June 7, 2019

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirtieth State Legislature
State Capitol, Room 409
Honolulu, Hawai‘i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirtieth State Legislature
State Capitol, Room 431
Honolulu, Hawai‘i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on June 7, 2019, the following bill was signed into law:

HB1007 SD1 RELATING TO ADDING THE ROTH OPTION FOR THE DEFERRED COMPENSATION PLAN.
ACT 086 (19)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai‘i
A BILL FOR AN ACT

RELATING TO ADDING THE ROTH OPTION FOR THE DEFERRED COMPENSATION PLAN.

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

SECTION 1. The purpose of this Act is to allow participants to deposit money in the deferred compensation plan on an after-tax basis in addition to a pre-tax basis; thereby affording them the opportunity for tax diversification.

SECTION 2. Section 88E-12, Hawaii Revised Statutes, is amended to read as follows:

"[4]§88E-12[4] Deferred amounts as compensation. Any compensation deferred pursuant to a plan established under this chapter shall be deemed regular compensation for the purpose of computing contributions or benefits under existing retirement, pension, or social security systems applicable to participating employees [but shall not be included in the computation of federal income taxes withheld on behalf of any participating employee]; provided that, at the participating employee's option, all or part of the deferred compensation may be included or excluded in the computation of federal income taxes withheld
on behalf of the participating employee, allowing for both a
traditional contribution and a Roth contribution under section
457(b) of the Internal Revenue Code, as amended."

SECTION 3. Statutory material to be repealed is bracketed
and stricken. New statutory material is underscored.
SECTION 4. This Act shall take effect upon its approval.

APPROVED this 7 day of JUN, 2019

GOVERNOR OF THE STATE OF HAWAII
HB No. 1007, SD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 2, 2019
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirtieth Legislature of the State of Hawaii, Regular Session of 2019.

Scott K. Saiki
Speaker
House of Representatives

Brian L. Takeshita
Chief Clerk
House of Representatives
THE SENATE OF THE STATE OF HAWAI‘I

Date: April 9, 2019
Honolulu, Hawai‘i 96813

We hereby certify that the foregoing Bill this day passed Third Reading in the Senate of the Thirtieth Legislature of the State of Hawai‘i, Regular Session of 2019.

President of the Senate

Clerk of the Senate