Honolulu, Hawaii

APR 28 , 2006

RE: S.B. No. 3035

S.D. 1 H.D. 1 C.D. 1

Honorable Robert Bunda President of the Senate Twenty-Third State Legislature Regular Session of 2006 State of Hawaii

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Third State Legislature Regular Session of 2006 State of Hawaii

Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 3035, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CONTINUED TEMPORARY TOTAL DISABILITY BENEFITS TO INJURED EMPLOYEES,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to ensure that an injured employee who has not resumed work continues to receive temporary total disability (TTD) benefits until the Director of Labor and Industrial Relations renders a decision to terminate such benefits.

Under the current law, an employer may unilaterally terminate an injured employee's TTD benefits upon the belief that an injured employee, who has not returned to work, is in fact able to resume work. Once terminated, benefits can only be reinstated upon the written request of the injured employee contesting the termination and a favorable determination by the Director of Labor and

2006-2952 SCCR SMA-2.doc

Industrial Relations. Currently, an injured employee who has disputed the termination of TTD benefits must wait three to nine months for a hearing and resolution on the matter. As the workers' compensation system is one that balances the interests of employers and employees by guaranteeing that workers injured on the job receive medical treatment and replacement of lost wages, while employees relinquish their right to sue under most circumstances, medical treatment and payment of TTD benefits should not be capriciously terminated. Therefore, your Committee on Conference believes that this measure is necessary to eliminate the undue hardship imposed by the current law on the injured employee when the injured employee is not working and likely has no other means of income.

Your Committee on Conference finds that concerns on the employer obtaining a credit for voluntary payments made in the form of TTD benefits were already addressed under section 386-52, HRS.

Upon further consideration, your Committee on Conference has amended this measure by:

- (1) Requiring the director of labor and industrial relations, if rendering a decision that TTD benefits should have been discontinued, to indicate the date after which the TTD benefits should have been discontinued; and
- (2) Making its provisions effective on January 1, 2007.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 3035, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 3035, S.D. 1, H.D. 1, C.D. 1.

198

Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

KIRK CALDWELL, Co-Chair

BRIAN KANNO, Chair

BOB NAKASONE, Co-Chair

BRIAN T. TANIGUCHI, Co-Chair

## Hawaii State Legislature

## Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: SB 3035, SD 1, HD 1					Date/Time: 4/28/06 8:7	Sp	m		
The recommendation of the House and Senate managers is to pass with amendments (CD).									
The Committee is reconsidering its previous decision.									
The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	Е	House Managers	A	WR	N	Е
KANNO, Brian, Chr.	ĺΧ				CALDWELL, Kirk, Co-Chr.	X			
TANIGUCHI, Brian, Co-Chr.	X				NAKASONE, Bob, Co-Chr.	IX			
HOGUE, Bob	X				HALFORD, Chris	X			
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Senate Recommendation is:					House Recommendation is:				
Adopted					Adopted Not Adopted				
Senate Lead Chair's or Designee's Signature:				House Lead Chair's or Designee's Signature:					
Distribution: Original File with Conference Committee Report Hou					Yellow Pink Goldenrod ouse Clerk's Office Senate Clerk's Office Drafting Agency				