

AUDREY HIDANO DEPUTY DIRECTOR

STATE OF HAWAII DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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March 25, 2012

To: The Honorable David Ige, Chair,

The Honorable Michelle N. Kidani, Vice Chair, and Members of the Senate Committee on Ways and Means

Date: Wednesday, March 28, 2012

Time: 9:30 a.m.

Place: Conference Room 211, State Capitol

From: Dwight Y. Takamine, Director

Department of Labor and Industrial Relations (DLIR)

Re: IN STRONG SUPPORT OF HB2574 HD1SD1 RELATING TO NOTIFICATION OF CHAPTER 91 HEARINGS.

I. OVERVIEW OF PROPOSED LEGISLATION

HB2574 HD1SD1 authorizes the Appeals Board, an agency administratively attached to DLIR, to send written notices of Chapter 91 hearing by first class mail and eliminates the current requirement that notices of hearing be sent by registered or certified mail with return receipt.

DLIR <u>strongly supports</u> HB2574HD1 because the proposal would enhance the operational capacity of the Labor and Industrial Relations Appeals Board (LIRAB). If enacted, the measure would permit the Appeals Board to apply the savings to other areas of operations and increase the overall efficiency of the Board.

This measure represents one small piece in rebuilding the capacity of the Workers' Compensation system, which has suffered through budget constraints over the last few budget cycles. HB2574HD1SD1 March 25, 2012 Page 2

II. CURRENT LAW

Hawaii Revised Statutes (HRS) Section 91-9.5 requires notices of agency hearing to be sent by registered or certified mail with return receipt requested at least fifteen days before the hearing, unless otherwise provided by law.

III. COMMENTS ON THE HOUSE BILL

- The budget shortfalls of the past several years have required the State to reevaluate the way it does business and to improve management of fiscal resources.
- This cost-saving measure is part of this administration's New Day plan to transform government.
- Currently, within the department there already exists statutory authority for sending notices of Chapter 91 hearing by first class mail. In DLIR's Employment Services Appeals Referees' Office, Chapter 91 notices of hearings for unemployment claim appeals are sent by first class mail pursuant to HRS Section 383-38(a).

From: mailinglist@capitol.hawaii.gov

To: WAM Testimony
Cc: lily.o.ling@hawaii.gov

Subject: Testimony for HB2574 on 3/28/2012 9:30:00 AM

Date: Tuesday, March 27, 2012 8:58:43 AM

Testimony for WAM 3/28/2012 9:30:00 AM HB2574

Conference room: 211 Testifier position: Support Testifier will be present: Yes Submitted by: lily ling Organization: DLIR-LIRAB E-mail: lily.o.ling@hawaii.gov Submitted on: 3/27/2012

Comments:

A member of the Appeals Board will be present at the decision-making meeting to answer any

questions.