

AMERICAN PAYROLL ASSOCIATION

March 12, 2020

The Honorable Brian T. Taniguchi
Chair, Senate Committee on Labor, Culture and the Arts
Hawaii State Senate
Hawaii State Capitol, Room 219
415 South Beretania Street
Honolulu, HI 96813

Re: S.B. 2489 and the Role of Private-Sector Employers in State Retirement Savings Plans

Dear Senator Taniguchi:

The American Payroll Association (APA) set out to develop a report on the role of employers in state-sponsored retirement plans for employees who may not have a qualified employer-sponsored retirement plan available to them. The intent of the report is to offer interested stakeholders in state and local governments practical advice and considerations without recommending that governments undertake a plan or implement a specific approach. The report covers important issues, considering the full “life cycle” of an employee from new hire to termination or retirement.

Established in 1982, APA is a nonprofit association serving the interests of about 20,000 payroll professionals nationwide. APA’s primary mission is to educate its members and the payroll community about the best practices associated with paying America’s workers while complying with applicable federal, state, and local laws and regulations. On behalf of their employers APA members are directly responsible for withholding and remitting retirement funds to employees’ accounts.

The report is divided into sections starting with general concerns for employers, then taking the reader through a logical order of initial disclosure notices, enrollment for employers and employees, contribution amounts, notices of changes to employment status, a discussion on the remittance process, and notices regarding enrollment periods.

APA believes that the report will be useful to the Hawaii legislature as you consider S.B. 2489 and retirement options for Hawaii residents who work for employers that do not offer them retirement savings options.

To discuss the report further and share ideas about the role of payroll professionals in government-sponsored retirement savings programs, please contact Alice Jacobsohn at 202-248-3901 or ajacobsohn@americanpayroll.org. We look forward to working with you.

Sincerely,



Pete Isberg
Cochair, APA State & Local Topics Subcommittee



Bruce Phipps, CPP
Cochair, APA State & Local Topics Subcommittee



Carlanna Livingstone, CPP
Cochair, APA State & Local Topics Subcommittee



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Cc: Senator Karl Rhodes and Senator Donovan M. Dela Cruz