

STAND. COM. REP. NO. 1525

Honolulu, Hawaii
March 29, 2007

RE: H.C.R. No. 79

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

Sir:

Your Committee on Labor & Public Employment, to which was referred H.C.R. No. 79 entitled:

"HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A STUDY AND AUDIT OF THE WORKERS' COMPENSATION SYSTEM IN HAWAII,"

begs leave to report as follows:

The purpose of this measure is to request that the Auditor conduct a study on various aspects of the workers' compensation system in Hawaii, including: whether any problems exist in the current workers' compensation system, an evaluation of the claims process of the Disability Compensation Division of the Department of Labor & Industrial Relations, the workers' compensation insurance market in Hawaii, the number of cases filed annually with insurers, the costs associated with the provision of workers' compensation insurance, and various other relevant topics.

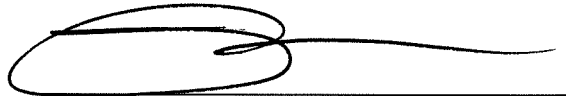
The Chamber of Commerce of Hawaii, Hawaii Chapter of the American Physical Therapy Association, Hawaii Government Employees Association, ILWU Local 142, National Federation of Independent Businesses, and the Occupational Therapy Association of Hawaii testified in support of this measure. The Department of Labor and Industrial Relations supported the intent of the measure.

Workers' compensation is an essential program that provides stability to the economy and benefits the general welfare by ensuring that injured workers are provided treatment for work-related injuries and by expediting their return to work. However,

concerns have been raised from various parties including employees, employers, insurers, and healthcare providers, regarding the efficiency, effectiveness, and fairness of the current workers' compensation system in Hawaii. In light of these concerns, your committee finds that a study of the workers' compensation system is prudent and necessary, in order to ascertain problems within the system and to help identify possible solutions.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 79 and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,

A handwritten signature in black ink, consisting of a large, stylized loop followed by a long horizontal stroke that tapers to the right.

ALEX M. SONSON, Chair

