

NEIL ABERCROMBIE  
GOVERNOR



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**STATE OF HAWAII**  
**DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT**  
235 S. BERETANIA STREET  
HONOLULU, HAWAII 96813-2437

February 18, 2014

**TESTIMONY TO THE  
HOUSE COMMITTEE ON FINANCE**

For Hearing on Wednesday, February 19, 2014  
3:00 p.m., Conference Room 308

BY

BARBARA A. KRIEG  
DIRECTOR

**House Bill No. 2400**  
**Relating to Temporary Disability Benefits**

**WRITTEN TESTIMONY ONLY**

TO CHAIRPERSON SYLVIA LUKE AND MEMBERS OF THE COMMITTEE:

Thank you for the opportunity to provide testimony on H.B. 2400.

The purpose of H.B. 2400 is to provide temporary disability benefits to employees who suffer disabilities as a result of donating organs.

The Department of Human Resources Development (DHRD) **supports** this bill, although we believe it may be unnecessary.

DHRD oversees the State of Hawaii's self-insured Temporary Disability Benefits Plans (TDB Plans) for State executive branch employees. The TDB Plans meet the statutory equivalency provision in Section 392-41, HRS, of the Hawaii Temporary Disability Insurance law and are approved by the Department of Labor.

Our understanding is that disabilities resulting from donating organs would already be covered as a "sickness" under our TDB Plans; provided the disability is properly certified by a physician and all other eligibility requirements are met. However, we would support the express addition of the term "organ donation" as proposed in this

bill. DHRD believes that the State should be an employer of choice for career-seeking individuals and this measure would enhance our reputation as a forward-thinking employer.

Thank you for the opportunity to provide testimony in support of this measure.



**STATE OF HAWAII**  
**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**  
830 PUNCHBOWL STREET, ROOM 321  
HONOLULU, HAWAII 96813  
<http://labor.hawaii.gov>

February 18, 2014

To: The Honorable Sylvia Luke, Chair,  
The Honorable Scott Y. Nishimoto, Vice Chair,  
The Honorable Aaron Ling Johanson, Vice Chair and  
Members of the House Committee on Finance

Date: Wednesday, February 19, 2014  
Time: 3:00 p.m.  
Place: Conference Room 308, State Capitol

From: Dwight Y. Takamine, Director  
Department of Labor and Industrial Relations (DLIR)

**Re: H.B. No. 2400 Relating to Temporary Disability Benefits**

**I. OVERVIEW OF PROPOSED LEGISLATION**

HB 2400 proposes to amend Sections 392-3 and 392-21, Hawaii Revised Statutes (HRS), by including organ donation as compensable disability and providing temporary disability insurance benefits to organ donors. The DLIR supports this proposal.

**II. CURRENT LAW**

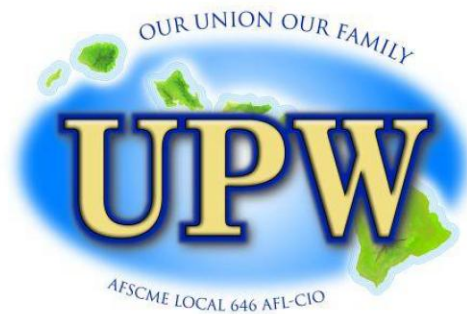
Section 392-3, HRS, defines "disability" to mean total inability of an employee to perform the duties caused by sickness, pregnancy or termination of pregnancy or accident that are not work-related. Therefore, an eligible employee's total disability due to organ transplantation (as a recipient) is covered under the current law.

Section 392-21, HRS, specifies that any eligible employee who suffers total disability resulting from accident, sickness, pregnancy or termination of pregnancy that is not work-related shall be entitled to receive temporary disability insurance benefits. Since the disability covered has been "elective" in nature, the donor's total inability to work suffered during organ transplantation (as a donor) is not covered under the current law.

**III. COMMENTS ON THE HOUSE BILL**

The department supports the provision of TDI benefits to organ donors and notes that there will be no fiscal impact to the department if the measure were enacted.

Organ transplants involve three tests that are done to evaluate donors. They are blood type, cross match, and HLA (human leukocyte antigen) or tissue typing testing. Each transplant program is required to have criteria for the selection of both recipients and donors. To find a match between a willing, living donor to save the life of a compatible intended recipient is something that is medically necessary and sometimes difficult due to Hawaii's geographic isolation. Additionally, donors may not be disabled for an extended period during recovery after surgery.



THE HAWAII HOUSE OF REPRESENTATIVES  
The Twenty-Seventh Legislature  
Regular Session of 2014

COMMITTEE ON FINANCE

The Honorable Rep. Sylvia Luke, Chair  
The Honorable Rep. Aaron Ling Johanson, Vice Chair  
The Honorable Rep. Scott Y. Nishimoto, Vice Chair

DATE OF HEARING: Wednesday, February 19, 2014  
TIME OF HEARING: 3:00 PM  
PLACE OF HEARING: Conference Room 308

**TESTIMONY ON HB2400 RELATING TO TEMPORARY DISABILITY BENEFITS**

By DAYTON M. NAKANELUA,  
State Director of the United Public Workers,  
AFSCME Local 646, AFL-CIO ("UPW")

My name is Dayton M. Nakanelua and I am the State Director of the United Public Workers, AFSCME, Local 646, AFL-CIO (UPW). The UPW is the exclusive representative for approximately 14,000 public employees, which include blue collar, non-supervisory employees in Bargaining Unit 1 and institutional, health and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties. The UPW also represents about 1,500 members of the private sector.

The UPW supports HB2400, which provides temporary disability benefits to employees who suffer disabilities as a result of donating organs.

We ask that you pass this bill.

Thank you for the opportunity to testify on this measure.



# Chamber of Commerce HAWAII

*The Voice of Business*

**Testimony to the House Committee on Finance  
Wednesday, February 19, 2014 at 3:00 P.M.  
Conference Room 308, State Capitol**

**RE: HOUSE BILL 2400 RELATING TO TEMPORARY DISABILITY  
BENEFITS**

Chair Luke, Vice Chairs Nishimoto and Johanson, and Members of the Committee:

The Chamber of Commerce of Hawaii ("The Chamber") **opposes** HB 2400 Relating to Temporary Disability Benefits.

The Chamber is the largest business organization in Hawaii, representing over 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

While we understand that persons may need additional health care services, we do not believe that business should be the group responsible for paying for this mandated benefit. Ninety percent of the cost of an employee's health care premium is paid for by the employer. Most employers would be unable to pass this new cost onto the consumer. Please keep in mind that this would be in addition to the already annual increase in health care premiums of 7-10% each year.

Thank you for the opportunity to testify.





**H.B. 2400, Relating to Temporary Disabilities Benefits**  
**House Committee on Finance**  
**February 19, 2014**

Thank you for the opportunity to provide testimony in **support** of HB 2400, Relating to Temporary Disability Benefits. My name is Dr. Loraine Fleming, Director of Behavioral Health, Transplant, Liver Center, and Medicine with The Queen's Medical Center.

The Queen's Medical Center continues to successfully re-build Hawaii's Transplant Center, as we proudly provide this critical healthcare service to the community. Still, the need for kidney donations remains critical in Hawaii. There are currently over 400 Hawaii patients awaiting organ transplants, mostly for kidneys. The biggest obstacle to shortening the list is the lack of organ donors. Sadly, about 5 percent of people on the waiting list die every year. What's more, Hawaii consistently has the longest waiting time compared with the national average due to the higher rate of renal failure and inadequate number of donors. In the two years since the program was re-started at QMC, we have completed a total of 89 transplants, which includes kidneys and livers. Of these, there have been 14 live kidney donations.

It is always breathtaking to imagine what one must emotionally go through when deciding to give an organ to another. The selflessness is simply inspiring. The act of organ donation can be physically challenging, requiring adequate time for recuperation. For those that are employed, this measure would provide relief and support to recovering donors.

We recognize the employer cost that could result from this measure, albeit we respectfully suggest the number of times this requirement might be utilized by an employee would be relatively few and therefore the financial impact minimal.

Thank you for the opportunity to provide testimony on this measure.

To: House Committee on Finance



From: Patricia McGhee  
3646 Trousseau St  
Honolulu, HI 96815  
808-722-0854

Hearing: 3:00pm Wednesday, February 19, 2014

Subject: Temporary Disability Payment for Organ Donors

Aloha Chair and Committee Members,

I appreciate this opportunity to provide testimony on HB#2400. Please vote YES.

In January 2013 I donated my kidney to a co-worker. I know first hand the burdens an organ donor in Hawaii must bear. The financial burden is difficult and worrisome. I was appalled to learn, after my surgery, that organ donors do not qualify for temporary disability insurance during their recovery time while unable to work. The reason being- organ donation is an elective surgery. While this is indisputable, it is not right to penalize such an altruistic act. People make choices everyday to drink excessively, to smoke, to overeat, to put their health in jeopardy. When these very people, due to the poor health they have created, are unable to work, they collect TDI. Yet an organ donor who is instrumental in restoring to health and returning the recipient back to the work force, receives no assistance.

I urge you to vote YES to allow organ donors to qualify for temporary disability insurance. When finances are the determining factor as to whether a person will donate, knowing that they will receive some financial assistance during their recovery will be reassuring and encouraging.