

STAND. COM. REP. NO.

3044

Honolulu, Hawaii

FEB 28 2020

RE: S.B. No. 2490
S.D. 2

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

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2490, S.D. 1, 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 and appropriate funds for a task force to draft an implementation plan for creating a retirement savings program for private sector employees who are not covered by an existing employer-sponsored retirement plan.

Your Committee received written comments in support of this measure from AARP, Hawaii Appleseed Center for Law and Economic Justice, Hawaii Family Caregiver Coalition, Maui Chamber of Commerce, National Conference on Public Employee Retirement Systems, and seven individuals.

Your Committee received written comments in opposition to this measure from the American Council of Life Insurers, NAIFA Hawaii, and SIFMA.

Your Committee received written comments on this measure from the State Procurement Office and the Tax Foundation of Hawaii.

SB2490 SD2 SSCR LRB 20-1405.doc



Your Committee finds that half of our State's private sector workers do not have access to an employer-sponsored retirement plan, and very few who are eligible to contribute to an individual retirement account actually do so. Low-wage workers are especially unlikely to have retirement plans available to them at their workplaces. Also, a major advantage of a state plan would be that workers could keep their accounts with them when and if they change jobs. Lastly, an important feature of existing state plans is automatic enrollment, which has been found to make it easier for workers to save for their retirement.

Your Committee has amended this measure by:

- (1) Changing the appropriation to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

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. 2490, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2490, S.D. 2.

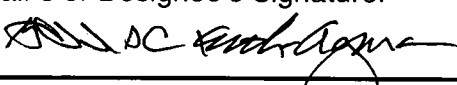
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 2490, SD1	Committee Referral: LCA, WAM	Date: 02/20/20		
<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
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani				X
HARIMOTO, Breene	X			
INOUYE, Lorraine R.	X			
KAHELE, Kaiali'i				X
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
MORIWAKI, Sharon Y.	X			
RIVIERE, Gil	X			
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.	X			
FEVELLA, Kurt	X			
TOTAL	11			2
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