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## HOUSE RESOLUTION

REQUESTING THE CONVENING OF A RETIREMENT SAVINGS TASK FORCE TO ASSESS THE FEASIBILITY OF ESTABLISHING A HAWAII RETIREMENT SAVINGS PROGRAM.

1           WHEREAS, there is an imminent retirement security crisis in  
2 the State with many individuals without access to an employer-  
3 sponsored retirement plan; and  
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5           WHEREAS, individuals without a retirement plan are at  
6 significant risk of not having enough retirement income to meet  
7 their basic expenses during retirement; and  
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9           WHEREAS, a retirement savings plan can help employees  
10 achieve financial security, improve economic mobility, and  
11 reduce wealth disparity; and  
12

13           WHEREAS, in 2017, Oregon was the first state to implement a  
14 retirement savings program that covers private sector employees  
15 who do not otherwise have access to a retirement savings program  
16 provided by their employer; and  
17

18           WHEREAS, other states have adopted similar programs,  
19 including California and Illinois; and  
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21           WHEREAS, individuals need a lifelong savings system that  
22 provides them with the opportunity to build their assets and  
23 attain future financial stability; and  
24

25           WHEREAS, providing private sector employees with access to  
26 a payroll deduction retirement savings option is a reliable way  
27 to promote savings needed for a secure retirement, improve  
28 employees' financial security, and reduce wealth disparity in  
29 society; and



1 WHEREAS, approximately fifty percent of the State's private  
2 sector employees work for an employer that does not offer a  
3 retirement plan or are not eligible for the plan offered; and  
4

5 WHEREAS, the lack of opportunity to participate in an  
6 employer-provided retirement plan spans all levels of education  
7 and earnings; and  
8

9 WHEREAS, an employee who is offered the opportunity to save  
10 through the employee's place of employment is fifteen times more  
11 likely to participate and make steady contributions to build  
12 retirement savings; and  
13

14 WHEREAS, the creation of a retirement savings task force is  
15 critical to defining, analyzing, assessing, and coming up with  
16 findings and recommendations related to the establishment of a  
17 retirement savings program for employees in the State; now,  
18 therefore,  
19

20 BE IT RESOLVED by the House of Representatives of the  
21 Thirty-first Legislature of the State of Hawaii, Regular Session  
22 of 2021, that a retirement savings task force is requested to be  
23 convened to:  
24

- 25 (1) Assess the feasibility of a Hawaii retirement savings  
26 program;  
27
- 28 (2) Review the implications of the federal SECURE Act,  
29 which was enacted on December 20, 2019; and  
30
- 31 (3) If a retirement savings program is deemed feasible for  
32 Hawaii, draft:  
33
- 34 (A) An implementation plan that recommends the best  
35 model for Hawaii;  
36
- 37 (B) An administrative framework to provide initial  
38 start-up of the program, oversight over the  
39 program, a timeline for establishing the program,  
40 and the proposed start-up costs for the program;  
41 and



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1 (C) A general marketing and outreach framework to  
2 encourage small business and employee  
3 participation; and  
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5 BE IT FURTHER RESOLVED that to assist in its assessment of  
6 the feasibility of a Hawaii retirement savings program, the  
7 retirement savings task force is requested to review independent  
8 studies and reports and receive briefings by national and local  
9 experts in retirement savings to:

10

11 (1) Understand the fiscal implications to Hawaii if a  
12 state-facilitated retirement program is enacted, and  
13 the implications if the State remains status quo;  
14

15 (2) Analyze the benefits and risks of the different  
16 retirement savings models of California, Illinois,  
17 Oregon, and other states that have initiated a similar  
18 state-facilitated retirement savings program;  
19

20 (3) Explore the feasibility and benefits of inter-state  
21 partnerships and cooperative agreements with similar  
22 retirement savings programs established in other  
23 jurisdictions;  
24

25 (4) Be informed of the implications and current findings  
26 of the federal SECURE Act, enacted on December 20,  
27 2019, and to describe benefits and limitations of the  
28 Act; and  
29

30 (5) Review the efficacy of current financial literacy  
31 educational outreach and marketing to individual  
32 consumers and the impact on retirement savings; and  
33

34 BE IT FURTHER RESOLVED that the retirement savings task  
35 force is requested to comprise the following members, or their  
36 designees:

37

38 (1) The director of finance;  
39

40 (2) The director of labor and industrial relations;



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- 1           (3) One member representing small business without  
2           employer-sponsored retirement, to be selected by the  
3           President of the Senate;  
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- 5           (4) One member representing employees, to be appointed by  
6           the Speaker of the House of Representatives;  
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- 8           (5) One member who is an attorney with professional  
9           experience in retirement savings plans, to be selected  
10          by the President of the Senate;  
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- 12          (6) One member who is a third-party plan administrator, to  
13          be selected by the Speaker of the House of  
14          Representatives;  
15
- 16          (7) One member of an organization with professional  
17          knowledge of and experience working with low-income  
18          and working families to achieve and sustain economic  
19          self-sufficiency, to be selected by the President of  
20          the Senate;  
21
- 22          (8) One member representing a non-profit organization  
23          without an employer-sponsored retirement, to be  
24          selected by the Speaker of the House of  
25          Representatives;  
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- 27          (9) One member of an organization representing older  
28          adults and retirees, to be selected by the Speaker of  
29          the House of Representatives;  
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- 31          (10) One member of the State Senate, to be appointed by the  
32          Senate President, who shall convene the task force,  
33          and who is requested to serve as:  
34
- 35                (A) A non-voting member of the task force; and  
36
- 37                (B) A co-chair pro tempore of the task force until  
38                the members of the task force elect a chair and  
39                vice chair of the task force; and



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1 (11) One member of the State House of Representatives, to  
2 be appointed by the Speaker of the House of  
3 Representatives, and who is requested to serve as:

4  
5 (A) A non-voting member of the task force; and  
6

7 (B) A co-chair pro tempore of the task force until  
8 the members of the task force elect a chair and  
9 vice chair of the task force; and  
10

11 BE IT FURTHER RESOLVED that the members of the retirement  
12 savings task force are requested to elect a chair and vice chair  
13 of the task force from amongst themselves to replace the co-  
14 chairs pro tempore; and  
15

16 BE IT FURTHER RESOLVED that the retirement savings task  
17 force may request and utilize an independent consultant or  
18 administrative facilitator, paid or in-kind from a third-party  
19 source, to assist the task force in carrying out its activities,  
20 including but not limited to:

21 (1) Coordinating meeting logistics;  
22

23 (2) Preparing agenda;  
24

25 (3) Obtaining the independent studies and reports;  
26

27 (4) Planning and coordinating local and national experts  
28 for briefings per request of the retirement savings  
29 task force;  
30

31 (5) Notetaking; and  
32

33 (6) Preparing the final report to the Legislature; and  
34  
35

36 BE IT FURTHER RESOLVED that the retirement savings task  
37 force is requested to submit a report of its findings,  
38 recommendations, an implementation plan of a retirement savings  
39 model deemed feasible for Hawaii, and any proposed legislation,  
40 to the Legislature no later than forty days prior to the  
41 convening of the Regular Session of 2022; and



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1 BE IT FURTHER RESOLVED that the retirement savings task  
2 force is requested to dissolve on September 30, 2022; and

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4 BE IT FURTHER RESOLVED that certified copies of this  
5 Resolution be transmitted to the Director of Finance and  
6 Director of Labor and Industrial Relations.

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OFFERED BY: *Nadine K. Pechon*

MAR 12 2021

