

MAR 10 2016

SENATE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF BUDGET AND FINANCE TO CONVENE A
WORK AND SAVE WORKING GROUP TO INVESTIGATE THE FEASIBILITY
AND IMPACT OF ESTABLISHING A RETIREMENT SAVINGS TRUST FUND
FOR PRIVATE-SECTOR EMPLOYEES IN THE STATE.

1 WHEREAS, there is a looming retirement security crisis, as
2 many individuals without access to an employer-sponsored
3 retirement plan are at significant risk of not having enough
4 retirement income to meet basic expenses upon retirement; and
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6 WHEREAS, individuals need a lifelong savings system that
7 will provide them with the opportunity to build their assets and
8 attain future financial stability; and
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10 WHEREAS, providing private-sector employees with access to
11 employer-sponsored retirement plans provides reliable retirement
12 income to supplement social security and helps workers
13 accumulate the savings they need for a secure retirement; and
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15 WHEREAS, approximately fifty percent of Hawaii's private-
16 sector employees work for an employer who does not offer a
17 retirement plan; and
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19 WHEREAS, the lack of opportunity to participate in an
20 employer-provided retirement plan spans all levels of education
21 and earnings; and
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23 WHEREAS, employees of Hawaii's businesses with fewer than
24 one hundred employees are much less likely to have access to a
25 retirement plan than employees of larger businesses; and
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27 WHEREAS, minorities account for about eighty-four percent
28 of the approximately 216,000 private sector employees in Hawaii
29 without a workplace retirement plan; and
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1 WHEREAS, employees who are offered the opportunity to save
2 through the employee's place of employment are significantly
3 more likely to participate and make steady contributions to
4 build retirement savings; and

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6 WHEREAS, retirement savings plans help employees achieve
7 economic security, improve economic mobility, and reduce wealth
8 disparity; now, therefore,

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10 BE IT RESOLVED by the Senate of the Twenty-eighth
11 Legislature of the State of Hawaii, Regular Session of 2016, the
12 House of Representatives concurring, that the Department of
13 Budget and Finance is requested to convene a work and save
14 working group to investigate the feasibility and impact of
15 establishing a retirement savings trust fund to promote greater
16 retirement savings for private-sector employees in the State;
17 and

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19 BE IT FURTHER RESOLVED that the Director of Finance is
20 requested to invite the following individuals to serve on the
21 work and save working group: the Comptroller, Securities
22 Commissioner of the Department of Commerce and Consumer Affairs,
23 a representative of the Chamber of Commerce Hawaii, two members
24 with significant retirement savings and investment experience,
25 one small business representative, one public member, and one
26 employee representative; and

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28 BE IT FURTHER RESOLVED that the work and save working group
29 is requested to prepare guidance or recommendations for:

- 30
31 (1) An investment policy for the trust that preserves the
32 safety of principal and provides a stable and low-risk
33 rate of return; and
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35 (2) A risk management and oversight plan to monitor the
36 risk levels of the investment portfolio and ensure
37 that risks taken are prudent and properly managed; and
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39 BE IT FURTHER RESOLVED that the working group is requested
40 to report its findings and recommendations, including proposed
41 legislation, to the Legislature no later than twenty days prior
42 to the convening of the Regular Session of 2017; and



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2 BE IT FURTHER RESOLVED that certified copies of this
3 Concurrent Resolution be transmitted to the Comptroller,
4 Director of Finance, Securities Commissioner of the Department
5 of Commerce and Consumer Affairs, and President and Chief
6 Executive Officer of the Chamber of Commerce Hawaii.
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OFFERED BY:

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