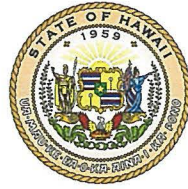


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March 24, 2020

Jeffrey S. Harris, Esq.
Torkildson, Katz, Hetherington, Harris & Knorek
700 Bishop Street, 15th Floor Topa Building
Honolulu, Hawaii 96813

Dear Mr. Harris:

SUBJECT: Impact of Employer-paid Healthcare Insurance on Unemployment Insurance Benefits

I am writing to respond to your March 23, 2020 letter requesting a declaratory ruling on whether healthcare premiums paid in full by an employer would reduce the amount of unemployment insurance benefits paid to employees laid off due to the COVID-19 pandemic.

Section 383-11, Hawaii Revised Statutes (HRS) provides that any payment by an employer for insurance for an individual or the individual's dependents under a plan established by the employer for medical or hospitalization expenses in connection with sickness or accident disability is not considered "wages" for purposes of Chapter 383, Hawaii Revised Statutes. As such, any healthcare premiums paid by an employer under the employer's healthcare plan for its employees are not considered wages and therefore will not reduce the amount of unemployment insurance benefits paid to those employees.

Thank you very much for the opportunity to clarify this issue. I understand that the COVID-19 pandemic has caused fear and economic uncertainty as many employers have laid off employees and temporarily closed. I deeply appreciate the efforts by employers and those assisting employers like yourself to help affected employees avoid medical or hospitalization expenses by continuing to pay for healthcare premiums without impacting the employees' unemployment insurance benefits.

Sincerely,

A handwritten signature in black ink that reads "Scott T. Murakami".

SCOTT T. MURAKAMI
Director