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OUR COMMUNITY**

CAPITOL CONNECTION

JANUARY 2022

From the governor: Hope, challenges for the future

Just when we thought we had seen the worst of an already tough year, Hawai'i has been hit with the Omicron variant and O'ahu's challenges with the Navy's Red Hill fuel tanks. But crisis after crisis, when it mattered most, government agencies and the community found solutions. We forged ahead with the Ige administration's priorities in health care, housing, education and the environment. Most importantly, we found ways to make progress, in spite of the setbacks. This edition of Capitol Connection describes how Governor Ige, his team, and community partners are continuing the fight as we face the future — and a new year — together.

Q. What do you want people to know about the state's response to the Red Hill fuel leak and future plans?

A. Clearly, this is a crisis, and our first responsibility is to ensure that our community has access to safe, clean water. The state Department of Health has the authority to issue a permit for the Navy to operate the Red Hill facility. **DOH's Dec. 6 emergency order** required the Navy to suspend operations at the Navy's Red Hill bulk fuel storage facility; install a safe drinking water treatment system; take action to assess the facility's operation and safely defuel the tanks; and requires them to submit a work plan, prepared by an independent third party approved by DOH, to assess the system integrity of the facility and take corrective actions.



Governor Ige describes the state's emergency order for Red Hill.

Q. What are the next steps, based on the issues raised during the contested case hearing on the emergency order?

A. DOH deputy director Marian Tsuji has up to 30 days to make a final determination on the state's emergency order. The state hearing officer described the Red Hill facility as a "ticking time bomb" that presents an imminent peril to human health and the environment. The Navy has argued that the hearing officer's conclusions lack supporting evidence and that the state overstepped its authority in issuing the emergency order, especially concerning the defueling of the storage tanks. Time is of the essence, and the contested case hearing process can tell us what parts of the order we can move forward on and what parts are problematic.

Q. After the "fuel releases" of past years, what will it take for the Navy to restore trust and fix the problems?

A. We've met with the Navy's leaders, and they know their first job is to reestablish credibility and trust. Navy officials have agreed to involve the Environmental Protection Agency to sample and test the water. They know a qualified, independent assessment approved by the state Department of Health is required for permitting, with recommendations coming from someone other than the Navy.

Q. Some have asked if you can appeal directly to President Biden for a federal disaster declaration. Would that help Hawai'i?

A. According to the Federal Emergency Management Agency (FEMA), disaster declarations provide additional funds to county, state and private property that has been damaged, but FEMA has no jurisdiction over Department of Defense (DOD) facilities. However, U.S. Secretary of Defense Lloyd Austin has said he's personally monitoring the situation, and the Pentagon is launching an investigation. Also, Congress has approved a defense bill provision that directs the military to conduct an assessment of alternatives to the Red Hill facility, including locations outside Hawai'i. Obviously, we and our Congressional delegation want the process to move as quickly as possible.

Q. Are we better prepared to handle a surge from the Omicron variant, compared to Delta? What is the outlook?

A. Yes, we're in a better place to respond because we have more people vaccinated, better therapeutics and expanded testing capacity. But we're seeing an alarming increase in the number of cases worldwide and now here in Hawai'i. Our mission is to stop the spread of the virus, and we need everyone's help to do this. The best thing people can do is get their booster shots to mitigate more severe effects from this variant. We've seen how quickly surges can occur to threaten the capacity of our healthcare system.

Health Department: Leading the way to keep people safe

When it comes to the pandemic, it's no small thing to say "Lucky you live Hawai'i." We still have one of the nation's lowest COVID-19 mortality rates, a high vaccination rate and a community willing to take precautions to keep people safe. During this time, DOH mobilized a broad pandemic response that's been called among the best in the country. DOH's community-based approach continues in the face of new variants like Omicron, with contact tracing and case investigation, isolation and quarantine, public information, testing, and vaccinations.



Mounting a statewide campaign - Over the past year, DOH coordinated **2,061 mobile vaccination events statewide and in-home vaccinations for those unable to travel to a vaccination site.** It partnered with the Department of Education and providers to conduct hundreds of school-based clinics when vaccines became available for children. The **#HIGotVaccinated campaign** also provided incentives from the private sector for people to get their shots. In addition, DOH recognized the need to improve outreach to Native Hawaiian, other Pacific Islander and Filipino groups disproportionately impacted by COVID-19.



DOH's Janice Okubo retires after 30 years of service.

Surviving the Delta surge - During late summer 2021, DOH coordinated a statewide response to ensure that all who needed hospital care were able to get it. That included deploying more than 700 mainland surge staff to Hawai'i hospitals, coordinating life-saving therapeutics and ensuring the state had ample supply of medical-grade oxygen. The **Hawai'i National Guard** also supported state and county efforts, including doing thermal screenings at airports, rapid tests and vaccinations, contact tracing and distribution of PPE. Other DOH divisions continued critical public health services and provided early intervention for families undergoing stress during the pandemic.

Being prepared for Omicron - When it comes to new COVID-19 variants, Governor Ige said the state can apply lessons learned from Delta. But he and DOH director Dr. Libby Char are saying the best actions people can take are to get vaccinated and boosted and to make smart decisions about masking and gathering. **"Everyone needs to be vigilant,"** said Dr. Char.

For the future: A new \$3.7 million project funded by the Centers for Disease Control and Prevention will improve access to health information, especially for underserved communities. The project will train and employ high school and undergraduate students to be health and digital navigators in local libraries. The project includes 15 state libraries, including Lāna'i, Moloka'i, Hāna, Kihei, Waimea, Princeville, Hanapepe, Pāhoa, North Kohala, Hilo, Wai'ānae, Kahuku, Waimānalo, Wahiawa, and Waipahu.

Land & Natural Resources: Protecting the islands we love

Throughout the pandemic, the **Department of Land and Natural Resource's work** has been both front and center and behind-the-scenes, but its goals remain the same: **to protect Hawai'i's people and natural resources.** Together with the state's energy and planning offices as well as legislative support, **Hawai'i achieved in 2021 a record number of "firsts"** that will leave a legacy of environmental protection from the Ige administration.

The actions include 1) a new fee structure and management system to regulate the flow of visitors to popular "hotspots" that is already generating record amounts of revenue for maintenance; 2) 42 newly trained officers who will be deployed in 2022 to fill staffing gaps and provide better field enforcement, especially during the pandemic; 3) requirements for state agencies to rent electric or hybrid vehicles, financing for electric vehicle charging systems and clean ground transportation goals.

Other legislation better protects the state's ocean resources, including the first state nonresident recreational fishing license; a precedent-setting requirement for real estate transactions to identify properties lying within sea level rise exposure areas; establishment of an ocean stewardship special fund; and other measures that protect the most sensitive nearshore island waters. In addition, DLNR has launched an exciting new site at dlnr.hawaii.gov/ecosystems/nars/

where anyone can take a virtual tour of the state's spectacular nature preserves and donate to help preserve them. **Also, the Hawai'i State Energy Office** has been awarded a two-year FEMA grant to support the state's critical infrastructure and energy lifelines.



New laws promote electric vehicles statewide.

All these actions support the governor's Sustainable Hawai'i Initiative, the Hawai'i 2050 Sustainability Plan and the state's climate goals and clean energy commitments. "Our vision includes a diversified economy rebuilt sustainably, not a simple return to business as usual post-pandemic," said Governor Ige. At COP26, the UN climate summit in Scotland, Hawai'i was recognized for its climate change leadership. "We showed how a small island state like Hawai'i can move the world with innovation, big ambition and action," said the governor.



Native forests can prevent floods.

Meeting pandemic challenges to help families survive



Families hit by the pandemic survived, thanks to many programs.

DHS extends lifelines for individuals and families - For those hardest hit by the pandemic, the state **Department of Human Services (DHS)** met the major surge in demand to ensure people had access to food, healthcare and childcare. This included a **32% increase in Medicaid enrollees** since March 2020. The program now provides coverage for more than 430,000 residents, which is nearly 30% of the state's population. **An additional 32,000 Supplemental Nutrition Assistance Program (SNAP) households were added** since the onset of the pandemic with \$240 million in funds distributed to ensure the children of Hawai'i had enough to eat. DHS will administer nearly \$80 million in American Rescue Plan Act grants to strengthen the childcare system. As the only state department providing these safety net programs, DHS continues to be vital. Also, the

DA BUX Double Up Food Bucks provides SNAP recipients with more buying power for local produce, beef, seafood and eggs.

DLIR delivers benefits for the unemployed -The **Department of Labor and Industrial Relations (DLIR)** overcame an antiquated mainframe system to provide \$6.5 billion in unemployment insurance benefits and assistance for folks hit hard during the pandemic. With the help of other state agencies, DLIR set up operations at the Hawai'i Convention Center to process the thousands of claims and field phone calls. **On Dec. 1, the department opened its doors for in-person service** while continuing telephone appointments. Governor Ige also signed a bill into law protecting businesses from paying a higher tax rate into the unemployment insurance fund for 2021 and 2022. Thanks to a grant from the **National Governors Association**, DLIR is also working on a one-stop digital hub called **HI CAN** to connect job seekers to career opportunities and social services.

State forges ahead on building, keeping people housed

Despite the pandemic, the **Hawai'i Housing and Finance Development Corporation** has continued work on affordable housing — one of Governor Ige's top priorities. We achieved our initial goal of building 10,000 new homes by 2020. In 2020 and 2021, HHFDC has been actively involved in **29 housing construction projects statewide, which are expected to deliver 2,950 more housing units.**



Helping renters and homeowners – Using federal coronavirus relief funds, the **Rent Relief and Housing Assistance Program (RRHAP)** provided \$58 million to **13,663 renters and homeowners** for rent or mortgage payments or homeowner association dues. In a January 2021 article, "Rent Relief Needed Fast. Hawai'i Shows How," Forbes magazine reported on how the state overcame bureaucratic hurdles to get help to people and described it as **a model for other states.**

Keeping DHHL beneficiaries in their homes and more – Since the state confirmed its first COVID-19 case in March 2020, the Hawaiian Homes Commission has taken action to postpone mortgage payments; provide rent, utility relief and grants; and approve a pilot loan program for downpayment assistance for fee-simple residences not on Hawaiian Home Lands on O'ahu.



Governor Ige's priority has been to build more affordable housing like Hale Makana O Mō'ili'ili, thanks to HHFDC and community partners.



DHHL's program of subsistence ag, small farmland homesteads, broke ground outside Hilo last September.

DHHL partnered with the Council for Native Hawaiian Advancement to include all eligible Native Hawaiians in Hawai'i in a **\$5 million Rental and Utilities Assistance program.** As a result, the U.S Treasury released additional emergency rental assistance funds to "high-performing" state and local government grantees, of which DHHL was one. DHHL has continued to deliver infrastructure and capital improvement projects for beneficiaries throughout the pandemic, including a \$27 million project to upgrade the 80-year-old Ho'olehua Water System to improve the limited water supply for Moloka'i beneficiaries.

For the homeless, the state has continued to work with the counties to connect those at risk of eviction or without housing. This includes **three new 'Ohana Zone projects** in late 2020 and early 2021 and efforts to bring online long-term permanent housing projects such as **Kamoku Kauhale** and its "tiny homes" in Kalaeloa. The **Hawai'i Public Housing Authority (HPHA)** worked with U.S. Vets and Home Aid Hawaii and the lieutenant governor's office to add 36 new units. HPHA also joined with Partners in Care to launch an **Emergency Housing Voucher program** to connect individuals to long-term housing subsidies.

Reshaping our economy and the careers ahead

Reimagining tourism for local communities and visitors - In the face of new COVID-19 variants like Omicron, **Hawai'i's Safe Travels program** remains more important than ever. Since the pre-travel testing program launched in October 2020, more than 8.3 million travelers have used the platform. It's part of a multilayered strategy to protect the health of residents and visitors alike. As more local restaurants and other venues began checking customers' vaccination status, the state also launched a new **SMART Health Card** to make it easier to present proof of vaccination. **The Hawai'i Tourism Authority is focusing on "regenerative tourism" to improve the visitor experience while supporting the quality of life for residents.** HTA's 2021 – 2023 **Destination Management Action Plans** identify "hotspots" on each island and ways to manage visitor numbers to protect natural and cultural resources. "We need to educate our visitors and make them part of the solution," said HTA CEO John DeFries.



HTA's Destination Management Action Plans focus on ways to manage 'hotspots' on each island.

Helping people find jobs and businesses pivot - As the pandemic upended lives, it also opened up often unexpected paths to new career and business opportunities. Thanks to CARES funds, the **state Department of Business, Economic Development and Tourism (DBEDT)** and community partners found creative ways to connect people to jobs and help businesses revamp to survive. **Two non-profits — Kupu and the Economic Development Alliance of Hawaii** — gave workers a chance to transition to new careers and provided companies with workers. As a result, 346 individuals were placed in conservation, land management and agriculture jobs, with 151 organizations assisted by Kupu. EDAH placed 433 people in emerging, non-tourism-related jobs, assisting 134 companies.



Goodwill counselor Siniva (left) connected Morning-Glory to remote work.

The **PIVOT grant program** offered up to \$10,000 in funds to reimburse businesses that had to change their operations. "In recent months, businesses have had to show creativity and grit just to survive," said the governor. The **Hawai'i fishing industry**, hit hard by the tourism decline at hotels and restaurants, also received economic support. **Also available to job seekers is a new website, invest.hawaii.gov/remotel/**, that provides residents with direct links to the **Hawai'i Remote Work Project** and the **American Job Center**. Another is the **new Kupu 'Āina Corps** — a permanent version of the earlier successful state pilot project that provided displaced workers with "green jobs." **DBEDT's "Buy Hawai'i, Give Aloha" at the buy.hawaii.gov website** continues to showcase authentic, made-in-Hawai'i products as a one-stop place for local small businesses to market their goods.

A helping hand for farmers, ranchers and growers - In 2021, the **state Department of Agriculture** focused on providing funds to keep food producers in business when they lost income from restaurants and hotels. This included \$450,495 in emergency relief to 197 farmers and agricultural organizations and COVID Emergency Loans to 21 farmers and ranchers totaling \$946,300. The governor also signed legislation to benefit both growers and consumers, including a farm-to-school goal of using at least 30% local products by 2030 and benchmarks for state departments to purchase local agricultural and food products. And as a sign of **increasing progress in local food production**, the **Waialua Fresh egg farm**, a cage-free, solar-powered sustainable facility, has opened, operating on its own power grid.

New tech opportunities in a Hawai'i 2.0 future

Galvanizing the local creative industry - During the pandemic with people hunkered down at home, demand for online entertainment skyrocketed. Hawai'i became one of the safest spots in the world to film. DBEDT's Creative Industries Division and the Hawai'i Film Office worked with unions and producers to create **"The Safe Way Forward,"** a plan with strict COVID protocols to resume filming in the state during the pandemic. New island-based TV series like "NCIS: Hawai'i" and "Doogie Kamealoha, M.D." debuted, and local musicians and other artists turned to digital platforms to reach their audiences.



The Entrepreneurs Sandbox is an innovation hub.

From startup to product launch - The **Hawaii Technology Development Corporation (HTDC)** secured federal grants totaling over \$1 million to help local businesses survive the pandemic through digital marketing. HTDC's e-commerce program provided more than 200 companies and entrepreneurs with training and hosted more than 50 virtual events. **In 2022, the agency is scheduled to launch a \$56 million State Small Business Credit Initiative** to provide access to capital for small businesses. **HTDC's INNOVATE Hawai'i** increased local manufacturing capacity for producing cleaning supplies and PPE. Free consultations are available every month for companies interested in growing their businesses. After a two-year hiatus, HTDC will also hold its next **Virtual Tech Job Fair Jan. 21** for both job-seekers and companies looking for talent. **The Entrepreneurs Sandbox**, an innovation hub, offers free online classes for Hawai'i residents, digital workshops with private sector partner TRUE, and launched ID8 studios as a production site for ad agencies, fashion designers, musicians and film companies.

Investing in infrastructure for an enduring legacy

The Hawai'i Department of Transportation has been an essential part of the state's COVID-19 response — from helping to improve the travel experience at airports and making sure goods kept flowing through the state's harbors to keeping highways in good repair throughout the state. Of major significance are the **several modernization projects completed this past year**, including the **Mauka Concourse** at the Daniel K. Inouye International Airport (HNL), the **Federal Inspection Service facility** at Ellison Onizuka Kona International Airport, and the **Consolidated Rental Care facility at HNL**. Also the **Kapalama Container Terminal, Phase 1**, was dedicated in March, culminating decades of planning. As an island state that imports over 80% of goods consumed (99% of which pass through the state's harbors) Hawai'i depends on its air and sea transport as a lifeline for everyone.



Gov. Ige, legislators, the HDOT team and Kahu Kekoa at the blessing of the new HNL Consolidated Rental Car facility.

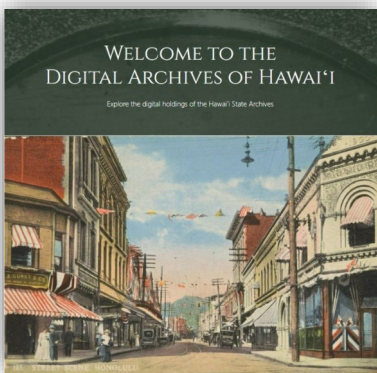
Reaching more people through broadband – The pandemic highlighted the need for every resident to have access to reliable and reasonably priced broadband service. The **Emergency Broadband Benefit Program** has helped a wide range of low-income families access discounted internet service. Currently more than 17,000 Hawai'i households are enrolled in the program, amounting to more than \$3 million in benefits for island residents. From January 2022, the program will be called the **Affordable Connectivity Program** and will continue to provide subsidies on internet services for qualifying families. See <https://www.fcc.gov/broadbandbenefit> for details. The first phase of providing **free broadband internet service** at select Hawai'i Public Housing projects will continue into 2022 through the **state Department of Transportation**.

Other major state initiatives included the completion of the **\$160 million State Hospital forensic mental health facility** and the efforts to resite and rebuild the Oahu Community Correctional Center. The **Department of Public Safety** harnessed nearly \$1 million in federal funds to purchase PPE for its corrections and law enforcement employees and conducted regular COVID-19 testing of inmates.

Modernizing state government for better public service

After decades of relying on antiquated, paper-based systems, the Ige administration has modernized many government operations across multiple state departments to better serve the public. The **Department of Taxation's (DoTAX)** new software upgrade is more user-friendly, more secure and speedier. DoTAX also went after noncompliant vacation rentals, collecting \$33.7 million in taxes, interest and penalties. The department also launched a new initiative during the pandemic to help young people find jobs in state agencies like DoTAX. Hawai'i college students were hired as paid interns and trained on the job, with the potential for permanent employment upon graduation.

About 13,000 employees in the executive and legislative branches and the Office of Hawaiian Affairs are using the recently completed electronic time and leave system, replacing the 40-year-old, labor-intensive paper approach. The **Office of Enterprise Technology Services and the Department of Accounting and General Services (DAGS)** worked to improve the legacy system as part of Governor Ige's priority to modernize state government. The state also was able to **consolidate its contributions** to the public pension and health benefit funds, **growing investments by millions of dollars and saving future taxpayer contributions of up to half a billion dollars over the next 20 years as well as maintain solid credit ratings**.



Making public records public - In another major DAGS project, the **Hawai'i State Digital Archives** loaded 3.5 million pages of archival records into a free, online repository for year-round public access. On Queen Lili'uokalani's birthday, Sept. 2, the Archives also unveiled its bilingual interface (**English and 'Ōlelo Hawai'i**) so the public can search for historic records at any time in their language preference without the need to leave the safety of their homes. This project was so successful at connecting the public to their documentary heritage, it was named one of the top 75 state websites by FamilyTree Magazine. To learn more, visit <https://digitalarchives.hawaii.gov>.

To further serve the public, the **Department of Commerce and Consumer Affairs** helped to protect utility customers from having their services disconnected due to non-payment with a one-year moratorium through May 2021. In addition, the consumer advocate worked with other state agencies and community organizations to help the most vulnerable community members. DCCA also improved several agencies' online processes to improve access for both consumers and licensees.

The pandemic also significantly increased the volume and scope of work in the **Department of the Attorney General**, as the office assisted the governor and other state departments in drafting emergency proclamations, investigating travel self-quarantine violations and advising agencies on safe practices.

Nourishing families, keiki in ways that matter

In a pandemic, what kind of help matters most? For First Lady Dawn Amano-Ige, the answers have been **food for families and books for children**. The reach of **Kaukau 4 Keiki** and **'Ohana Readers** — two of the projects she championed over the past year — has been impressive. But what's even more gratifying, she said, is the way people have come together. "At the end of the day, we're all here to take care of each other," said Mrs. Ige. "We've learned government can't do it alone. We need a combination of government agencies and non-profit organizations to get things done and support the community."



In the summer of 2021, the **Kaukau 4 Keiki** program provided more than 700,000 meals through weekly boxes of groceries for families in rural areas statewide. The program also supported Hawai'i farmers by purchasing 469,325 pounds of local produce and investing \$1.5 million back into the state's economy. The hope is to repeat the program next year. Through **'Ohana Readers**, some 7,200 books have been distributed to keiki on Moloka'i, Lana'i and Kaua'i over the past two years, with plans to expand to Kilauea, Anahola, Hanalei, Wainiha and Princeville on Kaua'i in 2022.

Looking ahead, Mrs. Ige said planning is under way to mark the **175th anniversary of Washington Place** in the spring of 2022. Among the proposed events (contingent on COVID-19 conditions) will be a special exhibit honoring Queen Lili'uokalani, a Royal Hawaiian Band concert and open house, and a special hula presentation with 4th graders statewide. In the meantime, the public can visit the new Washington Place website at <https://washingtonplace.hawaii.gov> and take a virtual tour of the historic residence.

Schools, colleges stay strong for a new generation

Public schools welcome back students - The smiles said it all as students, teachers and staff finally returned in person to campuses statewide. The DOE worked closely with the DOH to ensure public schools could reopen safely. Many schools launched student vaccination efforts and provided case counts for parents and the public. All students received free breakfast and lunch meals, thanks to a nationwide waiver from the U.S. Department of Agriculture. The waiver aimed to minimize possible spread of COVID-19 by eliminating meal payment transactions in school cafeterias.



Governor and Mrs. Ige congratulated the 2022 Hawai'i State Teacher of the Year, Whitney Aragaki, and 16 other district finalists virtually Dec. 3. Aragaki teaches AP environmental science at her alma mater, Wai'ikea High School in Hilo.

Also, the **Hawai'i State Public Library System** retooled its services and enabled patrons to access more ebooks, movies, virtual storytimes and educational resources for students learning remotely. It also added new kinds of collections and expects all public libraries will have 'ukuleles to lend to their community in 2022. The libraries are also working with their partners to advance digital equity and literacy and will lead the **NGA Workforce Innovation Network grant to support digital skill development for a 21st century workforce**.



'Iolani School will be working with 17 other schools statewide to prepare more Hawai'i students for careers in biotechnology.

GEER grants spur innovation - Teachers on all islands have continued to prove their resilience in spite of — and sometimes because of — the pandemic. The 31 projects, funded by the **Governor's Emergency Education Relief (GEER) grants**, build on Governor Ige's "Blueprint for Education." The projects range from STEM education and 'aina-based learning to innovations in small business development and restorative justice. "With so many schools involved, we wanted these projects to create a real community of innovators to carry us into the future," said the governor.

UH system sees enrollment gains and fans in the stands - Driven by large gains at UH Mānoa, enrollment for the 10-campus UH system increased for the first time in a decade this past year. Spring 2022 plans include a return to in-person learning for the colleges (depending on COVID-19 case counts) with safety protocols in place. UH sports programs also initiated protocols to welcome fully vaccinated or tested sports fans to events.

As the pandemic continued, so did the contributions of the UH system's community. Some 1,000 UH health professionals and student volunteers from the John A. Burns School of Medicine, UH Hilo College of Pharmacy, and nursing programs from seven campuses helped vaccinate thousands of Hawai'i residents. UH faculty and staff have also been doing work on developing effective vaccines, advising government agencies on best practices, and studying the economic, social and psychological effects of the pandemic.

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