

Honolulu, Hawaii

APR 04 2025

RE: H.B. No. 423
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 423, H.D. 2, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to amend the workers' compensation law relating to rehabilitation services.

More specifically, this measure:

- (1) Clarifies the process for selecting a certified provider of rehabilitation services;
- (2) Requires a provider to automatically approve an injured employee for vocational rehabilitation services if the provider determines that the injured employee will likely require vocational rehabilitation services to return to suitable gainful employment; and
- (3) Requires providers to file an employee's vocational plan no later than ninety days after submitting an initial evaluation report, with certain exceptions.

Your Committee received written comments in support of this measure from the Department of Human Resources Development, Hawaii



Insurers Council, Hawaii Medical Association, and three individuals.

Your Committee received written comments in opposition to this measure from Hawaii Rehabilitation Counseling Association; International Association of Rehabilitation Professionals, Hawaii Chapter; Rego and Nakoa; Vocational Management Consultants, Inc.; and six individuals.

Your Committee received written comments on this measure from the Department of Labor and Industrial Relations.

Your Committee finds that early intervention, which often begins with the referral of an injured employee for vocational rehabilitation services, is vital to ensure the efficient and effective rehabilitation of employees who suffer a work-related injury. Your Committee also finds that vocational rehabilitation services are intended to help the employee return to work as quickly as possible, with pay as close as possible to pre-injury wages. Your Committee further finds that urgency is needed when initiating the vocational rehabilitation process to avoid prolonged adverse effects on injured employees and to minimize costs for employers and insurers.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 423, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DONOVAN M. DELA CRUZ, Chair



Record of Votes
Committee on Ways and Means
WAM

***Only one measure per Record of Votes**