

A Bill for an Act Relating to No-fault Insurance.

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

SECTION 1. The purpose of this Act is to clarify the intent of the legislature that no-fault wage loss benefits should not be paid in addition to workers' compensation lost earnings benefits if the no-fault wage loss maximum has been paid.

SECTION 2. Section 294-5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) All no-fault benefits shall be paid secondarily and net of any benefits a person is entitled to receive because of the accidental harm from workers' compensation laws; provided that the total amount a person is entitled to receive for monthly earnings loss under this chapter shall be limited to the amount set out in section 294-2(10)(C) or the amount of any applicable coverage under section 294-11, without any deduction of any amount received as compensation for lost earnings under any workers' compensation law provided; that the aggregate of the payments from both sources shall not exceed eighty per cent of the person's monthly earnings as monthly earnings are defined in section 294-2(7); provided further that this section shall be inapplicable to benefits payable to a surviving spouse and any surviving dependent as provided under section 294-4. If the person does not collect such benefits under the workers' compensation laws by reason of the contest of his right to so collect by the person or organization responsible for payment thereof, the injured person, if otherwise eligible, shall, nevertheless, be entitled to receive no-fault benefits and upon payment thereof the no-fault insurer shall be subrogated to the injured person's rights to collect such benefits.”

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved April 30, 1985.)