

STAND. COM. REP. NO.

868

Honolulu, Hawaii

March 1, 2007

RE: H.B. No. 854
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 854, H.D. 1, 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 bill is to prevent the termination of temporary total disability benefits (benefits) in the event of a dispute, until the Director of Labor and Industrial Relations (Director) makes a decision to terminate the benefits. Among other things, this bill:

- (1) Clarifies that benefits shall be terminated only upon order of the Director, or if the employee's treating physician determines that the employee is able to resume work and a bona fide offer of work within the employee's medical restriction has been made by the employer;
- (2) Removes the condition that the injured employee is able to resume work in cases where the employer believes that benefits should be terminated and notifies the employee and the Director of the intent to terminate benefits;
and

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- (3) Allows employers to request credits for the amount of benefits paid by the employer after the date which the Director had determined should have been the last date of payment.

The Hawaii Chapter, American Physical Therapy Association, Hawaii Government Employees Association, Hawaii State AFL-CIO, ILWU Local 142, and numerous chiropractors testified in support of this measure. The Hawaii State Chiropractic Association testified in support of this measure, with an amendment. The Department of Labor and Industrial Relations supported the intent of this bill. The Department of Human Resources Development, The Chamber of Commerce of Hawaii, Hawaii Insurers Council, National Federation of Independent Businesses, and Property Casualty Insurers Association of America testified in opposition to this measure. The Department of the Attorney General and Hawaii Employers' Mutual Insurance Company offered comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 854, H.D. 1, and recommends that it pass Third Reading.

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



MARCUS R. OSHIRO, Chair



State of Hawaii
House of Representatives
The Twenty-fourth Legislature

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Record of Votes of the Committee on Finance

Bill/Resolution No.: HB 854 HD1		Date: 2-24-07		
Committee Referral: LAB, FIN		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended <input type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommittal for further consideration				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)	/			
2. LEE, Marilyn B. (VC)	/			
3. BELATTI, Della Au	/			
4. BROWER, Tom	/			
5. CARROLL, Mele	/			
6. CHONG, Pono	/			
7. HANOHANO, Faye P.	/			
8. HAR, Sharon E.	/			
9. MAGAOAY, Michael Y.	/			
10. MANAHAN, Joey	/			
11. MIZUNO, John	/			
12. NAKASONE, Bob	/			
13. RHOADS, Karl	/			
14. SAGUM, Roland D., III	/			
15. TOKIOKA, James Kunane	/			
16. AWANA, Karen Leinani	/			
17. MEYER, Colleen Rose			X	
18. WARD, Gene, Ph.D.	/			
TOTAL	17	0	1	0
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: <i>Marilyn B Lee</i>				
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