

Honolulu, Hawaii
APR 28 , 2006

RE: S.B. No. 3035
S.D. 1
H.D. 1
C.D. 1

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

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 3035, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CONTINUED TEMPORARY TOTAL DISABILITY BENEFITS TO INJURED EMPLOYEES,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to ensure that an injured employee who has not resumed work continues to receive temporary total disability (TTD) benefits until the Director of Labor and Industrial Relations renders a decision to terminate such benefits.

Under the current law, an employer may unilaterally terminate an injured employee's TTD benefits upon the belief that an injured employee, who has not returned to work, is in fact able to resume work. Once terminated, benefits can only be reinstated upon the written request of the injured employee contesting the termination and a favorable determination by the Director of Labor and



Industrial Relations. Currently, an injured employee who has disputed the termination of TTD benefits must wait three to nine months for a hearing and resolution on the matter. As the workers' compensation system is one that balances the interests of employers and employees by guaranteeing that workers injured on the job receive medical treatment and replacement of lost wages, while employees relinquish their right to sue under most circumstances, medical treatment and payment of TTD benefits should not be capriciously terminated. Therefore, your Committee on Conference believes that this measure is necessary to eliminate the undue hardship imposed by the current law on the injured employee when the injured employee is not working and likely has no other means of income.

Your Committee on Conference finds that concerns on the employer obtaining a credit for voluntary payments made in the form of TTD benefits were already addressed under section 386-52, HRS.

Upon further consideration, your Committee on Conference has amended this measure by:

- (1) Requiring the director of labor and industrial relations, if rendering a decision that TTD benefits should have been discontinued, to indicate the date after which the TTD benefits should have been discontinued; and
- (2) Making its provisions effective on January 1, 2007.

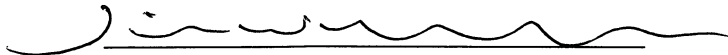
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 3035, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 3035, S.D. 1, H.D. 1, C.D. 1.



Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE


KIRK CALDWELL, Co-Chair


BRIAN KANNO, Chair


BOB NAKASONE, Co-Chair


BRIAN T. TANIGUCHI, Co-Chair



