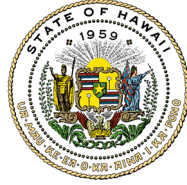


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GOVERNOR
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DEPARTMENT OF DEFENSE
KA 'OIHANA PILI KAUA
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STATE OF HAWAI'I
DEPARTMENT OF DEFENSE

TESTIMONY ON HOUSE BILL 2396 HD1
RELATING TO THE HAWAII NATIONAL GUARD

BEFORE THE COMMITTEE ON PUBLIC SAFETY AND INTERGOVERNMENTAL
AND MILITARY AFFAIRS

BY

MAJOR GENERAL KENNETH S. HARA
ADJUTANT GENERAL
AND DIRECTOR OF HAWAII EMERGENCY MANAGEMENT AGENCY

MARCH 11, 2024

Aloha Chair Wakai, Vice-Chair Elefante, and members of the committee:

I am MG Kenneth S. Hara, Adjutant General and Director of Hawaii Emergency Management Agency, State of Hawaii, Department of Defense.

The Department of Defense (DEF) provides written testimony in **SUPPORT** of HB2396 HD1.

This measure amends Hawai'i Revised Statutes (HRS), Chapter 121 and authorizes the use of State funds to pay for TRICARE Reserve Select (TRS) coverage for Hawai'i National Guard (HING) Servicemembers in the junior grades for officers in the grade of O-3 and below and warrant officers in the grades of CW-2 and below, and for enlisted in the grades of E-6 and below while serving on State Active Duty (SAD) for more than thirty days in service to the State. TRS coverage would include the individual officer, warrant officer, or enlisted and their family, should they have eligible dependents.

We have seen an increase in natural disasters throughout the State, which has led to numerous HING Servicemembers ordered to SAD in response for extended periods. HING Servicemembers have been increasingly asked to serve in an indeterminate timeframe, requiring them to take a leave of absence from their civilian employers for longer periods of duty. While some civilian employers may elect to pay for the HING

Servicemembers' ongoing company-provided healthcare premiums while on a leave of absence status, many civilian employers will not. As a result, many HING Servicemembers will lose their civilian company-provided healthcare coverage after 30 days on SAD orders. This requires HING Servicemembers serving the State on SAD to constantly reconsider whether they should continue serving without any healthcare coverage or request for termination of their SAD orders to keep their company-provided healthcare coverage for themselves and their families. To require HING Servicemembers to support the State on SAD without any healthcare coverage is an unfair request, especially since the State is already asking them to take an indefinite leave of absence from their civilian employer to support the State's emergency.

When HING Servicemembers exceed 90 days on SAD orders they would be entitled to certain benefits from the State of Hawai'i as a temporary State employee, such as access to the Employer-Union Trust Fund (EUTF). However, the cost of enrollment in the EUTF would be substantially more than the premium cost for enrollment in TRS coverage.

TRS provides the most fiscally responsible solution for the State to offer healthcare coverage to HING Servicemembers serving on SAD for more than 30 days. The individual plan premium cost for TRS is approximately \$50 per month and the family plan premium cost is approximately \$240 per month. Comparatively, the State of Hawaii employer-sponsored monthly cost for an individual plan is approximately \$450 per month and for a family plan is approximately \$1,500 per month.

If passed, the bill will authorize the use of State funds, such as the Major Disaster Fund (MDF), to compensate eligible HING Servicemembers who require healthcare coverage for their enrollment cost in TRS during their activation on SAD for more than 30 days. This will ensure accessible and affordable healthcare coverage for HING Servicemembers and their eligible dependents, an uninterrupted HING response force capability to the State, and the most cost-effective stewardship of State funds.

The HING places great value on selfless service to the State of Hawai'i, as well as the well-being of our dedicated women and men of the HING who support the State during times of need. Please pass this bill and help our HING Servicemembers remain focused on their duty without worrying about their and their family's health insurance needs.

Thank you for the opportunity to provide testimony in SUPPORT of HB2396 HD1.

MG Kenneth S. Hara, Kenneth.s.hara@hawaii.gov; 808-672-1001



LATE

FROM: Senior Master Sergeant (Retired) Maui Quizon, President, Hawaii National Guard Enlisted Association

TO: The Committee on Public Safety & Intergovernmental and Military Affairs

DATE: March 10, 2024

SUBJECT: Testimony on House Bill 2396 Relating to the Hawaii National Guard

Aloha Chair Wakai, Vice Chair Elefante, and members of the committee:

I am Maui Quizon, a retired Senior Master Sergeant and currently the President of the Hawaii National Guard Enlisted Association, a non-profit organization dedicated to advocating for the welfare of over 4,600 enlisted soldiers and airmen of the Hawaii National Guard. I am submitting this written testimony in favor of HB2396. This proposed measure seeks to amend the Hawai'i Revised Statutes, Chapter 121 to authorize the use of state funds to provide TRICARE Reserve Select (TRS) coverage for certain members of the Hawaii National Guard while serving on State Active Duty for more than 30-days. Specifically, it covers officers up to the rank of O-3, warrant officers up to the rank of CW-2, and enlisted personnel up to the rank of E-6, along with their eligible dependents.

The Hawaii National Guard places significant importance on the commitment of its members to serve the state during emergencies, as well as their overall well-being. We have seen a surge in natural disasters across the state, necessitating extended periods of State Active Duty for many Guard members. These prolonged duties often require them to take leaves of absence from their civilian jobs, during which their healthcare coverage may be at risk. Many civilian employers may not continue to cover the healthcare premiums of Guard members beyond the initial 30 days of State Active Duty. Consequently, Guard members are faced with the difficult choice of serving their state without healthcare coverage or requesting termination of their duty orders to maintain their civilian healthcare benefits. This situation is unfair to Guard members, considering the indefinite nature of their service commitment to the state during emergencies.

While Guard members become eligible for certain benefits after 90 days of State Active Duty, such as access to the Employer-Union Trust Fund (EUTF), the cost of enrollment in the EUTF is significantly higher than that of TRICARE Reserve Select coverage. TRICARE Reserve Select offers a financially prudent solution for the state to ensure healthcare coverage for Guard members serving on State Active Duty for more than 30 days. The premiums for TRS are substantially lower compared to the employer-sponsored healthcare plans offered by the state. If HB2396 is approved, it will allow the use of State funds, including the Major Disaster Fund (MDF), to cover the enrollment costs of TRICARE Reserve Select for Guard members serving on prolonged State Active Duty. This will guarantee uninterrupted healthcare coverage for Guard members and their families, maintain the readiness of the Guard response force, and maximize the cost-effectiveness of State resources.

I appreciate the opportunity to express my support for HB2396 through this testimony. Thank you.

R. Maui Quizon

R. MAUI QUIZON, SMSgt (Retired), HIANG
President, Hawaii National Guard Enlisted Association