



EXECUTIVE CHAMBERS
HONOLULU

NEIL ABERCROMBIE
GOVERNOR

HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT
Representative Karl Rhoads, Chair
Representative Kyle T. Yamashita, Vice Chair

February 11, 2011
9:10 a.m. Room 309

Written Testimony in SUPPORT on HB1041 Proposed HD1
Relating to the Hawaii Employer-Union Benefits Trust Fund

Chair Rhoads, Vice-Chair Yamashita and members of the House Labor & Public Employment Committee:

Thank you this opportunity to provide written testimony in support of the proposed House Draft 1 of House Bill (HB) 1041, Relating to the Hawaii Employer-Union Benefits Trust Fund.

I apologize for not attending in person, but the Senate's hearing of this bill's companion is occurring concurrently with this hearing.

We are facing an \$844 million deficit over the next two years. Right now, state taxpayers are paying for reimbursements for Medicare Part B coverage for roughly 30,000 retirees and their spouses.

I believe that the original draft of the bill, which eliminated the reimbursement for all retirees, is fair. However, my administration is open to the idea proposed in this legislation to exempt all prospective employees.

We must look ahead to our state's long-term future and eliminate unsustainable practices, and HB1041 addresses some of those concerns.

Thank you for this opportunity to provide written testimony in support.

TESTIMONY BY KALBERT K. YOUNG
INTERIM DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT
ON
HOUSE BILL NO. 1041 (PROPOSED H.D. 1)

February 11, 2011

RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST
FUND

House Bill No. 1041 (Proposed H.D. 1), eliminates Medicare Part B reimbursements for retired employee-beneficiaries and the spouses of employee-beneficiaries who are retired employees for employee-beneficiaries hired after June 30, 2011, or the spouses of employee-beneficiaries hired after June 30, 2011.

The Department of Budget and Finance supports the original language of House Bill No. 1041 (see attachment), which would eliminate the Medicare Part B reimbursement for all retired employee-beneficiaries and their spouses, regardless of the hiring date of the employee. The Administration proposed this version as a measure to cease the practice of state tax dollars paying for medical insurance that is already paid for by individual's social security.

Currently, there are 22,673 retirees and 7,464 spouses receiving the Medicare Part B reimbursement. Most of the retirees and spouses receive a quarterly benefit of \$289.20, while a small number receive a quarterly benefit of \$1,060.80. Medicare Part B reimbursements are projected to cost the State general fund \$41.7 million in FY 12 and \$46.8 million in FY 13, and are provided even if the

spouse may never have been a State or county employee. Eliminating the reimbursement is one way of containing the ever-increasing cost of retiree health benefits paid by State and county employers and, thus, reducing the burden on taxpayers. Furthermore, this measure will facilitate sustainability of benefits under the Hawaii Employer-Union Health Benefits Trust Fund.

Attachment

A BILL FOR AN ACT

RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST
FUND.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 87A-23, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§87A-23 Health benefits plan supplemental to medicare.**

4 The board shall establish a health benefits plan, which takes
5 into account benefits available to an employee-beneficiary and
6 spouse under medicare, subject to the following conditions:

7 (1) There shall be no duplication of benefits payable
8 under medicare. The plan under this section, which
9 shall be secondary to medicare, when combined with
10 medicare and any other plan to which the health
11 benefits plan is subordinate under the National
12 Association of Insurance Commissioners' coordination
13 of benefit rules, shall provide benefits that
14 approximate those provided to a similarly situated
15 beneficiary not eligible for medicare;

16 ~~[(2) The State, through the department of budget and~~
17 ~~finance, and the counties, through their respective~~
18 ~~departments of finance, shall pay to the fund a~~
19 ~~contribution equal to an amount not less than the~~

H. B. NO. 1041

1 ~~medicare part B premium, for each of the following who~~
2 ~~are enrolled in the medicare part B medical insurance~~
3 ~~plan: (A) an employee beneficiary who is a retired~~
4 ~~employee, (B) an employee beneficiary's spouse while~~
5 ~~the employee beneficiary is living, and (C) an~~
6 ~~employee beneficiary's spouse, after the death of the~~
7 ~~employee beneficiary, if the spouse qualifies as an~~
8 ~~employee beneficiary. For purposes of this section, a~~
9 ~~"retired employee" means retired members of the~~
10 ~~employees' retirement system; county pension system;~~
11 ~~or a police, firefighters, or bandsmen pension system~~
12 ~~of the State or a county as set forth in chapter 98.~~
13 ~~If the amount reimbursed by the fund under this~~
14 ~~section is less than the actual cost of the medicare~~
15 ~~part B medical insurance plan due to an increase in~~
16 ~~the medicare part B medical insurance plan rate, the~~
17 ~~fund shall reimburse each employee beneficiary and~~
18 ~~employee beneficiary's spouse for the cost increase~~
19 ~~within thirty days of the rate change. Each~~
20 ~~employee beneficiary and employee beneficiary's spouse~~
21 ~~who becomes entitled to reimbursement from the fund~~
22 ~~for medicare part B premiums after July 1, 2006, shall~~
23 ~~designate a financial institution account into which~~
24 ~~the fund shall be authorized to deposit~~

1 reimbursements. This method of payment may be waived
2 by the fund if another method is determined to be more
3 appropriate;

4 ~~(3)~~ The benefits available under this plan, when combined
5 with benefits available under medicare or any other
6 coverage or plan to which this plan is subordinate
7 under the National Association of Insurance
8 Commissioners' coordination of benefit rules, shall
9 approximate the benefits that would be provided to a
10 similarly situated employee-beneficiary not eligible
11 for medicare;

12 ~~(4)~~ (2) All employee-beneficiaries or dependent-beneficiaries
13 who are eligible to enroll in the medicare part B
14 medical insurance plan shall enroll in that plan as a
15 condition of receiving contributions and participating
16 in benefits plans under this chapter. This paragraph
17 shall apply to retired employees, their spouses, and
18 the surviving spouses of deceased retirees and
19 employees killed in the performance of duty; and

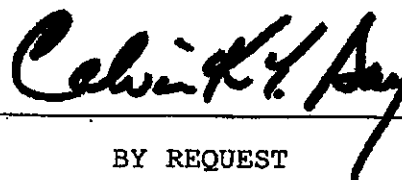
20 ~~(5)~~ (3) The board shall determine which of the
21 employee-beneficiaries and dependent-beneficiaries,
22 who are not enrolled in the medicare part B medical
23 insurance plan, may participate in the plans offered
24 by the fund."

H.B. NO. 1041

1 SECTION 2. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 3. This Act shall take effect on July 1, 2011.
4

5
6 INTRODUCED BY:



BY REQUEST

JAN 24 2011

H. B. 1041

Report Title:

Hawaii Employer-Union Health Benefits Trust Fund; Medicare
Part B Reimbursements

Description:

To eliminate Medicare Part B reimbursements for retired
employee-beneficiaries and the spouses of employee-beneficiaries
who are retired employees.

JUSTIFICATION SHEET

DEPARTMENT: Budget and Finance

TITLE: A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND.

PURPOSE: The purpose of this bill is to eliminate Medicare Part B reimbursements for employee-beneficiaries who are retired employees and their spouses.

MEANS: Amend section 87A-23, Hawaii Revised Statutes.

JUSTIFICATION: Section 87A-23, Hawaii Revised Statutes, provides Medicare Part B premium reimbursements to all retirees and their spouses. In fiscal year 2010-2011, this cost totals \$38,600,000 including the cost for spouses of retirees. Reimbursement is provided even if the spouse may never have been a state or county employee.

Impact on the public: Health benefits for state and county retirees and their spouses are funded through general fund appropriations. Any success in containing costs benefits the taxpayer.

Impact on the department and other agencies: These changes are expected to contain the costs of employer contributions for retiree health benefits and better assure some benefit sustainability.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: BUF 761, BUF 765, and BUF 768.

OTHER AFFECTED
AGENCIES:

All Executive Branch agencies, county governments and the Judiciary.

EFFECTIVE DATE:

July 1, 2011.

LATE

DEPARTMENT OF BUDGET & FISCAL SERVICES
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET • HONOLULU, HAWAII 96813
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PETER B. CARLISLE
MAYOR



MICHAEL R. HANSEN
DIRECTOR

February 11, 2011

The Honorable Karl Rhoads, Chair
and Members of the Committee on Labor
and Public Employment
The House of Representatives
State Capitol
Honolulu, Hawaii 96813

Dear Chair Rhoads and Members:

**Subject: House Bill No. 1041 Proposed House Draft 1
Relating to the Hawaii Employer-Union Health
Benefits Trust Fund**

The City and County of Honolulu offers the following comments related to House Bill 1041, Proposed H.D. 1 which will eliminate the Medicare Part B reimbursement for retirees and their spouses for employees hired after June 30, 2011.

The City is supportive of initiatives, such as this one, aimed at addressing the significant benefits liabilities we face. In the past fiscal year the City's cost for the Medicare Part B reimbursement was approximately \$6.3 million.

Thank you for the opportunity to testify on House Bill 1041.

Yours truly,

Handwritten signature of Michael R. Hansen in black ink.

Michael R. Hansen, Director
Department of Budget & Fiscal Services

Handwritten signature of Noel T. Ono in black ink.

Noel T. Ono, Director
Department of Human Resources



Teaching Today for Hawaii's Tomorrow

LATE

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Executive Director

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON
LABOR & PUBLIC EMPLOYMENT**

**RE: HB 1041, PROPOSED HD1 – RELATING TO THE HAWAII EMPLOYER-
UNION HEALTH BENEFITS TRUST FUND.**

February 11, 2011

**WIL OKABE, PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION**

Chair Rhoads and Members of the Committee:

The Hawaii State Teachers Association strongly opposes HB 1041, Proposed HD1, which overturns current law that requires the State and the counties to reimburse retired employees for Medicare part B premiums through the employer-union trust fund. If enacted, HB 1041, Proposed HD1, would negatively impact recruitment of highly quality teachers.

State and other public employees are required to enroll in Medicare part B upon reaching the age of 65. The premiums for Medicare part B are currently reimbursed through their respective employer-union trust funds. This bill is problematic in that it will no longer require that employer-union trust funds be used to pay for public employee retirees' Medicare part B premiums, yet still require public employees to enroll in Medicare part B.

New employees hired after June 30, 2011, would lose reimbursement of Medicare part B premiums, which cover medical services like doctors' services, outpatient care, and other medical services. If enacted, the consequence of this would be a shortage of qualified employees in many areas, including our public schools, which are already experiencing a shortage of teachers.

HSTA members understand the need to balance the state's budget but think that this bill places an unfair burden on all state workers, including teachers, who will be hired after June 30, 2011.

We strongly urge the committee not to pass this bill.

Thank you for the opportunity to testify.



House Committee on Labor & Public Employment
Friday, February 11, 2011
9:10 a.m. – 11:00 a.m.

HB 1041, HD 1 (Proposed), Relating to the Hawaii Employer-Union Health Benefits Trust Fund.

Dear Chairperson Rhoads and Committee Members:

On behalf of the University of Hawaii Professional Assembly (UHPA), our union is concerned about proposed legislation that addresses revenue shortages through piecemeal measures that may have many unintended consequences. The proposed amendment to HB 1041 eliminates Medicare Part B premium reimbursement for future hires upon retirement. While the intent to “do no harm” to existing retirees is admirable, this does not address the significant issues facing public employees and employers regarding health insurance.

UHPA actively supports legislation to reform EUTF and is open to further discussion on the best methods to resolve the substantive problems with the current system. UHPA encourages the Committee to support a study group that can fully assess and debate what changes are needed to ensure that appropriate health benefits are provided to public employees. Issues raised in proposed legislation such as HB 1041 can be evaluated and judged on their viability as part of a whole effort.

Respectfully submitted,

Kristeen Hanselman
Associate Executive Director

UNIVERSITY OF HAWAII
PROFESSIONAL ASSEMBLY

1017 Palm Drive • Honolulu, Hawaii 96814-1928
Telephone: (808) 593-2157 • Facsimile: (808) 593-2160
Web Page: <http://www.uhpa.org>



February 9, 2011

MEMORANDUM

TO: The Honorable Karl Rhodes, Chair
Committee on Labor and Public Employment

FROM: Harry Akamine

SUBJECT: **H.B. 1041 RELATING TO Hawaii Employer-Union Health
Benefits Trust Fund; Medicare Part B Reimbursements**

Hearing: Friday, February 11, 2011; 9:10 a.m.
Conference Room 309, State Capitol

PURPOSE: The purpose of H.B. 1407 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 the original language in H.B. 1041.** 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 passage of H.B. 1041, H.D. 1.

Thank you for the opportunity to comment on this bill.

House of Representatives
The Twenty-Sixth Legislature, State of Hawaii
Regular Session of 2011
Committee on Labor and Public Employment

February 9, 2011

H.B. 1041 – RELATING TO
THE HAWAII EMPLOYER-UNION
HEALTH BENEFITS TRUST FUND

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in **strong opposition of the original language in H.B. 1041. 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.

My name is Mara Koike, and I have been a state employee since 1997, first at Maui Memorial Medical Center, then at the Dept of Human Services, and now as a Tumor Registrar Specialist for Maui Memorial Medical Center. As a government employee, I dedicated my career to public service. I chose to work for the state government specifically for ensured health benefits upon retirement. 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 passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Mara Koike

House of Representatives
The Twenty-Sixth Legislature, State of Hawaii
Regular Session of 2011
Committee on Labor and Public Employment

February 11, 2011

H.B. 1041 – RELATING TO
THE HAWAII EMPLOYER-UNION
HEALTH BENEFITS TRUST FUND

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in **strong opposition of the original language in H.B. 1041. 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.

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 passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Adrian Lau

House of Representatives
The Twenty-Sixth Legislature, State of Hawaii
Regular Session of 2011
Committee on Labor and Public Employment

February 11, 2011

H.B. 1041 – RELATING TO
THE HAWAII EMPLOYER-UNION
HEALTH BENEFITS TRUST FUND

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in **strong opposition of the original language in H.B. 1041. 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.

My name is Marc Yamamoto, and I work as a Procurement and Supply Specialist IV for the State of Hawaii for the past 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 passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Marc Yamamoto

House of Representatives
The Twenty-Sixth Legislature, State of Hawaii
Regular Session of 2011
Committee on Labor and Public Employment

February 11, 2011

H.B. 1041 – RELATING TO
THE HAWAII EMPLOYER-UNION
HEALTH BENEFITS TRUST FUND

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in **strong opposition of the original language in H.B. 1041**. 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.

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 passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Ann Brandman

House of Representatives
The Twenty-Sixth Legislature, State of Hawaii
Regular Session of 2011
Committee on Labor and Public Employment

February 11, 2011

H.B. 1041 – RELATING TO
THE HAWAII EMPLOYER-UNION
HEALTH BENEFITS TRUST FUND

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in **strong opposition of the original language in H.B. 1041. 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.

My name is Amy Higa, and I worked as a secretary for the State Department of Labor and Industrial Relations for 37 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 37 ago should not be broken today.

I urge passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Amy Higa

House of Representatives
The Twenty-Sixth Legislature, State of Hawaii
Regular Session of 2011
Committee on Labor and Public Employment

February 11, 2011

H.B. 1041 – RELATING TO
THE HAWAII EMPLOYER-UNION
HEALTH BENEFITS TRUST FUND

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in **strong opposition of the original language in H.B. 1041. 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.

My name is Ruth Boyd, and I have worked as a School Based Behavior Specialist for the DOE, working with our troubled children on the Big Island for 6 years. As a government employee, I have 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 when I started should not be broken today.

I urge passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Ruth C. Boyd

House of Representatives
The Twenty-Sixth Legislature, State of Hawaii
Regular Session of 2011
Committee on Labor and Public Employment

February 11, 2011

H.B. 1041 – RELATING TO
THE HAWAII EMPLOYER-UNION
HEALTH BENEFITS TRUST FUND

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in **strong opposition of the original language in H.B. 1041. 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.

My name is Elaine Sandobal and I worked as a Social Worker for the Department of Human Services, Social Services Division for over thirty 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, as a single person, 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 more than thirty years ago should not be broken today.

I urge passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Elaine Sandobal

yamashita1-----Kristen

From: rhoads2 - Kelly on behalf of Rep. Karl Rhoads
Sent: Thursday, February 10, 2011 10:27 AM
To: LABtestimony
Subject: FW: HB1041

From: Sarah Sugimura [mailto:sugimuras001@hawaii.rr.com]
Sent: Thursday, February 10, 2011 10:06 AM
To: Rep. Karl Rhoads
Subject: HB1041

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in **strong opposition of the original language in H.B. 1041. 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.

My name is Sarah Sugimura, and I worked as a Tax Examiner IV for the Department of Taxation for 34 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. Being on fixed income, I am saddened to say that I cannot afford this additional financial burden especially in view of the fact the many of us seniors still have mortgages to pay and families to support. It deeply troubles me that the Legislature is considering changing my benefits. Retirement promises that were made upon accepting employment 42 years ago should not be broken today.

I urge passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Sarah Sugimura

February 10, 2011

The Honorable Kharl Rhoads, Chair
House Committee on Labor and Public Employment
State Capitol, Room 309
Honolulu, Hawaii 96813

HEARING: Friday, February 11, 2011 at 9:10 a.m.

Aloha Chair Rhoads, Vice Chair Yamashita and Members of the Committee:

I am Jo Ann T. Espinueva, and I have worked as a Secretary II for the Department of Indo-Pacific Languages and Literatures at the University of Hawai'i at Manoa for over 41 years. Thank you for the opportunity to provide testimony in **strong opposition of the original language in H.B. 1041. However, I prefer and support the Proposed 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.

As a government employee, I dedicated my career to public service. Over 41 years ago, promises were made, upon accepting employment, that I would receive Medicare Part B reimbursements. By eliminating the Medicare Part B reimbursements, I will be forced to pay an additional \$1,385 per year.

My husband will also be affected as he works for the State. 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. As I am nearing retirement, my family is in need of these important health benefits.

I strongly urge passage of H.B. 1041, Proposed H.D. 1.

Mahalo for the opportunity to submit testimony.

Respectfully submitted,

Jo Ann T. Espinueva

House of Representatives
The Twenty-Sixth Legislature, State of Hawaii
Regular Session of 2011
Committee on Labor and Public Employment

February 11, 2011

H.B. 1041 – RELATING TO
THE HAWAII EMPLOYER-UNION
HEALTH BENEFITS TRUST FUND

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in **strong opposition of the original language in H.B. 1041**. 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.

My name is William N. Gunderson Sr. and I worked as a **Firefighter** for the **City & County of Honolulu** for **over 26 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 **51 years** ago should not be broken today.

I urge passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,



William N. Gunderson Sr.

House of Representatives
The Twenty-Sixth Legislature, State of Hawaii
Regular Session of 2011
Committee on Labor and Public Employment

February 11, 2011

H.B. 1041 – RELATING TO
THE HAWAII EMPLOYER UNION
HEALTH BENEFITS TRUST FUND

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in **strong opposition of the original language in H.B. 1041**. 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 employees, retired employee-beneficiaries and spouses already in the system.

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 the passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide my testimony.

Respectfully submitted,

Charlene Len

House of Representatives
The Twenty-Sixth Legislature, State of Hawaii
Regular Session of 2011
Committee on Labor and Public Employment

February 11, 2011

H.B. 1041 -- RELATING TO
THE HAWAII EMPLOYER-UNION
HEALTH BENEFITS TRUST FUND

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in strong opposition of the original language in H.B. 1041. 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.

My name is Jacqueline Ching, and I worked as a Library Technician for the University of Hawaii Library for 28 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 in 1967 should not be broken today.

I urge passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Jacqueline S. Ching

House of Representatives
The Twenty-Sixth Legislature, State of Hawaii
Regular Session of 2011
Committee on Labor and Public Employment

February 11, 2011

H.B. 1041 – RELATING TO
THE HAWAII EMPLOYER-UNION
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Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in strong opposition of the original language in H.B. 1041. 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.

My name is Ronald Ching, and I worked as a Meter Technician for the City & County of Honolulu for 23 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 in 1987 should not be broken today.

I urge passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Ronald Ching

yamashita1-----Kristen

From: Mlraha@dhs.hawaii.gov
Sent: Thursday, February 10, 2011 3:54 PM
To: LABtestimony
Subject: HB1041

House of Representatives
The Twenty-Sixth Legislature, State of Hawaii
Regular Session of 2011
Committee on Labor and Public Employment

February 10, 2011

H.B. 1041 – RELATING TO
THE HAWAII EMPLOYER-UNION
HEALTH BENEFITS TRUST FUND

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in **strong opposition of the original language in H.B. 1041. 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.

My name is Marcia Iraha, and I have been a State employee since 1986, first as a Clerk Typist with the Department of Health and, for the past 19 years, as a Vocational Rehabilitation Specialist with the Department of Human Services. While my time with the State has been very gratifying, it has not been without personal sacrifice, particularly regarding the pay I have received compared with what I would have been able to make in the private sector. However, I have been somewhat comforted by the fact that State retirement benefits such as free medical insurance for me and my spouse would partially compensate for the pay and Social Security retirement benefit discrepancies. My mother is a retired State employee so I understood how vital medical insurance is, particularly as we age.

Needless to say, she also was promised, counts on, and stands to lose her free medical insurance should H.B. 1041 be passed, something she will not be able to afford on top of her co-payments for several medications and other living expenses. As you know, many of our senior citizens and others reduce or altogether eliminate their prescribed medications due to an inability to pay for such, and it would be disastrous, not only for State retirees, but for Hawaii and our nation in terms of declining health and higher costs in the long run.

As government employees, we get little sympathy from, and in fact are constant targets of, the general public and this unpleasantness is something we somehow manage to accept as a price for "being paid by [their] tax dollars." However, it truly upsets and concerns me that the Legislature thinks so little of the sacrifices of Hawaii's public servants that it would renege on the promises we were given at time of hire. In the past few years, we have had to take on the work of those who have voluntarily left and whose positions were then "frozen," as well as those who were laid off for economic reasons, all the while dependent on increasingly smaller budgets with which to perform our jobs, not to mention less time due to "Furlough Fridays." The stress of our jobs and reduced pay alone has taken its toll and the added worry of not being able to retire as we had planned is more than we should be asked to accept, after decades of faithful service.

In conclusion, I urge passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Marcia Iraha

Effective Immediately New Email Address: miraha@dhs.hawaii.gov

yamashita1-----Kristen

From: Lynn Murakami-Akatsuka [lkakatsu@hawaii.rr.com]
Sent: Wednesday, February 09, 2011 7:13 PM
To: LABtestimony
Subject: Testimony for HB 1041, HD1 on 2/11/2011 at 9:10 AM

Testimony for Committee on Labor and Public Employment, 2/11/2011 at 9:10 AM

Conference Room: 309
Testifier position: Strongly support
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
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 support this version HB 1041, HD 1 as fair to those who are retired and those nearing retirement. It will also give notice to those who are entering state service 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.

yamashita1-----Kristen

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 10, 2011 8:34 AM
To: LABtestimony
Cc: lcarmanjr@hotmail.com
Subject: Testimony for HB1041 on 2/11/2011 9:10:00 AM

Testimony for LAB 2/11/2011 9:10:00 AM HB1041

Conference room: 309
Testifier position: oppose
Testifier will be present: Yes
Submitted by: Leonard C. Carman Jr
Organization: Individual
Address:
Phone:
E-mail: 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.

yamashita1-----Kristen

From: rhoads2 - Kelly on behalf of Rep. Karl Rhoads
Sent: Thursday, February 10, 2011 9:24 AM
To: LABtestimony
Subject: FW: HB 1041: opposed HB 1041, HD1: support

From: Lei & George Fukuhara [mailto:fukuharag001@hawaii.rr.com]
Sent: Wednesday, February 09, 2011 8:06 PM
To: Rep. Karl Rhoads
Subject: HB 1041: opposed HB 1041, HD1: support

The Honorable Representative Rhoads

I do not support HB 1041. I oppose this house bill because I will be on a fixed income and did not factor this in my cost of living.

Mahalo for listening to your constituents.

Lei Fukuhara

yamashita1-----Kristen

From: rhoads2 - Kelly on behalf of Rep. Karl Rhoads
Sent: Thursday, February 10, 2011 9:24 AM
To: LABtestimony
Subject: FW: H.B.1041

From: John Moses [mailto:MosesJ005@hawaii.rr.com]
Sent: Wednesday, February 09, 2011 8:06 PM
To: Rep. Karl Rhoads
Subject: H.B.1041

Thank you for the opportunity to provide testimony in STRONG OPPOSITION OF THE ORIGINAL LANGUAGE IN 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.

My name is Alice R. Moses and I worked as a Business Services Supervisor for the Department of Transportation, Harbors Division for 36 years. As a government employee, I dedicated my career to public service. I chose to work for less pay for ensured health benefits upon retirement. By eliminating the Medicare Part B reimbursements, I will be forced to pay an addition \$1,385 per year. I simply 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 52 years ago should not be broken today.

I URGE PASSAGE OF H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

MAHALO,

Alice R. Moses

The Honorable Karl Rhoads, Chair
The Honorable Kyle Yamashite, Vice Chair
The Honorable Henry Aquino
The Honorable Ty Cullen
The Honorable Linda Ichiyama
The Honorable Marilyn Lee
The Honorable Sylvia Luke
The Honorable Scott Saiki
The Honorable Joseph Souki
The Honorable Roy Takumi
The Honorable George Fontaine
The Honorable Aaron Johanson
House Committee on Labor and Employment

James Hong
3420A Hinahina St.
Honolulu, HI 96816

February 9, 2011

Opposition for H.B. No. 1041 H.D. 1, Relating to the Hawaii Employee-Union Health Benefits Trust Fund

To the Honorable Karl Rhoads, 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 H.B. 1041 H.D. 1**, 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 H.B. 1041 H.D. 1 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 (Niesse 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, departments 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 H.B. 1041 H.D. 1.** 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]

House of Representatives

Committee on Labor and Public Employment
Karl Rhoads, Chair

Friday, February 11, 2011; 9:10 a.m.
Capitol Conf. Room 309

Testimony
HB 1041 Proposed HD 1

Chairman Rhoads and members of the Committee on Labor and Public Employment.

My name is Jim Williams and I am testifying in opposition to HB 1041 Proposed HD 1. I urge your committee to hold this bill, and in the event you move this bill I would urge you to amend it as discussed in this testimony.

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.

House Bill 1041 Proposed HD 1 eliminates the reimbursement of Medicare Part B premiums for retirees, if they are hired after June 30, 2011. Because this bill is prospective, it eliminates some of the biggest problems with the original HB 1041. I appreciate Chairman Rhoads' efforts to make this bill more realistic. However the proposed HD 1, in my opinion, remains unbalanced and should either be held or amended. I would also note that the Governor submitted this bill as a budget balancing measure, but making the provisions prospective, while admirable, will not help with the current budget crisis.

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.

My objection to the proposed HD 1 is that it 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. That is why I am urging this committee to either hold this bill or to delete 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.

Thank you for this opportunity to testify in opposition to HB 1041 Proposed HD 1.

Jim Williams
Honolulu

PAUL J. SCHWIND
2033 Nuuanu Avenue, Apt. 22-B
Honolulu, Hawaii 96817
schwang1@hawaii.rr.com

February 11, 2011

The Honorable Karl Rhoads, Chair, and Members
Committee on Labor and Public Employment
The House of Representatives
Hawaii State Capitol
415 South Beretania Street, Room 326
Honolulu, Hawaii 96813

[BY E-MAIL: reprhoads@capitol.hawaii.gov](mailto:reprhoads@capitol.hawaii.gov)

Dear Chair Rhoads and Members:

Re: House Bill No. 1041 Relating to the Hawaii Employer-Union Health Benefits Trust Fund

I am a retired employee of the State of Hawaii (and also a retired attorney formerly in private practice). I receive benefits both from Medicare and the health benefits plan supplemental to Medicare under HRS § 87A-23. I am testifying in **opposition** to House Bill No. 1041 Relating to the Hawaii Employer-Union Health Benefits Trust Fund.

As currently drafted, this Administration bill is part of a package of measures that attempt to contain the costs of State government. HB 1041 would repeal subsections (a)(2) and (a)(3) of HRS § 87A-23, thus eliminating the reimbursement of Medicare Part B medical insurance premiums paid by and for retired public employee-beneficiaries and their spouses. Proposed HB 1041 H.D.1 would eliminate Medicare Part B reimbursements only for employee-beneficiaries hired after June 30, 2011. Other Administration measures reportedly propose to tax pension income and eliminate the income tax deduction for payment of State income tax. If enacted, these measures together would impose a three-fold burden on retired State and County employees, greater than that borne by all other retirees and the general public.

As drafted, HB 1041 may also be defective on constitutional grounds. A supplemental plan to federal Medicare was first enacted in 1966 (HRS § 87-27). However, the framers of the 1950 Hawaii Constitution had already provided that membership in an employees' retirement system is a contractual relationship, "the accrued benefits of which shall not be diminished or impaired" (this language was reinstated in the 1978 amendments). Accordingly, the Hawaii Supreme Court has held that "health benefits for retired state and county employees constitute 'accrued benefits' [of past employment that cannot be diminished or impaired] pursuant to article XVI, section 2 of the Hawai'i Constitution." *Everson v. State*, 122 Hawai'i 402, 419, 228 P.3d 282, 299 (2010).

While balancing the State budget is a valid objective in these difficult economic times, doing so disproportionately on the backs of retired public employees is unjust and inequitable. Further, HB 1041 would unconstitutionally diminish and impair public employee-beneficiary health benefits. Accordingly, I respectfully recommend that your Committee **hold** this bill in its present form, or in the alternative, amend the bill into its proposed H.D.1 form so that it affects only prospective public employees.

Thank you for the opportunity to express my views on this matter.

Representative Karl Rhoads, Chair
Representative Marilyn Lee, Vice Chair
Labor and Public Employment Committee

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

February 11, 2011

In Opposition of HB 1041 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 HB 1041 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;

- All retiree's at the time of their retirement had an implied contract with the City & County of Honolulu and the State of Hawaii to provide me retirement benefits which I earned through my 32 years of service. 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 my wife's which would also be covered. It was further explained that when we reached 65 Medicare would become the primary health coverage and the cost of the Medicare coverage would be reimbursed to each of us as our Social Security benefits 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.
- What is further upsetting is that these bills would 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 seems unfair to target our senior members of the community in an effort to balance 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 benefits, by having their Social Security benefits reduced to approximately two thirds of what they should have been receiving.

This bill HB 1041 and its companion bill in the Senate, SB 1268 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 kill this HB 1041 in your committee as a means of showing all State Retiree's 65 and older that you care.

Respectfully Submitted

yamashita1-----Kristen

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 09, 2011 7:42 PM
To: LABtestimony
Cc: kuokoa@hawaiiantel.net
Subject: Testimony for HB1041 on 2/11/2011 9:10:00 AM

Testimony for LAB 2/11/2011 9:10:00 AM HB1041

Conference room: 309
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
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 HB1041

yamashita1-----Kristen

From: Marge Bartelt [anuenue46@hawaii.rr.com]
Sent: Thursday, February 10, 2011 8:51 AM
To: LABtestimony
Subject: Fwd: Testimony for HB1041 on 2/11/2011 9:10:00 AM-Correction to "Comments" section.

Should read:

Comments:

My name is Margaret A. Bartelt and I oppose HB1041.....

I apologize for the error.

Begin forwarded message:

From: mailinglist@capitol.hawaii.gov
Date: February 10, 2011 8:25:37 AM HST
To: LABtestimony@capitol.hawaii.gov
Cc: anuenue46@hawaii.rr.com
Subject: Testimony for HB1041 on 2/11/2011 9:10:00 AM

Testimony for LAB 2/11/2011 9:10:00 AM HB1041

Conference room: 309
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
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 though 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

yamashita1-----Kristen

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 10, 2011 8:56 AM
To: LABtestimony
Cc: pickardt001@hawaii.rr.com
Subject: Testimony for HB1041 on 2/11/2011 9:10:00 AM

Testimony for LAB 2/11/2011 9:10:00 AM HB1041

Conference room: 309
Testifier position: oppose
Testifier will be present: No
Submitted by: Tom Pickard
Organization: Individual
Address: Kahuku
Phone:
E-mail: pickardt001@hawaii.rr.com
Submitted on: 2/10/2011

Comments:

yamashita1-----Kristen

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 10, 2011 9:35 AM
To: LABtestimony
Cc: garrypsmith@juno.com
Subject: Testimony for HB1041 on 2/11/2011 9:10:00 AM

Testimony for LAB 2/11/2011 9:10:00 AM HB1041

Conference room: 309
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
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

yamashita1-----Kristen

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 10, 2011 9:13 AM
To: LABtestimony
Cc: cynz100@gmail.com
Subject: Testimony for HB1041 on 2/11/2011 9:10:00 AM

Testimony for LAB 2/11/2011 9:10:00 AM HB1041

Conference room: 309
Testifier position: oppose
Testifier will be present: No
Submitted by: Cynthia Ho
Organization: Individual
Address:
Phone:
E-mail: cynz100@gmail.com
Submitted on: 2/10/2011

Comments:

Although I am not yet a retiree I oppose the changes to HB1041 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.

yamashita1-----Kristen

From: rhoads2 - Kelly on behalf of Rep. Karl Rhoads
Sent: Thursday, February 10, 2011 9:20 AM
To: LABtestimony
Subject: FW: HB1041, please do not pass!

From: Bernard Yuen [mailto:bernard.chicky@hawaiiantel.net]
Sent: Wednesday, February 09, 2011 10:44 PM
To: Rep. Karl Rhoads
Subject: HB1041, please do not pass!

Aloha Representative Rhoads,

Although I am not in your representative district, I would like to share my thoughts and feelings regarding HB1041 and would like to ask that you please do not pass HB1041. Please stop penalizing the Government's workers for the budget shortfalls of the state. It really was not fair to only make the government workers pay for the past two years' budget woes. Reducing our income reduced the state's income tax revenue and GE tax revenue.

Please share the burden of the cost of government by raising a tax that all citizens and visitors to our state can contribute to. When the City wanted to install a rail system, the GE tax was raised. People commented, but we pay it. Raising the GE tax another 0.5% would raise some eye brows, but we would pay it. At the same time, if the State does not need the funds, taxes could be reduced. Raising taxes does not necessarily hurt the economy, but lowering people's spending power does.

Consider the actions of the Honolulu Board of Water Supply/Waste Water Management towards repairing the aging system...they made you and me pay for the repairs. We do not like it and will have a hard time meeting our rising expenses (without rising income), but we will pay it if we want to have water piped into our houses.

Since government is for all, all should bare the cost to operate our government. At the same time, don't waste that precious resources.

Please consider my concerns.

Thank you,

Bernard Yuen
1346 Moi Way
Honolulu, HI 96816

yamashita1-----Kristen

From: rhoads2 - Kelly on behalf of Rep. Karl Rhoads
Sent: Thursday, February 10, 2011 9:21 AM
To: LABtestimony
Subject: FW: SB1041

From: Charles Gill [mailto:charlesgill1050@gmail.com]
Sent: Wednesday, February 09, 2011 9:12 PM
To: Rep. Karl Rhoads
Subject: SB1041

Dear Representative,

I oppose HB1041. If changes are going to be made, those changes should apply to new employees only. Or exclude the spouse from the benefit. Or include only employees with 25 years+ of service.

Mahalo,

Charles Gill

yamashita1-----Kristen

From: rhoads2 - Kelly on behalf of Rep. Karl Rhoads
Sent: Thursday, February 10, 2011 9:29 AM
To: LABtestimony
Subject: FW: Retiree health benefits

From: RICHARD MILLER [mailto:richardmiller551@msn.com]
Sent: Wednesday, February 09, 2011 5:04 PM
To: Rep. Karl Rhoads
Subject: Retiree health benefits

Rep Rhoads:

Please do not pass HB1041 and take away the health benefits I earned with 25 years of state service.

Richard Miller, age 70

yamashita1-----Kristen

From: LABtestimony
To: Rep. Karl Rhoads
Subject: RE: HB 1041, Medicare Reimbursement

From: Karl Rhoads [mailto:karl@karlrhoads.org]
Sent: Tuesday, February 08, 2011 9:24 PM
To: Rep. Karl Rhoads
Subject: FW: HB 1041, Medicare Reimbursement

From: MI [mailto:itom@hawaii.rr.com]
Sent: Tuesday, February 08, 2011 8:11 PM
To: karl@karlrhoads.org
Subject: HB 1041, Medicare Reimbursement

Aloha Representative Karl Rhoades,

I am writing to you regarding the proposal of HB 1041, Medicare Reimbursement.

I am in opposition to this bill.

I feel that the current part B Medicare reimbursements presently being provided by the State of Hawaii Employees' Retirement System (ERS) should continue.

According to the ERS stats, as of March 31, 2008, total membership of 108,696 was comprised of 66,589 active members, 36,260 retirees and beneficiaries, and 5,847 inactive vested members. Participating employers included the State of Hawaii, City and County of Honolulu and the counties of Hawaii, Maui and Kauai. If this bill passes it would affect only 36,260 retirees (based on the above stats) which is a very small sector of the total population of Hawaii, which was estimated to be 1.295 million in the year 2009.

I can understand your intention of wanting to save money for the State of Hawaii in these financially difficult times, but the needs of a few retirees outweighs the needs of the general population of Hawaii. Retirees who've reached the age of 65 have earned the right to special considerations, and shouldn't be penalized. We should be more considerate towards our retirees and reward them for a life of hard work and dedication.

I think there are other ways the State of Hawaii can streamline its budget. The basic strategy of not spending money you don't have would be a good starting point. I think being proactive is an important consideration, instead of the reactive approach I'm seeing locally and at the national level.

Your attention to this email is appreciated.

Sincerely,
Myles Ito

yamashita1-----Kristen

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 10, 2011 10:06 AM
To: LABtestimony
Cc: larry.moises@hawaiiantel.net
Subject: Testimony for HB1041 on 2/11/2011 9:10:00 AM

Testimony for LAB 2/11/2011 9:10:00 AM HB1041

Conference room: 309
Testifier position:
Testifier will be present: No
Submitted by: Lorenzo Moises
Organization: Individual
Address:
Phone:
E-mail: 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.

yamashita1-----Kristen

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 10, 2011 1:18 PM
To: LABtestimony
Cc: jpiimauna@yahoo.com
Subject: Testimony for HB1041 on 2/11/2011 9:10:00 AM

Testimony for LAB 2/11/2011 9:10:00 AM HB1041

Conference room: 309
Testifier position: oppose
Testifier will be present: No
Submitted by: Jeffrey Piimauna
Organization: Public Safety Department
Address: Port Security Bld., Pier #20 Honolulu, Hawaii
Phone: (808) 690-4265
E-mail: jpiimauna@yahoo.com
Submitted on: 2/10/2011

Comments:

Why are we trying to balance the state budget with the benefits of citizens who earn those benefits and at a point in their life, that they need the most assistance.

yamashita1-----Kristen

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 10, 2011 7:45 AM
To: LABtestimony
Cc: ktsuda@rocketmail.com
Subject: Testimony for HB1041 on 2/11/2011 9:10:00 AM
Attachments: ~\$1041RetireeTestimony.doc

Testimony for LAB 2/11/2011 9:10:00 AM HB1041

Conference room: 309
Testifier position: oppose
Testifier will be present: No
Submitted by: Kris
Organization: Individual
Address: Kamokila Blvd Kapolei, HI
Phone: 692-7410
E-mail: ktsuda@rocketmail.com
Submitted on: 2/10/2011

Comments:

yamashita1-----Kristen

From: rhoads2 - Kelly on behalf of Rep. Karl Rhoads
Sent: Thursday, February 10, 2011 10:27 AM
To: LABtestimony
Subject: FW: HB1041

From: bill [mailto:billcarrollxxx@aol.com]
Sent: Thursday, February 10, 2011 10:08 AM
To: Rep. Karl Rhoads
Subject: HB1041

Dear Sir,

I am a recent retiree, trying to live on my State of Hawaii retirement check, and my small Social Security benefit. I was forced to retire early because of a medical condition, and I am unable to work even part time to supplement my income. My monthly income is therefore fixed, and my monthly expenses already exceed this income, so that I have to pay my utilities on a charge card, with an ever increasing balance owed.

As of January 1st, my room rent increased from \$360 to \$418, and, having no other options, I am now paying a portion of my rent also on a charge card – incurring huge cash advance fees.

Living, as I do, partially on my charge card, I know a future day of reckoning will come, but I try not to think about it

I realize I am not as badly off as some, but the quality of my retirement is already much worse than I ever dreamed it would be, and now – the prospect of my having to pay for my Medicare Part B is terribly depressing.

I know it's unfair, but I can't help thinking that free medical insurance was always part of the deal made between myself and the State of Hawaii, and that this change is a broken promise.

I am asking you to try and see things from the perspective of the retirees, many of whom – at this time of our lives – have no income options, and to try and find alternative budget-balancing solutions TO HB1041.

Sincerely,

Bill Carroll

yamashita1-----Kristen

From: rhoads2 - Kelly on behalf of Rep. Karl Rhoads
Sent: Thursday, February 10, 2011 9:23 AM
To: LABtestimony
Subject: FW: HB 1041

-----Original Message-----

From: Clarence Watson [mailto:watsonj005@hawaii.rr.com]
Sent: Wednesday, February 09, 2011 8:35 PM
To: Rep. Karl Rhoads
Subject: HB 1041

Dear Sir,

First let me introduce myself as a part Hawaiian male, retired from the Honolulu Police Department in 1990, after twenty-six years of outstanding service to the city and state. That is not my description, but was so described by the then Mayor Frank F. Fasi in sending me his congratulations.

When retiring, I was promised a certain amount of retirement monies, after 26 years of dedicated service.

Previously, the government decided a few years ago to take 300 million dollars from the ERS to be placed in the general fund, because of a shortage to cover certain expenses. I don't recall anyone ever asking, if it was OK to do. Now, if these monies belonged to you, would you like it if someone took it away without asking? Then never paying it back! I don't recall the exact state or city ordinance, but even someone with limited education, would realize that taking without permission, could possibly land you in jail, and be charged with a major felony.

I also recognized that among other parts of the bill being discussed, is that the government also wants to make our retired workers, pay for Medicare, and stopping the reimbursement now allowed.

Sir, I don't think theres any question that I worked very hard for these retirement monies, and medical reimbursements, that was promised to me upon retirement. Now, with the swing of the gavel, it may be gone forever, to hell with the promises made.

There just must be another way to make up for the shortfall created by our government, than to punish the very hard workers, who not only earned it, but were promised it. Without it, I will be forced to foreclose on my mortgage, I won't have enough to live in the paradise I think I helped create, or be forced to move to the mainland.

Sir, that is not "Pono". That is not was being Hawaiian is all about.

Mahalo Nui Loa for listening.

Clarence Watson Jr.
Metropolitan Detective Sergeant (Retired) Honolulu Police Department

yamashita1-----Kristen

From: rhoads2 - Kelly on behalf of Rep. Karl Rhoads
Sent: Thursday, February 10, 2011 9:40 AM
To: LABtestimony
Subject: FW: House Bill 1041

-----Original Message-----

From: bordergon3@aol.com [mailto:bordergon3@aol.com]
Sent: Wednesday, February 09, 2011 12:39 PM
To: Karl@KarlRhoads.gov; Rep. Karl Rhoads; Rep. Robert Herkes
Subject: Fwd: House Bill 1041

-----Original Message-----

From: bordergon3 <bordergon3@aol.com>
To: Karl <Karl@KarlRhoads.gov>
Sent: Wed, Feb 9, 2011 12:25 pm
Subject: House Bill 1041

Representative Rhoades,

I writing in regards to HB 1041, but first let me tell you a little about myself. I was raised to always respect those in authority and to trust in their decisions. After serving my country in the military I returned home to serve my people as a member of the Honolulu Police Dept. It was there that I learned that RESPECT and TRUST should not be blindly given. I knew that the criminal element could not be trusted, but I thought that the leaders of our community could.

Over the years I have watched as our leaders did things, such as removing over 300 million from our state retirement fund and never returning the funds to this day. As a detective assigned to investigate theft and forgery I learned that the law prohibits anyone from removing funds from another's account without permission. Neither I, nor any other member of Hawaii's retirement system I have spoken with, gave permission for the removal of those funds. Monies for which came out of my pay for 29 years which, as I was made to understand, was to be used expressly to pay for my retirement. Then I watched as our elected leaders passed laws to make the removal LEGAL.

In 1999, the state, which agreed to match dollar for dollar the funds state, city, and county work contributed to the retirement system, decides that it no longer needs abide by another one of its promises.

I am also of Hawaiian heritage, and over the years I have watch the state use Hawaiian lands, lands which the state agreed to pay to use, then not live up to their agreement. As a police officer I learned that if a person or persons rented a property to someone and that someone failed to pay for the use of said property as agreed then the property owners could go to court to force payment. Well, the Hawaiian people have taken the state government to court and obtained a judgement against the state, but then the state turns around and says it doesn't

have the money so they don't have to pay.

Now using that same mentality the state says it does not have enough money so our elected leaders come up with another law to break another promise, HB 1041. However, in the same bill is a provision that the Medicare Part B reimbursement will still be in effect for our elected leaders. I know that if you, or any other elected official opened a retirement account expecting a certain return on your investment, only to have the people you invested with tell you that because their company's profit were not as expected they would be giving you a smaller return than promised, and on top of that would be making you pay a fee you would not stand for it. An agreement is an agreement!

In my household we have a budget that we live by, in these difficult economic times it is not an easy budget but we make it work. We don't take from our neighbors, we don't steal from our neighborhood stores, and we don't take monies that don't belong to us. Just the other day my 5 year old granddaughter saw a woman drop a twenty dollar bill. Without hesitation she picked it up and returned it to the woman. When I asked her later why she did what she did her reply was, "Papa, that's the right thing to do, don't you know that? I knows that, and I know God is watching!" This is the same 5 year old that wants to go to places like Dave & Busters and the Fun Factory but UNDERSTANDS that right now we don't have the money to pay for such things in our budget for now.

As a police officer, and a family of police officers past and present, I was taught that the badge a police officer wears is not a symbol of his authority, but a sign of the public's TRUST in that police officer. The same is true regarding the badge of office of our elected officials. Our badges do not give us the right to use the law to our personal benefit, or to distort the law to legitimize our actions. As with all who wear badges of public trust, to break that trust ultimately leads to the lost of ones position. As in other places around the world when people have had enough of broken promises, double standards, and unfair burdens the leadership is held accountable.

As a police officer I remained quite, mostly because of the rules and regulations of the department. Now I am retired and not silenced by any departmental rules, and I say enough is enough. I, and everyone I know, will be watching HB 1041 and any other bills like this. We will be watching for those elected officials who live up to the public trust, and those who don't, in preparation for future elections.

Darrell W. Lum Lee

yamashita1-----Kristen

From: rhoads2 - Kelly on behalf of Rep. Karl Rhoads
Sent: Thursday, February 10, 2011 9:27 AM
To: LABtestimony
Subject: FW: Medicare Reimbursement

From: DJT [mailto:leatavita@hawaii.rr.com]
Sent: Wednesday, February 09, 2011 7:07 PM
To: Rep. Karl Rhoads
Subject: Medicare Reimbursement

Aloha,

I am a 77 year old and my wife who just turned 65 are on a fixed income. Our medical insurance changed when we turned 65 when we had to enroll in Medicare. We are blessed to have this insurance and also to have the Waianae Coast Comprehensive Health Center near our Maili home on the Waianae Coast since 1968. Cutting our Medicare cost partial reimbursement would severally cut into our fixed income. The reimbursement does not cover the entire cost of the Medicare cost and Medicare covers about 80% of our medical expenses. We currently have to pay for the additional Medicare Insurance premiums and also the additional medical costs that are not covered. My wife is a diabetic which is under control by medication, diet, and exercise. In addition we are both being treated for high blood pressure and other health issues which costs hundreds of dollars of medication each month. The Medicare supplement prescription insurance covers most of this cost. The annual cost of Medicare coverage goes up every year. We appreciate the reimbursement often but it does not cover the full amount. We pay the difference. To stop providing us the Medicare reimbursement would add to our medical expenses by \$2,640.00. a year. With a fixed income this is a huge bite out of it. We ask you to not pass legislation that would take away a benefit that I receive as a State of Hawaii Social Worker retiree. Please share our concerns with the Senate Judiciary & Labor Committee.

Mahalo,

David and Lealofi Twigg
leatavita@hawaii.rr.com
87-289 Laulele St 96792
808-668-9725
Kahu of Ka Hana O Ke Akua Church U.C.C.

TO : COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT
Rep. Karl Rhoads, Chair
Rep. Kyle T. Yamashita, Vice Chair

FROM: Eldon L. Wegner, Ph.D.

HEARING: 9:10 am Friday, February 11, 2011
Conference Room 309, Hawaii State Capitol

SUBJECT: HB1041 HD 1 Relating to the Hawaii Employer-Union Health Benefits Trust Fund

POSITION: I support with reservations HB 1041 HD 1 which would eliminate the Medicare Part B reimbursement benefit for retired employee-beneficiaries and the spouses of employee-beneficiaries who are retired employees prospectively with new hires after June 30, 2011.

RATIONALE:

§ The reimbursement of the Medicare Part B Premium is a minimum of \$115.30 per month in 2011, and thus an important support for retired citizens on fixed incomes. The vast majority of retired persons have limited incomes and limited earning power.

§ HD1 apparently proposes that the elimination of the reimbursement of Part B premium apply prospectively to new hires after June 30, 2011. This provision is only fair since the reimbursement of this premium has been a promised benefit to public workers and has figured into individual's retirement planning. To suddenly suspend the reimbursement for those retired would be unfair. Figuring out the financial viability of retirement is a challenge, but changing the rules after the game is just unfair.

§ Nevertheless, public employee salaries are often below those of comparable workers in the private sector. As a retired university professor, I know my salary was very modest by comparison with professors in other universities. The modest salaries have been offset by the promise of generous retirement benefits, including the payment of our medical premium. I understand that the fund needs to be kept financially viable. However, the state may need to offset this take-back by offering salaries which are more competitive with the private market.

§ Eliminating this benefit at the same time that legislation proposes to begin taxing the retirement pension of public employees, is to create a severe blow to the finances of retired citizens. I support the taxation of pensions of higher income retirees, but taking away the promise of reimbursement for the Medicare premium in addition asks retirees to bear more than their share.

§ Thank you for grandfathering in current and retired employees and thus keeping the promised benefit to them. However, in view of the possible need to do something to increase the viability of the EUTF for the future, I will also offer ideas for possible amendments as an attached document.

Thank you for the opportunity to provide testimony.

LATE

TO : COMMITTEE ON LABOR AND PUBLIC EMPLOYEMTN
Rep. Karl Rhoads, Chair
Rep. Kyle T. Yamashita, Vice Chair

FROM: Eldon L. Wegner, Ph.D.

HEARING: 9:10 am Friday, February 11, 2011
Conference Room 309, Hawaii State Capitol

SUBJECT: HB1041 HD1 Relating to the Hawaii Employer-Union Health Benefits
Trust Fund

PROPOSED AMENDMENTS

I realize that the state does need to take some steps to assure the viability of future benefits. I understand and support the move to tax pensions of higher earning retirees B there is a reasonable argument for this proposal.

HB1041 HD1 proposes to eliminate the reimbursement of Medicare Part B premiums for new employees hired after June 30, 2011. Thank you for amending the original bill to grandfather current employees and retirees. I suggest that the Legislature consider another possible amendment which would lessen the financial blow to future retirees:

The proposal could limit the reimbursement to the minimum level, which in 2011 is \$115.30 per month for persons earning under \$85,000 a year. Persons earning over \$85,000 would pay the difference. For example, the Part B Premium in 2011 for persons earning \$85,000.01 to \$107,000 is \$184.50 per month. Such individuals would pay the additional \$46.10 per month. The adjustment goes up to \$253.70 per month above the base \$115.30 for persons earning more than \$214,000 per year. (The couple amounts are double those cited.)

Thank you for the opportunity to contribute my thoughts on SB 1268.

LATE

yamashita1-----Kristen

From: Vicki Kajioka [vkajioka@hawaii.rr.com]
Sent: Thursday, February 10, 2011 4:16 PM
To: LABtestimony
Subject: Support HB 1041, HD 1/Oppose HB 1041

H.B. 1041 – RELATING TO
THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in **strong opposition of the original language in H.B. 1041. 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.

My name is **Victoria Kajioka**, and I worked as a **Director** for the **Hawaii Department of Education** for **more than 42** 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 will place an unanticipated burden on our family finances. I am saddened that many retirees will not be able to afford this additional expense. It deeply troubles me that the Legislature is considering changing benefits. Retirement promises that were made upon accepting employment **almost 43 years** ago should not be broken today.

I urge passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,
Victoria Kajioka

Vicki Kajioka
email: Vicki Kajioka <vkajioka@hawaii.rr.com>
Phone: (808) 286-0555

LATE

House of Representatives
The Twenty-Sixth Legislature, State of Hawaii
Regular Session of 2011
Committee on Labor and Public Employment

February 11, 2011

H.B. 1041 – RELATING TO
THE HAWAII EMPLOYER-UNION
HEALTH BENEFITS TRUST FUND

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in **strong opposition of the original language in H.B. 1041. 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.

My name is Ann G. Tam Sing, and I worked for the Department of Human Services for 31 years, most recently as the Eligibility Administrator for Med-Quest. 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. (For those that do not believe that we worked for less wages, when I retired and went to work for a private company for 3 years I was paid double what I made as a Med-Quest Administrator.) 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 38 years ago should not be broken today.

I urge passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Ann G. Tam Sing
atamsing@hawaii.rr.com

LATE

House of Representatives
The Twenty-Sixth Legislature, State of Hawaii
Regular Session of 2011
Committee on Labor and Public Employment

February 11, 2011

H.B. 1041 – RELATING TO
THE HAWAII EMPLOYER-UNION
HEALTH BENEFITS TRUST FUND

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in **strong opposition of the original language in H.B. 1041. 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.

My name is Carole Odo, and I worked as a teacher for the Department of Education for over 20 years. As a government employee, I dedicated my career to public service and the children of Hawaii. 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 on doctor's fees and medical expenses. Being recently widowed 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 20 years ago should not be broken today.

I urge passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Carole Odo

DATE

February 10, 2011

The Honorable Karl Rhoads, Chair

House Committee on Labor and Public Employment
State Capitol, Room 309
Honolulu, Hawaii 96813

HEARING: Friday, February 11, 2011 at 9:10 a.m.

Dear Chair Rhoads, Vice-Chair Yamashita and Members of the Committee:

Thank you for the opportunity to provide testimony in strong opposition of the original language in H.B. 1041. 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.

My name is Sandra Takeo and I have worked as a Clerk-Typist for the Department of Taxation for 3 years, as a Cashier I at the Department of Commerce and Consumer Affairs for 4 years, as a Clerk IV at the Office of Admission and Records at the University of Hawaii for 10 years and I am currently an Academic Support for the Department of Indo-Pacific Languages and Literatures at the University of Hawaii for 10 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 27 years ago should not be broken today.

I strongly urge passage of H.B. 1041, Proposed H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Sandra Takeo

LATE

February 10, 2011

H.B. 1041 – RELATING TO
THE HAWAII EMPLOYER-UNION
HEALTH BENEFITS TRUST FUND

Thank you for the opportunity to provide testimony in **strong opposition of the original language in H.B. 1041. 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.

My name is **Barbara Pascal**, and I worked as a **Eligibility Worker** for the **State of Hawaii Department of Human Services** for **20 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 **26 years** ago should not be broken today.

I urge passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Barbara L. Pascal
Barbara Pascal

LATE

House of Representatives
The Twenty-Sixth Legislature, State of Hawaii
Regular Session of 2011
Committee on Labor and Public Employment

February 11, 2011

H.B. 1041 – RELATING TO
THE HAWAII EMPLOYER-UNION
HEALTH BENEFITS TRUST FUND

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in **strong opposition of the original language in H.B. 1041. 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.

My name is Pamela Okihara, and I am a Recreation Director for the City and County of Honolulu. As a government employee I chose to work for less pay than my private-sector counterparts for ensured health benefits upon retirement. It deeply troubles me that the Legislature is considering changing my benefits. Retirement promises that were made upon my accepting employment 30 years ago should not be broken today. The retirees of today and the present employees should not have to sacrifice their promised benefits to bail out the failing State budget.

I urge passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Pamela Okihara

LATE

yamashita1-----Kristen

From: Ellen [anden2@hawaiiantel.net]
Sent: Friday, February 11, 2011 12:21 AM
To: LABtestimony
Subject: HB1041

House of Representatives
The Twenty-Sixth Legislature, State of Hawaii
Regular Session of 2011
Committee on Labor and Public Employment

February 11, 2011

H.B. 1041 – RELATING TO
THE HAWAII EMPLOYER-UNION
HEALTH BENEFITS TRUST FUND

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in **strong opposition of the original language in H.B. 1041. 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.

My name is Ellen Prais, and I worked as a RN III for the Department of Health/HHSC for 30 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 30 years ago should not be broken today.

I urge passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Ellen R. Prais
731 South Kei Place
Kahului, HI 96732

yamashita1-----Kristen

From: Chuck Bolden [cbolden@hawaii.rr.com]
Sent: Thursday, February 10, 2011 8:08 PM
To: LABtestimony
Subject: H.B. 1041

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in strong opposition of the original language in H.B. 1041 which would eliminate the Medicare Part B reimbursements for retired employee-beneficiaries and their spouses. I prefer and support H.B. 1041, H.D. 1, which would affect prospective employees only

My name is Charles Bolden, and I have worked in Human Resources for the Hawaii Health Systems Corporation and former Division of Community Hospital for almost 24 years. As a government employee, I dedicated my career to public service. I chose to work for less pay than my private-sector counterparts. I have always considered the retirement benefits package and the Health Benefits have been a very significant factor in my decision to stay all these years.

Although the Health Fund, now EUTF, is not officially a part of the retirement plan, I think most State employees, like me, have always factored this heavily into their retirement plans. It troubles me that the legislature is considering eliminating the Medicare Part B reimbursements at the end of a career.

In human resources, I see so much abuse in so many areas where the State could be making changes to incentivize good employees, restructuring paid leave benefits, and eliminating abuse of generous benefits. It is discouraging that we are now considering changing the rules end the end of the game in a way that serves to disenfranchise those who have been loyal and faithful servants.

I urge passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Charles T Bolden

yamashita1-----Kristen

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 10, 2011 5:45 PM
To: LABtestimony
Cc: livit.callentine@gmail.com
Subject: Testimony for HB1041 on 2/11/2011 9:10:00 AM

LATE

Testimony for LAB 2/11/2011 9:10:00 AM HB1041

Conference room: 309
Testifier position: oppose
Testifier will be present: No
Submitted by: Livit Callentine
Organization: Individual
Address: 631 Meakanu Lane Apt 101 Wailuku, HI
Phone: 808 268 5568
E-mail: livit.callentine@gmail.com
Submitted on: 2/10/2011

Comments:

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in strong opposition of the original language in H.B. 1041. 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.

My name is Livit Callentine, and I have worked as a Planner for the County of Maui, Department of Planning for more than six years. As a government employee, I have 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 more than six years ago should not be broken today.

I urge passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

Respectfully submitted,

Livit Callentine

yamashita1-----Kristen

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 10, 2011 6:08 PM
To: LABtestimony
Cc: lmadsimms@yahoo.com
Subject: Testimony for HB1041 on 2/11/2011 9:10:00 AM

LATE

Testimony for LAB 2/11/2011 9:10:00 AM HB1041

Conference room: 309
Testifier position: oppose
Testifier will be present: No
Submitted by: leroy simms jr
Organization:
Address: 556 Waianuenu ave Hilo HI
Phone: 808-938-6727
E-mail: lmadsimms@yahoo.com
Submitted on: 2/10/2011

Comments:

House of Representatives
The Twenty-Sixth Legislature, State of Hawaii Regular Session of 2011 Committee on Labor and Public Employment

February 11, 2011

H.B. 1041 - RELATING TO
THE HAWAII EMPLOYER-UNION
HEALTH BENEFITS TRUST FUND

Leroy Simms Jr., Athletic Director, Hilo High School Director at Large, Hawaii, HGEA

Chair Rhoads, Vice-Chair Yamashita, and members of the Committee on Labor and Public Employment:

Thank you for the opportunity to provide testimony in strong opposition of the original language in H.B. 1041. 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.

My name is Leroy Simms Jr, and I am the Director at Large for HGEA on the island of Hawaii. I currently serve as the athletic director of Hilo High School, with over 33 years of service in the Hawaii District, for the Department of Education. As a government employee, I have 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 may not 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 33 years ago should not be broken today, for anyone.

I urge passage of H.B. 1041, H.D. 1. Thank you for the opportunity to provide testimony.

yamashita1-----Kristen

From: G & R Dang [dangr004@hawaii.rr.com]
Sent: Thursday, February 10, 2011 5:49 PM
To: LABtestimony
Subject: Testimony re: HB1041

Testimony Regarding House Bill 1041 and 1041,HD.1

Hearing date: February 11, 2011

House Labor & Employment Committee: Chair Karl Rhoades, Vice-Chair Kyle Yamashita; Rep. Henry Aquino, Rep. Ty Cullen, Rep. Linda Ichiyama, Rep. Marilyn Lee, Rep. Sylvia Luke, Rep. Scott Saiki, Rep. Joseph Souki, Rep. Roy Takumi, Rep. George Fontaine, Rep. Aaron Johanson

I OPPOSE HB 1041 and URGE THE PASSAGE OF HB 1041.HD1. You are asking retirees and future retirees, who were promised free medical coverage upon retirement, to continue with “public servitude” even after their employment with the State is over. When Medicare is increasing cost share payments and decreasing benefits to the point that doctors are unwilling to accept patients with this coverage, and Social Security is not providing the cost of living allowance increases, you expect those who have retired to pay more for a benefit they were promised and worked long for?

The bill appears to scapegoat part of the financial woes of the State to the Medicare reimbursements being provided, as promised, to retirees of public government. How long will government continue to break promises and other written agreements or laws? How easy for politicians to forget that State employees receive less pay than our private counterparts and even less because of our mandatory contributions towards our future retirement. How easy it is to forget that the BENEFITS that government is trying to take away, were promised as part of a deal to lure qualified employees to put up with “government servitude” rather than make the “big bucks in the private industry”.

I have been employed for the past 30 years as a Vocational Rehabilitation Specialist for the Department of Human Services, Vocational Rehabilitation program. I chose to work for the government because of my job but also knowing I would be able to retire with medical benefits and pension. My salary has always been lower than those in the private sector or Federal Government. I put up with the many pendulum swings of government which included salary compressions/shreddings, use of the ERS funds because it earned too much, eliminating the mandatory retirement contribution then reinstating it again, illegally using the EUTF funds in the name of a State Emergency to fund homeless projects, and furloughs which impacts my current and future retirement earnings. I put up with it all, and it is probably why Governor Abercrombie refers to government employees as “public servants”. I had servant mentality, not employee mentality.

PLEASE PASS HB 1041, H.D.1. It doesn't break promises or agreements to anyone currently in government. It sets the tone for what new employees will expect and they can chose to enter public service knowing what they will get when they retire.

I know the financial status of government is limited. I understand we all have to make sacrifices and I am willing to do my share. But I will not carry all of the burden or blame for what is occurring in government, just because I am an employee and will soon be a retiree. I earned my retirement benefits. I've sacrificed and taken hits these 30 years and refuse to take more than necessary.

I appreciate your time and hope you will make wise decisions.

Gwen Oka Dang, M.Ed., CRC, LMHC

LATE

yamashita1-----Kristen

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 10, 2011 9:09 PM
To: LABtestimony
Cc: youngj001@hawaii.rr.com
Subject: Testimony for HB1041 on 2/11/2011 9:10:00 AM

Testimony for LAB 2/11/2011 9:10:00 AM HB1041

Conference room: 309
Testifier position: support
Testifier will be present: No
Submitted by: Jeffrey Young
Organization: Individual
Address:
Phone:
E-mail: youngj001@hawaii.rr.com
Submitted on: 2/10/2011

Comments:

I chose to work at a lower salary than I earned in the private sector, work with hand-me-down equipment, not state of the art computer programs, abusive public and many other factors public employees tolerate only because of the promises of an easier retirement free from increasing health insurance premiums including Medicare Part B. I chose to sacrifice here and now for promises of a brighter future. Voting for anything other than HD1 of HB1041 would invalidate my last 20 years of public service. You cannot go back on your word. A promise is a promise.

yamashita1-----Kristen

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 10, 2011 6:51 PM
To: LABtestimony
Cc: ckosora@aol.com
Subject: Testimony for HB1041 on 2/11/2011 9:10:00 AM

Testimony for LAB 2/11/2011 9:10:00 AM HB1041

Conference room: 309
Testifier position: comments only
Testifier will be present: No
Submitted by: katie kosora
Organization: Individual
Address:
Phone:
E-mail: ckosora@aol.com
Submitted on: 2/10/2011

Comments:
I am in support for HB 1041, H.D.1. Thank you

LATE

yamashita1-----Kristen

From: mailinglist@capitol.hawaii.gov
Sent: Friday, February 11, 2011 4:23 AM
To: LABtestimony
Cc: mahalolois@hawaiiantel.net
Subject: Testimony for HB1041 on 2/11/2011 9:10:00 AM

Testimony for LAB 2/11/2011 9:10:00 AM HB1041

Conference room: 309
Testifier position: oppose
Testifier will be present: No
Submitted by: Lois Lee
Organization: Individual
Address:
Phone:
E-mail: maalolois@hawaiiantel.net
Submitted on: 2/11/2011

Comments:

Strongly oppose reducing retirees benefits for budget shortfall. How do you explain to the children of this State how honest government can change promises to correct their horrible bad decisions? Didn't we elect intelligent officials to lead the state with a visionary plan and do what is good for the people?

You got the people of Hawaii in this mess, stop all the unacceptable government waste, duplication of services, unnecessary frills and use your cooperative & intelligent minds to solve the problems!

LATE

yamashita1-----Kristen

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 10, 2011 6:32 PM
To: LABtestimony
Cc: carold2654@hawaiiantel.net
Subject: Testimony for HB1041 on 2/11/2011 9:10:00 AM

Testimony for LAB 2/11/2011 9:10:00 AM HB1041

Conference room: 309
Testifier position: oppose
Testifier will be present: No
Submitted by: Carol Ann Denis
Organization: Individual
Address:
Phone:
E-mail: carold2654@hawaiiantel.net
Submitted on: 2/10/2011

Comments:

Please do not support HB1041, HD1. I am a retired State employee. I worked for DHS for 32 years. We were promised that upon retirement our Medicare premiums would be reimbursed to us by the State. I do not want the State to go back on its promises. We should be grandfathered in!
Thank you.

yamashita1-----Kristen

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 10, 2011 4:06 PM
To: LABtestimony
Cc: tanakathu@yahoo.com
Subject: Testimony for HB1041 on 2/11/2011 9:10:00 AM

Testimony for LAB 2/11/2011 9:10:00 AM HB1041

Conference room: 309
Testifier position: oppose
Testifier will be present: No
Submitted by: thu tanaka
Organization: Individual
Address:
Phone:
E-mail: tanakathu@yahoo.com
Submitted on: 2/10/2011

Comments:

yamashita1-----Kristen

From: mailinglist@capitol.hawaii.gov
Sent: Friday, February 11, 2011 6:54 AM
To: LABtestimony
Cc: mari_621@hotmail.com
Subject: Testimony for HB1041 on 2/11/2011 9:10:00 AM
Attachments: Testimony on HB1041.doc

Testimony for LAB 2/11/2011 9:10:00 AM HB1041

Conference room: 309
Testifier position: oppose
Testifier will be present: No
Submitted by: Marion Wong
Organization: Individual
Address:
Phone:
E-mail: mari_621@hotmail.com
Submitted on: 2/11/2011

Comments:

Testimony on HB1041

To Whom It May Concern:

I oppose this bill because it takes a benefit away that was promised to employees who now depend on this benefit in their retirement years. How can we as a State continue to make promises and not keep them? Retirement benefits should not be changed once promised. How can our retired employees survive in these tough economic times, on fixed incomes, and rising prices? The cost of living continues to rise, while income keeps getting smaller. We need to learn how to generate more income, not continuing to cut costs that are essential to our retirees well being.