



The Senate

STATE CAPITOL
HONOLULU, HAWAII 96813

September 10, 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 September 2, 2020, Senate Special Committee on COVID-19 meeting with the following:

- Department of Labor and Industrial and Relations
- Office of Enterprise Technology Services
- Oceanit Laboratories, Inc.

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

Department of Labor and Industrial Relations (DLIR)

Ms. Anne Perreira-Eustaquio, Acting Director, and Mr. Bill Kunstman, DLIR spokesman, provided the Committee with the following report.

General Update

- Stemming from the most recent Presidential memorandum, DLIR introduced a new unemployment program in conjunction with FEMA called the Lost Wages Assistance program.
- States could only apply for new unemployment funds for four weeks at a time, and as of the time of this meeting, states are barred from applying for additional weeks.
- DLIR is now able to pay out three more weeks of unemployment at \$300 a week and can be retroactively applied for claimants.
- Per Ms. Perreira-Eustaquio, there are qualifications for this program.
 - An individual must be receiving \$100 or more in the weekly benefit amount.
 - DLIR is utilizing the claimants existing benefit amount to fulfill the mandatory state match.
 - Claimants must self-certify that they are unemployed due to COVID.
 - Starting in September, claimants will be able to self-certify with DLIR.
- Once the money is used up by all the states, the program will end, or it will end on December 27, depending on what deadline is met first.
- DLIR has created charts to assist claimants with this new process, and, per Ms. Perreira-Eustaquio, they are available on the DLIR and Unemployment Insurance website.
 - Charts will guide claimants in applying for Pandemic Extended Unemployment Compensation - a program created for individuals who have exhausted their initial 26 weeks of benefits but are still struggling to find work.
 - This program allows an extra 13 weeks of payments.
 - Additional charts will include guidance for individuals transitioning back to UI.
 - This can include those who were called back to work or those that had been attached to an employer and were still receiving some payments but are now totally unemployed.
 - Charts showing how these individuals can reactivate their claims will be included.
 - Claimants will not need to establish a new account and instead can reactivate a previous account.
- The call center at the convention center has increased operations, and all claims are being sent to the claim's office.
 - However, DLIR is working on establishing a virtual call center to service claimants who need regular unemployment and PUA.
- DLIR is expecting to borrow \$1.2 billion by the end of December to account for budget deficits.
- Members of the Committee urged DLIR representatives to engage in discussion with the executive branch to develop policy pertaining to using budgetary savings to cover the deficit, or initiate the expenditure of those monies in the public interest.

- DLIR representatives explained that much of the holdup on CARES funding expenditures is due to the need to wait for updates from the Congressional delegation, and if there will be more funding coming into the state.
- Members of the Committee wanted to inform the public that if they are collecting unemployment now, they by default may have been opted out of paying taxes on those funds up front.
- If an individual does not claim a reduction in wages, once it is time to file, they will end up owing money, and whatever unemployment they may have collected during this period.
 - There is an opt-in selection online that individuals are urged to use.
- Members of the Committee inquired how DLIR would handle this influx of reactivation requests to the unemployment system.
 - Members were made aware of the improvements made to the DLIR mainframe, and the web app, in addition to the online application.
- DLIR is working to guarantee pay to non-guaranteed work employees, such as substitute teachers, to ensure they can still obtain benefits.
- These teachers are not considered full-time by DLIR.
 - To qualify, these individuals must prove they fall under the monetary qualification.
- To avoid scammers, it was urged that people do not participate in any alleged DLIR phone calls unless they are certain that they have applied for unemployment.
 - DLIR is adding information to the website to help people answer their questions earlier, in addition to creating the virtual call center.
 - DLIR employees will also leave scripted messages to claimants, explaining what number they will be calling from.
 - Nevertheless, people are asked to answer their phones if they are expecting calls from DLIR.

Office of Enterprise Technology Services and Office of the Attorney General

Mr. Douglas Murdock, Chief Information Officer, and Ms. Clare Connors, Attorney General, gave the Committee the following report.

Safe Travels Hawaii Application

- September 2 was the second consecutive day of mandatory usage of the app in all Hawaii airports.
 - Per internal reports, September 1 saw 2700 passengers processed, including 2000 Trans-Pacific and 700 inter-island travelers.
 - 30%-40% of flyers are filling out the app before their arrival, with the rest filling it out in person.
 - People are urged to fill it out before the airport in order to keep wait times low.
 - Once the application is complete, travelers will receive a QR code, which will be read at the airport by certified screeners.
 - Data will be available to the screeners, and they will verify exemptions or suggest a necessary healthcare provider.
 - Contact info will be verified for law enforcement purposes.
 - Additionally, people are required to check in with the app every day they are in Hawaii until they leave the state.

- Exemptions are made for intended residents and students after their isolation.
- Travelers under the age of 18 can be on someone else's form.
- Everyone older must have their own.
- The app does not ping the location of users, as they were advised against that by the Attorney General due to constitutional concerns.
- The app also accounts for and tracks the previous travel history of the user, and the travel history of others in their party, if applicable.
- Screeners will also call the number of hotels on the travel form to confirm the location and reservation history of the person being screened.
- Addresses are validated as real using a tax map key, in order to aid law enforcement.
- The goal of this update application is to have as much info validated as possible prior to arrival at the airport.
 - Prior to the screeners validating at the airport, the info provided by travelers is verified by map technology wherever possible.
 - Mr. Murdock explained that the counties are using ESRI and ArcGIS for data tracking and geographical analytics.
 - ESRI allows screeners to confirm the exact location provided by people and confirm the owner as well.
- Members expressed concern over the increased number of intended residents and if that is being used as a loophole.
 - Mr. Murdock agreed with the potential of the loophole but explained that intended residents must still undergo the 14-day isolation, and the only benefit would be keeping the return flight info secret.
- Mr. Murdock hopes to add in a requirement in the app that asks for photos of the traveler and their documents.
 - He plans to have this in use by October 1.
- All neighbor islands began using the electronic system as of September 1.
- Mr. Murdock reported sending representatives to all airports to assist with the learning curve of the new technology.
 - Mr. Murdock explained that there are staffers available to assist with non-native speakers with the technology.
- Travelers are made aware of these requirements before they arrive in Hawaii.
 - Mr. Murdock reports the program has been covered in The New York Times, USA Today, and many other outlets.
- Members questioned the legality of asking for photographs but not asking for location pings and wanted to engage in a dialogue with the Attorney General.
 - AG Connors explained that since the info being collected is to be used by the DOH for contact tracing purposes, and it is not protected health information, there is not much of a legal worry, but to be tracked, users must consent to location tracking due to the Fourth Amendment.
 - Senators and AG Connors agreed as to why Hawaii cannot adopt the South Korean model due to our Constitutional constraints.
- Mr. Murdock estimates that upon completion, this app will cost \$1 million, but stressed that this was on the low end of the bidding scale.
 - Additionally, this money was used from an emergency procurement.

- AG Connors expects to have a further conversation about the photo ID aspect soon but will work with the Committee on the timing of this issue.
- Members highlighted their concern for the possible abuse of the "returning resident" classification.
 - AG Connors changed the language of the emergency proclamations so that returning residents must designate an actual home address within the state, rather than a listed short - term rental or hotel.
 - Members still asked AG Connors to clarify the language as to what defines a "returning resident," and the AG agreed to provide a written document to the Committee that explains all pertinent definitions.

Oceanit Laboratories (OL)

Mr. Patrick Sullivan, CEO, provided the Committee with the following report.

Background Information

- OL employs close to 200 people within the state of Hawaii, with almost 100 PhD scientist working to develop projects to better the state and build a better economy.
- Mr. Sullivan mentioned that they develop projects that they deem to have the most public benefit and work in conjunction with the government and private donors to secure the funds needed to complete each project.
 - They also are in collaboration with over 60 universities across the globe to find the best scientists for each project.
- In October of last year, they developed a 10-year program to provide digital medicine.
 - Mr. Sullivan explained that most of their projects do take many years, even decades, to complete and implement.

Oceanit Testing Innovation

- Mr. Sullivan explained that the Laboratory has developed a rapid test that can be made available at local pharmacies a low cost that perform much like an at-home pregnancy test.
 - This test can reportedly produce results in up to 10 minutes using a saliva sample.
 - The test will look for the molecules and protein found in COVID with precise accuracy.
 - Mr. Sullivan explained that people who are tested would be able to form bubbles depending on their results.
 - Those who test clean have a small result of infection, and coupled with the rapid response in test time; the case numbers could be driven to zero, according to Mr. Sullivan.
 - In order to see an immediate impact, testing would have to be done daily, then every other day, etc., until eradication.
- Informational packets were provided to the committee members briefing them on the background and usability of this test.
- According to Mr. Sullivan, the test has 95% sensitivity and 95% specificity, and in early human trials is providing accurate results, addressing concerns the members had of false positives.

- To address cost reimbursement, Mr. Sullivan explained the need for FDA approval, which he predicted to be a few weeks away.
- Mr. Sullivan hopes to manufacture this test in Hawaii but is waiting on various approvals and FDA compliance inspections, as well as the human capital to operate the facility.
- Oceanit is working with Abbott Labs to assemble the infrastructure.
 - The target production capacity is 25,000 tests per day.
- Mr. Sullivan is trying to get \$10 million for 400,000 kits, which will be dispersed over 90 days.
 - If funding is secured Mr. Sullivan guaranteed he would immediately establish the infrastructure in Hawaii.
- Members of the Committee urged Mr. Sullivan to contact the Governor to secure more government funding so that the entire state, down to the counties, can reap the benefits from his innovation.
 - Mr. Sullivan said this is an ongoing conversation.
- Members of the Committee asked the Chair to write a letter to the Governor from the Committee, to take a serious look at investing in Mr. Sullivan and Oceanit Laboratories.
 - Members expressed optimism at the possibility of funding due to the Governor's continued budget vetoes.

-End of Report-