

Tuesday, May 26, 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 Tenth Meeting,**

**Held on Tuesday, May 26, 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 tenth meeting, the Committee discussed updates regarding the State's economic outlook, Public Health Recovery Task Force's

dashboard, housing subcommittee, recommendations on how to safely reopen Hawaii's visitor industry, childcare facilities, Supplemental Nutrition Assistance Program (SNAP), Hawaii Med-QUEST program, and the formation of subcommittees.

#### I. UHERO Update

Dr. 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 that the U.S. Bureau of Labor Statistics has reported an 18 percent loss in employment equating to 120,000 jobs from March to April, included self-employed individuals. This loss in employment was larger than expected. UHERO published mapping of initial unemployment insurance claims by zip code for the State using a sample of claims received from the Department of Labor and Industrial Relations showing the labor market impact of COVID-19 across different geographical areas. Dr. Bonham reported that UHERO may get a better sense about how the reopening of the local economy has impacted the labor market once data from the month of May is obtained.

#### II. Public Health Recovery Task Force Update

Dr. Mark Mugiishi of HMSA provided an update on the Public Health Recovery Task Force's work, in particular, regarding the community-based response sample dashboard that may be utilized to raise public awareness and education about the metrics used in determining the appropriate state response levels. Dr. Mugiishi provided an example of how the dashboard would work when the State is in the "Act with

Care" (yellow-minor disruption) phase. In his example, once a 10-14 day incubation period lapses, then the State would be able to identify whether disease activity and healthcare capacity would allow for the State to transition to the next phase of "Recovery" (green-minimal disruption).

The Committee questioned whether the information should be simplified or spread through a public relations campaign to raise public awareness and education on the phases and the appropriate behavior during each phase. There were concerns regarding the necessity of a campaign as there may be confusion when compared to each county and their application of the state response. Alan Oshima, the Governor's Economic Navigator, informed the Committee that the Governor sets overarching guidelines and the county mayors find those guidelines helpful in determining their own county specific guidelines.

### III. Housing

James Koshiba, of Hui Aloha provided an update on the formation of the housing subcommittee by providing the preliminary goals, membership criteria, and guiding principles of the subcommittee. He shared that others in the Committee may find it helpful in formulating other subcommittees if needed.

The goals of the housing subcommittee are to: monitor and raise awareness on needs; identify priority areas for funding, including CARES Act funding; and advance those priority areas. The goals of the subcommittee are to be achieved using the following guiding principles: include members who have been directly impacted by COVID-

19 and housing instability; pursue goals of the group over individual industries; and align efforts with others to reduce duplication.

The membership criteria are based on the intention to cap the membership at 15 members to balance the efficacy and efficiency of the subcommittee with adequate representation across several different areas of expertise, including: housing and related homelessness; landlord-tenant; housing finance; public sector knowledge and experience; experience with housing instability; and affordable housing development.

#### IV. Reopening Hawaii's visitor industry

Representative Bob McDermott presented a report to the Committee entitled "Making Hawaii Safe For Travel". The report provided recommendations to safely reopen Hawaii's visitor industry. Specifically, the report outlined recommendations that would require COVID-19 testing as a prerequisite to arriving in the State. The Committee raised questions regarding the mechanics and implementation of a system to safely reopen the visitor industry in the future but recognized that these concerns are important going forward.

#### V. Childcare facilities, SNAP, and Med-QUEST

Dr. Pankaj Bhanot, Director of Human Services, provided an update on the Department's response to the impacts of COVID-19 regarding childcare facilities, SNAP benefits, and the Med-QUEST program.

##### A. Childcare facilities

Over 140 childcare providers have remained open during the pandemic and as of last week, over 200 providers are now open. The Department has responded to the needs of families by waiving income

eligibility requirements, extending deadlines, and waiving family copays in certain programs to enable families to preserve seats and for childcare facilities to remain open. Dr. Bhanot stated that he has worked with the Governor's Economic Navigator and other stakeholders to release guidelines for childcare facilities based on the latest Center for Disease Control and Prevention's (CDC) recommendations for sanitation, physical distancing, and best practices but remains adaptable to ongoing changes. Dr. Bhanot also announced that \$11.9 million dollars of CARES Act funding will be used for childcare programs and A+ programs for cleaning and sanitization in these facilities.

The Committee questioned whether childcare facilities will be able to maintain a limit of 10 people per class. Dr. Bhanot and Dr. Sarah Park, the State Epidemiologist, stated that class size limits are based on current CDC guidelines, however they prioritize safety and health concerns over a particular number. They stated that they are committed to adapting strategies and changing guidelines throughout the recovery process if necessary.

B. SNAP

There are about 80,000 households participating in the regular SNAP program, and as of May 1st, there was an increase of 19,000 individuals. The Department has distributed \$29.1 million dollars in emergency SNAP benefits to Hawaii SNAP beneficiaries for the months of March and April.

C. Med-QUEST

Currently, there is approximately 40 percent more Med-QUEST applicants compared to the same time last year. However, the Department has been able to make eligibility determination dispositions within 48 hours of receiving a completed application and issue relevant cards within 3 to 5 days after the disposition. Dr. Bhanot stated that the Department has been working with the federal government to develop Hawaii-specific plans to increase the use of telehealth that will hopefully continue after the COVID-19 pandemic. Dr. Bhanot also noted that the Department maximized the use of federal funds to allow for \$20 million dollars of public funds to be deposited back into the state general fund.

The Committee questioned whether the Department has enough funds to account for the increase in Federal Medical Assistance Percentages (FMAP) in the next fiscal year. Dr. Bhanot stated that they think they will have enough funds but noted that they are monitoring the possibility of unemployment insurance claims money running out, which could increase the claimants for Medicaid and SNAP as individuals not receiving unemployment insurance benefits may become eligible for those programs.

VI. Formation of Subcommittees

Speaker Scott Saiki provided an update on the formation of subcommittees in that they will be incrementally formulated to reduce duplication of efforts. He stated that they hope to reduce the monthly meetings of the Committee and allow for the subcommittees to meet and provide updates to the Committee as a whole.

VII. NEXT MEETING

The Committee will reconvene on Monday, June 1, 2020, at 10:00 a.m. via videoconference.

VIII. ADJOURNMENT

The Committee adjourned at 11:21 a.m.