment to one in which there is an initial claim and continued claim certifications;
- (3) Clarifying partial unemployment registration for work and work search requirement waivers;
- (4) Deleting the repeal date for the partial unemployment provisions of Act 170; and
- (5) Inserting an effective date of July 1, 2050, to allow for further discussion.

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 S.B. No. 1088, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1088, 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.:*	Committee Referral:	Date:
1088	JDL, WAM	2/15/11
<input checked="" type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: <u>pass with amendments</u>		
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		✓
<b>TOTAL</b>	<b>3</b>	<b>0</b>
<b>0</b>	<b>0</b>	<b>2</b>
Recommendation:		
<input checked="" type="checkbox"/> Adopted	<input type="checkbox"/> Not Adopted	
Chair's or Designee's Signature: 		
<b>Distribution:</b> Original                    Yellow                    Pink                    Goldenrod File with Committee Report                    Clerk's Office                    Drafting Agency                    Committee File Copy		

\*Only one measure per Record of Votes