

Monday, May 18, 2020

10:00 a.m.

Via Videoconference

State Capitol

415 South Beretania Street

House of Representatives

Thirtieth Legislature

Regular Session of 2020

House Select Committee on COVID-19 Economic and Financial Preparedness

Report of the Select Committee's Ninth Meeting,

Held on Monday, May 18, 2020

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 ninth meeting, the Committee discussed the Public Health Recovery Task Force's work, the formation of subcommittees, the

State's economy, and received an update from the court-appointed Special Master on the Inmate Release Program.

I. Public Health Recovery Task Force Update

Dr. Mark Mugiishi of HMSA provided an update on the Public Health Recovery Task Force's work and an overview of its May 15, 2020, Summary Report. The Task Force considered what was needed to safely reopen the local economy, visitor economy, and the support required for each.

In particular, the report contains a final draft matrix for a COVID-19 health-based community response, with the following color-coded alert levels: Stay at Home (red - major disruption), Safer at Home (orange - moderate disruption), Act with Care (yellow - minor disruption), Recovery (green - minimal disruption), and New Normal (blue - no disruption). The matrix recommends activities that may be resumed under each alert level based on disease activity, including severity and prevalence of disease; and capacity, including the availability of health care supply, contact tracing, and diagnostic testing.

In general, the red level allows for only essential activities, orange for low-risk activities, yellow for medium-risk activities, and green for the resumption of all activities. Major General Kenneth Hara noted that the Governor had approved the matrix presented by Dr. Mugiishi.

The ability to identify clusters and perform adequate contact tracing is essential to reopening the State. Dr. Mugiishi noted that an agreement has been reached with the School of Nursing and Dental

Hygiene at the University of Hawaii at Manoa to use nursing students to increase the supply of contact tracers. The task force also acknowledged the need for adequate isolation facilities and sufficient personal protective equipment (PPE).

The Committee questioned how PPE would be distributed to health care workers and whether workers in critical sectors would have access to the PPE gathered by the Hawaii Emergency Management Agency (HiEMA). General Hara has been working on a plan for a sustainable supply of PPE and disinfectants.

Tina Yamaki, President of the Retail Merchants of Hawaii, expressed concerns with requiring businesses to screen customers, which would prevent many businesses from reopening due to liability and cost concerns. Ms. Yamaki noted that if shopping centers are required to do such screening, the cost will still be passed on to individual merchants, which will in turn be passed on to consumers. Policymakers need to keep this in mind in their reopening strategy.

Guidelines for individual sectors based on industry best practices are in process and once approved, will be published on the Economic Navigator's webpage. Sectors may need input from various state agencies, such as the Department of Health. Hawaii is one of the few states that will have child care guidelines, which are nearly ready. However, it is unclear who has approval authority for the guidelines. Concerns were raised about an adoption and implementation timeline for each sector's guidelines. Mr. Oshima indicated he is seeking clarity on this matter. Members of the Committee also

emphasized the need for a sound communications process once guidelines are finalized and ready for implementation.

The Committee questioned what quarantine would look like, and whether it would look the same for returning residents and visitors. Dr. Mugiishi said specific application of the guidelines to travelers is up to HiEMA and various state and county agencies to implement.

II. Formation of Subcommittees

Speaker Scott Saiki noted that the Committee is being seen as a place where different sectors can come together to plan and provide oversight. He suggested the creation of the following subcommittees:

- Economic Trends and Strategy;
- Public Health Risk Level;
- Housing;
- Food Stream;
- Medical Coverage and Child Care;
- Education, Workforce Development and Telework;
- Travel; and
- Small Business

Speaker Saiki and Co-Chair Peter Ho will appoint members to the subcommittees. The Speaker noted that once established, the subcommittees could meet separately and report to the Committee as a whole, which could then meet once or twice a month, rather than weekly.

The Committee vetted the following options: changing the travel subcommittee to a tourism subcommittee; incorporating community well-

being issues, including mental health issues; incorporating climate change and environmental issues as part of a long-term strategy; and considering a revised subcommittee proposal at the next meeting.

Speaker Saiki asked Co-Chair Peter Ho to work with Alan Oshima and General Hara on the revised proposal.

The intent of the subcommittees would be to provide a vehicle for looking at priority needs and implementation of plans that have been approved. The Committee discussed the importance of determining who would be responsible for implementation and oversight of Task Force recommendations, tying these individuals and plans to the Economic Navigator; avoiding duplication of work; and developing a public communications strategy to report on the roles of individuals versus government and any differences between state and county requirements.

Speaker Saiki noted that the bulk of the action recommended by the Committee and any subcommittees will require the Administration to implement the recommendations.

III. UHERO Update

Carl Bonham, Executive Director and Professor of Economics at the University of Hawaii Economic Research Organization (UHERO), gave an update on the State's economic outlook, business projections, and next steps. Dr. Bonham reported the State is beginning to see the local economy gradually reopen, but very limited data is available to track weekly changes. There has been a small increase in activity by grocery stores, retail, and other workplaces from the mid-April low point by about five percentage points. However, from March 2020 to

the week of May 10, 2020, there were 225,000 initial unemployment claims.

Dr. Bonham noted that the United States House of Representatives passed the HEROES Act last week, the fifth coronavirus relief bill. Although the United States Senate has rejected it, the bill can be viewed as the upper level of federal support. The path to recovery in Hawaii is highly dependent on federal and state policy and the plan for reopening the tourist economy is a very crucial next step. One possibility is to have so-called tourism bubbles, wherein Hawaii partners with countries that have contained COVID-19, such as New Zealand, Australia, or South Korea, to develop visitor relationships. The tourism subcommittee might want to consider a policy of allowing people to leave quarantine under specified circumstances. For example, allowing incoming travelers from the Los Angeles market, where testing has been widely deployed, to leave quarantine earlier; provided that all incoming travelers would still be appropriately screened.

IV. Inmate Releases

Retired Judge Daniel Foley was appointed the Inmate Release Program Special Master by the Hawaii Supreme Court on April 2, 2020, to develop appropriate pandemic plans and protocols to be implemented by the Department of Public Safety to meet the threat of COVID-19. Judge Foley provided that since March 2, 2020, the State's inmate population has been reduced by a little more than 800 inmates. This reduction in numbers includes inmates released under the program and those not coming into the correctional system (e.g., bench warrants

not being served for low-level offenders, charges not being filed by prosecutors for low-level offenders, and low-cash bail).

Judge Foley described the process undertaken for early release of prisoners in certain categories. All motions filed by the Public Defender have been adjudicated, and the focus has shifted to the Hawaii Paroling Authority, which had suspended its hearings but resumed them in the beginning of May. The Hawaii Paroling Authority is reviewing inmates whose terms are nearly up and those who are very sick or elderly.

The Committee discussed the conditions of release that are imposed; the issue of lack of housing, which the Hawaii Supreme Court said is not *per se* grounds for disqualification from the prisoner release program; and mental health case management in light of social distancing requirements.

James Koshiha of Hui Aloha reported an increase in the number of people at homeless encampments who are coming from the early release program. Since people coming out of incarceration are not eligible for many housing and homelessness services that target the chronically homeless, they fall into a gap group. Mr. Koshiha urged the Department of Public Safety to apply additional resources to case management as feasible.

The Committee discussed protocols to prevent infection and urged the Judiciary and Department of Public Safety to look closely at high priority protocols, such as testing. Members noted concerns over reoffenders returning to the prison system who may have been exposed to COVID-19. Judge Foley stated that there is a similar need to test

staff, who go in and out of the facilities and circulate within the community.

Speaker Saiki asked Judge Foley to convey to the Hawaii Supreme Court the concern that the financial burden as the result of depopulating jails has been suddenly shifted from the public safety system to the public health sector and community service sector.

V. Housing, Child Care, and Hawaii QUEST

Due to time constraints, the Committee deferred discussion on the last three items on its agenda to its next meeting.

VI. NEXT MEETING

The Committee will reconvene on Tuesday, May 26, 2020, at 10:00 a.m. via videoconference.

VII. ADJOURNMENT

The Committee adjourned at 11:15 a.m.