

STATE OF HAWAII
DEPARTMENT OF DEFENSE

TESTIMONY ON
SENATE BILL 577, RELATING TO ACTIVE DUTY MILITARY ENTITLEMENTS

PRESENTATION TO
THE SENATE COMMITTEE ON
PUBLIC SAFETY, INTERGOVERNMENTAL AND MILITARY AFFAIRS

BY

MAJOR GENERAL ARTHUR J. LOGAN
ADJUTANT GENERAL, DIRECTOR OF HAWAII EMERGENCY MANAGEMENT AGENCY
AND DIRECTOR OF HOMELAND SECURITY

FEBRUARY 5, 2019

Chairperson Nishihara, Vice Chair Wakai, and members of the Committee on Public Safety, Intergovernmental, and Military Affairs.

I am Major General Arthur Logan, Adjutant General, Director of the State Emergency Management Agency and Director of Homeland Security. I am providing written testimony for SB 577. The Department of Defense (DOD) **SUPPORTS THE INTENT** of HB 577 and would like to provide comments.

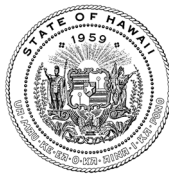
The proposal of SB 577 adds a section to HRS Chapter 88 to provide credit for military service while on State Active Duty (SAD). We defer to the Department of Accounting and General Services for their input on the administrative and financial impacts to the current employee payroll and the current state retirement system.

SB 577 also changes section 121-40: "Pay of enlisted personnel while on Active Duty"; to allow basic allowance of housing to Hawaii National Guard enlisted personnel while on Active Duty. We believe the proposal to change section 121-40 should also apply to section 121-39 "Pay of officers and warrant officers while on active duty." If it is the intent of the bill to extend this benefit to all Hawaii National Guard personnel, the bill should extend this benefit to officers and warrant officers, specifically since SB 577 does propose a change to section 121-42: "No pay without orders" that includes a statement that allows basic allowance for housing to officers and enlisted of the army or air national guard when called to active duty.

Thank you for the opportunity to provide testimony to **SUPPORT THE INTENT** of SB 577 with comments.

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FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY RODERICK K. BECKER
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL,
AND MILITARY AFFAIRS
ON
SENATE BILL NO. 577

February 7, 2019
2:00 p.m.
Room 229

RELATING TO ACTIVE DUTY MILITARY ENTITLEMENTS

Senate Bill No. 577 requires the State to pay, without delay, military personnel called to active duty at the same rate as their active duty counterparts; to provide basic housing allowance; and to provide service credit for time on active duty, with service credit counting towards retirement.

The Department of Budget and Finance is concerned about the vagueness of Section 2 of the bill, which provides a service credit for military personnel when called up for State active duty. It is not clear what the intent of the bill is. It is noted that current State and county workers, who are in the National Guard, are members of the retirement system and may benefit from the proposed service credit for State active duty. However, private-sector workers, who are in the National Guard, are not members of the retirement system and would not benefit from a service credit for State active duty.

Thank you for your consideration of our comments.

DAVID Y. IGE
GOVERNOR



THOMAS WILLIAMS
EXECUTIVE DIRECTOR

KANOE MARGOL
DEPUTY EXECUTIVE DIRECTOR

**STATE OF HAWAII
EMPLOYEES' RETIREMENT SYSTEM**

TESTIMONY BY THOMAS WILLIAMS
EXECUTIVE DIRECTOR, EMPLOYEES' RETIREMENT SYSTEM
STATE OF HAWAII

TO THE SENATE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL, AND
MILITARY AFFAIRS
ON

SENATE BILL NO. 577

**February 7, 2019
2:00 P.M.**

Conference Room 229

RELATING TO ACTIVE DUTY MILITARY ENTITLEMENTS

Chair Nishihara, Vice Chair Wakai and Members of the Committee,

The primary purpose of S.B. 577 is to ensure that active employees of the State called to active duty military service will receive the pay and allowances that they are due on a full and timely basis. In addition, S.B. 577 includes a new section to be added to Chapter 88, HRS, for active duty military personnel to receive retirement service credit under the Employees' Retirement System (ERS). As Chapter 88, HRS, already includes provisions for the certification and acquisition of active military service, the ERS has serious concerns about the proposed new section regarding credit for military service under Section 2 of S.B. 577.

Sections 88-132 and 88-132.5 address retirement service credit for eligible periods of membership and pre-membership active military service. Eligibility criteria, verification requirements, limitation periods, member contributions and/or employer contributions and required documentation are clearly specified within these statutes in order that the ERS may certify that these periods are creditable for retirement service. Section 88-132 in particular,



Employees' Retirement System
of the State of Hawaii

which addresses military leaves without pay during an employee's membership service, has specific guidelines as to when this leave may be allowed service credit and provides limitations on the extent of these leaves. As proposed, Section 2 of S.B. 577 is too vague and ambiguous to be implemented by the ERS.

We respectfully suggest that the existing statutes remain as the basis for ERS service credit for military service under Chapter 88 and request that the periods of active military service addressed by S.B. 577, be evaluated by the same statutory authority.

Thank you for this opportunity to provide testimony on S.B. 577.

SB-577

Submitted on: 2/5/2019 11:13:42 PM

Testimony for PSM on 2/7/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Golojuch Jr	Testifying for LGBT Caucus of the Democratic Party of Hawaii	Support	Yes

Comments:

Carswell J. Ross, Jr. MA, CMSgt USAF (Ret.)
Waipahu Hawaii

7 February 2019

TO

THE THIRTIETH LEGISLATURE
REGULAR SESSION OF 2019

COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY
AFFAIRS

Senator Clarence K. Nishihara, Chair

Senator Glenn Wakai, Vice Chair

Good afternoon Chari Nishihara and Vice Chari Wakai and members of the Committee on Public Safety, intergovernmental, and Military Affairs. I am testifying **in strong support of S.B. 577**, Relating to Active Duty Military Entitlements.

I served in and retired from the Hawaii Air National Guard. During my service I had the opportunity to travel to various locations within the United States and foreign countries. I served in Hawaii during Hurricane Iniki and witnessed firsthand the devastation caused by wind and rain to homes on Oahu. I spoke with families whose homes and lives were forever changed by the loss of their lifestyle.

Several of these individuals were members of the Guard who had been call to duty to support the relief efforts of others. During our most recent Hurricane Lane, Guard members were once again called to assist other within the community of Hawaii. They were asked to go to the County of Hawaii and help. Little did they know that they would not receive their military pay or their Housing Allowance?

S.B. 577 Relating to Active Duty Military Entitlements, seeks to make these Members of the Army and Air National Guard whole by assuring that they receive pay and entitlements due when activated under State Active Duty during an emergency. Hawaii id fortunate to have these men and women who care so much for their community that they serve in the Guard and are ready to help their fellow neighbors in time of need. The State should not add the burden of delaying their pay while they serve others.

Thank you for this opportunity to testify in strong support of this measure.

SB-577

Submitted on: 2/4/2019 5:00:39 PM

Testimony for PSM on 2/7/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mike Golojuch	Individual	Support	No

Comments:

Our military personnel and their families deserve every benefit they can receive.

Mike Golojuch, Sr., Lt Col, USAF(Ret)