

Honolulu, Hawaii

**MAR 19 2025**

RE: H.B. No. 423  
H.D. 2  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Sir:

Your Committee on Labor and Technology, to which was referred H.B. No. 423, H.D. 2, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Clarify the process for selecting a certified provider of rehabilitation services; and
- (2) Require providers to automatically approve vocational rehabilitation services for an injured employee if those services will likely be required for suitable gainful employment.

Your Committee received testimony in support of this measure from the Department of Human Resources Development, Hawaii Insurers Council, and Hawaii Medical Association.

Your Committee received comments on this measure from the Department of Labor and Industrial Relations.

Your Committee finds that timely medical care, including vocational rehabilitation services, following a workplace injury is critical to expediting recovery timelines and maximizing the



probability of a successful, full recovery and return to gainful employment for injured employees. Many rehabilitation services are time-sensitive, with an injured employee's probability of making a full recovery decreasing as time passes from the initial injury. Automatically approving vocational rehabilitation services in certain circumstances will preempt unnecessary delays, protecting the State's workforce. This measure will therefore positively impact the broader economy by streamlining the procedures to aide and rehabilitate injured employees under the State's workers' compensation law.

Your Committee has amended this measure by:

- (1) Inserting language that establishes a ninety-day deadline for a provider to file an employee's vocational plan after submitting an initial evaluation report, with certain exceptions;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 423, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 423, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Labor and  
Technology,

  
HENRY J.C. AQUINO, Chair



The Senate  
Thirty-Third Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Labor and Technology**  
**LBT**

Bill / Resolution No.:* <i>HB 423, HD 2</i>	Committee Referral: <i>LBT, WAM</i>	Date: <i>3/12/25</i>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
<b>Members</b>	<b>Aye</b>	<b>Aye (WR)</b>	<b>Nay</b>	<b>Excused</b>
AQUINO, Henry J.C. (C)	<i>✓</i>			
LEE, Chris (VC)	<i>✓</i>			
IHARA, Jr., Les	<i>✓</i>			
MORIWAKI, Sharon Y.				<i>✓</i>
FEVELLA, Kurt	<i>✓</i>			
<b>TOTAL</b>	<i>4</i>			<i>1</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; margin-top: 10px;"><i>Cem</i></div>				
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\*Only one measure per Record of Votes