

STAND. COM. REP. NO. 1205-08

Honolulu, Hawaii

March 19, 2008

RE: S.B. No. 3088
H.D. 1

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

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 3088 entitled:

"A BILL FOR AN ACT RELATING TO THE LABOR AND INDUSTRIAL
RELATIONS APPEALS BOARD,"

begs leave to report as follows:

The purpose of this bill is to improve the efficiency and expeditiousness of the workers' compensation system by authorizing the Labor and Industrial Relations Appeals Board (Board) to appoint a hearings officer and set the hearings officer's duties and compensation.

The Department of Labor and Industrial Relations (DLIR), Board, ILWU Local 142, Hawaii State AFL-CIO, and Laborers' Union Local 368 testified in support of this bill.

Currently, the Board consists of three members appointed by the Governor who have the power to decide appeals from decisions rendered, by and orders, of the Director of DLIR. Essentially, the Board adjudicates workers' compensation cases.

Each year, the Board receives several hundred appeals. While the appeals for trial are scheduled in the order in which they are received, the tremendous backlog of cases has often caused appeal trials to be scheduled up to a year later. While the Board has

SB3088 HD1 HSCR LAB HMS 2008-2954



improved the expeditiousness of this system, the length of time it may still take to resolve these cases may result in delays in injured employees receiving medical treatment, vocational training, or education.

Your Committee finds that allowing the Board to retain the services of a hearings officer will expedite the resolution of time-sensitive appeals concerning vocational rehabilitation, medical care, and temporary total disability benefits. However, your Committee is concerned that the qualifications of the appointed hearings officer is not specified in this measure. Moreover, your Committee finds that DLIR should submit a report detailing the appointed hearings officer's effectiveness in making the appeals process for workers' compensation cases more efficient and expeditious. Accordingly, your Committee has amended this bill by:

- (1) Inserting language that establishes minimum qualifications for the hearings officer appointed by the Board;
- (2) Requiring DLIR to submit an interim and final reports to the Legislature containing:
 - (A) Detailed information on the qualifications of the appointed hearings officer;
 - (B) The effectiveness of the use of the appointed hearings officer in expeditiously conducting hearings on workers' compensation treatment plan issues, vocational rehabilitation issues, and temporary total disability issues; and
 - (C) The increased efficiency that has been experienced by the workers' compensation system, if any, as a result of the appointment of a hearings officer;

and

- (3) Inserting a repeal date of June 30, 2011.

Other technical, nonsubstantive amendments were made for clarity, consistency, and style.



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 is in accord with the intent and purpose of S.B. No. 3088, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3088, H.D. 1, and be referred to the Committee on Finance.

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

A handwritten signature in black ink, appearing to read 'ALEX M. SONSON', written over a horizontal line.

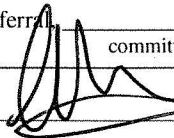
ALEX M. SONSON, Chair



1205-08

State of Hawaii
House of Representatives
The Twenty-fourth Legislature

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: SB 3088	Committee Referral: LAB, FIN	Date: 03-11-08		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" 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)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. SONSON, Alex M. (C)	Y			
2. NAKASONE, Bob (VC)				Y
3. EVANS, Cindy	Y			
4. HAR, Sharon E.				Y
5. LEE, Marilyn B.	Y			
6. LUKE, Sylvia				X
7. McKELVEY, Angus L.K.	Y			
8. NISHIMOTO, Scott Y.				Y
9. SOUKI, Joseph M.	Y			
10. TAKAMINE, Dwight Y.	Y			
11. TAKUMI, Roy M.	Y			
12. MEYER, Colleen Rose				Y
13. PINE, Kymerly Marcos				X
TOTAL (13)	7	0	0	6
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral _____ did not support recommendation. _____ committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office				