

HAWAII EMPLOYERS COUNCIL

2682 Waiwai Loop, Honolulu, HI 96819 P.O. Box 29699, Honolulu, HI 96820-2099
808-836-1511 Telephone 1-800-392-3589 Neighbor Islands 808-833-6731 Facsimile



MAY 2, 2008

2008 – Employment and Health Bills at End of Session

Labor Relations/Employment Practices

- HB 2520 HD3 SD2 CD1** **Family Caregiving TDI/HFLL** – Establishes working group to study methods of providing wage replacement benefits to employees taking leave to care for family members with serious health conditions. Directs working group to consider drafting legislation regarding family leave for 2009 legislative session. Working group to be composed of representatives of state agencies, employers, non-profits, and unions. *Effective upon approval.*
- SB 3051 SD2 HD1 CD1** **Criminal Records Checks** – Authorizes the Department of Human Services or its designee to conduct criminal record checks through the Hawaii Criminal Justice Data Center and FBI database for employees, contractors, subcontractors, and other persons providing services to vulnerable adults and children. DHS's ability to use contracted designee to conduct criminal record checks is designed to process record checks more efficiently. *Effective July 1, 2008.*

Workers Compensation

- HB 2386 SD2 CD1** **TTD Benefits** – Requires employers to pay temporary total disability (“TTD”) benefits to injured workers regardless of any controversy over compensability, and prevents termination of TTD benefits unless an order of the Director of DLIR has approved termination, or the claimant’s physician finds the claimant is able to work and the employer has made an offer of work within the claimant’s medical restrictions. Suspends effective date of bill until July 1, 2009 to allow a working group to study concerns raised by the bill and reach a consensus on recommendations. If no consensus is reached, bill takes effect July 1, 2009. *Working group provisions effective immediately, remainder of bill effective July 1, 2009.*
- HB 2388 HD1 SD2 CD1** **Medical Benefits** – Requires employers to continue to pay for medical services despite a dispute over continued treatment, and prevents termination of medical services, until the Director of DLIR issues an order terminating such services. *Effective July 1, 2008.*

Legislative Digest

2008 - Employment and Health Bills at End of Session

Page 2

HB 2929 HD1 SD1 **IME Examinations** – Requires claimant and employer to mutually agree on the physician who is to conduct an independent medical examination (“IME”) or a permanent impairment rating of the claimant. If parties cannot agree, Director of DLIR will select a qualified physician within 7 days of request by employer. Provides that physician selected by the Director must conduct the exam within 30 days of selection. If employee unreasonably refuses to submit to or obstructs exam, right to compensation shall be suspended until refusal or obstruction ceases. Cost of ordered examination limited to complex consultation charges in WC medical fee schedule. Sunsets after 3 years. *Effective July 1, 2008, sunsets July 1, 2011.*

HB 2387 HD1 SD2 **IME Examinations** – Creates working group to study alternative methods of funding IME examinations in workers compensation cases. Working group to include representatives of DLIR, employers, unions, insurers, and health care providers. *Effective upon approval.*

ACT 24 **Student Interns** – Provides that the state shall assume workers compensation liability for students participating in workplace learning programs approved by DOE or UH.
HB 2441 Signed by Governor on April 24, 2008. *Effective upon approval.*

Unemployment Insurance

SB 2876 HD2 CD1 **Reed Act Funds** – Appropriates Reed Act funds for fiscal year 2008-2009 to the Hawaii county workforce investment board (\$2 million), the Maui county workforce investment board (\$1.5 million), and the workforce development division of DLIR (\$2 million). *Effective July 1, 2008.*

Public Contracts/Prevailing Wages

SB 3087 SD1 HD1 CD1 **Contractor Suspension** – Amends Little Davis Bacon statute to require 3 year debarment for any contractor that interferes with or delays an investigation, or falsifies records relating to prevailing wage laws. *Effective upon approval.*

SB 2779 HD2 **Emergency Suspension of Prevailing Wage Laws** – Clarifies emergency circumstances under which the Governor may suspend prevailing wage laws. Limits Governor in declaring state of emergency to circumstances in HRS Sections 127-10 or 128-7. Vetoed by Governor on May 1, 2008. Veto overridden by Legislature May 1, 2008. *Effective upon approval.*

VETO OVERRIDE

Legislative Digest

2008 - Employment and Health Bills at End of Session

Page 3

Miscellaneous Employment-Labor

- ~~HB 2974~~ HD2 **Unions (Agricultural Workers)** – The “card check” or “employee free choice” bill. Provides that for workers covered by HRS Chapter 377 (generally agricultural workers and others not covered by federal National Labor Relations Act), a union shall be certified as the employees’ bargaining representative based on the receipt of a majority of authorization cards rather than by secret ballot election, and specifies that collective bargaining must commence within 10 days after a union is certified as bargaining representative. Also provides that if parties cannot reach agreement on an initial contract, contract terms may be established by arbitration panel for a period of 2 years. **Vetoed** by Governor, no veto override by Legislature.

VETOED

Health and Insurance-Related Bills

- HB 2224** HD1 SD2 **Health Coverage for Part-Time Employees** – Requires insurers offering small group health plan coverage to offer coverage to self-employed individuals who are licensed or registered with the DCCA and located in insurer’s service area. *Effective July 1, 2008, sunsets July 1, 2013.*
- SB 2314** SD1 HD2 CD1 **Bundled Coverage** – Allows small health insurers occupying less than 5% of the market to market different types of insurance (such as health, dental, and vision) in a single “bundled” policy, which must be purchased as an entire bundled unit by the consumer. Provides that such bundling shall not constitute an unfair method of competition or unfair trade practice. *Effective upon approval, sunsets June 30, 2011.*
- HB 2255** HD2 SD2 **Employee Group Life Insurance** – Eliminates current requirement that employee group life insurance policies must cover at least 10 employees. Allows employee group life premiums to be paid wholly by employer, wholly by insured employee, or by contributions from both (eliminates current prohibition on employee group life plans funded solely by employee contributions). *Effective upon approval.*

Other Bills of Interest

- SB 3171** SD2 HD2 CD1 **Charities** – Requires 501(c)(3) organizations, charitable organization, and public benefit organizations which solicit funds to register and file annual reports with the Attorney General. Excludes religious corporations and societies, parent-teacher organizations, nonprofit hospitals, and charitable organizations who receive less than \$25,000 in annual contributions if the charitable organization does not pay any person to solicit funds. Authorizes Attorney General to conduct investigations of charities and non-profits; prohibits contracting with unregistered solicitors. *Effective July 1, 2008*