

**SB 1268**

**Testimony**



## HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

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The Twenty-Sixth Legislature, State of Hawaii  
The Senate  
Committee on Judiciary and Labor

Testimony by  
Hawaii Government Employees Association  
February 11, 2011

S.B. 1268 – RELATING TO THE  
HAWAII EMPLOYER-UNION  
HEALTH BENEFITS TRUST FUND

The Hawaii Government Employees Association (HGEA) Retirees Unit, AFSCME Local 152, AFL-CIO strongly opposes S.B. 1268. Our Retirees Unit consists of 9,500+ members who would be adversely affected by this bill. The bill eliminates all reimbursements currently being made by the State for premiums government retirees pay to the federal Medicare Part B health plan.

We oppose S.B. 1268 for the following reasons:

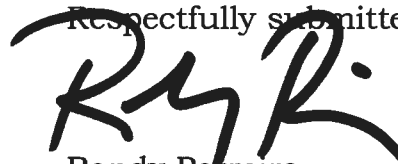
- 1) First, we believe the bill is an improper taking of a benefit that is protected by the Hawaii Constitution. Article XVI, Section 2 of the Constitution clearly states that any accrued benefit that is due to a government retiree may not be diminished or impaired. Section 87A-23 of the Hawaii Revised Statutes (HRS) makes reimbursement of the Part B premiums a right held by all government retirees. HRS Section 87A-23 states that the State “shall” pay an amount at least equal to the Medicare Part B premium paid by the retiree while he or she is alive, his or her spouse while alive, and his or her surviving spouse during the spouse’s lifetime.
- 2) Secondly, while we understand the need for the State to find new sources of revenue to meet the expected budgetary shortfall, eliminating the Medicare Part B reimbursements unfairly targets retirees. To set the record straight, the reimbursements are not, as Governor Abercrombie indicated in his State of the State address, a “bonus” that was simply given to retirees without any rhyme or reason. The history behind the reimbursements is that they were part of a trade-off in the law that created the Employer-Union Health Benefits Trust Fund (EUTF) in 2001. In order to be covered under the newly created EUTF, all eligible retirees age 65 years or over, had to be

covered under Medicare. Coverage under Medicare is not free. A retiree who wants to have Medicare coverage must pay a premium to the federal government for coverage. The amount of the premium is generally deducted from the amount that the retiree would receive from Social Security. By making Medicare the primary health care plan to cover retirees, with EUTF providing secondary coverage, the State was to save 80% of the medical cost payments it had been paying under the health fund previously covering retirees. The premiums were actually a cost-saving measure that benefited the State, not a "bonus" to retirees. The reimbursements were just paying back the retiree for making the up-front payment of the Medicare premium. If retirees no longer receive reimbursements, the retirees are in effect, paying for most of their health care costs that the State should be responsible for.

- 3) Finally, the elimination of the reimbursements will create a financial hardship for many of our retiree members. Reimbursements have been made through EUTF for ten years. Over those years, the same kind of financial difficulties that have troubled the State have also hit retirees. Prices of many things retirees need for their livelihood have gone up while their income remains the same. Even adjustments that were thought to be automatic, such as the two-percent increase in Social Security payments have not occurred during the last two years. Absorbing the loss of the reimbursements which may range from \$289.20 (\$96.40 per month) to \$346.20 (\$115.40 per month) each quarter, depending on the year the retiree reached Medicare age will be difficult for many retirees.

While we sympathize with the State's need to find revenue, S.B. 1268 is asking those least able to shoulder the heavy financial burden that is not of their making to do just that. HGEA Retirees Unit strongly opposes S.B. 1268.

Respectfully submitted,



Randy Perreira  
Executive Director

SENATE COMMITTEE ON JUDICIARY AND LABOR  
Senator Clayton Hee, Chair  
Senator Maile Shimabukuro, Vice Chair

DATE: Friday, February 11, 2011  
TIME: 9:15 a.m.  
PLACE: Conference Room 016  
State Capitol  
415 Beretania Street

RE: Testimony in Opposition to SB1268

Senator Hee and members of the Committee on Judiciary and Labor, the Hawaii State Teachers Association – Retired, consisting of more than 4,900 members statewide, opposes SB1268.

After reviewing the bills introduced in the 2011 Hawaii State Legislature, HSTA feels that retirees present and future, are expected to bear an unfair burden in the state's attempt to reduce state spending. The benefits of state and county retirees in particular are being asked to bear the heaviest burden and that is unfair.

SB1268 would eliminate Medicare Part B reimbursements for retired employees and spouses of employee beneficiaries who are retired employees.

The Medicare Part B reimbursements are intended to compensate those retirees with Medicare Part B for the premiums that are deducted from their Social Security pensions.

State law requires these retirees to have Medicare Part B coverage because the state saves money on these retirees. Medicare pays first (80% of eligible charges) and the state plan pays the balance (20%). The state plan pays 90% of eligible charges for retirees not on Medicare.

Retirees without Medicare pay no premiums for their state health coverage; so it would be unfair, if retirees with the mandated Medicare Part B coverage, are not reimbursed by the state.

The loss of the reimbursement would pose a economic hardship on retirees with Medicare, especially those retirees who receive smaller pensions who rely on these reimbursements to survive. An additional problem that they have is that the Post Retirement Allowance that retirees receive currently does not keep with increase in the cost of living.

HSTA-R feels that the Medicare Part B reimbursement fulfills the state's promise to provide free medical insurance coverage to state and county employees. In light of recent courts cases, this reduction in retiree benefits could be challenged as well.

Please oppose SB1268.

Justin Wong, President  
Hawaii State Teachers Association - Retired

The Senate  
The Twenty-Sixth Legislature, State of Hawaii  
Regular Session of 2011  
Committee on Judiciary and Labor

February 11, 2011

S.B. 1268 – RELATING TO  
THE HAWAII EMPLOYER UNION  
HEALTH BENEFITS TRUST FUND

Chair Hee, Vice-Chair Shimabukuro, and members of the Committee on Judiciary and Labor:

Thank you for the opportunity to provide testimony in **strong opposition of the S.B. 1268**, which would eliminate the Medicare Part B reimbursements for retired employee-beneficiaries and their spouses. **I prefer and support H.B. 1061, H.D. 1**, which would affect prospective employees only.

My name is **Gregory Adolpho** and I worked as a **Adult Correction Officer** for the **State of Hawaii** for **24 year**. As a government employee, I dedicated my career to public service. I had to retire due to medical reasons and looked forward to my ensured health benefits upon my retirement. Due to my medical conditions by eliminating the Medicare Part B reimbursements, I will be forced to pay an additional \$1,385 per year. Including my spouse, our household would expend approximately \$5,000 annually on doctor's fees and medical expenses. I am saddened to say that my family cannot afford this additional financial burden. It deeply troubles me that the Legislature is considering changing my benefits. Retirement promises that were made upon accepting employment **24 years** ago should not be broken today.

**I urge you to pass a Senate version similar to H.B. 1041, H.D. 1.** Thank you for the opportunity to provide testimony in strong opposition of S.B. 1268, as it is currently written.

Respectfully submitted,

**Gregory Adolpho**

The Senate  
The Twenty-Sixth Legislature, State of Hawaii  
Regular Session of 2011  
Committee on Judiciary and Labor

February 11, 2011

S.B. 1268 – RELATING TO  
THE HAWAII EMPLOYER UNION  
HEALTH BENEFITS TRUST FUND

Chair Hee, Vice-Chair Shimabukuro, and members of the Committee on  
Judiciary and Labor:

Thank you for the opportunity to provide testimony in **strong opposition of the S.B. 1268**, which would eliminate the Medicare Part B reimbursements for retired employee-beneficiaries and their spouses. **I prefer and support H.B. 1061, H.D. 1**, which would affect prospective employees only.

My name is **Ann Brandman**, and I worked as a **Public Information Officer** for **the University of Hawaii** for **over 16 years**. As a government employee, I dedicated my career to public service. I chose to work for less pay than my private-sector counterparts for ensured health benefits upon retirement. By eliminating the Medicare Part B reimbursements, I will be forced to pay an additional \$1,385 per year. I am saddened to say that I cannot afford this additional financial burden. It deeply troubles me that the Legislature is considering changing my benefits. Retirement promises that were made upon accepting employment **over 16 years** ago should not be broken today.

**I urge you to pass a Senate version similar to H.B. 1041, H.D. 1.** Thank you for the opportunity to provide testimony in strong opposition of S.B. 1268, as it is currently written.

Respectfully submitted,

**Ann Brandman**

From: [Patsy Nitta](#)  
To: [JDLTestimony](#)  
Subject: Bill SB 1268  
Date: Wednesday, February 09, 2011 2:46:46 PM

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**Regarding Bill SB 1268**

***Before taking back what was once a part of State/County retired-medicare health "employee's" benefit, why not support the actual employees by continuing this benefit, BUT remove the spouses who never were employed by the State/County! How much would the State save if this was done? It infuriates me to realize that some of the spouses mad tons more money than we did and can definitely finance their own medicare payments!!! Why were spouses included in the first place?***

***Mahalo for reading this, can this work? Can you even think of giving the employees at least 50% of what we were previously receiving? Remember we did not make much money when we worked for the State as educators!***

***Sincerely, patsy nitta PO Box 1134, Waimea, Hi 96796  
phone # 338-1172***



The Honorable Clayton Hee, Chair  
The Honorable Maile Shimabukuro, Vice Chair  
The Honorable Mike Gabbard  
The Honorable Les Ihara, Jr.  
The Honorable Sam Slom  
Senate Committee on Judiciary and Labor

James Hong  
3420A Hinahina St.  
Honolulu, HI 96816

February 9, 2011

Opposition for S.B. No. 1268, Relating to the Hawaii Employee-Union Health Benefits Trust Fund

To the Honorable Clayton Hee, Chair, and members of the Committee:

My name is James Hong and I am a only a 30 year old worker with no current stake in the current Medicare plan currently employed by the State of Hawaii and it's retirees. However, **I strongly oppose S.B. 1268**, which eliminates the Medicare Part B reimbursement for retirees.

I recognize the needs for cost savings in our time of fiscal restraint. I am all too aware for over a year with my furlough days. But S.B. 1268 targets retirees who are on a fixed income and will find it difficult to simply live, especially when their health is involved. Please consider that Hawaii's economy was built on the backs of retirees and we cannot simply leave them behind. And with the governor's proposal to tax pensions, retirees are facing an even larger burden on their retirement.

The elimination of the Part B reimbursements will save the State \$42 million annually (Niese 2011). Compared to the projected State budget for fiscal years 2011, 2012, and 2013, the savings amount to 0.41%, 0.39%, and 0.38% of the total budgets respectively (Dept. of Budget and Finance 2011). The savings are miniscule, but will add up in additional services

retirees will require to make up for the lost Part B services they can no longer afford because they did not budget for it.

If the Committee believes the elimination of Medicare Part B is a difficult choice, I suggest the Committee look at the inefficiencies in the State and County bureaucracies and find the real savings there. Unfortunately, many of the departments have no real way to measure efficiency and effectiveness in their organizations. From Osborne and Gaebler's *Reinventing Government*, real life examples of public organizations taking hints from the private sector to improve services AND save money are shown. From their example of Sunnyvale, California, their managers "measure the quantity, quality, and cost of every service they deliver" (Osborne and Gaebler 1993). Thus, department are given incentives to work more efficiently to drive improve the quality and cost of every service. Tackling the public sector by statistically determining inefficiencies will bring greater savings than cutting the health services from a constituency that needs it the most.

I whole-heartedly agree that cuts need to be made to create a balance budget. Services will probably be cut and difficult decisions will have to be made. Unfortunately, eliminating Medicare Part B lacks judgment and compassion for a group of people who no longer work and certainly did not anticipate both taxation on their pension and the reduction in their Medicare benefits. **I strongly oppose SB 1268.** Do what is pono for our kapuna. They helped build our economy. The least we can do is give them the rest they deserve.

References:

Niese, Mark. 2011. "Abercrombie wants to pay less without furloughs." *Honolulu Star-Advertiser*. 26 January 2011. < <http://www.staradvertiser.com/news/breaking/114639429.html>>. [Accessed 9 February 2011]

Osborne, David and Ted Gaebler. 1993. *Reinventing Government: How The Entrepreneurial Spirit Is Transforming The Public Sector*. New York: Plume Penguin Books.

State of Hawaii Depart of Budget & Finance. 2011. "The Operating and Capital Investment Budget – Statewide Summaries." 6 January 2011. < <http://www.hawaii.gov/budget/bienniumbudget/budgetinbrief/02%20-%20Operating%20and%20Capital%20Budget.pdf>> [Accessed 9 February 2011]

Senator Clayton Hee, Chair  
Senator Maile Shimabukuro, Vice Chair  
Judiciary and Labor

Charles T. Duncan – City & County of Honolulu Retiree  
94-439 Alapoi Street, Mililani Town 96789  
Phone: 393-4764

February 11, 2011

In Opposition of SB1268 Relating to the Hawaii Employer-Union Health Benefits Trust Fund

I'm a City & County of Honolulu retiree who retired from the Honolulu Police Department in 1996 after having put my life on the line for 32 years, in which I earned my pension benefits. I am testifying in opposition to SB1268 Relating to the Hawaii Employer-Union Benefits Trust Fund as it pertains to taking away of Medicare Part B Reimbursements.

The reason for testifying against this bill is for the following reasons;

- At the time I retired, I entered into an implied contract with the City & County of Honolulu and the State of Hawaii to provide me retirement benefits. At the time of my retirement my Pension Plan benefits which included Medical Plan Benefits were explained to me. I was informed that my medical plan would be covered by the State for my lifetime as well as that of my wife as I was enrolled in a family plan. It was further explained that when we reached 65 we would be required to enroll with Medicare. Medicare which would become the primary health coverage and the cost of the Medicare coverage would be reimbursed to each of us by the Hawaii Employer-Union Trust Fund as our Social Security benefits which would initially paid for the Medicare coverage.
- Without the Medicare Part B Reimbursement, retiree's 65 and older will be unfairly discriminated against, because when a retiree reaches 65 years of age they would now have to pay for a portion of the medical plan coverage from their Social Security benefits. While a retiree's who retired prior to age 65 will continue to have their medical plan coverage fully paid for by the Employer Union Trust Fund. **Therefore by taking away the Medicare Part B Reimbursements we are now being discriminated against by the State due to our age.**
- What is further upsetting is that this bill will penalize individuals 65 and older who can least afford the loss of any of the benefits that they receive while living on a fixed income. It is unfair to target our senior members of the community in an effort to balance State budget. Remember that each one of us has a budget to balance and any loss of income, however small it maybe will impact our ability to do that.
- Police Officers already are being treated unfairly by the Social Security system for having retired from the City & County of Honolulu and receive a government pension even after having earned the necessary forty quarters to receive full Social Security benefits, our Social Security benefits are reduced to approximately two thirds of what we should have been received.
- HB 1041 HD 1, has been amended to impact anyone hired after June 30, 2011 and would not take away a benefit that present retiree's receive. .

This bill in its present form would take away a health benefit that all retirees 65 and older receive as part of a contract that they had with the State and City and County of Honolulu upon their retirement.

I humbly ask that you to amend this bill to read like HB 1041 HD 1 in your committee as a means of showing all State and City and County of Honolulu Retiree's 65 and older that you care.

Respectfully Submitted

February 9, 2011

MEMORANDUM

TO: The Honorable Clayton Hee, Chair  
Committee on Judiciary and Labor

FROM: Harry Akamine

SUBJECT: **S.B. 1268 RELATING TO Hawaii Employer-Union Health  
Benefits Trust Fund; Medicare Part B Reimbursements**

Hearing: Friday, February 11, 2011; 9:15 a.m.  
Conference Room 016, State Capitol

**PURPOSE:** The purpose of S.B. 1268 is to eliminate Medicare Part B reimbursements for retired employee-beneficiaries and the spouses of employee-beneficiaries who are retired employees.

**POSITION:** I am writing in **strong opposition of S.B. 1268. I prefer and support H.B. 1041, H.D. 1.**, which would eliminate the Medicare Part B reimbursements for prospective employees, and would not affect current retirees and employees already in the system.

I worked for the Department of Human Services and retired as the Food Stamp Program Administrator after 32 years of service. As a government employee, I dedicated my career to public service. I chose to work for less pay than those in the private sector for assured health benefits upon retirement. By eliminating the Medicare Part B reimbursements, I will be forced to pay an additional \$1,385 per year. Including my spouse, our household would expend approximately \$2,770 annually on doctor's fees and medical expenses. I am saddened to say that my family cannot afford this additional financial burden. It deeply troubles me that the Legislature is considering changing my

benefits. Retirement promises that were made upon accepting employment 41 years ago should not be broken today.

**Therefore, I urge you to pass a Senate version similar to H.B. 1041, H.D. 1.**

Thank you for the opportunity to comment on this bill.

The Senate  
The Twenty-Sixth Legislature, State of Hawaii  
Regular Session of 2011  
Committee on Judiciary and Labor

February 11, 2011

S.B. 1268 – RELATING TO  
THE HAWAII EMPLOYER UNION  
HEALTH BENEFITS TRUST FUND

Chair Hee, Vice-Chair Shimabukuro, and members of the Committee on Judiciary and Labor:

Thank you for the opportunity to provide testimony in **strong opposition of the S.B. 1268**, which would eliminate the Medicare Part B reimbursements for retired employee-beneficiaries and their spouses. **I prefer and support H.B. 1061, H.D. 1**, which would affect prospective employees only.

My name is Marc Yamamoto, and I work as a Procurement and Supply Specialist IV for the State of Hawaii for 14 years. As a government employee, I dedicate my career to public service. I chose to work for less pay than my private-sector counterparts for ensured health benefits upon retirement. By eliminating the Medicare Part B reimbursements, I will be forced to pay an additional \$1,385 per year. Including my spouse, our household would expend approximately \$2,770 annually on doctor's fees and medical expenses. I am saddened to say that my family cannot afford this additional financial burden. It deeply troubles me that the Legislature is considering changing my benefits. Retirement promises that were made upon accepting employment 14 years ago should not be broken today.

**I urge you to pass a Senate version similar to H.B. 1041, H.D. 1.** Thank you for the opportunity to provide testimony in strong opposition of S.B. 1268, as it is currently written.

Respectfully submitted,

**Marc Yamamoto**



The Senate  
The Twenty-Sixth Legislature, State of Hawaii  
Regular Session of 2011  
Committee on Judiciary and Labor

February 11, 2011

S.B. 1268 – RELATING TO  
THE HAWAII EMPLOYER UNION  
HEALTH BENEFITS TRUST FUND

Chair Hee, Vice-Chair Shimabukuro, and members of the Committee on Judiciary and Labor:

Thank you for the opportunity to provide testimony in **strong opposition of the S.B. 1268**, which would eliminate the Medicare Part B reimbursements for retired employee-beneficiaries and their spouses. **I prefer and support H.B. 1061, H.D. 1**, which would affect prospective employees only.

My name is **Kris**, and I worked as a **RN IV** for the **DOH/OHCA** for **seven years**. As a government employee, I dedicated my career to public service. I chose to work for less pay than my private-sector counterparts for ensured health benefits upon retirement. By eliminating the Medicare Part B reimbursements, I will be forced to pay an additional \$1,385 per year. Including my spouse, our household would expend approximately \$2,770 annually on doctor's fees and medical expenses. I am saddened to say that my family cannot afford this additional financial burden. It deeply troubles me that the Legislature is considering changing my benefits. Retirement promises that were made upon accepting employment **seven years** ago should not be broken today.

**I urge you to pass a Senate version similar to H.B. 1041, H.D. 1.** Thank you for the opportunity to provide testimony in strong opposition of S.B. 1268, as it is currently written.

Respectfully submitted,

Kris Tsuda

**From:** [Joel Fischer](#)  
**To:** [JDLTestimony](#)  
**Subject:** SB1268; JDL; fri, 2/11/11; 9:15AM; Rm 016  
**Date:** Tuesday, February 08, 2011 2:50:00 PM  
**Importance:** High

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SB 1268, Relating to... Broken Promises!  
JDL; Chair, Sen Hee

**PLEASE KILL THIS BILL, MAKE-DIE-DEAD!!**

**This bill is cruel, cruel, cruel!**

I believe Gov Neil has lost it! All those years of fighting for progressive causes and on behalf of working people, and in one fell swoop, in his State of the State addresses, he repudiates everything he ever stood for.

he said in that address that "everyone should contribute" to reducing the deficit, but his definition of "everyone" includes only the poor, old and retired. Broken promises, a broken social contract, taking away from the have-nots to give to the haves: these are what characterize the "new" Abercrombie!

What about ANY suffering by the rich? Why no mention of tax credits that benefit only the rich and that research shows are the worse way to stimulate an economy. Why not visit the tax code revisions enacted under another fake liberal, Ben Cayetano, which have stolen hundreds of millions of dollars of badly needed revenue from the state.

I urge this committee to send a STRONG message to the governor that these outrages will not be allowed to stand.

Thank you.

Aloha, joel

Dr. Joel Fischer, ACSW  
Professor Ret.  
University of Hawai'i, School of Social Work  
Henke Hall  
Honolulu, HI 96822

"It is reasonable that everyone who asks justice should DO justice."  
Thomas Jefferson

"There comes a time when one must take a position that is neither safe, nor politic, nor popular, but one must take it because one's conscience tells one that it is right."

Dr. Martin Luther King, Jr.

"Never, never, never quit."  
Winston Churchill

It is better to be "over the hill" than under it.

The Senate  
The Twenty-Sixth Legislature, State of Hawaii  
Regular Session of 2011  
Committee on Judiciary and Labor

February 10, 2011

S.B. 1268 – RELATING TO  
THE HAWAII EMPLOYER UNION  
HEALTH BENEFITS TRUST FUND

Chair Hee, Vice-Chair Shimabukuro, and members of the Committee on Judiciary and Labor:

Thank you for the opportunity to provide testimony in **strong opposition of the S.B. 1268**, which would eliminate the Medicare Part B reimbursements for retired employee-beneficiaries and their spouses. **I prefer and support H.B. 1061, H.D. 1**, which would affect prospective employees only.

My name is Adrian Lau, and I have been a government employee for the past 19 years. I have dedicated most of my career to public service. I chose to work for less pay than my private-sector counterparts for ensured health benefits upon retirement.

By eliminating the Medicare Part B reimbursements, I will be forced to pay an additional \$1,385 per year. Including my spouse, our household would expend approximately \$2,770 annually on doctor's fees and medical expenses.

I am saddened to say that my family will be burdened with this additional financial expense. It deeply troubles me that the Legislature is considering changing my benefits. Retirement promises that were made to me upon accepting employment 19 years ago should not be broken today.

**I urge you to pass a Senate version similar to H.B. 1041, H.D. 1.** Thank you for the opportunity to provide testimony in strong opposition of S.B. 1268, as it is currently written.

Respectfully submitted,

Adrian Lau

The Senate  
The Twenty-Sixth Legislature, State of Hawaii  
Regular Session of 2011  
Committee on Judiciary and Labor

February 11, 2011

S.B. 1268 – RELATING TO  
THE HAWAII EMPLOYER UNION  
HEALTH BENEFITS TRUST FUND

Chair Hee, Vice-Chair Shimabukuro, and members of the Committee on Judiciary and Labor:

Thank you for the opportunity to provide testimony in **strong opposition of the S.B. 1268**, which would eliminate the Medicare Part B reimbursements for retired employee-beneficiaries and their spouses.

Although the State has financial problems, why are you picking on the employees who have sustained the State all these years. I prefer that you select another avenue to balance the budget like raising the GE tax which has remained the same for 46 years! Instead you are attacking the residents who are pinching pennies just to survive this economic crisis. The GE tax will be paid for by all the residents and visitors and is a step in a positive direction instead of a negative direction. For businesses to say that raising the GE tax is hard for them, I do not see the logic in that as they are merely the ones collecting it for the State from us the consumers, so how does that make their business suffer. 35% of the GE tax comes from visitors, let them support our burden, why are you picking on the employees you have sacrificed their low pay and now take away their medical that was promised to them when they were hired. First, I would like to see you take away your benefits and become equal with our pain, it is easy to sit there and make laws that do not affect you because you are reaping more than we are. It is a shame that our children will suffer because of our actions, but if push comes to shove, **I prefer and support H.B. 1061, H.D. 1**, which would affect prospective employees only.

My name is Susan Honjiyo and I worked as a Golf Course Operations Assistant for the County of Kauai-Department of Parks & Recreation for 33 years. As a government employee, I dedicated my career to public service. I chose to work for less pay than my private-sector counterparts for ensured health benefits upon retirement. By eliminating the Medicare Part B reimbursements, I will be forced to pay an additional \$1,385 per year. Including my spouse, our household would expend approximately \$2,770 annually on doctor's fees and medical expenses. I am saddened to say that my family cannot afford this additional financial burden. It deeply troubles me that the Legislature is considering changing my benefits. Retirement promises that were made upon accepting employment 33 years ago should not be broken today.

**I urge you to pass a Senate version similar to H.B. 1041, H.D. 1.** Thank you for the opportunity to provide testimony in strong opposition of S.B. 1268, as it is currently written.

Respectfully submitted,

Susan Honjiyo

As a recent retiree from the State of Hawaii Department of Education, I am opposed to this bill because I have worked for over 34 years with a clear understanding of my benefits when I retire, which included medical insurance coverage and the reimbursement for Medicare Part B. I have had opportunities to seek employment outside of the State system, but continued to work for the State because of the retirement benefits. If this bill were to pass, I would feel like the rug had been pulled from under my feet. As a state worker I have put in numerous hours beyond the normal workday, without ever getting overtime, or extra compensation. I believe I have been a dedicated worker and deserve these benefits.

I understand the fiscal situation of the State, but I don't feel it is fair to penalize State employees. I would support raising our sales tax, as that would be fair to everyone. Some legislators have expressed concern about the low income population if the sales tax were to increase, but that can be offset with a tax credit or something of that nature when they file tax returns.

Senate

Committee on Judiciary and Labor  
Senator Clayton Hee, Chair

Friday, February 11, 2011; 9:15 a.m.  
Capitol Conf. Room 016  
Testimony - SB 1268

Chairman Hee and members of the Committee on Judiciary and on Labor.

My name is Jim Williams and I am testifying in opposition to SB 1268. I urge your committee to hold this bill.

I am testifying as an individual, representing no organization, business or other special interest. My background gives me a unique perspective on the EUTF and on this bill. This includes, over the years, service as a board member and chairman of the EUTF's predecessor (Public Employees Health Fund), one of the original EUTF Trustees, administrator of the EUTF for five years, union (HSTA) president and executive director dealing with the PEHF, EUTF and VEBA, PEHF and EUTF active employee participant and (currently) EUTF retiree participant.

Senate Bill 1268 eliminates the reimbursement of Medicare Part B premiums for all retirees, effective July 1, 2011. This bill was submitted by the Governor as a cost saving, budget balancing measure. This bill is objectionable for several reasons: 1) It breaks a "social compact" made with retirees. 2) It most likely will be challenged in court and struck down. 3) It will have devastating financial impact on our oldest and poorest government retirees. 4) If its flaws are corrected, it then will not produce savings in the current budget cycle.

When the legislature first established the provision for reimbursement of Medicare Part B premiums, it did so with dual provisions (in effect a social compact) that represented a "win-win" for the State and for the retirees. **That is the retirees would be required to enroll in Medicare Part B and in return they would be reimbursed for the premium. This was done to save the employers (State and counties) money.** The reason it saved money is that Medicare is the primary payer. Medicare pays first, before any EUTF coverage. If the benefit is 80/20 for both Medicare and the EUTF plan, and the retiree is not enrolled in Medicare Part B, the EUTF plan will pay 80% of the cost. However, if the retiree is enrolled in Medicare Part B, the EUTF plan pays only 20%. The result is that the EUTF plan saves 60% of the cost if the retiree is enrolled in Medicare Part B.

The provision works! According to the EUTF web site the employer contribution for a single retiree not enrolled in Medicare for the HMSA PPO plan was \$398.56 per month as of January 1, 2010. For a single retiree enrolled in Medicare the premium for the HMSA PPO plan was only \$186.04 per month. Those who are not enrolled in Medicare

are the so-called “early retirees,” that is, those not yet 65 years old. These are the younger, healthier retirees. Yet the State pays more than double, \$212.44 more per month, for the early retirees’ plan. This is solely due to the fact that Medicare is primary. For most retirees, the Medicare Part B premium ranges from \$96.40 to \$115.40 per month, so the State comes out way ahead, even with reimbursement.

This bill eliminates the reimbursement of the Part B premium, but it does not eliminate the requirement that the retirees enroll in Medicare Part B. If this measure were adopted, the Legislature would be saying, in effect, that the deal is off. The State is going to take all the savings, and you, the retiree, are going to have to pay the Medicare premium that result in the savings to the State.

In the Everson case that was adjudicated when I was the EUTF administrator, the court ruled that retiree benefits are constitutionally protected. Clearly, taking the Medicare Part B reimbursement away from current retirees (and probably current employees) would violate the court-held constitutional protection. And I can assure this committee that there will be no shortage of retirees and attorneys who will take this measure to court.

It takes little imagination to understand the impact on a 70 or 80 year old retiree, living on social security and a modest ERS pension, when they lose \$100 per month in Medicare Part B premium. Many would be devastated. In my opinion it would be just plain wrong to do this to them.

That is why I am urging this committee to either hold this bill or to make major changes. Those changes would include making the measure prospective (applying to only new employees) and deleting paragraph (4) of the section which requires enrollment in Medicare Part B. It is only fair that the retiree have the option whether to enroll in Medicare Part B, if the EUTF will no longer reimburse for the premium. However I would note that making these changes would nullify the immediate cost savings that enticed the Governor to make this proposal in the first place.

Thank you for this opportunity to testify in opposition to SB 1268.

Jim Williams  
Honolulu

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [JDLTestimony](#)  
**Cc:** [DHigashi46@hawaii.rr.com](mailto:DHigashi46@hawaii.rr.com)  
**Subject:** Testimony for SB1268 on 2/11/2011 9:15:00 AM  
**Date:** Thursday, February 10, 2011 8:09:54 AM

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Testimony for JDL 2/11/2011 9:15:00 AM SB1268

Conference room: 016  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Donna Higashi  
Organization: Individual  
Address: 1113-21st Avenue Honolulu, HI 96816  
Phone: (808) 734-7543  
E-mail: [DHigashi46@hawaii.rr.com](mailto:DHigashi46@hawaii.rr.com)  
Submitted on: 2/10/2011

Comments:

I strongly oppose SB1268. Reimbursement for Medicare Part B greatly assists our most senior retirees. Yes, everything costs more but let's not have them choose between food, shelter and health. Let's take care of them and not take advantage of them. Thank you.



**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [JDLTestimony](#)  
**Cc:** [jkhaswell007@yahoo.com](mailto:jkhaswell007@yahoo.com)  
**Subject:** Testimony for SB1268 on 2/11/2011 9:15:00 AM  
**Date:** Wednesday, February 09, 2011 2:12:55 AM

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Testimony for JDL 2/11/2011 9:15:00 AM SB1268

Conference room: 016  
Testifier position:  
Testifier will be present: No  
Submitted by: Joycelyn Iyo  
Organization: Individual  
Address:  
Phone:  
E-mail: [jkhaswell007@yahoo.com](mailto:jkhaswell007@yahoo.com)  
Submitted on: 2/9/2011

Comments:

Taking away benefits from senior citizens that have earned through their service. For a lot of these members, their pay was a lot smaller back then. their monthly pension from the state is smaller because their salaries were smaller back then. Now you want to take away hard-earned, a long-time public service earned benefit. This will affect these seniors detrimentally. Fixed income, fixed pension based on a small salary, increased living costs, exponentially increased medical and health care costs in the part of their lives that health care and problems increases! Not the way to treat our public service seniors.

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [JDLTestimony](#)  
**Cc:** [pickardt001@hawaii.rr.com](mailto:pickardt001@hawaii.rr.com)  
**Subject:** Testimony for SB1268 on 2/11/2011 9:15:00 AM  
**Date:** Thursday, February 10, 2011 8:57:57 AM

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Testimony for JDL 2/11/2011 9:15:00 AM SB1268

Conference room: 016  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Tom Pickard  
Organization: Individual  
Address: Kahuku  
Phone:  
E-mail: [pickardt001@hawaii.rr.com](mailto:pickardt001@hawaii.rr.com)  
Submitted on: 2/10/2011

Comments:

The Senate  
The Twenty-Sixth Legislature, State of Hawaii  
Regular Session of 2011  
Committee on Judiciary and Labor

February 11, 2011

S.B. 1268 – RELATING TO  
THE HAWAII EMPLOYER UNION  
HEALTH BENEFITS TRUST FUND

Chair Hee, Vice-Chair Shimabukuro, and members of the Committee on Judiciary and Labor:

Thank you for the opportunity to provide testimony in **strong opposition of the S.B. 1268**, which would eliminate the Medicare Part B reimbursements for retired employee-beneficiaries and their spouses. **I prefer and support H.B. 1061, H.D. 1**, which would affect prospective employees only.

My name is Charlene Len and I started my government career as a Clerk Stenographer for the State of Hawaii in 1971. My starting monthly salary was \$457.00. I remember my parents advising me to seek a state civil service job, mainly for the benefits for retirement. I stuck it out and continued my career as a Secretary, Personnel Technician, and Personnel Management Specialist until my retirement in 2005. As a government employee, I dedicated my career to public service and I chose to work for less pay than my private-sector counterparts for ensured health benefits upon retirement. By eliminating the Medicare Part B reimbursements, I will be forced to pay an additional \$1,385 per year. My Mother, as well as hundreds of other senior citizens, who receive Medicare Part B reimbursement as the spouse of an employee and whose only source of income is Social Security, would be horrendously affected. I am troubled by the actions taken by the 2011 Legislature to consider altering my benefits. Retirement promises that were made upon accepting employment more than 34 years ago should not be broken today.

**I urge you to pass a Senate version similar to H.B. 1041, H.D. 1.** Thank you for the opportunity to provide testimony in strong opposition of S.B. 1268, as it is currently written.

Respectfully submitted,

Charlene Len

**From:** [Lynn Murakami-Akatsuka](#)  
**To:** [JDLTestimony](#)  
**Subject:** Testimony for SB 1268 on 2/11/2011 at 9:15 AM  
**Date:** Wednesday, February 09, 2011 7:34:09 PM

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Testimony for Committee on Judiciary and Labor, 2/11/2011 at 9:15 AM

Conference room: 016  
Testifier position: Strongly oppose  
Testifier will be present: NO  
Submitted by: Lynn Murakami-Akatsuka  
Organization: Individual  
Address: 45-606 Keole Street; Kaneohe, HI 96744  
E-mail: [lkakatsu@hawaii.rr.com](mailto:lkakatsu@hawaii.rr.com)  
Submitted on: 2/9/2011

Comments: Retirement planning as well as for those already retired from the state has been based on the projected retirement pension based on years of service and the reimbursement of Medicare Part B for the employee-beneficiary and the spouse (if married) of the employee-beneficiary of retired employees.

I **strongly oppose** this version SB 1268; but **strongly support** the HB 1041, HD 1 version that relates to the Hawaii Employer-Union Health Benefits Trust Fund. SB 1268 blindsides the current retirees as well as the state employees that are near retirement in their calculation of their retirement pension to maintain a standard of living with the increasing taxes that have been added and/or being proposed by the legislature. HB 1041, HD 1 gives notice to those who are entering state service that after June 30, 2011 that one will need to have additional savings in an IRA and other assets beyond their pension to build for their retirement years.

Thank you for the opportunity to testify.

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**Cc:** [ckosora@aol.com](mailto:ckosora@aol.com)  
**Subject:** Testimony for SB1268 on 2/11/2011 9:15:00 AM  
**Date:** Wednesday, February 09, 2011 7:07:59 PM

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Testimony for JDL 2/11/2011 9:15:00 AM SB1268

Conference room: 016  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: KATIE KOSORA  
Organization: Individual  
Address: Kawili Street Hilo, Hawaii  
Phone: (808) 969-3009  
E-mail: [ckosora@aol.com](mailto:ckosora@aol.com)  
Submitted on: 2/9/2011

Comments:

Retirees have worked hard to earn this benefit. Those already vested should be entitled to this benefit. This can be considered for those not yet hired in government service. Thank you.

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [JDLTestimony](#)  
**Cc:** [paul3742@hawaiiintel.net](mailto:paul3742@hawaiiintel.net)  
**Subject:** Testimony for SB1268 on 2/11/2011 9:15:00 AM  
**Date:** Wednesday, February 09, 2011 4:58:40 PM

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Testimony for JDL 2/11/2011 9:15:00 AM SB1268

Conference room: 016  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Paul H.Lewis  
Organization: Individual  
Address: 2734A6 Rooke Av Hon HI 96817  
Phone: 808-595 7125  
E-mail: [paul3742@hawaiiintel.net](mailto:paul3742@hawaiiintel.net)  
Submitted on: 2/9/2011

Comments:

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [JDLTestimony](#)  
**Cc:** [lcarmanjr@hotmail.com](mailto:lcarmanjr@hotmail.com)  
**Subject:** Testimony for SB1268 on 2/11/2011 9:15:00 AM  
**Date:** Thursday, February 10, 2011 8:32:12 AM

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Testimony for JDL 2/11/2011 9:15:00 AM SB1268

Conference room: 016  
Testifier position: oppose  
Testifier will be present: Yes  
Submitted by: Leonard C. Carman Jr  
Organization: Individual  
Address:  
Phone:  
E-mail: [lcarmanjr@hotmail.com](mailto:lcarmanjr@hotmail.com)  
Submitted on: 2/10/2011

Comments:

I am a State employee with DHS and oppose any take aways from our retirement benefits. Most dedicated civil service employee's choose this as there career in part because of the retirement benefits. It is a fact that one could work in the private sector and earn a much higher income over there working life time than what one earns as civil sevice employees. It is not fair to promise retirement benefits then take them away after you have spent years earning them. I plead with you to leave our retirement benefits alone. It is not fair to those already retired and on fixed income nor is it fair to those who will be retireing from civil service to take away our retirement benefits.

I also oppose HB 1041 but support HB 1041, HD 1. I realize that adjustments must be made but let those adjustments be made on new hires, not on those that have worked so hard for so many years with the promise of what there retirement benefits will be.

Thank you for your consideration in this matter. Leonard C. Carman Jr.

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [JDLTestimony](#)  
**Cc:** [anuenue46@hawaii.rr.com](mailto:anuenue46@hawaii.rr.com)  
**Subject:** Testimony for SB1268 on 2/11/2011 9:15:00 AM  
**Date:** Thursday, February 10, 2011 8:24:16 AM

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Testimony for JDL 2/11/2011 9:15:00 AM SB1268

Conference room: 016  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Margaret A. Bartelt  
Organization: Individual  
Address: P.O. Box 425 Kurtistown, HI 96760  
Phone: 808-968-8167  
E-mail: [anuenue46@hawaii.rr.com](mailto:anuenue46@hawaii.rr.com)  
Submitted on: 2/10/2011

Comments:

My name is Margaret A. Bartelt and I oppose SB1268. I worked for twenty-six years for the State of Hawaii, the last twenty-one as a Child Protective Services Social Worker with the Department of Human Services, Hilo office.

During my tenure as a State employee, I fulfilled all of the conditions of my employment to the best of my abilities. My personnel record contains no reprimands and my Job Performance Ratings consistently met and often exceeded expectations.

In return for my service, the State of Hawaii promised me certain benefits at the time of retirement. I took these benefits into consideration in accepting and continuing State employment throughout the years from 1983 through 2009. These benefits were also an integral part of my retirement planning in Spring, 2009. I retired on August 1, 2009 and will become 65 years of age on May 1, 2011.

I am requesting that you not terminate my PROMISED LIFE LONG BENEFIT OF HEALTH INSURANCE COVERAGE by failing to reimburse my monthly Medicare Part B premiums which I will begin paying in May of 2011.

I have upheld my part of the employment contract between myself and the State of Hawaii. I ask the State of Hawaii to likewise honor the promises that it made to me during my tenure as a State employee.

Mahalo for this opportunity to submit this testimony to the committee.

Margaret A. Bartelt  
Social Worker IV, Child Protective Services  
Retired



**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [JDLTestimony](#)  
**Cc:** [jkhaswell007@yahoo.com](mailto:jkhaswell007@yahoo.com)  
**Subject:** Testimony for SB1268 on 2/11/2011 9:15:00 AM  
**Date:** Wednesday, February 09, 2011 2:12:38 AM

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Testimony for JDL 2/11/2011 9:15:00 AM SB1268

Conference room: 016  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Joycelyn Iyo  
Organization: Individual  
Address:  
Phone:  
E-mail: [jkhaswell007@yahoo.com](mailto:jkhaswell007@yahoo.com)  
Submitted on: 2/9/2011

Comments:

Taking away benefits from senior citizens that have earned through their service. For a lot of these members, their pay was a lot smaller back then. their monthly pension from the state is smaller because their salaries were smaller back then. Now you want to take away hard-earned, a long-time public service earned benefit. This will affect these seniors detrimentally. Fixed income, fixed pension based on a small salary, increased living costs, exponentially increased medical and health care costs in the part of their lives that health care and problems increases! Not the way to treat our public service seniors.

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [JDLTestimony](#)  
**Cc:** [larry.moises@hawaiiantel.net](mailto:larry.moises@hawaiiantel.net)  
**Subject:** Testimony for SB1268 on 2/11/2011 9:15:00 AM  
**Date:** Thursday, February 10, 2011 10:04:55 AM

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Testimony for JDL 2/11/2011 9:15:00 AM SB1268

Conference room: 016  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Lorenzo Moises  
Organization: Individual  
Address:  
Phone:  
E-mail: [larry.moises@hawaiiantel.net](mailto:larry.moises@hawaiiantel.net)  
Submitted on: 2/10/2011

Comments:

When I left a higher paying job in the private sector, I was assured that the lower paying job I accepted in government would come with paid benefits when I retire. Now three years away from retirement, that promise may be broken. I urge you not to pass this bill.

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [JDLTestimony](#)  
**Cc:** [garrypsmith@juno.com](mailto:garrypsmith@juno.com)  
**Subject:** Testimony for SB1268 on 2/11/2011 9:15:00 AM  
**Date:** Thursday, February 10, 2011 9:33:20 AM

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Testimony for JDL 2/11/2011 9:15:00 AM SB1268

Conference room: 016  
Testifier position: oppose  
Testifier will be present: Yes  
Submitted by: Garry P. Smith  
Organization: Individual  
Address: 91-321 pupu place ewa beach, hi 96706  
Phone: 808.392.5559  
E-mail: [garrypsmith@juno.com](mailto:garrypsmith@juno.com)  
Submitted on: 2/10/2011

Comments:

I'm not a state retiree, I am a federal military retiree so you might say I shouldn't be testifying because I don't have a dog in this fight. But I see this as the beginning of broken promises by the state against the most vulnerable in our society, the elderly living on fixed incomes who can no longer get a job to make up for losses in their income. The average state retiree will lose nearl \$3000 in income with passage of this bill. Where do you expect these elderly pensioners to come up with \$3000? Do you want them to greet you at Walmart? Do you want them to ask if you want fries with your hamburger at McDonalds? Why has the state suddenly decided to go after pensioners to continue to allow the state to mismanage the tax revenue it all ready receives? After you take away this promise which will cost the average state retired couple almost \$3000 a year, you intend to work on breaking the states promise not to tax pensions. Has the state really gotten itself into a position that it has to break their promises to the elderly and wants to force them into poverty? Where were the legislators concerns when they were giving away all the money the state had in surplus, over \$700 Million in 2006? Where did that money go? I always thought democrats stood for those who couldn't stand on their own, the poor, the disabled and the elderly. Now the democrats are going to take away the benefits that were earned and promised to those who can no longer go back to work too earn that money they will be losing. You owe it to the elderly pensioners to not break your promises. There is a solution to the state to get the money to carry them through this crisis without revoking on promises, borrow the \$400 Million from the rail transit fund. Lawsuits are going to hold up rail for years and there is no guarantee the feds will give the \$1.5 Billion to finance the project and it will die from financial collapse. Borrow this money before you break your promises to elderly pensioners

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [JDLTestimony](#)  
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**Subject:** Testimony for SB1268 on 2/11/2011 9:15:00 AM  
**Date:** Thursday, February 10, 2011 9:15:01 AM

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Testimony for JDL 2/11/2011 9:15:00 AM SB1268

Conference room: 016  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Cynthia Ho  
Organization: Individual  
Address:  
Phone:  
E-mail: [cynz100@gmail.com](mailto:cynz100@gmail.com)  
Submitted on: 2/10/2011

Comments:

Although I am not yet a retiree I oppose the changes to SB1268 as my future benefits as a retiree with State Department of Education will be affected. Medicare part B covers only a portion of medical costs and retirees must have supplemental coverage. Once a retiree is on a limited income it becomes difficult keeping up with increasing health care premiums with a private carrier. Retirees can no longer rely on social security benefits to cover daily living expenses as well as health insurance premium payments. There must be another solution to the state's budget shortfall.

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**Subject:** Testimony for SB1268 on 2/11/2011 9:15:00 AM  
**Date:** Wednesday, February 09, 2011 8:06:20 PM

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Testimony for JDL 2/11/2011 9:15:00 AM SB1268

Conference room: 016  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Athan Adachi  
Organization: Individual  
Address: 1702 Kalaepaa Drive Honolulu, HI  
Phone: 808-841-1910  
E-mail: [athanadachi@earthlink.net](mailto:athanadachi@earthlink.net)  
Submitted on: 2/9/2011

Comments:

I oppose any bill that reduces the benefits of government workers. I am a government worker and could have received a higher pay in private employment. But I choose civil service as my lifelong career for 31 years now because the retirement benefits were good. To pull that away now at the end of my career is devastating to me. Please vote no on SB1268.

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**Cc:** [kuokoa@hawaiiantel.net](mailto:kuokoa@hawaiiantel.net)  
**Subject:** Testimony for SB1268 on 2/11/2011 9:15:00 AM  
**Date:** Wednesday, February 09, 2011 7:39:58 PM

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Testimony for JDL 2/11/2011 9:15:00 AM SB1268

Conference room: 016  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Frank Kaanoi  
Organization: Individual  
Address: 94-418 Keaoopua Street Apt. 54-B Mililani, HI 96789  
Phone: 808-625-0592  
E-mail: [kuokoa@hawaiiantel.net](mailto:kuokoa@hawaiiantel.net)  
Submitted on: 2/9/2011

Comments:

I oppose this measure because I don't believe it is fair to balance the budget on the backs on current retirees and also those employees, including me, who have a vested interest in their future retirement.

Please stop SB1268!!!

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [JDLTestimony](#)  
**Cc:** [rachaelguay@hawaii.rr.com](mailto:rachaelguay@hawaii.rr.com)  
**Subject:** Testimony for SB1268 on 2/11/2011 9:15:00 AM  
**Date:** Wednesday, February 09, 2011 6:31:25 PM

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Testimony for JDL 2/11/2011 9:15:00 AM SB1268

Conference room: 016  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Rachael Guay  
Organization: Individual  
Address: 1255 Kaeleku Street HNL HI  
Phone: 808-395-9659  
E-mail: [rachaelguay@hawaii.rr.com](mailto:rachaelguay@hawaii.rr.com)  
Submitted on: 2/9/2011

Comments:

Retirees are on a fixed income while cost of living keeps rising. Stock investments did not pan out for the most part. (It's not like we didn't plan to save for a rainy day). Medical expenses are rising. We are living longer. I decided to work for the state due to the apparent benefits to include those at retirement. I chose to work for the state and therefore, did not take a more lucrative private sector job at the time. It is unfair to penalize people like myself who worked hard for the state to now face a significant decrease in benefits. Also, if our pension is going to be taxed as well, how are we expected to not get into debt in what is supposed to be our golden years?? We never had bonuses and the like many of the private sector employees did. I understand the state needs more money but don't take it from the retirees. We are the last ones to look at for a solution to the state's debts. Let us try to live our lives in dignity.

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [JDLTestimony](#)  
**Cc:** [kahale1946@hawaiiintel.net](mailto:kahale1946@hawaiiintel.net)  
**Subject:** Testimony for SB1268 on 2/11/2011 9:15:00 AM  
**Date:** Wednesday, February 09, 2011 1:38:32 PM

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Testimony for JDL 2/11/2011 9:15:00 AM SB1268

Conference room: 016  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: RICHARD R. FUJITA  
Organization: Individual  
Address: 1946 HOOMALOLO ST. PEARL CITY, HI 96782  
Phone: 455-7063  
E-mail: [kahale1946@hawaiiintel.net](mailto:kahale1946@hawaiiintel.net)  
Submitted on: 2/9/2011

Comments:

DEAR SENATORS. I HAVE WORKED MANY YEARS FOR THE CITY & COUNTY OF HONOLULU AS A POLICE OFFICER AND PLANNED MY MODEST RETIREMENT AROUND THE BENEFITS THAT WERE PROMISED US SO THAT MY WIFE AND I COULD ENJOY OUR REMAINING YEARS COMFORTABLY. THE PASSAGE OF HB1268 FOR THOSE OF US WHO HAVE ALREADY RETIRED IS UNFAIR AND WILL GREATLY REDUCE OUR QUALITY OF LIFE AT A TIME WHEN WE NEED IT THE MOST. WITH THE COST OF LIVING IN HAWAII ESCALATING, IT WILL BE IMPOSSIBLE FOR US RETIREES TO MAKE ENDS MEET. PLEASE, PLEASE, PLEASE, I HUMBLLY ASK FOR YOUR SUPPORT AND NOT ALLOW THE PASSAGE OF SB1268. MAHALO.