STAND. COM. REP. NO. 846 -10

Honolulu, Hawaii Machig, 2010 RE: S.B. No. 2548 S.D. 2 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Sir:

Your Committee on Economic Revitalization, Business, & Military Affairs, to which was referred S.B. No. 2548, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO INFORMATION TECHNOLOGY,"

begs leave to report as follows:

The purpose of this bill is to improve the administration of the State's information technology (IT) resources by:

- Establishing a full-time Chief Information Officer (CIO) to organize, manage, and oversee the state IT;
- (2) Creating an IT Steering Committee (Steering Committee), including representatives of large information technology user agencies of the Executive, Judicial, and Legislative Branches to assist the Chief Information Officer;
- (3) Creating Shared Services Technology Special Fund into which a percentage of the special fund assessments for government central service expenses is to be deposited and used to fund the activities of the CIO and Steering Committee; and
- (4) Providing that the departmental administrative expenses which each special fund must reimburse under section 36-



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30, Hawaii Revised Statutes, include the implementation of IT policies developed by the CIO and Steering Committee.

The Hawaii Medical Service Association supported this bill. The High Technology Development Corporation supported the intent of this measure. The Office of the Governor and Department of Accounting and General Services opposed this bill. The Department of Budget and Finance and Department of the Attorney General provided comments.

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During tough economic times, the private sector looks to IT for solutions. This bill will allow the State to review and improve its own management of IT and to more effectively use IT to meet the difficult challenge of providing public services with reduced resources.

Your Committee finds that implementation of this bill involves the establishment of a cabinet-level position, and a determination must be made as to whether this would fit into the overall financial plan for the State. To encourage further discussion of this measure, your Committee has changed its effective date to July 1, 2112.

As affirmed by the record of votes of the members of your Committee on Economic Revitalization, Business, & Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2548, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2548, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

SB2548 HD1 HSCR EBM HMS 2010-2750

Respectfully submitted on behalf of the members of the Committee on Economic Revitalization, Business, & Military Affairs,

L.K. MCKELVEY, Chair

State of Hawaii House of Representatives The Twenty-fifth Legislature



Record of Votes of the Committee on Economic Revitalization, Business, & Military Affairs

Bill/Resolution No.: 554 Committee Referral: Date: 3/18/10				
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: □ Pass, unamended (as is) → Pass, with amendments (HD) □ Hold □ Pass short form bill with HD to recommit for future public hearing (recommit)				
EBM Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)				
2. CHOY, Isaac W. (VC)				
3. BERG, Lyla B.				v
4. EVANS, Cindy				
5. MANAHAN, Joey				
6. TAKAI, K. Mark				~
7. TOKIOKA, James Kunane				
8. TSUJI, Clift	V			
9. WAKAI, Glenn				~~~~
10. WOOLEY, Jessica	<u></u>			
11. WARD, Gene	<u> </u>			
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TOTAL (11)	7			4
The recommendation is: Adopted If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				