

STAND. COM. REP. NO.

99

Honolulu, Hawaii

FEBRUARY 5, 2013

RE: H.B. No. 928

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Seventh State Legislature  
Regular Session of 2013  
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 928 entitled:

"A BILL FOR AN ACT RELATING TO CERTAIN FUNDS UNDER THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS,"

begs leave to report as follows:

The purpose of this measure is to implement the recommendation by the Auditor in Report No. 12-10 to reclassify certain special funds as trust funds.

Specifically, this measure would reclassify the following funds:

- (1) The unemployment compensation fund, established pursuant to section 383-121, Hawaii Revised Statutes;
- (2) The special compensation fund, established pursuant to section 386-151, Hawaii Revised Statutes;
- (3) The special fund for disability benefits, established pursuant to section 392-61, Hawaii Revised Statutes; and
- (4) The special premium supplementation fund, established pursuant to section 393-41, Hawaii Revised Statutes;

Your Committee received testimony in support of the measure from the Department of Labor and Industrial Relations.



Your Committee finds that the unemployment compensation fund, the special compensation fund, the special fund for disability benefits, and the special premium supplementation fund were established as special funds. However, each functions as a trust fund under definitions in the Hawaii Revised Statutes, and the Auditor has recommended that they be reclassified accordingly. Reclassification of the special funds as trust funds will avoid any confusion in the proper administration of these funds.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 928 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Labor & Public  
Employment,

  
MARK M. NAKASHIMA, Chair

State of Hawaii  
House of Representatives  
The Twenty-seventh Legislature

HSCR99

**Record of Votes of the Committee on Labor & Public Employment**

Bill/Resolution No.: <b>HB 928</b>	Committee Referral: <b>LAB, FIN</b>	Date: <b>2/1/13</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. NAKASHIMA, Mark M. (C)	X			
2. HASHEM, Mark J. (VC)	X			
3. AQUINO, Henry J.C.	X			
4. ICHIYAMA, Linda	X			
5. ING, Kaniela	X			
6. TAKUMI, Roy M.	X			
7. YAMANE, Ryan I.				X
8. YAMASHITA, Kyle T.	X			
9. JOHANSON, Aaron Ling	X			
<b>TOTAL (9)</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>1</b>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small style="margin-left: 150px;">committee acronym(s)</small>				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				