



The Senate

STATE CAPITOL
HONOLULU, HAWAII 96813

Tuesday, May 8, 2020

MEMORANDUM

TO: Senate President Ronald D. Kouchi
FROM: Senate Special Committee on COVID-19
RE: Senate Special Committee on COVID-19 Report

Dear Senate President,

Please see the attached report prepared following the May 7, 2020, Senate Special Committee on COVID-19 meeting with the following:

- Airlines for America
- Department of the Attorney General
- Department of Transportation
- Hawaii Tourism Authority
- Department of Labor and Industrial Relations
- Department of Taxation

Sincerely,

Senator Donovan M. Dela Cruz
Senator Jarrett Keohokalole
Senator Michelle N. Kidani

Senator Donna Mercado Kim
Senator Sharon Moriwaki
Senator Kurt Fevella

Attachment

Cc: All Senators

Airlines for America

Mr. Sean Williams, Vice President, provided the Committee with the following update.

Federal and States COVID-19 Mandates

- Airlines for America represents Delta, American, Hawaiian, Southwest, Alaska, UPS, FedEx for passenger and cargo flights. It functions as a trade group focused on policy and advocacy of the industry and helps airlines navigate governmental procedures.
 - Airlines for America is monitoring all states and federal restrictions.
 - The number of restrictions will likely increase in the months and years to come.
 - It may be difficult for airlines to have different standards for each state and nation.
- The CARES Act requires airlines receiving aid to continue to provide minimum levels of service to markets that they were serving before the Act's passages.
 - Airlines can request approval for suspending certain flights.

Travel Market

- Passenger volume in Hawaii is down 98% compared to last year.
- New bookings are down by 95% overall compared to last year.
- Fare data for part of 2020 has not been released by USDOT yet.
 - Airlines for America surveyed one airline about fare values to Hawaii.
 - The airline's fare prices were down 5% on average. They assume other airlines have similar fares.
 - The Committee challenged these findings based on numerous cases of cheap fares coming into the state.
 - The Committee finds the current low fares to be counterproductive to the state's efforts to minimize non-essential travel into the state at this time.
- The recovery of the travel industry will be long.
 - Following 9/11, it took three years for travel to return to previous levels.
 - After the Great Recession, it took seven years for recovery.
 - When airline travel recovers, the industry will be smaller.
- Airlines schedule flights months in advance to reserve planes and schedule crew. However, the actual number of flights will change based on demand.

Communication with Passengers about Hawaii's Quarantine Mandate

- Each airline has its own procedures for informing passengers about the quarantine mandate before boarding.
 - Communications include pre-boarding announcements in the gate hold area, on-board announcements, direct messages to travelers in the days before their scheduled travel by email and/or text messages, and regularly updated travel advisors/restrictions on websites.
 - Airlines are communicating restrictions from other states and countries.

- In the U.S., Florida and Texas have restrictions on arrivals from certain affected areas.
- Information on websites differs because airlines determine communications procedures most effective for them.
 - The Committee requested that a grid be produced and provided to the Committee comparing the airlines' procedures.

Current Airline Procedures

- Airlines are following CDC guidelines by sanitizing planes between each flight and requiring all passengers to wear masks.
- Under current federal law, if a crew member suspects a passenger has any type of infectious disease, then they are required to contact a medical professional to determine if the passenger's condition needs to be reported.
- The Committee insisted that it be communicated to all airlines that the state's agricultural forms are required for officers, crew, and passengers.

Issues with Expanding Travel Surveillance

- Airlines do not ask for passenger reasons for travel and cannot deny a passenger who intends to travel for leisure.
- Labor issues may restrict the ability for a flight crew to report a traveler who intends to violate the quarantine.
- Airlines do not screen temperatures at gates because employees are not medical professionals.
 - Any expansion of screening is the responsibility of the federal government.

Office of the Attorney General (AG), Department of Transportation (DOT), & Hawaii Tourism Authority (HTA)

Ms. Clare Connors, Attorney General; Mr. Ford Fuchigami, Airports Administrator; and Mr. Chris Tatum, CEO of HTA, provided the Committee with the following update.

14 Day Quarantine Program Update

- The current end date for the program is May 31st, but the program will likely be extended.
 - Per the Committee's request, the AG will confer with the Department of Health regarding the plan for the continuation of the program and report back to the Committee.
- Airport Screening Process - current
 - The HTA, AG, and DOT are working with the airlines to ensure they consistently notify travelers of the quarantine.
 - As part of the airport screening process, anyone who does not seem able or willing to comply with the quarantine order is encouraged to take a return flight immediately.

- Those opting to remain despite no ability or willingness to comply are arrested.
 - Any passenger, with exceptions for essential workers, who cannot confirm a return flight is encouraged to comply with the law, depart immediately or face arrest.
 - Any visitor or resident who cannot provide a legal residence address will be referred to law enforcement.
 - Under the current emergency proclamations, even permitted vacation rentals cannot legally operate.
 - HTA has provided a list of permitted vacation rental addresses for use in the vetting of visitor's submitted addresses.
 - HTA will provide weekly updates of the permitted vacation rental addresses for use in screening and to local enforcement agencies to assist in enforcing the quarantine.
 - Per the Committee's request, the DOT has revamped the visitor form being used to acquire pertinent information, and as soon as all changes are finalized will use the new form for visitors.
 - Flight officers and crew are now also required to complete the forms.
 - Per the Committee's request, the DOT will make additional changes to the visitor form, including adding a "military" choice to the reasons for traveling.
 - Per the Committee's request, the AG will review options to allow the state to require all travelers (with exemptions for essential workers) to have a confirmed return flight.
 - Per the Committee's request, airport workers have been provided with a script to use with each visitor that clarifies and emphasizes the importance of adhering to and the legal implications of violating the quarantine order.
- Airport Screening Process – long term
 - The Department of Business Economic Development & Tourism is forecasting that we may have as many as 2 million visitors to Hawaii by the end of the year.
 - The DOT is reviewing plans to create a screening process that can be scaled to account for a large number of visitors.
 - This process would be similar to the method used by the TSA to screen passengers upon arrival at the airport.
 - The initial estimates indicate a need for 114 additional airport staff and a cost of approximately \$15m per year to operate Daniel K. Inouye International Airport.
 - DOT is exploring funding options such as a traveler fee and increasing airline fees to cover the cost of such a program.
 - Several western states have joined Hawaii in requesting that the FAA determine whether such fees could be used to cover screening programs.

Hotel Room Key Program

- HTA is working with Hawaii hotels to restrict visitors under the quarantine order.
- Hotels are voluntarily issuing room keys that work only on the first day of a stay.

- Any visitor who leaves their room will need to go to the front desk to be let back into the room.
- The hotel will then report those who have violated the quarantine.
- Per the Committee's request, HTA will provide a list of all the hotels participating and not participating in the room key program as well as an accounting of any reported violations discovered through this program.
- Per the Committee's request, the AG will determine whether the key program can be made mandatory in the next emergency proclamation.

Essential workers

- Essential workers are required to quarantine whether traveling from the Mainland or a Neighbor Island.
- Must be in quarantine during non-work hours.
- During work hours, they are required to use proper safety procedures and personal protective equipment.
- Airline flight officers and crew are not included in the definition of essential workers and are required to quarantine.
- Returning residents who are essential workers are also required to quarantine during none work hours.
- State legislators are defined as essential workers, and those legislators traveling from Neighbor Islands will be required to quarantine during non-work hours.

Rental Cars

- Per the Committee's request, visitors wishing to rent a car must provide a documented quarantine exemption before being allowed to rent a car.
 - The AG is working on a system to enforce the car rental ban.
 - Per the Committee's request, the AG will provide details of the guidelines being given to car rental companies.
- Violators of the quarantine are being arrested and prosecuted.
 - The HTA reports suspected violators to the AG for investigation.
 - Citizens suspecting a violation are asked to call 911 to report suspected violations.
 - Citing reports of inconsistent enforcement, the Committee asked that the AG is work with HPD to ensure that proper enforcement is being done by HPD officers.
 - For returning residents, the HTA is now calling their residences to track compliance with quarantine.
 - Suspected violators are referred to the AG for investigation.
 - HTA has contracted for an improved database to track visitors that will allow quicker data sharing with law enforcement.
 - Anyone who assists a visitor or returning resident in violating the quarantine order could be charged with a criminal violation for conspiracy or failure to report.
 - Per the Committee's request, the AG will explore the options for doing random, physical check-ins for visitors since most telephone numbers provided to HTA are mobile numbers, not landlines.

- Civil fines levied on violators are subject to due process and may be challenged in court.
 - The state is not able to levy an immediate fine with only the emergency proclamation's authority, doing so would require legislation to either grant such power to the governor or create a special fund for such penalties.
- The AG and Governor are asking that the courts require a set bail amount for any arrested violators.
 - Currently, most violators are being released on their own recognizance.
 - Prosecutors are also requesting electronic tracking bracelets to be required as a condition of release for violators who intend to remain in the islands.
- Per the Committee's request, the AG will provide the data on quarantine violations, including the number of violations, number of arrests, numbers of tourist violators, number of resident violators, and the disposition of all cases.

Department of Labor and Industrial Relations (DLIR)

Mr. Scott Murakami, Director, provided the Committee the following update.

New Processing System

- The DLIR has implemented a new cloud front system before the SQL API Gateway to control automated remote access and analytics.
- The Gateway connects to Replicated Database SQL that allows for claims certification and verification to be processed before being entered into the mainframe.
 - When we first ran it on Saturday, we increased the ability to take certifications. On Sunday, DLIR took 40 thousand certifications
- DLIR is accepting claims certification on Monday, Tuesday and Wednesday alphabetically

UI Claims Filing and Certification Process

- Claims waiting to process
 - Eighty-four thousand applicants are still in the claims process.
 - On Wednesday, UI returned 1,600 phone calls.
- Claims Corrections
 - Level 1 process filings have been reduced by over 5 thousand.
 - Level 2 errors have been reduced by 18 thousand.
 - Level 3 errors reduced by 8 thousand.
- Redeployed Staff / Volunteers
 - More experienced volunteers moved to the Level 3 category, which has been the most significant issue.
- PUA Program
 - Over 40 thousand applicants were denied UI benefits so far, but a significant number may qualify for PUA benefits.
 - To receive PUA benefits, applicants must first be denied UI benefits. This is a U.S. Labor Department rule, so applicants likely eligible for PUA must still apply for the state-run UI program.

- Other updates
 - DLIR is working on setting up an online database connected to the UI application so employers can report if an unemployed worker was offered employment but refused it.

Answers to Clarifying Questions

- DLIR addressed the Committee's request to identify whether the department could take proactive steps to expedite necessary payments to UI beneficiaries, such as waiving certifications or sending payments before certification.
 - The department explained that UI cannot waive certification by checking if these claimants are still unemployed to expedite the process, because it is required by law.
 - Additionally, they noted that the U.S. Department of Labor notified California that it was out of compliance for waiving certification, which has put some if not all of their UI funding in jeopardy.
- The federal \$600 plus-up is an automated process and does not require a redo of the certification.

Department of Taxation (DoTax)

Ms. Rona Suzuki, Director, provided the Committee the following update.

PUA Program

- DOTAX will begin testing how the PUA system works at processing applications this weekend.
 - If the testing runs smoothly, then general processing will begin May 15th.
 - Those who already submitted a pre-application might be contacted again for additional information if new features were added.
- DOTAX is leading the technical development of the PUA system.
 - The state hired consultants to help create the system, which cost \$750 thousand.
 - The state will continue paying \$40 thousand per month in fees.
- In order to qualify for PUA, applicants must apply for UI benefits first.
- Once the applicants are denied UI benefits, then they can apply for PUA to see if they are eligible.
 - Uber and Lyft drivers are considered employees, so they are eligible for UI benefits, not for PUA benefits.
 - Generally, those eligible for PUA are self-employed, do not have sufficient work history to qualify for regular UI, or have exhausted their rights to regular UI benefits or extended benefits.
 - The reasons for benefits must be COVID-19 related.
 - For more information about eligibility and application process visit:
<https://labor.hawaii.gov/covid-19-pandemic-unemployment-assistance-faqs/>
- To address struggles of UI's processing claims and certification on the state's mainframe technology, several state departments (DLIR, Department of Human Services, Department

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of Accounting & General Services, and DoTax) and vendors developed a task force to analyze if heavy traffic on the mainframe was the only culprit.

- Although DLIR is willing to spend \$300 thousand to address mainframe issues, preliminary assessments suggest the system itself, not just UI processing, may be the main issue.

-end of report-