

STAND. COM. REP. NO.

1357

Honolulu, Hawaii

MAR 21 2019

RE: H.B. No. 1007
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Labor, Culture and the Arts, to which was referred H.B. No. 1007 entitled:

"A BILL FOR AN ACT RELATING TO ADDING THE ROTH OPTION FOR THE DEFERRED COMPENSATION PLAN,"

begs leave to report as follows:

The purpose and intent of this measure is to allow participants to make pre-tax contributions and post-tax contributions to the state deferred compensation plan.

Your Committee received testimony in support of this measure from the Department of Human Resources Development. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

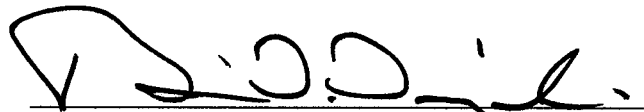
Your Committee finds that on January 1, 2011, the federal Small Business Jobs Act of 2010 took effect, which expanded the availability of Roth contribution provisions to deferred government compensation plans under section 457(b) of the Internal Revenue Code. Your Committee further finds that while federal law permits Roth contributions to deferred compensation plans, such contributions are prohibited under state law in Hawaii. This measure allows participants in a deferred compensation plan under Hawaii law to choose whether all or part of their deferred compensation amounts are deferred as a traditional contribution or a Roth contribution, or both.



Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor, Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1007, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1007, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Labor, Culture and
the Arts,




BRIAN T. TANIGUCHI, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Labor, Culture and the Arts
LCA

Bill / Resolution No.:*	Committee Referral:	Date:		
<i>HB 1007</i>	<i>LCA, WAM</i>	<i>3-14-19</i>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TANIGUCHI, Brian T. (C)	✓			
IHARA, Jr., Les (VC)	✓			
CHANG, Stanley	✓			
GABBARD, Mike				✓
FEVELLA, Kurt	✓			
TOTAL	<i>4</i>	<i>0</i>	<i>0</i>	<i>1</i>
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes