

ACT 299

H.B. NO. 1531

A Bill for an Act Relating to Workers' Compensation Insurance.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Findings and purpose. The legislature finds that there exists an emergency situation in the State, as the economic well-being of the State is threatened by the escalation of workers' compensation insurance premium rates, which in these difficult economic times threatens to force a number of businesses into closing. The purpose of this Act is to provide for a moratorium on changes in workers' compensation insurance premium rates. Workers' compensation insurance premium rates have increased 87.3 per cent in Hawaii over the past five years, and the insurance commissioner of Hawaii has approved an average rate increase of twenty-nine per cent for 1983. These escalating rates have created hardship for many employers in the State, and threaten serious ramifications for the State as a whole. This Act extends relief to employers from any increase in premium rates for the moratorium period, while the legislature considers other appropriate action.

SECTION 2. The insurance commissioner of Hawaii, department of commerce and consumer affairs, shall not approve any increase in workers' compensation insurance premium rates before December 31, 1984.

SECTION 3. All licensed rating organizations which filed a workers' compensation rate filing applicable to the year January 1, 1984, to December 31, 1984, shall file by February 1, 1984, a workers' compensation insurance rate filing, for informational purposes only. Such filings shall comply with sections 431-693 and 431-694, Hawaii Revised Statutes.

SECTION 4. If any provision of this Act, or the application thereof to any person or circumstance is held invalid the invalidity does not affect other provisions or applications of the Act which can be given effect without the invalid provision or applications, and to this end the provisions of this Act are severable.

SECTION 5. This Act shall take effect January 1, 1984.

(Approved June 14, 1983.)