

STAND. COM. REP. NO.

2454

Honolulu, Hawaii

MAR 01 2012

RE: S.B. No. 2703  
S.D. 1

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred  
S.B. No. 2703 entitled:

"A BILL FOR AN ACT RELATING TO CHILD SUPPORT ENFORCEMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to ensure that  
state child support enforcement laws are in compliance with  
recently enacted federal laws. Specifically, this measure:

- (1) Clarifies the requirement for new hire reporting to  
include the date on which services for remuneration were  
first performed by the employee as part of the  
information furnished by employers to the Hawaii Child  
Support Enforcement Agency, a division within the  
Department of the Attorney General; and
- (2) Clarifies that employers receiving a notice of medical  
support have twenty business days after the notice date  
to transfer the notice to the appropriate plan providing  
health care coverage and are required to notify the  
Hawaii Child Support Enforcement Agency when employment  
is terminated.

Your Committee received testimony in support of this measure  
from the Department of the Attorney General.

Your Committee finds that the federal Claims Resolution Act  
requires employers to report to the State Directory of New Hires

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the date on which an employee first performs services for pay. This is an anti-fraud measure aimed at reducing the number of overpayments to individuals receiving unemployment insurance benefits. This measure will allow the State to comply with this new federal reporting requirement, which became effective on June 8, 2011.

Your Committee further finds that amendments to the federal Social Security Act requires employees to transfer a medical support notice twenty days after receiving the notice to the appropriate plan providing health care coverage and requires employers to notify the state child support enforcement agency when employment is terminated. This measure will allow the State to comply with this new federal requirement, which also became effective on June 8, 2011.

Your Committee recognizes that this measure not only ensures compliance with federal law, but also maintains eligibility for federal welfare funding and federal funding of child support enforcement programs.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to ensure further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2703, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2703, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary and  
Labor,



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CLAYTON HEE, Chair



