

STAND. COM. REP. NO.

769

Honolulu, Hawaii

MAR 03 2017

RE: S.B. No. 891
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 891, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INCOME WITHHOLDING FOR CHILD SUPPORT,"

begs leave to report as follows:

The purpose and intent of this measure is to establish penalties on employers who do not abide by the income withholding requirements that apply to an employer with respect to child and spousal support payments.

Specifically, the measure imposes a fine against any employer who:

- (1) Discharges from employment, refuses to employ, or takes disciplinary action against any noncustodial parent subject to income withholding; or
- (2) Fails to withhold support from income or forward the amounts to the court or Child Support Enforcement Agency.

Your Committee received written comments in support of this measure from the Department of the Attorney General.



Your Committee finds that Hawaii is mandated by federal law to enact laws that require the imposition of a fine against any employer who discharges from employment, refuses to employ, or takes disciplinary action against any noncustodial parent subject to income withholding, or who fails to withhold support from income or pay the amounts to a child support agency. Your Committee further finds that compliance with this federal mandate will maintain the State's eligibility for federal welfare funding and federal funding of child support enforcement programs.

Your Committee has amended this measure by:

- (1) Deleting section 1, which addressed in part the applicable penalty for an employer's failure to withhold child or spousal support from income or forward those amounts to the court or Child Support Enforcement Agency, and renumbering the measure's remaining sections, in order to avoid exceeding the scope of the measure's title;
- (2) Conforming the text of section 576E-16(e), Hawaii Revised Statutes, to the printed version of the Hawaii Revised Statutes by inserting four missing words;
- (3) Deleting a reference to contempt of court and clarifying that a fine not to exceed \$1,000 may be imposed by a court on an employer who violates section 576E-16(e), Hawaii Revised Statutes, by discharging from employment, refusing to employ, or taking disciplinary action against any employee subject to income withholding; and
- (4) Inserting a savings clause.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 891, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 891, S.D. 2.



Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



JILL N. TOKUDA, Chair



