

Monday, March 22, 2021

10:00 a.m.

Via Videoconference

State Capitol

415 South Beretania Street

House of Representatives

Thirty-First Legislature

Regular Session of 2021

House Select Committee on COVID-19 Economic and Financial Preparedness

Report of the Select Committee's Twenty-Eighth Meeting,

Held on Monday, March 22, 2021

The House of Representatives established the House Select Committee on COVID-19 Economic and Financial Preparedness (Committee) pursuant to House Resolution No. 54 (Regular Session of 2020). The membership of the Committee includes selected members of the House of Representatives, state government officials, and business leaders from private industry and non-profit organizations located in each of the primary counties.

The Committee is tasked with:

- (1) Identifying the potential economic and financial impact to the State;
- (2) Developing short-term and long-term mitigation plans; and
- (3) Monitoring COVID-19 conditions and outcomes.

At its twenty-eighth meeting, the Committee received a Congressional update on federal funding, an update on Hawaii's economy

from the University of Hawaii Economic Research Organization (UHERO), a legislative update from the Chair of the House Standing Committee on Pandemic & Disaster Preparedness, and a public health update focusing on vaccination centers in the State.

I. CONGRESSIONAL UPDATE

Congressman Ed Case reported on the recently enacted American Rescue Plan Act of 2021 that provides \$1.9 trillion in additional relief to address the continued impact of COVID-19 on the economy, public health, state and local governments, individuals, and businesses. He expects the Act to provide more than \$6 billion to the State and its residents through wide-ranging support. Congressman Case highlighted specific support programs for certain industries that have yet to be implemented, such as the Restaurants Revitalization Fund, for focused assistance to the restaurant industry, and the Shuttered Venue Operators Grant Program, for certain entities in the entertainment industry. Congressman Case noted that the Paycheck Protection Program (PPP) continues to be well supported and utilized. The upcoming agenda for Congress is focused on a \$1 to \$2 trillion infrastructure package and the upcoming regular appropriation process for the federal fiscal year that begins in October.

There were questions regarding the pending Shuttered Venue Operators Grant Program and the types of businesses that may be included in the program. Congressman Case noted that the American Rescue Plan took a broad approach to industry support and may not provide targeted relief for every business. However, for those who do not qualify under the American Rescue Plan, the congressional

delegation could hopefully help the development of administrative guidance to accommodate these businesses. Congressman Case also noted that he expected the PPP to continue to be available to those businesses through an upcoming extension.

II. ECONOMIC UPDATE

Dr. Carl Bonham, Executive Director of UHERO, began his economic update with an optimistic forecast as UHERO and the Department of Business, Economic Development, and Tourism have both released forecasts in the last month or so. He provided data that showed the unemployment rate as of January 2021 was at 10.2 percent, with about 67,000 individuals remaining unemployed in the State. Dr. Bonham noted that there is still a long way to go and unfortunately, none of the major job sectors that are tracked by UHERO in the State gained employment other than the federal government, which could be related to the United States Census. However, he noted that the State's vaccine rates have been a great success story. Widespread vaccination is instrumental to the economic recovery. The State is administering an average of 11,000 vaccines per day, which if the State continues at this pace, will take four months to reach 75 percent of the population. He noted that almost 28 percent of the population has received at least one of two doses. Dr. Bonham did mention that there are still challenges with the vaccine reaching the underserved populations and he cautioned that the State would need to be vigilant to potential vaccine reluctance.

Dr. Bonham emphasized the success of the Safe Travels Program in keeping virus activity in the State at low manageable rates while

reopening the State's economy and tourism industry. He said that an official announcement about any updates to the Safe Travels Program would be needed, because people want to be able to make decisions about coming to Hawaii this summer. He said that the data around tourism is promising as for the month of March, the State is averaging 12,000 visitors a day, which is between 40 and 45 percent of the pre-pandemic March 2019 arrivals numbers.

Dr. Bonham then highlighted the importance of the American Rescue Plan Act and uptick in tourism on the improved State forecasts going forward. He estimates that the Act may provide more than \$6 billion in the State through around \$2.2 billion in direct payments to individuals and households; \$2.2 billion to support state and county governments; almost \$1 billion in enhanced unemployment insurance benefits; over \$200 million in rental and mortgage assistance; small business assistance; and direct aide to universities and schools, including childcare. He noted that all of this information will play an important part of UHERO's upcoming forecasts. Dr. Bonham was asked for suggestions on how to build economic resiliency going forward and he said that public health is still the priority in having the ability to bring the tourism industry and related businesses back safely, as the number one thing that could derail the State's recovery is a surge in cases.

III. LEGISLATIVE UPDATE

Representative Linda Ichiyama, Chair of the House Standing Committee on Pandemic & Disaster Preparedness provided an update on the committee that is focused on overall pandemic response as well as

disaster preparedness for natural and manmade disasters.

Representative Ichiyama highlighted several bills that were referred to the Standing Committee this Regular Session that specifically relate to the work done by this Committee. For the current status of the bills please go to [Hawaii State Legislature website](#). The status of those bills as of today's meeting are as follows:

- (1) [S.B. No. 266 S.D. 2 H.D. 1](#), which was amended to include the contents of [H.B. No. 1286 H.D. 2](#), the bill establishing the Statewide Safe Travels Program;
- (2) [S.B. No. 540 S.D. 1 H.D. 1](#), which grants the Governor and Mayors flexibility to create a range of lesser penalties for emergency rules such as paying a fine for violating the mask mandate;
- (3) [H.C.R. No. 121 H.D. 1](#), which requests the Governor to convene a working group to develop recommendations for effective communications with Limited English Proficient persons and persons with disabilities before, during, and after emergencies or natural disasters; and
- (4) [H.C.R. No. 91](#), which requests the Hawaii Emergency Management Agency to convene a Resiliency Health Disaster Task Force to develop a coordinated statewide resiliency health disaster plan.

IV. VACCINATION CENTERS UPDATE

Dr. Jill Hoggard Green, President and CEO, The Queen's Health Systems (Queens), provided an update on the vaccination sites administered by Queens. Dr. Green noted that Queens and Hawaii

Pacific Health have administered over 100,000 doses of the COVID-19 vaccine to residents since the pandemic has started. She echoed the commitment and readiness to increase vaccine inoculations to 5,000 per day as soon as vaccine supply is able to accommodate the increase. Dr. Green highlighted the importance of continuing to wear face masks and other safe practices in order to prevent any surges in COVID-19 cases, now that the variants have been identified in the State. Dr. Green noted that Queens is opening up a second vaccination center at Queen's West Oahu and is looking into utilizing vaccination vans to remove potential travel burdens for individuals who do not reside near an existing vaccination center.

Art Gladstone, Chief Executive Officer, Straub Medical Center and Pali Momi Medical Center, provided an update on the vaccination center site administered by Hawaii Pacific Health at Honolulu Harbor Pier 2. He noted that it is going well and has been receiving positive feedback from the community.

The Committee heard concerns regarding certain essential employees, such as retailers, being unable to schedule a vaccine, while hotel workers and the individuals in the restaurant industry are currently able to do so. Representative Ichiyama noted that some retailers may have already qualified for a vaccine as frontline essential workers under Phase 1B of the Department of Health plan. She also noted that the Department is trying to get through Phase 1C essential workers as quickly as possible, since Phase 1C contains a large number of eligible essential workers.

V. CLOSING

Speaker Scott Saiki closed the meeting by noting that the Committee should prepare for a potential surge in positive cases in the State as tourism continues to open back up in the coming months.

VI. NEXT MEETING

The Committee will be notified via email of the next scheduled meeting.

VII. ADJOURNMENT

The Committee adjourned its meeting at 10:37 a.m.