

JAN 19 2024

A BILL FOR AN ACT

RELATING TO GOVERNMENT INNOVATION SHADOWS.

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

1 SECTION 1. The legislature finds that innovation in
2 government is necessary to improve services and efficiencies,
3 and better achieve state goals expected by the public. Even one
4 new idea or innovative process could save millions of dollars.
5 The legislature also finds that recently, the State began
6 upgrading its unemployment benefits system which will save
7 countless hours of work processing unemployment benefits claims
8 in the future. Furthermore, the department of land and natural
9 resources has implemented innovative reservation and access
10 systems in some parks that are now raising millions of dollars
11 from tourists and reducing traffic in local communities. The
12 legislature further finds that more innovative processes and
13 ideas like these are being implemented in other places, and
14 Hawaii can benefit by observing, investigating, and learning
15 best practices and innovative processes, technologies, and
16 ideas.



1 Accordingly, the purpose of this Act is to provide
2 opportunities for employees in state departments to shadow
3 employees of other public and private employers to discover what
4 innovative best practices could be implemented in Hawaii to
5 improve government services and outcomes, and help better
6 achieve state goals.

7 SECTION 2. Chapter 78, Hawaii Revised Statutes, is amended
8 by adding a new section to be appropriately designated and to
9 read as follows:

10 "§78- Government innovation shadow program. (a) With
11 the approval of the respective employer, a governmental unit of
12 the State may participate in a program of temporary assignments
13 of employees to shadow employees of another agency as a sending
14 agency.

15 (b) A participating governmental unit of the State may
16 consider its employee on a temporary shadow assignment as being
17 on detail to a regular work assignment from the employee's
18 position. The employee on temporary shadow assignment shall be
19 entitled to the same rights and benefits as any other employee
20 of the sending agency. The employee on temporary shadow
21 assignment shall be entitled to a day of regular pay at the



1 employee's existing salary for each day of the shadow assignment
2 performed outside of the employee's normal expected work
3 calendar on which the employee's salary is based, including
4 weekends, holidays, or other periods in which the employee is
5 not normally expected to work.

6 (c) Employees approved to participate in the program shall
7 receive reimbursement for economy-class or equivalent airfare
8 and other necessary travel expenses to and from the place of the
9 shadow assignment. The employee shall receive per diem payments
10 calculated using the applicable federal per diem rate for the
11 respective state or place of shadow assignment for each working
12 day of the shadow assignment plus two additional days for
13 travel.

14 (d) Employees applying for a shadow assignment shall
15 provide a written proposal for a shadow assignment to their
16 respective government unit, identifying the potential benefits
17 they may find for the State. An agreement consistent with this
18 section and policies of the employer shall be made between the
19 sending and receiving agencies on matters relating to the shadow
20 assignment, provided that the agreement shall not diminish any



1 rights or benefits to which an employee of a governmental unit
2 of the State is entitled pursuant to this section.

3 (e) Not more than ten employees shall be approved for
4 shadow assignment from each governmental unit or department of
5 the State each fiscal year. Approved shadow assignments shall
6 be no longer than five working days each.

7 (f) No later than fourteen days following the completion
8 of a shadow assignment, the employee shall submit a written
9 report to the employee's respective government unit and the
10 department of human resources development highlighting the
11 details of the employee's shadow assignment, and at least three
12 of the most meaningful innovations, process improvements, or
13 best practices observed that could be reasonably adopted by the
14 State to make a difference in departments, programs, or
15 outcomes. The department of human resources development shall
16 compile and sort recommendations by each department or unit of
17 government for which the recommendations apply and submit an
18 annual report to the legislature no later than December 1 of
19 each year.

20 (g) For purposes of this section:



1 "Agency" means any local, national, or foreign governmental
2 agency, or private organizations or business; provided that the
3 private agency or business has no business or interest with or
4 before the government of the State.

5 "Shadow assignment" means a temporary placement in a
6 relevant work environment to observe, investigate, and learn
7 best practices and innovative processes, technologies, or ideas
8 that may be applicable to the work the employee is involved with
9 in their governmental unit of the State."

10 SECTION 3. In accordance with section 9 of article VII of
11 the Hawaii State Constitution and sections 37-91 and 37-93,
12 Hawaii Revised Statutes, the legislature has determined that the
13 appropriations contained in Act 164, Regular Session of 2023,
14 and this Act will cause the state general fund expenditure
15 ceiling for fiscal year 2024-2025 to be exceeded by
16 \$ or per cent. This current declaration takes
17 into account general fund appropriations authorized for fiscal
18 year 2024-2025 in Act 164, Regular Session of 2023, and this Act
19 only. The reasons for exceeding the general fund expenditure
20 ceiling are that:



S.B. NO. 2709

1 (1) The appropriation made in this Act is necessary to
2 serve the public interest; and

3 (2) The appropriation made in this Act meets the needs
4 addressed by this Act.

5 SECTION 4. There is appropriated out of the general
6 revenues of the State of Hawaii the sum of \$750,000 or so much
7 thereof as may be necessary for fiscal year 2024-2025 for the
8 government innovation shadow program.

9 The sum appropriated shall be expended by the department of
10 human resources development for the purposes of this Act.

11 SECTION 5. New statutory material is underscored.

12 SECTION 6. This Act shall take effect on July 1, 2024.

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INTRODUCED BY: 



S.B. NO. 2709

Report Title:

DHRD; Government Innovation Shadow Program; Report; Expenditure Ceiling; Appropriation

Description:

Establishes a Government Innovation Shadow Program that allows the State's governmental units to temporarily assign employees to shadow employees of other governmental agencies and private organizations and businesses to observe and report innovations, process improvements, and best practices that can be adopted by the State. Requires the Department of Human Resources Development to submit annual reports to the Legislature.

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.

