

STAND. COM. REP. NO.

1664

Honolulu, Hawaii

APR 20 2017

RE: H.C.R. No. 105
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred H.C.R. No. 105 entitled:

"HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT AN AUDIT OF THE VOCATIONAL REHABILITATION UNIT IN THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS, DISABILITY COMPENSATION UNIT,"

begs leave to report as follows:

The purpose and intent of this measure is to request the Auditor to conduct an audit of the Vocational Rehabilitation Unit (Unit) in the Department of Labor and Industrial Relations (Department), Disability Compensation Division.

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

Your Committee finds that the Vocational Rehabilitation Unit in the Department's Disability Compensation Division lacks resources. The Unit consists of one staff member to administer an average of seven hundred sixty claims per month, using a non-digitized system. The Department testified that the Unit's staff was reduced from fourteen positions to one due to a reduction-in-force, and the one position is currently filled by a fairly new staff member. Testimony from vocational rehabilitation counselors



indicated that the position was held by one person for the prior twenty years and that the staff member was unable to train her replacement upon leaving the position two years ago. The Department also testified that it requested an appropriation from the Legislature during the Regular Session of 2017 to modernize the Disability Compensation Division to increase efficiency and that it has assembled the Workers' Compensation Working Group as of 2016, as requested by H.C.R. No. 168, H.D. 2, S.D. 1, Regular Session of 2015, to assess workers' compensation issues, including vocational rehabilitation. The Department additionally stated in oral testimony that it is committed to looking at what it can do administratively, as well as working with vocational rehabilitation stakeholders, to address issues related to the Unit's performance.

In light of the testimony, your Committee finds that an audit is not necessary and believes that at this time it is best that the Department stand by its stated commitment and address issues facing the Unit administratively as well as through the Workers' Compensation Working Group and collaboration with vocational rehabilitation stakeholders.

Accordingly, your Committee has amended this measure by:

- (1) Deleting repetitive findings relating to retaliation against vocational counselors;
- (2) Deleting the request that the Auditor conduct an audit of the Vocational Rehabilitation Unit in the Disability Compensation Division;
- (3) Requesting the Department to report to the Legislature on its efforts to keep its commitment to work with vocational rehabilitation stakeholders and address the issues raised and recommendations made to improve the performance of the Vocational Rehabilitation Unit in its Disability Compensation Division, including any findings and recommendations made by the Workers' Compensation Working Group;
- (4) Amending the title to reflect its amended purpose; and



- (5) 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 Judiciary and Labor that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 105, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as H.C.R. No. 105, S.D. 1.

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



GILBERT S.C. KEITH-AGARAN, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Judiciary and Labor
JDL

Bill / Resolution No.:* HCR 105	Committee Referral: JDL, WAM	Date: 4/12/17		
<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
KEITH-AGARAN, Gilbert S.C. (C)	✓			
RHOADS, Karl (VC)	✓			
GABBARD, Mike	✓			
KIM, Donna Mercado	✓			
THIELEN, Laura H.				✓
TOTAL	4	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Karl Rhoads</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes