

STAND. COM. REP. NO. 471

Honolulu, Hawaii

FEB 19 2021

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.



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, Chair



