

HAWAII RETIREMENT SAVINGS BOARD
September 30, 2025, MEETING PACKET

**HAWAII RETIREMENTS SAVINGS
BOARD AGENDA – September 30, 2025,
MEETING**

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR



JADE T. BUTAY
DIRECTOR

WILLIAM G. KUNSTMAN
DEPUTY DIRECTOR

AHLANI K. QUIOGUE
EXECUTIVE DIRECTOR

**STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
830 PUNCHBOWL STREET, ROOM 321
HONOLULU, HAWAII 96813**

**HAWAII RETIREMENT
SAVINGS BOARD**

Co-Chairs
Jade T. Butay
Luis Salaveria

Members
Jessie Keola Dean
Barbara Krieg
Andrew Nomura
Brian Taniguchi
Senator Henry J.C. Aquino
Representative Jackson D. Sayama

**HAWAII RETIREMENT SAVINGS
BOARD MEETING**

AGENDA

Date: September 30, 2025

Time: 10:00 a.m.

In-Person Meeting Location: Princess Ruth Ke'elikolani Building
830 Punchbowl Street, Room 321
Honolulu, Hawaii 96813

Virtual Participation Virtual Videoconference Meeting – Zoom Meeting (Link below)

<https://us02web.zoom.us/j/85028974707?pwd=cZnDla8iVt0npLgyr8PVMLeJsdKyy7.1>

Meeting ID: 850 2897 4707

Passcode: 650146

Phone: +1 808-829-4853

Phone Conference ID: 348 363 961#

Agenda: The agenda was posted to the State electronic calendars as required by §92-7(b), Hawaii Revised Statutes ("HRS").

Board Meeting Materials: Meeting materials are available at <https://labor.hawaii.gov/hrsp/board-meetings/>.

If you wish to submit written testimony on any agenda item, please email your testimony to dlir.hrsp@hawaii.gov or by hard copy mail to: Attn: Hawaii Retirement Savings Program, 830 Punchbowl Street, Room 321, Honolulu, HI 96813. We request submission of testimony at least 24 hours prior to the meeting to ensure that it can be distributed to the Board members.

INTERNET ACCESS:

*To view the meeting and provide live oral testimony, please use the link at the top of the agenda. You will be asked to enter your name. The Board requests that you enter your full name, but you may use a pseudonym or other identifier if you wish to remain anonymous. You will also be asked for an email address. You may fill in this field with any entry in an email format, e.g., ****@***mail.com.*

Your microphone will be automatically muted, and video will be turned off. When the Chairperson asks for public testimony, you may click the Raise Hand button found on your Zoom screen to indicate that you wish to testify about an agenda item. You will individually be enabled to unmute your microphone, turn on your video if you choose to, and testify. When recognized by the Chairperson, please unmute your microphone and turn on your video if you choose to before speaking and mute your microphone and turn off your video after you finish speaking.

PHONE ACCESS:

If you cannot get internet access, you may get audio-only access by calling the Zoom Phone Number listed at the top on the agenda. Upon dialing the number, you will be prompted to enter the Meeting ID which is also listed at the top of the agenda. After entering the Meeting ID, you will be asked to wait to be admitted into the meeting.

When the Chairperson asks for public testimony, you may indicate you want to testify by entering “” and then “9” on your phone’s keypad. After entering “*” and then “9”, a voice prompt will let you know that the host of the meeting has been notified. When recognized by the Chairperson, you may unmute yourself by pressing “*” and then “6” on your phone. A voice prompt will let you know that you are unmuted. Once you are finished speaking, please enter “*” and then “6” again to mute yourself.*

For both internet and phone access, when testifying, you will be asked to identify yourself and the organization, if any, that you represent. Each testifier will be limited to five minutes of testimony per agenda item. Pursuant to Hawaii Revised Statutes section 92-3.7(e), the Board may remove or block any person who willfully disrupts or compromise the conduct of the meeting.

If connection to the meeting is lost for more than 30 minutes, the meeting will be continued on a specified date and time. This information will be provided on the Board’s website at <https://labor.hawaii.gov/hrsp/board-meetings/>.

Instructions to attend State of Hawaii virtual board meetings may be found online at <https://labor.hawaii.gov/wp-content/uploads/2025/01/State-of-Hawaii-Virtual-Board-Attendee-Instructions.pdf>.

I. Call Meeting to Order

II. Approval of the Minutes

A. August 19, 2025, Open Session Meeting Minutes

III. New Business:

A. Presentation by Georgetown University Center for Retirement Initiatives

Angela M. Antonelli, Research Professor, Executive Director, Center for Retirement Initiatives, McCourt School of Public Policy, Georgetown University, will present the Hawai'i Retirement Savings Board with information, including, but not limited to state-facilitated retirement savings programs, an overview of the status of the programs, lessons learned, and best practices.

B. Presentation by the Colorado SecureSavings Program

Hunter Railey, Executive Director, Colorado SecureSavings Board, will present the Hawai'i Retirement Savings Board with information, including, but not limited to the background of the Partnership of a Dignified Retirement, governance overview, and state partnership timeline.

IV. Executive Director's Report

A. Update on the Hawai'i Retirement Savings Program Budget

B. Update on Personnel

V. Next Meeting: October 21, 2025
Virtual Videoconference Meeting – Zoom Meeting

and

In-Person Meeting Location: Princess Ruth Ke'elikolani Building
830 Punchbowl Street, Room 321
Honolulu, Hawai'i 96813

VI. Adjournment

Reasonable accommodations for people with disabilities are available upon request. Requests for accommodations should be submitted via email to david.j.rodriquez@hawaii.gov or by calling David Rodriguez at (808) 586-8855 (voice) as soon as possible. Such requests should include a detailed description of the accommodation needed. In addition, please include a way for David Rodriguez to contact the requester if more information is needed to fulfill the request. Last minute requests will be accepted but may not be possible to accommodate. Upon request, this notice is available in alternate formats.

**II. APPROVAL OF MEETING MINUTES:
August 19, 2025, Open Session Meeting
Minutes**

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR



JADE T. BUTAY
DIRECTOR

WILLIAM G. KUNSTMAN
DEPUTY DIRECTOR

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STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
830 PUNCHBOWL STREET, ROOM 321
HONOLULU, HAWAII 96813

HAWAII RETIREMENT SAVINGS BOARD

MINUTES OF THE MEETING

Date: August 19, 2025

Time: 10:00 a.m.

In-Person Meeting Location: Princess Ruth Ke'elikolani Building
830 Punchbowl Street, Room 321
Honolulu, Hawaii 96813

Virtual Participation: Virtual Videoconference Meeting – Zoom Webinar

<https://us02web.zoom.us/j/89810613627?pwd=d9Gge8JIH9675tWxpOUPh03TLfngFh.1>

Meeting Recording: <https://www.youtube.com/watch?v=QWxmSC9jjZc>

Present: William G. Kunstman, Deputy Director, Department of Labor and Industrial Relations ("DLIR"), Director Designee
Derek Shigano, Special Assistant, Department of Budget and Finance, Director Designee
Jessie Keola Dean, Member
Barbara Krieg, Member
Andrew Nomura, Member
Brian Taniguchi, Member
Matthew Anbe, Deputy Attorney General ("DAG Anbe")
Ahlani K. Quiogue, Executive Director
Chavonnie J. Ramos, Public Information Officer, DLIR
Tri C. Pham, Information Technology Specialist, DLIR

Excused: Representative Jackson D. Sayama, Member
Senator Henry J.C. Aquino, Member

Zoom Guests: Grace Sullivan
Ryley Colle
1.95E+10
Victoria Schmidt
Brandon Curington
Andrew Blevin, The Pew Charitable Trusts ("Pew")
John C. Scott, Pew
Observer

**In-Person
Guest(s):** None.

Agenda: The agenda for this meeting was posted to the State electronic calendar as required by Hawai'i Revised Statutes ("HRS") section 92-7(b).

Co-Chairperson Kunstman explained to the members of the public the procedures to participate in the hybrid board meeting, including how a member of the public can participate and interact with the Board during the board meeting.

Call to Order: The meeting was called to order at 10:05 a.m., at which time quorum was established.

Co-Chairperson Kunstman welcomed everyone to the meeting and proceeded with a roll call of the Board members. All Board member(s) attending the meeting virtually confirmed that they were present and alone.

**Approval of the
June 24, 2025,
Open Session
Minutes:** Co-Chairperson Kunstman asked for public comments on this agenda item. There was none.

Co-Chairperson Kunstman asked for comments or amendments to the minutes from the Board members. There was none.

The June 24, 2025, meeting minutes were approved by unanimous consent.

A member of the public named Observer requested to have their camera and microphone on at 10:06 a.m. Observer was removed and blocked from the meeting at 10:07 a.m. after an explicit video was shared.

New Business: A. Fiduciary Responsibilities of the Hawai'i Retirement Savings Board

DAG Anbe presented to the Board its fiduciary duties to implement and administer the Hawai'i Retirement Savings Program ("Program").

DAG Anbe discussed the following:

- The purpose of the Board (HRS § 389-3)
- Protection from liability (HRS §§ 389-10, 26-35.5, and compliance with the chapter 103D, the State's procurement code)
- Limitations regarding the protections against liability of Board members (*Awakuni v. Awana*, 115 Haw. 126 (2007), and *Honda v. Bd. of Trustees of ERS*, 108 Haw. 338 (2005))
- Legislative reporting requirements
- Delegation of duties to the Executive Director

DAG Anbe advised the members that the Board's purpose is to implement and administer a retirement savings program for private-sector employees who do not have access to employer-sponsored retirement savings plans.

DAG Anbe emphasized that the Board's key duties are to:

- Design program per best practices.
- Ensure compliance with laws.
- Manage investments and safeguard participant funds.
- Contract a qualified financial institution as program manager.
- Conduct feasibility/implementation studies, staffing, and outreach.
- Liability Protections: Limited under HRS §§ 389-10 & 26-35.5; compliance with procurement law (Ch. 103D) adds protection.
- Legal Guidance: Courts (*Awakuni v. Awana*, 115 Haw. 126 (2007), and *Honda v. Bd. of Trustees of ERS*, 108 Haw. 338 (2005)) suggest both statutory and possible common law duties apply.
- Best Practice: Strict compliance and well-documented justifications for any deviations.

Regarding the Board's duties, Ms. Krieg asked whether the updated report provided by Pew satisfied the statutory requirements.

DAG Anbe referred to HRS § 389-5(c), which provides at the discretion of the Board, that, "Upon submittal of its report to the legislature pursuant to subsection (b) and *prior to implementation of the program*, the board *may* determine the level of staffing necessary to implement the program, develop an implementation strategy and timetable, and conduct outreach efforts to potential covered employers and covered employees." It appears that the updated study by Pew would satisfy these requirements.

Ms. Krieg asked when the report should be submitted to the legislature.

Ms. Quiogue stated that there is no specific timeframe for the report to be submitted in statute.

Co-Chairperson Kunstman sought clarification regarding the broader discussion of legislative reporting. He asked whether the Board is questioning "what should constitute a report back to the Legislature?"

Ms. Krieg stated that she would like to ensure that the Board meets all its statutory obligations and, if there is a broader option, then the Board can determine what is best for the Program.

Mr. Dean commented that legislators may not be fully informed of the purpose of the Program, its status, etc. based solely from board meetings, and that a formal report would give them an easy and accessible way to get updated on the Program's progress.

Mr. Taniguchi suggested that the Board consider offering an informal briefing to legislators ahead of the legislative session. He proposed that this could be organized and spearheaded by Representative Jackson Sayama and Senator Henry Aquino, who are the legislative members of the Board. He went on to say that a pre-session briefing would be more effective than trying to engage legislators during or after session when their schedules are more constrained. The goal would be to update legislators on the Program's progress, especially since the Board is not currently seeking new legislation. This approach would help ensure that key decision-makers are informed and aligned before the session begins.

Co-Chairperson Kunstman stated that that what the Board was discussing regarding legislative updates and Program progress might be well-suited for a legislative informational briefing. There are many informational briefings that occur outside of the legislative session, and this could be a strategic opportunity for the Board. It might be especially beneficial at this time because

there is a new Chair of the House Finance Committee, who may not yet be familiar with the Program. A briefing would help ensure that key legislators are informed and aligned before the session begins, particularly as the Board is not currently seeking new legislation.

B. The Pew Charitable Foundation Presentation

John C. Scott, Project Director, Retirement Savings, The Pew Charitable Trusts, provided updated information regarding the Program modeling.

To assess the potential scale and financial trajectory of the program, the report presents two projections that reflect different assumptions about the number of uncovered employees in Hawai'i:

- Baseline scenario (CPS-based/high-participation case): Estimates are derived from national Current Population Survey (CPS) microdata, scaled to Hawai'i's firm size distribution. This approach produces a total uncovered worker population of approximately 196,600—closely aligned with the 2021 task force feasibility analysis—and results in 21,300 eligible employers statewide.
- Conservative scenario (SUSB-based/low-participation case): Estimates are based on the U.S. Census Bureau's Statistics of U.S. Businesses (SUSB) firm and worker counts, applying a more restrictive assumption about plan access among larger employers. This results in an uncovered worker population of roughly 99,700 and 18,800 eligible employers.

The baseline scenario reflects a broader pool of eligible participants and therefore generally higher participation over time. The conservative scenario serves as a lower bound, illustrating how outcomes may shift under more conservative eligibility assumptions.

Mr. Scott presented his PowerPoint presentation and provided the following information:

- Key findings:
 - Baseline projection: 45,000 accounts and \$700M in assets by year 15.
 - Conservative projection: 20,000 accounts and \$300M in assets by year 15.

- Policy options (e.g., auto-escalation, fee adjustments, enforcement) could significantly increase participation and revenue.

Discussion followed. Mr. Scott emphasized the importance of:

- Knowing Your Customer ("KYC") checks and its impact.
- Multi-state partnerships – currently there are two multi-state partnerships with Colorado Partnership for a Dignified Retirement or Rhode Island (RISavers).

Ms. Krieg raised a concern about the 25–40% failure rate, and expressed that it is huge in KYC checks, and asked Mr. Scott to elaborate on the issue.

Mr. Scott clarified that:

- KYC checks are federally mandated identity verifications required before opening financial accounts. They typically validate a person's name, Social Security number, date of birth, and address.
- These checks are not required for employer-sponsored retirement plans (like 401(k)s) but are required for state-facilitated auto-IRA programs like Hawai'i's.
- The high failure rate is often due to inconsistencies in data especially addresses, which disproportionately affect lower-income or transient populations.
- Financial service providers have some discretion in how they implement KYC checks. Pew has been advocating for a softer KYC approach. For example, allowing use of an employer's address if a worker's address does not match.
- Some states have much higher failure rates than others, likely due to both demographics and how strictly providers apply the checks.
- Pew is in ongoing discussions with the U.S. Treasury Department and service providers to explore more flexible, risk-appropriate KYC practices for these programs.

Mr. Nomura queried whether the Board is responsible for setting the criteria of KYC checks and policy implementation.

In response to Mr. Nomura's question, Mr. Scott stated that while the Board may not directly set the technical criteria for KYC

checks, which are typically handled by financial service providers, it is indeed responsible for engaging with those providers to understand and influence how these checks are implemented. He emphasized that these are important conversations to have during the RFP process when selecting vendors, as different providers may have varying levels of flexibility in how they apply KYC standards.

While the Board may not define the exact technical criteria, it does play a key role in shaping the policy direction and ensuring that implementation aligns with the Board's fiduciary responsibilities and program goals.

Mr. Dean referred to earlier comments regarding multi-state compacts and the slides provided on this information. He emphasized the importance of obtaining more information regarding this matter. He went on to say that he has an interest in learning more about the Colorado and Rhode Island's partnerships, and how joining a compact could affect program implementation, costs, and vendor negotiations.

Ms. Quiogue informed the members that she will be inviting the Executive Director from Colorado and Georgetown Center for Retirement Initiatives to its September board meeting.

Mr. Nomura stated that with the information presented by Pew and the information presented in September, he hopes that the Board will be able to decide whether it will be a standalone program or join a multi-state compact. He went on to ask whether there were any other standalone programs.

Mr. Andrew Blevins, Officer, Pew Charitable Foundation, responded that California, Illinois, and Oregon are standalone programs because there were no multi-state compacts at the time these programs were established.

Mr. Nomura asked how smaller states have approached retirement savings programs and whether they pursued standalone models or joined multi-state partnerships.

Mr. Scott explained that one of the challenges smaller states with lower populations like Hawai'i face is the challenge of bidding for financial service providers.

In the context of discussing the benefits of joining a multi-state partnership, Mr. Scott emphasized that financial providers are looking for scale and efficiency. Financial providers may be less inclined to bid on contracts from smaller standalone programs. By joining a consortium, smaller states can: increase their

bargaining power; attract more competitive bids; reduce implementation costs; and accelerate program launch timelines.

This insight supported the broader discussion about Hawai'i potentially joining an existing partnership, such as those led by Colorado or Rhode Island to improve feasibility and cost-effectiveness.

Mr. Taniguchi referred to the fee structure for the Program and noted that, the fee structure appears to have doubled since the initial report was issued in 2021. Specifically, he recalled that the Board had previously considered a 0.15% fee, but the updated modeling shows a 0.29% fee.

In response to Mr. Taniguchi's observation, Mr. Scott confirmed that:

- Fees have increased since 2021, largely due to financial service providers gaining more experience with the actual costs of running these programs (e.g., call centers, outreach, investment management).
- The increase reflects real-world adjustments based on operational data from other states.
- States have also renegotiated their fees over time as their programs matured and assets grew.
- Larger asset pools, such as those achieved through multi-state partnerships, can help lower fees over time due to economies of scale.

Regarding the automatic escalation feature in other states' retirement savings programs, Co-Chairperson Kunstman asked whether other states limit contributions at 10%, or if participants are allowed to contribute more once the automatic escalation reaches that threshold.

Mr. Scott responded that, most programs cap automatic escalation at 10%, meaning contributions automatically increase by 1% annually until they reach that level. However, participants may choose to contribute more than 10% if they wish.

Mr. Scott emphasized that most participants tend to stick with the default settings, rarely adjusting their contribution rates manually highlighting the importance of thoughtful default design.

Co-Chairperson Kunstman asked whether contribution escalation or fee structures should be addressed in administrative rules.

Ms. Quiogue responded affirmatively that administrative rules are the appropriate vehicle as these provisions should not be embedded in statute. Administrative rules offer more flexibility and are easier to amend as the program evolves.

Members discussed the role of administrative rules in defining key program elements such as contribution rates, opt-out procedures, and fee structures. The consensus leaned toward the importance of having administrative rules established early to ensure clarity, compliance, and fiduciary accountability.

Ms. Krieg emphasized the importance of administrative rules. Employers will need clear guidance on how the program operates. She had assumed the Board would be responsible for setting those rules. However, admitting that the Board does not know everything, nor can they foresee an issue before it occurs.

Ms. Quiogue asked DAG Anbe whether the Board may implement certain program elements through policy rather than wait for the formal administrative rule process. Initially the Board may consider doing it through policy and documenting said policy in its board meeting minutes until the rule process is completed.

As the Board is aware, the administrative rule process can be several months or even years. This includes the various levels of review, public hearing, and going before the Small Business Regulatory Review Board.

DAG Anbe indicated that he would work with DAG Moriyama to determine whether this is a viable option. He clarified further that he would seek information regarding what: decisions must be made through administrative rule, can be handled through Board policy, and documentation is required to ensure fiduciary compliance and legal defensibility.

Co-Chairperson Kunstman asked Mr. Scott how other jurisdictions address the enforcement piece of their program and what type of staffing does it involve.

Mr. Scott explained that enforcement is typically handled through partnerships with other state agencies, such as the Departments of Revenue or Labor. These agencies issue a series of escalating notices to non-compliant employers, often three rounds, encouraging them to either enroll in the program or demonstrate exemption. The program administrator usually does not handle enforcement directly. Most employers respond to the notices without the need for fines or further action. In some instances the program may contract with the enforcement

agency, and the agency may charge a fee for its services.

Mr. Scott emphasized that very few fines are collected, as the notices are usually sufficient to prompt compliance.

Co-Chairperson Kunstman informed the Board that currently Unemployment Insurance ("UI") division provides enforcement-related services, but the programs are restricted in how they can use funding. More specifically, they cannot use their funding on anything other than their program. He went on to say that some of the divisions within the department enter into data-sharing agreements. UI data is considered the gold standard for employer information across state government.

Co-Chairperson Kunstman mentioned a statewide data task force established by the Legislature, led by the Office of Enterprise Technology Services (ETS), which is exploring centralized data access and efficiency improvements. This could eventually impact how the Board accesses and uses employer data for enforcement and outreach.

To summarize the discussion above, the following responsibilities and decisions must be considered:

1. Fiduciary Duties

- The Board must always act in the best interests of program participants.
- Fiduciary responsibilities include:
 - Oversight of program design and implementation.
 - Ensuring transparency, cost-efficiency, and legal compliance.
 - Making decisions that support long-term sustainability and participant benefit.

2. Implementation Planning

- The Board has discretion over the timeline and pace of program rollout.
- Key responsibilities include:
 - Developing a detailed implementation plan.
 - Deciding whether to launch a standalone program or join a multi-state partnership.
 - Issuing RFPs for vendors (e.g., program administrator, investment manager).
 - Overseeing contracting and procurement in compliance with state law.

3. Rulemaking and Policy Design

- The Board must determine which elements require administrative rules (e.g., opt-out process, contribution escalation, fee structures).
- Administrative rules ensure clarity, public input, and legal defensibility.
- The Board may also adopt interim policies documented in meeting minutes while rules are being finalized.

4. Outreach and Education

- The Board is responsible for developing and overseeing a comprehensive outreach strategy targeting:
 - Employers (especially small businesses).
 - Employees and the general public.
 - Financial professionals (e.g., advisors, CPAs) who can help promote the program.

5. Monitoring and Evaluation

- Monitor program performance.
- Evaluate vendor compliance and participant outcomes.
- Adjust policies and contracts as needed to improve effectiveness.

6. Reporting to the Legislature

- The Board is expected to report on progress of the Program and may be required to submit updates or recommendations to the Legislature before full implementation.

Mr. Nomura emphasized that financial advisors would be key to accessing employers. This point was made in the context of outreach and engagement strategies for the Program. He noted that financial advisors are often the first point of contact for employers when it comes to retirement planning, play a critical role in educating employers about the state program, and help employers decide whether to participate or establish their own plans. By leveraging this network, the Program could significantly improve employer awareness and adoption.

Co-Chairperson Kunstman asked the members and public if there were any further questions or comments regarding this agenda topic. There were none.

**Executive
Director Report:**

A. 2025 Financial Disclosures

Ms. Quiogue reminded members that all financial disclosure statements for State officials and boards and commissions members were due on by Monday, June 2, 2025. Members must file their disclosures immediately if they have not already done so.

Next Meeting: The Board discussed holding a board meeting in September.

Adjournment: There being no further business, the meeting adjourned at 11:41 a.m.

Taken and recorded by:

/s/ Ahlani K. Quiogue

Executive Director

() Minutes approved as is.
() Minutes approved with changes:

III. NEW BUSINESS:
A. Presentation by Georgetown
University Center for
Retirement Initiatives

GEORGETOWN
UNIVERSITY

McCourt School *of Public Policy*

**CENTER FOR
RETIREMENT
INITIATIVES**

**State-Facilitated Retirement Savings Programs
Overview of Current Status, Lessons Learned, and Best Practices**

A Presentation to the Hawai'i Retirement Savings Board

Angela Antonelli
Research Professor and Executive Director
September 30, 2025

Who We Are

GEORGETOWN
UNIVERSITY

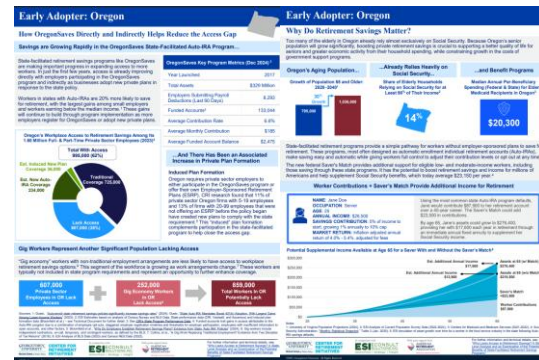
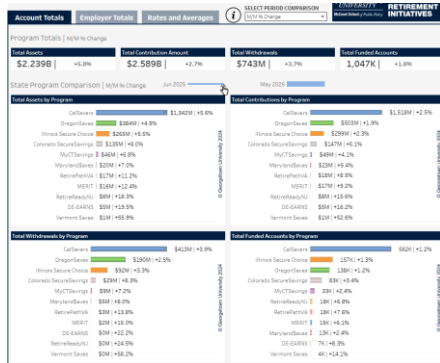
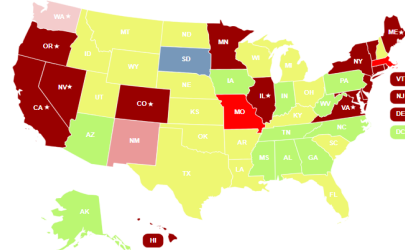
McCourt School of Public Policy

**CENTER FOR
RETIREMENT
INITIATIVES**

The Georgetown Center for Retirement Initiatives

Working to close the access gap
for private sector workers since
2014

- Educate and inform about state-facilitated programs
- Host the network of the states (monthly and annual meetings)
- Provide technical assistance to the states to support legislative and program implementation
- Share resources to address legal, policy, and regulatory issues
- Maintain a State Resource Center for the states
- Maintain and disseminate state program performance data
- Share best practices and lessons learned

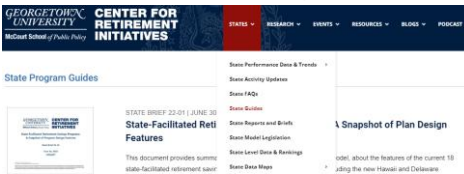


State Resource Center

Please click below to access materials produced by previous and current study and implementation states

Frequently Asked Questions

- State-Facilitated Retirement Savings Program Models
- Auto-IRA Common Program Design Features
- Employer and Employee Program Experience
- Comparison of the Basic Features of an IRA and a 401(k)
- A Comparison of Traditional IRAs and Roth IRAs
- Impact of State Programs on Employer-Sponsored Plans
- Vendors Servicing State-Facilitated Retirement Savings Programs



The Case for State Programs and the Current Landscape

The State's Demographics Are Changing, Population is Aging

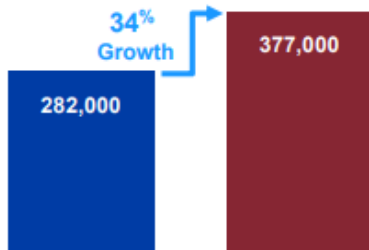
Hawaii

Why Do Retirement Savings Matter?

Too many of the elderly in Hawaii already rely almost exclusively on Social Security. Because Hawaii's senior population will grow significantly, boosting private retirement savings is crucial to supporting a better quality of life for seniors and greater economic activity from their household spending, while constraining growth in the costs of government support programs.

Hawaii's Aging Population...

Growth of Population 65 and Older:
2020–2040¹



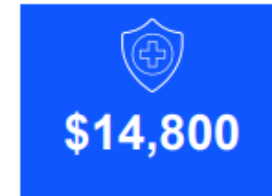
...Already Relies Heavily on Social Security...

Share of Elderly Households
Relying on Social Security for at
Least 90% of Their Income²



...and Benefit Programs

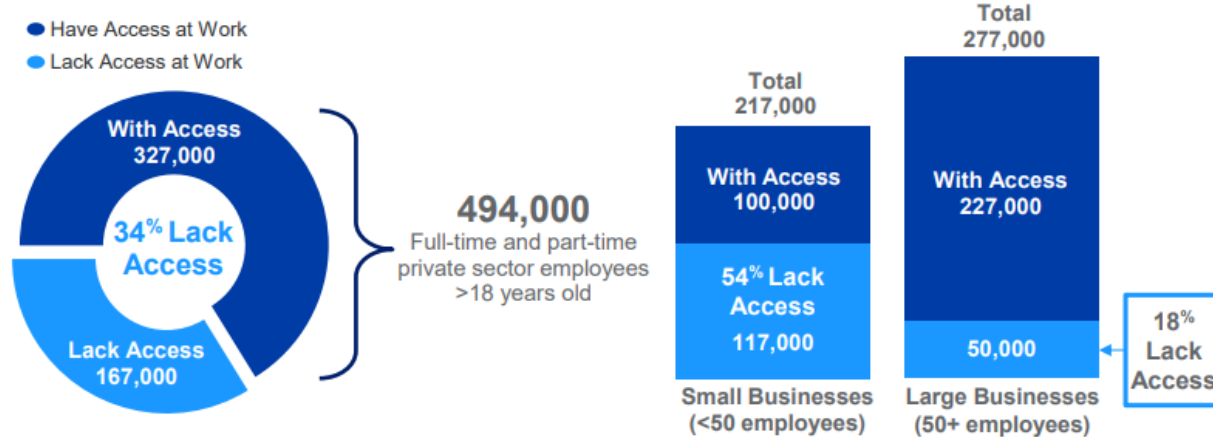
Median Annual Per-Beneficiary
Spending (Federal & State) for Elderly
Medicaid Recipients in Hawaii³



Source: Georgetown University CRI © 2025, Georgetown University

The Access Gap is Large

Workplace Access to Retirement Savings Among Private Sector Employees in Hawaii, 2023²



Hawaii has 24,000 small businesses with employees.³ Employees at these businesses are less likely than those working at larger firms to have access to retirement savings through their workplaces.



Source: Georgetown University CRI © 2025, Georgetown University

The Benefits Can Be Great

Worker Contributions + Saver's Match Provide Additional Income for Retirement

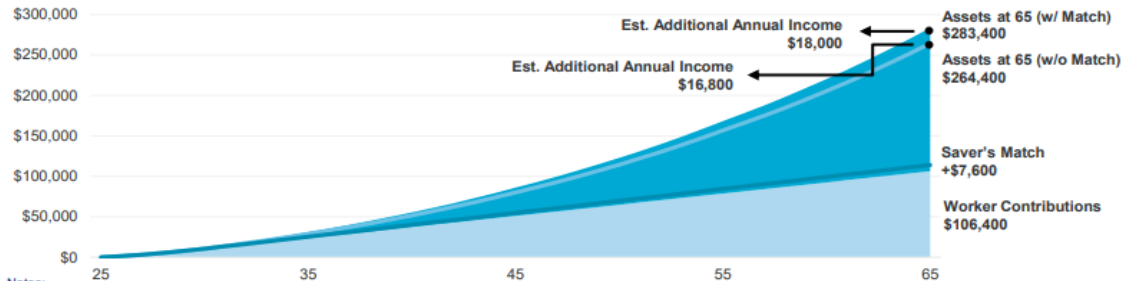


NAME: Jane Doe
OCCUPATION: Server
AGE: 25
ANNUAL INCOME: \$32,600
SAVINGS CONTRIBUTION: 5% of income to start, growing 1% annually to 10% cap
MARKET RETURN: Inflation adjusted annual return of 4.0% - 5.4%, adjusted for fees

Using the most common state Auto-IRA program defaults, Jane would contribute \$106,400 to her retirement account over a 40-year career. The Saver's Match could add \$7,600 in contributions.

By age 65, Jane's assets could grow to \$283,400, providing her with \$18,000 each year in retirement through an immediate annual fixed annuity to supplement her Social Security Income.

Potential Supplemental Income Available at Age 65 for a Saver With and Without the Saver's Match⁵



Notes:

1: University of Virginia Population Projections (2024); 2: ESI Analysis of Current Population Survey Data (2022-2024); 3: Centers for Medicaid and Medicare Services (2021-2022); 4: Social Security Administration, "Monthly Statistical Snapshot," Table 2 (Jan. 2025); 5: ESI simulation of asset growth over time for a worker in the food service industry in the state following Auto-IRA savings defaults.

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With grant support from
**AMERICAN
RETIREMENT
ASSOCIATION**
Working for America's Retirement

For further information and technical details, see:
"Who Lacks Access to Retirement Savings? A State-Level
Analysis and an Examination of the Potential Benefits of
State-Facilitated Retirement Savings Programs"

Source: Georgetown University CRI © 2025, Georgetown University

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While the Cost of Doing Nothing is Significant

Federal Budget Costs = \$964 billion/HI share is **\$3.8** billion between 2021 and 2040

State Budget Costs = \$334 billion/HI share is **\$1.2** billion between 2021 and 2040

Source: The Pew Charitable Trusts



States Are Driving Change by Designing and Adopting Universal Access Retirement Savings Programs (20 States)

Individual Retirement Account (Auto-IRA)= 17 states (12 open)			Voluntary Open Multiple Employer Plan (MEP)	Voluntary Payroll Deduction IRA	Voluntary Marketplace
California	Maine	Oregon	Massachusetts	New Mexico (TBD)	New Mexico (TBD)
Colorado	Maryland	Rhode Island (2025)	Missouri (TBD)		Washington
Connecticut	Minnesota (2026)	Vermont			
Delaware	Nevada	Virginia			
Hawai'i (2026)	New Jersey	Washington (2027)			
Illinois	New York (2025)				

Green = program now open to all eligible workers

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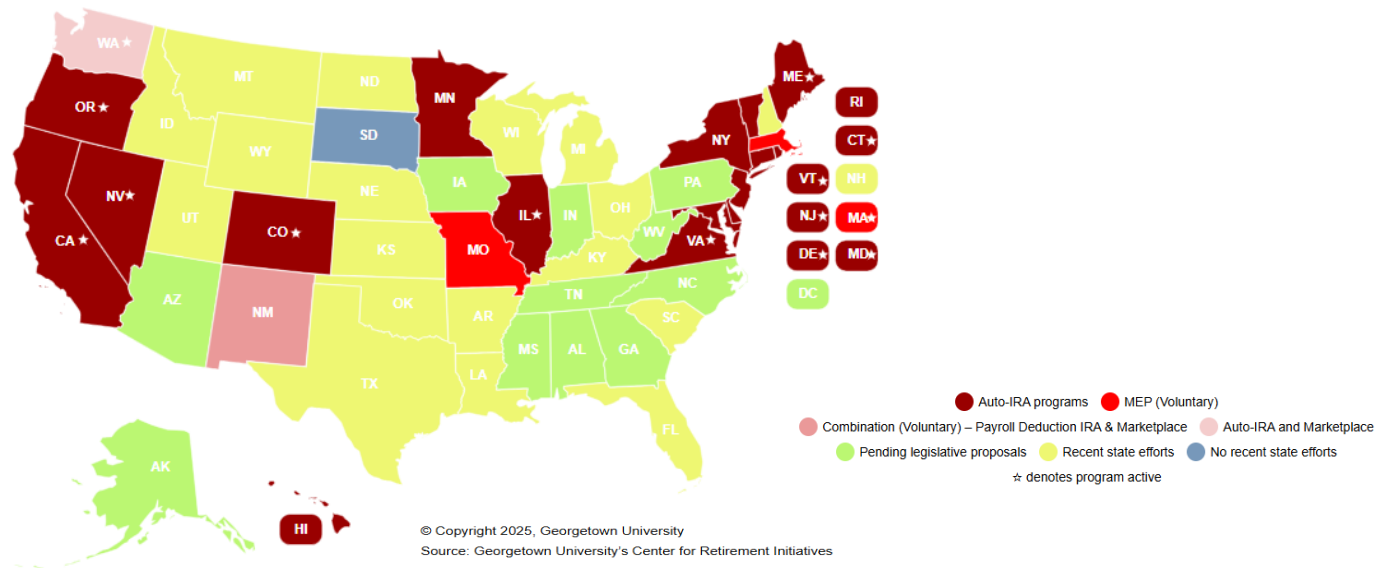
2025 State Programs and Legislative Activity

2025 State Program Information Map

(as of August 4, 2025)

Click on this map to view quick links for program states

[Click here to view 2025 map with detailed state legislative activity updates \(login required\)](#)



State Program Performance

State Program Performance (Auto-IRA States)



\$2.39+ Billion in Assets

CA, CO, CT, IL, ME, MD, OR, VA, VT, DE, NJ
as of 8/31/2025



**258,208 Registered
Employers**

CA, CO, CT, IL, ME, MD, OR, VA, VT, DE, NJ
as of 8/31/2025



**1,076,523 Funded
Accounts**

CA, CO, CT, IL, ME, MD, OR, VA, VT, DE, NJ
as of 8/31/2025

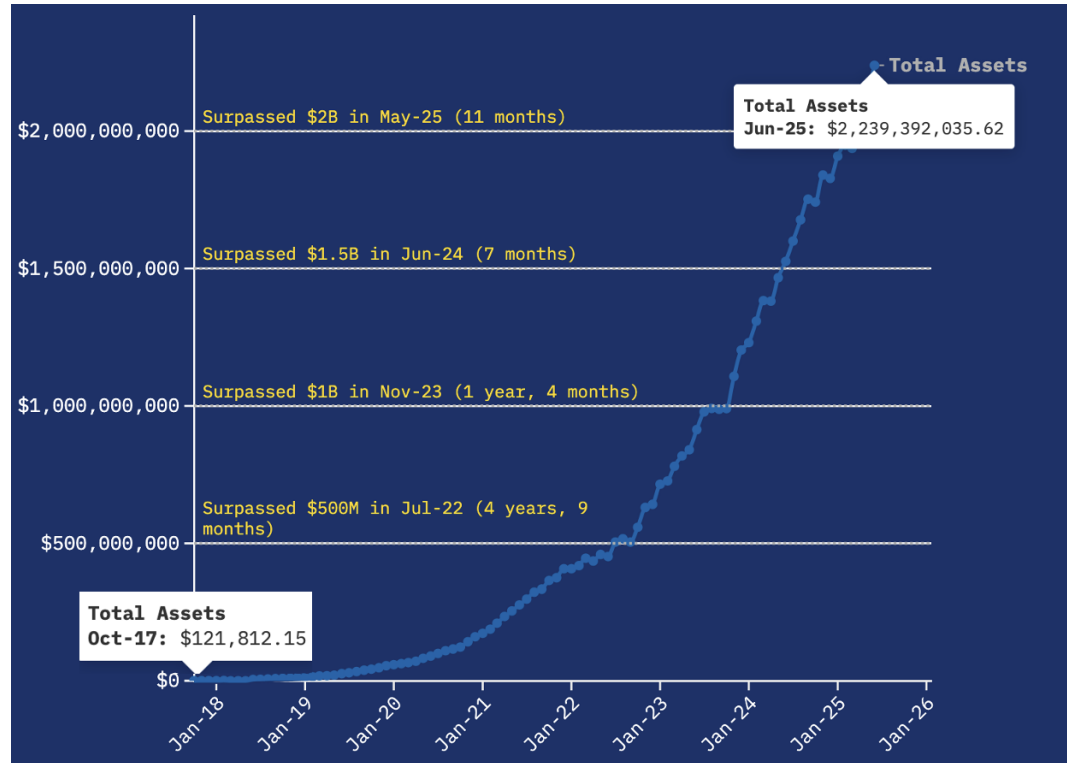
Source: Data compiled by Georgetown CRI from
state public and provided data

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Acceleration in the Growth of Total Assets, 2017-2025

Start to see rapid acceleration in 2023

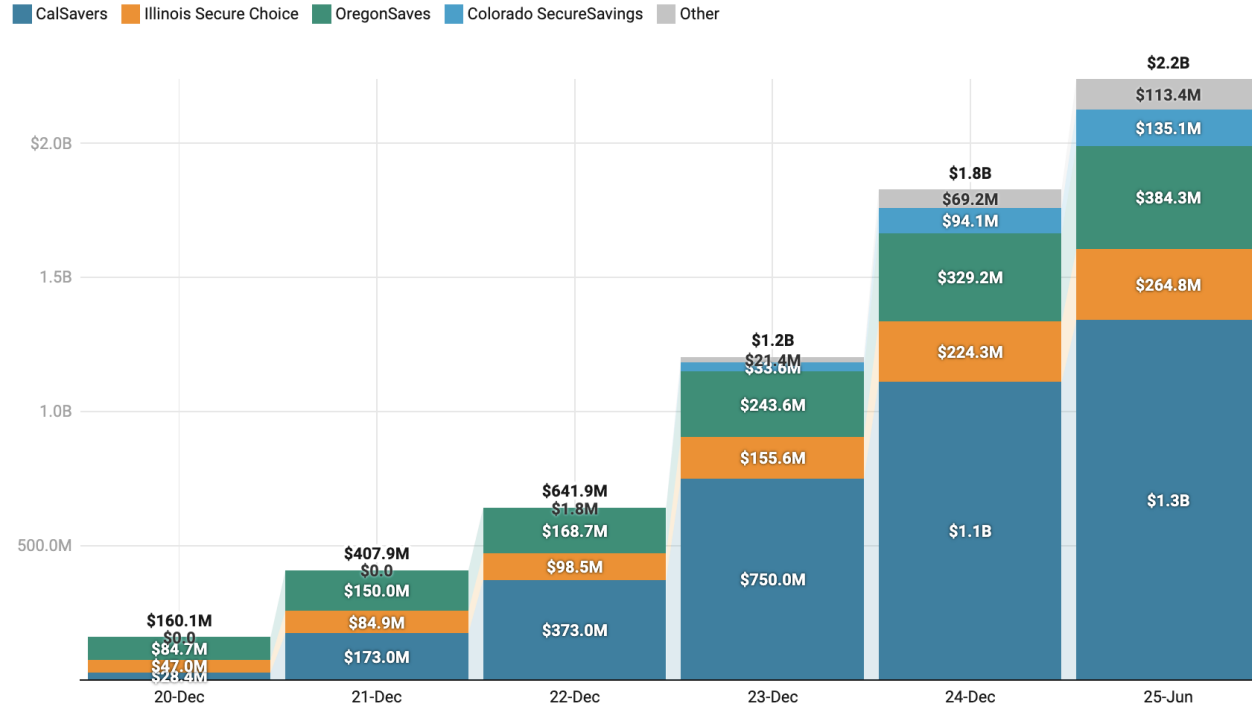
- ✓ CA and IL begin enforcement
- ✓ Several other states launch programs beginning in 2022 and 2023 & move more quickly to enforcement



Source: Georgetown CRI's state program performance database; not all data included here and provided to CRI by state programs are publicly available.

Total Assets by Program, 2020-2025

Total Assets by Program (December 2020 to June 2025)



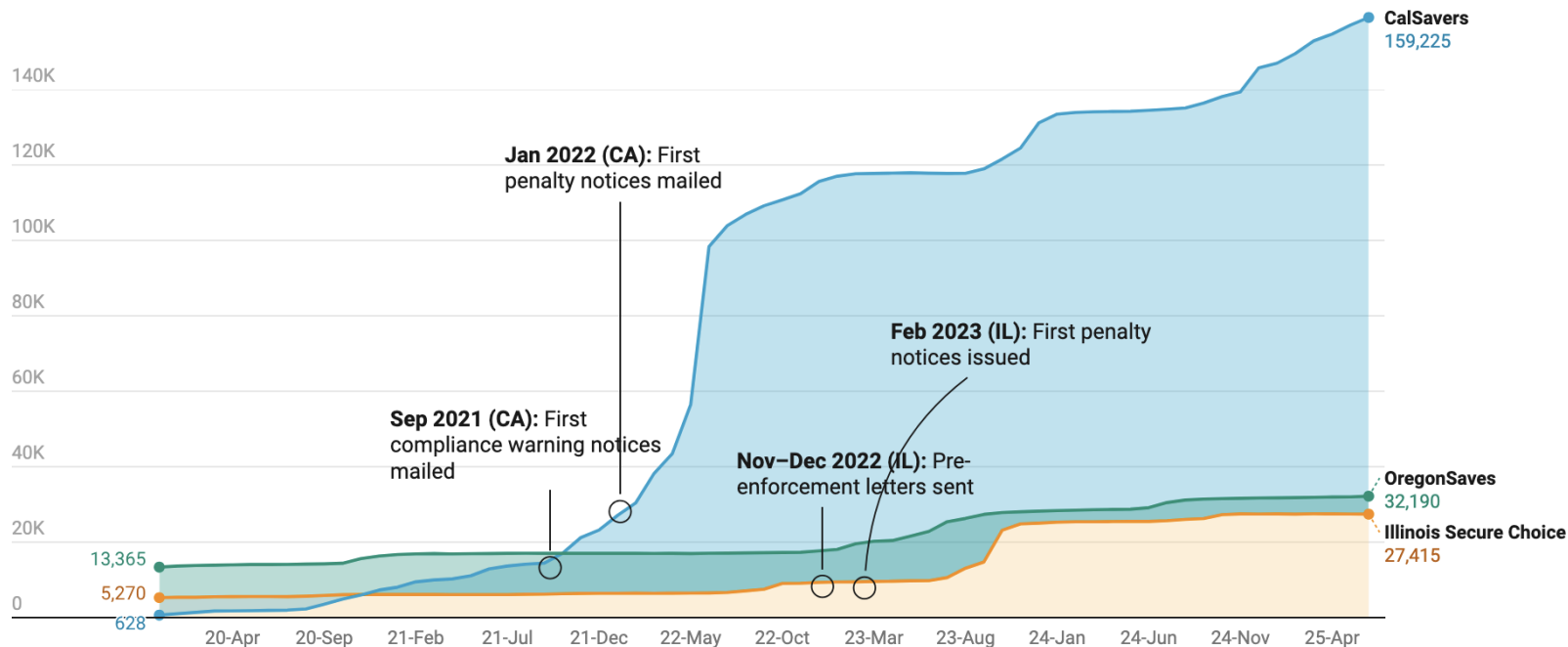
*Other includes MyCTSA, Maryland\$aves, RetirePathVA, MERIT, DE-EARNS, RetireReadyNJ, VermontSaves.

All program data is as of June 30, 2025.

Source: Georgetown CRI state programs database

Enforcement and Compliance Directly Impacts Program Participation

Impact of Enforcement on **Total Registered Employers** – Early Adopter States (Dec 2019 – Jun 2025)



Best Practices and Lessons Learned

State Auto-IRA Programs –Trend Toward Standardization
















Best Practices and Lessons Learned

Auto-IRA Programs are increasingly becoming standardized in **program design**:

- ✓ Roth IRA as default w/ traditional also available
- ✓ Low employer thresholds
- ✓ Include independent and gig workers (opt-in)
- ✓ 5% default contribution
- ✓ Auto-escalation of 1% per year to a cap of 8%-10%
- ✓ Short asset holding periods
- ✓ Simple investment menus

Auto-IRA Programs are increasingly becoming standardized in **program administration**:

- ✓ Governance structures
- ✓ Marketing and outreach
- ✓ Data sharing
- ✓ Hybrid fee structure
- ✓ Program rollout
- ✓ Enforcement and compliance

 CENTER FOR RETIREMENT INITIATIVES <small>McCourt School of Public Policy</small>		Comparison of Key Program Design Features			 CENTER FOR RETIREMENT INITIATIVES <small>McCourt School of Public Policy</small>
		Account Type	Employer Threshold	Default Contribution	Default Investment
Auto IRA					
		Roth IRA (traditional option available)	Employers that do not currently offer qualified plans.	5%, automatically increasing 1% annually until reaching 10%	Funds for the first 30 days held in a capital preservation fund, then defaulted into a target date fund (or other investment, if selected).
		Roth IRA (traditional option available)	Employers with 5 or more employees in business for at least two years that have not offered a qualified plan in the last two years.	5%, automatically increasing 1% annually until reaching 10%	Funds for the first 90 days after initial contribution held in a money market fund, then defaulted into a target date fund (or other investment, if selected).
		Roth IRA (traditional option available)	Employers that do not currently offer qualified plans.	5%, automatically increasing 1% annually until reaching 8%	Funds for the first 30 days after contribution held in a money market fund, then defaulted into a target date fund (or other investment, if selected).
		Roth IRA (traditional option available)	Employers with at least 5 employees that currently do not provide qualified plans.	3%	Funds for the first 60 days after initial contribution held in a money market fund, then defaulted into a target date fund (or other investment, if selected).
		Roth IRA (traditional option available)	Employers with one or more employees in business for at least two years that use an automated payroll system and do not currently offer qualified plans.	5%, automatically increasing 1% annually until reaching 10%	The first \$1,000 of contributions go to an emergency savings fund, then defaulted into a target date fund (or other investment, if selected).
		Roth IRA (traditional option available)	Employers with 5 or more employees that have been in business at least two years and currently do not offer qualified plans.	5%, automatically increasing 1% annually until reaching 8%	Funds are held for the first 30 days in a capital preservation fund, then defaulted into a target date fund (or other investment, if selected).
		Roth IRA (traditional option available)	Employers with 25 or more full-time employees in business for at least two years that do not offer a qualified plan.	5%, automatically increasing 1% annually until reaching 10%	Funds are held for the first 30 days in a capital preservation fund, then defaulted into a target date fund (or other investment, if selected).
		Roth IRA (traditional option available)	Employers with 5 or more employees that have been in business at least two years and currently do not offer qualified plans.	5%, automatically increasing 1% annually until reaching 8%	Funds are held for the first 30 days in a capital preservation fund, then defaulted into a target date fund (or other investment, if selected).
		Roth IRA (traditional option available)	Employers with 5 or more employees that have been in business at least six months and currently do not offer qualified plans.	5%, automatically increasing 1% annually until reaching 10%	Funds for the first 30 days held in a capital preservation fund, then defaulted into a target date fund (or other investment, if selected).
		Roth IRA (traditional option available)	Employers with 25 or more employees that do not offer a qualified retirement savings plan.	3%	Funds for the first 30 days held in a capital preservation fund and then defaulted into a target date fund (or other investment, if selected).
		Roth IRA (traditional option available)	Employers with 5 or more employees that have been in business at least two years and currently do not offer qualified plans.	5%, automatically increasing 1% annually until reaching 8%	Funds for the first 30 days held in a capital preservation fund and then defaulted into a target date fund (or other investment, if selected).
		Roth IRA (traditional option available)	Employers with 5 or more employees that have been in business at least two years and currently do not offer qualified plans.	5%, automatically increasing 1% annually until reaching 10%	Funds for the first 30 days held in a capital preservation fund and then defaulted into a target date fund (or other investment, if selected).
MEP (voluntary employer participation)					
		Multiple employer 401k Plan	Nonprofits employing 20 or fewer employees	6% escalating 1% or 2% (per employer election) per year up to 15%	Contributions are defaulted into age appropriate target date funds (or other investment, if selected).

Program Design

Best Practices and Lessons Learned

Best Practices

- Roth IRA as default, with traditional IRA also offered as a choice
- Auto-enrollment
- Default contribution most commonly starts at 5%
- Auto-escalation 1% per year to a cap of 8-10%
- Rollout of program first with a pilot and a diverse set of employers and then move to full open for all eligibles

Lessons Learned

- Savers stick with defaults and majority don't act to change
- Securing state employer data is important
- Program opens to all eligibles, but manage in waves based on employer size (and encourage employers to join at any time and not wait)
- No need for long onboarding timelines
- Employer movement from registration to payroll contributing accounts can take time

[illegible]

Source: State program information compiled by CRI (8/7/25 Update)

Marketing and Outreach

Best Practices and Lesson Learned

Best Practices

- Make marketing and outreach a priority and dedicate resources
- Hire staff to focus on marketing and outreach
- Build bridges to local community organizations
- Multi-lingual content dissemination
- Community events, webinars, testimonials, social media
- Program leaders and staff dedicate time to community outreach and events

Lessons Learned

- Failure to invest in marketing and outreach will affect program performance
- Don't forget to focus on employers and value in targeted marketing
- Employees often go to their employers about the program, so what employers think matters
- Don't underestimate the level of effort to cover the state, notably reach rural areas

Investments

Best Practices and Lesson Learned

Best Practices

- Develop an investment policy statement and evaluate investment options
- Typically, suite of target date funds, an equity fund, a bond fund, and a capital preservation or money market fund
- Default investment is the target date fund
- Funds flow into the money market or capital preservation fund for 30-60 days (during the employee opt-out period) and then are deposited in the age-appropriate target date fund

Lessons Learned

- Keep the investment options few and simple
- Most funds will flow in and remain in target date funds

Two Interstate Partnership Arrangements

Colorado's Partnership for a Dignified Retirement



Maine - 2023



Delaware - 2023



Vermont - 2024



Nevada - 2024



Minnesota - 2025

Connecticut's Partnership



Rhode Island - 2024

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Partnership Considerations

Two options:

1. Join an existing partnership
2. Create a new one

Pros vs. standalone program:

- Supports great efficiencies of scale, so program costs/fees for participants and the state should be lower
- More attractive to service providers for this reason
- State doesn't have to undertake its own RFP process to hire some vendors
- Supports more rapid launch of program (approx. 18 months vs. 6-8 months) and earlier sustainability

Cons vs. standalone program:

- The state will inevitably choose to cede some control of decision-making about program management and features (such as investment selection, etc.), so may take a little more time to make any desired changes
- Failure of the state to fully understand any termination provisions or revenue-sharing expectation

Partnership Considerations

What remains the same regardless of standalone or partnership?

States will still need to continue to invest funds in governance and oversight, staff, marketing and outreach, data, reporting, auditing and enforcement.

What has been the first step for new programs considering a state partnership?

For many of the newest program states, one of the first steps taken has been to issue a Request for Information (RFI) to solicit partnership proposals.

Several states have issued RFIs that can help Hawaii should it choose to do so: Delaware (2023), Rhode Island (2024), Nevada (2024), and Minnesota (2025). These RFIs have many key questions a state would want to consider related to governance, fees, investments, and program experience.

Closing the Access Gap
How the Policy and the Program Work Together
to Drive Both Public and Private Progress

Research Shows State Programs Help Private Plan Growth

[Pew Charitable Trust \(2023\)](#)

- Evidence from CA, OR, and IL indicate state programs complement the private sector market for retirement plans
- Employers are not enticed by state programs to drop their existing plans
- Rate of introduction of new plans as a share of existing plans grew in all three states after program enrollment began (higher than national average): 1.3% in CA; 0.9% in IL; 1.8% in OR

[Bloomfield, Lee, Philbrick, Slavov \(NBER, 2023\)](#) and [Bloomfield, Goodman, Rao, Slavov \(NBER/CRI, 2024\)](#)

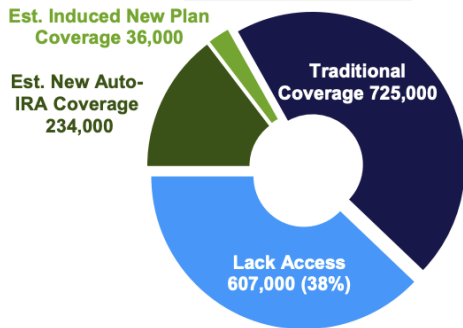
- Auto-IRA legislation has a positive impact on the likelihood of employers offering retirement plans and employee participation
- Firms in states with programs are 1.5-1.7% more likely to offer any employer-sponsored retirement plan relative to firms in states without and workers 3-5% more likely to participate in existing plans
- Recent state policies requiring employers to facilitate workplace savings options have induced at least 30,000 firms to establish retirement plans in four of the early adopter states (CA, IL, OR and CT).

Early Adopter States and Expanded Access

How State Programs Contribute Directly and Indirectly

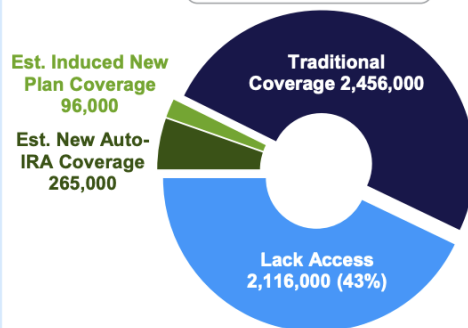
Oregon's Workplace Access to Retirement Savings Among Its 1.60 Million Full- & Part-Time Private Sector Employees (2023)²

Total With Access
995,000 (62%)



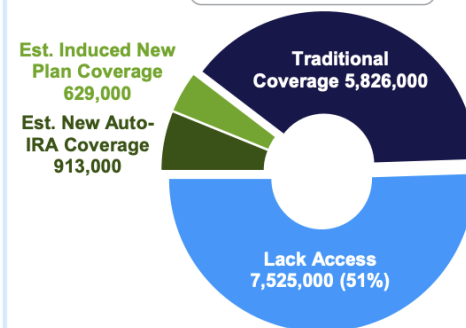
Illinois' Workplace Access to Retirement Savings Among Its 4.93 Million Full- & Part-Time Private Sector Employees (2023)²

Total With Access
2,817,000 (57%)



California's Workplace Access to Retirement Savings Among Its 14.89 Million Full- & Part-Time Private Sector Employees (2023)²

Total With Access
7,368,000 (49%)



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The Road Ahead

The Road Ahead – States

- ✓ Add new states & the continued growth of partnerships
- ✓ Employer compliance & related data needs
- ✓ Expand the pool of workers/savers (e.g., non-traditional workers; or re-enrollment)
- ✓ Know Your Customer
- ✓ Saver's Match



The Road Ahead– Federal

- ✓ Implementation of SECURE and SECURE 2.0, including the Saver's Match, and use of new and expanded tax incentives and plan designs (PEPs, Starter 401(k)) intended to make it easier employers to adopt plans
- ✓ Consideration of federal legislative proposals, including "SECURE 3.0" and efforts to expand universal access (and the role of state programs)



**Center for Retirement Initiatives
McCourt School of Public Policy**

125 E Street NW, Suite 530, Washington, DC 20001
202-306-8540 | cri.georgetown.edu

Angela M. Antonelli
Executive Director
ama288@georgetown.edu

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III. NEW BUSINESS:
B. Presentation by Colorado
SecureSavings Program

September 30, 2025

Partnership for a Dignified Retirement: Overview



Agenda

- **Partnership for a Dignified Retirement: Background**
- **Governance Overview**
- **State Partner Implementation Timeline**



Partnership for a Dignified Retirement: Background



- Colorado SecureSavings Program signed into law in 2020
- Program design and implementation began in early 2021
- Colorado and New Mexico initiate partnership conversations in July 2021
- Memorandum of Cooperation between Colorado and New Mexico signed in November 2021
 - Initiated formal partnership negotiations
- Formal partnership structure approved by the Colorado SecureSavings Program Board in September 2022
 - Authorized pursuing new partner state members
- Maine became the first partner state in August 2023
 - Additional members include Delaware, Vermont, Nevada
 - Finalizing agreements with Minnesota



Partnership for a Dignified Retirement: Governance



- Partnership designed to emphasize partner collaboration
 - Identify the limits of Colorado's authority as Lead State
 - Understands the duties and obligations of Partner States in overseeing their own programs
- Advisory committee makes recommendations to state fiduciaries
 - Advisory committee does not make policy
 - All substantive decisions rest with respective state oversight entities
- Vendor relationship managed via Master Services Agreement
 - Partners sign Partner Addendum with vendor (**Vestwell**)
- Interstate Adherence Agreement is the governing document for Partner relationships
 - Addresses items subject to partner recommendations and voting action
 - Dispute resolution
 - Contract management and obligations of Lead State
 - Procurement processes



Partnership for a Dignified Retirement: Governance (Continued)



- Partners utilize standardized investment lineup
 - Five investment options: Capital preservation, Target Date Suite, Fixed Income, Domestic Equity, International Equity
 - Capital Preservation, Target Date, and Fixed Income managed by **State Street Investment Management**
 - Domestic Equity and International Equity asset classes managed by **BlackRock Investments**
- Partners maintain individual investment policy statement
 - Benchmarks are uniform across partner states

*Partnership structure has demonstrated ability to launch programs quickly, and engage in joint decision making processes



State Partner Implementation Timeline

State:	Contract Signed	Pilot Start	Program Launch
Maine	August 2023	November 2023	January 2024
Delaware	December 2023	May 2024	July 2024
Vermont	June 2024	October 2024	December 2024
Nevada	April 2025	June 2025	July 2025
Minnesota	Forthcoming	N/A	January 2026 (Anticipated)



Stay in touch!



Hunter Railey

Executive Director
Colorado SecureSavings Program

william.railey@state.co.us

(720) 765-3304



ColoradoSecureSavings.com



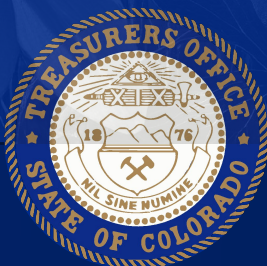
@ColoTreasurer



@CoDeptTreasury



/company/colorado-department-of-the-treasury



IV. EXECUTIVE DIRECTOR'S REPORT:
**A. Update on the Hawai'i Retirement
Savings Program Budget**

GENERAL FUNDS

LBR: 902/AA - 2
APPROPRIATION: G-26-192-L

TITLE: HI Retirement Savings
MONTH: August 2025

	REMAINING APPROPRIATION	12 MONTHS APPROPRIATION
Appropriation	\$ 914,030.00	\$ 1,009,064.00
Add (Deduct)		
Restrictions	-	(41,892.00)
Collective Bargaining	-	(41,892.00)
Total Allocation	\$ 914,030.00	\$ 925,280.00
	CURRENT MONTH	YEAR TO DATE
Personal Services		
Salaries	\$ 13,489.00	\$ 24,739.00
O/T, T/A	-	-
Hazard - THP	-	-
Vacation	-	-
Payroll Encumbrance	-	-
Sub-Total	\$ 13,489.00	\$ 24,739.00
Other Current Expenses		
Office Supplies	\$ -	\$ -
Dues/Subscription	-	-
Postage	-	-
Telephone	-	-
Parking	-	-
Services - HRSP	-	-
Travel - Intra State	-	-
Travel - Out of State	-	-
Equipment Rental	-	-
Repair/Maintenance	-	-
Services on Fee	-	-
Miscellaneous	-	-
Automobile Allowance	-	-
Equipment	-	-
Services - Printing	-	-
Services on Fee - Delivery	-	-
Sub-Total	\$ -	\$ -
Total Expenses	\$ 13,489.00	\$ 24,739.00
Remaining Appropriation	\$ 900,541.00	\$ 900,541.00

IV. EXECUTIVE DIRECTOR'S REPORT:
B. Update on Personnel
(No materials for this agenda item)