

Honolulu, Hawaii

FEB 18 2009

RE: S.B. No. 851
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Human Services, to which was referred S.B. No. 851 entitled:

"A BILL FOR AN ACT RELATING TO CHILD SUPPORT ENFORCEMENT,"

begs leave to report as follows:

The purpose of this measure is to amend sections of the Hawaii Revised Statutes in order to bring the Child Support Enforcement Agency into compliance with federal law, implement cost-saving measures, reduce agency involvement in the enforcement of liens, and protect against the identity theft of obligors.

Your Committee received testimony in support of this measure from the Department of Human Services and the Attorney General. Copies of written testimony are available for review on the Legislature's website.

Your Committee finds that the state child support enforcement law does not comply with title IV-D of the Social Security Act in that it:

- (1) Provides for the unnecessary expenditure of funds in the disbursement of support moneys to custodial parents and requires original copies of certified mail receipts for proof of service;
- (2) Is ambiguous as to whether other state child support enforcement agencies may enforce child support liens of this State; and



- (3) Exposes obligors to identity theft by requiring an obligor's full social security number on the notice of child support lien.

Your Committee finds that this measure addresses the foregoing concerns as follows:

- (1) Clarifying the requirement that all income withholding payments be sent to the Child Support Enforcement Agency or to another state's child support agency acting under title IV-D of the Social Security Act;
- (2) Allowing the Child Support Enforcement Agency to disburse funds to custodial parents by electronic deposit or debit card to reduce postage costs incurred by mailing support checks;
- (3) Accepting an electronic copy or facsimile of a signature on certified mail receipts as sufficient proof of service in lieu of an actual signature, also saving postage costs;
- (4) Clarifying that the child support enforcement agencies in other states acting under title IV-D of the Social Security Act may directly enforce a child support lien, acknowledging the federal law's provision of full faith and credit to child support liens arising in other states;
- (5) Clarifying that payments from a financial institution may be made directly to the entity seeking to enforce the lien without the involvement of the Child Support Enforcement Agency, provided that the financial institution complies with the State's procedural rules; and
- (6) Requiring that only the last four digits of the obligor's social security number be indicated on the notice of child support lien.

Your Committee has amended this measure by making technical amendments for the purposes of style and clarity.



As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 851, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 851, S.D. 1, and be referred to the Committee on Judiciary and Government Operations.

Respectfully submitted on
behalf of the members of the
Committee on Human Services,

Suzanne Chun Oakland
SUZANNE CHUN OAKLAND, Chair



