

NOTICE TO THE DEBTOR

PLEASE TAKE NOTICE that a garnishee summons has been served upon your employer (who is called the “garnishee”) **without any further court proceedings or notice to you.** The garnishee summons was issued on the basis of a judgment against you in favor of the judgment creditor.

The amount of wages that may be garnished is limited by federal and Hawai‘i law. Therefore, some or all of your wages are exempt from garnishment. If your wages are garnished, you may request that your employer show you how the amount garnished was calculated.

If you claim the garnishment is incorrect you also have a right to request a hearing. In order to request a hearing, you must follow the procedures set forth in the rules of this Court and in Hawai‘i Revised Statutes § 652-1(d).

NOTICE TO THE GARNISHEE

Wages of your employees may be subject to garnishment when you are served with a Motion for Issuance of Garnishee Summons After Judgment or Declaration of Judgment Creditor for Garnishment of Wages. If you are served with a Garnishee Summons, you, as the garnishee, are required to begin withholding immediately a part of your employee’s wages (including any salary, stipend, commission, annuity or net income or portion of net income under a trust). The money you withhold must then be paid to the judgment creditor (the person or business who is owed the money) or the judgment creditor’s attorney **after** you receive the garnishee order, which will be sent to you. If you are served with a Declaration of Judgment Creditor, you must begin paying the required portion of the garnished wages to the judgment creditor or the judgment creditor’s attorney immediately.

Making a Disclosure

State law allows, but does not require, you to make a disclosure after you are served. If you choose to make a disclosure, you may appear in Court or file with the Court a statement (form available from the Court) stating whether the judgment debtor is: (1) your employee; and (2) whether you have any money which is due to the judgment debtor that can be garnished. *If you do not make a disclosure, it will be assumed that the judgment debtor is your employee and you will be required to comply with the Garnishee Summons and Order or the Declaration of Judgment Creditor.*

Amounts To Be Withheld

The amount of wages that may be deducted is limited by federal and Hawai‘i law. Therefore, you must calculate the amount of wages to be withheld in accordance with either federal or Hawai‘i law. **IMPORTANT: YOU MUST USE THE CALCULATION THAT IS MOST FAVORABLE TO YOUR EMPLOYEE.** A Garnishment Calculation Worksheet, Form# 3DC27C, is available if you need assistance with your calculation.

Calculation Pursuant to Hawai‘i Law: According to Hawai‘i Revised Statutes Chapter 652, the amount to be withheld from your employee’s wages is calculated as follows:

- (1) You must first calculate **the amount of wages remaining after the deduction of any amounts required by law to be withheld.**
- (2) From that amount, you must withhold five percent of the first \$100 per month, ten percent of the next \$100 per month, and twenty percent of all sums in excess of \$200 per month, or an equivalent portion of the above amount per week.

Calculation Pursuant to Federal Law: According to Title III of the Consumer Credit Protection Act (15 U.S.C. § 1673), the amount to be withheld from your employee’s wages is calculated as follows:

- (1) You must first calculate your employee’s **DISPOSABLE EARNINGS** for the applicable pay period. The term “**DISPOSABLE EARNINGS**” is defined as compensation paid or payable for personal services **after deducting any amounts required to be withheld by law** (such as taxes). The amount of Disposable Earnings subject to garnishment is determined by the restrictions that are in effect at the time such earnings are paid or payable.
- (2) From the **DISPOSABLE EARNINGS**, you must withhold an amount for the applicable pay period as follows:

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Weekly	Bi-Weekly	Semi-Monthly	Monthly
\$217.50 or less: None	\$435.00 or less: None	\$471.25 or less: None	\$942.50 or less: None
More than \$217.50 but less than \$290.00: Amount above \$217.50	More than \$435.00 but less than \$580.00: Amount above \$435.00	More than \$471.25 but less than \$628.33: Amount above \$471.25	More than \$942.50 but less than \$1,256.67: Amount above \$942.50
\$290.00 or more: Maximum 25%	\$580.00 or more: Maximum 25%	\$628.33 or more: Maximum 25%	\$1,256.67 or more: Maximum 25%

Example: Employee’s gross pay is \$310.00 per week, \$233.68 “disposable” after taxes and other deductions required by law.

Hawai‘i Calculation: The amount to be withheld under Hawai‘i law is based on monthly disposable earnings of \$1,012.61. Of this amount, 5% of the first \$100, 10% of the second \$100, and 20% of the remaining \$812.61, should be withheld monthly, for a total of \$177.52 per month.

Federal Calculation: The amount to be withheld weekly under federal law is either the amount of disposable earnings over \$217.50 (\$11.28), **or** 25% of disposable earnings if they are more than \$262.00, for a total of \$16.18 per week or \$70.11 per month.

$$[\$233.68 - \$217.50 = \$16.18 \times 52/12 = \$70.11]$$

Amount to be Withheld: Because the federal calculation is more favorable to the employee, \$70.11 per month, or \$16.18 per week, must be withheld.

Example: Employee’s gross pay is \$350.00 per week, \$267.00 “disposable” after taxes and other deductions required by law.

Hawai‘i Calculation: The amount to be withheld under Hawai‘i law is based on monthly disposable earnings of \$1,157.00 (\$267.00 x 52/12). Of this amount, 5% of the first \$100, 10% of the second \$100, and 20% of the remaining \$957.00, should be withheld monthly, for a total of \$206.40 per month.

$$[\$5.00 (5\% \times 1^{st} \$100.00) + \$10.00 (10\% \text{ of } 2^{nd} \$100.00) + \$191.40 (20\% \text{ of remaining } \$957.00) = \$206.40]$$

Federal Calculation: The amount to be withheld weekly under federal law is **either** the amount of disposable earnings over \$217.50, or 25% of disposable earnings if they are more than \$290.00, for a total of \$49.50 per week or \$214.50 per month.

$$[\$267.00 - \$217.50 = \$49.50 \times 52/12 = \$214.50]$$

Amount to be Withheld: Because the Hawai‘i calculation is more favorable to the employee, \$206.40 per month must be withheld.

Other Information

The law prohibits an employer from discharging any employee because the employee’s wages have been subjected to garnishment.

An employer’s obligation to withhold is continuing. If there is a period where the employee has not earned sufficient income, you must begin to withhold again as soon as the earnings of your employee increase sufficiently.

Prior to making the final payment, you should contact the judgment creditor or the judgment creditor’s attorney to obtain the final payoff, amount which may include additional interest as allowed by law.



In accordance with the **Americans with Disabilities Act** if you require an accommodation for your disability, please contact the ADA Coordinator at PHONE NO. (808) 961-7424, FAX (808) 961-7411, or TTY (808) 961-7422 at least ten (10) working days in advance of your hearing appointment date. **For Civil related matters, please call or visit the District Court Civil Section at Hilo Division, 777 Kilauea Avenue, Hilo, Ph. (808) 961-7515 • Kohala Division, 67-5187 Kamamalu St., Kamuela, Ph. (808) 443-2030 • Kona Division, 79-1020 Haukapila St., Kealahou, Ph. (808) 322-8700.**