Honolulu, Hawaii

February 17

, 2017

RE: H.B. No. 1103 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1103 entitled:

"A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT,"

begs leave to report as follows:

The purpose of this measure is to make an emergency appropriation to provide funds for the Department of Human Resources Development (DHRD) to pay claims against the State, as required by Hawaii's Workers' Compensation Law.

DHRD and one individual testified in support of this measure.

Your Committee finds that DHRD is experiencing increased costs for medical care, services, supplies, and permanent partial disability benefits. Your Committee also finds that DHRD is expecting medical costs to continue increasing due to the Hawaii Supreme Court decision, Pulawa v. Oahu Const. Co., 136 Haw. 217, 218, 361 P.3d 444, 445 (2015), which broadened the standard for medical treatment from "reasonable and necessary" to "reasonably needed" and allows claimants to receive the "greatest possible medical rehabilitation."

Your Committee has amended this measure by:

(1) Changing the emergency appropriation amount from \$1,700,000 to an unspecified amount;

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- (2) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (3) Making technical nonsubstantive amendments for clarity, consistency, and style.

Should the Committee on Finance deliberate on this measure further, your Committee respectfully requests that it consider appropriating \$1,700,000 for the purposes of this measure.

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 H.B. No. 1103, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1103, H.D. 1, and be referred to your Committee on Finance.

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

AAXON LINE JOHANSON, Chair

State of Hawaii House of Representatives The Twenty-ninth Legislature

HBCR 688

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.:	Committee Referral:			Date: 09FEB17		
HB 1103				OTIEDIT		
☐ 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. JOHANSON, Aaron Ling (C)		√				
2. HOLT, Daniel (VC)				4 ≨1,125,000 € 517,51 €.		
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3. KEOHOKALOLE, Jarrett						
4. NAKASHIMA, Mark M.						
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5. TAKUMI, Roy M.		V				
6. YAMASHITA, Kyle T.		/				
				lië ie		
7. MATSUMOTO, Lauren Kealoh	ilani					
-						
TOTAL (7)			D		O	0
The recommendation is: Adopted 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						