

Honolulu, Hawaii

FEB 17 2016

RE: S.B. No. 3038

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred
S.B. No. 3038 entitled:

"A BILL FOR AN ACT RELATING TO UNEMPLOYMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Create a temporary program to provide additional benefits to unemployed workers by extending their unemployment insurance benefits under certain conditions; and
- (2) Appropriate funds to the Department of Labor and Industrial Relations for the purposes of this measure.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations; Hawaii State AFL-CIO; and United Public Workers, AFSCME, Local 646, AFL-CIO.

Your Committee finds that public employees who are displaced through privatization or the closure of a state or county facility frequently face excessive economic hardship. Displaced employees may have only a few years of creditable service or be close to retirement but still need additional years of service. Your Committee recognizes the need to address the complexity of displaced employees who are at different life stages and the associated economic hardship. As raised in testimony, economic



trends are unpredictable, and limiting the applicability of the temporary program will allow the Department of Labor and Industrial Relations to implement the temporary program to provide additional benefits to unemployed workers.

Accordingly, your Committee has amended this measure by:

- (1) Inserting language to require unemployed individuals to enroll in an approved training or retraining course to be eligible for additional unemployment insurance benefits under the temporary program;
- (2) Inserting language to limit the applicability of the temporary program to counties with a population less than 200,000;
- (3) Inserting language to eliminate the temporary program if the balance of the unemployment compensation trust fund is below the adequate reserve fund;
- (4) Amending section 1 to reflect the amended purposes of this measure; and
- (5) 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 S.B. No. 3038, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3038, S.D. 1, and be referred to your Committee on Ways and Means.

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


GILBERT S.C. KEITH-AGARAN, Chair



