

JAN 25 2006

A BILL FOR AN ACT

RELATING TO CHILD SUPPORT ENFORCEMENT.

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

1 SECTION 1. Section 576D-1, Hawaii Revised Statutes, is
2 amended by amending the definition of "compliance with an order
3 of support" to read as follows:

4 "Compliance with an order of support" means that an
5 obligor:

6 (1) Is not delinquent in payments in an amount equal to or
7 greater than the sum of payments for child support for
8 a three-month period with regard to driver's licenses
9 and recreational licenses and a six-month period with
10 regard to professional and vocational licenses; or

11 ~~[(2) Is not delinquent in making periodic payments on a~~
12 ~~support arrearage pursuant to a written agreement with~~
13 ~~the child support enforcement agency under section~~
14 ~~576D-13(d); or~~

15 ~~(3)]~~ (2) Has obtained or maintained health insurance
16 coverage as required by a child support order."

17 SECTION 2. Section 576D-13, Hawaii Revised Statutes, is
18 amended to read as follows:

1 "§576D-13 **Suspension or denial of licenses.** (a) Upon a
2 determination that an obligor is not in compliance with an order
3 of support as defined in section 576D-1 or that an individual
4 failed to comply with a subpoena or warrant relating to a
5 paternity or child support proceeding, and that the obligor or
6 individual is the holder of or an applicant for a license issued
7 by a licensing authority in this State, the agency shall serve
8 notice upon the obligor or individual of the agency's intent to
9 certify the obligor or individual as noncompliant with an order
10 of support or a subpoena or warrant relating to a paternity or
11 child support proceeding, which shall direct the appropriate
12 licensing authority to deny or suspend the license, or to deny
13 the application for renewal, reinstatement, or restoration of
14 such license.

15 (b) The notice shall be sent by regular mail to both the
16 last known address of record of the obligor or individual as
17 shown in the records of the licensing authority and the address
18 of record of the obligor or individual as shown in the agency's
19 child support record. For purposes of this section, the date of
20 service means two days following the date of mailing. The
21 notice shall contain the following information:

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- 1 (1) Identification of the license, certificate, permit, or
2 registration subject to suspension, nonrenewal,
3 nonreinstatement, nonrestoration, or denial;
- 4 (2) The name, social security number, if available, date
5 of birth, if known, and each applicable child support
6 case number or numbers of the obligor or individual;
- 7 (3) The amount of the arrears, the amount of the monthly
8 child support obligation, and reference to the support
9 order upon which the support amount and arrears are
10 based or the subpoena or warrant that the individual
11 has failed to comply with;
- 12 (4) A statement that the obligor or individual may contest
13 the suspension, nonrenewal, nonreinstatement,
14 nonrestoration, or denial of a license by requesting a
15 hearing in writing within thirty days of the date of
16 service of the notice of intent to suspend, not renew,
17 not reinstate, not restore, or deny the license;
- 18 (5) A statement that the obligor may contact the agency in
19 writing within thirty days of the date of service of
20 the notice and enter into a monthly payment agreement
21 for the arrears owed, and if an agreement is entered
22 into within thirty days of making contact with the

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1 agency, the agency shall not pursue the suspension,
2 nonrenewal, nonreinstatement, nonrestoration, or
3 denial of the license;

4 (6) A statement that an individual not in compliance with
5 a subpoena or warrant relating to a paternity or child
6 support proceeding may contact the agency in writing
7 within thirty days of the date of service of the
8 notice and enter into an agreement to provide the
9 information or appear at the proceedings, and if so,
10 the agency shall not pursue the suspension,
11 nonrenewal, nonreinstatement, nonrestoration, or
12 denial of the license; and

13 (7) A statement that if the obligor or individual makes a
14 timely request as specified in paragraph (4), the
15 agency shall stay the action until a decision is made.

16 (c) [~~If the obligor or individual:~~] The agency shall
17 certify in writing to the licensing authority that the obligor
18 is not in compliance with an order of support or that the
19 individual is not in compliance with a subpoena or warrant
20 relating to a paternity or child support proceeding, and shall
21 authorize the immediate suspension, nonrenewal,
22 nonreinstatement, nonrestoration, or denial of any license held

1 or applied for by the obligor or individual if the obligor or
2 individual:

3 (1) Fails to contact the agency in writing within thirty
4 days of the date of service of the notice;

5 (2) Is not in compliance with an order of support or
6 failed to comply with a subpoena or warrant relating
7 to a paternity or child support proceeding, and does
8 not timely enter into an agreement under subsection
9 (d); or

10 ~~(3) [If the office issues a decision that the obligor or~~
11 ~~an individual is not in compliance with an order of~~
12 ~~support or has failed to comply with a subpoena or~~
13 ~~warrant relating to a paternity or child support~~
14 ~~proceeding, the agency shall certify in writing to the~~
15 ~~licensing authority that the obligor is not in~~
16 ~~compliance with an order of support or that the~~
17 ~~individual is not in compliance with a subpoena or~~
18 ~~warrant relating to a paternity or child support~~
19 ~~proceeding, and shall authorize the immediate~~
20 ~~suspension, nonrenewal, nonreinstatement,~~
21 ~~nonrestoration, or denial of any license held or~~
22 ~~applied for by the obligor or individual.] Is~~

1 delinquent in making periodic payments on a support
2 arrearage pursuant to a written agreement with the
3 child support enforcement agency under subsection (d).

4 The agency shall provide a copy of the certification to the
5 obligor or individual. Upon receipt of the certification, the
6 licensing authority shall suspend any license that the obligor
7 or individual holds or deny any license for which the obligor or
8 individual applies without further review or hearing concerning
9 the suspension, nonrenewal, nonreinstatement, nonrestoration, or
10 denial. Notwithstanding the provisions of any other law setting
11 terms of suspension, revocation, denial, termination, or
12 renewal, reinstatement, or restoration of a license, a
13 certification issued by the agency suspending, not renewing, not
14 reinstating, not restoring, or denying a license shall be
15 implemented by the licensing authority and continue in effect
16 until the licensing authority receives a written release of
17 suspension or denial from the agency, the office of child
18 support hearings, or the family court.

19 (d) The obligor may enter into a payment agreement with
20 the agency if the obligor makes contact with the agency within
21 thirty days of the date of service of the notice, or the
22 individual may enter into an agreement to provide the

1 information requested in the subpoena or appear at the
2 proceeding required by the warrant.

3 (e) If the obligor or the individual requests an
4 administrative hearing in writing within thirty days of the date
5 of service of the notice as provided in subsection (b), the
6 office shall schedule a hearing to determine whether the obligor
7 is not in compliance with a support order or whether the
8 individual is not in compliance with a subpoena or warrant
9 relating to a paternity or child support proceeding. The
10 hearing shall be conducted in accordance with chapters 91 and
11 576E. The issues before the hearings officer shall be limited
12 to whether the obligor is in compliance with an order of support
13 or whether the individual is in compliance with a subpoena or
14 warrant relating to a paternity or child support proceeding.
15 The hearings officer shall issue a written decision within ten
16 days of the hearing. If the hearings officer decides that the
17 obligor is not in compliance with a support order or that the
18 individual is not in compliance with a subpoena or warrant
19 relating to a paternity or child support proceeding, the license
20 held or applied for by the obligor or individual shall be denied
21 or suspended and shall not be renewed, reinstated, or restored.

1 (f) The decision of the hearings officer shall be final
2 and shall be subject to judicial review as provided in chapter
3 91. Any suspension or denial under this section shall not be
4 stayed pending judicial review.

5 (g) Upon receipt of the decision of the hearings officer
6 that the obligor is not in compliance with a support order or
7 that the individual is not in compliance with a subpoena or
8 warrant relating to a paternity or child support proceeding, the
9 agency shall certify in writing to the licensing authority that
10 the obligor is not in compliance with an order of support or
11 that the individual is not in compliance with a subpoena or
12 warrant relating to a paternity or child support proceeding, and
13 shall authorize the immediate suspension, nonrenewal,
14 nonreinstatement, nonrestoration, or denial of any license held
15 or applied for by the obligor or individual. The agency shall
16 provide a copy of the certification to the obligor or
17 individual. Upon receipt of the certification, the licensing
18 authority shall suspend any license that the obligor or
19 individual holds or deny any license for which the obligor or
20 individual applies without further review or hearing concerning
21 the suspension, nonrenewal, nonreinstatement, nonrestoration, or
22 denial. Notwithstanding the provisions of any other law setting

1 terms of suspension, revocation, denial, termination, or
2 renewal, reinstatement, or restoration of a license, a
3 certification issued by the agency suspending, not renewing, not
4 reinstating, not restoring, or denying a license shall be
5 implemented by the licensing authority and continue in effect
6 until the licensing authority receives a written release of
7 suspension or denial from the agency, the office of child
8 support hearings, or the family court.

9 ~~(g)~~ (h) When the conditions which resulted in the
10 suspension, nonrenewal, nonreinstatement, nonrestoration, or
11 denial no longer exist, the agency shall provide the obligor or
12 individual with written confirmation that the obligor is in
13 compliance with the order of support or that the individual is
14 in compliance with the subpoena or warrant relating to a
15 paternity or child support proceeding, and the agency, office,
16 or the family court shall issue an authorization canceling the
17 certification in writing to the licensing authority.

18 ~~(h)~~ (i) If a license is suspended or denied under this
19 section, any funds paid by the obligor or individual to the
20 licensing authority shall not be refunded by the licensing
21 authority, and the licensing authority may charge a fee for
22 reinstating or restoring a license. The licensing authority may

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1 also charge the obligor or individual a reasonable fee to cover
2 the administrative costs incurred by the licensing authority in
3 complying with this section.

4 ~~[(i)]~~ (j) The agency shall adopt rules necessary for the
5 implementation and administration of this section. The
6 licensing authority shall adopt rules necessary for the
7 implementation and administration of this section. The
8 appropriate licensing authority shall require that the social
9 security number of any applicant for a professional license,
10 driver's license, occupational license, recreational license, or
11 marriage license be recorded on the application for those
12 licenses. The social security number shall be used solely for
13 purposes of this chapter for child support enforcement and
14 identification."

15 SECTION 3. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 4. This Act shall take effect upon its approval.

18

19

INTRODUCED BY:



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BY REQUEST

JUSTIFICATION SHEET

SB. NO. 2250

DEPARTMENT: Attorney General

TITLE: A BILL FOR AN ACT RELATING TO CHILD SUPPORT ENFORCEMENT.

PURPOSE: To allow the Child Support Enforcement Agency to suspend licenses of those individuals who have become delinquent in making payment after entering into an agreement once notice was sent informing the individual of the license suspension process rather than having to reinitiate the entire license suspension process from the beginning. To also clarify when licenses can be suspended by the agency.

MEANS: Amend sections 576D-1 and 576D-13, Hawaii Revised Statutes.

JUSTIFICATION: The current definition of "Compliance with an order of support" includes the situation where an obligor enters into a written agreement after being notified that the license suspension process has been initiated. Because of that definition, when an obligor becomes delinquent in making payment under the license suspension agreement, section 576D-13(a) requires that the license suspension process be initiated all over again with notice and opportunity to request a hearing or request to enter into another payment agreement. This duplication of the process causes delay in processing obligors for license suspension and limits the total number of individuals that are processed for such enforcement action.

Impact on the public: This proposal would benefit the public by expediting the license suspension process and making the process more efficient.

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Impact on the department and other agencies:
The total number of individuals that are processed for license suspension will be increased which may require additional work for the licensing authorities.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM

DESIGNATION: ATG 500

OTHER AFFECTED

AGENCIES: None.

EFFECTIVE

DATE: Upon approval.