

JAN 18 2007

A BILL FOR AN ACT

RELATING TO WORKERS' COMPENSATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 386, Hawaii Revised Statutes, is amended
2 by adding a new section to be appropriately designated and to
3 read as follows:

4 "§386- Workers' compensation fraud hotline. (a) There is
5 established within the department, a confidential telephone
6 hotline to report fraud violations of this chapter, dealing with
7 workers' compensation. The department shall make available a
8 confidential toll free workers' compensation fraud hotline for
9 the purpose of accepting calls from persons wishing to report a
10 suspected workers' compensation fraud matter.

11 (b) The director shall adopt rules to implement the
12 workers' compensation fraud hotline."

13 SECTION 2. Section 386-3, Hawaii Revised Statutes, is
14 amended by amending subsections (b) and (c) to read as follows:

15 "(b) No compensation shall be allowed for an injury or
16 damages incurred by an employee [~~by the employee's wilful~~
17 ~~intention to injure oneself or another by actively engaging in~~



1 ~~any unprovoked non work related physical altercation other than~~
2 ~~in self defense,] resulting from any act of violence, even where~~
3 ~~the employee is the innocent victim of an unprovoked assault, or~~
4 ~~by the employee's intoxication.~~

5 (c) A claim for mental stress [~~resulting solely from~~
6 ~~disciplinary action taken in good faith by the employer]~~ shall
7 not be allowed[~~; provided that if a collective bargaining~~
8 ~~agreement or other employment agreement specifies a different~~
9 ~~standard than good faith for disciplinary actions, the standards~~
10 ~~set in the collective bargaining agreement or other employment~~
11 ~~agreement shall be applied in lieu of the good faith standard.~~
12 ~~For purposes of this subsection, the standards set in the~~
13 ~~collective bargaining agreement or other employment agreement~~
14 ~~shall be applied in any proceeding before the department, the~~
15 ~~appellate board, and the appellate courts]."~~

16 SECTION 3. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$, or so much
18 thereof as may be necessary for fiscal year 2006-2007, for the
19 purpose of establishing and implementing a confidential toll
20 free workers' compensation fraud hotline.



1 SECTION 4. The sum appropriated shall be expended by the
2 department of labor and industrial relations to establish and
3 implement a workers' compensation fraud hotline.

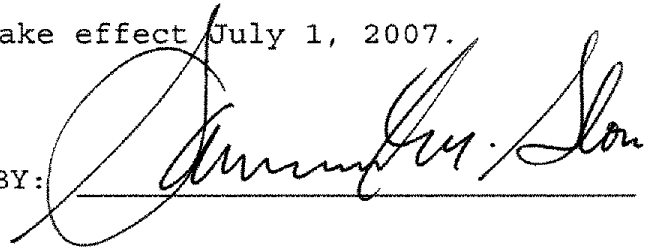
4 SECTION 5. The attorney general shall assign one deputy
5 attorney general whose duty shall be solely to investigate and
6 prosecute workers' compensation fraud violations and violations
7 of all applicable state laws relating to workers' compensation
8 fraud violations, including fraud violations under section 386-
9 98, Hawaii Revised Statutes.

10 SECTION 6. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 7. This Act shall take effect upon its approval;
13 provided that section 3 shall take effect July 1, 2007.

14

INTRODUCED BY:



Report Title:

Work Comp; Eliminate Stress/Violence Claims; Fraud Hotline

Description:

Removes work comp coverage for stress claims and injuries/damages from any act of violence; appropriates funds to establish a workers' compensation fraud hotline; requires designation of a deputy attorney to investigate and prosecute workers' compensation fraud violations.

