STAND. COM. REP. NO. 138

Honolulu, Hawaii

March 17

, 2017

RE: S.B. No. 857

S.D. 1 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 S.B. No. 857, S.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 ensure the timely payment of workers' compensation claims by establishing procedures that require employers to pay all workers' compensation claims for compensable injuries and prohibiting the denial of claims without reasonable cause or during a pending investigation.

Hawaii Medical Association, Hawaii Injured Workers
Association, ILWU Local 142, Vocational Management Consultants,
Hawaii Chapter of the American Physical Therapy Association, Work
Injury Medical Association of Hawaii, and several concerned
individuals supported this measure. The City and County of
Honolulu; Hawaii Insurers Council; General Contractors Association
of Hawaii; Chamber of Commerce Hawaii; and Hawaiian Electric Co.
Inc., and its subsidiaries, Maui Electric Company, Ltd., and
Hawaii Electric Light Company, Inc. opposed this measure. The
Department of Labor and Industrial Relations and Department of
Human Resources Development provided comments.

Your Committee has amended this measure by changing the number of days for the provider to be notified when an employer denies a claim from thirty days to an unspecified number. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

Your Committee finds that this measure addresses the concerns of employers and insurers by requiring an employee to reimburse the employer, insurer, or Special Compensation Fund when controverted claims are found to be uncompensable.

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. 857, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 857, S.D. 1, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

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

State of Hawaii House of Representatives The Twenty-ninth Legislature

H5CR 1138

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.:	Committee Referral: Date:			
SB 85 1, SD 1	LAB, CPC, FIN 3/14/17			
☐ 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 (WR)	Nays	Excused
1. JOHANSON, Aaron Ling (C)				
2. HOLT, Daniel (VC)	/)	
3. KEOHOKALOLE, Jarrett			FIRE PERIODO A GALLA - 5.3	
4. NAKASHIMA, Mark M.				
5 VAMASIITA V-laT				
5. YAMASHITA, Kyle T.				
6. MATSUMOTO, Lauren Kealohi	ilani			
				
	-			
TOTAL (6)	6			
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				