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Cover: It has been rumored that the famous wrapper,
Chrisa, has just completed his latest project for the
State Foundation for Culture and the Arts
done in joint venture with Xtermco.
Among his other commissions are the Museum of
Modern Art, a canyon in the Southwest, and a
historic building in Paris.

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editors and writers and do not
necessarily reflect those of either the
Hawaii Chapter or the AIA.
What Is Planned Development?
Planned Development is an alternative way of developing residential or apartment-zoned land as opposed to conventional subdivision. Typically, townhouse or a combination of townhouse and walk-up units are grouped around a central common open space with perimeter automobile access and grouped parking.

A considerable density bonus is usually realized compared to conventional subdivision. Honolulu provides greater density bonuses (average 50 per cent) than anywhere else in the United States.

The common open space and other common facilities will be maintained by a homeowners association.

Planned Development proposals on Oahu have ranged from seven to 3,000 units.

Why Is the City Interested in Planned Development-Housing?
Planned Development-Housing is considered better land use design, which can minimize grading and save existing site amenities. It also increases densities in existing residential land while creating a good living environment through design control.

Why Are Developers Interested in Planned Development-Housing?
The density bonus. Also, there is some saving in grouping buildings in the most buildable areas of a site and in having a private road for the interior of the site. This distributes the site improvement and land acquisition costs over more units. Meaning, the developer can reduce the selling price per unit (hopefully).

The developer weighs this against the Planned Development-Housing processing time and his proposal being subject to feasibility and design review by the Department of Land Utilization.

What Qualifies a Site for Planned Development-Housing?
1—Residential or Apartment zoning. 2—One acre or more in size. 3—Access from a public street.

Can a Planned Development-Housing Applicant Apply for Concurrent Rezoning?
Yes, but not concurrent General Plan redesignation.
Is the Planned Development-Housing Application Long?
Yes. The Planned Development-Housing application form calls for a rather thorough documentation of site and proposal information, as well as a preliminary set of drawings including a location plan, site plan, grading and drainage plan, building and unit plans, building and site elevations, and a landscape plan.

A ritual of pre-application meetings and forms has been established by the Department of Land Utilization to review design schematics and site information. This is to aid the applicant in having a complete and feasible application with no major site, servicing or design problems.

Continued on page 6

**DENSITY**
Planned Development and Conventional Zoning Comparison for the City & County of Honolulu (March 4, 1974)

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<td>2½ acre lots</td>
<td>1.8</td>
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<td>R-3</td>
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<td>7 6,000 sq.ft. lots</td>
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<td>8 5,000 sq.ft. lots</td>
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From page 5

Why Are There So Few Planned Development-Housings in Apartment Zones?
A developer usually figures the density bonus allowed in apartment zones is too small for the time it takes to process application.

What Guarantee Does the Developer Have at the Beginning of Planned Development Processing that His Project Will Get Approval?
There is no guarantee, but almost all Planned Development applications that have had no great site plan, grading, or public servicing problems, obtained ordinance approval with only minor modifications to the original proposal.

If Planned Development Is the Way to Go, Why Does Processing Take So Long?
Processing time is the main criticism of Planned Development, both on the mainland and here on Oahu. In the City and County of Honolulu, the density bonuses and variations allowed from normal subdivision requirements, means that each Planned Development has to go through an Ordinance procedure.

After a Planned Development application is determined by the Department of Land Utilization to be feasible both in terms of design and public servicing, it must go to the Planning Commission for a public hearing, then to the City Council for Planning and Zoning Committee's review and three readings including another public hearing.

The ordinance is then signed by the Mayor to become law. This procedure, from the filing of a Planned Development-Housing application to ordinance approval,
takes from six to eight months. Applications that have taken longer than this have had serious grading, public servicing, ownership or access problems.

What Can I Do to Make Sure a Planned Development-Housing Application Goes Through with a Minimum of Time and Hassles?

Do your homework on the site: check land use, boundaries, ownership, existing conditions, topography and soils. Make sure of public servicing feasibility: sewers, water, roads, etc. Then, have a good site plan, minimize grading and provide building types appropriate to the site conditions.

The biggest hassle is usually over too great a density being demanded by the developer. This creates an unfavorable site impact and impairs the living environment of the future residents. The architect who allows himself to be only a drafting service, finds himself in the middle of this hassle.

Can a Developer Build Something Else on the Property After Getting Planned Development Approval?

No. The Planned Development ordinance, including the site plan, building types, and density, must be followed. This runs with the land. Construction drawings are checked by the Department of Land Utilization for ordinance conformance.

The City Council can make changes to the ordinance, however, or void it. Planned Development ordinance approval becomes void after one year if the applicant has not filed for a building permit. A time extension can be granted by the City Council, however, if just cause can be shown.

Where Do I Find Out More about Planned Developing-Housing?

Contact the City Department of Land Utilization at 546-3265. The staff will discuss the concept, processing and requirements. They have various free handout literature on this.

For more nitty-gritty, see the Comprehensive Zoning Code, Article 10.
Think Futures: Sponsor a Student In Architecture

by ANDREW CHARLES YANOVIK
Chairman, Student Relations Committee

The environmental design and planning professions and related paraprofessions are experiencing an increasing demand for community-oriented voluntary services. Architecture as an art and science is being redefined.

The business-economics of architecture has already undergone dramatic changes — more are assuredly coming.

New problems and opportunities are emerging.

Our young people desperately want to get involved — earlier and more meaningfully — with relevance in the world of reality. More and more of our youth want established professionals to contribute to their futures-oriented action groups. It is our professional obligation to significantly channel their frustrated energies towards recognized accomplishment.

A typical question from many students repeatedly beckons — what is the AIA doing for me?

Specific Problem
Our local state university is suffering budgeting pains and funding ills. Our own architectural school obviously needs a very timely “booster-shot.” Many of our preprofessional students are experiencing a serious lack of community design “spirit.” The architectural profession can be of great assistance during this time of expressed need. (Re: Recent Hawaii Architect issues.)

Proposal
One of the ways in which we professionals can assist the students in their educational endeavors is by involving them in our program activities. Our AIA Student Relations Committee is therefore proposing to the Chapter membership, through the executive committee, a very special sponsorship concept for your immediate adoption and implementation.

Our idea is to involve the student associate members of the Hawaii Chapter AIA and the student members of the ASC/AIA at the Manoa Campus and our community colleges in our Chapter program activities via a corporate or associate member sponsor. With this closer communication established, the professional sponsor of a student in architecture will also be getting more involved in student affairs at the University and/or Community College.

Those of us who were involved in sponsoring student participation in the Annual Student Awards Banquet at Paradise Park this past school year know the rewards of such beautiful and eventful experiences. In so many ways they represent a fantastic investment in our professional futures, as Dean Sam Hurst FAIA asserted.

Our Chapter bylaws define “Student Associate” Membership Qualifications as: “Any student enrolled in a course of architecture or architectural drafting in a school of higher education within the territory of this Chapter, may be admitted by the Executive Committee as a student associate of this Chapter.” (Article II, Section 2.E.)

We are therefore encouraging community college students from Leeward, Honolulu, and Maui to join Manoa in our membership drive.

Our Executive Committee has adopted our suggested policy to permit student associate members to pay $4 annual Chapter dues for 1975 — in accordance with Chapter bylaws (Article III Section 2.A.).

University of Hawaii ASC/AIA students are being encouraged to also join the Hawaii Chapter AIA as student associate members with a total annual dues “package” of $5 ($1 on campus plus $4 locally).

In addition to many other intangible benefits, these students...
will receive issues of the Hawaii Architect and the Hawaii Chapter AIA Memo; as well as being privileged (Article II, Section 3.A. of the Chapter bylaws) to:

1—Vote in Chapter affairs, including election of officers and directors, and Chapter bylaws changes.

2—Serve as Chapter committee members, committee or task force chairmen, and committee advisors.

3—Speak out and make motions on Chapter affairs.

4—“Student Associate: may print or otherwise use the title Student Associate of the Hawaii Chapter, AIA.” (Article II, Section 3.B. of the Chapter bylaws.)

With the sponsorship concept in operation, when a student applies for student associate membership, a corporate or associate member of the Hawaii Chapter AIA will fully endorse his application and have the honor of introducing the member at the next monthly meeting of the Chapter.

In this manner, a more appropriate communications link will be established on a one-to-one basis, and the professional sponsor can build on his relationship with the student and his organization from that point onward — positively affecting both of their futures.

In order to promote successful action on this proposal, we have established the following student contacts among the faculty on the various University campuses:

Phil Olsen AIA, Maui Community College; Cary Kuroda, Leeward Community College; Chester Kato (UH alumnus), Honolulu Community College; David Terazaki PE, Rolf Preuss AIA, Jim Pearson, AIA, Luciano Minerbi AIP, Joan Brooking ASLA, and Leighton Liu, Manoa Campus.

Questions on this particular proposal may be addressed to the Hawaii Chapter AIA Executive Committee, the AIA Student Relations Committee chairman or committee members Ron Holoczek (Associate), Keith Johnson AIA, Jim Pearson AIA, or Kim Thompson (Associate).
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The products are: polyurethan roof insulation, insulation, interior and exterior building panels and liquid urethane systems. The beauty of the panels is that panel surfaces, thicknesses and lengths can be customized to fit individual needs of the architect, designer, builder or contractor. And there is no long waiting period. Shipping, problems in communication, availability, additional handling charges are non-existent — the plant and the products are for Hawaii. This means that our prices will beat any competitive product. To give you an idea about the roof insulation panels: a 4’ x 8’ panel weighs only about ten pounds. This is half the weight or less, but with “K”, “C” and “R” values superior to conventional insulation board — or unskinned urethane slabs. This 32 square foot panel means that you cover 2½ times the roof area with each panel handled over the usual 3’ x 4’ slab. These panels — PBS 500 — are made of the most efficient insulation material known. And they comply with all applicable specifications.

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Chapter AIA Programs

lounge. A committee has been formed to make this space into a comfortable meeting area. This committee is working on a list of needs which includes: toilet facilities, drinking fountains, vending machines, a refrigerator, coffee maker, furniture, paint, etc. Not all of this is possible but we hope that a great deal will be done to make this space habitable. This lounge is not only for the use of the students but also for the faculty.

A directory of architecture and related department students is being compiled. This directory will be distributed to the students free of charge. We feel that this will help acquaint as well as serve as a catalyst for communication among the students.

The ASC/AIA is making use of the Hawaii Architect magazine as a voice for the students. We consider this an excellent means of making our activities and concerns known to the professional community. An attempt for input in each issue is being made in the form of articles, editorials, essays or present work.

We have two voices on the Department Curriculum Committee and four on the Student/Faculty Committee. We feel that we have many good ideas which will help the Department grow. One suggestion which is being considered for next spring is the PSI system of instruction. PSI or Personalized System of Instruction has been used in many departments in the University of Hawaii and we feel it to be successful.

Several students are working on a logo for the ASC/AIA. Actually, this is the same logo that was used for several semesters, the DaVinci man. The logo is now being adapted to a T-shirt that can be sold to the students.

Other future programs include architects’ tours of “famous” buildings, big brother program for new students, programs with community college students, exchange with Pacific Basin schools, and a revitalized film program.

University of Hawaii
ASC/AIA Roster

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Clyde Motosue
Alethea Takara
Clarence Izuo
Alan Saito
Kaithe Watanabe
Wayne Yamagata
Carl Bovill
Craig Meredith
Jim Chibana
Wendell Lau
Gary Asahina
The 1975 Honor Awards Program was held at the Campus Center Ballroom, Friday November 22. There were members present for the presentation of the awards. The presentations were made by Robert Fehlberg, FAIA, the senior Regional Director of the North­west Region of the AIA.

Awards were presented to:
Haines, Jones, Farrell, White & Gima for their Kona Surf Hotel, for Inter­Island Resorts.
Charles W. Chamberland and John Tatam, for the Hawaii Regent Hotel, for AITS.
Ossipoff, Snyder, Rowland & Goetz for Porteus Hall, University of Hawaii.
Group Lab 70 for the Kaneohe Island Federal Savings & Loan.
Media 5, Ltd., for their renovations to Fronk Clinic.
Media 5, Ltd., for their Pavilion House for Pole Houses of Hawaii.
John Hara for three Hillside Houses.
Roger Lee for the Chang Residence.
Hogan, Chapman, Weitz & Cobeen for the Swope Residence.
Charles W. Chamberland for the Yim Residence.

Speeches were mercifully short, the band played music of the 30s and 40s, and a pleasant evening was enjoyed by all.
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Landscape Architecture Education

by TOM PAPANDREW

In 1971 the American Institute of Landscape Architects produced a document titled "Goals for Landscape Architectural Education." It marked one of the first instances in which the society took a positive role in assisting the schools in determining overall goals and directions for future growth and development.

The concern of the study was primarily with accreditation and secondarily with other environmental design education programs. Also of concern was the development of inter-professional contacts, through ICED, with educational arms of other design professions. With this in mind a multi-disciplined program could develop whereby a better landscape architect could be produced to cope with the kinds of problems which will confront him once he enters professional practice.

In the October 1974 issue of Landscape Architecture, Garrett Eckbo had some thoughts on the history and direction of education worth repeating.

He stated:

"The traditional landscape architectural curriculum before 1950 focused on design, construction and plant material, plus a few courses in history, city planning, surveying and geology. To this the environmental/ecological movement has added major curriculum expansions in natural factors, social factors, behavioral factors, computer technology, environmental politics, administration, and so on."

In this effort to cover the broad brush of educational opportunities, said Eckbo "the old central focus on design skill, insight, perception and judgment has tended to be pushed aside. Now it is beginning to revive, more by pressure from students than by attention from faculty.

"Cosmopolitan culture tends to homogenize the world. The easier it is to travel the less there is that is different when you get there. The end product is a worldwide Los Angeles or Miami Beach. Regional cultural/environmental approaches are the best way to resist this tendency. In that sense a regional educational approach is needed."

A program of emphasis should be built upon a university's strengths. By reason of its geographic location, island ecosystem and culture the University of Hawaii could develop a unique program in landscape architecture based upon these regional characteristics. Almost all of the islands of the open Pacific lie between latitudes 30 degrees North and 30 degrees South, extending east-south-eastward from mainland Southeast Asia.

The University of Hawaii offers a few courses specifically directed toward students interested in pursuing a landscape architectural education. No formal program is now offered. However, a student can adequately prepare for admission to an accredited masters program in landscape architecture at another school by receiving the Bachelor of Fine Arts degree through the University's Department of Architecture.

The Education Committee of the Hawaii Chapter of ASLA is currently attempting to establish goals and directions for the possible creation of a formal landscape architectural program at the University of Hawaii. The importance of education to the future of the profession and ultimately to good environmental design cannot be overemphasized.
Analysis of coastal zone environment Sea, storm, and survival

Student project, Department of Landscape Architecture, University of Pennsylvania

Stage 1: Sand bar created by deposition from storm waves breaking offshore. Unobstructed wind carries sand inland. Pioneer plant communities invade the bayside of the bar.

Stage 2: Dune formation begins at thicket line with deposition of wind-blown sand. Dunegrass spreads along north-south line of sand accumulation.

Stage 3: Secondary dune formation begins as dunegrass community is established. Sand is blown from the front of the dune and is accumulated on the beach heather thicket line. Thicket and woodland plants invade the rising backdune sand under the protection of the growing secondary dune.

Stage 4: Dunegrass community advances seaward to high tide line and initiates primary dune formation. Thicket and woodland communities spread along north-south line behind the secondary dune.

Stage 5: Primary dune is established. Salt spray is reduced by primary dune. Ground level of the trough rises with continued sand deposition as thickets replace the grasses. Secondary dune is stabilized as plants not requiring sand deposition replace the dunegrasses. On the backdune, there is an established woodland community.
Letters to the Editors

Your October issue of Hawaii Architect was again very well presented. "President’s Message" by Sidney Snyder AIA and "The Hawaii Chapter: 3 Years of Activism" by James Reinhardt AIA were very much appreciated.

I especially enjoyed the "Modern Living Show" review by Dennis Tate, Student of Environmental Design, UH Department of Architecture. It is always gratifying to witness perceptive development and analytical growth capabilities in our most progressive students. Since Dennis was a stellar thinker and doer in the Applied Futuristics Class conducted by Dr. James A. Dator and myself, I am taking the liberty of forwarding a copy of his contributing article to Dr. Dator in Toronto.

Andrew Charles Yanoviak AIA

I would like to take this opportunity to express my sincere thanks to all of Oahu’s architects who contributed to this year’s Aloha United Way campaign. Having personally contacted most of the firms myself, I was gratified by the almost uniformly enthusiastic response to our requests. In spite of the downturn in work load, which is effecting many firms at the present time, we were successful in meeting our goal of $14,579; an increase of $2,011 over last year’s goal. What was most encouraging is that 50 firms participated in meeting last year’s goal, and this year 70 of Oahu’s firms participated. To me this signifies that an increased segment of the architectural profession has positively expressed its concern and support for the over 50 vital

Continued on page 17
human care agencies which serve the community of which we are all a part. This has made my efforts as AIA representative to the Aloha United Way worthwhile and personally rewarding. My thanks to you all.

DAVID A. MILLER, AIA
Haines Jones Farrell White Gima

Jim, your selection of Hawaiian architecture on page 12 of your September issue (which I just received) was excellent.

Keep up the good work on the magazine — it's great that you are able to publish a journal of this quality.

Robert E. Fehlberg, FAIA
Director, Northwest Region

A/E Selection Law
The Governors of California and Delaware have signed into law new A/E selection bills in their states. Both measures contain provisions similar to those outlined in the Federal procurement law.

Provisions in the new laws require public announcement of state projects. Agencies are to encourage firms to submit statements of qualifications and performance data annually.

Agencies are also to select and rank at least three firms and to negotiate a contract with the most qualified firm.

The Delaware law which is now in effect also contains a prohibition against contingency fees.

New Associates
Avery H. Youn and Ronald L. Baers have been made senior associates of the architectural, programming, and planning firm of Aotani & Hartwell Associates, Inc. The company has also promoted Douglas Yanagihara and Luther C. Blair, Jr. to the position of associate.

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12/74
An Architect's Avocation
Sketches by ROLF PREUSS
Pension Law Changes
Everyone Affected
On January 1st

by RONALD E. BARNARD, C.L.U.

On September 2, 1974, a new, sweeping pension reform bill was signed into law. Officially it is the Employee Retirement Income Security Act of 1974.

Its purpose is to extend pension benefits and assure that private pension plans are operated and financed in such a manner as to guarantee that employees will ultimately receive benefits promised.

It will affect every company that has or will have a retirement program of any type. Practically every qualified pension and profit sharing plan will have to be amended.

There are three general categories of pension plans on which new rules have been established.

First of all, individuals who are not covered by a qualified private retirement plan or governmental plan can now set up tax deductible individual retirement plans on their own — known as Individual Retirement Accounts under the law.

This includes sole owners, partners and their employees, as well as corporate employees.

Under this new plan, deductions can be taken for taxable years beginning January 1, 1975, of 15 per cent of earnings or compensation, not to exceed $1,500 annually.

If you are eligible but don't want to set up a plan as a self-employed person, both you and your employees can now lay aside tax deductible retirement funds individually.

The full amount of money you set aside is taken off of your gross income and can therefore be taken even if a standard deduction is elected.

Working married couples compute the deduction separately and can both take the maximum deduction if they are not covered under other plans.

Funds held under Individual Retirement Accounts are tax exempt. Thus, investment income will generally not be taxed until distribution to the individual.

There are three ways in which funds can be set aside to fund individual retirement:

1. The money can be put into a domestic trust or custodial account.

In this arrangement, the trustees would generally be given broad powers to administer the plan and invest the money. An employer or union can establish a domestic trust to provide individual accounts for its employees — including self-employed persons or members — as long as the interests are separately accounted for. The employer can make deductible contributions to the trust. Under this approach, the employer's contribution to the employee's account would be taxable as income to the employee, but the employee could deduct it
Ronald E. Bernard is Assistant Vice President of Alexander & Alexander, Mid Pacific Insurance Division.

from his gross income at the year end.

2. The money can be invested directly into individual annuity contracts issued by an insurance company.

3. The money can be invested in special retirement bonds issued by the Federal government.

Individuals are allowed to switch their investment. Special "tax-free rollover" rules permit an individual retirement plan to switch assets from one type of investment to either of the other two.

On retirement, in the case of lump sum distribution, the entire amount received is taxed as ordinary income but the income averaging rule can be used advantageously. If an annuity contract is used monthly payments will be taxed as ordinary income as received.

Some major changes have also been made under the "Self-Employed Individuals Tax Retirement Act" — commonly referred to as HR-10.

Since 1962, these plans have been available to professionals, proprietors, partners, and their employees. If the principals (owner-employees) were to be covered under the plan, all employees with three or more years of service must also be eligible and benefits must become fully and immediately vested upon eligibility.

These provisions remain unchanged.

The most important difference in the HR-10 plan is that the prior maximum annual tax deductible

Continued on page 22
Pension Law

from page 19

A contribution of $2,500 has been increased to 15 per cent of earned income up to a maximum of $7,500 for taxable years beginning December 31, 1973. As before, the annual contribution is tax deductible and any income earned by invested contribution is not currently taxable.

Most of the old HR-10 plans were defined contribution plans. (The employer contribution is fixed and the benefit at retirement reflects the accumulations under the plan.)

After 1975, a self-employed person will be able to choose a plan geared to a specified retirement benefit. If a defined benefit plan is adopted, it must comply with "guideline" regulations which have not yet been issued.

The investment options for these plans as well as the distribution features have remained essentially unchanged and are similar to those described under the Individual Retirement plans above.

The taxation of the distribution of benefits have changed materially and should be reviewed with your tax adviser.

By far the greatest portion of the 1974 Pension Reform Bill was directed to numerous changes in Corporate pensions, including those arranged through collective bargaining.

Changes in these plans include new eligibility and vesting requirements, as well as minimum and maximum funding rules, plan termination insurance requirements and stricter disclosure and reporting requirements.

Under the new law, the general requirement for eligibility is that the employees' service may not be longer than one year, except that employees may be required to attain age 25 if this occurs later. A three year service requirement or attainment of age 25 (if later) is satisfactory if 100 per cent of accrued benefits vest after three

Continued on page 24
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CONDOMINIMUM
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years of service.

Under the prior law, employees need not be vested in their pension benefits until they retire. The 1974 Act requires that one of three minimum vesting standards must be met.

Briefly, they are:
1. 10-Year Rule — 100 per cent vesting after 10 years of employment.
2. Graded Vesting — 25 per cent vesting after five years; 5 per cent increase per year for the next five years and 10 per cent increase per year for the next five years with 100 per cent vesting in 15 years.
3. Rule 45 — 50 per cent vesting when an employee has five years of service and his age plus years of service add up to 45. Additional vesting must be 10 per cent for each year of service thereafter.

Under the previous regulations, it was common for employees who withdrew their own contribution from a plan — even if they were 100 per cent vested — to lose all employer contribution. The new law provides that an employee who withdraws his own contribution only loses the employer contribution if he is less than 50 per cent vested. He retains all employer contribution if he is at least 50 per cent vested.

This will be a significant pension cost factor along with the above stricter vesting requirements.

The funding of the benefits has also become much stricter.

Previous contribution to qualified pension plans need only cover the cost of benefits accumulated during the plan year and the interest on the amount of liability due to unfunded accrued pension liabilities.

Under the new law, aggregate annual contributions must cover all liabilities created from benefits accumulated during the current year. In addition, for plans in existence on January 1, 1974, the unfunded liability for previous
years must be funded in equal installments of over no more than 40 years — including principal and interest. Plans established after January 1, 1974, must fund past service liability in not more than 30 years.

If actuarial experience differs from actuarial assumptions, such gains or losses must be amortized over no more than 15 years from the date of each gain or loss (20 years for multiple employer plans).

The new law allows the Treasury Department to waive funding requirements for up to five out of 15 consecutive years in the case of a firm’s proven financial hardship. There is also a strict penalty where funding relief is not authorized and adequate contributions are not made.

The maximum contributions for current and past service benefits have also been dramatically changed.

For defined contribution plans (profit sharing or money purchase pension plans) the maximum annual addition to a person’s account cannot exceed 25 per cent of his compensation of $25,000 — whichever is less. This includes employer contributions, forfeitures and the lesser of one-half of employee contributions or employee contributions in excess of 6 per cent compensation.

Where an employer has two or more plans of the same type, all

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plans will have to be considered as one for purposes of applying maximums.

However, for participants in both a pension and a profit sharing plan, maximum retirement benefits are governed by a formula that essentially limits the combined retirement benefits to 140 per cent of the individual plan limitations.

The maximum pension allowable under a defined benefit plan is 100 per cent of a participant's average pay during his three highest paid consecutive calendar years or $75,000 — whichever is less.

In keeping with the intent of the Reform Bill — to guarantee that employees will ultimately get benefits promised, the Act set up a nonprofit Pension Benefit Guarantee Corporation. It is designed to protect the vested rights of employees even if a plan terminates.

First year premiums will be $1 per plan participant. (50 cents for multiple employer plans.) Employers will be notified directly by the Department of Labor of the requirement to pay insurance premiums.

Finally, the Act increases the reporting and disclosure requirements. A detailed outline of the extent of the Annual Report to the Secretary of Labor as well as the requirement to give each participant summarized copies of the annual report and other information as requested, is included in the law.

Almost all of the above areas of discussion have specific exceptions. My comments have been comparatively brief and incomplete by necessity.

The law itself is the longest piece of Federal legislation in over 25 years. The Commerce Clearing House explanation is over 200 pages long.

I have tried to highlight, simplify and generalize the changes brought about by the 1974 Pension Reform Bill — as I see them.
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