

ACT 120

S. B. NO. 1340-72

**A Bill for an Act Relating to Temporary Disability Insurance and Amending
Chapter 392, Hawaii Revised Statutes.**

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 392, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read:

“Sec. 392- Notice of denial. No employer or insurer shall deny disability benefits to an employee without first submitting a copy of the notice of denial to the department. The department shall review the denial within ten days of the receipt of the notice. If the department finds the denial erroneous, without proper legal basis, or without sufficient evidence to support it, the department shall request the employer or insurer to reconsider its action in denying disability benefits. If upon reconsideration the employer or insurer again decides to deny disability benefits, the employee and the department shall be so notified. The employee shall have the right to appeal the denial of disability benefits.”

SECTION 2. This Act shall take effect on July 1, 1972.

(Approved May 25, 1972.)