

A Bill for an Act Relating to Public Assistance.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 346, Hawaii Revised Statutes, is amended by adding thereto the following sections, to be appropriately designated and to read:

“Sec. 346- Payment of public assistance for child constitutes debt to department by natural or adoptive parents. Any payment of public assistance money made to or for the benefit of any dependent child or children creates a debt due and owing to the department by the natural or adoptive parent or parents who are responsible for support of such children in an amount equal to the amount of public assistance money so paid, except that debts under this section shall not be incurred by nor at any time be collected from a parent or other person who is the recipient of public assistance moneys for the benefit of minor dependent children for the period such person or persons are in such status, and, provided that where there has been a family court order, the debt shall be limited to the amount provided for by said order.

Sec. 346- Department subrogated to rights. The department shall be subrogated to the right of said child or children or person having the care, custody, and control of said child or children to prosecute or maintain any support action or execute any administrative remedy existing under the laws of the State to obtain reimbursement of moneys thus expended. If a family court order enters judgment for an amount of support to be paid by an obligor parent, the department shall be subrogated to the debt created by such order, and said money judgment shall be deemed to be in favor of the department.

Sec. 346- Notice of child support debt. The department may issue a notice of support debt accrued or accruing based upon payment of public assistance to or for the benefit of any dependent child or children. Said notice of debt shall be served upon the debtor in the manner prescribed for the service of summons in a civil action including summons by publication where appropriate and necessary.

Sec. 346- Debt satisfaction. If within twenty-one days after service, receipt, or refusal of the notice of support debt the debtor has not made satisfactory arrangements with the department to resolve the debt, the debt will be subject to collection action, and the earnings of the debtor will be subject

to lien and the personal and real property of the debtor will be subject to lien and foreclosure, distraint, seizure and sale, or order to withhold and deliver, in accordance with state laws governing such proceedings.

Sec. 346- Authority to pursue non-support claims. The attorney general shall, at the request of and on behalf of the department of social services and housing, be granted the authority to pursue all non-support claims that come to the department's attention, irrespective of whether or not a family court order or judgment has been entered and whether or not requested by the family court of that particular jurisdiction."

SECTION 2. Section 346-37, Hawaii Revised Statutes, is amended to read:

"Sec. 346-37 Recovery of payments. (a) If a recipient under this chapter dies leaving an estate and does not have a surviving spouse, child, father, mother, grandfather, grandmother, grandchild, stepfather, stepmother, or any designated heir, then the department of social services and housing may file a claim against the estate for the amount of public assistance granted, and the claim shall be allowed.

(b) Where a third party liability may exist, the department of social services and housing may seek reimbursement of an amount not to exceed the amount of medical payment made by the department. The department of social services and housing shall require the recipient of such payments to execute an assignment of the proceeds of any settlement made, or to be made, by or on behalf of a responsible third party. The responsible third party shall, upon notification of such assignment, make payment to the department.

Upon the recovery of any claim as provided in this section, the amount so recovered shall be paid into the treasury of the State, and if the amount for which claim was paid in part from federal funds, the proper portion thereof shall be paid by the director of finance into the treasury of the United States, and the director of finance shall report the payment to the department of social services and housing."

SECTION 3. If any provision of this Act, or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 4. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material or the underscoring.*

SECTION 5. This Act shall be effective upon its approval.

(Approved May 27, 1975.)

*Edited accordingly.