

---

# A BILL FOR AN ACT

RELATING TO TECHNOLOGY DEVELOPMENT.

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

PART I

SECTION 1. The confluence of the Internet, the world wide web, mobile device development, and other technological advances have helped governments to enhance services without expending significant government funds. However, government entities often do not have the resources or organizational culture to develop innovative solutions. To address this shortfall, communities and government entities have increasingly collaborated to present events, typically lasting as short as a weekend to as long as a month, where software developers compete for prizes by creating proofs of concept to address a specified challenge. These events, known as hackathons, often lead to the discovery of new ways to leverage existing government platforms into expanded services for the public.

In 2016, Governor David Ige and the office of enterprise technology services held the inaugural Hawaii annual code challenge (HACC) to engage the local technology community to



1 help modernize state government. The challenge gathered local  
2 talent to develop modern tools and software applications to  
3 provide enhanced government services to the public. The event  
4 also provided opportunities for students to network and present  
5 their skills to the public and private-sector professional  
6 communities, while allowing government departments to showcase  
7 their open datasets, present their current challenges, and  
8 request potential solutions. Through this collaborative  
9 environment, members of the public interacted directly with  
10 government resources and subject matter experts to help create  
11 innovative solutions and drive civic engagement.

12 The inaugural HACC in 2016 drew more than two hundred fifty  
13 participants who developed several highly regarded proofs of  
14 concept. State departments and other organizations made  
15 challenge pitches to the attendees, who formed teams to pitch  
16 potential solutions. For example, to solve the problem of  
17 managing visitors to correctional facilities, teams created a  
18 visitation software application for the department of public  
19 safety to use at the Oahu community correctional facility.  
20 Similarly, in response to a request from the Institute for Human  
21 Services, participants created a software application to aid



1 social workers in collecting point-in-time information at  
2 homeless encampments. The department of agriculture also  
3 benefitted from a team's development of a website to gather data  
4 on locally grown produce, allowing data to be crowdsourced.

5 At the second annual HACC in 2017, more than three hundred  
6 community participants formed twenty teams to create even more  
7 promising software applications. One team created an online  
8 tool to help the office of elections schedule volunteers during  
9 the busy election season. Another team created a software  
10 application to crowdsource the mapping of buildings to assist  
11 the University of Hawaii to geotag campus buildings. Finally, a  
12 team created an Alexa skill to allow individuals to interface  
13 with the Hawaii Revised Statutes with verbal commands.

14 The purpose of this part is to promote the diversification  
15 of Hawaii's economy, particularly in the innovation technology  
16 sector, by appropriating funds to the Hawaii technology  
17 development corporation to provide grants to software  
18 application challenge participants for the development of proofs  
19 of concept created during the challenges into prototypes.

20 SECTION 2. (a) The Hawaii technology development  
21 corporation shall:



- 1           (1) Use the funds appropriated by this Act, along with any  
2           matching funds, to award grants to help convert proofs  
3           of concept developed in Hawaii during software  
4           application challenges into prototypes suitable for  
5           local and state government use;
- 6           (2) Seek donations from federal and county sources in  
7           addition to any corporate, philanthropic, and other  
8           nongovernment sources; provided that moneys from  
9           donations shall account for not less than fifty per  
10          cent of moneys expended on a project-by-project basis;
- 11          (3) Require that all software applications that are the  
12          subject of any grant awarded be made open source so  
13          that anyone may use those applications free of charge  
14          based upon open source licensing;
- 15          (4) Require that any participant in a software application  
16          challenge is eligible to apply for a grant;
- 17          (5) Appoint a review committee to review grant  
18          applications pursuant to subsection (b) and award  
19          grants subject to available funding; and



(6) Submit a report to the legislature no later than twenty days prior to the convening of the regular session of 2019 on the:

(A) Number and dollar amounts of grants awarded; and

(B) Progress of any software applications developed.

(b) A participant applying for a grant under this Act shall submit a grant application on a form prescribed by the Hawaii technology development corporation. The grant application shall:

(1) Require an overview of the software application and how continued development of that application will impact the State and the pitching agency's ability to service the community;

(2) Require the applicant to present an adoption plan for the software application, including critical success factors and how the software application will sustain itself over time;

(3) Provide major budget components for the software application's development; and

(4) State the outcomes the applicant expects to achieve if awarded a grant.



1 (c) The Hawaii technology development corporation may  
2 expend some of the funds appropriated by this Act to support  
3 software application challenge events, manage the prototype  
4 implementation process, and execute an adoption plan for the  
5 project, including marketing, outreach, and communications.

6 (d) No funds appropriated by this Act may be awarded as a  
7 prize for any software application challenge.

8 (e) For the purposes of this Act:

9 "Open source" means a software application whose source  
10 code is available to the general public, under the terms of a  
11 software license, for use or modification from its original  
12 design.

13 "Pitching agency" means a state or county agency that  
14 challenges software application challenge participants to create  
15 software applications.

16 "Proof of concept" means a software application that serves  
17 as a realization of a certain method or idea in order to  
18 demonstrate its feasibility or to verify that the method or idea  
19 has practical potential.



1 "Prototype" means a software application that possesses  
2 enough function that it may be tested or utilized by the  
3 pitching agency.

4 "Software application" means the applications, or apps,  
5 that result from the software application challenges, including  
6 but not limited to the broad categories of web apps, mobile  
7 apps, computing devices, sensors, augmented reality, and virtual  
8 reality.

9 "Software application challenge" generally refers to events  
10 that bring teams together to collaborate and innovate solutions  
11 for a given theme or problem set.

12 SECTION 3. There is appropriated out of the general  
13 revenues of the State of Hawaii the sum of \$ or so much  
14 thereof as may be necessary for fiscal year 2018-2019 for the  
15 purposes set forth in section 2 of this Act.

16 The sum appropriated shall be expended by the Hawaii  
17 technology development corporation for the purposes of this  
18 part.

19 PART II

20 SECTION 4. A comprehensive economic development strategy  
21 is a strategy-driven plan for regional economic development that



1 stems from a regionally-owned planning process designed to build  
2 capacity and guide the economic prosperity and resiliency of an  
3 area. The 2016-2020 Hawaii Statewide Comprehensive Economic  
4 Development Strategy provides a blueprint for economic  
5 development throughout the State that includes both a statewide  
6 comprehensive economic development strategy containing broad  
7 themes applicable to the entire State, as well as comprehensive  
8 economic development strategies for each of the counties.

9 The legislature finds that the 2016-2020 Hawaii Statewide  
10 Comprehensive Economic Development Strategy provides a vehicle  
11 for individuals, state and county governments, private industry,  
12 educational institutions, and non-profit organizations to engage  
13 in a dialogue to determine what efforts will work best for the  
14 development of Hawaii's economy, particularly in the technology  
15 sector.

16 The purpose of this Part is to require the department of  
17 business, economic development and tourism to conduct a  
18 comprehensive review of the 2016-2020 Hawaii Statewide  
19 Comprehensive Economic Development Strategy and develop regional  
20 economic plans to increase the development of the technology  
21 industry, including plans to attract, establish, or expand





1 technology sector jobs, in both urban and rural areas of each  
2 county of the state.

3 SECTION 5. (a) The department of business, economic  
4 development and tourism shall conduct a comprehensive review of  
5 the 2016-2020 Hawaii Statewide Comprehensive Economic  
6 Development Strategy. The review shall be conducted on both the  
7 statewide comprehensive economic development strategy and any  
8 comprehensive economic development strategies developed for each  
9 of the counties, including any regional or community plans.

10 (b) After conducting the comprehensive review required  
11 under subsection (a), the department of business, economic  
12 development and tourism, shall develop regional economic plans  
13 to increase the development of the technology industry,  
14 including plans to attract, establish, or expand technology  
15 sector jobs, in both urban and rural areas of each county of the  
16 state based on the development of designated regions or  
17 communities in the respective county.

18 (c) The department of business, economic development and  
19 tourism shall submit a report of its findings and  
20 recommendations, including recommendations on how to further  
21 develop the technology industry, technology sector jobs, and any



1 necessary skills for employment in the technology industry in  
2 each economic region, as well as any proposed legislation to the  
3 legislature no later than twenty days prior to the convening of  
4 the regular session of 2019.

5 PART III

6 SECTION 6. This Act shall take effect on July 1, 2050.



**Report Title:**

Technology; Software Application Challenges; Grants;  
Appropriation

**Description:**

Part I: Appropriates funds for grants to participants in software application challenges so that the proofs of concept created during the challenges can be developed into prototypes suitable for local and state government. Part II: Requires the Department of Business, Economic Development and Tourism to conduct a comprehensive review of the 2016-2020 Hawaii Statewide Comprehensive Economic Development Strategy and develop regional economic plans. (SB2902 HD1)

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

