

Honolulu, Hawaii

Feb 29 , 2008

RE: H.B. No. 2386

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2386 entitled:

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

begs leave to report as follows:

The purpose of this bill is to ensure fairness in the claims and dispute process for workers' compensation cases by, among other things:

- (1) Requiring an employer to pay temporary total disability (TTD) benefits without waiting for a decision from the Director of Labor and Industrial Relations (Director) regardless of whether the employer controverts the right to those benefits;
- (2) Specifying that the provision of TTD benefits shall continue until the employee's treating physician determines that the employee is able to resume work and a bona fide offer of suitable work within the employee's medical restrictions has been made;
- (3) Requiring the Director, after conducting a hearing, to indicate whether TTD benefits should have been discontinued, and if so, designate a date after which TTD benefits should have been discontinued;

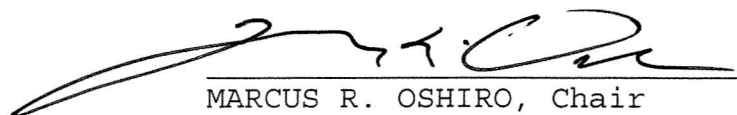


- (4) Allowing an employer to make a written request to the Director for the issuance of a credit for the amount of TTD benefits paid by the employer after the date which the Director determined TTD benefits should have been discontinued;
- (5) Requiring an employer or insurer to pay for attorney's fees and costs to the employee if the employer or insurer is found to be noncompliant with the TTD law; and
- (6) Entitling an injured employee to receive a weekly benefit amount equal to 70 percent of the injured employee's average weekly wage, or a maximum weekly income benefit based upon the state average weekly wage applicable, under certain conditions.

The Hawaii Chapter - American Physical Therapy Association supported this bill. The Department of Human Resources Development, Department of Labor and Industrial Relations, National Federation of Independent Businesses in Hawaii, Building Industry Association of Hawaii, American Insurance Association, General Contractors Association, Associated Builders and Contractors of Hawaii, Ralph S. Inouye Co., Ltd., The Chamber of Commerce of Hawaii, Property Casualty Insurers Association of America, HSI Mechanical, Inc., SHRM Hawaii, and the Hawaii Insurers Council opposed this measure. ILWU Local 142 submitted 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. 2386 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

**HSR 99-08**

**Record of Votes of the Committee on Finance**

<b>Bill/Resolution No.:</b> HB 2386	<b>Committee Referral:</b> FIN	<b>Date:</b> 2-26-2008		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)	✓			
2. LEE, Marilyn B. (VC)	✓			
3. AWANA, Karen Leinani	✓			
4. BELATTI, Della Au	✓			
5. BROWER, Tom	✓			
6. CARROLL, Mele	✓			
7. HANOHANO, Faye P.	✓			
8. HAR, Sharon E.				✓
9. KARAMATSU, Jon Riki	✓			
10. MAGAOAY, Michael Y.	✓			
11. MANAHAN, Joey	✓			
12. MIZUNO, John	✓			
13. NAKASONE, Bob				✓
14. RHOADS, Karl	✓			
15. SAGUM, Roland D., III	✓			
16. TOKIOKA, James Kunane	✓			
17. MEYER, Colleen Rose			✓	
18. PINE, Kymberly Marcos			✓	
19. WARD, Gene, Ph.D.		✓		
<b>TOTAL (19)</b>	14	1	2	2
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: small;">committee acronym(s)</div>				
<b>Vice Chair's or designee's signature:</b> <u>Marilyn B. Lee</u>				
<b>Distribution:</b> Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office				