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GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR



JADE T. BUTAY
DIRECTOR

WILLIAM G. KUNSTMAN
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AHLANI K. QUIOGUE
EXECUTIVE DIRECTOR

STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
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**HAWAII RETIREMENT
SAVINGS BOARD**

Co-Chairs
Jade T. Butay
Seth S. Colby, Ph.D.

Members
William G. Kunstman
Derek Shigano
Jessie Keola Dean
Barbara Krieg
Andrew Nomura
Representative Jackson D. Sayama
Senator Brandon J.C. Elefante

**HAWAII RETIREMENT SAVINGS
BOARD**

MINUTES OF THE MEETING

Date: March 17, 2026

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/88104538897?pwd=18vDA3aPHTo8cYbL2JYbod9dbQxhNT.1>

**Meeting
Recording:** <https://www.youtube.com/watch?v=Jyn3QwvNIwc&t=32s>

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
Senator Brandon J.C. Elefante
Gary K.H. Kam, Deputy Attorney General
Ahlani K. Quiogue, Executive Director
Deborah K. Kuwaye, Executive Assistant to the Deputy Director, DLIR
Tri Pham, Information Technology Specialist, DLIR
Bealyn Sibal, Information Technology Specialist, DLIR
Rey Anne Reyel, Information Technology Specialist, DLIR

Excused: Representative Jackson D. Sayama, Member

Zoom Guests: Angela M. Antonelli, Research Professor, Executive Director, Center for Retirement Initiatives, McCourt School of Public Policy, Georgetown University
Erin Whitman, Vice President, Relationship Management, Vestwell
Stephanie Willie
aknecht
Audrey Suga-Nakagawa, AARP Hawai'i, Advocacy Associate Directory

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 10:03 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 Minutes: a. February 10, 2026, Open Session Minutes

Co-Chairperson Kunstman asked for public testimony on this agenda item. There were none.

Co-Chairperson Kunstman asked for comments or amendments to the minutes from the Board members.

There being no comments or amendments to the minutes, the Board approved the February 10, 2026, meeting minutes by unanimous consent.

Implementation of the Hawai'i Retirement Savings Program: Co-Chairperson Kunstman informed the public that the Hawai'i Retirement Savings Board ("Board") will be provided an update on the progress of the Hawaii Retirement Savings Program's ("HRSP" or "Program") implementation. During this session, the Board will also determine whether to proceed with a single-phase or multi-phase rollout of the program, among other considerations.

Co-Chairperson Kunstman asked for public testimony. There were none.

Erin Whitman was admitted into the virtual meeting room at 10:10 a.m.

Ms. Quiogue introduced Erin Whitman, Vice President of Relationship Management at Vestwell. Ms. Whitman is supporting the Hawai'i Retirement Savings Program with its implementation, specifically in relation to Vestwell as the program administrator. She noted that Vestwell has submitted a two-page document dated March 9, 2026, detailing the proposed startup fee for HRSP and recommending a phased, two-wave rollout strategy for the Program.

Ms. Quiogue requested that Ms. Whitman formally introduce herself to the Board and provide any further information she deemed relevant.

Ms. Whitman expressed her appreciation to the Board for the opportunity to attend the meeting. She provided an overview of her position at Vestwell and noted that she offers support to the Connecticut Alliance, comprising Connecticut, Rhode Island, Hawai'i, as well as several other states beyond the partnership.

Ms. Quiogue referenced Ms. Whitman's communication dated March 9, 2026, and confirmed that Vestwell has set a one-time startup fee of \$250,000. This fee encompasses costs related to technology development, website design and upkeep, creation of materials, ongoing service, and communications. Vestwell has consented to allocating the cost across fiscal years in accordance with the funding appropriated to the program by the legislature.

Co-Chairperson Kunstman requested the appropriation is for implementation in each fiscal year.

Ms. Quiogue indicated that the Legislature allocated a total of \$900,000, with approximately \$500,000+ designated for the current fiscal year and \$400,000+ earmarked for the following year. She further stated that the \$250,000 startup fee would be deducted from this appropriation.

For clarification, Co-Chairperson Kunstman inquired whether the Vestwell startup fee aligns with the intended purposes of the appropriation.

Ms. Quiogue confirmed that the Vestwell startup fee does align with the intended purposes of the appropriation.

The Co-Chairperson inquired whether any additional questions remained from the Board members.

Ms. Krieg stated that she had comments and questions for Ms. Whitman. She expressed appreciation for the information shared and noted her surprise regarding the startup fee for Hawai'i being \$250,000, as the Board had previously understood the fee to be approximately \$100,000.

Ms. Krieg asked Ms. Whitman: if the approximately 33,000 eligible employers mentioned in the letter dated March 9, 2026, represent a higher number of eligible employers compared to other states; to provide numbers for other states; and whether the \$250,000 startup fee is negotiable.

Ms. Whitman expressed appreciation to Ms. Krieg for her questions and further clarified the details presented to the Board, aiming to enhance understanding.

Ms. Whitman explained that the initial startup fee for establishing partnerships was approximately \$100,000, though this figure was not intended to represent the cost of all future programs due to the unique structure of each initiative. Additionally, program servicing constitutes the most expensive aspect of administration. In terms of program design, many states require varying levels of employee participation—such as thresholds of 5, 10, or 25 employees. Vestwell maintains consistent service quality across these thresholds; however, smaller businesses typically result in fewer active savers within the accounts.

As the Board is aware, the employer threshold in Hawai'i is set at one or more employees. This criterion leads to a larger number of employers falling within the 1-4 employee range, which subsequently results in fewer active savers within accounts. According to information provided by Ms. Quiogue, there are an estimated 33,000 employers in the State of Hawaii employing between one to four employees.

Ms. Whitman advised the Board that state population sizes range from 8,000 to 12,000, with certain employers representing larger populations; consequently, service delivery varies accordingly across these states.

Ms. Krieg inquired whether Vestwell's communications are consistently directed to the employer rather than the employee.

Ms. Whitman indicated that communication involves both the employer and the employee.

Ms. Krieg inquired if the costs might be offset, considering that Hawai'i has a lower ratio of employees to employers. Specifically, she noted that the aggregate employee contacts reduce the employer contacts on a proportional basis.

Ms. Whitman stated that while the total number of contacts is considered, states with larger employee threshold (e.g., 10 employee threshold) yield more funded accounts which the revenue comes from. For programs with unique thresholds like Hawai'i and Oregon, who both have a one employee threshold, there may be less participation.

Ms. Krieg provided clarification regarding her previous inquiries and remarks and requested information on whether the services offered by Vestwell vary according to the number of employees.

Ms. Whitman indicated that while the services remain consistent, there is a significant difference in volume.

Mr. Nomura inquired whether the startup fee would include expenses such as mailing.

Ms. Whitman confirmed this and explained that the Vestwell startup fee encompasses distribution of program communications, employer notifications, employee notifications, and various other informational materials.

Co-Chairperson Kunstman inquired of Ms. Quiogue whether the employer data was sourced from the Department of Labor and Industrial Relations or the Department of Business and Economic Development.

Ms. Quiogue indicated that the information was acquired from a report prepared by the Department of Business and Economic Development.

Mr. Nomura inquired about the significance of identifying the source from which the information was obtained.

Co-Chairperson Kunstman indicated that his primary concern was identifying the origin of the information.

To ensure clarity, Ms. Quiogue informed the Board that the reference to the one-plus employee threshold originates from the definition of "covered employer" in Hawaii Revised Statutes section 389-2. This statute specifies, among other criteria, that a covered employer is any person conducting business in the State who employs one or more individuals.

Co-Chairperson Kunstman asked if there were any other questions for Ms. Whitman.

Mr. Dean stated that, according to the information provided thus far, the underlying concept is that expenses incurred in onboarding accounts are greater due to the one-plus employee threshold compared to a threshold of ten or more employees; thus, costs are higher because of this.

Ms. Whitman responded to Mr. Dean's remarks by explaining to the Board that, from a quantitative perspective, calculations are performed accordingly. She noted that states with higher employee thresholds typically result in a greater number of accounts.

Mr. Dean inquired with Ms. Quiogue regarding the additional expenses budgeted by the HRSP considering that the \$250,000 startup fee includes

mailing.

Ms. Quiogue advised the Board that funds have been allocated for marketing, communications, legal services, audits, consultants, and personnel.

Mr. Dean sought clarification regarding Ms. Quiogue's statement, as he understood from Ms. Whitman's presentation and her responses to inquiries that marketing and communications were accounted for within the startup fee.

Ms. Quiogue provided clarification regarding her previous statement and indicated that HRSP is required to engage a marketing firm for local communication initiatives. She additionally noted that both the RFI and RFP have been prepared; however, revisions are necessary to reflect the Board's recent decision to participate in the Connecticut partnership.

Ms. Whitman further explained her remarks, noting that the startup fee is intended to cover costs associated with educational resources, such as payroll webinars and various employer communications, which serve as a marketing function. As the program develops, Vestwell will take an increasingly active role, consistent with their approach in other states.

In response to Ms. Krieg's inquiry, Mr. Dean requested clarification regarding whether the \$250,000 startup fee is open to negotiation.

Ms. Whitman advised the Board that the startup fee of \$250,000 is a set cost. However, based on concerns previously expressed by Ms. Quiogue, Vestwell is open to having the payment split in any way that is appropriate for the State. For example, half the payment may be made this fiscal year and the other half next fiscal year.

Mr. Dean sought confirmation from Ms. Whitman regarding whether the total startup fee is non-negotiable and fixed.

Ms. Whitman confirmed that this is the case.

Senator Elefante inquired about the startup fee for other states Vestwell collaborates with.

Ms. Whitman responded that the startup fee varies depending on the state. In earlier implementation states, the fee was approximately \$100,000. As workload increased, associated costs have risen as well. Certain states now have fees exceeding \$250,000; however, due to confidentiality considerations, Ms. Whitman expressed reluctance to disclose specific details. Vestwell must also consider design and implementation of a specific program.

Co-Chairperson Kunstman inquired whether there were any additional

questions for Ms. Whitman.

Ms. Quiogue indicated that she had several questions for Ms. Whitman regarding Vestwell's proposal for a phased rollout of the HRSP. She requested that Ms. Whitman provide the Board with additional information on this recommendation, including the anticipated implementation timeline and clarification on which employer groups would be included in each phase of the rollout.

Ms. Whitman explained that the phased rollout is designed to facilitate a seamless implementation of the HRSP, considering the sizable number of potential employees affected by this program's requirements. She further emphasized that Vestwell, in partnership with the Program, aims to deliver an optimal service experience to all participants, including employers, small businesses, and other stakeholders; hence, the decision to proceed with a two-wave rollout.

Regarding Ms. Quiogue's inquiry about the projected timeline and the employer groups assigned to each phase of the rollout, Ms. Whitman explained that Vestwell will adhere to the implementation deadlines, such as those following contract review completion. The initial wave of the rollout will commence upon fulfillment of these requirements, with the subsequent wave proceeding shortly thereafter or potentially overlapping with the first phase.

Ms. Whitman additionally indicated that Vestwell will be positioned to deliver more definitive timelines upon receipt of employer data. Upon obtaining this information, Vestwell will be able to determine the order in which employer groups will be addressed. Vestwell generally advises, consistent with practices adopted by other states, that implementation begins with larger employers.

Mr. Dean asked Ms. Whitman whether, based on her experience, targeting specific populations or certain categories of employers' results in a higher yield of savers.

Ms. Whitman stated that, regarding yield, larger employers are expected to generate greater initial returns. However, it should also be noted that many employers will qualify for exemption from the HRSP due to their provision of retirement savings plans.

Ms. Krieg observed that a multiphase rollout may result in confusion among both employers and employees. She suggested that a geographical rollout could be considered; specifically, HRSP might implement the program on the neighbor islands separately from O'ahu. This approach offers clarity for employers and employees regarding their participation in the Program.

Ms. Whitman advised the members that Vestwell has not previously

undertaken this approach with other programs and highlighted the company's commitment to strategic communication tailored to various populations for maximum clarity. She explained that once the program launches, Vestwell will issue an initial notification indicating that the program is open to all eligible participants and detailing specific deadlines for each phase of the rollout. Additionally, she assured the Board that the website would be updated to reflect clear and transparent information. Ms. Whitman further clarified that participation will not be denied to anyone who does not meet the criteria for the rollout phase.

Co-Chairperson Kunstman asked the members if they had any additional questions for Ms. Whitman.

Regarding Vestwell's suggestion of a multiphase approach, Mr. Nomura inquired about the potential effects on current HRSP resources, associated expenditures, and related considerations.

Ms. Quiogue noted that, in her view, implementing a multiphase rollout would be more manageable for the HRSP. She further stated that, independent of Vestwell, she expects an increase in call and email volumes.

Mr. Dean indicated that he had additional inquiries and requested Ms. Whitman's perspective on Ms. Krieg's proposal for a geographical rollout in lieu of an employer category rollout.

Ms. Whitman noted that Hawai'i would be the first jurisdiction to implement the program in this manner, observing that its unique segmentation by islands presents specific challenges. She expressed concern that implementation could prove complex; for example, an employer may operate from one island while their employees are located on another, potentially leading to confusion regarding administrative responsibilities.

Ms. Whitman noted that Vestwell's previous strategy of implementing programs according to employer size has proven effective and remains consistent across various initiatives.

Mr. Nomura asked Ms. Quiogue if she believed that implementing a geographical rollout would be a logical approach.

Ms. Quiogue concurred with Ms. Whitman, noting that implementing a geographical rollout could potentially cause confusion among both employers and employees.

Mr. Nomura requested that members who proposed this rollout elaborate on the factors they considered when making their recommendation.

Ms. Krieg clarified that the Board is not required to implement the program based on island or geographic location. She noted, however, that many

individuals are uncertain about whether they are subject to the program, and prioritizing those communities will enable the HRSP to focus its outreach and communications efforts effectively.

Ms. Krieg noted that, regarding information dissemination and responding to inquiries, Ms. Quiogue and the marketing firm can more effectively allocate resources by partnering with organizations and communities that have strong employer connections, rather than relying on emails or letters that may be overlooked. Additionally, it is crucial to address language barriers—particularly in areas with significant populations of, for example, Filipino or Native Hawaiian speakers. Communications should be precisely targeted and conveyed with utmost clarity.

Ms. Krieg acknowledged the perspectives and concerns raised by Ms. Whitman and Ms. Quiogue, while also emphasizing the importance of taking all relevant factors into account.

Mr. Dean expressed interest in Ms. Krieg's approach and observed that the neighbor islands differ from O'ahu, with resources to support employers potentially more accessible. He emphasized that solutions effective on O'ahu may not necessarily be applicable to other islands and noted that media markets also vary between islands.

Co-Chairperson asked if there were any further questions.

Mr. Shigano addressed the startup fee and inquired about Ms. Quiogue's strategy for allocating the cost across fiscal years. He also asked whether HRSP has sufficient funds to cover this expense.

Ms. Quiogue affirmed that sufficient funding is available to support the program's startup fee and sought confirmation that the appropriation accounts for all projected expenditures associated with the program.

As there were no additional questions or comments from the members, Co-Chairperson Kunstman expressed appreciation to Ms. Whitman for participating in the Board meeting, particularly acknowledging her attendance despite the time difference due to her location in New York.

Ms. Quiogue informed the Board that a decision is required on the implementation approach for the program, specifically whether to proceed with a single-phase or multiphase rollout.

Ms. Quiogue advised the Board that a motion needed to be made.

It was moved by Mr. Nomura, seconded by Ms. Krieg, that HRSP should be implemented in two phases.

Co-Chairperson Kunstman asked if there was any discussion.

Mr. Dean expressed his support for implementing the program in two phases, while emphasizing the importance of the marketing plan addressing all relevant audiences, rather than focusing solely on O'ahu.

Ms. Quiogue assured the members that she recognizes the diversity of audiences, emphasizing the importance of ensuring that both the RFI and RFP address these considerations to facilitate the selection of the most suitable vendor.

As there were no additional questions or comments, Co-Chairperson Kunstman reiterated that Mr. Nomura's motion is to implement the HRSP in two phases, as recommended by Vestwell, and proceeded to call for a vote. The motion was unanimously approved by all members present.

**2026
Legislation:**

a. H.B. 1290 RELATING TO LABOR

Ms. Quiogue informed the Board that this bill: establishes a Portable Benefits Program under the administration of a board of trustees to provide portable benefits to gig workers; expands the Hawai'i Retirement Savings Program to gig workers; and appropriates funds.

Ms. Quiogue indicated that this bill is a carryover from 2025 and was not heard during the 2026 Legislative Session. She further noted that at its meeting on February 10, 2026, the Board expressed appreciation for the measure while also recognizing the necessity of exercising discretion in supporting it, pending consideration of relevant factors.

During the review of this bill, Ms. Quiogue submitted supplementary documentation that was previously unavailable at the last meeting. This included materials from Georgetown University's Center for Retirement Initiatives outlining Hawai'i's retirement savings outlook, as well as a PowerPoint presentation on Portable Benefits delivered by Dr. Liya Palagashvili, Senior Scholar and Director of Labor Policy at the Mercatus Center, George Mason University.

b. H.B. 2106, H.D. 1, Relating to Financial Disclosures

Ms. Quiogue informed the Board that this bill expands the scope of persons who are subject to public financial disclosure requirements.

Ms. Quiogue stated that this bill is being presented to the Board solely for informational purposes, as members are governed by applicable laws pertaining to board and commission terms, among other regulations.

Ms. Quiogue recommended the Board monitor this bill. The members agreed with her recommendation.

c. H.B. 2246, S.D.1, Relating to Financial Disclosures

Ms. Quiogue informed the Board that this bill expands the scope of persons who are subject to public financial disclosure requirements.

Ms. Quiogue stated that this bill is being presented to the Board solely for informational purposes, as members are governed by applicable laws pertaining to board and commission terms, among other regulations.

Ms. Quiogue recommended the Board monitor this bill. The members agreed with her recommendation.

d. S.B. 2248, S.D. 2, Relating to Financial Disclosures

Ms. Quiogue informed the Board that this bill expands the scope of persons who are required to file financial disclosures to include gubernatorial nominees subject to Senate confirmation and makes technical amendments relating to legislators.

On March 12, 2026, the bill passed first reading and was referred to the House Committee on Legislative Management and House Committee on Judiciary and Hawaiian Affairs.

This bill would directly impact the members of the Board by: requiring gubernatorial nominees subject to Senate confirmation to file financial disclosure statements no later than five days after their nomination or five days before their first confirmation hearing, whichever occurs first, and making said financial disclosures accessible to the public.

Ms. Quiogue referenced pages 18-19, as indicated by the Bates numbering, for this agenda item. She noted that the Department of Labor and Industrial Relations ("DLIR") provided testimony raising concerns regarding the measure. Specifically, DLIR commented, "The HRSB must recruit members who possess financial, actuarial, and fiduciary expertise. Individuals with such backgrounds frequently hold significant personal investments or business interests. The public disclosure requirements imposed prior to confirmation may discourage highly qualified candidates during a crucial phase of program development."

Ms. Quiogue inquired whether the Board would be interested in submitting testimony regarding this bill, as well as what stance it intends to take. For members' reference, Ms. Quiogue noted that,

in her previous role, the division she supervised encompassed 52 separate regulatory boards, commissions, and programs. After soliciting input from these boards, the division determined that it would oppose measures of this nature, as they would significantly hinder a board's ability to recruit and retain members.

Mr. Nomura emphasized that if his financial disclosures were made public then he would resign.

Co-Chairperson Kunstman asked for comments from members regarding this bill.

Ms. Krieg conveyed her concerns regarding this bill and concurred with the DLIR's comments opposing the measure. She recommended that the Board adopt a similar position.

Mr. Dean concurred with the remarks made by Mr. Nomura, Ms. Krieg, and the DLIR, and recommended that the Board submit testimony outlining its concerns. He also indicated that he would refrain from submitting separate testimony regarding this measure.

Following the remarks presented, Mr. Nomura formally moved to oppose S.B. 2248, S.D. 2. The motion was seconded by Ms. Krieg and passed unanimously.

For clarification, Senator Elefante inquired if he is required to participate in the vote on this matter in his capacity as an ex-officio non-voting member.

Ms. Quiogue advised Senator Elefante that, as an ex-officio non-voting member, he is not required to participate in or abstain from the vote on this matter.

e. S.B. 2662, S.D. 2, Relating to Government Accountability

Ms. Quiogue informed the Board that this bill: requires each purchasing agency to provide justification for hiring external consultants; requires each agency to seek approval from the Legislature for consulting contracts exceeding a certain dollar amount; requires annual reports to the Legislature; requires the Compliance Audit Unit within the Office of the Auditor to conduct regular audits of agency consultant contracts to assess cost-effectiveness and compliance; establishes exceptions; requires each chief procurement officer to ensure that inherent government functions are not delegated to a contractor.

Ms. Quiogue presented this bill to the Board to ensure it does not adversely affect the Program's implementation or maintenance. She highlighted that the bill, among other issues, could hinder the

