STAND. COM. REP. NO. 411

Honolulu, Hawaii FEB 192021

RE: S.B. No. 382

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2021 State of Hawaii

Sir:

Your Committee on Labor, Culture and the Arts, to which was referred S.B. No. 382 entitled:

"A BILL FOR AN ACT RELATING TO PAYMENTS OF SUPPORT,"

begs leave to report as follows:

The purpose and intent of this measure is to include in the definition of "income", tips or gratuities that are paid directly to an employee by a customer of the employer and reported or declared to the employer, for the purposes of an employer withholding income from an employer for payment of the employee's child or spousal support under an assignment or income withholding order.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that cash wages paid directly by the employer and the amount of any tip credit claimed by the employer under federal or state law are earnings for the purposes of the wage garnishment law. However, tips received in excess of the tip credit amount are not considered earnings subject to withholding. This measure will include all tips and gratuities in the definition of income withheld by employers for payments of child or spousal support. This will allow employers to garnish the appropriate child or spousal support payments to help alleviate the financial stress and worry that many families experience.



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As affirmed by the record of votes of the members of your Committee on Labor, Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 382 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

> Respectfully submitted on behalf of the members of the Committee on Labor, Culture and the Arts,

BRIAN T. TANIGUCHI, Chai



The Senate Thirty-First Legislature State of Hawaiʻi

Record of Votes Committee on Labor, Culture and the Arts LCA

Bill / Resolution No.:*	Committee	Committee Referral: Date:			
5B 382	LCA	,JDC	2 2	2/05/2	021
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
TANIGUCHI, Brian T. (C)		$\overline{}$			
IHARA, Jr., Les (VC)					
CHANG, Stanley		V			
KEOHOKALOLE, Jarrett					
FEVELLA, Kurt					
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TOTAL		5	0	0	0
Recommendation:					
Chair's or Designee's Signature					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only <u>one</u> measure per Record of Votes