



EXECUTIVE CHAMBERS  
HONOLULU

DAVID Y. IGE  
GOVERNOR

June 7, 2019

**GOV. MSG. NO. 1187**

The Honorable Ronald D. Kouchi,  
President  
and Members of the Senate  
Thirtieth State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,  
Speaker and Members of the  
House of Representatives  
Thirtieth State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on June 7, 2019, the following bill was signed into law:

HB1007 SD1

RELATING TO ADDING THE ROTH OPTION FOR  
THE DEFERRED COMPENSATION PLAN.  
**ACT 086 (19)**

Sincerely,

DAVID Y. IGE  
Governor, State of Hawai'i

---

---

# A BILL FOR AN ACT

RELATING TO ADDING THE ROTH OPTION FOR THE DEFERRED COMPENSATION PLAN.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The purpose of this Act is to allow  
2 participants to deposit money in the deferred compensation plan  
3 on an after-tax basis in addition to a pre-tax basis; thereby  
4 affording them the opportunity for tax diversification.

5           SECTION 2. Section 88E-12, Hawaii Revised Statutes, is  
6 amended to read as follows:

7           "~~[+]§88E-12 [+] Deferred amounts as compensation. Any~~  
8 compensation deferred pursuant to a plan established under this  
9 chapter shall be deemed regular compensation for the purpose of  
10 computing contributions or benefits under existing retirement,  
11 pension, or social security systems applicable to participating  
12 employees ~~[but shall not be included in the computation of~~  
13 ~~federal income taxes withheld on behalf of any participating~~  
14 ~~employee-]; provided that, at the participating employee's~~  
15 option, all or part of the deferred compensation may be included  
16 or excluded in the computation of federal income taxes withheld

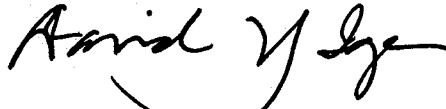


1 on behalf of the participating employee, allowing for both a  
2 traditional contribution and a Roth contribution under section  
3 457(b) of the Internal Revenue Code, as amended."

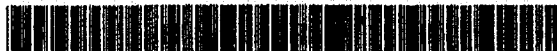
4 SECTION 3. Statutory material to be repealed is bracketed  
5 and stricken. New statutory material is underscored.

6 SECTION 4. This Act shall take effect upon its approval.  
7

APPROVED this 7 day of JUN, 2019



GOVERNOR OF THE STATE OF HAWAII



HB No. 1007, SD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 2, 2019  
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirtieth Legislature of the State of Hawaii, Regular Session of 2019.



Scott K. Saiki  
Speaker  
House of Representatives

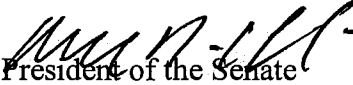


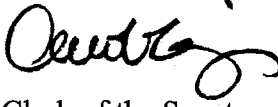
Brian L. Takeshita  
Chief Clerk  
House of Representatives

**THE SENATE OF THE STATE OF HAWAI'I**

Date: April 9, 2019  
Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Third Reading in the Senate of the Thirtieth Legislature of the State of Hawai'i, Regular Session of 2019.

  
President of the Senate

  
Clerk of the Senate