

Honolulu, Hawaii

FEB 14 2020

RE: S.B. No. 2490
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Labor, Culture and the Arts, to which was referred S.B. No. 2490 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to establish a task force that will:

- (1) Select a research entity to draft an implementation plan to create a Hawaii retirement savings program for private sector employees utilizing information from other state experiences and educational institutions with expertise on existing programs; and
- (2) Report to the Legislature with its findings and proposals including legislation to authorize implementation of the plan, if necessary, by January 2021.

Your Committee received testimony in support of this measure from the Policy Advisory Board for Elder Affairs, AARP Hawaii, Maui Chamber of Commerce, Hawaii Appleseed Center for Law and Economic Justice, Hawaii Family Caregiver Coalition, Hawaiian Cool Water, Priam's Automotive Service & Repair, Burgers on Bishop, 3 Financial Group LLC, Gochi Grill on Bishop Street, Art Nelson



Sailmaker/Ullman Sails, and seven individuals. Your Committee received testimony in opposition to this measure from the National Association of Insurance and Financial Advisors Hawaii and American Council of Life Insurers. Your Committee received comments on this measure from the Department of Budget and Finance, State Procurement Office, and Hawaii Bankers Association.

Your Committee finds that there is an imminent retirement security crisis in the State, as many individuals do not have access to an employer-sponsored retirement plan. Your Committee further finds that individuals need a lifelong savings strategy that provides them with the opportunity to build their assets and attain financial stability for the long run. Access by private sector employees to employer-sponsored retirement plans provides a reliable way to accumulate savings needed for a secure retirement, but many small businesses are unable to provide a mechanism for their employees to invest.

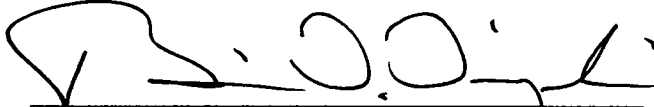
Your Committee has amended this measure by replacing language in section 2 of the bill to align more closely with the purpose section of the measure.

Your Committee received testimony recommending that the Director of Taxation, or the Director's designee, be added as a member of the Hawaii Retirement Security Task Force. Your Committee finds that this recommendation warrants further consideration by the Committee on Ways and Means as this measure proceeds through the legislative process.

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 S.B. No. 2490, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2490, 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>SB 2490</i>	<i>LCA, WAM</i>	<i>2/04/2020</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>5</i>	<i>0</i>	<i>0</i>	<i>0</i>
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>[Signature]</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes