
A BILL FOR AN ACT

RELATING TO HAWAII RETIREMENT SAVINGS.

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

1 SECTION 1. The purpose of this Act is to establish a
2 state-facilitated payroll-deduction retirement savings plan for
3 private sector employees in Hawaii who do not have access to
4 employer-sponsored retirement plans.

5 SECTION 2. The Hawaii Revised Statutes is amended by
6 adding a new chapter to be appropriately designated and to read
7 as follows:

8 **"CHAPTER**

9 **HAWAII RETIREMENT SAVINGS**

10 § -1 **Short title.** This chapter shall be known and may
11 be cited as the Hawaii Retirement Savings Act.

12 § -2 **Definitions.** As used in this chapter, unless the
13 context otherwise requires:

14 "Board" means the Hawaii retirement savings board
15 established under section -3.

16 "Covered employee" means an individual who:

17 (1) Is a resident of the State;



- 1 (2) Is eighteen years of age or older;
- 2 (3) Is in the employ of a covered employer; and
- 3 (4) Receives wages or other remunerations from a covered
- 4 employer for services rendered that are subject to
- 5 income tax as compensation paid in the State pursuant
- 6 to section 235-34;

7 provided that "covered employee" does not include an individual
 8 covered under the federal Railway Labor Act (45 United States
 9 Code chapter 8) or on whose behalf the employer makes
 10 contributions to a Taft-Hartley multiemployer pension trust
 11 fund.

12 "Covered employer" means any person who has been in
 13 business in the State for more than two years and has one or
 14 more individuals in employment; provided that "covered employer"
 15 does not include:

- 16 (1) The United States;
- 17 (2) The State or any of its political subdivisions; or
- 18 (3) A person that has been maintaining for all employees
- 19 during the preceding two years a retirement plan that
- 20 is tax-qualified under or is described in and
- 21 satisfies the requirements of section 401(a), 401(k),



1 403(a), 403(b), 408(k), or 408(p) of the Internal
2 Revenue Code.

3 "Department" means the department of labor and industrial
4 relations.

5 "Director" means the director of labor and industrial
6 relations.

7 "Individual Retirement Account" or "IRA" means a
8 traditional or Roth individual retirement account or individual
9 retirement annuity under section 408(a), 408(b), or 408A of the
10 Internal Revenue Code.

11 "Internal Revenue Code" means the Internal Revenue Code of
12 1986, as amended (Title 26 of the United States Code).

13 "Participant" means an individual who is contributing to an
14 IRA under the program or has an IRA account balance under the
15 program.

16 "Person" means any individual, firm, association,
17 organization, sole proprietorship, partnership, company,
18 corporation, joint venture, trust, or any other form of
19 business, legal entity, or group of individuals.

20 "Program" means the Hawaii retirement savings program
21 established pursuant to this chapter.



1 "Roth IRA" means a Roth individual retirement account or
2 individual retirement annuity under section 408A of the Internal
3 Revenue Code.

4 "Special fund" means the Hawaii retirement savings special
5 fund established in section -8.

6 "Total fees and expenses" means all fees, costs, and
7 expenses, including but not limited to administrative expenses,
8 investment expenses, investment advice expenses, accounting
9 costs, actuarial costs, legal costs, marketing expenses,
10 education expenses, trading costs, insurance annuitization
11 costs, and other miscellaneous costs.

12 "Traditional IRA" means a traditional individual retirement
13 account or traditional individual retirement annuity under
14 section 408(a) or (b) of the Internal Revenue Code.

15 "Wages" shall have the same meaning as defined in section
16 388-1.

17 § -3 **Hawaii retirement savings board; establishment;**
18 **purpose.** (a) There is established within the department for
19 administrative purposes only, a Hawaii retirement savings board
20 to implement and administer a state-facilitated payroll-
21 deduction retirement savings program for private-sector



1 employees who do not have access to employer-sponsored
2 retirement plans.

3 (b) The board shall consist of nine members as follows:

4 (1) Two ex-officio, voting members who shall serve as the
5 co-chairs of the board, consisting of:

6 (A) The director or the director's designee; and

7 (B) The director of budget and finance or the
8 director's designee;

9 (2) Two ex-officio, nonvoting members, consisting of:

10 (A) A member of the house of representatives
11 appointed by the speaker of the house of
12 representatives; and

13 (B) A member of the senate appointed by the president
14 of the senate; and

15 (3) Five voting members who shall hold no other public
16 office, to be appointed by the governor and serve on
17 the board in accordance with section 26-34, consisting
18 of:

19 (A) One member with professional knowledge and
20 experience in establishing retirement savings
21 plans and retirement investment products;



1 (B) One member representing the interests of small
2 businesses in Hawaii;

3 (C) One member with professional knowledge and
4 experience in representing the interests of
5 employers in terms of retirement savings;

6 (D) One member with professional knowledge and
7 experience in representing the interests of
8 employees in terms of retirement savings; and

9 (E) One member who is a retiree who resides in
10 Hawaii, representing retirees in Hawaii.

11 (c) The terms of board members shall be four years;
12 provided that the initial appointments shall be for staggered
13 terms, as determined by the governor; provided further that ex-
14 officio board members shall serve at the pleasure of the
15 appointing authority.

16 (d) A simple majority of voting members of the board shall
17 constitute quorum to do business. Any action taken by the board
18 shall be approved by a simple majority of the voting members
19 present. Any vacancy on the board shall not impair the
20 authority of the remaining members to exercise all the powers of
21 the board. All decisions of the board shall be reduced into



1 writing and shall state separately the board's findings of fact
2 and conclusions.

3 (e) The members of the board shall serve without pay but
4 shall be reimbursed for their actual and necessary expenses,
5 including travel expenses, incurred in carrying out their
6 duties.

7 (f) The board, or its co-chairs with the approval of the
8 board, may employ an executive director exempt from chapters 76
9 and 89, and other staff necessary to perform its duties.

10 **§ -4 Hawaii retirement savings board; powers; duties.**

11 (a) The board shall have powers and duties in accordance with
12 law to:

13 (1) Establish, implement, and maintain the program;

14 (2) Cause the program and arrangements and accounts
15 established under the program to be designed,
16 established, and operated:

17 (A) In accordance with best practices for retirement
18 savings vehicles;

19 (B) To encourage participation, saving, sound
20 investment practices, and appropriate selection
21 of default investments;



- 1 (C) To maximize simplicity and ease of administration
- 2 for employers;
- 3 (D) To minimize costs, including by collective
- 4 investment and other measures to achieve
- 5 economies of scale and other efficiencies in
- 6 program design and administration;
- 7 (E) To promote portability of benefits; and
- 8 (F) To avoid preemption of the program by federal
- 9 law;
- 10 (3) Arrange for collective, common, and pooled investment
- 11 of assets of the program;
- 12 (4) Determine the eligibility of an employer, employee, or
- 13 other individual to participate in the program;
- 14 (5) Ensure the program's compliance with all applicable
- 15 laws and regulations;
- 16 (6) Establish procedures for the timely and fair
- 17 resolution of participant and other disputes related
- 18 to accounts or program operation;
- 19 (7) Develop and implement:



- 1 (A) An investment policy that defines the program's
- 2 investment objectives and that is consistent with
- 3 the objectives of the program; and
- 4 (B) Other policies and procedures consistent with
- 5 those investment objectives;
- 6 (8) Cause expenses incurred to initiate, implement,
- 7 maintain, and administer the program to be paid from
- 8 the program and other available sources;
- 9 (9) Collect application, account, or administrative fees;
- 10 (10) Accept grants, gifts, donations, legislative
- 11 appropriations, loans, and other moneys from the
- 12 State, any unit of federal, state, or local
- 13 government, or any other person to defray the costs of
- 14 administering and operating the program;
- 15 (11) Enter into contracts pursuant to chapter 103D for
- 16 services that the board deems necessary to carry out
- 17 the purposes of this chapter, including:
- 18 (A) Services of private and public financial
- 19 institutions, depositories, consultants,
- 20 actuaries, counsel, auditors, investment
- 21 advisors, investment administrators, investment



- 1 management firms, other investment firms, third-
2 party administrators, other professionals and
3 service providers, and the State's employees'
4 retirement system;
- 5 (B) Research, technical, financial, administrative,
6 and other services; and
- 7 (C) Services of other state agencies to assist the
8 board in the exercise of its powers and duties;
- 9 (12) Develop and implement an outreach plan to gain input
10 and disseminate information regarding the program and
11 retirement savings in general;
- 12 (13) Cause moneys to be held and invested and reinvested
13 under the program;
- 14 (14) Ensure that all contributions to individual retirement
15 accounts under the program may be used only to:
- 16 (A) Pay benefits to participants under the program;
17 (B) Pay the cost of administering the program; and
18 (C) Make investments for the benefit of the program;
19 provided that no assets of the program are
20 transferred to the general fund of the State or
21 to any other fund of the State or are otherwise



- 1 encumbered or used for any purpose other than
2 those specified in this paragraph;
- 3 (15) Provide for the payment of costs of administration and
4 operation of the program;
- 5 (16) Evaluate the need for and, if the board deems
6 necessary, procure:
- 7 (A) Insurance against any and all loss in connection
8 with the property, assets, or activities of the
9 program; and
- 10 (B) Pooled private insurance;
- 11 (17) Indemnify, including procurement of insurance if and
12 as needed for this purpose, each board member from
13 personal loss or liability resulting from the member's
14 action or inaction as a board member;
- 15 (18) Collaborate with and evaluate the role of financial
16 advisors or other financial professionals, including
17 in assisting and providing guidance for covered
18 employees; and
- 19 (19) Take any other action the board deems reasonably
20 necessary to carry out the purpose of this chapter.



1 (b) The board shall develop and disseminate information
2 designed to educate covered employees about the impacts of
3 opting in to the program on take-home pay, savings strategies,
4 and the benefits of planning and saving for retirement to help
5 covered employees in deciding whether to participate and at what
6 level participation may be appropriate.

7 (c) Board members, the executive director, and other staff
8 of the board shall not:

- 9 (1) Have any interest, directly or indirectly, in the
10 making of any investment under the program or in gains
11 or profits accruing from any investment;
- 12 (2) Borrow any program-related funds or deposits, or use
13 any program-related funds or deposits in any manner,
14 for themselves or as an agent or partner of others; or
- 15 (3) Become an endorser, surety, or obligor on investments
16 made under the program.

17 **§ -5 Hawaii retirement savings program; due diligence;**
18 **establishment; payroll deduction upon election to contribute.**

19 (a) There is established within the department for
20 administrative purposes only, a Hawaii retirement savings
21 program. The program shall be administered by the board, in



1 consultation with the department and the department of budget
2 and finance. The board shall determine the timeframe for
3 development and implementation of the program; provided that
4 prior to implementation of the program, the board shall meet the
5 requirements of subsections (b) and (c).

6 (b) Prior to implementation of the program, the board
7 shall conduct a detailed implementation and evaluation study and
8 perform other due diligence tasks to determine the feasibility
9 of the program parameters established by this chapter and the
10 resources and time needed to implement the program. Upon
11 completion of the study, the board shall report its findings and
12 recommendations, including any proposed legislation and funding
13 requirements to the legislature.

14 (c) Upon submittal of its report to the legislature
15 pursuant to subsection (b), and prior to implementation of the
16 program, the board shall determine the level of staffing
17 necessary to implement the program, develop an implementation
18 strategy and timetable, and conduct outreach efforts to
19 potential covered employers and covered employees.



1 (d) Any covered employee may elect to contribute a portion
2 of the employee's salary or wages to an individual retirement
3 account provided by the program through payroll deduction.

4 (e) Beginning on a date to be determined by the board
5 pursuant to subsection (a), a covered employer shall:

6 (1) Allow a covered employee to enroll into the program
7 after providing the covered employee with a written
8 notice of the employee's right to opt in; and

9 (2) For any covered employee who has opted in to the
10 program:

11 (A) Withhold the covered employee's contribution
12 amount from the employee's salary or wages; and

13 (B) Transmit the covered employee's payroll deduction
14 contribution to the program on the earliest date
15 the amount withheld can reasonably be segregated
16 from the covered employer's assets, but no later
17 than the fifteenth day of the calendar month
18 following the month in which the covered
19 employee's contribution amounts are withheld.

20 (f) The program shall establish for each enrolled employee
21 a Roth IRA, into which the contributions deducted from an



1 employee's payroll shall be deposited. The board may add an
2 option for all participants to affirmatively elect to contribute
3 to a traditional IRA in addition to a Roth IRA.

4 (g) The contributions to and earnings on the amounts
5 contributed to an employee's IRA under the program shall be
6 owned by the employee. The State and employers shall have no
7 proprietary interest in the contributions or earnings in an
8 employee's IRA.

9 (h) Covered employers shall not make contributions,
10 whether matching or not, to the program.

11 § -6 Hawaii retirement savings program; contribution
12 amount; rates. The default contribution amount deducted from
13 the payroll of a covered employee who has elected to contribute
14 to the program shall be equal to five per cent of the covered
15 employee's salary or wages; provided that an employee may elect
16 to contribute a higher or lower percentage of compensation as
17 long as the amount does not exceed the applicable contribution
18 dollar limits under the Internal Revenue Code.

19 § -7 Hawaii retirement savings program; program manager.

20 (a) The program shall be managed by a program manager that
21 shall be a financial institution with professional knowledge and



1 experience in managing payroll deduction IRAs, contracted by the
2 board in compliance with chapter 103D.

3 (b) The program manager shall keep total fees and expenses
4 as low as practicable; provided that the total fees and expenses
5 of the program each year shall not exceed seventy-five basis
6 points of the total assets of the program; provided further that
7 this limit shall not apply during the initial three-year period
8 following the establishment of the program.

9 (c) The program manager shall prepare and make available
10 to all participants, a report on the status of each
11 participant's account at least once every calendar year.

12 § -8 **Hawaii retirement savings special fund.** (a) There
13 is established within the state treasury, a Hawaii retirement
14 savings special fund, into which shall be deposited:

- 15 (1) Moneys appropriated to the fund by the legislature;
16 (2) Moneys transferred to the fund from the federal
17 government, other states, and their political
18 subdivisions;
19 (3) Fees collected by the board in relation to the
20 administration and operation of the program;



- 1 (4) Grants, gifts, and donations made to the board for
- 2 deposit into the fund;
- 3 (5) Moneys collected for the fund from:
- 4 (A) Contributions to, or investment returns or assets
- 5 of, the program; or
- 6 (B) Other moneys collected by or for the program or
- 7 pursuant to arrangements established under the
- 8 program,
- 9 to the extent permitted under federal and state law;
- 10 (6) Interest earned or accrued on moneys deposited in the
- 11 fund; and
- 12 (7) Penalties collected pursuant to section -14.
- 13 (b) All moneys in the special fund are appropriated for
- 14 the purposes of and shall be expended by the department to pay
- 15 the administrative costs and expenses of the program, program
- 16 manager, and the administrative costs and expenses that the
- 17 board incurs in the performance of its duties under this
- 18 chapter.
- 19 **§ -9 Protection from liability; employers.** (a) A
- 20 covered employer or other employer is not and shall not be
- 21 liable for or bear responsibility for:



- 1 (1) An employee's decision to participate in or opt out of
2 the program;
- 3 (2) Investment decisions made by the participants and the
4 board;
- 5 (3) The administration, investment, investment returns, or
6 investment performance of the program, including any
7 interest rate or other rate of return earned on any
8 contribution or account balance; provided that the
9 employer played no role in the investment;
- 10 (4) The program design or the benefits paid to
11 participants;
- 12 (5) Individuals' awareness of or compliance with the
13 conditions and other provisions of the tax laws that
14 determine:
 - 15 (A) Which individuals are eligible to make tax-
16 favored contributions to IRAs;
 - 17 (B) The permissible amount of contributions; and
 - 18 (C) The time frame and manner within which
19 contributions are to be made;
- 20 (6) Any loss, failure to realize any gain, or any other
21 adverse consequences, including any adverse tax



1 consequences or loss of favorable tax treatment,
2 public assistance, or other benefits, incurred by any
3 person as a result of program participation; or

4 (7) Any loss, deficiency, or damages caused by or related
5 to the action or inaction of the program manager.

6 (b) No covered employer or other employer shall be, or
7 shall be considered to be, a fiduciary in relation to the
8 program or any other arrangement under the program.

9 § -10 **Protection from liability; State.** (a) The State,
10 the department of labor and industrial relations, the Hawaii
11 retirement savings board, the Hawaii retirement savings program,
12 and other departments, agencies, boards, commissions, and
13 programs of the State and any officers or employees thereof:

14 (1) Shall not be responsible for compliance by individuals
15 with the conditions and other provisions of the
16 Internal Revenue Code that determine:

17 (A) Which individuals are eligible to make tax-
18 favored contributions to IRAs;

19 (B) The permissible amount of contributions; and

20 (C) The time frame and manner within which
21 contributions are to be made;



1 (2) Shall have no duty, responsibility, or liability to
2 any party for the payment of any benefits under the
3 program, regardless of whether sufficient funds are
4 available under the program to pay those benefits;

5 (3) Shall not guarantee any interest rate or other rate of
6 return on or investment performance of any
7 contribution or account balance; and

8 (4) Shall not be liable or responsible for any loss,
9 deficiency, failure to realize any gain, or any other
10 adverse consequences, including any adverse tax
11 consequences or loss of favorable tax treatment,
12 public assistance, or other benefits, incurred by any
13 person as a result of participating in the program.

14 (b) The debts, contracts, and obligations of the program
15 or the board are not the debts, contracts, and obligations of
16 the State, and neither the faith and credit nor the taxing power
17 of the State is pledged directly or indirectly to the payment of
18 the debts, contracts, and obligations of the program or the
19 board.

20 § -11 Confidentiality of participant and account
21 information. Individual account information relating to



1 accounts under the program and relating to individual
2 participants, including but not limited to names, addresses,
3 telephone numbers, email addresses, personal identification
4 information, investments, contributions, and earnings, is
5 confidential and shall be maintained as confidential:

6 (1) Except to the extent necessary to administer the
7 program in a manner consistent with this chapter, the
8 tax laws of the State, and the Internal Revenue Code;
9 or

10 (2) Unless the individual who provides the information or
11 is the subject of the information expressly agrees in
12 writing to the disclosure of the information.

13 § -12 **Collaboration and cooperation; intergovernmental;**
14 **interstate.** (a) The board may enter into an intergovernmental
15 agreement or memorandum of understanding with the State or any
16 agency of the State to receive outreach, technical assistance,
17 enforcement and compliance services, or collection or
18 dissemination of information pertinent to the program, subject
19 to a confidentiality agreement deemed appropriate by the board
20 and other agencies of the State.



1 (b) The State and any department, board, commission, or
2 agency that enter into an agreement or memorandum of
3 understanding pursuant to this section shall collaborate to
4 provide the outreach, assistance, information, and compliance or
5 other services or assistance to the board. Memoranda of
6 understanding executed pursuant to this section may cover the
7 sharing of costs incurred in gathering and disseminating
8 information and the reimbursement of costs for any enforcement
9 activities or assistance.

10 (c) The board may enter into a contract, agreement,
11 memorandum of understanding, or other arrangement to
12 collaborate, cooperate, coordinate, contract, or combine
13 resources, investments, or administrative functions with other
14 governmental entities, including other states or any of their
15 agencies or instrumentalities that maintain or are establishing
16 retirement savings programs compatible with the program,
17 including collective, common, or pooled investments with other
18 funds of other states' programs with which the assets of the
19 program and trust are permitted by law to be collectively
20 invested, to the extent necessary or desirable for the effective
21 and efficient design, administration, and implementation of the



1 program consistent with the purposes set forth in this chapter,
2 including the purpose of achieving economies of scale and other
3 efficiencies designed to minimize costs for the program and its
4 participants.

5 § -13 **Civil actions.** The director and any covered
6 employee denied enrollment into the program in violation of
7 section -5(e)(1) may file a civil action against the covered
8 employer to require the covered employer to enroll the covered
9 employee into the program and recover costs, including
10 reasonable attorney's fees, incurred in the civil action.

11 § -14 **Penalties.** (a) Any covered employer who fails to
12 enroll a covered employee into the program in accordance with
13 section -5(e)(1) without equitable justification shall be
14 liable:

15 (1) To the covered employee, in an amount equal to the
16 contribution amount that would have been made by the
17 employee into the program and interest at a rate of
18 six per cent per year on the contribution amount,
19 beginning from the date the contribution would have
20 been made into the account; provided that the sum of
21 the contribution amount and interest thereto shall be



1 transmitted by the covered employer to the program to
2 be paid into the covered employee's IRA; and

3 (2) A penalty of:

4 (A) \$25 for each month the covered employee was not
5 enrolled in the program; and

6 (B) \$50 for each month the covered employee continues
7 to be unenrolled in the program after the date on
8 which a penalty has been assessed with respect to
9 the covered employee; provided that the employee
10 has opted in to participation in the program.

11 (b) Any covered employer who fails to timely transmit a
12 covered employee's payroll deduction contribution to the program
13 pursuant to section -5(e)(2) shall be subject to the same
14 sanctions imposed on an employer for misappropriation of
15 employee wage withholdings and the penalties pursuant to chapter
16 388.

17 (c) No penalty under subsections (a)(2) and (b) shall be
18 imposed on a covered employer if the covered employer can
19 establish by a preponderance of the evidence that the covered
20 employer:



- 1 (1) Exercised reasonable diligence to meet the
2 requirements of section -5(e);
- 3 (2) Did not know or reasonably should not have known that
4 the failure existed; and
- 5 (3) Cures the failure within ninety days of the day the
6 covered employer was given actual notice of the
7 failure or should have known that the failure existed,
8 whichever is earlier.
- 9 (d) Any covered employer who otherwise violates or fails
10 to comply with any provision of this chapter or rules adopted
11 pursuant to this chapter shall be liable for a penalty of no
12 less than \$500 for each violation or failure; provided that the
13 penalties shall not exceed \$5,000 per calendar year.
- 14 (e) All or part of the penalties imposed under subsections
15 (a) (2) and (b) may be waived to the extent that the payment of
16 the penalties would be excessive or otherwise inequitable
17 relative to the violation or failure involved; provided that the
18 covered employer can establish, by a preponderance of the
19 evidence, the existence of equitable justification for the
20 violation or failure.



1 (f) The penalties under this section shall be deposited
2 into the special fund.

3 § -15 Rulemaking. (a) The department, in consultation
4 with the department of budget and finance, shall adopt rules
5 pursuant to chapter 91 to govern the actions of the board.

6 (b) The board, in consultation with the department and
7 department of budget and finance, shall adopt rules pursuant to
8 chapter 91 to carry out the purposes of this chapter. The rules
9 adopted by the board shall include but not be limited to rules
10 and procedures governing:

11 (1) Enrollment and contributions to an IRA under the
12 program, including withholding by covered employers of
13 employee payroll, rights of covered employees, and
14 obligations of covered employers;

15 (2) Withdrawals, rollovers, and direct transfers from an
16 IRA under the program in the interest of facilitating
17 portability and maximization of benefits;

18 (3) Phasing in the enrollment of eligible covered
19 employees by the size or type of covered employer,
20 beginning with the initial applicability date
21 specified in this chapter;



- 1 (4) Outreach to individuals, employers, other
2 stakeholders, and the public regarding the program;
- 3 (5) Actions of the program manager;
- 4 (6) Distribution of funds from the program;
- 5 (7) Portability of benefits, including the ability to make
6 tax-free rollovers or transfers from IRAs under the
7 program to other IRAs or to tax-qualified plans that
8 accept rollovers; and
- 9 (8) Prescribed forms to be used by covered employers and
10 covered employees.

11 **§ -16 Audits and annual reports.** (a) The board shall
12 cause an accurate account of all activities, operations,
13 receipts, and expenditures to be maintained in relation to the
14 program and the board. Each year, a full audit of the books and
15 accounts of the board pertaining to the activities, operations,
16 receipts and expenditures, personnel, services, or facilities of
17 the program and the board shall be conducted by a certified
18 public accountant. The audit shall include but not be limited
19 to the review of direct and indirect costs attributable to the
20 use of outside consultants, independent contractors, and any
21 other persons who are not state employees for the administration



1 of the program. For purposes of the audit, the auditors shall
2 have access to the properties and records of the program and
3 board and may prescribe methods of accounting and the rendering
4 of periodic reports in relation to projects undertaken by the
5 program.

6 (b) No later than twenty days before the convening of each
7 regular session, the board shall prepare and submit to the
8 governor and the legislature, and make available to the public,
9 an annual report that shall include but not be limited to:

10 (1) The audited financial report prepared in accordance
11 with generally accepted accounting principles,
12 detailing the activities, operations, receipts, and
13 expenditures of the program and board during the
14 preceding calendar year; and

15 (2) The progress and accomplishments made by the board
16 during the preceding year and projected activities of
17 the program for the current calendar year;

18 provided that the annual report for the first full fiscal year
19 following program implementation shall include the board's
20 findings and recommendations, including any proposed
21 legislation, relating to the feasibility of expanding the



1 program's eligibility to Hawaii's independent workforce,
2 including self-employed workers."

3 SECTION 3. The governor, president of the senate, and
4 speaker of the house of representatives shall appoint members to
5 the Hawaii retirement savings board no later than sixty days
6 after enactment of this Act, for terms of office beginning in
7 October 2022.

8 SECTION 4. There is appropriated out of the general
9 revenues of the State of Hawaii the sum of \$ or so
10 much thereof as may be necessary for fiscal year 2022-2023 for
11 the implementation and operation of the Hawaii retirement
12 savings program, including funds for the hiring of necessary
13 staff.

14 The sum appropriated shall be expended by the department of
15 labor and industrial relations for the purposes of this Act.

16 SECTION 5. If any provision of this Act, or the
17 application thereof to any person or circumstance, is held
18 invalid, the invalidity does not affect other provisions or
19 applications of the Act that can be given effect without the
20 invalid provision or application, and to this end the provisions
21 of this Act are severable.



1 SECTION 6. This Act shall take effect on July 1, 2050.



Report Title:

Hawaii Retirement Savings Program; State-facilitated Payroll-deduction Individual Retirement Account; BUF; DLIR; Study; Phasing; Reports; Appropriation

Description:

Establishes the Hawaii retirement savings program, administered by the Hawaii retirement savings board, in consultation with the department of labor and industrial relations and department of budget and finance, to provide a state-facilitated payroll-deduction individual retirement savings plan to private sector employees who do not have access to employer-sponsored retirement savings plans beginning on an implementation date to be determined by the board. Requires an implementation and evaluation study, followed by an implementation strategy and timetable, prior to implementation of the program. Appropriates funds. Effective 7/1/2050. (HD1)

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

