THE SENATE THIRTIETH LEGISLATURE, 2019 STATE OF HAWAII **S.B. NO.** ⁷³⁴ s.d. 1

A BILL FOR AN ACT

RELATING TO CHILD SUPPORT.

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

1 SECTION 1. Section 576D-14, Hawaii Revised Statutes, is 2 amended to read as follows:

3 "§576D-14 Implementation of income withholding. (a) For 4 cases being enforced under the Title IV-D state plan or for 5 those parents applying to the agency for services, the income of an obligor who receives income on a periodic basis and who has a 6 7 support obligation imposed by a support order issued or modified 8 in the State before January 1, 1994, and issued or modified 9 thereafter, if not otherwise subject to withholding, shall 10 become subject to withholding as provided in subsection (b) if 11 arrearages or delinquency occur, without the need for a judicial 12 or administrative hearing. The income of an obligor shall 13 become subject to withholding without regard to whether there 14 are arrearages or delinquency upon the agency receiving a request for income withholding from the obligee and a 15 16 determination made by the agency that income withholding is appropriate, or upon the agency receiving a request for income 17

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withholding from the obligor. The agency shall implement such 1 withholding without the necessity of any application in the case 2 of a child with respect to whom services are already being 3 4 provided under Title IV-D and shall implement withholding on the 5 basis of an application for services under Title IV-D in the case of any other child on whose behalf a support order has been 6 issued or modified. In either case, the withholding shall occur 7 8 without the need for any amendment to the support order involved or for any further action by the court or other entity that 9 10 issued the order.

If the obligor who receives income on a periodic basis 11 (b) becomes delinquent in making payments under a support order in 12 13 an amount at least equal to the support payable for one month, the agency shall issue an income withholding order that shall 14 15 include an amount to be paid towards the delinguency. The income withholding order shall be in the standard format 16 17 prescribed by Title IV-D of the Social Security Act, as amended 18 by the child support enforcement agency. The order shall be 19 served upon the employer by regular mail, by personal delivery, 20 or by transmission to the employer through electronic means.

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1	(c) If the obligor who receives income on a periodic basis		
2	becomes delinquent in making payments under a support order		
3	under this chapter or chapter 580 in an amount at least equal to		
4	the support payable for three months, upon the agency or court,		
5	including but not limited to the family court, receiving a		
6	request for income withholding from the obligee, the agency or		
7	the appropriate court shall enter an order that shall require		
8	the obligor's place of employment to classify the obligor as an		
9	employee for payroll or accounting purposes in order to become		
10	subject to withholding pursuant to this chapter.		
11	[(c)] <u>(d)</u> Upon the agency's receipt of an income		
12	withholding request from any other state or agency administering		
13	a program under Title IV-D, the agency may issue an income		
14	withholding order to collect the support imposed upon the		
15	obligor by a support order issued or modified by the other		
16	state. The order shall include an amount adequate to ensure		
17	that past due payments and payments that will become due in the		
18	future under the terms of the support order will be paid.		
19	[(d)] <u>(e)</u> A copy of the order shall be filed in the office		
20	of the clerk of the circuit court in the circuit where the order		

21 was issued.



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1	[(e)] <u>(f)</u> Upon sending the order of income withholding to
2	the emplo	yer, the agency shall send a notice of the withholding
3	by regula	r mail to each obligor to whom subsections (b) and (c)
4	apply. T	he notice shall inform the obligor:
5	(1)	That the withholding has commenced;
6	(2)	That the obligor may request a hearing in writing
7		within fourteen days of the date of the notice;
8	(3)	That, unless the obligor files a written request for a
9		hearing within fourteen days of the date of the
10		notice, the money received from the income withholding
11		will be distributed to the custodial parent or, in an
12		interstate case, the obligee in the other
13		jurisdiction, or in the case where the children are
14		receiving public assistance, to the State;
15	(4)	That the only defense to income withholding is a
16		mistake of fact; and
17	(5)	Of the information that was provided to the employer
18		with respect to the employer's duties pursuant to
19		section 576E-16.
20	[(1)]] (g) The agency may delay the distribution of
21	collectio	ns toward arrearages or delinquency until the



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resolution of any requested hearing regarding the arrearages or
 delinquency.

3 [(g)] (h) Upon timely receipt of a request for a hearing
4 from the obligor pursuant to the notice provided under
5 subsection (e), the agency shall refer the matter to the office
6 and a hearing shall be conducted pursuant to chapters 91 and
7 576E.

8 [-(h)-] (i) Upon receiving an order of income withholding
9 from the agency, the employer is subject to the requirements of
10 section 576E-16(b) through (h).

11 $\left[\frac{1}{1}\right]$ (j) In a case being enforced under the Title IV-D 12 state plan or for those parents applying to the agency for 13 services, the agency may enforce the existing order of support 14 by sending to the employer by regular mail, by personal 15 delivery, or by transmission through electronic means, a notice 16 to withhold child support issued by the agency that reflects the 17 terms and conditions specified in the order for support or 18 income withholding order. Upon receiving a notice to withhold 19 child support, the employer is subject to the requirements of 20 section 576E-16(b) to (h).

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1 $\left[\frac{j}{j}\right]$ (k) The agency may terminate income withholding by 2 sending a notice to the employer by regular mail, by personal delivery, or by transmission through electronic means. 3 The 4 notice shall be issued upon determination by the agency that the 5 obligor no longer owes the child support or that the obligation 6 is being satisfied through withholding by another employer. 7 $\left[\frac{1}{2}\right]$ (1) The agency may adopt rules in accordance with chapter 91 as may be necessary to implement and administer 8 9 income withholding under this section and sections 571-52, 10 571-52.2, 571-52.3, and 576E-16." 11 SECTION 2. This Act does not affect rights and duties that 12 matured, penalties that were incurred, and proceedings that were 13 begun before its effective date. 14 SECTION 3. Statutory material to be repealed is bracketed 15 and stricken. New statutory material is underscored. 16 SECTION 4. This Act shall take effect upon its approval. 17



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Report Title:

Child Support Enforcement Agency; Support Order; Enforcement

Description:

Requires the agency or appropriate court that receives an income withholding request from an obligee to enter an order requiring the obligor's place of employment to classify the obligor as an employee for payroll or accounting purposes in order to become subject to withholding; provided that the obligor receives income on a periodic basis and becomes delinquent in making payments under a support order in an amount at least equal to the support payable for three months. (SD1)

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