
A BILL FOR AN ACT

RELATING TO VESSELS.

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

1 SECTION 1. Chapter 200, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:
4 "§200- Income withholding. (a) Whenever a court of
5 competent jurisdiction grants a judgment or an order to the
6 department pursuant to part III of this chapter, it shall issue
7 a concurrent income withholding order to the clerk of the court.
8 The income withholding order shall operate as an assignment to
9 the clerk of the court where the concurrent order is entered
10 from the registered or documented owner of the vessel or any
11 person who has an ownership interest in the vessel of the amount
12 and time as specified in the judgment or order; provided that
13 the amount shall not less than \$50 per month. The amount shall
14 be collected from the registered or documented owner's income
15 due or to become due in the future from the owner's employer or
16 successive employers. A copy of the income withholding order
17 shall be filed with the clerk of the court where the order was
18 entered.



1 (b) The income withholding order issued pursuant to
2 subsection (a) shall be effective immediately after service of
3 the order upon the registered or documented owner's employer.
4 Service of the order may be made personally, by regular mail, or
5 by transmission through electronic means. The employer shall
6 begin withholding the specified amount in the withholding order
7 no later than the first pay period commencing within seven
8 business days following the date of service of the order to the
9 employer. The employer shall withhold the amount specified in
10 the income withholding order from the income due to the vessel
11 owner named in the income withholding order that is not required
12 to be withheld by any other provision of federal or state law.
13 Within five business days of payment of the vessel owner, the
14 employer shall transmit to the clerk of the court where the
15 income withholding order was entered as much as may remain
16 payable for the pay period up to the amount specified in the
17 income withholding order. For each payment made pursuant to an
18 income withholding order, the employer may deduct and retain an
19 additional administrative fee of \$2 from the income owed to the
20 vessel owner. The employer shall immediately inform the court
21 of any change that may affect the income withholding order.

1 An employer that is required to withhold amounts from more
2 than one employee may remit to the court a sum total of all
3 amounts owed pursuant to this section in one check with a
4 listing of the amounts applicable for each employee.

5 (c) Compliance by an employer with an income withholding
6 order issued pursuant to subsection (a) shall operate as a
7 discharge of the employer's liability for the portion of
8 earnings withheld and transmitted to the clerk of the court
9 where the income withholding order is issued, whether or not the
10 employer has withheld the correct amount. The total amount
11 withheld, including the administrative fee, shall not exceed the
12 maximum amounts permitted under section 303(b) of the Consumer
13 Credit Protection Act, 15 United States Code section 1673(b).
14 Any income withholding order under this section shall have
15 priority as against any garnishment, attachment, execution,
16 other income withholding order, or any other order; provided
17 that the income withheld under this section shall not have
18 priority against income withholding orders pertaining to child
19 support; provided further that the income withheld under this
20 section shall not be subject to the exemptions or restrictions
21 contained in part III of chapter 651 and in chapters 652 and
22 653.



1 An employer that fails to comply with an income withholding
2 order under this section shall be liable for the full amount of
3 all sums ordered to be withheld and transmitted; provided that
4 an employer that complies with an income withholding order that
5 is regular on its face shall not be subject to civil liability
6 for conduct in compliance with the order.

7 (d) Upon receipt, the clerk of the court where the order
8 is entered shall disburse the amounts collected pursuant to this
9 section to the department within two business days.

10 (e) An income withholding order shall be terminated when
11 appropriate by court order. The clerk of the court where the
12 order is entered shall promptly refund any amount withheld in
13 error to the vessel owner.

14 (f) It shall be unlawful for any employer to refuse to
15 hire, discharge, or take any other disciplinary action against a
16 person based in whole or in part upon an income withholding
17 order or notice of an income withholding order pursuant to this
18 section. An employer that violates this section shall be guilty
19 of a misdemeanor pursuant to section 710-1077(1)(g).

20 (g) If more than one withholding order or judgment for the
21 same individual exists pursuant to this section, the amounts
22 withheld from income shall be allocated among the orders or



1 judgments. If concurrent assignment of the orders or judgments
2 would cause the amounts withheld from the income to exceed
3 applicable wage withholding limitations, the amount withheld
4 shall be allocated such that in no case shall the allocation
5 result in a failure to satisfy any of the income withholding
6 orders.

7 (h) If the individual subject to an income withholding
8 order changes employment when an income withholding order is in
9 effect, the clerk of the court where the order was entered shall
10 notify the new employer of the income withholding order in
11 accordance with this section. A new employer shall be bound by
12 the income withholding order until terminated by a subsequent
13 court order.

14 (i) Notwithstanding any other provision of law, for
15 purposes of this section:

16 "Business day" means a day on which the employer's office
17 is open for regular business.

18 "Income" includes, without limitation, salaries, wages,
19 earnings, workers' compensation, unemployment compensation,
20 disability benefits, commissions income as an independent
21 contractor, any other entitlement to money, including moneys
22 payable as a pension, annuity, retirement, disability, death, or



1 other benefit, and any return of contribution or interest
2 thereon from the United States, the State, or any political
3 subdivision thereof."

4 SECTION 2. Section 200-16, Hawaii Revised Statutes, is
5 amended by amending subsection (c) to read as follows:

6 "(c) An unauthorized vessel may be impounded by the
7 department at the sole [~~cost and~~] risk of the owner of the
8 vessel, if the vessel is not removed after the seventy-two-hour
9 period or if during that period the vessel is removed and
10 remoored in the harbor or mooring or anchorage area or any other
11 state harbor or mooring or anchorage area without a use permit.
12 The owner of the vessel shall be solely responsible for all
13 costs of the impoundment and the disposal of the vessel. Any
14 proceeds resulting from the impoundment and the disposal of the
15 unauthorized vessel shall be used first to pay the costs of
16 impoundment and disposal and then to pay any mooring fees due.
17 If the proceeds resulting from the impoundment and the disposal
18 are inadequate to pay for all costs and mooring fees due, the
19 owner of the vessel shall remain liable for the outstanding
20 costs and mooring fees."

21 SECTION 3. Section 200-31, Hawaii Revised Statutes, is
22 amended to read as follow:



1 " ~~[+]~~§200-31~~[+]~~ Vessels required to be registered and
2 numbered. (a) Every undocumented vessel shall be registered
3 and numbered before its use or operation on or in the waters of
4 the State on an annual basis in accordance with the rules of the
5 department except:

6 (1) Foreign vessels temporarily using the waters of this
7 State;

8 (2) Public vessels of the United States;

9 (3) Ships' life boats; and

10 (4) Other vessels exempted by the department, if federal
11 laws and requirements permit the department to exempt
12 the vessels.

13 (b) No vessel registration shall be renewed or transferred
14 if:

15 (1) The registered owner is delinquent in payment of any
16 moneys due and payable to the department;

17 (2) The registered owner has a pending citation for
18 violation of any of the department's rules; or

19 (3) The registered owner's vessel is an abandoned vessel,
20 grounded vessel, derelict vessel, unauthorized vessel,
21 or vessel impounded under section 200-16. All fees
22 and charges relating to the vessel impound as well as



1 any other fees associated with the vessel shall be
2 paid in full prior to the vessel registration being
3 renewed or transferred."

4 SECTION 4. Statutory material to be repealed is bracketed
5 and stricken. New statutory material is underscored.

6 SECTION 5. This Act shall take effect upon its approval.



Report Title:

Impounded Vessels; Vessel Registration

Description:

Allows a court to withhold income for violations of laws regarding abandoned vessels. Clarifies that all costs and expenses associated with the impoundment and disposal of an unauthorized vessel by the Department of Land and Natural Resources shall be borne by the vessel owner and clarifies circumstances when no vessel registration shall be renewed or transferred. (SB1161 HD1)

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