

JAN 27 2021

A BILL FOR AN ACT

RELATING TO WAGE GARNISHMENT.

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

1 SECTION 1. Chapter 127A, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§127A- Wage garnishment protection. (a) It shall be
5 unlawful, during a covered period and for sixty days following
6 the termination of that covered period, for a creditor to
7 initiate or to continue proceedings to garnish wages in a manner
8 consistent with chapter 652 due to past-due moneys owed on debt;
9 provided that the past or present moneys owed for child support
10 shall be exempt from this section.

11 (b) After the covered period and the sixty days following
12 the termination of the covered period, for one year, it shall be
13 unlawful for a creditor to garnish an amount exceeding ten per
14 cent of the debtor's wages; provided that the creditor and
15 debtor may come to a mutual agreement as to a payment plan on
16 any debt owed.



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1 (c) Remedies provided under this section are cumulative
2 and do not preclude any remedies available to debtors under any
3 other law.

4 (d) A creditor who willfully violates this section shall
5 be liable to the debtor in a civil action for the following:

6 (1) Actual damages to the debtor; and

7 (2) Reasonable attorney's fees arising from the civil
8 action.

9 (e) For the purposes of this section:

10 "Child support" means payment for the necessary support and
11 maintenance of a child as required by law that includes but is
12 not limited to spousal support when being enforced in
13 conjunction with child support or medical support when a court
14 or administrative order requires the debtor parent to pay an
15 amount in lieu of providing medical insurance coverage or to
16 reimburse for maternity and delivery expenses incurred when the
17 debtor parent's child was born.

18 "Covered period" means the period during which a state of
19 emergency declared by governor's proclamation is in effect.

20 "Creditor" means the following:



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1 (1) Any person or entity that offers or extends credit
2 creating a debt;

3 (2) Any person or entity that is owed payment arising out
4 of any obligation or agreement;

5 (3) Any lessor of real or personal property;

6 (4) Any provider of utility services; and

7 (5) Any debt collector.

8 "Debt" means any obligation or alleged obligation of a
9 person to pay money arising out of any transaction, whether or
10 not the obligation has been reduced to judgment; provided that
11 debt does not include any moneys owed out of a past or present
12 child support obligation.

13 "Debtor" means any individual obligated or allegedly
14 obligated to pay any debt.

15 "Debt collector" means a creditor, any person or entity
16 that engages in the collection of debt, including the state
17 government or any agency of this State, irrespective of whether
18 the debt is allegedly owed to that person or entity.

19 "Emergency proclamation" means an emergency proclamation
20 issued by the governor pursuant to this chapter."



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1 SECTION 2. This Act does not affect rights and duties that
2 matured, penalties that were incurred, and proceedings that were
3 begun before its effective date.

4 SECTION 3. New statutory material is underscored.

5 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

A large, stylized handwritten signature in black ink, written over a horizontal line. The signature is highly cursive and difficult to decipher.

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Report Title:

Wage Garnishment; Moratorium; Emergency Proclamation

Description:

Prohibits a creditor from initiating or continuing any action to garnish wages from a debtor during the period of an emergency proclamation and some time thereafter. Prohibits a creditor from garnishing more than ten per cent of a debtor's wages for one year thereafter.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

