

JAN 23 2017

SENATE CONCURRENT RESOLUTION

CONVENING A LEGISLATIVE WORKING GROUP TO INVESTIGATE AND
IDENTIFY STRATEGIES TO PROMOTE GREATER RETIREMENT SAVINGS
FOR PRIVATE SECTOR EMPLOYEES IN HAWAII.

1 WHEREAS, there is a looming retirement security crisis in
2 this State, as many individuals do not have access to an
3 employer-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 basic expenses during retirement; and
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9 WHEREAS, retirement savings plans help employees achieve
10 economic security, improve economic mobility, and reduce wealth
11 disparity; and
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13 WHEREAS, individuals need a lifelong savings system that
14 provides them with the opportunity to build their assets and
15 attain future financial stability; and
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17 WHEREAS, providing private sector employees with access to
18 employer-sponsored retirement plans provides a reliable way to
19 accumulate savings needed for a secure retirement; and
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21 WHEREAS, approximately fifty percent of Hawaii's private
22 sector employees work for an employer that does not offer a
23 retirement plan or are not eligible for the plan offered; and
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25 WHEREAS, the lack of opportunity to participate in an
26 employer-provided retirement plan spans all levels of education
27 and earnings; and
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29 WHEREAS, employees of Hawaii businesses with fewer than one
30 hundred employees are much less likely to have access to a
31 retirement plan than employees of larger businesses; 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; now, therefore,
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6 BE IT RESOLVED by the Senate of the Twenty-ninth
7 Legislature of the State of Hawaii, Regular Session of 2017, the
8 House of Representatives concurring, that the Legislature
9 convene a retirement savings working group to investigate and
10 identify strategies to promote greater retirement savings for
11 private sector employees; and
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13 BE IT FURTHER RESOLVED that the working group be composed
14 of the following:
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- 16 (1) One Senator, to be co-chair of the working group, to
17 be appointed by the President of the Senate;
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- 19 (2) One Representative, to be co-chair of the working
20 group, to be appointed by the Speaker of the House of
21 Representatives;
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- 23 (3) The Director of Finance, or the Director's designee;
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- 25 (4) A representative of the Employees' Retirement System;
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- 27 (5) The Comptroller, or the Comptroller's designee;
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- 29 (6) The Director of Commerce and Consumer Affairs, or the
30 Director's designee;
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- 32 (7) One representative of the Chamber of Commerce Hawaii;
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- 34 (8) Three community members representing various senior
35 citizen interests, to be jointly selected by the
36 Senate President and the Speaker of the House of
37 Representatives, as follows: one member representing
38 a senior advocacy group, one member representing a
39 social services group, and one member representing a
40 community organization, such as AARP Hawaii;
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1 (9) Four members with experience in financial counseling
 2 for seniors, to be jointly selected by the Senate
 3 President and the Speaker of the House of
 4 Representatives, as follows: one member representing
 5 a company offering retirement savings or a financial
 6 services company, one member representing a bank or
 7 savings and loan company, one member representing a
 8 financial trade group, such as the Hawaii Bankers
 9 Association, and one member representing a third-party
 10 administrator;

11
 12 (10) One member from each of the following four public
 13 interest groups: Hawaii Appleseed Center for Law and
 14 Economic Justice, Assistive Technology Resource
 15 Centers of Hawaii, Hawaii Employers Council, and
 16 Altres; and

17
 18 (11) A member representing the small business industry to
 19 be jointly selected by the Senate President and the
 20 Speaker of the House of Representatives; and

21
 22 BE IT FURTHER RESOLVED that the working group shall:

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 24 (1) Make recommendations on the feasibility, strategies,
 25 and impact of establishing a retirement savings
 26 program to promote greater retirement savings for
 27 private sector employees;

28
 29 (2) Determine the financial impact to the State's social
 30 safety net programs and the general fund if the State
 31 fails to act to improve workers' access to retirement
 32 savings opportunities;

33
 34 (3) Consult with the private and nonprofit sectors
 35 concerning the establishment and operation of high-
 36 quality and low-cost retirement savings plans that are
 37 governed by federal law and that qualify for tax-
 38 favored treatment under the Internal Revenue Code, and
 39 the efficacy of these plans;

40
 41 (4) Perform an analysis to determine whether and how to
 42 best establish a statewide retirement savings option



1 that will connect business owners/employers and their
2 private sector employees, including part-time workers
3 and the self-employed, to retirement savings
4 opportunities that:

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6 (A) Are broadly available;

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8 (B) Use automatic enrollment and automatic
9 escalation;

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11 (C) Are low cost to employees, employers, and the
12 State; and

13
14 (D) Offer lifetime income options;

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16 (5) Examine other retirement savings programs and
17 incentives that include but are not limited to state-
18 sponsored retirement savings programs in California,
19 Oregon, and Maryland;

20
21 (6) Provide information regarding the status of the
22 current educational efforts in Hawaii concerning
23 saving, investment, planning for retirement, financial
24 planning, and the dissemination of such information,
25 especially to younger people, as well as an analysis
26 of the efficacy of these efforts; and

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28 (7) Determine the best role for the State in helping
29 Hawaii workers save for their future; and

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31 BE IT FURTHER RESOLVED that the working group, with the
32 assistance of the Legislative Reference Bureau, is requested to
33 report its findings and recommendations, including any proposed
34 legislation, to the Legislature no later than twenty days prior
35 to the convening of the Regular Session of 2018; and

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37 BE IT FURTHER RESOLVED that certified copies of this
38 Concurrent Resolution be transmitted to the Comptroller,
39 Director of Finance, Director of the Department of Commerce and
40 Consumer Affairs, Executive Director of the Employees'
41 Retirement System, Director of the Legislative Reference Bureau,
42 President and Chief Executive Officer of the Chamber of Commerce



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1 Hawaii, Hawaii Appleseed Center for Law and Economic Justice,
 2 Assistive Technology Resource Centers of Hawaii, Hawaii
 3 Employers Council, and Altres.

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OFFERED BY:

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