A BILL FOR AN ACT

MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT.

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

- 1 SECTION 1. This Act is recommended by the governor for
- 2 immediate passage in accordance with section 9 of article VII of
- 3 the Constitution of the State of Hawaii.
- 4 SECTION 2. Act 119, Session Laws of Hawaii 2015,
- 5 appropriated \$6,735,183 in general funds for fiscal year 2016-
- 6 2017 to the department of human resources development for the
- 7 payment of claims against the State, as required by Hawaii
- 8 workers' compensation law, chapter 386, Hawaii Revised Statutes.
- 9 Act 124, Session Laws of Hawaii 2016, appropriated an additional
- 10 \$666,000 in general funds to the department of human resources
- 11 development for fiscal year 2016-2017.
- 12 At this time, however, fiscal year 2016-2017 workers'
- 13 compensation expenses led primarily by costs for medical care,
- 14 services, and supplies, and permanent disability indemnity
- 15 benefits are outpacing the appropriated funds such that it is
- 16 estimated that the funds to pay claims will be exhausted by



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- 1 April 30, 2017. Therefore, a critical funding crisis exists and
- 2 the department of human resources development will not be able
- 3 to meet its legal obligation to pay the workers' compensation
- 4 benefits that are owed to employees who sustain work-related
- 5 injuries and illnesses for the remainder of fiscal year 2016-
- 6 2017.
- 7 The purpose of this Act is to make an emergency
- 8 appropriation to provide additional funds for the department of
- 9 human resources development to pay claims as required under
- 10 chapter 386, Hawaii Revised Statutes.
- 11 SECTION 3. There is appropriated out of the general
- 12 revenues of the State of Hawaii the sum of \$2,400,000 or so much
- 13 thereof as may be necessary for fiscal year 2016-2017 for the
- 14 department of human resources development to pay claims as
- 15 required under chapter 386, Hawaii Revised Statutes.
- 16 The sum appropriated shall be expended by the department of
- 17 human resources development for the purposes of this Act.
- 18 SECTION 4. This Act shall take effect upon its approval.

Report Title:

Emergency Appropriation; Department of Human Resources Development

Description:

Makes an emergency appropriation to provide funds for the Department of Human Resources Development to pay claims as required by the Hawaii Workers' Compensation Law. (SB969 HD2)

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