H.B. NO. 2501

A BILL FOR AN ACT

RELATING TO REMOTE WORK.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that there are a meaningful number of state jobs that can be performed by working 2 3 remotely, rather than reporting to work in a physical state office. Additionally, while housing is expensive across the 4 5 State, there are areas in Hawaii, including rural portions of Hawaii, Maui, and Kauai counties, that have substantially less 6 7 expensive housing than in urban and more populated areas. The department of human resources development reported to the 2023 8 legislature that nearly four thousand of seventeen thousand 9 10 civil service positions in the state executive branch were vacant as of November, 2022, not including the university of 11 12 Hawaii system or the department of education.

13 The legislature further finds that identifying state jobs
14 that are good candidates for remote work; identifying areas of
15 the State where housing is relatively affordable but good-paying
16 jobs are not readily available; and pairing the remote jobs with
17 remote Hawaii workers, would meaningfully address issues of

2024-0272 HB SMA-1.docx

Page 2

affordability, help keep local families in Hawaii, and
 strengthen community ties.

3 The legislature also finds that there are significant economic benefits for local communities when their resident 4 5 populations can live, work, shop, and play in the community. 6 Local businesses in the community benefit from a more stable population base. Local civic organizations in the community 7 benefit from more highly engaged residents. Local schools in 8 the area benefit from a more robust and consistent student 9 10 population. Local students graduating from their area schools are more likely to stay in, or return to, their communities if 11 they know their employment prospects in those areas are greater. 12 13 Local economies can be fortified and help to distribute economic 14 strength across the State and beyond the major population centers. A bigger government sector in rural and neighbor 15 island communities further helps diversify local economies and 16 17 supports resilience in the event of future economic downturns. There are workers in areas across Hawaii who would live 18 near their families and in their communities if they could 19

20 afford to do so. To assist with aligning the needs of families' 21 housing and jobs, the legislature finds that funds should be



Page 3

1 invested in these areas to ensure that these areas have 2 sufficient broadband infrastructure to support an increase in remote workers and sufficient co-working facilities to assist 3 4 people who want to stay in their communities to work but do not 5 have appropriate space in their own homes. Co-working 6 facilities can also be used for community events in the 7 evenings, weekends, and off-work hours. Existing state facilities, like state libraries could be utilized as co-working 8 9 facilities.

10 Through efforts such as the mandate of the school 11 facilities authority to build educator workforce housing on underutilized department of education land, the State is 12 13 aligning the demands for work and jobs while making them both 14 accessible to communities near where workers live, work, play, and shop. People often leave their communities to look for work 15 16 in other places when they cannot find good-paying jobs in their 17 own communities. Connecting workers in those communities with 18 jobs they can perform remotely will enable them to stay in their 19 communities, strengthening and solidifying community ties as a 20 result.



H.B. NO. 2507

1 The coronavirus disease 2019 (COVID-19) pandemic led to much of the State working remotely full-time. Workplace 2 3 flexibilities also played a significant role nationwide in ensuring employees were able to meet both their work and family 4 5 responsibilities. The federal government has had remote work options for its employees since the 1970s. Before the COVID-19 6 7 pandemic, only three per cent of federal employees teleworked every day, but that amount grew substantially during the peak of 8 the pandemic when a record fifty-nine per cent of employees 9 10 worked from home daily. Accordingly, in March 2020, the United States Office of Management and Budget released guidance on 11 telework flexibilities for the federal government. 12 13 Even after the COVID-19 pandemic, telecommuting and remote 14 services have remained popular. This has led to renewed interest in strategies to create more sustainable communities. 15 16 Federal agencies, such as the Transportation Research Board of

17 the National Academy of Sciences, have published guidelines for 18 implementing the shift to a remote, hybrid, and flexible work 19 schedules beyond the pandemic and into the future. Remote 20 services such as e-learning, online shopping, and telemedicine,



which also expanded during the pandemic, continue to reduce the
 need for in-person interactions and travel.

3 According to the 2023 California Air Resources Board4 project:

"Telecommuting can reduce how much people drive when 5 employees no longer have to travel to and from work, 6 reducing the number of vehicle trips and driving on the 7 road. Moreover, telecommuting can lessen the need for 8 office space, which can free up land for other purposes, 9 such as public parks or affordable housing, and reduce the 10 need for new infrastructure development. 11 This transformation can contribute to sustainable land use 12 patterns and promote more compact, walkable, and bikeable 13 14 communities."

15 The legislature finds that, for remote work to make life 16 more affordable in Hawaii, remote work should be established in 17 conjunction with developing sustainable communities, as this 18 would decrease the need for vehicle ownership and allow a 19 substantial proportion of a household budget to be spent on 20 other amenities to make life affordable and even more 21 pleasurable for working families. Unfortunately, transportation



H.B. NO. 2507

costs tend to be borne disproportionately by the most vulnerable 1 in the community and must be addressed alongside affordable 2 housing strategies, or these inequities will persist. 3 In 4 Hawaii, Ulupono Initiative's Vehicle Economy Study (2021) showed that personal vehicles cost an additional \$16,200 per household 5 per year, or \$8,100 per vehicle per year, and that, regardless 6 of whether households owned cars, the public cost of sustaining 7 Hawaii's vehicle economy amounts to roughly \$15,000 per taxpayer 8 per year, or \$24,400 per household per year. For a state where 9 10 household median income is roughly \$80,000 per year, these costs 11 amount to about thirty per cent of household pre-tax income.

12 Providing transportation options along with affordable housing will not only make life more affordable in Hawaii, but 13 14 also support broader efforts to reduce greenhouse gas emissions 15 to support the State's decarbonization goals. According to the 16 Honolulu connect transportation demand management plan, 17 approximately thirty to fifty per cent of trips made by people driving alone in Honolulu are under three miles, which presents 18 19 a key opportunity for shifting travel behavior to more sustainable and affordable modes of transportation. 20



1	To address the issue of sustainable communities, the city				
2	and county of Honolulu's HNL connect program is set within a				
3	robust policy context of several plans and informed by studies				
4	that emphasize that affordability lies not only in housing but				
5	also the infrastructure supporting it, including and especially				
6	the transportation system. Following a similar policy context				
7	statewide would ensure a more positive outcome for local and				
8	working families in Hawaii. Examples of these plans include:				
9	(1)	The city and county of Honolulu's 2020-2025 climate			
10		action plan;			
11	(2)	Energy conservation and emissions reduction plan for			
12		city transportation systems;			
13	(3)	Oahu regional transportation plan 2050;			
14	(4)	Honolulu complete streets law (section 14-18, Revised			
15		Ordinances of Honolulu);			
16	(5)	Oahu pedestrian plan (2022);			
17	(6)	Oahu bike plan (2019);			
18	(7)	Statewide transportation demand forecasting model;			
19	(8)	Oahu general plan (2021);			
20	(9)	Neighborhood transit-oriented development plans;			
21	(10)	Bikeshare organizational study (2014); and			



H.B. NO. 2507

(11) The forthcoming vision zero action plan, Honolulu
 strategic transportation plan and Oahu mobility hub
 study.

Remote work also exposes existing inequities in the system 4 that need to be addressed as the option to work from home 5 expands. The Oahu metropolitan planning organization's August 6 7 2021 study on telework Work Where You Live found that not everyone's job allowed them to telework; seventy-four per cent 8 9 of employees participated in teleworking from March 2020 through 10 March 31, 2021. Those that teleworked were satisfied, but 11 tended to live further away (the median daily commute time for 12 telework employees was forty-one minutes while the median 13 commute time for non-telework employees was shorter at just twenty-nine minutes), and the telework employees between the 14 ages of eighteen to forty-four had childcare responsibilities 15 during the pandemic. Telework personnel were also more likely 16 17 to be female (fifty-nine per cent) compared to non-telework 18 personnel (fifty-three per cent). The median household income 19 for employees who teleworked was \$98,639. For non-telework employees, the median income was slightly lower at \$94,467. 20



H.B. NO. 2507

1 To address inequities faced by those in lower income 2 groups, remote and hybrid work policies should consider the most 3 common issues faced by teleworkers during the pandemic, and beyond. Oahu metropolitan planning organization's Compilation 4 of Best Practices cites that the most common issues faced by 5 teleworkers during the pandemic were overworking or inability to 6 7 unplug, nonwork distractions, technology problems, and lack of 8 reliable Wi-Fi. The legislature finds that, to address these issues for 9 10 remote workers and implement best practices, employers should consider the following recommended remote work employment 11 12 practices: (1) Establishing policies that provide clear guidelines 13 14 for teleworking that also allow departments to establish their own teleworking practices within those 15 16 quidelines; Establishing clear procedures for implementing a fair 17 (2) 18 and consistent teleworking policy; Providing appropriate training sessions and materials 19 (3) 20 to support training;

2024-0272 HB SMA-1.docx

H.B. NO. 2507

1	(4)	Providing ongoing support when requested, and clear
2		communication of updates as needed, recognizing that
3		employees and managers must invest additional effort
4		to ensure their communications are effective, their
5		message is clear, and that they are providing a
6		continuous flow of information;
7	(5)	Technology:
8		(A) Providing employees at an alternate worksite with
9		the tools and the training to perform their job,
10		including a computer, broadband connection and
11		programs that are comparable to what they would
12		have available in the central worksite;
13		(B) Updating technology to support access to files
14		for employees working away from a central
15		worksite and still maintaining security, as there
16		has been a market trend away from organization-
17		owned and -controlled computing resources towards
18		mobile, cloud, and leased computing resources (a
19		trend that the federal government is embracing);
20		and



1		(C) Ensuring teleworkers and office workers have
2		access to collaboration tools;
3	(6)	Engaging in frequent consultations with unions to
4		ensure a clear understanding of policy and procedures
5		and how it benefits employees;
6	(7)	Allocating resources appropriately to support
7		technology investment and on-going training and
8		support;
9	(8)	Developing plans to identify the best design and use
10		of onsite work facilities to accommodate the changing
11		needs of the workforce;
12	(9)	Subsidizing childcare and eldercare arrangements;
13	(10)	Providing stable broadband and quick resolution of
14		technology issues;
15	(11)	Providing access to mental and physical health breaks;
16	(12)	Introducing or reintroducing a vanpool subsidy where
17		transit is sparse; and
18	(13)	Providing free transit for county and state employees
19		where transit is a viable option.
20	It is	s the legislatures intent to conduct a statewide remote
21	work study	y and develop and administer a remote work program,



1	that strengthens remote work infrastructure to increase					
2	affordability in Hawaii to keep local working families in the					
3	state, an	d inc	entivize the return of former residents, manage			
4	the shift	the shift to a more modern and flexible work future, and				
5	decrease	local	families' transportation costs. Accordingly, the			
6	purpose of this Act is to:					
7	(1)	Requ	ire the department of human resources development			
8		to:				
9		(A)	Conduct a statewide remote work study;			
10		(B)	Review any recent remote work studies done by the			
11			counties;			
12		(C)	Develop and administer a remote work program; and			
13		(D)	Submit the study to the legislature twenty days			
14			prior to the convening of the regular session of			
15			2025; and			
16	(2) Appropriate funds.					
17	SECTION 2. (a) The department of human resources					
18	development shall:					
19	(1) Conduct a statewide remote work study;					
20	(2)	Revi	ew any recent remote work studies done by the			
21		coun	ties, such as the August 2021 telework study <i>Work</i>			



1		Where You Live by the Oahu metropolitan planning	
2		organization; and	
3	(3)	Develop and administer a remote work program.	
4	(b)	The remote work program shall incorporate the outcomes	
5	of the re	mote work study into one- and two-year action plans and	
6	include an equity component that ensures that areas benefitting		
7	from the	remote work program are distributed fairly. The remote	
8	work stud	y shall:	
9	(1)	Identify state jobs that are suitable to be performed	
10		remotely;	
11	(2)	In coordination with the university of Hawaii economic	
12		research organization, identify areas of the State	
13		that have a combination of lower housing costs and	
14		decreased access to good-paying jobs;	
15	(3)	In coordination with the Hawaii broadband and digital	
16		equity office, analyze the condition of the existing	
17		broadband infrastructure in the areas of the State	
18		that have a combination of lower housing costs and	
19		decreased access to good-paying jobs; and	
20	(4)	In coordination with the Hawaii broadband and digital	
21		equity office and other appropriate departments and	



Page 14

agencies, identify other resources needed to support
 remote work in the State, including but not limited to
 access to child care, access to remote working
 equipment, community anchor institutions, technology,
 and training.

6 (c) The department of human resources development shall
7 submit the remote work study to the legislature no later than
8 twenty days prior to the convening of the regular session of
9 2025.

10 (d) The study and remote work program shall be applicable11 only to residents of the State.

(e) For purposes of this section, "remote work" means a job that includes time spent working at a location other than a state office. "Remote work" includes a job both fully remote jobs and hybrid work options.

16 SECTION 3. In accordance with section 9 of article VII of 17 the Hawaii State Constitution and sections 37-91 and 37-93, 18 Hawaii Revised Statutes, the legislature has determined that the 19 appropriations contained in Act 164, Regular Session of 2023, 20 and this Act will cause the state general fund expenditure 21 ceiling for fiscal year 2024-2025 to be exceeded by



1 \$ per cent. This current declaration takes or into account general fund appropriations authorized for fiscal 2 3 year 2024-2025 in Act 164, Regular Session of 2023, and this Act only. The reasons for exceeding the general fund expenditure 4 5 ceiling are that: The appropriation made in this Act is necessary to 6 (1)7 serve the public interest; and The appropriation made in this Act meets the needs 8 (2) addressed by this Act. 9 SECTION 4. There is appropriated out of the general 10 revenues of the State of Hawaii the sum of \$ 11 or so much thereof as may be necessary for fiscal year 2024-2025 for 12 the establishment of one full-time equivalent (1.0 FTE) 13 14 position, who shall be exempt from chapter 76, Hawaii Revised Statutes, to support the development of the remote work program 15 16 established pursuant to section 2 of this Act. 17 The sum appropriated shall be expended by the department of 18 human resources development for the purposes of this Act. 19 SECTION 5. This Act shall take effect on July 1, 2024. 20 INTRODUCED BY:

JAN 2 3 2024



Report Title:

DHRD; Remote Work Study; Program; Action Plan; Position; Establishment; Report; Expenditure Ceiling; Appropriation

Description:

Requires the Department of Human Resources Development to: (1) conduct a remote work study; (2) review any recent remote work studies done by the counties; (3) develop and administer a remote work program; and (4) submit the study to the Legislature prior to the convening of the Regular Session of 2025. Declares that the general fund expenditure ceiling is exceeded. Makes an appropriation.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

