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TESTIMONY BEFORE THE HOUSE COMMITTEE ON
LABOR AND PUBLIC EMPLOYMENT

RE: HB 2755 – RELATING TO THE EMPLOYEES’ RETIREMENT SYSTEM

February 8, 2008

ROGER TAKABAYASHI, PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

Chair Sonson and Members of the Committee:

The Hawaii State Teachers Association **supports** HB 2755 to re-open election and membership into class H (hybrid contribution plan).

Though there were great efforts by the ERS and others to share the information about the hybrid contribution plan, less than 40% elected to join the hybrid contributory plan from the non-contributory plan. Many did not understand why they should join the hybrid contributory plan.

Thank you for the opportunity to testify.

Testimony Before the House Committee on
Labor & Public Employment

RE: HB 2755

February 8, 2008

Justin Hughey

Chair Sonson and Members of the Committee:

My name is Justin Hughey and I am a teacher at King Kamehameha III School in Lahaina. I support HB 2755-Relating to the Employees Retirement System. Two years ago I was not able to apply to the hybrid plan. I was not able to apply online because I was informed new hires had to apply over the phone. When I called, all the lines were busy.

Thank you for the opportunity to testify.

Mahalo!
Justin Hughey

From: Jo-An [mailto:Jo-An.Goss@members.hsta.org]
Sent: Wednesday, February 06, 2008 9:42 AM
To: testimony@capitol.hawaii.gov
Subject: HB 2755-Relating to the Employees Retirement System

Testimony Before the House Committee on
Labor & Public Employment
HB 2755-Relating to the Employees Retirement System February 8, 2008 at
8:30 a.m.

Chair Sonson and Members of the Committee:

My name is Jo-An Goss, and I am a State Resource Teacher at OCISS
Annex,
475 22nd
Avenue in Honolulu.

I strongly support HB 2755-Relating to the Employees Retirement
System.

Several years ago

I opted to change into the ERS Class H (Hybrid Contributory Plan). But
it is important for all of our teachers to be given this option. At
that time, some were reluctant and did not fully understand. Likewise,
in the 1980s some of us did not fully understand the importance of the
Contributory Plan and opted out without an additional chance. We felt
that we were not given prudent advice at the time.

I strongly urge you to support HB 2755 to give an additional chance to
those who did not take that opportunity to change to the Hybrid plan .

Mahalo nui loa for the opportunity to testify.

Jo-An Goss
Hawaiian Studies and Language Programs
OCISS Annex
475 22nd Avenue
Honolulu, HI 96816
733-9141

Statement of

Rae A. Yamanaka
Teacher
Waiakea High School
94 Kekela St.
Hilo, HI 96720

Before the

House of Representatives Committee on Labor & Public Employment

Friday, February 8, 2008
State Capitol, Conference Room 309
8:30am

In consideration of
HB2755 – Relating to the Employees Retirement System

Chair Sonson and Members of the Committee

I, Rae A. Yamanaka from Waiakea High School, **strongly support HB 2755** and urge your Committee to vote for passage of this measure.

I urge you to reopen election and membership into the ERS Class H (Hybrid contributory plan).

This bill will allow us to offer all our public employees a retirement plan that will improve their quality of life when they become eligible for retirement. Public employees work hard during their careers to make life easier for our fellow citizens. We need to ensure that when they retire, these public servants are also given a life that has a minimum amount of financial stress.

Vote for HB 2755 and the reopening of membership into the ERS Class H (Hybrid contributory plan).

Thank you for your continual support for students and public education.

Mahalo,

Rae A. Yamanaka
808-959-9719
94 Kekela St.
Hilo, HI 96720
Email: Rae.Yamanaka@members.hsta.org

Statement of:

Susan K. Anderson
Teacher
Keaau High School
16-725 Keaau Paho Road
Keaau, Hawaii 96749

Before the
House of Representatives Committee on Labor & Public Employment

Friday, February 8, 2008
State Capitol, Conference Room 309
8:30 a.m.

In consideration of
HB2755—Relating to the Employees Retirement System

Chair Sonson and Members of the Committee:

I, Susan K. Anderson, from Keaau High School, **strongly support HB 2755** and urge your Committee to vote for passage of this measure.

I urge you to reopen election and membership into the ERS Class H (Hybrid contributory plan).

This bill will allow us to offer our public employees a retirement plan that will improve their quality of life when they become eligible for retirement. Public employees work hard, especially teachers, during their careers to make life easier for our fellow citizens. We need to ensure that when they retire, these public servants are also given a life that has a minimum amount of financial stress.

Vote for HB 2755 and the reopening of membership into the ERS Class H (Hybrid contributory plan).

Thank you for your continual support for students and public education.

Sincerely,

Susan K. Anderson
808-965-7212
P.O. Box 1055
Keaau, HI 96749
Email: lonepoethelloyou@hotmail.com

Testimony Before the House Committee on
Labor & Public Employment

RE: HB 2755-Relating to the Employees Retirement
System

February 8, 2008

Testimony submitted by Amy Downard

Dear Honorable Chair Sonson and Members of the
Committee:

My name is Amy Downard and I am a Visual Impairment
teacher for Honolulu District Schools. I support HB 2755-
Relating to the Employees Retirement System

I support HB 2755-Relating to the Employees Retirement
System. This would allow another open enrollment
opportunity for the Hybrid Contributory program. Our
economic outlook has greatly changed in the past three
years. Families need an opportunity to re-evaluate financial
planning and retirement options. Please support this bill.

Thank you for the opportunity to testify.

Mahalo,

Amy Downard
Visual Impairment Teacher, Honolulu District Office
1655 Makaloa St. #2508, Honolulu, HI 96814
adownard@gmail.com

TESTIMONY BY DAVID SHIMABUKURO
ADMINISTRATOR, EMPLOYEES' RETIREMENT SYSTEM
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT
ON
HOUSE BILL NO. 2755

FEBRUARY 8, 2008

RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM

Chair Sonson and Members of the Committee:

H.B. 2755 allows Contributory and Noncontributory Plan members who did not make the election to join the Hybrid Plan in 2006 to have another opportunity to switch to the Hybrid Plan.

The ERS' tax attorney informed us that allowing members to have a second choice to join the Hybrid Plan is no longer permissible under the Internal Revenue Code and could jeopardize our tax-exempt status.

However, if the Legislature wishes to allow Contributory and Noncontributory Plan members to join the Hybrid Plan, it must require that all Contributory and Noncontributory Plan members be transferred to the Hybrid Plan. Switching to the Hybrid Plan can no longer be an elective right.

The ERS Board of Trustees has not yet taken a position on this Bill.

Thank you for the opportunity to testify on this Bill.