

STAND. COM. REP. NO.

478

Honolulu, Hawaii

FEB 12 , 2025

RE: H.B. No. 164
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Labor, to which was referred H.B. No. 164
entitled:

"A BILL FOR AN ACT RELATING TO INDEBTEDNESS TO THE STATE,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require disbursing officers to notify employees within sixty days of determining that an indebtedness has occurred as a result of salary or wage overpayment; and
- (2) Change the amount that a disbursing officer may deduct from an employee's salary, wage, or compensation based on the employee's gross income.

Your Committee received testimony in support for this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and United Public Workers, AFSCME Local 646, AFL-CIO. Your Committee received comments on this measure from the Department of Accounting and General Services.

Your Committee finds that the State and counties will mistakenly overpay an employee, and seek to correct this error by collecting repayment of either \$100 per pay period, or 25 percent of the employee's salary, wage, or compensation until the

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indebtedness is paid in full, without regard to the employee's earnings. Your Committee believes that this measure provides a repayment plan that is manageable for low-income employees to repay the State or a county while lessening the financial strain.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 164, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 164, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor,



JACKSON D. SAYAMA, Chair



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Bill/Resolution No.: HB 164		Committee Referral: LAB, FIN		Date: 2/6/25	
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.					
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)					
LAB Members		Ayes	Ayes (WR)	Nays	Excused
1. SAYAMA, Jackson D. (C)		X			
2. LEE, Mike (VC)		X			
3. GARRETT, Andrew Takuya		X			
4. KAPELA, Jeanne		X			
5. KONG, Sam Satoru		X			
6. REYES ODA, Julie		X			
TOTAL (6)		6			
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)					
Vice Chair's or designee's signature: _____					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					