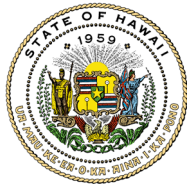


JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



STATE OF HAWAII  
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STATE OF HAWAI'I  
DEPARTMENT OF DEFENSE

TESTIMONY ON HOUSE BILL 2396 HD1 SD1  
RELATING TO THE HAWAII NATIONAL GUARD

BEFORE THE COMMITTEE ON WAYS & MEANS

BY

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

APRIL 2, 2024

Aloha Chair Dela Cruz, Vice Chair Moriwaki, 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 SD1.

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 SD1.

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