

Honolulu, Hawaii

FEB 14 2025

RE: S.B. No. 1316

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B.
No. 1316 entitled:

"A BILL FOR AN ACT RELATING TO COURT-ORDERED PAYMENTS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require the Judiciary to contract with a collection agency or licensed attorney to collect delinquent court-ordered fees, fines, sanctions, and court costs;
- (2) Repeal the authority of the Judiciary to contract with a collection agency or licensed attorney to collect delinquent restitution;
- (3) Expressly allow courts to specify a period of time or installments for payment of fees and restitution;
- (4) Require courts to hold payment compliance hearings once per year or as soon as practicable, until all fees, fines, and restitution are fully paid; and
- (5) Require a defendant to appear and show cause if the defendant fails to pay in full within a time specified by the court or fails to pay three consecutive installments.



Your Committee received testimony in support of this measure from the Department of the Attorney General and Crime Victim Compensation Commission.

Your Committee received testimony in opposition to this measure from the Office of the Public Defender.

Your Committee received comments on this measure from the Judiciary.

Your Committee finds that in *State v. Fay*, the Hawaii Supreme Court interpreted section 706-644, Hawaii Revised Statutes, to mean that the court may only order a compliance hearing regarding restitution payments if a defendant is on probation or defaults on payments. If a defendant is not on probation, but the court has issued a freestanding restitution order, the court cannot hold compliance hearings but can only act if the person defaults on restitution payments. The ruling made it more difficult to ensure that convicted defendants complied with orders for restitution and victims were properly compensated for their losses. As a result, victims of crime could potentially face the unjust recourse of having to file a civil lawsuit to personally pursue court-ordered restitution from uncooperative or unapologetic defendants. This measure will assist victims by re-establishing a clear court procedure for court-ordered restitution.

Your Committee has amended this measure by:

- (1) Requiring only district courts, rather than both district and circuit courts, to hold payment compliance hearings once per year, or as soon as practicable, until all fees, fines, and restitution are fully paid;
- (2) Requiring only defendants in district court, rather than defendants in any state court, to appear and show cause if the defendant fails to pay under certain conditions;
- (3) Inserting a blank appropriation amount for the Judiciary to meet the obligations established by this measure, including for the hiring of necessary staff;



- (4) Inserting an effective date of April 23, 2057, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1316, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1316, S.D. 1, and be referred to your Committee on Ways and Means.

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



KARL RHOADS, Chair



The Senate
 Thirty-Third Legislature
 State of Hawai'i

**Record of Votes
 Committee on Judiciary
 JDC**

| | | |
|---|--|-------------------------|
| Bill / Resolution No.:* SB 1316 | Committee Referral: JDC, WAM | Date: 2/12/25 |
|---|--|-------------------------|

The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

| Members | Aye | Aye (WR) | Nay | Excused |
|--------------------------|----------|----------|----------|----------|
| RHOADS, Karl (C) | ✓ | | | |
| GABBARD, Mike (VC) | ✓ | | | |
| CHANG, Stanley | ✓ | | | |
| SAN BUENAVENTURA, Joy A. | | | | ✓ |
| AWA, Brenton | | | | ✓ |
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| TOTAL | 3 | — | — | 2 |

Recommendation:
 Adopted
 Not Adopted

Chair's or Designee's Signature:


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*Only one measure per Record of Votes