A BILL FOR AN ACT

RELATING TO PUBLIC EMPLOYEES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. Section 40-53, Hawaii Revised Statutes, is
- 2 amended to read as follows:
- 3 "§40-53 Salary and pension payments. (a) All payments
- 4 for permanent settlements, specific and all other salaries,
- 5 shall be drawn by the comptroller, payable to each individual to
- 6 whom the State is directly indebted, except as provided for in
- 7 section 40-58. [No permanent settlements nor salary checks
- 8 shall be paid by the director of finance until the person in
- 9 whose favor the check is drawn shall have indorsed the person's
- 10 signature thereon.
- 11 (b) All employees [hired on or after July 1, 1998,] shall
- 12 designate a financial institution account into which the State
- 13 [is authorized to] shall deposit the employee's pay[-]; provided
- 14 that permanent settlements shall be paid by check that shall be
- 15 endorsed by the employee as a prerequisite for payment by the
- 16 director of finance. The comptroller may waive the requirements
- 17 of this [section] subsection for any state employee upon request

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- 1 by the head of the employing department under policies
- 2 prescribed by the comptroller.
- 3 (c) The implementation of this section shall not be
- 4 subject to negotiation under chapter 89."
- 5 SECTION 2. Statutory material to be repealed is bracketed
- 6 and stricken. New statutory material is underscored.
- 7 SECTION 3. This Act shall take effect on January 1, 2014.

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INTRODUCED BY:

By Request

S.B. NO. **851**

Report Title:

Public Employees; Electronic Salary Payments

Description:

Requires the salary of all public employees to be paid by electronic deposit into the employee's designated financial institution beginning 1/1/2014.

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