

Interested in Protecting Your Bottom Line?

Partner with the Hawaii Unemployment Insurance (UI) Division to Reduce Improper Benefit Payments and Your Taxes



A Message from Dwight Takamine, Director of the Department of Labor & Industrial Relations

Why do improper UI benefit payments matter to you? Because you, the employer, pays for these benefits through higher taxes. In 2010, American employers faced an estimated \$6.86 Billion in additional UI costs due to improper payments of UI benefits.

Unemployment Insurance is a safety net program that helps cushion the impact of economic downturns for communities, states and the nation by providing temporary income support for qualified unemployed workers. However, improper payment of benefits is a serious problem that has a financial impact on employers.

Improper payment of benefits is often the result of inaccurate or insufficient information necessary to determine a claimant's eligibility for benefits. Employers can help reduce improper payments and potentially higher taxes by providing information needed to make an accurate determination of claimant eligibility.

Be an active partner with UI to improve payment accuracy by following these required steps:

1. **Report all new and rehired employees to the Child Support Enforcement Agency as soon as possible and no later than 20 days after the date that the employee starts employment.** The IRS Tax Withholding Form (W-4) can be faxed to (808) 692-7001 or mailed to: Child Support Enforcement Agency, New Hire Reporting Directory, 601 Kamokila Blvd. STE 251, Kapolei, HI 96707. Please call the Child Support Enforcement Agency at (808) 692-7029 if you have any questions relating to your legal obligation to report new hires. Timely reporting helps prevent payment of ineligible UI claims after an individual returned to work. (Go to Hawaii.gov/ag/csea for more information.)
2. **Provide complete and accurate employee separation information.** Employers are required to provide employee separation information to the state UI program by the specified due date upon receiving Form UC-BP-35, *Request for Separation Information*. This information is used to determine the claimant's eligibility for UI benefits and possible charges to your account. Failure to respond can result in an improper payment of UI benefits which could result in an increase in UI taxes.
3. **Respond promptly to any Request for Verification of Weekly Low Earnings, Form UC-BP-52(a), from UI.** Verification of employee weekly earnings ensures that the correct amount of UI benefits is paid for weeks of partial unemployment. Failure to respond to a request for verification of earnings can result in an improper payment of UI benefits which could result in an increase in UI taxes.
4. **Avoid paying fines by submitting all reports accurately and on time.** Filing of the quarterly unemployment insurance tax reports accurately and on time will help to avoid penalties and interest. Keep clear and accurate records. Unemployment Insurance audits are conducted to ensure compliance with state laws.
5. **Avoid unnecessary benefit charges by reviewing monetary determinations, decisions, and appeal notices for accuracy.** File timely appeals on monetary determinations and decisions that you believe are erroneous.

Remember: Employers that do not comply with state UI requirements for providing employee information risk higher costs through increased taxes, fines or other penalties.

Questions? Contact your state Unemployment Insurance office for additional information.

Oahu and Out-of-State: (808) 586-8915 Hawaii: (808) 974-4086 Maui: (808) 984-8410 Kauai: (808) 274-3025