

STAND. COM. REP. NO. 1433-22

Honolulu, Hawaii

MAR 24 , 2022

RE: S.B. No. 3289
S.D. 2
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 3289, S.D. 2, H.D. 1, entitled:

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

begs leave to report as follows:

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

Your Committee received testimony in support of this measure from Common Cause Hawaii; Hawaii Primary Care Association; Policy Advisory Board for Elder Affairs; Catholic Charities Hawai'i; AARP Hawai'i; Adult Foster Homecare Association of Hawaii; Alliance of Residential Care Administrators; Hawaiian Community Assets; Hawaii Community Lending; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Hawai'i Public Health Institute; Maui Chamber of Commerce; National Conference on Public Employee Retirement Systems; and numerous individuals. Your Committee received testimony in opposition to this measure from the American Council of Life Insurers, National Association of Insurance and Financial Advisors Hawaii, and two individuals. Your Committee received comments on this measure from the Department of Labor and Industrial Relations, Department of Budget and Finance, Department

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of Human Services, Executive Office on Aging, Tax Foundation of Hawaii, and Retail Merchants of Hawaii.

Your Committee finds that Hawaii's population is rapidly aging and, in comparison to the rest of the United States, the population aged eighty-five or older will grow rapidly through 2035. Although many in the State are fortunate to work and earn enough money to invest in long-term care insurance, or have an employer that invests in a retirement program, others do not have access to employer-sponsored retirement plans. This is of particular concern as Hawaii has one of the highest costs for nursing home care in the United States. This measure will ensure that Hawaii's workers who do not have an employer-sponsored retirement plan will be able to save enough to retire with financial security.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3289, S.D. 2, H.D. 1, and recommends that it be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



AARON LING JOHANSON, Chair



