

Economic and Community Pathway to Recovery

Office of the Governor - State of Hawai'i

APRIL 20, 2020

An aerial photograph of a mountain range with a river and a beach, overlaid with a teal gradient. The text is white and positioned on the left side of the image.

Despite massive challenges, COVID-19 crisis gives Hawai'i an opportunity to emerge stronger

Hawai'i is presented with a unique opportunity to transform and challenge all of us to emerge from the crises more:

Connected

Digitally enabled

Collaborative

Resilient

Diversified

& Engaged



Our vision

Changing the trajectory of Hawai'i towards a more balanced, innovative, sustainable economy that balances the people, the place, and the culture with the environment, land, and ocean



Our guiding principles



Health and safety first



Work in a collaborative, inclusive, and transparent manner



Respect and incorporate Hawai'i's values, unique sense of place, and way of life



We will engage with stakeholders



Sector-specific workshops



Virtual "town hall" meetings



Solicitation of written input



Community and business surveys



Guiding principles for public and private leadership in crisis



Be visible, purposeful, and authentic

Communicate in ways that engage and increase the relevance of your teams and clarify the reasons underlying your communications

Use multiple clock-speeds

Think on multiple timescales by considering the now, the next, and the later. Ensure that leadership teams look ahead and prepare for the future

Cut through bureaucracy

Assemble a multi-functional task force that is empowered to make decisions and suspend normal decision protocols

Be flexible, focus on execution

Share only key objectives and rationale of required actions to allow the organization to be flexible and adaptive, and allow a focus on execution

Engage externally

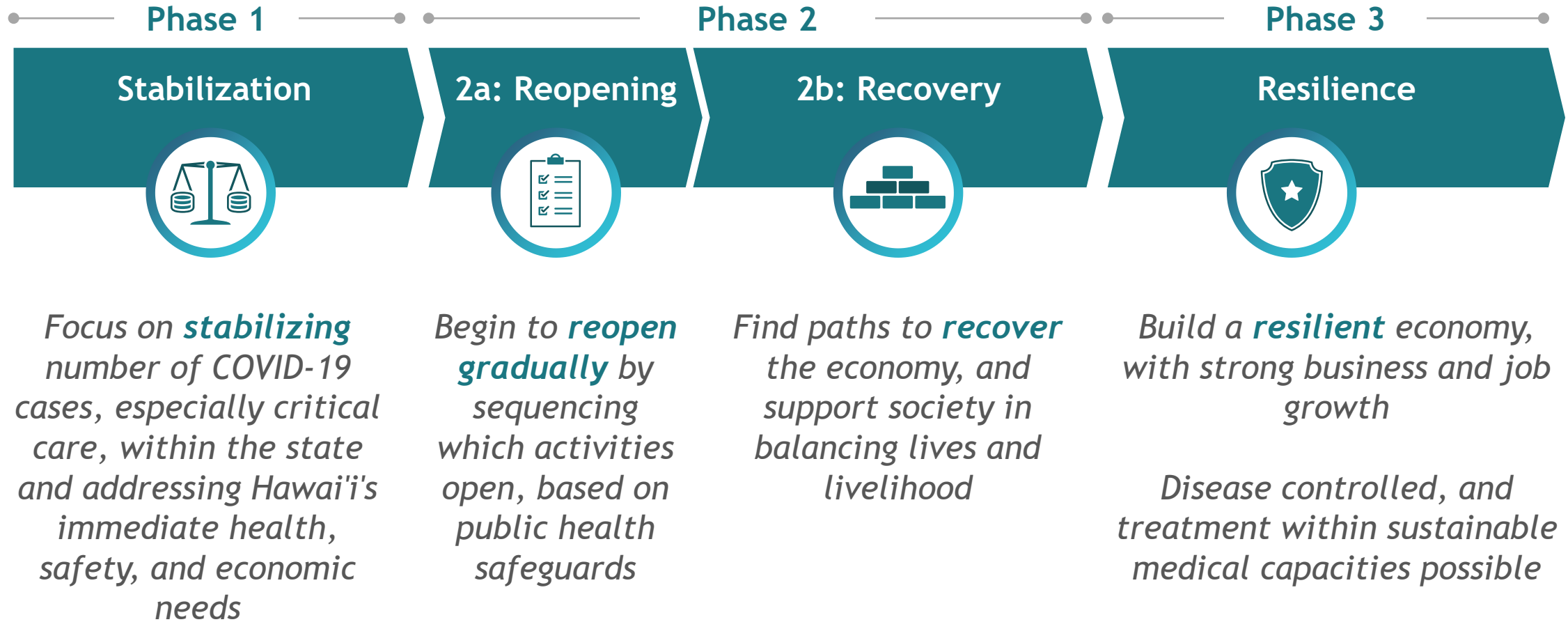
Communicate with customers and stakeholders to gather frequent, fresh, first-hand information to adapt and respond effectively

Adapt and innovate

Look out for new needs and opportunities to serve now and beyond the crisis. We will not be reverting to a 2019 reality



High Level Plan to re-open the Hawaii economy





Six principles will inform decision-making and process throughout each phase

- Have **clear priorities** and **goals** for each phase
- Engage stakeholders and **ensure transparency**
- Use **fact-based decision-making**
- Leverage national and global **best practices**
- Consider federal, state, local and private **funding sources**
- Focus on the **need for speed**



Goal of stabilization is to limit spread of COVID-19 and address immediate needs of the people of Hawai'i



Prevention

1

Appropriate controls and policy decisions to limit the spread of disease in the population



Testing and Quarantine

2

Effective testing and quarantine policy and associated actions, supported with availability of quality testing infrastructure



Treatment

3

Accessible and affordable care to infected patients, consistent with the required level of care



Socio-economic sustenance

4

Provision of support for the vulnerable, and continuity of critical services (e.g. education) to maintain social harmony



Communication

5

Accurate and appropriate information sharing with people, to promote positive action and control the pandemic



Financing

6

Provision and generation of funds to support the entire response, while limiting deficit



Governance

7

Structured availability and analytics of data at central level to support decision making and allocation of effort



Phase 1: Stabilization

State policy priorities

Maintain low **infection rate**

Ensure availability of **food**

Ensure adequate **shelter**

Preserve and build **health system capacity**

Keep the **economy** alive



1 Public policy measures to support priorities

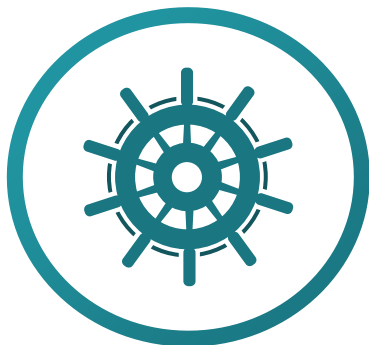
- Governor emergency proclamations
- In-shelter and quarantine measures
- Travel restrictions
- Social distancing
- Moratorium on evictions
- Access to telehealth
- Develop re-entry plan and schedule

2 Resource allocation to support priorities, e.g.,

- Availability of testing and medical supplies
- Unemployment assistance
- Food assistance
- Health insurance assistance
- Reopening plan and readiness
- Coordination and timing of Federal funding



How to Win: Effective governance of stabilization phase



Perform

Make transparent, data-informed decision early. Deliver results and coordinate across localities



Communicate

Enable bi-directional comms to inform reentry strategy, disseminate information and mobilize action



Enforce

Utilize self-regulating mechanisms and consistent enforcement levers to encourage compliance with issued guidelines



Monitor

Develop system to track and assess compliance of regions, businesses, and the public to adjust strategies



Together these 4 actions:

- 1) Build public trust and economic confidence
- 2) Enable agile adjustment of strategies, guidelines, risk levels



Phase 2a: Reopening gradually in phases

State policy priorities

Mitigate virus resurgence

Re-open the economy

Re-enter the workforce

Support local businesses and nonprofits

Return to school

Open phased-in travel



1 Public policy measures to support priorities

- Reopening plan and policies
- Modified travel restrictions
- Required testing, tracing and quarantine
- Modified in-shelter orders
- Modified social distancing
- Incentives for re-opening and recovery

2 Resource allocation to support priorities, e.g.,

- Screening, testing, tracing and quarantine
- Points of entry: Airport and harbors
- Points of entry: Businesses, workplaces, and schools
- Nonprofit, safety net assistance
- Business technical assistance
- Crisis counseling



Hawaii needs to consider 6 key factors across both healthcare and public/economic to ensure we develop a safe and effective reopening plan

Healthcare readiness

Public/economic readiness

Disease conditions

Control of virus impact in terms of **case growth** and **disease impact** (e.g., high risk populations)



Leading indicator that measures are effective, public health is protected

Healthcare capacity

Adequate **supply of hospital supplies**, trained workers, treatment spaces



Capacity sufficient to care for COVID-19 and other health needs

Virus monitoring system

Virus **testing** relative to new case volume, serological testing, and contact tracing



Testing to inform decisions, resource allocation, and outbreak resolution

Business preparation

Workplace **health protocols** and business readiness



Businesses ensure workplace safety for those returning to work

Public response

Training and availability of **hygiene products** and PPE; high compliance rates



Public educated and empowered to adhere to guidelines, play role in containment

Government preparation

Federal framework for public health, sectors, and global politics

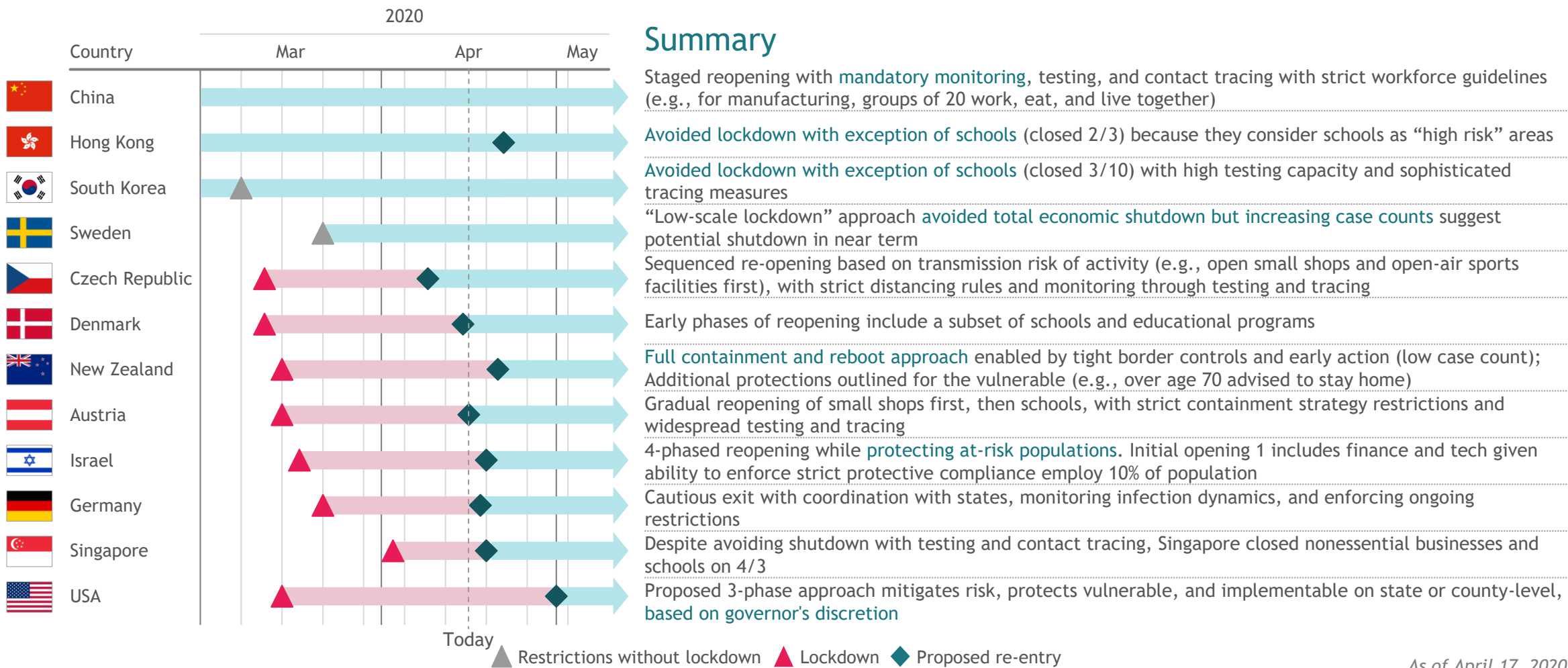


Clear guidance, expectations, and legal protection for system actors

Public and economic readiness to be informed by input from public health experts



Reopening strategies beginning to cascade by country



Summary

- Staged reopening with **mandatory monitoring**, testing, and contact tracing with strict workforce guidelines (e.g., for manufacturing, groups of 20 work, eat, and live together)
- Avoided lockdown with exception of schools (closed 2/3) because they consider schools as “high risk” areas
- Avoided lockdown with exception of schools (closed 3/10) with high testing capacity and sophisticated tracing measures
- “Low-scale lockdown” approach **avoided total economic shutdown but increasing case counts** suggest potential shutdown in near term
- Sequenced re-opening based on transmission risk of activity (e.g., open small shops and open-air sports facilities first), with strict distancing rules and monitoring through testing and tracing
- Early phases of reopening include a subset of schools and educational programs
- Full containment and reboot approach** enabled by tight border controls and early action (low case count); Additional protections outlined for the vulnerable (e.g., over age 70 advised to stay home)
- Gradual reopening of small shops first, then schools, with strict containment strategy restrictions and widespread testing and tracing
- 4-phased reopening while **protecting at-risk populations**. Initial opening 1 includes finance and tech given ability to enforce strict protective compliance employ 10% of population
- Cautious exit with coordination with states, monitoring infection dynamics, and enforcing ongoing restrictions
- Despite avoiding shutdown with testing and contact tracing, Singapore closed nonessential businesses and schools on 4/3
- Proposed 3-phase approach mitigates risk, protects vulnerable, and implementable on state or county-level, **based on governor's discretion**

As of April 17, 2020

Notes: ‘ (Began...) ’ refers to the start date of a country's lockdown, lockdown definition varies among countries but generally refers to date non-essential businesses were ordered to shut down
Source: Lit search




Many factors must be taken into consideration when determining the best sequence to reopen individual industries

- 1 Virus resurgence
 - 2 Total employment
 - 3 Income at risk
 - 4 ALICE population
 - 5 Essential/critical sectors
 - 6 Industry interconnectedness
 - 7 Employee/customer concentration
 - 8 Geography
- Etc.



We're looking at global best-practices for safe reopening and will consider incorporating into our plan where appropriate

Prevention	Coordinated communications		Mass media messaging, including social media (government WhatsApp accounts), physical media (billboards, subways), text campaigns and even government AI-powered chatbots
	Distancing measures		Traffic lights in Sydney CBD automated to reduce unnecessary contact with high touch surface Releasing of non-violent prisoners in an effort to stem the spread of the virus
	Wide-spread population tracking		Use of credit card transactions, smartphone location data and CCTV video to track confirmed cases Voluntary health declaration mobile app to report on self or suspected cases in neighborhood Thermal imaging to test for high-temperatures in crowds Monitor movement of individuals and certify those able to go back to work
Testing & Quarantining	Private sector collaboration		Online collaboration between government and private sector to crowdsource the development and testing of digital solutions Accepting funding applications from start-ups and SMEs with innovative solutions to tackle Coronavirus outbreak
	Enforcement		Fines or other punishments for non-compliance for individuals Onus on employers to ensure compliance (e.g., potential to be barred from hiring foreign talent if foreign employees found non-compliant) App developed for self-quarantined persons to report status to health offices
Treatment	Outpatient monitoring		Select municipalities deploying “Corona Taxis” in which health care workers visit outpatients with mild symptoms to preventatively determine whether they are likely to need future hospitalization Local health team calls individuals twice daily to ask about symptoms



Phase 2b: Recovery

State policy priorities

Increase access to disease **treatments**

Continue **phased-in travel**

Support full return of **workforce**

Reshape the **economy**



1 Public policy measures to support priorities

- Build new capabilities for the people of Hawai'i
- Continued support of vulnerable and ALICE individuals and households,
- Protect workers, helping SMEs and support distressed sectors
- Develop scenarios for long-term growth
- Encourage private sector and investor engagement

2 Resource allocation to support priorities, e.g.,

- Continued unemployment, rent/mortgage, and health insurance assistance
- Support individual and business liquidity
- New skills training
- Coordination and timing of Federal funding



Our approach to recovery will help people and businesses address liquidity shock and address longer-term capabilities and planning

Cost

- Reduce **cost of doing business** for companies affected (e.g. property tax, subsidy for utilities, temporarily ease interest payment requirements for non-performing loans etc.)
- Alleviate **cost of living** for citizens (e.g. personal income tax, mortgage deferrals, transportation subsidies, etc.)

Cash

- Ensure **continuity of business**, particularly for SMEs (e.g. temporary wage subsidies, availability of working capital / trade financing support for SMEs)
- Transfer of **cash payments** directly to low income individuals

Capability

- **Build capabilities** of individuals with future skills required in the new economy
- Conditional payment of cash transfers or employer subsidies may be offset against e-learning credits

Long-term plan

- Develop a long-term vision and robust plan for Hawaii's recovery to help **boost consumer confidence and demand**



Phase 3: Resilience

State policy priorities

Develop **resilient outbreak control and emergency response** mechanisms

Help **workforce adapt** and ensure **security of essentials**

Stabilize and **stimulate the economy**

Find **opportunities for innovation**



1 Public policy measures to support priorities

- Identify and support new opportunities for innovation
- Redesign underlying economic priorities and focus at the State and Local levels
- Invest in education and other drivers of innovation
- Push towards Hawai'i 2050 goals

2 Resource allocation to support priorities, e.g.,

- Innovation grants
- Employee retraining
- Support for new ways of working
- Etc.



COVID-19 will have a long-lasting impact and define a “new normal” for Hawai'i



New digital horizons

- Accelerated government digitalization
- Further embraced online economy



New working habits

- More flexible ways of working
- Greater focus on work safety and health



New- and old-borders

- Securing control over supply chains for critical goods (e.g. health)
- Greater scrutiny of people mvmt.
- Weakening of multilateralism



New Sustainability practices

- Energy and Food sustainability and independence
- Redesigned supply chains
- Greater focus on resilience



New social contracts

- Governments acting as safety net (e.g., basic income or crisis mgmt.)
- Increased trust in institutions



New individual behaviors

- Higher awareness of health risks
- Personal freedom will be more easily sacrificed for perceived social benefit

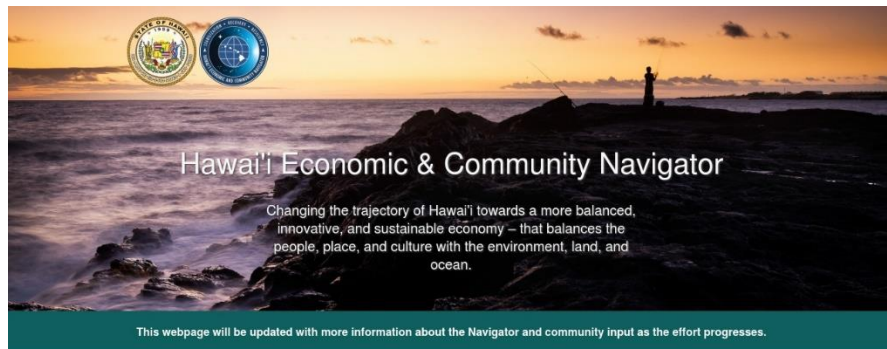


Next steps

- 1 Allocation of CARES Act Funding, consistent with Stabilization and Reopening goals and priorities
- 2 Stakeholder engagement and input
- 3 Reopening Plan: public health and economic recovery



Learn more at: recoverynavigator.hawaii.gov



COVID-19 has had a severe and unprecedented impact on the state economy and community

Hotels, shopping malls, airlines, restaurants, retailers, service professionals, nonprofits, and a wide variety of Hawaiian businesses have significantly reduced or shut down operations.

As of April 3, 2020, the Hawaii Department of Labor and Industrial Relations received over 180,000 initial unemployment applications statewide due to the economic damages, losses and impact of COVID-19. To address the economic and community impact of COVID-19 and coordinate recovery efforts, Governor David Ige issued a Proclamation on April 8, 2020 to establish a Hawaii Economic & Community Navigator to coordinate, direct, and implement a statewide economic and community recovery and resiliency plan.

The Plan shall consist of three components which shall run concurrently:

Phase I: Stabilization

Identify and address critical economic and community impacts, including the allocation of CARES, State and local funding to mitigate the collapse of key economic sectors. Also, provide direct economic relief to individuals to avoid homelessness, hunger and sickness.

Phase II: Recovery

Identify and support economic and community development activities which provide recovery, job growth and capital investment in the economy. Chart a course of careful re-entry into the workforce, balancing the needs of public health and economic recovery.

Phase III: Resiliency

Re-evaluate and restructure Hawaii's economy to meet the new normal and desired future for Hawaii. Identify and invest in systemic changes in the economy and society which furthers economic diversification, environmental preservation, sustainability and Hawaii's values and way of life.

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First Name Last Name


Organization (optional) Job Title (optional)

Are you a (check all that apply):

Individual Business Owner Community Group Member Public Sector Employee

Give us input

We want to hear your input about economic and community recovery efforts. If you have comments on the recovery process, please submit them to:

 input@recoverynavigator.hawaii.gov

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