

EXECUTIVE CHAMBERS

HONOLULU

July 10, 2006

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 2558

Honorable Members
Twenty-Third Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 2558, entitled "A Bill for an Act Relating to Vocational Rehabilitation."

The purported intent of this bill is to authorize the Director of Labor and Industrial Relations to refer injured employees who may not have suffered permanent disabilities as a result of their work injuries for vocational rehabilitation when the injured employees are unable to return to their regular jobs after their injuries may have stabilized and when employers have made no offer of "permanent" suitable work that is comparable in earnings to that of the employees' former jobs.

My Administration believes that returning injured employees to work is medically and economically beneficial to the employees, is economically beneficial to the employers, and is beneficial to the workers' compensation system. Thus, my Administration has supported efforts to encourage employers to provide alternative work and efforts to vocationally rehabilitate injured employees.

This bill, however, is objectionable because the requirement that employers offer "permanent" suitable work could be interpreted to imply that employers must offer guaranteed lifelong employment and that employers cannot later terminate the employee for economic reasons or employee misconduct. To the extent that employers will not be able to offer such permanent work, more employees would seek vocational rehabilitation services, thus increasing the cost of the system.

It should be pointed out that vocational rehabilitation

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services are intended for those injured employees who have become permanently disabled from performing their usual and customary work and the employer has no other work available to accommodate the person's permanent limitations. Allowing all injured employees, even those with minor injuries, the ability to be considered for vocational rehabilitation services could significantly increase the number of injured workers flowing into the vocational rehabilitation system. It would increase temporary disability costs, increase workers compensation premiums, and preclude availability of the system for those who most need it--the permanently disabled.

For the foregoing reasons, I am returning House Bill No. 2558 without my approval.

Respectfully,

A handwritten signature in black ink, appearing to read 'L. Lingle', is written over the typed name.

LINDA LINGLE
Governor of Hawaii