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# SENATE RESOLUTION

REQUESTING THE CONVENING OF A RETIREMENT SAVINGS PROGRAM TASK FORCE TO ASSESS THE FEASIBILITY OF ESTABLISHING A HAWAII RETIREMENT SAVINGS PROGRAM FOR PRIVATE SECTOR EMPLOYEES WITHOUT ACCESS TO EMPLOYER-SPONSORED RETIREMENT PLANS.

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 sufficient retirement income to  
7 cover their basic expenses during retirement; and  
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9           WHEREAS, a retirement plan can help employees achieve  
10 financial security, improve economic mobility, and reduce wealth  
11 disparity; and  
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13           WHEREAS, in 2017, Oregon was the first state in the nation  
14 to implement a state retirement program that covers private  
15 sector employees without access to an employer-sponsored  
16 retirement plan; and  
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18           WHEREAS, other states including California and Illinois  
19 have adopted similar programs; 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  
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25           WHEREAS, providing private sector employees with access to  
26 a payroll deduction retirement savings option is a reliable way  
27 to promote retirement savings needed for a secure retirement,  
28 improve employees' financial security, and reduce wealth  
29 disparity in 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  
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5 WHEREAS, the lack of opportunity to participate in an  
6 employer-sponsored retirement plan spans all levels of education  
7 and earnings; and  
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9 WHEREAS, an employee who is offered the opportunity to save  
10 through a payroll deduction savings plan at work is fifteen  
11 times more likely to participate and make steady contributions  
12 to build retirement savings; and  
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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 private sector employees in the  
18 State without access to an employer-sponsored retirement plan;  
19 now, therefore,  
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21 BE IT RESOLVED by the Senate of the Thirty-first  
22 Legislature of the State of Hawaii, Regular Session of 2021,  
23 that a retirement savings program task force is requested to be  
24 convened to:  
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- 26 (1) Assess the feasibility of establishing a Hawaii  
27 retirement savings program for private sector  
28 employees in the State without access to employer-  
29 sponsored retirement plans (Hawaii Retirement Savings  
30 Program);  
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- 32 (2) Review the implications of the federal Setting Every  
33 Community Up for Retirement Enhancement (SECURE) Act  
34 of 2019, P.L. 116-94, which was enacted on  
35 December 20, 2019; and  
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- 37 (3) Draft the following, if a statewide retirement savings  
38 program for private sector employees is deemed  
39 feasible for Hawaii:  
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  - 41 (A) An implementation plan that recommends the best  
42 model for Hawaii;



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(B) An administrative framework to provide initial start-up of the program, oversight over the program, a timeline for establishing and implementing the program, and the proposed start-up costs for the program; and

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

BE IT FURTHER RESOLVED that to assist in its assessment of the feasibility of a Hawaii retirement savings program, the retirement savings task force is requested to review independent studies and reports and receive briefings by national and local experts in retirement savings to:

- (1) Understand the fiscal implications to the State if it establishes a state-facilitated retirement program, and the implications to the State if it does not;
- (2) Analyze the benefits and risks of the different state-facilitated retirement savings models of California, Illinois, Oregon, and other states that have initiated a similar retirement savings program;
- (3) Explore the feasibility and benefits of inter-state partnerships and cooperative agreements with similar retirement savings programs established in other jurisdictions;
- (4) Be informed of the implications and current findings of the federal SECURE Act and to describe benefits and limitations of the Act; and
- (5) Review the efficacy of current financial literacy educational outreach and marketing to individual consumers and the impact on retirement savings; and

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



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- 2 (1) One member of the Senate to be appointed by the
- 3 President of the Senate, who shall convene the task
- 4 force, and who is requested to serve as:
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- 6 (A) A non-voting member of the task force; and
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- 8 (B) A co-chair pro tempore of the task force until
- 9 the members of the task force elect a chair and
- 10 vice chair of the task force; and
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- 12 (2) One member of the House of Representatives to be
- 13 appointed by the Speaker of the House of
- 14 Representatives, and who is requested to serve as:
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- 16 (A) A non-voting member of the task force; and
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- 18 (B) A co-chair pro tempore of the task force until
- 19 the members of the task force elect a chair and
- 20 vice chair of the task force; and
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- 22 (3) The Director of Finance;
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- 24 (4) The Director of Labor and Industrial Relations;
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- 26 (5) One member representing small business organizations
- 27 in Hawaii without an employer-sponsored retirement
- 28 plan to be selected by the President of the Senate;
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- 30 (6) One member representing non-profit organizations in
- 31 Hawaii without an employer-sponsored retirement plan
- 32 to be selected by the Speaker of the House of
- 33 Representatives;
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- 35 (7) One member representing employees who lack access to
- 36 employer-sponsored retirement plans to be appointed by
- 37 the Speaker of the House of Representatives;
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- 39 (8) One member who is an attorney with professional
- 40 knowledge and experience in retirement plans, to be
- 41 selected by the President of the Senate;
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- 1 (9) One member who is an investment or financial advisor
- 2 with professional knowledge and experience in private-
- 3 sector retirement planning to be selected by the
- 4 President of the Senate;
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- 6 (10) One member who is a third-party retirement plan
- 7 administrator to be selected by the Speaker of the
- 8 House of Representatives;
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- 10 (11) One member representing organizations in Hawaii that
- 11 work with low-income and working families to achieve
- 12 and sustain economic self-sufficiency to be selected
- 13 by the President of the Senate; and
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- 15 (12) One member representing organizations in Hawaii that
- 16 represent older adults and retirees to be selected by
- 17 the Speaker of the House of Representatives; and
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19 BE IT FURTHER RESOLVED that the members of the retirement  
 20 savings program task force are requested to elect a chair and  
 21 vice chair of the task force from amongst themselves to replace  
 22 the co-chairs pro tempore; and

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 24 BE IT FURTHER RESOLVED that the retirement savings program  
 25 task force may request and utilize an independent consultant or  
 26 administrative facilitator to assist the task force in carrying  
 27 out its activities, including but not limited to:

- 28 (1) Coordinating meeting logistics;
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- 30 (2) Preparing agenda;
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- 32 (3) Obtaining independent studies and reports;
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- 34 (4) Planning and coordinating local and national experts
- 35 for briefings per request of the retirement savings
- 36 task force;
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- 38 (5) Notetaking; and
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- 40 (6) Preparing the final report to the Legislature; and
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1 BE IT FURTHER RESOLVED that the retirement savings program  
2 task force is requested to submit a report of its findings,  
3 recommendations, an implementation plan of a retirement savings  
4 program model deemed feasible for Hawaii, and any proposed  
5 legislation, to the Legislature no later than forty days prior  
6 to the convening of the Regular Session of 2022; and  
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8 BE IT FURTHER RESOLVED that the retirement savings program  
9 task force is requested to dissolve on September 30, 2022; and  
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11 BE IT FURTHER RESOLVED that certified copies of this  
12 Resolution be transmitted to the Director of Finance and  
13 Director of Labor and Industrial Relations.

