A BILL FOR AN ACT

RELATING TO VETERANS DISABILITY BENEFITS.

	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:
1	SECTION 1. Chapter 651, Hawaii Revised Statutes, is
2	amended by adding a new section to part III to be appropriately
3	designated and to read as follows:
4	"§651- Veterans disability benefits; exemption. (a)
5	Federal disability benefits awarded to veterans for service-
6	connected disabilities pursuant to title 38 United States Code
7	chapter 11:
8	(1) Are exempt from the claim of creditors;
9	(2) Are not subject to attachment, levy, or seizure under
10	any legal or equitable process, as provided by federa
11	law; and
12	(3) May not be awarded to any other person.
13	(b) This section shall not apply to the portion of
14	service-connected disability benefits that is subject to child
15	and spousal support enforcement under title 42 United States
16	Code section 659(h)(1)(A)(ii)(V), and courts are encouraged to
17	follow federal disability compensation apportionment policy
18	before imposing scheduled support payments, in accordance with

- 1 title 42 United States Code section 659(h)(1)(A)(ii)(V), for
- 2 service-connected disability benefits subject to child and
- 3 spousal support enforcement."
- 4 SECTION 2. This Act does not affect rights and duties that
- 5 matured, penalties that were incurred, and proceedings that were
- 6 begun before its effective date.
- 7 SECTION 3. New statutory material is underscored.
- 8 SECTION 4. This Act shall take effect upon its approval.

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Report Title:

Veterans Disability Benefits; Attachment; Exemption

Description:

Exempts federal veterans disability benefits from claims of creditors and attachment, levy, and seizure to enforce a court judgment, except for certain child and spousal support cases. (SD1)

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