

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR



JADE T. BUTAY
DIRECTOR

WILLIAM G. KUNSTMAN
DEPUTY DIRECTOR

STATE OF HAWAII
KA MOKU'ĀINA O HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
KA 'OIHANA PONO LIMAHANA

February 17, 2026

To: The Honorable Jackson D. Sayama, Chair,
The Honorable Mike Lee, Vice Chair, and
Members of the House Committee on Labor

Date: Tuesday, February 17, 2026

Time: 9:00 a.m.

Place: Conference Room 309, State Capitol

From: Jade T. Butay, Director
Department of Labor and Industrial Relations (DLIR)

Re: H.B. 2323 RELATING WORKERS' COMPENSATION LAW

I. OVERVIEW OF PROPOSED LEGISLATION

The **DLIR strongly supports** this Governor's Package measure, which aligns statutory requirements with the Disability Compensation Division's (DCD) automated electronic filing and reporting system. These amendments are critical to enhance efficiency, transparency, and accessibility for all stakeholders of the workers' compensation system.

HB2323 proposes to amend HRS Chapter 386 by:

- Removing outdated and archaic provisions, and
- Updating statutory language to reflect the DCD's implementation of a modernized, automated electronic filing and reporting system.

II. CURRENT LAW

§386-21(d) states that when reporting on and billing for compensable injuries forms may be in triplicate, or in any other configuration so as to minimize, to the extent practicable, the need for a health care provider to fill out multiple forms.

§386-21.2(a) provides that a physician may transmit a treatment plan to an employer by mail or facsimile.

§386-21.2(c) states that a treatment plan shall be deemed received by an employer when the plan is sent by mail or facsimile with reasonable evidence showing that the treatment plan was received.

§386-25(g) provides that the employer shall have ten calendar days from the postmark date on which the plan was mailed to submit in writing to the director any objections to the plan.

§386-95 states that the reports required by this section shall be made on forms to be obtained from the director pursuant to §386-71 and deposit of reports in the United States mail or by electronic means as approved by the director.

§386-96(e) provides that deposit of the records required by subsection (a)(1) in the United States mail or by electronic means as approved by the director.

III. COMMENTS ON THE HOUSE BILL

The Department's Disability Compensation Division (DCD) successfully launched its modernized, automated system in January 2024. The proposed amendments ensures the legal and operational framework necessary for this modernization effort.

The proposed amendments lay the foundation for transitioning to a modernized workers' compensation system while improving services for individuals. DCD's fully automated, cloud-based system enables comprehensive access and real-time claim status updates.

This transition is not merely a technological update but a strategic step that reinforces DCD's commitment to accessibility, accountability, and operational efficiency. Mandatory electronic filing for employers enables real-time access and accelerates the processing of workers' compensation claims, ensuring prompt delivery of medical services and benefits.

For these reasons, the Department urges strong support for this measure.



JOSH GREEN, M. D.
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KE KIA'ĀINA

SYLVIA LUKE
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KA HOPE KIA'ĀINA

BRENNA H. HASHIMOTO
DIRECTOR
KA LUNA HO'OKELE

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KA HOPE LUNA HO'OKELE

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
KA 'OIHANA HO'OMŌHALA LIMAHANA
235 S. BERETANIA STREET
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Statement of
BRENNA H. HASHIMOTO
Director, Department of Human Resources Development

Before the
HOUSE COMMITTEE ON LABOR
Tuesday, February 17, 2026
9:00AM
State Capitol, Conference Room 309

In consideration of
HB2323, RELATING TO THE WORKERS' COMPENSATION LAW

Chair Sayama, Vice Chair Lee, and members of the committee:

The Department of Human Resources Development (HRD) is in **support** of HB2323.

The purpose of HB2323 is to:

- Repeal the requirement that health care providers' forms be filed with the Director of Labor and Industrial Relations (DLIR) in triplicate.
- Clarify the way a physician transmits a treatment plan to an employer.
- Repeal a reference to the employer's receipt of a vocational rehabilitation plan by mail.
- Repeal the option of employers to submit reports to the DLIR via United States mail.
- Repeal the option of health care providers to provide reports to the DLIR or employer via mail.

HRD supports the measure for the following reasons:

1. It will allow DLIR to continue its efforts to move its operations to an electronic platform which will streamline processes, resulting in enhanced efficiency and productivity which translates to time and cost savings.
2. The language change to Section 386-25, HRS, related to the receipt of vocational plans by mail, supports employers having adequate time to review

plans to ensure accuracy, compliance, and costs which will reduce unnecessary objections due to delays in the receipt of the vocational plan for reasons outside an employer's control.

Thank you for the opportunity to provide testimony. We are available to answer any questions or provide further information as needed.

TESTIMONY OF MILIA LEONG

COMMITTEE ON LABOR
Representative Jackson D. Sayama, Chair
Representative Mike Lee, Vice Chair

Tuesday, February 17, 2026
9:00 a.m.

HB 2323

Chair Sayama, Vice Chair Lee, and members of the Committee on Labor, my name is Milia Leong, Executive Claims Administrator for HEMIC Insurance Managers, Inc., and Chair of the Workers' Compensation Policy Committee for Hawaii Insurers Council. The Hawaii Insurers Council is a non-profit trade association of property and casualty insurance companies licensed to do business in Hawaii. Member companies underwrite approximately forty percent of all property and casualty insurance premiums in the state.

Hawaii Insurers Council strongly **supports** this Administration bill which updates processes, streamlines submissions, and eliminates unnecessary paperwork. We believe this bill would modernize the statute and enable many parties involved to move claims forward in a more expedient manner, thereby providing better outcomes for the injured worker and reducing friction and costs in the system.

Thank you for the opportunity to testify.



The House Committee on Labor
February 17, 2026
Room 309
9:00 AM

RE: **HB 2323, Relating to Workers' Compensation Law**

Attention: Chair Jackson D. Sayama, Vice Chair Mike Lee, Members of the
Committee

The University of Hawaii Professional Assembly (UHPA), the exclusive bargaining representative for all University of Hawai'i faculty members across Hawai'i's statewide 10-campus system, **supports HB 2323.**

We support updating the Workers' Compensation statutes to accommodate the Department of Labor and Industrial Relations' move toward a fully automated electronic system. UHPA specifically endorses the modernization of filing procedures, including the removal of archaic requirements such as submitting forms in "triplicate" or via U.S. mail. Enabling the electronic transmission of necessary documentation will streamline communication between the University, the State, and medical providers, reducing administrative delays. This modernization is essential to ensure that injured faculty members have their claims processed efficiently so they can receive timely medical care and benefits.

UHPA supports the passage of HB 2323.

Respectfully submitted,

Christian L. Fern
Executive Director
University of Hawaii Professional Assembly



Hawaii Medical Association

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HOUSE COMMITTEE ON LABOR
Representative Jackson D. Sayama, Chair
Representative Mike Lee, Vice Chair

Date: February 17, 2026
From: Hawaii Medical Association (HMA)
Elizabeth Ann Ignacio MD - Chair, HMA Public Policy Committee
Christina Marzo MD and Robert Carlisle MD, Vice Chairs, HMA Public Policy Committee

RE HB2323 RELATING TO THE WORKERS' COMPENSATION LAW. Workers' Compensation; Disability Compensation Division; Modernization of Data System; Electronic Submission of Reports
Position: Support

This measure would repeal the requirement that health care providers' forms be filed with the Director of Labor and Industrial Relations (DLIR) in triplicate, clarify the way a physician transmits a treatment plan to an employer, repeal a reference to the employer's receipt of a vocational rehabilitation plan by mail, repeal the option of employers to submit reports to the DLIR via United States mail, repeal the option of health care providers to provide reports to the DLIR or employer via mail.

Delays in report submission, whether due to outdated procedures, redundant requirements, or technological bottlenecks, undermine timely decision-making. HMA supports this measure to modernize reporting requirements to DLIR and procedures for workers compensation, freeing employers and providers to focus on delivering services.

Improve the accuracy and timeliness of workers compensation information received by DLIR enables more informed policy decisions. HMA thanks our policymakers for continued efforts to align Hawaii with best practices in digital integration, increasing transparency and accessibility, and streamlining and eliminating unnecessary redundancy in reporting to improve DLIR effectiveness for providers, employers and the employee communities that they serve.

Thank you for allowing the Hawaii Medical Association to testify in support of this measure.

2026 Hawaii Medical Association Public Policy Coordination Team

Elizabeth A Ignacio, MD, Chair • Robert Carlisle, MD, Vice Chair • Christina Marzo, MD, Vice Chair
Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director

2026 Hawaii Medical Association Officers

Nadine Tenn-Salle, MD, President • Jerald Garcia, MD, President Elect • Elizabeth Ann Ignacio, MD, • Immediate Past President
Laeton Pang, MD, Treasurer • Thomas Kosasa, MD, Secretary • Marc Alexander, Executive Director

REFERENCES AND QUICK LINKS

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2024 Hawaii Medical Association Officers

Elizabeth Ann Ignacio, MD, President • Nadine Tenn-Salle, MD, President Elect • Angela Pratt, MD, Immediate Past President
Jerris Hedges, MD, Treasurer • Thomas Kosasa, MD, Secretary • Marc Alexander, Executive Director

2024 Hawaii Medical Association Public Policy Coordination Team

Beth England, MD, Chair
Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director



To: The Honorable Jackson D. Sayama, Chair
The Honorable Mike Lee, Vice Chair
House Committee on Labor

From: Mark Sektnan, Vice President

Re: **HB 2323 – Relating to Workers' Compensation Law**
APCIA Position: SUPPORT

Date: Tuesday, February 17, 2026
9:00 a.m., Room 309

Aloha Chair Sayama, Vice Chair Lee and Members of the Committee:

The American Property Casualty Insurance Association (APCIA) is pleased to **support HB 2323** which modernizes and streamlines Hawaii's workers' compensation reporting processes by eliminating outdated, paperbased requirements and enabling more efficient communication among physicians, employers, and the Department of Labor and Industrial Relations (DLIR)-based requirements and enabling more efficient communication among physicians, employers, and the Department of Labor and Industrial Relations (DLIR).

The American Property Casualty Insurance Association (APCIA) is the primary national trade association for home, auto, and business insurers. APCIA promotes and protects the viability of private competition for the benefit of consumers and insurers, with a legacy dating back 150 years. APCIA members represent all sizes, structures, and regions—protecting families, communities, and businesses in the U.S. and across the globe.

HB 2323 updates several key statutory provisions to better reflect current technological capabilities and ensure faster, more reliable transmission of workers' compensation information. Specifically, the bill:

- Repeals the requirement that health care providers file forms in triplicate with DLIR, reducing unnecessary administrative burden.
- Clarifies and modernizes how physicians may transmit treatment plans to employers, explicitly allowing secure electronic delivery in addition to mail or fax.
- Removes references to employers' reliance on mailed vocational rehabilitation plans, shifting instead to verifiable receipt through modern transmission methods.

- Eliminates employers' option to submit required DLIR reports via U.S. mail, ensuring faster, more accountable transmission.

These updates reflect practical realities in today's workplace. Allowing secure electronic communications improves accuracy, reduces delays in care authorization, and minimizes paperwork burdens for employees, employers, insurers, and medical providers alike. The bill's shift toward verifiable transmission also increases certainty for all parties and strengthens compliance and transparency within the workers' compensation system. HB 2323 supports both administrative efficiency and better outcomes for injured workers who depend on timely treatment and claim processing.

For these reasons, APCIA asks the committee to pass this bill.

HB-2323

Submitted on: 2/16/2026 3:23:05 PM

Testimony for LAB on 2/17/2026 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Cathy Wilson	Aloha Billing Company	Support	Written Testimony Only

Comments:

I support all measures that clean up old verbiage in our statutes. This measure does exactly that. It was introduced as part of the Governor's package.

HB-2323

Submitted on: 2/16/2026 3:29:32 PM

Testimony for LAB on 2/17/2026 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Workers' Comp Physicians	WIMAH - Work Injury Medical Assoc. of Hawaii	Support	Written Testimony Only

Comments:

Work Injury Medical Association of Hawaii (WIMAH) supports the Governor's bill which repeals outdated verbiage in the statutes.