

ACT 20

S.B. NO. 969

A Bill for an Act Making an Emergency Appropriation to the Department of Human Resources Development.

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

SECTION 1. This Act is recommended by the governor for immediate passage in accordance with section 9 of article VII of the Constitution of the State of Hawaii.

SECTION 2. Act 119, Session Laws of Hawaii 2015, appropriated \$6,735,183 in general funds for fiscal year 2016-2017 to the department of human resources development for the payment of claims against the State, as required by Hawaii workers' compensation law, chapter 386, Hawaii Revised Statutes. Act 124, Session Laws of Hawaii 2016, appropriated an additional \$666,000 in general funds to the department of human resources development for fiscal year 2016-2017.

At this time, however, fiscal year 2016-2017 workers' compensation expenses - led primarily by costs for medical care, services, and supplies, and permanent disability indemnity benefits - are outpacing the appropriated funds such that it is estimated that the funds to pay claims will be exhausted by April 30, 2017. Therefore, a critical funding crisis exists and the department of human resources development will not be able to meet its legal obligation to pay the workers' compensation benefits that are owed to employees who sustain work-related injuries and illnesses for the remainder of fiscal year 2016-2017.

The purpose of this Act is to make an emergency appropriation to provide additional funds for the department of human resources development to pay claims as required under chapter 386, Hawaii Revised Statutes.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$2,400,000 or so much thereof as may be necessary for fiscal year 2016-2017 for the department of human resources development to pay claims as required under chapter 386, Hawaii Revised Statutes.

The sum appropriated shall be expended by the department of human resources development for the purposes of this Act.

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

(Approved May 18, 2017.)