

Testimony on behalf of
Retired State Employees Association of Texas (RSEA)
Before
House Committee on Pensions, Investments, and Financial Services

Mr. Chairman and Members,

Thank you for the opportunity to speak today on behalf of the Retired State Employees Association in support of HB 596. I am Bill Hamilton, President of the Association.

Our organization is composed of an 11-member, all-volunteer Board who are state retirees; we are not compensated for our service. Our focus is primarily on the status of state retirees, and we have approximately 3,000 members in our association.

We have three priorities, in this order:

1. Get and keep the state pension fund to a status of actuarially-sound;
2. Have an insurance benefits program whose trademarks are cost-containment, wellness, and customer-friendly – because any diminution of our health care benefits is essentially a reduction in our annuity; and,
3. Get a retiree on the Board of Trustees.

HB 596 addresses our third priority since it would allow up to one of the three elected ERS Board Trustees to be a state retiree.

There is no doubt the financial status and well-being of state retirees are important to the Board of Trustees and staff of ERS.

But rarely is there a person at the table who is speaking in the first person as a retiree on a fixed income which today averages \$1,700 per month.

Retirees know they have a lot at stake in ERS and they play a significant role in trustee elections.

For example, in recent elections for an employee representative to the Board, there were approximately 300,000 eligible voters including retirees, active employees, and inactive employees.

In those elections, there have been approximately 85,000 retirees eligible to vote, representing more than 25 percent of total eligible voters.

However, in that election, retirees cast more than 60% of the approximately 30,000 ballots cast. This voter turnout represented more than 22% of all retirees eligible to vote.

Mr. Chairman and members, these numbers show the value retirees place on representation on the Board of Trustees, and RSEA feels the time has come to have a retiree on the board.

Thank you for the opportunity to speak to you today in support of HB 596.

Finally, thank you for your service and we appreciate this opportunity to address the committee.