

STAND. COM. REP. NO. 1726

Honolulu, Hawaii

April 9, 2009

RE: S.B. No. 62
S.D. 1
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 62, S.D. 1, 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 require independent workers' compensation medical examinations and permanent impairment rating examinations to be performed by physicians mutually agreed upon by the employer and employee, or appointed by the Director of Labor and Industrial Relations.

United Public Workers AFSCME Local 646 AFL-CIO, Hawaii State AFL-CIO, Hawaii Government Employees Association, ILWU Local 142, Hawaii Injured Workers Alliance, Hawaii Chapter - American Physical Therapy Association, International Association of Rehabilitation Professionals, Hawaii Coalition of Health, Vocational Management Consultants, Inc., and numerous concerned individuals supported this bill. The Department of Human Resources Development, Department of Labor and Industrial Relations, Department of Human Resources of the City and County of Honolulu, Department of Human Resources of the County of Hawaii, Property Casualty Insurers Association of America, Retail Merchants of Hawaii, Chamber of Commerce of Hawaii, American Insurance Association, Hawaii Insurers Council, Hawaiian Electric Co., Inc., Maui Electric Company, LTD., Hawaii Electric Light Company, Building Industry Association of Hawaii, Hawaii Dredging

SB62 HD2 HSCR FIN HMS 2009-3581



Construction Company, Ralph S. Inouye Co., Ltd., General Contractors Association of Hawaii, and numerous concerned individuals opposed this bill.

Your Committee has amended this measure by:

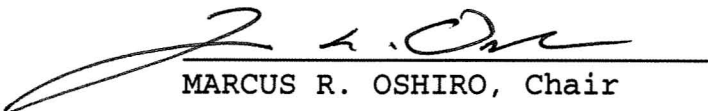
- (1) Excluding the following activities from the definition of "employment" under the Workers' Compensation Law:
 - (A) Service performed by a member of a limited liability company if the member is an individual and has at least 50 percent distributional interest in the company;
 - (B) Service performed by a partner of a partnership if the partner is an individual;
 - (C) Service performed by a partner of a limited liability partnership if the partner is an individual and has at least 50 percent transferable interest in the partnership; and
 - (D) Service performed by a sole proprietor;

and

- (2) Making technical nonsubstantive amendments for style, clarity, and consistency.

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 S.B. No. 62, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 62, S.D. 1, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,


MARCUS R. OSHIRO, Chair



