

Honolulu, Hawaii
FEB 20, 2026

RE: H.B. No. 1514
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Labor, to which was referred H.B. No. 1514
entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Clarify the process for selecting a certified provider of rehabilitation services;
- (2) Require providers to automatically approve vocational rehabilitation services for an injured employee who will likely need those services to return to suitable gainful employment; and
- (3) Require providers to file an employee's vocational plan within ninety days of submitting an initial evaluation report, with certain exceptions.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations; Department of Human Resources Development; Hawaii Insurers Council; University of Hawaii Professional Assembly; Hawaii Medical Association; Work Injury Medical Association of Hawaii; American Property Casualty Insurance Association; and two individuals.



Your Committee received testimony in opposition to this measure from the International Association of Rehabilitation Professionals, Hawaii Chapter; Hawaii Rehabilitation Counseling Association; and seven individuals.

Your Committee finds that delays in initiating vocational rehabilitation can prolong an injured employee's recovery and increase costs for employers and insurers. Uncertainty about provider selection timelines and inconsistent access to trained vocational rehabilitation professionals have created barriers that slow the rehabilitation process. This measure streamlines provider selection, ensures timely approval of necessary services, and strengthens the State's overall vocational rehabilitation system to help injured employees return to suitable gainful employment more efficiently.

Your Committee has amended this measure by:

- (1) Clarifying that the notice requirement of selection of a certified provider applies also when an injured employee self-refers for those services;
- (2) Specifying that the Director of Labor and Industrial Relations, not the employer, will select the certified provider when the employee fails to do so;
- (3) Deleting language that would have given an employee thirty days after the notice of selection is received to select a different certified provider of rehabilitations services;
- (4) Clarifying when the employer is required to submit any objections to a rehabilitation plan;
- (5) Specifying when a rehabilitation plan is deemed received by an employer;
- (6) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.



As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1514, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1514, 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,



JACKSON D. SAYMA, Chair



