

STAND. COM. REP. NO. 1520

Honolulu, Hawaii

APR 04 2023

RE: S.C.R. No. 208

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Labor and Technology, to which was referred S.C.R. No. 208 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS TO PROVIDE AND PRODUCE UPDATED ACTUARIAL STUDIES REGARDING THE LIFESPAN PROBABILITIES OF SURVIVING DEPENDENT BENEFICIARIES FOR THE PURPOSE OF APPLYING HAWAII'S WORKERS' COMPENSATION LAW,"

begs leave to report as follows:

The purpose and intent of this measure is to request that the Department of Labor and Industrial Relations:

- (1) Research current actuarial data and population studies for the purpose of creating updated materials for assessing appropriate benefit amounts for dependent surviving spouses, dependent surviving children, dependent surviving parents, and dependent surviving grandparents, as well as establishing updated standards for distinguishing wholly dependent beneficiaries from partially dependent beneficiaries; and
- (2) Deliver a report summarizing the results of its research, along with recommendations for revising the differing amounts of weekly benefits to surviving beneficiaries based on relationship status and degree of dependency, if any, and further suggest necessary



legislation for implementation of any necessary adjustments prior to the convening of the Regular Session of 2024.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations.

Your Committee finds that the Department of Labor and Industrial Relations (DLIR) bases its calculations for different generations of surviving beneficiaries on an actuarial table from a study conducted in 1963. Your Committee recognizes that Hawaii's cost of living and prevailing maximum benefit rate has substantially changed over the last sixty years, and therefore an updated study is necessary to ensure that the State compensates its workers and their dependents fairly and equitably in the event of work-related disability or death. According to testimony received by your Committee, DLIR currently does not have any specialized experts on its staff that can fulfill the requested actions in this measure. Your Committee notes that DLIR would require additional time and funding to contract with an actuary to provide the analysis and assessment requested.

Therefore, your Committee has amended this measure by:

- (1) Deleting language requesting that the Department of Labor and Industrial Relations:
 - (A) Research current actuarial data and population studies for the purpose of creating updated materials for assessing appropriate benefit amounts for dependent surviving spouses, dependent surviving children, dependent surviving parents, and dependent surviving grandparents, as well as establishing updated standards for distinguishing wholly dependent beneficiaries from partially dependent beneficiaries; and
 - (B) Deliver a report summarizing the results of its research, along with recommendations for revising the differing amounts of weekly benefits to surviving beneficiaries based on relationship status and degree of dependency, if any, and further suggest necessary legislation for

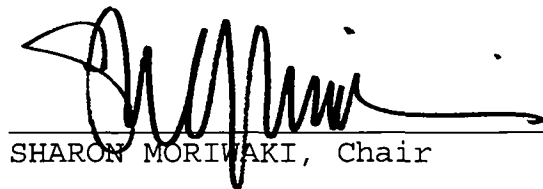


implementation of any necessary adjustments prior to the convening of the Regular Session of 2024;

- (2) Inserting language that requests the Department of Labor and Industrial Relations to:
 - (A) Analyze the available data on Hawaii workers' compensation cases relating to death benefits for the past ten years and obtain any additional data from the Hawaii Insurers Council or any other state or federal sources to recommend any updates to the Workers' Compensation Law; and
 - (B) Submit a report to the Legislature of its findings and recommendations for updating the Workers' Compensation Law, particularly section 386-41, Hawaii Revised Statutes, no later than twenty days prior to the convening of the Regular Session of 2024;
- (3) Amending its title in accordance with its amended purpose; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor and Technology that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 208, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 208, S.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Labor and
Technology,



SHARON MORIWAKI, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Labor and Technology
LBT

Bill / Resolution No.:* SCR 208	Committee Referral: LBT	Date: 3/20/23		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
MORIWAKI, Sharon Y. (C)	✓			
LEE, Chris (VC)	✓			
IHARA, Jr., Les				✓
KEITH-AGARAN, Gilbert S.C.	x			
FEVELLA, Kurt	x			
TOTAL	4			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes