



Hawaii Temporary Disability Insurance

Questions and answers

Hawaii Temporary Disability Insurance (HI TDI) law requires employers to provide partial wage replacement insurance coverage to their eligible employees for non-work-related injury or sickness, including pregnancy. The state requires employers to provide benefits to eligible employees through insured or self-insured plans. Benefits aren't funded by the state.

Who's eligible for benefits?

Covered employees must have worked at least 14 weeks in Hawaii and have been paid for 20 or more hours in those weeks, earning at least \$400 in the 52 weeks before the first day of disability.

How's this program funded?

Employers can choose if their employees contribute toward the cost of TDI benefits. An employer may deduct one-half the premium cost, capped at 0.50% of the employee's average weekly wage. For 2026, the maximum weekly deduction is \$7.50 based on the \$1,500.21 state average weekly wage.

Employees may be required to provide at least one-half of plan costs, plus additional costs not chargeable to employees.

Are TDI benefits taxable?

HI TDI benefits follow the same tax methodology as other core disability coverages: The proportion of premium paid post-tax by an employee determines the proportion of nontaxable benefits.

AT A GLANCE

- The state doesn't pay TDI benefits.
- The employer decides if it'll pay the full cost or share it with employees.
- Employers can choose how to provide TDI benefits.

How can employers provide TDI benefits?

Employers may provide TDI benefits through:

- Purchasing a TDI policy from an authorized insurance carrier
- Administering a self-insured plan, which must be approved by the Hawaii Disability Compensation Division
- Entering into a collective bargaining agreement that includes sick leave benefits at least as favorable as those required by TDI law

What are the benefits to the employee?

Covered individuals receive a weekly benefit that varies based on income and is calculated as follows:

- The benefit is 58% of an employee's average weekly wage.
- The maximum weekly benefit for 2026 is capped at \$871.
- Benefits payable for less than one week are paid in increments of one-fifth of the weekly benefit.
- Benefits are payable from the eighth day of disability; there's a seven-consecutive-day waiting period.
- A maximum of 26 weeks of benefit payments is allowed during a benefit year.

Does HI TDI provide job protection?

No. HI TDI doesn't provide job protection.

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For more information, visit this [HI TDI overview](#).

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