

# **SB 1159**

## **RELATING TO VETERANS DISABILITY BENEFITS**

Exempts federal veterans disability benefits from seizure to enforce a court judgment, except for certain child and spousal support cases.

PSM, JDL

STATE OF HAWAII  
DEPARTMENT OF DEFENSE

TESTIMONY ON SENATE BILL 1159, RELATING TO VETERANS DISABILITY  
BENEFITS

PRESENTATION TO THE

COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL AND MILITARY  
AFFAIRS

BY

MR. RONALD P. HAN  
DIRECTOR OF STATE OFFICE OF VETERANS SERVICES

February 5, 2015

Chair Espero, Vice Chair Baker and Committee's members:

I'm Ron Han, Director of the State Office of Veterans Services (OVS). I appreciate this opportunity to provide testimony in support of the concepts in Senate Bill 1159.

This measure seeks to assure that Veteran's compensation benefits become exempt from the claim of creditors and cannot be subject to additional terms, levy, or seizure. The benefits may not be awarded to any other person. However, this amendment will allow children and spouses in such cases to receive some of the benefits of the veteran.

This law will allow Veterans' benefits to remain protected from institutions that intend to profit from these entitlements while allowing dependents to receive benefits should the need arise. There are Federal prohibitions on the distribution of compensation benefits provided by the Department of Veterans Affairs.

We defer to the Department of Veterans Affairs, which has direct responsibility for payments to veterans and their family members, in determining the legitimacy of creditors' claims for payment.

The OVS supports the intent expressed in this measure as long as its implementation does not impact or replace the priorities set forth in the Executive Budget for Fiscal Biennium 2015-2017.

Thank you for this opportunity to provide testimony on behalf of Hawaii's Veterans and their families.

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, February 03, 2015 8:25 PM  
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**SB1159**

Submitted on: 2/3/2015

Testimony for PSM on Feb 5, 2015 13:15PM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Dennis Egge	NAUS Hawaii Chapter	Support	Yes

Comments: Respectfully suggested amendments to this Bill support the intent and purpose of HB879

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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The Uniformed Service Member's Voice in Government  
**NATIONAL ASSOCIATION FOR UNIFORMED SERVICES**  
**Hawaii Chapter (HI-1)**  
February 3<sup>rd</sup>, 2015

**TESTIMONY IN SUPPORT OF SENATE BILL 1159 WITH COMMENTS**  
**RELATING TO VETERANS DISABILITY BENEFITS**  
**SENATE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL AND**  
**MILITARY AFFAIRS**  
**HEARING ON THURSDAY, FEBRUARY 5<sup>TH</sup> AT 1:15 0M,**  
**IN CONFERENCE ROOM 229**

Aloha Chair Espero and Vice Chair Baker: Thank you for providing us with this opportunity to testify in support of Senate Bill 1159: On Capitol Hill the National Association for Uniformed Services (NAUS) is "The Service Member's Voice in Government." Here, in the great State of Hawaii, NAUS Hawaii Chapter (HI-1) serves at the will and pleasure of our nation's largest per-capita uniformed services community..

NAUS Hawaii Chapter (HI-1) is extremely grateful for your committee's noble efforts to exempt Federal Title 38 United States Code chapter 11 related disability benefits, from claims of creditors, attachment, levy, or seizure under any legal or equitable process, as provided by federal law; and prohibiting their being awarded to any other person.

Arizona and most recently Wyoming addressed this issue in their legislatures. In addition to the protections our SB 1159 propose, these States prohibit indemnification of those who would claim access to the subject disability benefits, in a divorce action.

NAUS Hawaii Chapter (HI-1) respectfully urges this committee to consider:

- a. the legislative example set by the Arizona and Wyoming legislatures, regarding claimant indemnification and
- b. legislatively encouraging our courts to defer judgment to the United State's Veterans Administration's equitable disability compensation apportionment policy, before imposing scheduled support payments, in accordance with Title 42 United States Code section 659(h)(1)(A)(ii)(V), for support claimed by a subject disabled veteran's dependent children, custodian/guardian and spouse.

NAUS Hawaii Chapter respectfully encourages this committee to consider including both aforementioned additional legislative protections in part III, Chapter 651, Hawaii Revised Statutes. This legislative action will most certainly strengthen our State's support for United States Code, Title 10, Section 1408(a)(4)(B) intent, and be much appreciated by our divorcing disabled veterans and military personnel.

Thank you for being here for us,

*D Egge*

Dennis Egge; Chapter President



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