H.B. NO. 236

## A BILL FOR AN ACT

RELATING TO WORKERS' COMPENSATION.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. Act 25, Session Laws of Hawaii 2014, is amended by
 amending section 4 to read as follows:

"SECTION 4. This Act shall take effect on July 1, 2014;
provided that on June 30, [2016] 2017, this Act shall be repealed
and section 386-78(a), Hawaii Revised Statutes, shall be reenacted
in the form in which it read on the day prior to the effective date
of this Act."

8 SECTION 2. Statutory material to be repealed is bracketed9 and stricken. New statutory material is underscored.

SECTION 3. This Act, upon its approval, shall take effect on June 29, 2016.

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INTRODUCED BY:

BY REQUEST JAN 2 5 2016

# ₩.B. NO. <u>2364</u>

**Report Title:** Workers' Compensation; Compromise

#### Description:

Amend the repeal date for the provision in 386-78(a), Hawaii Revised Statutes, that provides that compromises for workers' compensation claims reached as a result of a third-party liability claim or action do not require the approval of the Director of Labor and Industrial Relations. Repealed June 30, 2017.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

### HB 2364

#### JUSTIFICATION SHEET

- DEPARTMENT: Labor and Industrial Relations
- TITLE: A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION.
- PURPOSE: Amend the repeal date for the provision that provides compromises for workers' compensation claims reached as a result of a third-party liability claim or action do not require the approval of the Director of Labor and Industrial Relations.
- MEANS: Amend section 4 of Act 25, Session Laws of Hawaii 2014.
- JUSTIFICATION: This measure will continue to reduce the number of third-party generated compromises that normally would be reviewed and approved by the Director and expedite the entire process of review and approval of compromises. This will also reduce the workload of the workers' compensation section of the Disability Compensation Division.

<u>Impact on the public:</u> The measure, if enacted, will have a positive effect on the backlog of workers' compensation cases before the Disability Compensation Division. Thereby, individuals with workers' compensation cases under process at the division will likely have their cases processed more quickly.

Impact on the department and other agencies: The measure, if enacted, will have a positive effect on the backlog of workers' compensation cases before the Disability Compensation Division.

GENERAL FUND: None.

OTHER FUNDS: None.

HB 2364

PPBS PROGRAM DESIGNATION: LBR183.

OTHER AFFECTED AGENCIES:

None.

EFFECTIVE DATE: June 29, 2016.