

STAND. COM. REP. NO. **3236**

Honolulu, Hawaii

MAR 22 2024

RE: H.B. No. 1643
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committees on Labor and Technology and Judiciary, to which was referred H.B. No. 1643, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INDEBTEDNESS,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish the time within which a disbursing officer must notify an employee of indebtedness to the government resulting from salary or wage overpayment after making a determination of the amount of indebtedness;
- (2) Amend the criteria for an actionable cause of action; and
- (3) Amend the amount a disbursing officer must deduct to begin immediate recovery of indebtedness based on an employee's gross income.

Your Committees received testimony in support of this measure from United Public Workers, AFSCME Local 646, AFL-CIO; Hawaii Government Employee Association, AFSCME Local 152, AFL-CIO; and one individual.



Your Committees received comments on this measure from the Department of Accounting and General Services.

Your Committees find that at times, the State and counties will mistakenly overpay an employee over a period of time or in one lump sum, which forces the employee, at no fault of their own, to take on what is essentially a loan they must repay. Your Committees further find that existing law requires these employees to repay the overpayment with the minimum repayment amount being either \$100 per pay period or twenty-five percent of an employee's compensation, which can put unnecessary strain on the employees' financial situation. Therefore, this measure will provide lower income earners more time and greater flexibility to repay their debt without undue burden.

Your Committees have amended this measure by:

- (1) Restoring existing statutory language that requires the notice of indebtedness to be given to the employee within two years from the date of the salary or wage overpayment for the indebtedness to be an actionable cause of action;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

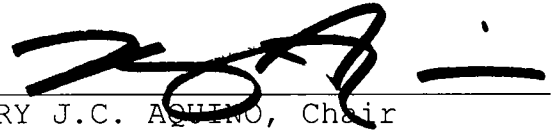
As affirmed by the records of votes of the members of your Committees on Labor and Technology and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1643, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1643, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committees on Labor and
Technology and Judiciary,



KARL RHOADS, Chair



HENRY J.C. AQUINO, Chair



The Senate
Thirty-Second Legislature
State of Hawai'i

Record of Votes
Committee on Labor and Technology
LBT

Bill / Resolution No.:* HB 1643, HD1	Committee Referral: LBT/JDC, WAM	Date: 3/19/24		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
AQUINO, Henry J.C. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
IHARA, Jr., Les	X			X
LEE, Chris				X
FEVELLA, Kurt	X			
TOTAL	3			2
Recommendation: <div style="display: flex; justify-content: space-around; align-items: center;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: _____				
Distribution: <div style="display: flex; justify-content: space-between; font-size: small;"> <div>Original File with Committee Report</div> <div>Yellow Clerk's Office</div> <div>Pink Drafting Agency</div> <div>Goldenrod Committee File Copy</div> </div>				

*Only one measure per Record of Votes

The Senate
Thirty-Second Legislature
State of Hawai'i

Record of Votes
Committee on Judiciary
JDC

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1043 HD1	LBT/JDC, WAM	03 19 24		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"><input type="checkbox"/> Pass, unamended 2312</div> <div style="text-align: center;"><input checked="" type="checkbox"/> Pass, with amendments 2311</div> <div style="text-align: center;"><input type="checkbox"/> Hold 2310</div> <div style="text-align: center;"><input type="checkbox"/> Recommit 2313</div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
RHOADS, Karl (C)	✓			
GABBARD, Mike (VC)				✓
ELEFANTE, Brandon J.C.	✓			
SAN BUENAVENTURA, Joy A.	✓			
AWA, Brenton	✓			
TOTAL	4	0	0	1
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: <div style="text-align: center; margin-top: 10px;"> </div>				
Distribution: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div style="text-align: center;">Original File with Committee Report</div> <div style="text-align: center;">Yellow Clerk's Office</div> <div style="text-align: center;">Pink Drafting Agency</div> <div style="text-align: center;">Goldenrod Committee File Copy</div> </div>				

*Only one measure per Record of Votes