

Honolulu, Hawaii

APR 05 2007

RE: H.B. No. 855
H.D. 1
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam President:

Your Committee on Judiciary and Labor, to which was referred
H.B. No. 855, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION,"

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



- (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 Government Employees Association (HGEA), Hawaii State AFL-CIO, ILWU Local 142, the Hawaii Teamsters and Allied Workers Local 996, Case Management Works Hawaii, 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 with recommendations for amendments.

The Department of Human Resources Development, The Chamber of Commerce of Hawaii, Hawaii Insurers Council, National Federation of Independent Businesses (NFIB), County of Hawaii's Department of Human Resources, the Chamber of Commerce of Hawaii, the Retail Merchants of Hawaii (RMH), Property Casualty Insurers Association of America, and the Hawaii Chapter, Society of Human Resource Management (SHRM) testified in opposition to this measure.

Your Committee has amended the bill by including language offered by the Hawaii State Chiropractic Association. The amendment allows the insurer to recover payments from treatment rendered after the date that the employer and employee are notified of the Director's decision.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 855, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 855, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

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



CLAYTON HEE, Chair



