

2020 Leg Recap & 2021 Preview

Hawai'i Financial Management Association

November 24, 2020

Michael J. Robinson

Vice President

Government Relations & Community Affairs

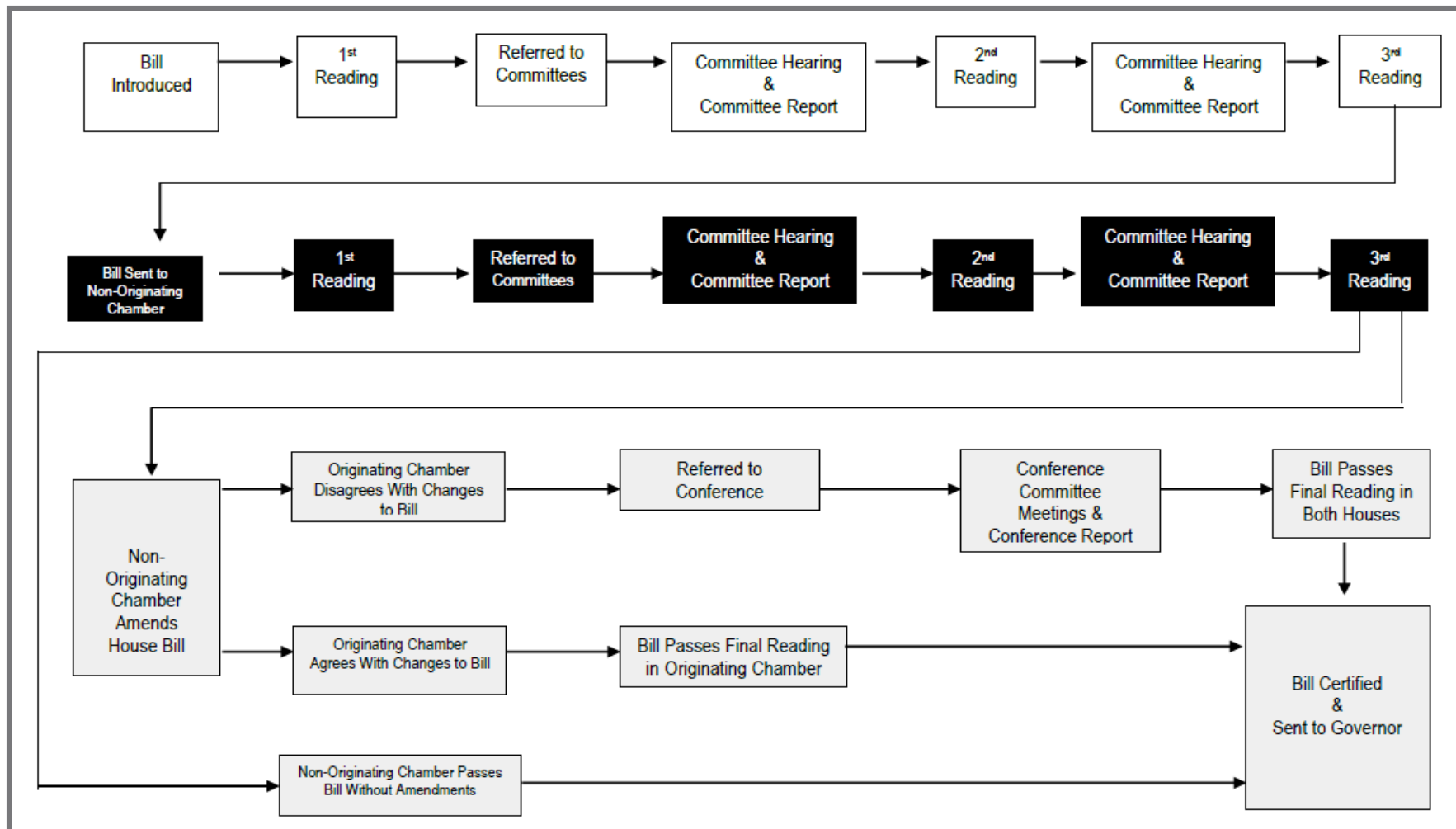
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2020 Legislative Session

1st: January 15, 2020 to March 16, 2020

2nd June 22, 2020 to July 10, 2020 [Reconvening]



Legislative 2020 Realities

- **Opening: Great Optimism**
- **Interrupted by COVID
Economic Freefall**
- **2020 Statewide Elections**



COVID Response

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Senate Special Committee on COVID-19

Purpose:

- 1) Confirm the development of the state departmental plans and procedures;
- 2) Review and assess current state departmental plans and procedures;
- 3) Review and assess whether state departmental plans and procedures are properly and timely implemented to safeguard public health and safety; and
- 4) To communicate and disseminate information obtained therefrom.

Chair – Sen Donovan Dela Cruz

- Sen. Michelle Kidani
- Sen. Donna Mercado Kim
- Sen. Sharon Moriwaki
- Sen. Kurt Fevella
- Sen. Jarrett Keohokalole

<https://www.capitol.hawaii.gov/specialcommittee.aspx?comm=scovid&year=2020>

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House Special Committee on COVID-19

Purpose

- 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.

Members

C-Chair, Speaker Scott Saiki,

Co-Chair, Peter Ho, CEO, Bankoh

Rep. Della Au Belatti, Majority Leader, House of Representatives

Rep. Richard H.K. Onishi, House Tourism & International Affairs Committee Chair, House of Representatives

Rep. Kyle T. Yamashita, House Capitol Improvement Projects Chair, House of Representatives

Rep. Bob McDermott, House Minority, House of Representatives

Mr. Na'alehu Anthony, Director, Moananuiakea One Ocean One People One Canoe

Dr. Carl Bonham, UHERO Executive Director and Professor of Economics, UHERO

Dr. Jill Hoggard Green, President & CEO, The Queen's Health Systems

Mr. Mufi Hannemann, President & CEO, Hawaii Lodging and Tourism Association

Mr. Peter Ingram, Chairman, Airlines Committee of Hawaii

Mr. Micah Kane, President & CEO, Hawaii Community Foundation

Mr. Eric Kingma, Executive Director, Hawaii Longline Association

Mr. James Koshiba, Co-Founder, Hui Aloha

Mr. Nathaniel Kinney, Executive Director, Hawaii Construction Alliance

Mr. Joseph W. Lapilio III, President, Native Hawaiian Chamber of Commerce, and President & CEO, Waianae Economic Development Council, and Owner, Naki'i Ku LLC

Ms. Wendy Laros, Executive Director, Kona-Kohala Chamber of Commerce

Ms. Constance Lau, President & CEO, Hawaiian Electric Industries

<https://www.capitol.hawaii.gov/specialcommittee.aspx?comm=cov&year=2020>

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House Special Committee on COVID-19

Members [Cont.]

Ms. Colette Y. Machado, Chair, Board of Trustees, Office of Hawaiian Affairs
 Ms. Lisa Maruyama, President & CEO, Hawaii Alliance of Nonprofit Organizations
 Ms. Sheryl Matsuoka, Executive Director, Hawaii Restaurant Association
 Ms. Sherry Menor-McNamara, President & CEO, Hawaii Chamber of Commerce
 Mr. Elliot Mills, Vice President of Hotel Operations, Disneyland Resort and Aulani
 Mr. Brian Miyamoto, Executive Director, Hawaii Farm Bureau
 Dr. Mark Mugiishi, President & CEO, Hawaii Medical Service Association
 Ms. Lauren Nahme, Vice President of Strategy and Transformation, Kamehameha Schools
 Mr. Kuuhaku Park, Vice President, Government & Commercial Relations Matson, Inc.
 Mr. Mark Perriello, President & CEO, Kauai Chamber of Commerce
 Ms. Noelani Schilling-Wheeler, Executive Director, Oahu Visitors Bureau
 Mr. Gino Soquena, Executive Director, Hawaii Building & Construction Trades Council
 Mr. Gavin Thornton, Executive Director, Hawaii Appleseed Center for Law and Economic Justice
 Dr. Eugene Tian, State Economist – Research and Economic Analysis Division Administrator, State Department of Business, Economic Development and Tourism
 Ms. Jill Tokuda, Hawaii Data Collaborative
 Ms. Pamela Tumpap, President/Secretary, Maui Chamber of Commerce
 Mr. Raymond Vara, President & CEO, Hawaii Pacific Health
 Ms. Tina Yamaki, President, Retail Merchants of Hawaii
 Mr. Miles Yoshioka, Executive Director, Big Island Chamber of Commerce
 Mr. Robert Yu, Deputy Director, State Department of Budget and Finance
 Ms. Lauren Zirbel, Executive Director, Hawaii Food Industry Association

<https://www.capitol.hawaii.gov/specialcommittee.aspx?comm=cov&year=2020>

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COVID Relief Response Administration Leadership

Maj. Gen. Ken Hara, director, Hawai'i Emergency Management Agency, continues his role as incident commander, spearheading the collaboration between federal, state and county resources to address the pandemic response.

Dr. Libby Char, director, State Department of Health, is responsible for the management of the state's public health programs and collaboration between state, county, and private healthcare partners.

Lt. Gov. Josh Green will spearhead the pre-travel testing program, which includes adding partners to administer the tests and sourcing new testing options and is also responsible for planning the state's COVID-19 vaccination strategy.

<https://governor.hawaii.gov/newsroom/latest-news/governors-office-news-release-gov-ige-announces-new-leadership-team-and-realignment-of-covid-19-efforts/>

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COVID Relief Response County Leadership

Mayor Kirk Caldwell
Oahu County



Mayor Harry Kim
Hawai'i County



Mayor Mike Victorino
Maui County



Mayor Derek Kawakami
Kaua'i County



<https://governor.hawaii.gov/newsroom/latest-news/governors-office-news-release-gov-ige-announces-new-leadership-team-and-realignment-of-covid-19-efforts/>

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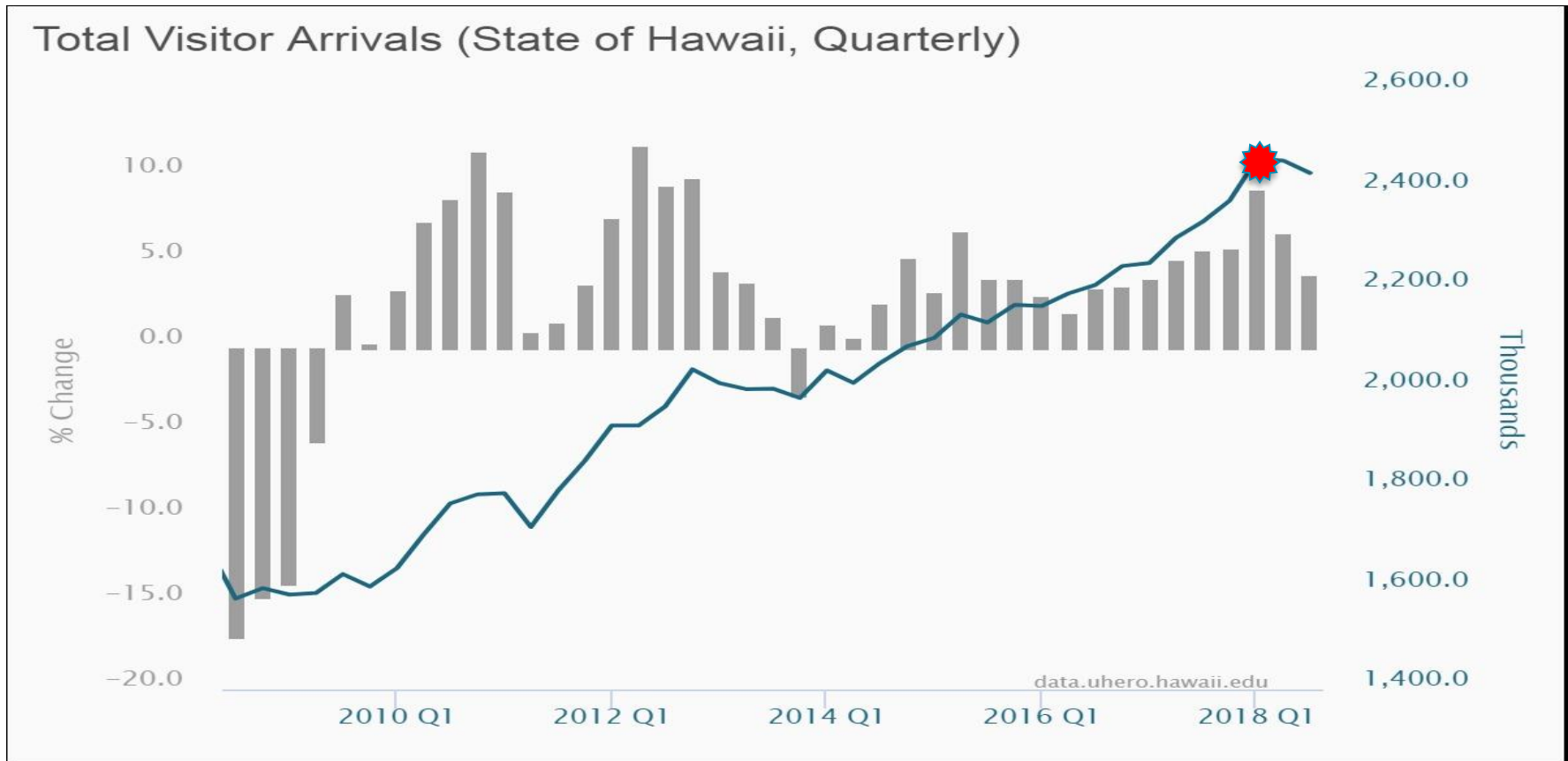
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Economy

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Has peak tourism been reached?



DBEDT: Tourism Forecast (2020)

Select Year
2020

Select Market
Total

2.9M
Visitor Arrivals
(million persons)

-72.0%
% Change in
Visitor Arrivals
from Previous Year

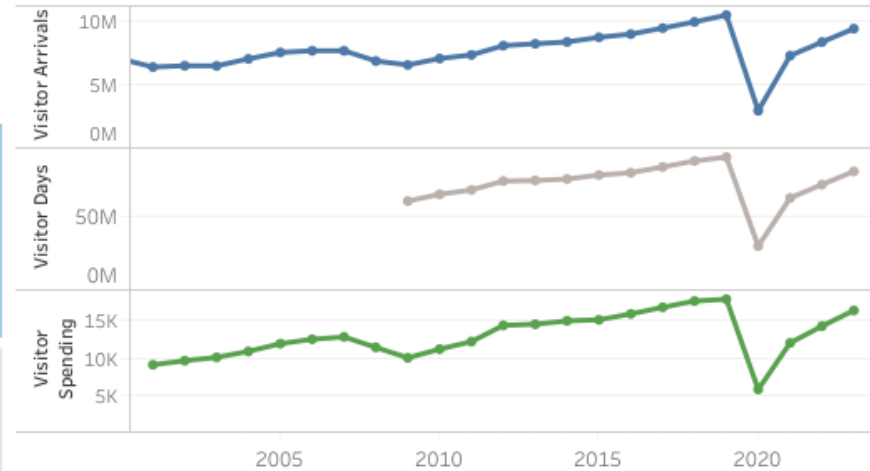
30.04M
Visitor Days
(million days)

-67.0%
% Change in
Visitor Days
from Previous Year

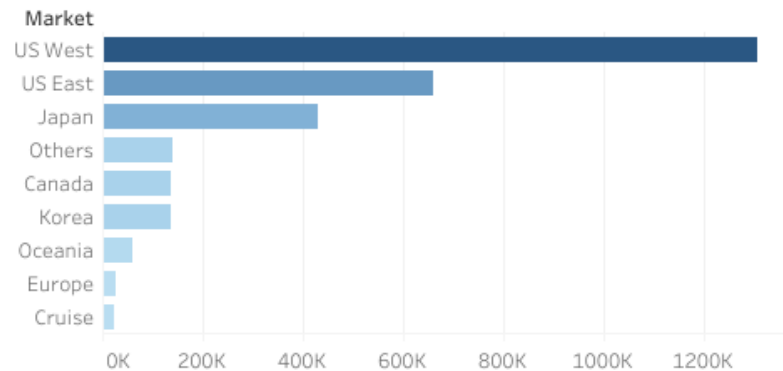
\$5.7B
Visitor Spending
(billion \$)

-67.9%
% Change in
Visitor Spending
from Previous Year

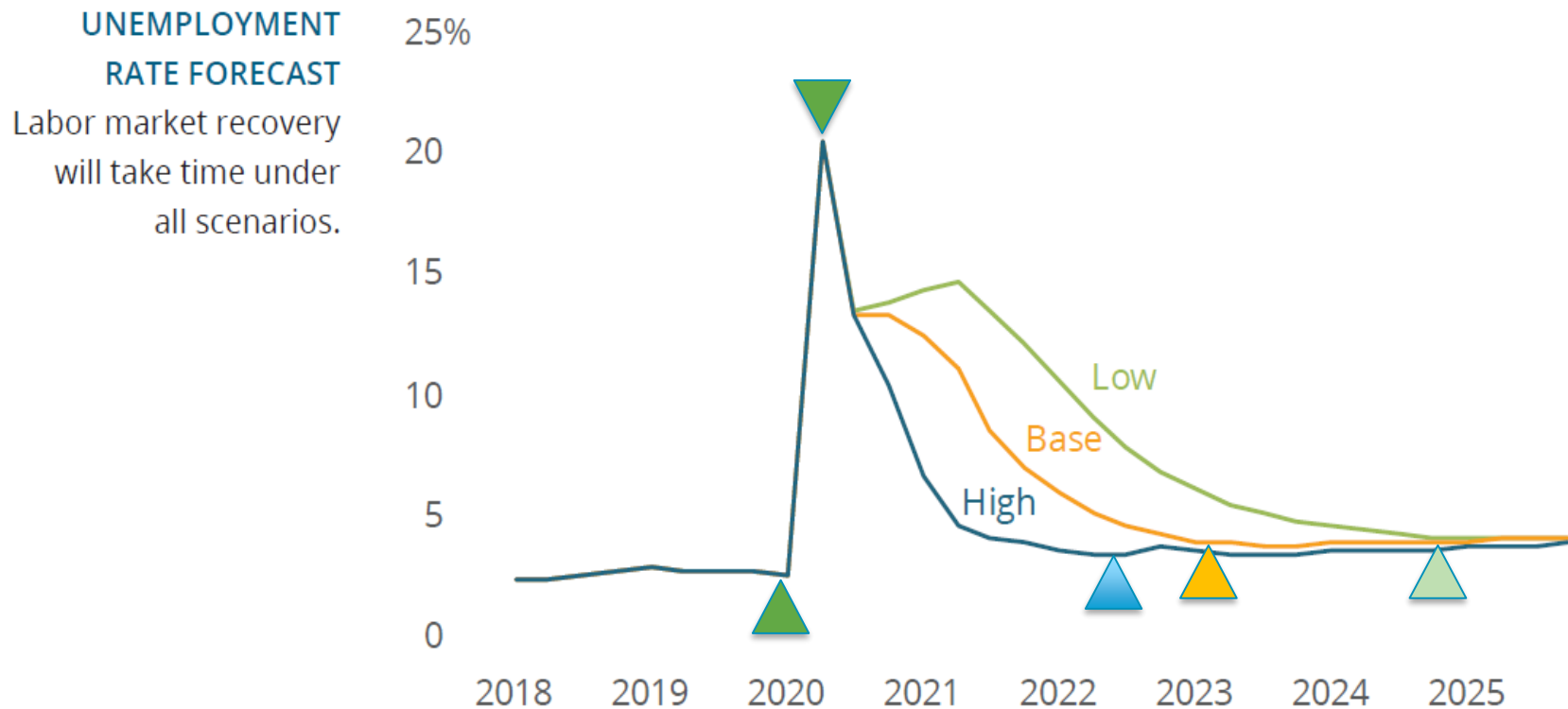
This dashboard was developed and is maintained by the Research & Economic Analysis Division (READ) at the Hawaii State Dept. of Business, Economic Development, & Tourism. Historical data is from the Hawaii Tourism Authority and projections are made by READ.



Visitor Arrivals by Market: 2020



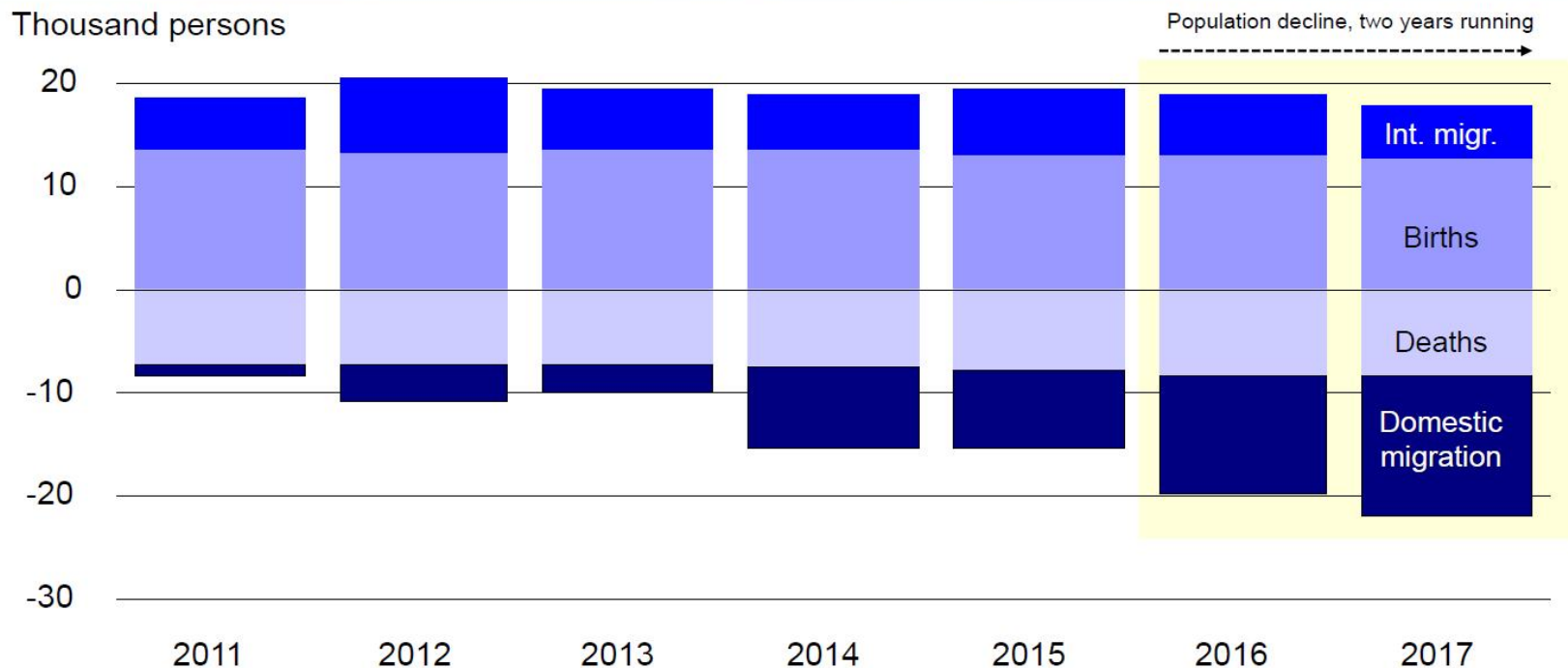
Hawaii Unemployment Forecast



https://uhero.hawaii.edu/wp-content/uploads/2020/09/20Q3_Public.pdf

Declining population...

Oahu components of population change: natural increase (births less deaths), net international migration, and net domestic migration

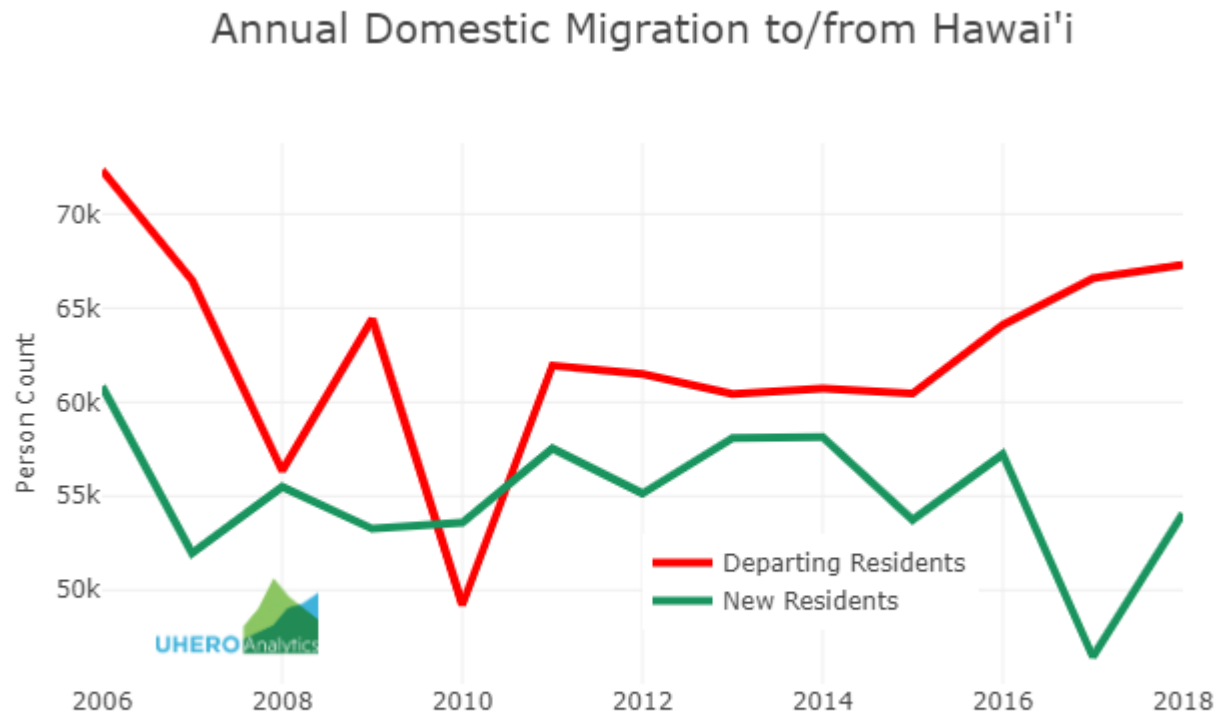


Slide copyright 2018 TZ E C VO N O M I C S

Sources: Hawaii DBEDT (<http://census.hawaii.gov/home/population-estimate/> and http://files.hawaii.gov/dbedt/census/popestimate/2017_state_pop_hi/nst_est2017_alldata.xlsx)

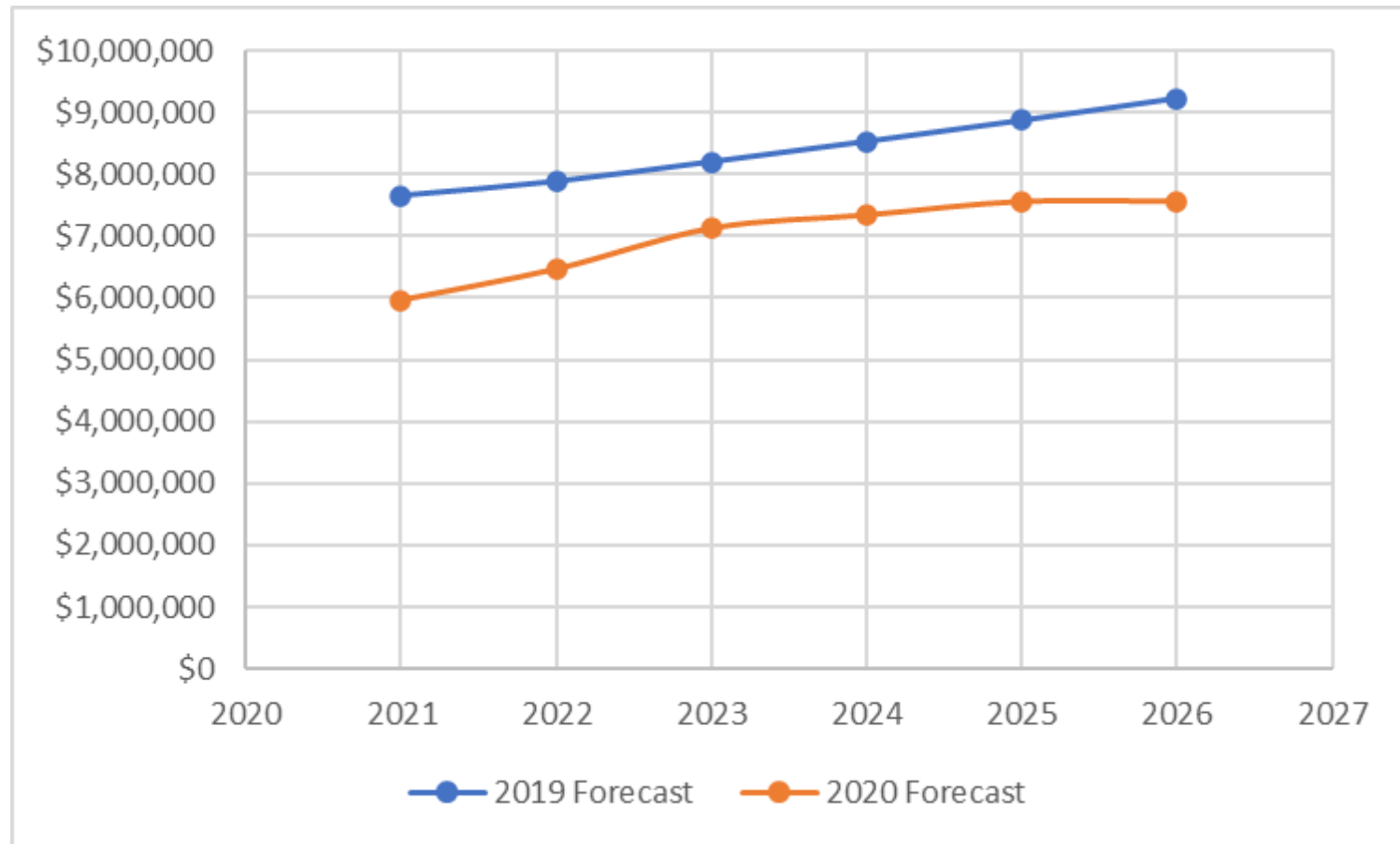
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DBEDT: Tourism Forecast (2020)



<https://uhero.hawaii.edu/aloha-oe-population-migration-between-hawaii-and-the-u-s-mainland/>

Hawaii General Fund Projections [2019 vs 2020]



https://files.hawaii.gov/tax/useful/cor/2020gf09-09_with0909_Rpt2Gov.pdf;;
https://files.hawaii.gov/tax/useful/cor/2019gf08-29_with0910_Rpt2Gov.pdf

Administration

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Office of Lieutenant Governor



Lt. Governor of the State of Hawai'i
Josh Green



[Home](#) » [About](#) » The Office of the Lieutenant Governor

THE OFFICE OF THE LIEUTENANT GOVERNOR

Along with the Governor, the Lieutenant Governor's authority is derived from Article V, Section 2, of the Constitution of the State of Hawai'i.

The Lieutenant Governor serves as the assistant chief executive, becoming Acting Governor upon the absence of the Governor from the State.

In Hawai'i, the Lieutenant Governor also serves as the legally designated Secretary of State. This designation requires the Office of the Lieutenant Governor to be responsible for the following:

- Issuing Orders granting legal name changes
- Certifying U.S. documents for recognition abroad
- Processing documents that convey state lands inter-departmentally
- Serving as the repository for various types of official documentation for public review and consumption

<https://ltgov.hawaii.gov/about/the-office-of-the-lieutenant-governor/>

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Bruce Anderson, PhD
Director, Dept. of Health
[Retired, 9/15/20]



Libby Char, MD
Interim Director, Dept. of Health

<https://governor.hawaii.gov/newsroom/latest-news/office-of-the-governor-news-release-governor-ige-announces-retirements-at-health-public-safety-departments/>

Ige Administration/Cabinet



**Pankaj Bhanot, Director
Dept. of Human Services
[Retired, 8/31/20]**



**Cathy Betts, Director
Dept. of Human Services**

<https://governor.hawaii.gov/newsroom/latest-news/governors-office-news-release-gov-ige-appoints-cathy-betts-to-head-department-of-human-services/>

Legislature

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2020 Legislative Leadership

- **Ronald K. Kouchi (D)**
Senate President
(Kaua'i)



- **Scott Saiki (D)**
House Speaker
(Kakaako, McCully, Kaheka, Downtown)



2020 House Committee Chairs

Sylvia Luke (D), Chair-Finance
(Nuuanu)



John Mizuno* (D), Chair –
Health, Human Services, &
Homelessness (Mililani, Waipio Gentry,
Waikale)



Joy San Buenaventura (D),
Chair – Human Services &
Housing
(Puna)



Aaron Johanson (D), Chair –
Consumer Protection &
Commerce
Consumer Protection &
Commerce (Moanalua, Red Hill, Foster Village,
Aiea, Fort Shafter, Moanalua Gardens,
Pearl City, Manana, Waipio)



2020 House Committee Chairs

Linda Ichiyama (D), Chair

**Pandemic & Disaster
Preparedness [New]**

(Moanalua Valley, Salt Lake, Aliamanu)



Mark Nakashima (D), Chair
Judiciary & Hawaiian Affairs
(Hamakua, North Hilo, South Hilo)



2020 Senate Committee Chairs

**Donovan Dela Cruz (D), Chair-
Ways & Means**

(Mililani, Waipahu, Wahiawa)



**Rosalyn Baker (D), Chair –
Consumer Protection & Health**
(South & West Maui)



**Jarrett Keohokalole (D), Chair –
Health**

(Kane'ohe, MCBH, Kailua, He'eia, 'Ahuimanu)



**Russell R. Belderman (D), Chair –
Human Services**
(Keaunah, Kalapana, Kapoho,
Kurtistown, Mountain View, Glenwood,
Volcano, Pahala)



New House Members

Patrick Branco (D)

District 50

(Kailua, Kaneohe Bay)



Sonny Ganaden (D)

District 30

(Kalihi Kai, Sand Island, Hickam, Pearl Harbor, Ford Island, Halawa, Valley Estate)



Greggor Ilagan (D)

District 4

(Puna)



Jeanne Kapela (D)

District 5

(Naalehu, Ocean View, Captain Cook, Kealahou, Kailua-Kona)



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New House Members

Matthew LoPresti (D)

District 41

(Ewa, Ewa Beach, Ewa Gentry, Ewa Villages,
Hoakalei, Ocean Pointe)



Lisa Marten (D)

District 51

(Kailua, Waimanalo)



Jackson Sayama (D)

District 20

(St. Louis Heights, Palolo, Maunalani
Heights, Wilhelmina Rise, Kaimuki)



Adrian Tam (D)

District 22

(Waikiki, Ala Moana)



New Senate Members

Joy San Buenaventura (D)

District 2
(Puna, Ka`u)



Chris Lee (D)

District 25
(Kailua, Lanikai, Enchanted Lake, Keolu Hills,
Maunawili, Waimanalo, Hawai'i Kai, Portlock)



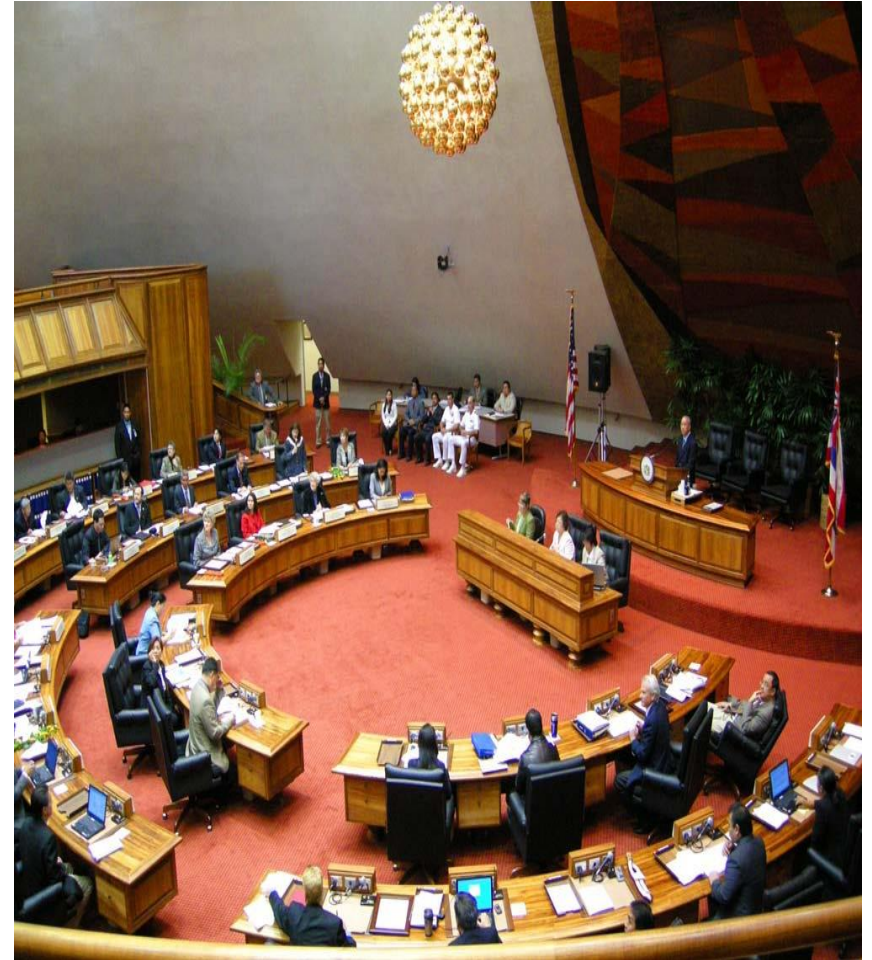
Bennette Misalucha (D)

District 16
(Pearl City, Momilani, Pearlridge, Aiea, Royal
Summit, Aiea Heights, Newtown, Waimalu,
Halawa, Pearl Harbor)



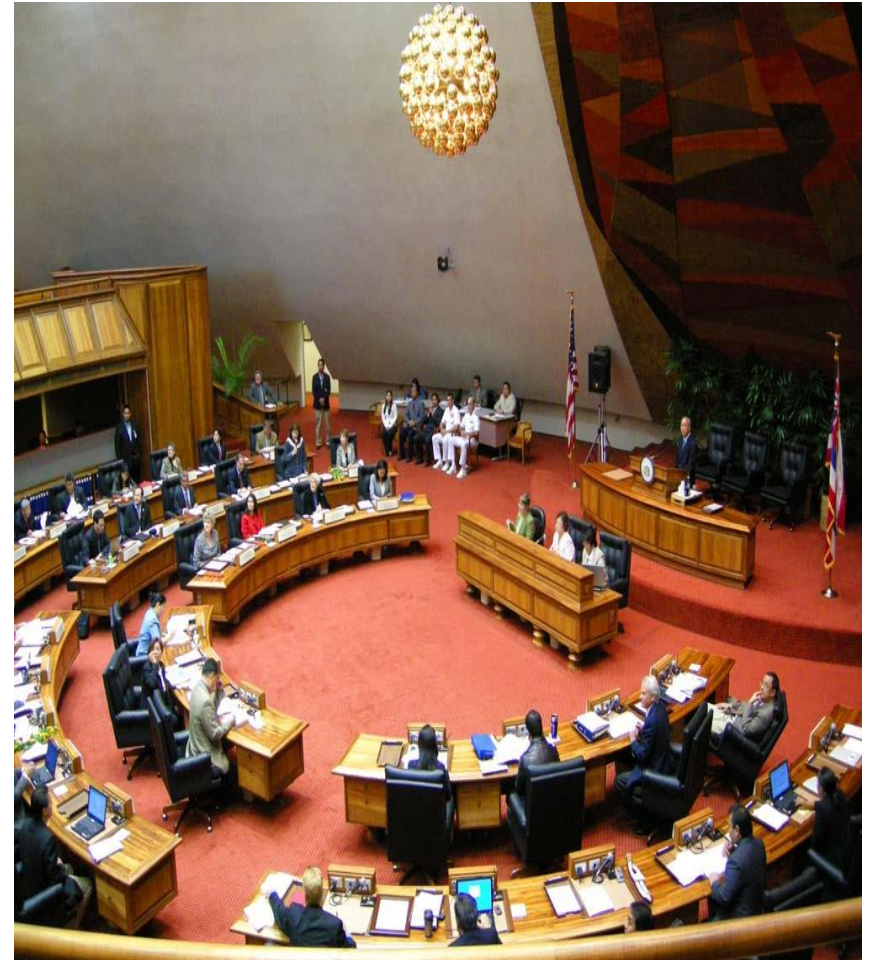
2020 Election Turnover

- 51 House Districts
 - Returning: 43
 - New: 8
- 25 Senate Districts
 - Returning: 21
 - New: 4*
- 12 New Legislators



Political Party Realities

- 51 House Districts
 - Democrats: 47
 - Republicans: 4
 - Need 26 for Majority
- 25 Senate Districts
 - Democrats: 24
 - Republicans: 1
 - Need 13 for Majority



Main Event

2020 Joint Economic Package



Main Event 2020 Joint Economic Package

- Relating to Access to Learning [HB2543]
- Relating to a School Facilities Agency [SB3103]
- Relating to Helping Working Families [HB2541/SB3102]
- Relating to Affordable Housing [HB2542/SB3014]

Main Event 2020: Joint Economic Package

- Relating to Access to Learning [Act 46]
- Relating to a School Facilities Agency [Act 72]
- ~~• Relating to Helping Working Families [HB2541/SB3102]~~
- ~~• Relating to Affordable Housing [HB2542/SB3014]~~

Relating to Access to Learning [Act 46]

- **Purpose:** Establishes the preschool open doors special fund. Expands Preschool Open Doors Program eligibility from 4-year-old children to all children who are 3 to 4 years old who are in the 2 years prior to kindergarten entry. Establishes the goal of providing all children who are 3 to 4 years old who are in the 2 years prior to kindergarten entry with enrollment in a preschool program by the year 2032. Appropriates funds for building early learning services classrooms on public library property.
- **Outcome:** Act 46
- **Effective Date:** 07/15/2020 [Upon approval]

Relating to a School Facilities Agency [Act 72]

- **Purpose:** Establishes the school facilities agency to be responsible for all public school development, planning, and construction, related to capital improvement projects assigned by the legislature, governor, or board of education. Places management of school impact fees with the agency.
- **Outcome:** Act 72
- **Effective Date:** 07/15/2020 [Upon approval]

FEDERAL CARES RELIEF FUNDING

CARES Act Funding to State & County (SB75 HD1)

- **Purpose:** Appropriates funds designated for the State by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) to the counties of Hawaii, Maui, and Kauai; the departments of Defense, Labor and Industrial Relations, and Human Services; and the Office of the Governor for the public health response to the coronavirus disease 2019, or COVID-19, outbreak.
- **Outcome:** Act 08
- **Effective Date:** 07/15/2020 [Upon approval]

PHARMACY

Prescription Drugs: Customized Patient Medication Package [HB1659]

- **Purpose:** Authorizes a pharmacy to provide a customized patient medication package to any person upon consent, with a valid prescription, and in compliance with labeling and dispensing requirements. Adds certain substances to the list of Hawaii's Schedule I controlled substances.
- **Outcome:** Act 27
- **Effective Date:** 07/15/2020

BEHAVIORAL HEALTH

Emergency Exam: Hospitalization [HB1661]

- **Purpose:** Amends criteria for emergency examination, release from emergency examination, emergency hospitalization, and release from emergency hospitalization for individuals suffering from a behavioral health crisis.
- **Outcome:** Act 28
- **Effective Date:** 07/01/2020

Mental Health: Confidentiality for Minors

[HB 2043]

- **Purpose:** Allows an unlicensed mental health professional, working under the supervision of a licensed mental health professional, to provide mental health treatment or counseling services to minors without parental or legal guardian consent, knowledge, or participation. Requires a mental health professional to ensure that the covered entity has been notified that minor-initiated mental health treatment or counseling services should not be disclosed. Requires a covered entity to maintain the confidentiality of minor-initiated mental health treatment or counseling services.
- **Outcome:** Act 37
- **Effective Date:** 01/01/2021

https://www.capitol.hawaii.gov/session2020/bills/GM1142_.PDF

EMPLOYMENT

Family Leave: Grandchildren, Sibling, Child Care [HB 2148]

- **Purpose:** Extends Hawaii family leave to include care for employees' grandchildren. Defines "sibling". Takes effect on 7/1/2020.
- **Outcome:** Act 40
- **Effective Date:** 07/01/20

Employment Practices: Sexual Harrassment/NDA [HB 2054]

- **Purpose:** Prohibits an employer from requiring an employee to enter into a nondisclosure agreement pertaining to sexual harassment or sexual assault. Prohibits an employer from retaliating against an employee for disclosing or discussing sexual harassment or sexual assault. Takes effect upon its approval.
- **Outcome:** Act 17
- **Effective Date:** 09/15/20

Employment Discrimination: [SB 2193]

- **Purpose:** Limits the convictions that may be used in employment decisions, from all convictions in the most recent ten years, to felony convictions that occurred in the most recent seven years and misdemeanor convictions that occurred in the most recent five years..
- **Outcome:** Act 51
- **Effective Date:** 09/15/20

MISCELLANEOUS

Predatory Towing [HB 2162]

- **Purpose:** Clarifies the fees tow companies may charge. Clarifies the duties of tow companies when vehicle owners arrive on the scene while their vehicles are in the process of being hooked up. Requires tow and storage companies to accept credit cards and debit cards. Subjects violations of the towing statute to the penalties and remedies under the State's unfair or deceptive acts or practices law and consumer protection law. Adds definitions for clarity.
- **Outcome:** Act 41
- **Effective Date:** 10/01/2020

Sports Official Assault: [HB 2612]

- **Purpose:** Allows a court to enjoin a defendant convicted of committing certain assault or terroristic threatening offenses against a sports official from attending any sports event of the type at which the sports official was engaged in the lawful discharge of the sports official's duties.
- **Outcome:** Act 58
- **Effective Date:** 09/15/20

FEDERAL

Federal COVID Relief to Health care Providers

- \$175B authorized by Congress
- HI Providers received approx. \$252M (2,470 recipients)
- **\$20B** remaining from General Distribution

Rank	Recipient	City	Total
1	THE QUEEN'S MEDICAL CENTER	HONOLULU	\$22,364,750
2	KAPIOLANI MEDICAL CENTER FOR WOMEN &	HONOLULU	\$19,517,255
3	MAUI HEALTH SYSTEM A KAISER FOUNDATIO	WAILUKU	\$17,207,426
4	STRAUB CLINIC & HOSPITAL	HONOLULU	\$16,432,665
5	KONA COMMUNITY HOSPITAL	KEALAKEKUA	\$12,060,766
6	HILO MEDICAL CENTER	HILO	\$11,602,215
7	NORTH HAWAII COMMUNITY HOSPITAL INC	HONOLULU	\$10,956,500
8	WILCOX MEMORIAL HOSPITAL	HONOLULU	\$8,254,580
9	PALI MOMI MEDICAL CENTER	HONOLULU	\$5,195,939
10	KAUAI VETERANS MEMORIAL HOSPITAL	WAIMEA	\$5,063,902
11	HALE HO OLA HAMAKUA	HONOKAA	\$4,194,477
12	KAHUKU MEDICAL CENTER	KAHUKU	\$4,043,393
13	SAMUEL MAHELONA MEMORIAL HOSPITAL	WAIMEA	\$4,040,732
14	KOHALA HOSPITAL	KAPAAU	\$3,627,338
15	MOLOKAI GENERAL HOSPITAL	KAUNAKAKAI	\$3,624,609
16	CASTLE MEDICAL CENTER	KAILUA	\$3,592,996
17	KAU HOSPITAL	PAHALA	\$3,570,131
18	HALE MAKUA HEALTH SERVICES	KAHULUI	\$2,941,032
19	KUAKINI MEDICAL CENTER	HONOLULU	\$2,912,627
20	LIBERTY DIALYSIS - HAWAII, LLC	HONOLULU	\$2,901,542
21	DIAGNOSTIC LABORATORY SERVICES, INC	AIEA	\$2,412,952
22	CLINICAL LABORATORIES OF HAWAII, LLP	AIEA	\$2,130,280
23	AVALON CARE CENTER-HALE NANI, LLC	HONOLULU	\$2,026,332
24	ISLANDS HOSPICE, INC.	HONOLULU	\$1,967,635
25	HILO MEDICAL INVESTORS LTD	HILO	\$1,848,813

Federal: 21st Century CURES Act

The 21st Century Cures Act has two key components:

- Information blocking
- Interoperability of Electronic Health Systems

Other areas ONC is attempting to balance are:

- Patient's access to their EHI (Providing) patient EHI transparency)
- Reduce burden on health care systems by making physician chart requests easy
- Allowing provider to easily switch health systems and software vendors

Federal: Transparency Actions

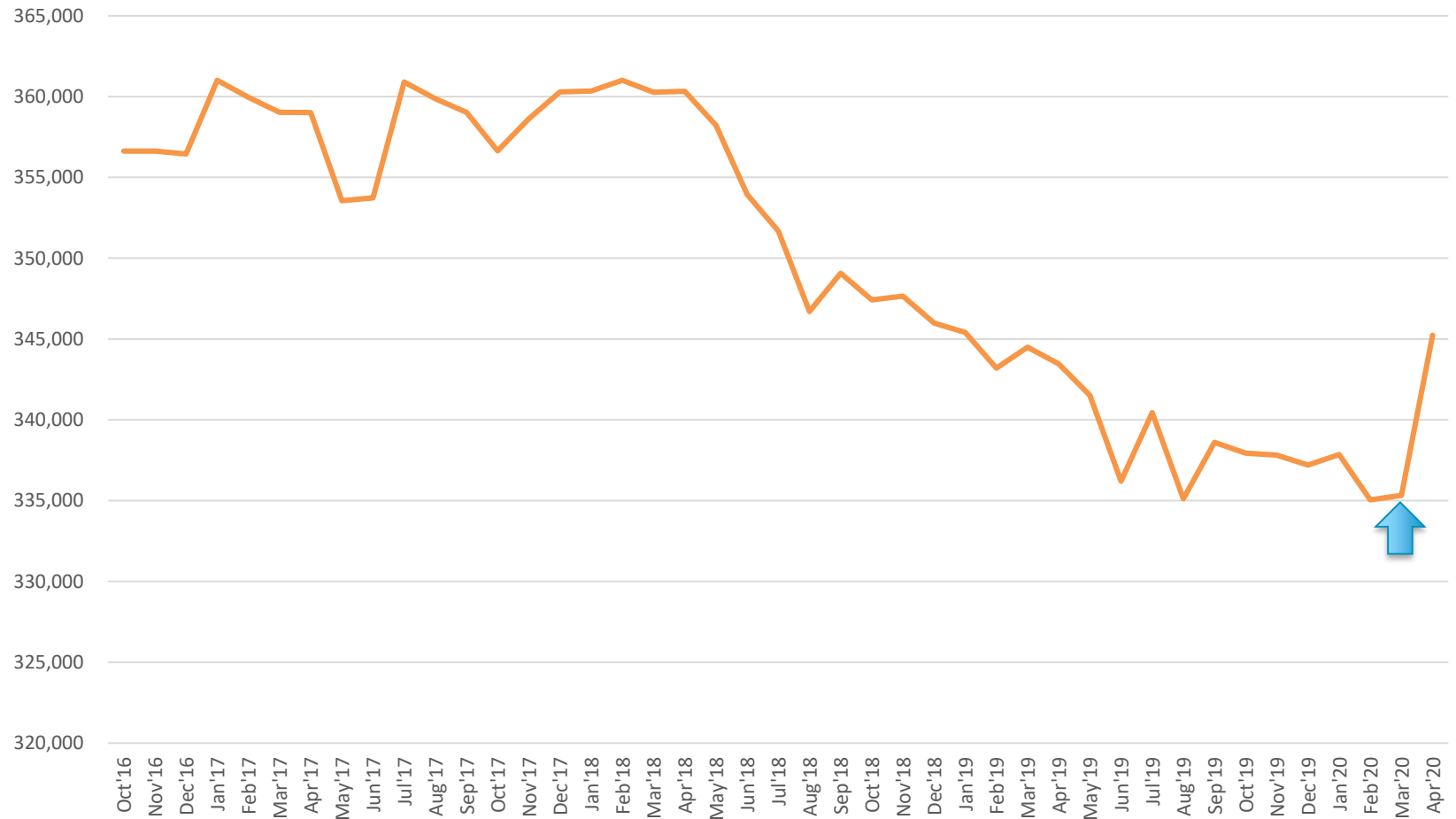
Trump Admin/CMS Proposed rules beginning Jan 1, 2020:

- Make public all “standard charges” (defined as two types of charges: gross charges and payer-specific negotiated charges) for all items and services provided by the hospital.
- Make public payer-specific negotiated charges for common “shopable” services in a manner that is consumer-friendly.

Anticipate Issues for 2021

- State Budget
- COVID Vaccination
- COVID Liability waiver for businesses
- COVID Public Health
- MedQuest Inpatient Payment Methodology Change
[non Leg]

Medicaid Managed Care Enrollment 2016:Q3 to 2020:Q2



Questions?

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Government Relations & Community Affairs
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Michael.Robinson@hawaiipacifichealth.org

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