

Honolulu, Hawaii

MAR 17 2006

RE: H.B. No. 2558  
H.D. 1  
S.D. 1

Honorable Robert Bunda  
President of the Senate  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Sir:

Your Committees on Labor and Human Services, to which was referred H.B. No. 2558, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO VOCATIONAL REHABILITATION,"

beg leave to report as follows:

The purpose of this measure is to allow the director of labor and industrial relations to refer, for vocational rehabilitation services, employees who have been deemed unable to return to work in their normal jobs as a result of a work injury.

Testimony in support of this measure was submitted by the ILWU Local 142; the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; the Hawaii State Teachers Association; Work Star Occupational Health Systems; the International Association of Rehabilitation Professionals-Hawaii Chapter; and six individuals. Testimony in opposition to this measure was submitted by the Department of Labor and Industrial Relations (DLIR), the Department of Human Resources Development, and the County of Maui. Comments on the measure were also submitted by the Hawaii Employers' Mutual Insurance Company, Inc.

Your Committees find that the current law puts into question vocational rehabilitation services for injured employees who may not suffer permanent disability, but has been deemed unable to return to work due to other reasons. Your Committees find that an important objective in workers' compensation cases is that an injured employee returns to work. The provision of vocational



rehabilitation services is essential in assisting an injured employee in returning to full employment status. Your Committees determine that assisting individuals who fall within this group is in the best interest of the State, the insurers, the employers, and the injured employees.

Your Committees heard testimony that employees temporarily unable to return to work would become eligible for vocational rehabilitation services and regarding the effect of this in relation to the provision of alternate or light duty work. Therefore, the measure is amended to assess the employees' inability to return to their regular jobs at the point the injury stabilizes, where no offers for alternate work to restore employees to comparable earnings capacities have been made by the employers.

Your Committees entertained discussion on the issue of whom is the appropriate party to determine whether an injured employee is deemed unable to return to work and, thus, eligible for vocational rehabilitation services. Your Committees find that existing within the current system is a process for evaluating and determining an injured employee's medical status and eligibility for receiving vocational rehabilitation services. Under the current law, referrals are initiated from various sources based upon physicians' reports and thereafter the employer may challenge an employee's eligibility. Any challenge is heard by the director of DLIR. Therefore, no further amendment to the law is necessary.

Accordingly, your Committees have amended this measure by specifying that the director of DLIR may also refer to vocational rehabilitation services injured employees who:

- (1) Are deemed unable to return to their regular jobs after the injury may have stabilized; and
- (2) Have not been offered suitable work by the employer that would restore the employee to an earnings capacity comparable to that existing at the time of the injury.

As affirmed by the records of votes of the members of your Committees on Labor and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2558, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2558,



H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.


Respectfully submitted on  
behalf of the members of the  
Committees on Labor and Human  
Services,

*Suzanne Chun Oakland*      *Brian Kanno*  
SUZANNE CHUN OAKLAND, Chair      BRIAN KANNO, Chair



The Senate  
Twenty-Third Legislature  
State of Hawaii

Record of Votes of the  
Committee on Labor  
(Bills and Resolutions)

Measure:* <b>HB 2558 HD1</b>	Committee Referral: <b>LBR/HMS, WAM</b>	Date: <b>3/15/06</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is to: <input type="checkbox"/> Pass, unamended (2312) <input checked="" type="checkbox"/> Pass, with amendments (2311) <input type="checkbox"/> Hold (2310) <input type="checkbox"/> Recommit (2313)				
Members	Ayes	Ayes(WR)	Nays	Excused
KANNO, Brian (C)	✓			
IHARA, Jr., Les (VC)	✓			
TANIGUCHI, Brian T.			<del>2</del> 1	✓
SLOM, Sam			✓	
TOTAL	2	0	1	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:             Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Do not list more than one measure per Record of Votes.

