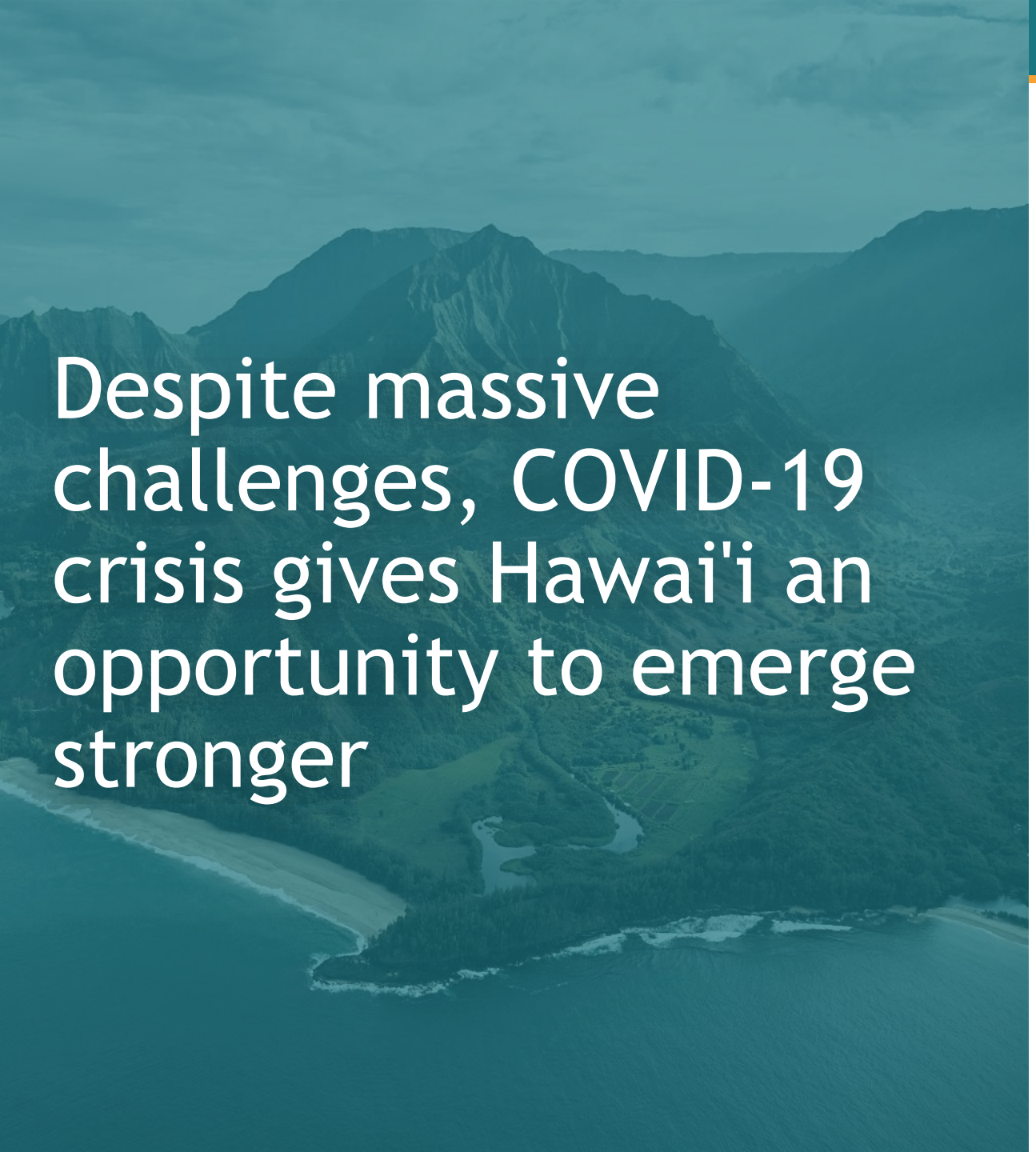
Economic and Community Pathway to Recovery

Office of the Governor - State of Hawai'i

APRIL 20, 2020



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

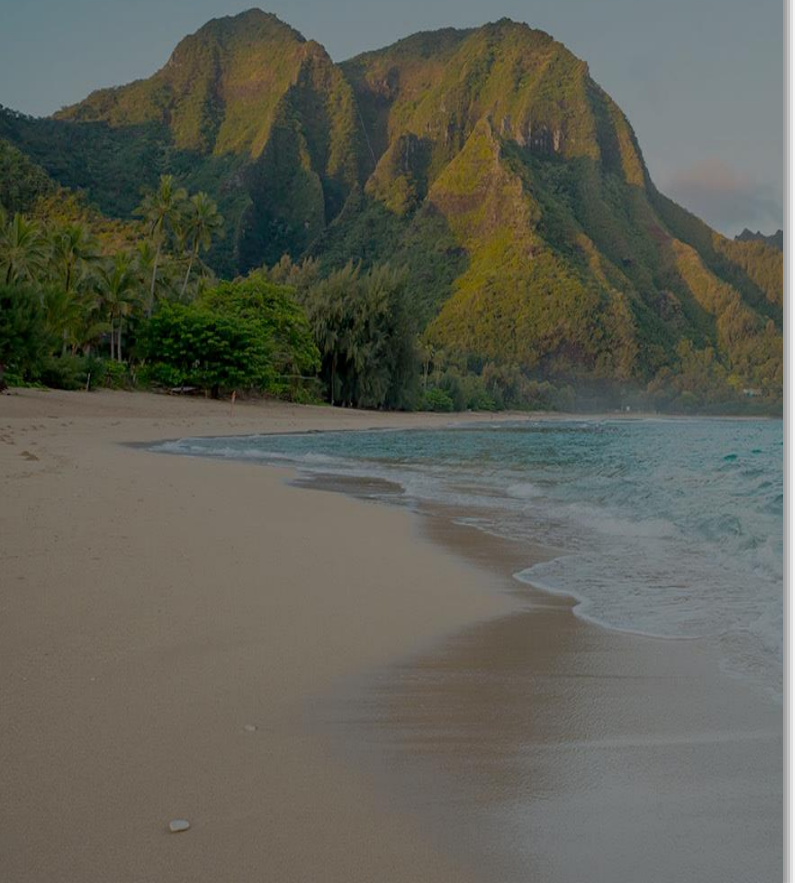
Sector-specific workshops

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

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

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

Engage externally

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

Cut through bureaucracy

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

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

Phase 1	Phase 2		Phase 3
Stabilization	**2a: Reopening**	**2b: Recovery**	**Resilience**
*Focus on **stabilizing** number of COVID-19 cases, especially critical care, within the state and addressing Hawai'i's immediate health, safety, and economic needs*	*Begin to **reopen gradually** by sequencing which activities open, based on public health safeguards*	*Find paths to **recover** the economy, and support society in balancing lives and livelihood*	*Build a **resilient** economy, with strong business and job growth* *Disease controlled, and treatment within sustainable medical capacities possible*

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

1 Prevention

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

2 Testing and Quarantine

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

3 Treatment

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

4 Socio-economic sustenance

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

5 Communication

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

6 Financing

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

7 Governance

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

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

Public/economic readiness

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

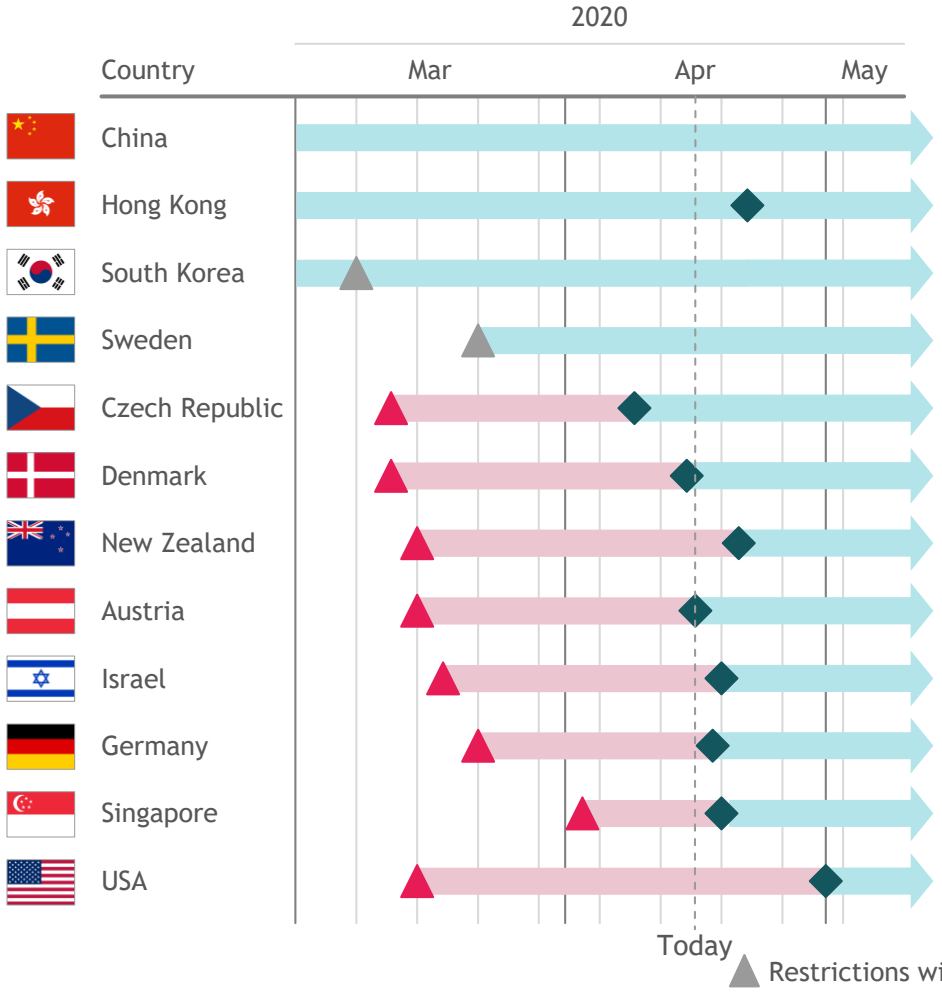
Government preparation

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

China	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)
Hong Kong	Avoided lockdown with exception of schools (closed 2/3) because they consider schools as "high risk" areas
South Korea	Avoided lockdown with exception of schools (closed 3/10) with high testing capacity and sophisticated tracing measures
Sweden	"Low-scale lockdown" approach avoided total economic shutdown but increasing case counts suggest potential shutdown in near term
Czech Republic	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
Denmark	Early phases of reopening include a subset of schools and educational programs
New Zealand	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)
Austria	Gradual reopening of small shops first, then schools, with strict containment strategy restrictions and widespread testing and tracing
Israel	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
Germany	Cautious exit with coordination with states, monitoring infection dynamics, and enforcing ongoing restrictions
Singapore	Despite avoiding shutdown with testing and contact tracing, Singapore closed nonessential businesses and schools on 4/3
USA	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
Treat ment	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

Source: Internal Singapore COVID-19 response updated 3/27/2020, Internal Compendium of Digital Govt. Responses to COVID-19 updated 4/2/2020, various news reports

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

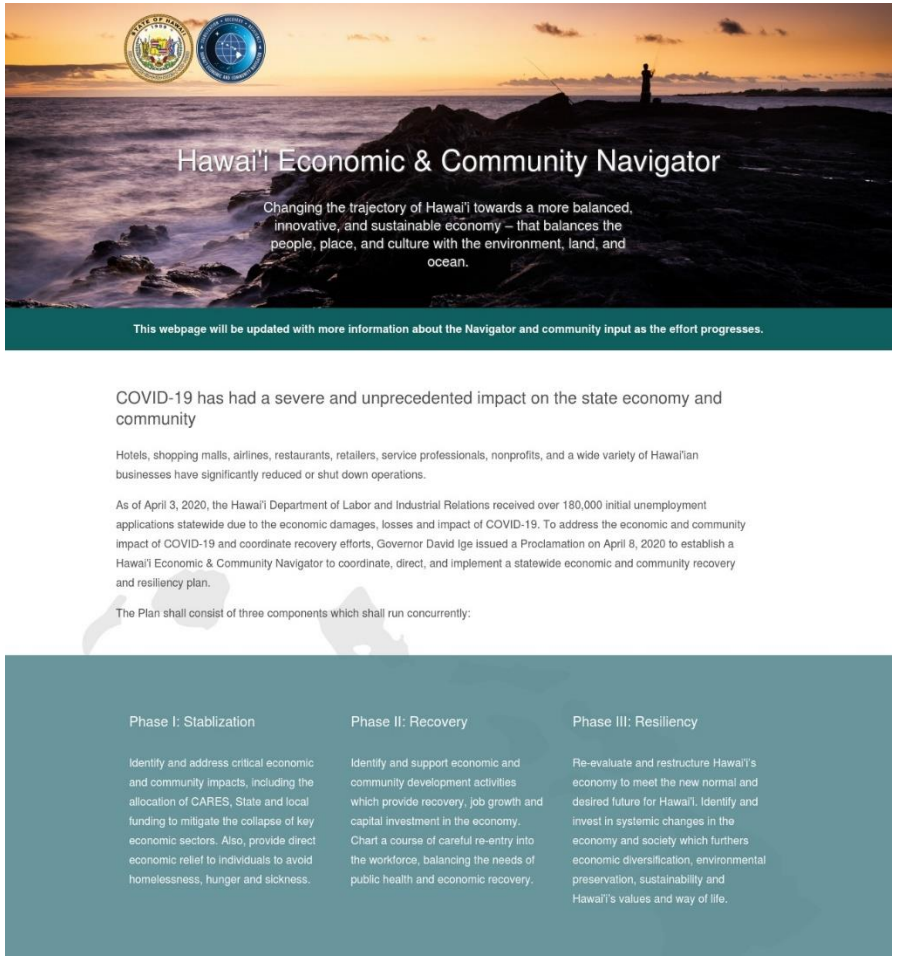
New individual behaviors

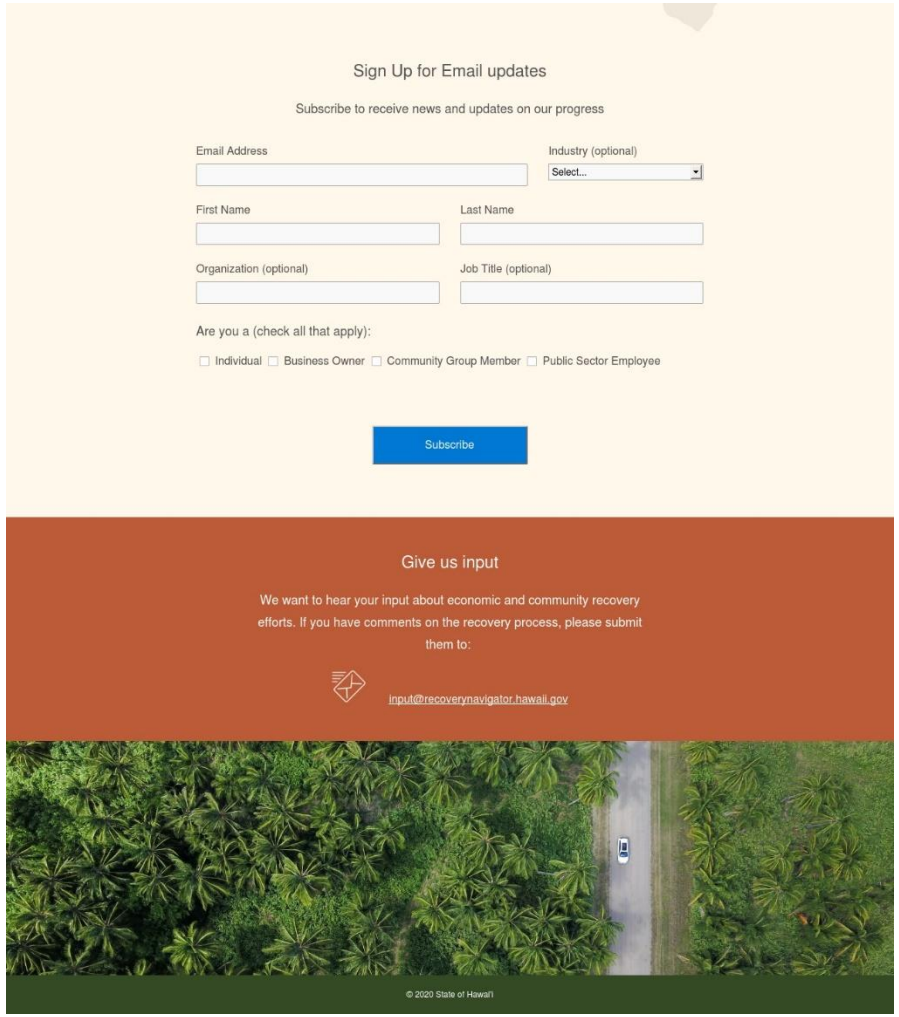
- Higher awareness of health risks
- Personal freedom will be more easily sacrificed for perceived social benefit

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**





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STABILIZATION • RECOVERY • RESILIENCY
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