EXECUTIVE CHAMBERS HONOLULU June 20, 2003

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 1013

Honorable Members Twenty-Second Legislature State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1013, entitled "A Bill for an Act Relating to Examinations for the Determination of Permanent Impairment."

The purpose of this bill is to require an employer and an employee in a workers' compensation case to mutually agree upon a physician to conduct an examination for the determination of permanent impairment when an employer requests the examination. If no agreement is reached, the Director of Labor and Industrial Relations ("Director") is required to appoint a physician from a list of duly qualified physicians that the Director is required to compile and maintain. The Director is required to appoint the physicians in the order they appear on the list. The employer is required to pay for the cost of any examination it requests.

This bill is objectionable because there has been no demonstrated need for a change in the present system. Currently, the employer and employee either agree on a physician and the employer usually pays for the examination and report, or the employer and the employee each obtain and pay for their own examinations and reports. If the employee will not voluntarily attend an examination requested by the employer, the employer may ask the Director or the Labor and Industrial Relations Appeals Board for an order requiring the employee to attend the examination. The employer pays the physician it selects to do the examination and report. Under House Bill No. 1013, however, the employer might have no say in selection of the physician who

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would conduct the examination, but still be required to pay the cost of that examination.

This bill is also objectionable because it may make the system more adversarial and lengthy, and may increase workers' compensation costs for employers, including the State.

Additionally, no appropriation was included to implement this bill.

For the foregoing reasons, I am returning House Bill No. 1013 without my approval.

Respectfully,

LINDA LINGLE Governor of Hawaii

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WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of the Governor's plan to return with the Governor's objections any bill presented to the Governor less than ten days before adjournment sine die or presented to the Governor after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1013, entitled "A Bill for an Act Relating to Examinations for the Determination of Permanent Impairment," passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1013 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, LINDA LINGLE, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1013 with my objections thereon to the Legislature as provided by said Section 16 of Article III of the Constitution.

DONE at the State Capitol, Honolulu, State of Hawaii, this 20th day of June, 2003.

> LINDA LINGLE Governor of Hawaii