



**STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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January 30, 2012

To: The Honorable Karl Rhoads, Chair, Kyle Yamashita, Vice Chair,
and Members of the House Committee on Labor & Public Employment

Date: Tuesday, January 31, 2012

Time: 9:00am

Place: Conference Room 309, State Capitol

From: Dwight Y. Takamine, Director
Department of Labor and Industrial Relations

Re: H.B. 2579 Relating to Information for Temporary Disability Insurance Claims

I. OVERVIEW OF PROPOSED LEGISLATION

H. B. 2579 proposes to amend section 392-51, HRS, by establishing a deadline by which an employer must complete the Employer's Statement section of the Temporary Disability Insurance (TDI) claim form when requested by an employee. This measure also further increases the penalty for violating section 392-51 to \$500.

The Department of Labor and Industrial Relations ("Department") supports this bill as we believe it will expedite the TDI claims process in cases where the employer fails to submit claims information in a timely manner.

II. CURRENT LAW

Section 392-51, HRS, requires an employer to provide wage and employment information for an employee's claim for disability benefits within seven days of a request by the insurer. The HRS section further provides for a \$10 penalty if the employer fails to submit the requested information within the seven-day period.

III. COMMENTS ON THE HOUSE BILL

The Department supports this measure for the following reasons.

1. The TDI law requires benefits to be paid to the eligible claimant by the insurance carrier within ten days of the receipt of the TDI claim form only when the form is properly completed. If the claim processing is delayed because the Employer's Section of the claim form is not completed, the carrier may request the information from the employer who has seven days to submit the requested information. The claimant, however, does not have the same leverage as the carrier when requesting this same information from the employer.
2. The amendment to Section 392-51 would afford the disabled employee the same right as an insurer to obtain wage and employment information from an employer within seven days and will help in expediting the claims and benefit payment process.
3. The penalty for violating section 392-51, HRS, is being raised to \$500 per violation to provide a greater incentive to comply with the statute.

DENNIS W. S. CHANG

ATTORNEY-AT-LAW

WORKER'S RIGHTS - LABOR LAW
WORKER'S COMPENSATION
SOCIAL SECURITY DISABILITY
LABOR UNION REPRESENTATION
EMPLOYEES RETIREMENT SYSTEM
BODILY INJURIES

January 30, 2012

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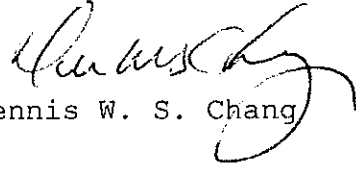
FROM: Dennis WS Chang
Labor & Workers' Compensation Attorney

RE: H.B. 2579 Relating to Information for Temporary Disability
Insurance Claims

I fully support House Bill 2579. In my practice as a Labor Attorney many times workers' compensation claims are denied. When this happens we are necessarily forced to advise the injured workers to apply for temporary disability insurance ("TDI") benefits. However, going through this process may take months since aside from employers not informing injured workers that they are entitled to TDI benefits some employers deliberately ignore completing the employers portion of the TDI form with impunity. At worse Employer can only be punished currently by a \$10.00 penalty. Raising the penalty to \$500.00 would go a long way in protecting injured workers whether they have legitimate worker's compensation claims or personal non-work related injuries.

I thank you very much in allowing me to support this proposal.

Respectfully submitted,


Dennis W. S. Chang

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yamashita2 ----Aulii

From: mailinglist@capitol.hawaii.gov
Sent: Monday, January 30, 2012 2:47 PM
To: LABtestimony
Cc: Lardizabal@local368.org
Subject: Testimony for HB2579 on 1/31/2012 9:00:00 AM

Testimony for LAB 1/31/2012 9:00:00 AM HB2579

Conference room: 309
Testifier position: Support
Testifier will be present: No
Submitted by: Al Lardizabal
Organization: Hawaii Laborers' Union
E-mail: Lardizabal@local368.org
Submitted on: 1/30/2012

Comments:

George M. Waialeale
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Honolulu, Hawaii 96816
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January 31, 2012

Committee on Labor and Public Employment

HB 2579 Relating to Information for Temporary Disability Insurance Claims

I am here to testify in support of HB 2579. Establishes a deadline for an employer to submit the Employer's Statement portion of a Temporary Disability Insurance claim form when requested by and employee

I ask for your passage of this legislation.

George Waialeale