

Honolulu, Hawaii
FEB 06 , 2024

RE: H.B. No. 2197
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Labor & Government Operations, to which was referred H.B. No. 2197 entitled:

"A BILL FOR AN ACT RELATING TO HAWAII RETIREMENT SAVINGS ACT,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require covered employers to automatically enroll covered employees into the Hawaii Retirement Savings Program unless the employee chooses to opt out; and
- (2) Clarify the definition of "covered employer" in the Hawaii Retirement Savings Act.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations; Hawai'i Primary Care Association; Hawai'i Family Caregiver Coalition; AARP Hawai'i; and numerous individuals. Your Committee received comments on this measure from the Retail Merchants of Hawaii.

Your Committee finds that there is an imminent retirement security crisis in the State, as many individuals do not have access to an employer-sponsored retirement plan. Individuals without a retirement plan are at significant risk of not having



enough retirement income to meet basic expenses during retirement. Providing private sector employees with access to employer-sponsored retirement plans, unless they opt out, is a reliable way to promote savings needed for a secure retirement, improve employees' financial security, and reduce wealth disparity in society.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2197, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2197, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Government
Operations,



SCOT Z. MATAYOSHI, Chair



