Honolulu, Hawaii

FEB 1 8 2025

RE: S.B. No. 855 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 855, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HAWAII RETIREMENT SAVINGS ACT,"

begs leave to report as follows:

The purpose and intent of this measure is to expand and make various improvements to the Hawaii Retirement Savings Program ("Program").

Specifically, this measure:

- (1) Clarifies that covered employers of the Program include any employer that has offered or maintained a retirement plan for some or all employees at any time during the preceding two years;
- (2) Requires automatic enrollment in the Program for covered employees;
- (3) Removes the cap on total fees and expenses of the Program; and
- (4) Appropriates funds for the Program.

Your Committee received written comments in support of this measure from the Hawaii Retirement Savings Board, Executive Office on Aging, Hawaii Primary Care Association, Hawaii Family Caregiver Coalition, Hawaii Community Lending, AARP Hawaii, Adult Foster Homecare Association Of Hawaii, and nine individuals.

Your Committee received written comments in opposition to this measure from the Retail Merchants of Hawaii and Maui Chamber of Commerce.

Your Committee received written comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that requiring covered employees to enroll in the Program automatically will align with best practices of the retirement savings industry and facilitate employee retirement savings while also providing employees with the flexibility to voluntarily opt out of enrollment.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 855, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

DONOVAN M. DELA CRUZ. Chair

The Senate Thirty-Third Legislature State of Hawai'i

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:		Da	Date:	
SB855 SD1	LBT, WAM			2-12-25	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)		\			
MORIWAKI, Sharon Y. (VC)		\			
AQUINO, Henry J.C.		1			
DECOITE, Lynn		\			
ELEFANTE, Brandon J.C.		\			
HASHIMOTO, Troy N.		\			
INOUYE, Lorraine R.		l			
KANUHA, Dru Mamo		\			
KIDANI, Michelle N.		\			
KIM, Donna Mercado		\			
LEE, Chris		\			
WAKAI, Glenn		\			
FEVELLA, Kurt		\			
TOTAL		13	0	0	0
Recommendation: Adopted Not Adopted					
Chair's or/Designee's Signature:					
Distribution: Original File with Committee Re		Yellow Pink Goldenrod oort Clerk's Office Drafting Agency Committee File Copy			

*Only one measure per Record of Votes