STAND. COM. REP. NO. 1153

Honolulu, Hawaii

March 2-1

, 2015

RE:

S.B. No. 1174

S.D. 2

H.D. 2

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 1174, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION,"

begs leave to report as follows:

The purpose of this measure is to establish a process for conducting an independent medical examination or a permanent impairment rating examination of an injured employee in a workers' compensation claim. Specifically, this measure:

- (1) Provides for examinations by a qualified physician mutually agreed upon by the parties and paid for by the employer; and
- (2) Establishes a process for selecting a physician by the parties should the parties be unable to reach a mutual agreement.

The Hawaii Injured Workers Association; ILWU Local 142; Vocational Management Consultants, Inc.; International Association of Rehabilitation Professionals in the Private Sector; and numerous individuals supported this measure. The Department of Human Resources of the City and County of Honolulu; General Contractors Association of Hawaii; Building Industry Association of Hawaii; Sheet Metal Contractors Association; Hawaii Restaurant Association; Property Casualty Insurers Association of America;

Chamber of Commerce Hawaii; Healy Tibbitts Builders, Inc.; Ralph S. Inouye Co., Ltd.; LYZ, Inc.; Dorvin D. Leis Co., Inc.; Standard Sheetmetal & Mechanical, Inc.; and AwaPiilani Farms, LLC opposed this measure. The Department of Labor and Industrial Relations; Department of Human Resources Development; Hawaii Insurers Council; National Association of Mutual Insurance Companies; and Hawaii Association for Justice commented on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that should the parties be unable to reach a mutual agreement on the selection of a physician, the selection may be submitted to the Insurance Commissioner, arbitration, or circuit court;
- (2) Changing the effective date to July 1, 2115, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1174, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 1174, S.D. 2, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Labor & Public Employment,

MARY M. NAKASHIMA, Chair

State of Hawaii House of Representatives The Twenty-eighth Legislature

HSCR 1153

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.:	Committee R	eferral:		Date:	
SB 1174 SD2 HD1	HLT,	LAB, FIN		Date: 3/24/15	
☐ The committee is reconsidering its previous decision on the measure.					
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)					
				· • • • • • • • • • • • • • • • • • • •	,
LAB Members		Ayes	Ayes (W	R) Nays	Excused
1. NAKASHIMA, Mark M. (C)					
2. KEOHOKALOLE, Jarrett (VC)					
	·				
3. AQUINO, Henry J.C.					
4. HAR, Sharon E.					
5. ICHIYAMA, Linda		/			
	:				
6. JOHANSON, Aaron Ling					
5 I DDFCT M G					
7. LoPRESTI, Matthew S.		/			
					·
8. SAN BUENAVENTURA, Joy A.					
O TATANAMA C					
9. TAKAYAMA, Gregg				:	
40 TAIZIBAT D NA					
10. TAKUMI, Roy M.					/
11 MAMACHETA IZ-L. T					
11. YAMASHITA, Kyle T.					
12. TUPOLA, Andria P.L.					
12. TOPOLA, Alidria T.L.					
		7	2		~
TOTAL (12)		(3
The recommendation is: Adop		☐ Not Adopted			
If joint referral, did not support recommendation.					
Vice Chair's or designee's signature:					
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO					