

Honolulu, Hawaii

MAR 06 , 2026

RE: H.B. No. 1514
H.D. 2

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

Madame:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1514, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is, for purposes of vocational rehabilitation under workers' compensation law, to:

- (1) Clarify the process for selecting a certified provider of vocational rehabilitation services;
- (2) Require a certified provider to automatically approve an injured employee for vocational rehabilitation services if the provider determines that the injured employee will likely require vocational rehabilitation services to return to suitable gainful employment; and
- (3) Clarify the process for an employer to object to a vocational rehabilitation plan.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations; Department of Human Resources Development; Work Injury Medical Association of Hawaii; American Property Casualty Insurance Association; and one individual. Your Committee received testimony in opposition to



this measure from the Hawaii Insurers Council; Society for Human Resources Management - Hawaii; Hawaii Rehabilitation Counseling Association; International Association of Rehabilitation Professionals, Hawaii Chapter; and seven individuals.

Your Committee finds that patients with work-related injury or illness need prompt evaluation, diagnosis, and treatment. Timely access to a vocational rehabilitation program, typically provided by an occupational therapist as part of a public or private vocational rehabilitation agency, is necessary to support the patient's recovery and safe return to gainful employment to the best of their abilities. This measure clarifies the process for vocational rehabilitation services following initial evaluation, allowing automatic approval for these needed, time-sensitive services that support patients with work-related illness or injury.

Your Committee has amended this measure by:

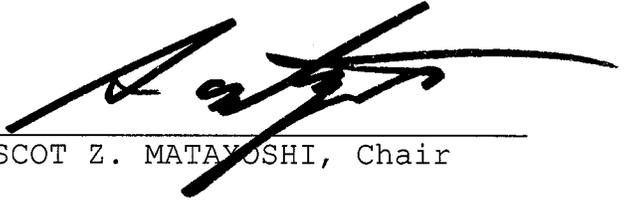
- (1) Requiring the certified provider and injured employee to provide proper notice to the employer of the selection of the certified provider within seven days;
- (2) Specifying that the employer, not the Director of Labor and Industrial Relations, is to select a certified provider of vocational rehabilitation services when the employee fails to select a certified provider;
- (3) Adding as a condition for automatic approval of vocational rehabilitation services that the initial evaluation report finds the injured employee is feasible to participate in the vocational rehabilitation services;
- (4) Changing the deadline for a certified provider to file an employee's vocational rehabilitation plan from ninety days to one hundred twenty days;
- (5) Allowing the Director of Labor and Industrial Relations to extend the one-hundred-twenty-day period at the Director's discretion, rather than allowing an extension on the agreement of the provider, employee, and employer; and



- (6) 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 Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1514, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1514, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



SCOT Z. MATAYOSHI, Chair



