
A BILL FOR AN ACT

RELATING TO THE UNEMPLOYMENT COMPENSATION TRUST FUND.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

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

4 **"§383-A Unemployment compensation insolvency special fund;**
5 **established.** (a) There is established an unemployment
6 compensation insolvency special fund into which shall be
7 deposited appropriations by the legislature.

8 (b) All interest earned or accrued on moneys deposited in
9 the fund shall become part of the fund.

10 (c) Moneys from the unemployment compensation insolvency
11 special fund shall be expended solely and exclusively to resolve
12 an unemployment compensation trust fund insolvency emergency
13 declared by the governor pursuant to section 383-B.

14 **§383-B Unemployment compensation trust fund insolvency**
15 **emergency.** (a) The governor may declare the existence of an
16 unemployment compensation trust fund insolvency emergency if the
17 director of finance determines that the fund balance is



1 insufficient to meet the State's obligations pursuant to this
2 chapter.

3 (b) Immediately upon declaring an unemployment
4 compensation trust fund insolvency emergency, and prior to the
5 transfer of any moneys, the governor shall notify in writing the
6 president of the senate and speaker of the house of
7 representatives.

8 (c) To resolve the unemployment compensation trust fund
9 insolvency emergency, the governor may transfer into the
10 unemployment compensation trust fund the full balance of the
11 unemployment compensation insolvency special fund or so much
12 thereof as may be necessary to meet the State's obligations
13 pursuant to this chapter."

14 SECTION 2. Section 383-121, Hawaii Revised Statutes, is
15 amended to read as follows:

16 **"§383-121 Unemployment compensation trust fund;**
17 **establishment and control.** There is established in the treasury
18 of the State as a trust fund, separate and apart from all public
19 moneys or funds of the State, an unemployment compensation fund,
20 which shall be administered by the department of labor and
21 industrial relations exclusively for the purposes of this



1 chapter. All contributions pursuant to this chapter shall be
2 paid into the fund and all compensation and benefits payable
3 pursuant to this chapter shall be paid from the fund. All
4 moneys in the fund shall be mingled and undivided. The fund
5 shall consist of:

- 6 (1) All contributions collected pursuant to this chapter;
- 7 (2) Interest earned on any moneys in the fund;
- 8 (3) Any property or securities acquired through the use of
9 moneys belonging to the fund;
- 10 (4) All earnings of such property or securities;
- 11 (5) All moneys credited to this State's account in the
12 unemployment trust fund pursuant to section 903 of the
13 Social Security Act, as amended; ~~and~~
- 14 (6) All moneys transferred from the unemployment
15 compensation insolvency special fund pursuant to
16 section 383-B; and
- 17 ~~[(6)]~~ (7) All other moneys received for the fund from any
18 other source."

19 SECTION 3. There is appropriated out of the general
20 revenues of the State of Hawaii the sum of \$ or so much
21 thereof as may be necessary for fiscal year 2022-2023 for



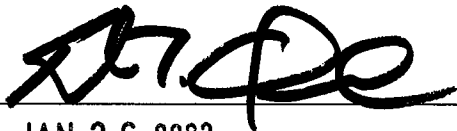
1 deposit into the unemployment compensation insolvency special
2 fund.

3 SECTION 4. In codifying the new sections added by section
4 1 of this Act, the revisor of statutes shall substitute
5 appropriate section numbers for the letters used in designating
6 the new sections in this Act.

7 SECTION 5. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 6. This Act shall take effect on July 1, 2022.

10
INTRODUCED BY:


JAN 26 2022



Report Title:

Unemployment Compensation Trust Fund; Insolvency; Unemployment Compensation Trust Fund Insolvency Emergency; Unemployment Compensation Insolvency Special Fund; Appropriation

Description:

Establishes an unemployment compensation insolvency special fund to be expended solely to resolve an unemployment compensation trust fund insolvency emergency declared by the Governor. Permits the Governor to declare an unemployment compensation trust fund insolvency emergency and to expend moneys from the fund if the Director of Finance determines that the fund balance is insufficient to meet the State's obligations. Appropriates moneys into the unemployment compensation insolvency special fund.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

