

STAND. COM. REP. NO. **2266**

Honolulu, Hawaii

**FEB 13 2024**

RE: S.B. No. 2553  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Labor and Technology, to which was referred S.B. No. 2553 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to clarify the definition of "covered employer" in the Hawaii Retirement Savings Act and require covered employees to automatically enroll covered employees into the Hawaii Retirement Savings Program unless the employee chooses to opt out.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, AARP Hawai'i, Hawai'i Primary Care Association, Hawai'i Family Caregiver Coalition, and five individuals.

Your Committee received comments on this measure from the Retail Merchants of Hawaii.

Your Committee finds that there is an urgent need to provide a viable retirement savings plan to private sector employees who do not have access to employer-sponsored retirement plans. Your Committee also finds that automatic enrollment for workers into a retirement savings account; considered a "best practice" in the retirement savings industry, and all other states that have



enacted a retirement savings program for private sector workers include the automatic enrollment provision where the employees can opt out. This measure will increase participation of private sector employees in retirement savings plans, while keeping enrollment voluntary through the opt-out provision, and bring retirement savings provisions in line with other states.

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 and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2553, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2553, 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 and  
Technology,

  
HENRY J. C. AQUINO, Chair



The Senate  
 Thirty-Second Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Labor and Technology**  
**LBT**

|  |  |                        |     |         |
|--|--|------------------------|-----|---------|
| Bill / Resolution No.:*<br><i>SB 2553</i>  | Committee Referral:<br><i>LBT, NAM</i> | Date:<br><i>2/2/24</i> |     |         |
| <input type="checkbox"/> The Committee is reconsidering its previous decision on this measure.<br>If so, then the previous decision was to: _____  |  |                        |     |         |
| The Recommendation is:<br><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 |
| AQUINO, Henry J.C. (C)   | X                                      |                        |     |         |
| MORIWAKI, Sharon Y. (VC)   | X                                      |                        |     |         |
| IHARA, Jr., Les  | X                                      |                        |     |         |
| LEE, Chris   | X                                      |                        |     |         |
| FEVELLA, Kurt  | X                                      |                        |     |         |
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| <b>TOTAL</b>   | <b>5</b>                               |                        |     |         |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted   |  |                        |     |         |
| Chair's or Designee's Signature:   |  |                        |     |         |
| Distribution:                     Original     Yellow     Pink     Goldenrod<br>File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy  |  |                        |     |         |

\*Only one measure per Record of Votes