

A Bill for an Act Relating to Salary Withheld for Indebtedness to the Government.

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

SECTION 1. Section 78-12, Hawaii Revised Statutes, is amended to read:

“Sec. 78-12 Salary withheld for indebtedness to the government. In case any officer, agent, employee or other person in the service of the State, any county, or any independent board or commission, is indebted to the State, any county, or to any independent board or commission, and such indebtedness has been determined by a hearing pursuant to chapter 91, upon demand of the officer charged with the duty of collecting the indebtedness, the comptroller or other officer charged with the duty of paying the officer, agent, employee, or other person, after notice to him, shall withhold one-quarter of the salary, wages, or compensation due him and pay the same, from time to time as the same shall become due, to the officer charged with the duty of collecting the indebtedness, until the full amount of the indebtedness, together with penalties and interest thereon, is paid. If the indebtedness has arisen or been incurred by reason of the officer, agent, employee, or other person having embezzled, stolen, or otherwise unlawfully acquired any moneys or other property of the State, any county, or any independent board or commission,

the whole amount of the salary, wages, or compensation, or so much thereof as may be required to pay the indebtedness in full, shall be withheld and paid over to the officer charged with the duty of collecting the indebtedness.

The officer, agent, employee or other person in the service of the State, any county, or any independent board or commission alleged to be indebted to the State, any county, or to any independent board or commission may waive his right to a hearing to determine the indebtedness and instead assign by contract to the officer charged with the duty of collecting debts (1) the priority right to payment of the total amount of the alleged indebtedness, and (2) the right of such officer to deduct from each and every periodic payment normally due the assignor an amount equal to the maximum legally permissible amount deductible under garnishment law until such time that the total amount owing is paid in full.

The operation of all garnishment process served upon the comptroller or other paying officer shall be stayed until the indebtedness has been fully paid.”

SECTION 2. Statutory material to be repealed is bracketed.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 3. This Act shall take effect upon its approval.

(Approved May 1, 1975.)

*Edited accordingly.