

Honolulu, Hawaii

Feb. 17

, 2006

RE: S.B. No. 3035

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

Sir:

Your Committee on Labor, to which was referred S.B. No. 3035
entitled:

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

begs leave to report as follows:

The purpose of this measure is to prevent an employer who
believes that an injured employee is able to return to work, but
who has yet to return to work, from terminating the employee's
temporary total disability benefits until a decision is rendered
by the director of labor and industrial relations.

Testimony in support of this measure was submitted by the
Hawaii Government Employees Association, AFSCME Local 152,
AFL-CIO; the Hawaii State AFL-CIO; the IBEW Local 1537; the IBEW
Local 1260; the IBEW Local 1186; the ILWU Local 142; the Hawaii
State Teachers Association; the Hawaii Chapter - American Physical
Therapy Association; the Hawaii Injured Workers Alliance; and
eight individuals.

Testimony in opposition to this measure was submitted by the
Department of Labor and Industrial Relations, the Department of
Human Resources Development, the Hawaii Insurers Council, the
Hawaii Independent Insurance Agents Association, and the Society
for Human Resources Management - Hawaii Chapter. Comments on this
measure were also submitted by the Hawaii Employers' Mutual
Insurance Company, Inc.



Your Committee finds that, under the current law, an employer may unilaterally terminate an injured employee's temporary total disability (TTD) benefits upon the belief that the injured employee is able to return to work. This termination of benefits can occur irrespective of whether the injured employee has actually resumed work. Once benefits are terminated, the injured employee must make a written request to the director of labor and industrial relations if the termination is contested. 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. Your Committee further finds that the workers' compensation system 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. Therefore, medical treatment and payment of TTD benefits should not be capriciously terminated. Your Committee believes that the termination of TTD benefits under the current law creates an undue hardship on the injured employee when the injured employee is not working and likely has no other means of income.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3035 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Labor,




BRIAN KANNO, Chair



The Senate
Twenty-Third Legislature
State of Hawaii

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

Measure:*	Committee Referral:	Date:		
SB 3035	LBR, WAM	2-6-06		
<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 checked="" type="checkbox"/> Pass, unamended (2312)	<input 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.				✓
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 File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

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