

MAR 11 2021

SENATE 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
4

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
20

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



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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 Senate of the Thirty-first
21 Legislature of the State of Hawaii, Regular Session of 2021,
22 that a retirement savings task force is requested to be convened
23 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 (A) An implementation plan that recommends the best
34 model for Hawaii;
35
 - 36 (B) An administrative framework to provide initial
37 start-up of the program, oversight over the
38 program, a timeline for establishing the program,
39 and the proposed start-up costs for the program;
40 and
41



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1 (C) A general marketing and outreach framework to
2 encourage small business and employee
3 participation; and
4

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;
4
- 5 (4) One member representing employees, to be appointed by
6 the Speaker of the House of Representatives;
7
- 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;
11
- 12 (6) One member who is a third-party plan administrator, to
13 be selected by the Speaker of the House of
14 Representatives;
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- 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;
26
- 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;
30
- 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
22 (1) Coordinating meeting logistics;

23
24 (2) Preparing agenda;

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

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

31
32 (5) Notetaking; and

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

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

3

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:

A handwritten signature in black ink, appearing to read "R. O. O. J.", is written over a horizontal line.