

**Report Title:***Workers' Rights***Description:**

*Permits director of labor to reopen worker's compensation case after settlement if settlement has been obtained by the exertion of undue influence over any party or as a result of the disability or mental incompetence of the employee. Requires private employers who provide pension plans to their employees to allow an employee who has vested to receive pension payments upon becoming disabled, regardless of age.*

THE SENATE  
 TWENTY-FOURTH LEGISLATURE, 2007  
 STATE OF HAWAII

**S.B. NO.** <sup>1652</sup>

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## A BILL FOR AN ACT

*RELATING to worker's rights.*

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

SECTION 1. Section 386-89, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The director [~~may~~] at any time, either of the director's own motion or upon the application of any party, may reopen any case on the ground that [~~fraud~~]:

(1) Fraud has been practiced on the director or on any party; or

(2) Settlement has been obtained by the exertion of undue influence over any party or as a result of the disability or mental incompetence of the employee; and

render such decision as is proper under the circumstances."

SECTION 2. Chapter 388, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

**"§388•** Payment of pension upon disability. An employer that provides pension benefits to its employees shall ensure that an employee who has vested under the employer's pension plan shall be eligible for payment of pension benefits upon suffering disability, as defined in section 392-3, regardless of the employee's age."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval and shall apply to disability claims arising on or after July 1, 1997.

INTRODUCED BY: \_\_\_\_\_