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DIRECTOR'S OFFICE
DEPT. OF
TRANSPORTATION
JUN 2 2 07 PM '97

May 29, 1997

COMPTROLLER'S MEMORANDUM NO. 1997-16

TO: All Department Heads

SUBJECT: Procedural Changes for Post-Death Payroll Payments

Based upon a settlement between the United Public Workers and the State of Hawaii, the existing procedures for post-death payroll payments which were previously established by Comptroller's Memorandum No. 1989-13 and clarified by Comptroller's Memorandum No. 1990-8 are hereby amended to include the withholding of statutory dues and other specified deductions from "unpaid compensation" earned but not paid at the time of death. "Unpaid compensation" is defined as regular salary and does not include fringe pay and accumulated vacation pay.

Effective June 1, 1997, amounts for statutory dues and other specified deductions must be withheld from unpaid compensation and remitted to the appropriate agents. As a reminder, the deductions for social security and medicare taxes are withheld only if the post-death payment is processed in the year of the employee's death. The listing of required deductions are as follows:

Deductions	Code	Agency or Organization
Social security FICA tax		(1)
Medicare tax		(1)
State retirement contribution		(2)
Statutory dues		(3) or (4) or (5) or (6) or (7)
Union Medical PCP	UM	(3) or (4) or (5) or (6) or (7)
Union Prescription Drug PCP	UP	(3) or (4) or (5) or (6) or (7)
Union Vision PCP	UV	(3) or (4) or (5) or (6) or (7)
Union Dental PCP	UD	(3) or (4) or (5) or (6) or (7)
Employee Organization	EO	(3) or (4) or (5) or (6) or (7)

The listing of agencies and organizations and the related vendor codes to which the remittances must be made are as follows:

	Agency or Organization	Vendor Code
(1)	Director of Finance State of Hawaii A/C Payroll FICA Tax	105100-01
(2)	Employees Retirement System of the State of Hawaii	200280-00
(3)	Hawaii Government Employees Association 888 Mililani Street, Suite 601 Honolulu, Hawaii 96813	071487-80
(4)	United Public Workers 1426 N. School Street Honolulu, Hawaii 96817	004527-00
(5)	Hawaii State Teachers Association 2828 Paa Street, Suite 2050 Honolulu, Hawaii 96819	100296-00
(6)	University of Hawaii Professional Assembly 1017 Palm Drive Honolulu, Hawaii 96814	255643-00
(7)	Hawaii Fire Fighters Association 2305 S. Beretania Street, Room 202 Honolulu, Hawaii 96826	082617-01

The existing procedures as established in Comptroller's Memorandums No. 1989-13 and 1990-8 are still applicable to post-death payments of fringe pay and accumulated vacation pay. If you have any questions, please call our Central Payroll staff at 586-0629.

SAM CALLEJO
State Comptroller