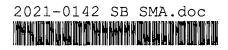
JAN 2 2 2021

A BILL FOR AN ACT

RELATING TO HOUSING SAVINGS ACCOUNTS.

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

1	SECTION 1. The Hawaii Revised Statutes is amended by		
2	adding a new chapter to be appropriately designated and to read		
3	as follows:		
4	"CHAPTER		
5	HOUSING SAVINGS ACCOUNT		
6	§ -1 Definitions . As used in this chapter:		
7	"Board" means the housing savings account board.		
8	"Employee" means any person who is on the employer's		
9	payroll and works in a full-time or part-time position. The		
10	term "employee" includes any person who is entitled to payment		
11	of a minimum wage from an employer under the Hawaii minimum wage		
12	law.		
13	"Employer" means any individual, partnership, association,		
14	company, trust, corporation, or the personal representative of		
15	the estate of a deceased individual or the receiver, trustee, or		
16	successor of any of the same, employing any person.		



§ -2 Housing savings account system; established. There
 shall be established a housing savings account system. It shall
 have the powers and privileges of a corporation and shall be
 known as the "Housing Savings Account System" and by that name
 may sue or be sued, transact all of its business, invest all of
 its funds, and hold all of its cash, securities, and other
 property.

§ -3 General administration of the system. The general
9 administration and responsibility for the proper operation of
10 the housing savings account system and for making effective the
11 provisions of this chapter are vested in the board.

12 § -4 Housing savings account board. (a) There is
13 established within the department of budget and finance for
14 administrative purposes the housing savings account board. The
15 board shall consist of eight members as follows:

16 (1) The director of finance or the director's designee,
17 who shall serve as chairperson of the board;

18 (2) The director of human services or the director's19 designee;

20 (3) The director of commerce and consumer affairs or the
21 director's designee;



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1	(4)	A representative of employers, to be appointed by the
2		governor;
3	(5)	A representative with experience in the field of
4		investments, to be appointed by the governor;
5	(6)	A representative of an association representing
6		employees, to be appointed by the governor;
7	(7)	A member of the senate, to be appointed by the
8		president of the senate, who shall be a nonvoting
9		advisory member of the board; and
10	(8)	A member of the house of representatives, to be
11		appointed by the speaker of the house of
12		representatives, who shall be a nonvoting advisory
13		member of the board.
14	(b)	Members of the board appointed by the governor shall
15	be subjec	t to the advice and consent of the senate.
16	(c)	The term of office of each member of the board
17	appointed	by the governor shall be four years and shall serve at
18	the pleas	ure of the governor. The member of the senate shall
19	serve at	the pleasure of the president of the senate. The
20	member of	the house of representatives shall serve at the
21	pleasure	of the speaker of the house of representative. A



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member shall be eligible for reappointment. Members pursuant to
 subsection (a)(1) through (3) shall serve in an ex officio
 capacity.

4 (d) If there is a vacancy for any reason, the respective
5 appointing party shall make an appointment to become effective
6 immediately for the unexpired term.

7 (e) A majority of the voting members of the board shall8 constitute a quorum for the transaction of business.

9 (f) The members of the board shall serve without
10 compensation but shall be reimbursed for travel and other
11 necessary expenses in the performance of their official duties.
12 (g) The board may employ, without regard to chapter 76,

13 staff necessary for the performance of its functions and fix14 their compensation.

15 (h) The board may establish rules pursuant to chapter 9116 for the general administration of this chapter.

17 § -5 Housing savings account; established; employer
18 participation. (a) Each employer in the State shall offer to
19 its employees the opportunity to contribute to a housing savings
20 account through payroll deduction.

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1	(b) An employer in the State may match an employee's
2	contribution into each employee's housing savings account.
3	(c) Funds contributed into a housing savings account shall
4	not be exempt from chapter 235 and shall not receive any
5	additional tax benefits.
6	(d) Funds contributed into a housing savings account may
7	be used for any purpose, including but not limited to:
8	(1) Downpayments;
9	(2) Mortgage payments;
10	(3) Rent; or
11	(4) Security deposits.
12	An employee may withdraw funds from their housing savings
13	account at any time without any penalty.
14	§ -6 Enrollment. Each employer shall enroll every
15	employee who enters or reenters employment with the employer and
16	who accepts participation in the employee's housing savings
17	account and shall file with the board information as the board
18	may require for the employee's housing savings account for the
19	employee for enrollment and for administrative purposes.
20	§ -7 Employee contributions. (a) Each employee in the

account; provided that an employee may elect to opt out of
 contributing to a housing savings account at any time.

3 (b) The default contribution rate each employee in the
4 State contributes into their individual housing savings account
5 shall be five per cent of the employee's compensation; provided
6 that an employee may elect to contribute a different amount on a
7 form to be developed by the employer."

8 SECTION 2. This Act shall take effect upon its approval.

INTRODUCED BY: Bles Co



Report Title: Housing Savings Account

Description:

Establishes the procedures for a housing savings account system for all employees in the State.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.



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