

JAN 27 2010

# A BILL FOR AN ACT

RELATING TO INFORMATION TECHNOLOGY.

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

1       SECTION 1. The purpose of this Act is to establish a  
2       central office to coordinate information technology policies  
3       throughout state government and to improve information  
4       technology performance and efficiency. Increased information  
5       technology efficiency across state departments and agencies will  
6       permit the State to benefit from substantial cost savings by  
7       implementing a centrally coordinated planning and implementation  
8       process for common information technology systems, software, and  
9       hardware. To serve this purpose, this Act creates the office of  
10      information technology, the position of chief information  
11      officer, and a shared services technology special fund.

12      Participating state departments and agencies shall  
13      contribute to the shared services technology fund so that the  
14      fund may take advantage of bulk purchases and coordinated  
15      multi-department and statewide contracts and agreements to  
16      generate overall cost reductions through economies of scale and  
17      decreased administrative burdens. The chief information officer



1 shall oversee the fund and shall administer shared services  
2 including technology contracts; project and procurement  
3 management; computer security administration; voice and data  
4 communications and messaging services, software, hardware,  
5 infrastructure and support; and data center and disaster  
6 recovery facilities management and services.

7 SECTION 2. Section 26-6, Hawaii Revised Statutes, is  
8 amended by amending subsection (b) to read as follows:

9 "(b) The department shall:

10 (1) Preaudit and conduct after-the-fact audits of the  
11 financial accounts of all state departments to  
12 determine the legality of expenditures and the  
13 accuracy of accounts;

14 (2) Report to the governor and to each regular session of  
15 the legislature as to the finances of each department  
16 of the State;

17 (3) Administer the state risk management program;

18 (4) Establish and manage motor pools;

19 (5) Manage the preservation and disposal of all records of  
20 the State;

21 (6) Undertake the program of centralized engineering and  
22 office leasing services, including operation and



1 maintenance of public buildings, for departments of  
2 the State;

3 (7) Undertake the functions of the state surveyor;

4 (8) Establish accounting and internal control systems;

5 ~~[-(9)- Provide centralized computer information management~~  
6 ~~and processing services, coordination in the use of~~  
7 ~~all information processing equipment, software,~~  
8 ~~facilities, and services in the executive branch of~~  
9 ~~the State, and consultation and support services in~~  
10 ~~the use of information processing and management~~  
11 ~~technologies to improve the efficiency, effectiveness,~~  
12 ~~and productivity of state government programs,]~~ and

13 ~~[-(10)-]~~ (9) Establish, coordinate, and manage a program to  
14 provide a means for public access to public  
15 information and develop and operate an information  
16 network in conjunction with its overall plans for  
17 establishing a communication backbone for state  
18 government."

19 SECTION 3. Section 26-9, Hawaii Revised Statutes, is  
20 amended to read as follows:

21 "**§26-9 Department of commerce and consumer affairs.** (a)

22 The department of commerce and consumer affairs shall be headed



1 by a single executive to be known as the director of commerce  
2 and consumer affairs.

3 (b) The department shall protect the interests of  
4 consumers, depositors, and investors throughout the State. It  
5 shall set standards and enforce all laws and rules governing the  
6 licensing and operation of, and register and supervise the  
7 conduct of, trades, businesses, and professions, including  
8 banks, insurance companies, brokerage firms, and other financial  
9 institutions.

10 (c) The board of acupuncture, board of public accountancy,  
11 board of barbering and cosmetology, boxing commission, board of  
12 chiropractic examiners, contractors license board, board of  
13 dental examiners, board of electricians and plumbers, elevator  
14 mechanics licensing board, board of professional engineers,  
15 architects, surveyors, and landscape architects, board of  
16 massage therapy, Hawaii medical board, motor vehicle industry  
17 licensing board, motor vehicle repair industry board, board of  
18 naturopathic medicine, board of nursing, board of examiners in  
19 optometry, pest control board, board of pharmacy, board of  
20 physical therapy, board of psychology, board of private  
21 detectives and guards, real estate commission, board of  
22 veterinary examiners, board of speech pathology and audiology,



1 and any board, commission, program, or entity created pursuant  
2 to or specified by statute in furtherance of the purpose of this  
3 section including but not limited to [~~section 26H-4, or~~]  
4 chapters 484, 514A, 514B, and 514E shall be placed within the  
5 department of commerce and consumer affairs for administrative  
6 purposes.

7 (d) Except as otherwise provided by this chapter, the  
8 functions, duties, and powers, subject to the administrative  
9 control of the director of commerce and consumer affairs, and  
10 the composition of each board and commission shall be as  
11 provided by law.

12 (e) Notwithstanding any provision to the contrary, the  
13 employment, appointment, promotion, transfer, demotion,  
14 discharge, and job descriptions of all officers and employees  
15 under the administrative control of this department shall be  
16 determined by the director of commerce and consumer affairs  
17 subject only to applicable personnel laws.

18 (f) The director of commerce and consumer affairs may  
19 appoint a hearings officer or officers not subject to chapter 76  
20 to hear and decide any case or controversy regarding licenses  
21 and the application and enforcement of rules involving any of  
22 the boards, commissions, or regulatory programs within the



1 department of commerce and consumer affairs. The hearings  
2 officer or officers shall have power to issue subpoenas,  
3 administer oaths, hear testimony, find facts, and make  
4 conclusions of law and a recommended decision; provided that the  
5 conclusions and decisions shall be subject to review and  
6 redetermination by the officer, board, or commission [which]  
7 that would have heard the case in the first instance in the  
8 absence of a hearings officer. The review shall be conducted in  
9 accordance with chapter 91.

10 (g) The director of commerce and consumer affairs may  
11 appoint an information officer not subject to chapter 76 who  
12 shall ensure the prompt and efficient handling of consumer  
13 inquiries and the development of a strong consumer education  
14 program.

15 (h) The director may appoint a complaints and enforcement  
16 officer not subject to chapter 76 who shall facilitate the  
17 receipt, arbitration, investigation, prosecution, and hearing of  
18 complaints regarding any person who furnishes commodities,  
19 services, or real estate for which a license, registration, or  
20 certificate is required from the department or any board,  
21 commission, or regulatory program thereunder. In representing  
22 the State in bringing any action to enjoin unlicensed,



1   unregistered, or uncertified activities, the department of  
2   commerce and consumer affairs' attorneys shall be empowered to  
3   exercise all authority granted to the attorney general and to  
4   the director of the office of consumer protection under sections  
5   487-12, 487-14, 480-3.1, 480-15, 480-15.1, 480-20(c), and  
6   480-22, as these sections now exist and as they subsequently may  
7   be amended. The attorneys also shall be ~~[empowered to exercise~~  
8   ~~all authority granted to the attorney general and to the~~  
9   ~~responsible attorneys of the various counties under section~~  
10   ~~92F-13]~~ subject to chapter 92F in all cases involving documents  
11   and records within the custody or control of the regulated  
12   industries complaints office.

13       (i) The functions and authority previously exercised by  
14   the treasurer (except funds custody, cash management, debt  
15   management, and administering of veterans loans transferred to  
16   the department of budget and finance) as constituted are  
17   transferred to the department of commerce and consumer affairs  
18   established by this chapter.

19       (j) In the course of an investigation of matters affecting  
20   the interest of consumers, depositors, or investors, or of any  
21   other matter within the jurisdiction of the department, the  
22   director shall have the power to subpoena witnesses, examine



1 witnesses under oath, and require the production of books,  
2 papers, documents, or objects that the director deems relevant  
3 or material to the inquiry. Upon application by the director,  
4 obedience to the subpoena may be enforced by the circuit court  
5 in the county in which the person subpoenaed resides or is found  
6 in the same manner as a subpoena issued by the clerk of a  
7 circuit court.

8       The director shall appoint and commission one or more  
9 investigators as the exigencies of the public service may  
10 require. Persons appointed and commissioned under this section  
11 may serve subpoenas and serve process and orders pursuant to  
12 section 634-21. Nothing in this subsection shall be construed  
13 to entitle persons appointed and commissioned by the director to  
14 retirement benefits applicable to police officers under chapter  
15 88.

16       (k) The director may adopt, amend, or repeal rules  
17 pursuant to chapter 91 to effectuate the purposes of all laws  
18 within the jurisdiction of the department of commerce and  
19 consumer affairs. The director's authority to adopt rules shall  
20 not modify, impair, or otherwise affect the power of boards and  
21 commissions placed within the department of commerce and  
22 consumer affairs for administrative purposes from adopting,





1 amending, or repealing rules, except as provided for in  
2 subsection (1).

3 (1) Any law to the contrary notwithstanding, the director  
4 of commerce and consumer affairs may:

5 (1) Establish, increase, decrease, or repeal fees relating  
6 to any aspect of the registration, certification,  
7 licensure, or any other administrative process for all  
8 laws within the jurisdiction of the department.

9 Amendments to fee assessments shall be made pursuant  
10 to chapter 91;

11 (2) Assess fees for copies in any form of media of the  
12 computerized records of the business registration  
13 division or for electronic access to the computerized  
14 information on a one-time or on-going basis. The fees  
15 charged for the copies or access may include billing  
16 service fees, network usage fees, and computer  
17 consultant fees. In adopting these fees, the director  
18 shall take into account the intent to make the  
19 division self-supporting. To this end, the fees may  
20 reflect the commercial value of the service or  
21 information provided. In the case of requests for  
22 records by a nonprofit organization, the director may



1           reduce or waive the fees. This paragraph shall  
2           control in any instance where there is a conflict  
3           between this paragraph and any other statute; and

4           (3) Assess fees for copies of consumer and business  
5           educational publications prepared or issued by the  
6           department. Fees collected under this paragraph shall  
7           be deposited into the compliance resolution fund under  
8           subsection (o). In the case of requests for copies by  
9           a nonprofit organization, the director may reduce or  
10          waive the fees. For purposes of this paragraph,  
11          "consumer and business educational publications" does  
12          not include copies of statutes or administrative  
13          rules.

14          The fees collected by the professional and vocational  
15          licensing division and the business registration division shall  
16          be deposited into the compliance resolution fund under  
17          subsection (o).

18          The director may appoint program specialists, not subject  
19          to chapter 76, to assist with the activities of the professional  
20          and vocational licensing division.

21          (m) Notwithstanding section 92-17 or any other law to the  
22          contrary, all boards, commissions, and regulatory programs



1 placed within the department of commerce and consumer affairs  
2 for administrative purposes shall delegate their authority to  
3 receive, arbitrate, investigate, and prosecute complaints to the  
4 department.

5 (n) Each board and commission, as well as the director, by  
6 written order, may delegate to the executive secretary or other  
7 personnel of the department any of its powers or duties as it  
8 deems reasonable and proper for the administration of the  
9 licensing laws that are within the jurisdiction of the  
10 department of commerce and consumer affairs. The delegated  
11 powers and duties may be exercised by the executive secretary or  
12 other personnel of the department in the name of the board,  
13 commission, or the director. However, neither a board, a  
14 commission, nor the director shall delegate the authority to  
15 adopt, amend, or repeal rules or take final disciplinary action  
16 against a licensee.

17 (o) Every person licensed under any chapter within the  
18 jurisdiction of the department of commerce and consumer affairs  
19 and every person licensed subject to chapter 485A or registered  
20 under chapter 467B shall pay upon issuance of a license, permit,  
21 certificate, or registration a fee and a subsequent annual fee  
22 to be determined by the director and adjusted from time to time



1 to ensure that the proceeds, together with all other fines,  
2 income, and penalties collected under this section, do not  
3 surpass the annual operating costs of conducting compliance  
4 resolution activities required under this section. The fees may  
5 be collected biennially or pursuant to rules adopted under  
6 chapter 91, and shall be deposited into the special fund  
7 established under this subsection. Every filing pursuant to  
8 chapter 514E or section 485A-202(a)(26) shall be assessed, upon  
9 initial filing and at each renewal period in which a renewal is  
10 required, a fee that shall be prescribed by rules adopted under  
11 chapter 91, and that shall be deposited into the special fund  
12 established under this subsection. Any unpaid fee shall be paid  
13 by the licensed person, upon application for renewal,  
14 restoration, reactivation, or reinstatement of a license, and by  
15 the person responsible for the renewal, restoration,  
16 reactivation, or reinstatement of a license, upon the  
17 application for renewal, restoration, reactivation, or  
18 reinstatement of the license. If the fees are not paid, the  
19 director may deny renewal, restoration, reactivation, or  
20 reinstatement of the license. The director may establish,  
21 increase, decrease, or repeal the fees when necessary pursuant



1 to rules adopted under chapter 91. The director may also  
2 increase or decrease the fees pursuant to section 92-28.

3       There is created in the state treasury a special fund to be  
4 known as the compliance resolution fund to be expended by the  
5 director's designated representatives as provided by this  
6 subsection. Notwithstanding any law to the contrary, all  
7 revenues, fees, and fines collected by the department shall be  
8 deposited into the compliance resolution fund. Unencumbered  
9 balances existing on June 30, 1999, in the cable television fund  
10 under chapter 440G, the division of consumer advocacy fund under  
11 chapter 269, the financial institution examiners' revolving  
12 fund, section 412:2-109, the special handling fund, section  
13 414-13, and unencumbered balances existing on June 30, 2002, in  
14 the insurance regulation fund, section 431:2-215, shall be  
15 deposited into the compliance resolution fund. This provision  
16 shall not apply to the drivers education fund underwriters fee,  
17 sections 431:10C-115 and 431:10G-107, insurance premium taxes  
18 and revenues, revenues of the workers' compensation special  
19 compensation fund, section 386-151, the captive insurance  
20 administrative fund, section 431:19-101.8, the insurance  
21 commissioner's education and training fund, section 431:2-214,  
22 the medical malpractice patients' compensation fund as



1 administered under section 5 of Act 232, Session Laws of Hawaii  
2 1984, and fees collected for deposit in the office of consumer  
3 protection restitution fund, section 487-14, the real estate  
4 appraisers fund, section 466K-1, the real estate recovery fund,  
5 section 467-16, the real estate education fund, section 467-19,  
6 the contractors recovery fund, section 444-26, the contractors  
7 education fund, section 444-29, and the condominium education  
8 trust fund, section 514B-71. Any law to the contrary  
9 notwithstanding, the director may use the moneys in the fund to  
10 employ, without regard to chapter 76, hearings officers and  
11 attorneys. All other employees may be employed in accordance  
12 with chapter 76. Any law to the contrary notwithstanding, the  
13 moneys in the fund shall be used to fund the operations of the  
14 department. The moneys in the fund may be used to train  
15 personnel as the director deems necessary and for any other  
16 activity related to compliance resolution.

17 As used in this subsection, unless otherwise required by  
18 the context, "compliance resolution" means a determination of  
19 whether:

- 20 (1) Any licensee or applicant under any chapter subject to  
21 the jurisdiction of the department of commerce and  
22 consumer affairs has complied with that chapter;



1 (2) Any person subject to chapter 485A has complied with  
2 that chapter;

3 (3) Any person submitting any filing required by chapter  
4 514E or section 485A-202(a)(26) has complied with  
5 chapter 514E or section 485A-202(a)(26);

6 (4) Any person has complied with the prohibitions against  
7 unfair and deceptive acts or practices in trade or  
8 commerce; [~~or~~]

9 (5) Any person subject to chapter 467B has complied with  
10 that chapter; or

11 (6) Any department or agency of the State is in compliance  
12 with the information technology policy established  
13 pursuant to subsection (p);

14 and includes work involved in or supporting the above functions,  
15 licensing[~~r~~] or registration of individuals or companies  
16 regulated by the department, consumer protection, bringing  
17 departments or agencies of the State into compliance with  
18 information technology policies, and other activities of the  
19 department.

20 The director shall prepare and submit an annual report to  
21 the governor and the legislature on the use of the compliance



1 resolution fund. The report shall describe expenditures made  
2 from the fund including non-payroll operating expenses.

3 (p) The department shall provide centralized computer  
4 information management and processing services; coordinate the  
5 use of all information processing equipment, software,  
6 facilities, and services for all departments and agencies in the  
7 executive branch of the State; and shall consult and provide  
8 support services in the use of information processing and  
9 management technologies to improve the efficiency,  
10 effectiveness, and productivity of state government programs.

11 There is hereby created within the department the office of  
12 information technology to be headed by the chief information  
13 officer, who shall be exempt from chapter 76, in order to carry  
14 out the purposes of this subsection.

15 The salary of the chief information officer shall be equal  
16 to ninety-five per cent of the director of commerce and consumer  
17 affairs' salary. The chief information officer shall:

18 (1) Serve as the State's chief information officer;

19 (2) Oversee the development and implementation of a  
20 standardized information technology policy for all  
21 departments and agencies of the executive branch of  
22 the State;





1       (3) Be, by reason of education and experience, qualified  
2       to carry out the information and executive functions  
3       of the position created by this subsection;

4       (4) Manage and expend the shared services technology  
5       special fund created by this subsection;

6       (5) Make rules, pursuant to chapter 91, for the  
7       administration of this subsection and the functions of  
8       the chief information officer; and

9       (6) Select and hire additional staff required to carry out  
10       the purposes of this subsection, subject to chapter  
11       76.

12       There is created in the state treasury a special fund to be  
13       known as the shared services technology special fund to be  
14       administered and expended by the chief information officer as  
15       specified in this subsection. Five per cent of the receipts  
16       collected from special funds pursuant to section 36-27 and five  
17       per cent of all revenues, fees, and fines deposited into the  
18       compliance resolution fund under subsection (o) shall be  
19       deposited into the shared services technology special fund. Any  
20       law to the contrary notwithstanding, the moneys in the fund  
21       shall be used to fund the operations of the office of  
22       information technology, including the employment and training of



1 staff and any other activities to carry out the purposes of this  
2 subsection as the chief information officer deems necessary.

3       ~~[(p)]~~ (q) Any law to the contrary notwithstanding, the  
4 department of commerce and consumer affairs, or any board or  
5 commission placed within it for administrative purposes, may  
6 contract with professional testing services to prepare,  
7 administer, and grade examinations and tests for license  
8 applicants. For these purposes, the department may require  
9 applicants to pay the examination fee directly to the testing  
10 agency.

11       ~~[(q)]~~ (r) Any law to the contrary notwithstanding, when  
12 any type of bond or insurance required to be maintained by any  
13 licensee under a regulatory program of the department of  
14 commerce and consumer affairs, or of any board or commission  
15 assigned to the department of commerce and consumer affairs,  
16 cannot reasonably be secured, the department, board, or  
17 commission may provide by rule for alternative forms of security  
18 to the consumer so long as that alternate security is no less  
19 than that provided by the type of bond or insurance initially  
20 required.

21       ~~[(r)]~~ (s) Notwithstanding any other law to the contrary,  
22 the department of commerce and consumer affairs, or any board or



1 commission placed within it for administrative purposes, may  
2 change any license renewal date by rules adopted in accordance  
3 with chapter 91.

4       ~~[(s)]~~ (t) The director of commerce and consumer affairs  
5 may establish advisory committees, the members of which shall  
6 serve as consultants to the boards and to the director in their  
7 review of licensees referred for possible disciplinary action  
8 and as experts to the department for investigations and  
9 professional vocational licensing matters. Each advisory  
10 committee shall be appointed by the director from a list of  
11 licensees submitted annually by the board or by referral from  
12 the regulated industry for which an advisory committee is  
13 appointed. Each member of the committee shall serve until a new  
14 committee is established or until the particular case for which  
15 the member was designated a consultant or expert has been  
16 concluded.

17       All members of the advisory committee shall serve  
18 voluntarily and without compensation, but shall be paid  
19 reasonable allowances for travel and expenses that may be  
20 incurred as a result of performance of their duties on the  
21 committee. The costs shall be paid by the department.



1 Any member of the advisory committee shall be immune from  
2 civil liability for any act done in connection with this  
3 subsection."

4 SECTION 4. Section 27-41, Hawaii Revised Statutes, is  
5 amended by amending subsection (b) to read as follows:

6 "(b) The duties of the special advisor shall include but  
7 not be limited to:

8 (1) Developing, coordinating, and implementing short- and  
9 long-range state policies and directions to enhance  
10 the development of high technology industries in  
11 Hawaii;

12 (2) Coordinating all state high technology agencies,  
13 except the office of information technology, while  
14 developing a plan for reorganization or consolidation  
15 of these agencies in the interests of greater  
16 efficiency and cost effectiveness;

17 (3) Advising the private sector in the development of high  
18 technology activities and resources and providing  
19 technical or other assistance to private industry upon  
20 request;



- 1           (4)   Creating, disseminating, and updating a listing of all  
2                   high technology assistance programs in the State and  
3                   where they can be reached;
- 4           (5)   Pursuing appropriate public-private sector business  
5                   partnerships;
- 6           (6)   Coordinating the State's promotion and marketing of  
7                   the high technology industry, including a review of  
8                   current marketing efforts;
- 9           (7)   Arranging for the conduct of research through  
10                  contractual services with the University of Hawaii or  
11                  any agency or other qualified persons;
- 12          (8)   Encouraging the development of educational, training,  
13                  and career programs in high technology industries; and
- 14          (9)   Performing other necessary or desirable functions to  
15                  facilitate the intent of this section."

16           SECTION 5.   Section 36-27, Hawaii Revised Statutes, is  
17   amended to read as follows:

18           "**§36-27   Transfers from special funds for central service**  
19   **expenses.**   (a)   Except as provided in this section, and  
20   notwithstanding any other law to the contrary, from time to  
21   time, the director of finance, for the purpose of defraying the



1 prorated estimate of central service expenses of government in  
2 relation to all special funds, except the:

3 (1) Special out-of-school time instructional program fund  
4 under section 302A-1310;

5 (2) School cafeteria special funds of the department of  
6 education;

7 (3) Special funds of the University of Hawaii;

8 (4) State educational facilities improvement special fund;

9 (5) Convention center enterprise special fund under  
10 section 201B-8;

11 (6) Special funds established by section 206E-6;

12 (7) Housing loan program revenue bond special fund;

13 (8) Housing project bond special fund;

14 (9) Aloha Tower fund created by section 206J-17;

15 (10) Funds of the employees' retirement system created by  
16 section 88-109;

17 (11) Unemployment compensation fund established under  
18 section 383-121;

19 (12) Hawaii hurricane relief fund established under chapter  
20 431P;

21 (13) Hawaii health systems corporation special funds and  
22 the subaccounts of its regional system boards;



- 1       (14)   Tourism special fund established under section  
2               201B-11;
- 3       (15)   Universal service fund established under [~~chapter~~  
4               269~~+~~] section 269-42;
- 5       (16)   Emergency and budget reserve fund under section  
6               328L-3;
- 7       (17)   Public schools special fees and charges fund under  
8               section 302A-1130 [~~+~~];
- 9       (18)   Sport fish special fund under section 187A-9.5;
- 10      (19)   Glass advance disposal fee [~~special fund~~] established  
11             by section 342G-82;
- 12      (20)   Center for nursing special fund under section  
13             304A-2163;
- 14      (21)   Passenger facility charge special fund established by  
15             section 261-5.5;
- 16      (22)   Court interpreting services revolving fund under  
17             section 607-1.5;
- 18      (23)   Hawaii cancer research special fund;
- 19      (24)   Community health centers special fund;
- 20      (25)   Emergency medical services special fund; [and]
- 21      (26)   Rental motor vehicle customer facility charge special  
22             fund established under section 261-5.6 [~~7~~] and



1        (27) Shared services technology special fund under section  
2                    26-9(p),

3 shall deduct five per cent of all receipts of all special funds,  
4 which deduction shall be transferred to the general fund of the  
5 State and become general realizations of the State. All  
6 officers of the State and other persons having power to allocate  
7 or disburse any special funds shall cooperate with the director  
8 in effecting these transfers. To determine the proper revenue  
9 base upon which the central service assessment is to be  
10 calculated, the director shall adopt rules pursuant to chapter  
11 91 for the purpose of suspending or limiting the application of  
12 the central service assessment of any fund. No later than  
13 twenty days prior to the convening of each regular session of  
14 the legislature, the director shall report all central service  
15 assessments made during the preceding fiscal year.

16        (b) Notwithstanding any other law to the contrary, the  
17 director shall deposit five per cent of all moneys collected  
18 pursuant to subsection (a) into the shared services technology  
19 special fund established pursuant to section 26-9(p)."

20        SECTION 6. Section 36-30, Hawaii Revised Statutes, is  
21 amended by amending subsections (a) and (b) to read as follows:

22        "(a) Each special fund, except the:





- 1 (1) Transportation use special fund established by section
- 2 261D-1;
- 3 (2) Special out-of-school time instructional program fund
- 4 under section 302A-1310;
- 5 (3) School cafeteria special funds of the department of
- 6 education;
- 7 (4) Special funds of the University of Hawaii;
- 8 (5) State educational facilities improvement special fund;
- 9 (6) Special funds established by section 206E-6;
- 10 (7) Aloha Tower fund created by section 206J-17;
- 11 (8) Funds of the employees' retirement system created by
- 12 section 88-109;
- 13 (9) Unemployment compensation fund established under
- 14 section 383-121;
- 15 (10) Hawaii hurricane relief fund established under section
- 16 431P-2;
- 17 (11) Convention [+]center[+] enterprise special fund
- 18 established under section 201B-8;
- 19 (12) Hawaii health systems corporation special funds and
- 20 the subaccounts of its regional system boards;
- 21 (13) Tourism special fund established under section
- 22 201B-11;



- 1       (14) Universal service fund established under [chapter  
2       269,] section 269-42;
- 3       (15) Emergency and budget reserve fund under section  
4       328L-3;
- 5       (16) Public schools special fees and charges fund under  
6       section 302A-1130[~~(f)~~];
- 7       (17) Sport fish special fund under section 187A-9.5;
- 8       (18) Center for nursing special fund under section  
9       304A-2163;
- 10      (19) Passenger facility charge special fund established by  
11      section 261-5.5;
- 12      (20) Court interpreting services revolving fund under  
13      section 607-1.5;
- 14      (21) Hawaii cancer research special fund;
- 15      (22) Community health centers special fund;
- 16      (23) Emergency medical services special fund; [and]
- 17      (24) Rental motor vehicle customer facility charge special  
18      fund established under section 261-5.6[~~7~~]; and
- 19      (25) Shared services technology special fund under section  
20      26-9(p),



1 shall be responsible for its pro rata share of the  
2 administrative expenses incurred by the department responsible  
3 for the operations supported by the special fund concerned.

4 (b) Administrative expenses shall include:

5 (1) Salaries;

6 (2) Maintenance of buildings and grounds;

7 (3) Utilities; [and]

8 (4) General office expenses[-]; and

9 (5) Implementation of information technology policies

10 developed by the chief information officer pursuant to

11 section 26-9(p)."

12 SECTION 7. All rights, powers, functions, and duties of  
13 the department of accounting and general services relating to  
14 the provision of centralized computer information management and  
15 processing services, coordination in the use of all information  
16 processing equipment, software, facilities, and services in the  
17 executive branch of the State, and consultation and support  
18 services in the use of information processing and management  
19 technologies are transferred to the office of information  
20 technology established pursuant to section 26-9(p), Hawaii  
21 Revised Statutes.



1 All officers and employees whose functions are transferred  
2 by this Act shall be transferred with their functions and shall  
3 continue to perform their regular duties upon their transfer,  
4 subject to the State personnel laws and this Act; provided that  
5 any relevant functions performed by the comptroller shall be  
6 transferred to the chief information officer and the position of  
7 comptroller shall remain within the department of accounting and  
8 general services.

9 No officer or employee of the State having tenure shall  
10 suffer any loss of salary, seniority, prior service credit,  
11 vacation, sick leave, or other employee benefit or privilege as  
12 a consequence of this Act, and an officer or employee may be  
13 transferred or appointed to a civil service position without the  
14 necessity of examination; provided that the officer or employee  
15 possesses the minimum qualifications for the position to which  
16 transferred or appointed; and provided that subsequent changes  
17 in status may be made pursuant to applicable civil service and  
18 compensation laws.

19 An officer or employee of the State who does not have  
20 tenure and who may be transferred or appointed to a civil  
21 service position as a consequence of this Act shall become a  
22 civil service employee without the loss of salary, seniority,



1 prior service credit, vacation, sick leave, or other employee  
2 benefits or privileges and without the necessity of examination;  
3 provided that the officer or employee possesses the minimum  
4 qualifications for the position to which transferred or  
5 appointed.

6 If an office or position held by an officer or employee  
7 having tenure is abolished, the officer or employee shall not  
8 thereby be separated from public employment, but shall remain in  
9 the employment of the State with the same pay and classification  
10 and shall be transferred to some other office or position for  
11 which the officer or employee is eligible under the personnel  
12 laws of the State as determined by the head of the department or  
13 the governor.

14 SECTION 8. All appropriations, records, equipment,  
15 machines, files, supplies, contracts, books, papers, documents,  
16 maps, and other personal property heretofore made, used,  
17 acquired, or held by the department of accounting and general  
18 services relating to the functions transferred to the department  
19 of commerce and consumer affairs shall be transferred with the  
20 functions to which they relate.

21 SECTION 9. Act 79, Session Laws of Hawaii 2009, is amended  
22 by amending section 34 to read as follows:



1       "SECTION 34. This Act shall take effect upon its approval;  
2 provided that:

3       (1) Part I shall take effect on June 9, 2009;

4       (2) Part II shall take effect on June 9, 2009;

5       (3) Part III shall take effect on July 1, 2009, and shall  
6 be repealed on June 30, 2015; provided that sections  
7 21D-5, 36-27, 36-30, 201-85, 304A-3005, 342D-82, and  
8 261D-3, Hawaii Revised Statutes, shall be reenacted in  
9 the form in which they read on June 30, 2009; provided  
10 further that the amendments made to sections 36-27 and  
11 36-30, Hawaii Revised Statutes, shall not be repealed  
12 when those sections are reenacted on June 30, 2015 by  
13 Act       , Session Laws of Hawaii 2010; and

14       (4) Part IV shall take effect on July 1, 2009, and shall  
15 be repealed on July 1, 2015; provided that section  
16 36-21, Hawaii Revised Statutes, shall be reenacted in  
17 the form in which it read on June 30, 2009."

18       SECTION 10. Statutory material to be repealed is bracketed  
19 and stricken. New statutory material is underscored.



1 SECTION 11. This Act shall take effect on July 1, 2010.

2

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**Report Title:**

Information Technology; Chief Information Officer; Shared Services Technology Special Fund

**Description:**

Transfers responsibilities for developing and implementing statewide technology policies from the Department of Accounting and General Services to the Department of Commerce and Consumer Affairs. Creates the position of chief information officer. Creates and funds the shared services technology special fund.

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

