

STAND. COM. REP. NO. 1138

Honolulu, Hawaii

March 17, 2017

RE: S.B. No. 857  
S.D. 1  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Ninth State Legislature  
Regular Session of 2017  
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 857, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to ensure the timely payment of workers' compensation claims by establishing procedures that require employers to pay all workers' compensation claims for compensable injuries and prohibiting the denial of claims without reasonable cause or during a pending investigation.

Hawaii Medical Association, Hawaii Injured Workers Association, ILWU Local 142, Vocational Management Consultants, Hawaii Chapter of the American Physical Therapy Association, Work Injury Medical Association of Hawaii, and several concerned individuals supported this measure. The City and County of Honolulu; Hawaii Insurers Council; General Contractors Association of Hawaii; Chamber of Commerce Hawaii; and Hawaiian Electric Co. Inc., and its subsidiaries, Maui Electric Company, Ltd., and Hawaii Electric Light Company, Inc. opposed this measure. The Department of Labor and Industrial Relations and Department of Human Resources Development provided comments.



Your Committee has amended this measure by changing the number of days for the provider to be notified when an employer denies a claim from thirty days to an unspecified number. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

Your Committee finds that this measure addresses the concerns of employers and insurers by requiring an employee to reimburse the employer, insurer, or Special Compensation Fund when controverted claims are found to be uncompensable.

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. 857, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 857, S.D. 1, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

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

  
AARON LING JOHANSON, Chair



