

STAND. COM. REP. NO.

479

Honolulu, Hawaii

FEB 12 , 2025

RE: H.B. No. 847
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Labor, to which was referred H.B. No. 847
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) Clarify the definition of "covered employer" in the
Hawaii Retirement Savings Act;
- (2) Require automatic enrollment of employees into the
Hawaii Retirement Savings Program unless the employee
opts out;
- (3) Repeal the limit on the total fees and expenses that can
be spent for the program each year; and
- (4) Appropriate funds for the Hawaii Retirement Savings
Program's development and operations.

Your Committee received testimony in support of this measure
from the Executive Office on Aging; Hawai'i Retirement Savings
Board; 604 Hospitality Group LLC; Hawai'i Family Caregiver
Coalition; Hawai'i Restaurant Association; and one individual.

2025-1541 HB847 HD1 HSCR HMSO



Your Committee received comments on this measure from the Retail Merchants of Hawaii and Tax Foundation of Hawaii.

Your Committee finds that employers with retirement savings programs auto-enrollment policies have higher overall contribution rates by their employees than employers with only voluntary enrollment. Your Committee believes that this measure encourages employees to engage with their retirement plans and make proactive and informed decisions about their financial future.

Your Committee has amended this measure by:

- (1) Replacing the term "program administrator" with "covered employer" with regard to who is to provide employees written notice of employees' right to opt out of automatic enrollment;
- (2) Changing the appropriation to an unspecified amount;
- (3) Changing the effective date to July 1, 3000, to encourage further discussion.

Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider an appropriation amount of \$720,000.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 847, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 847, H.D. 1, and be referred to your Committee on Finance.

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



JACKSON D. SAYAMA, Chair



