

DAVID Y. IGE GOVERNOR

June 6, 2016

HONOLULU

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Twenty-Eighth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Joseph M. Souki, Speaker and Members of the House of Representatives Twenty-Eighth State Legislature State Capitol, Room 431 Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Souki, and Members of the Legislature:

This is to inform you that on June 6, 2016, the following bill was signed into law:

SB2807 SD2

RELATING TO ENTERPRISE TECHNOLOGY SERVICES
ACT 058 (16)

Sincerely,

DAVID Y. IGE

Governor, State of Hawai'i

### Approved by the Governor

THE SENATE
TWENTY-EIGHTH LEGISLATURE, 2016
STATE OF HAWAII



# A BILL FOR AN ACT

RELATING TO ENTERPRISE TECHNOLOGY SERVICES.

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

| 1  | SECTION 1. In 2009, the legislative auditor reported that     |  |  |  |  |  |  |  |  |
|----|---|--|--|--|--|--|--|--|--|
| 2  | the State's management of information technology was weak and |  |  |  |  |  |  |  |  |
| 3  | ineffective, requiring clearly defined roles, duties, and     |  |  |  |  |  |  |  |  |
| 4  | responsibilities. The report noted that, without an effective |  |  |  |  |  |  |  |  |
| 5  | chief information officer, the State cannot ensure that its   |  |  |  |  |  |  |  |  |
| 6  | information technology investments are "cost effective,       |  |  |  |  |  |  |  |  |
| 7  | optimally utilized, adequately planned for future growth, or  |  |  |  |  |  |  |  |  |
| 8  | have the operational flexibility to easily adapt to changing  |  |  |  |  |  |  |  |  |
| 9  | requirements."  |  |  |  |  |  |  |  |  |
| 10 | The purpose of this Act is to:                                |  |  |  |  |  |  |  |  |
| 11 | (1) Clearly establish the chief information officer as the    |  |  |  |  |  |  |  |  |
| 12 | State's information technology leader;                        |  |  |  |  |  |  |  |  |
| 13 | (2) Delete statutory references to the information and        |  |  |  |  |  |  |  |  |
| 14 | communication services division of the department of          |  |  |  |  |  |  |  |  |
| 15 | accounting and general services; and                          |  |  |  |  |  |  |  |  |
| 16 | (3) Consolidate the office of information management and      |  |  |  |  |  |  |  |  |
| 17 | technology and the information and communication              |  |  |  |  |  |  |  |  |
| 18 | services division of the department of accounting and         |  |  |  |  |  |  |  |  |

| 1  |           | general services, including all related information    |
|----|-----------|--|
| 2  |           | technology functions, in the office of enterprise      |
| 3  |           | technology services under the direction of the chief   |
| 4  |           | information officer.                                   |
| 5  | SECT      | ION 2. Section 26-6, Hawaii Revised Statutes, is       |
| 6  | amended b | y amending subsection (b) to read as follows:          |
| 7  | "(b)      | The department shall:                                  |
| 8  | (1)       | Preaudit and conduct after-the-fact audits of the      |
| 9  |           | financial accounts of all state departments to         |
| 10 |           | determine the legality of expenditures and the         |
| 11 |           | accuracy of accounts;                                  |
| 12 | (2)       | Report to the governor and to each regular session of  |
| 13 |           | the legislature as to the finances of each department  |
| 14 | •         | of the State;  |
| 15 | (3)       | Administer the state risk management program;          |
| 16 | (4)       | Establish and manage motor pools;                      |
| 17 | (5)       | Manage the preservation and disposal of all records of |
| 18 |           | the State;   |
| 19 | (6)       | Undertake the program of centralized engineering and   |
| 20 |           | office leasing services, including operation and       |
| 21 |           | maintenance and lease buyback processing pursuant to   |

| 1  |      | subsection (d) 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] Under the direction of the chief information        |
| 6  |      | officer, provide centralized computer information             |
| 7  |      | management and processing services[, coordination in          |
| 8  |      | the use of all information processing equipment,              |
| 9  |      | software, facilities, and services in the executive           |
| 10 |      | branch of the State, and consultation and support             |
| 11 |      | services in the use of information processing and             |
| 12 |      | management technologies to improve the efficiency,            |
| 13 |      | effectiveness, and productivity of state government           |
| 14 |      | programs];  |
| 15 | (10) | Establish[ <del>, coordinate, and manage</del> ] a program to |
| 16 | •    | provide a means for public access to public                   |
| 17 | +    | information and develop [and operate] an information          |
| 18 |      | network [in conjunction with its overall plans for            |
| 19 |      | establishing a communication backbone] for state              |
| 20 |      | government; and   |

| 1  | (II) Assume administrative responsibility for the office of      |  |  |  |  |  |  |  |
|----|--|--|--|--|--|--|--|--|
| 2  | information practices."  |  |  |  |  |  |  |  |
| 3  | SECTION 3. Section 27-43, Hawaii Revised Statutes, is            |  |  |  |  |  |  |  |
| 4  | amended by amending its title and subsections (a) and (b) to     |  |  |  |  |  |  |  |
| 5  | read as follows:   |  |  |  |  |  |  |  |
| 6  | "§27-43 [Information technology;] Office of enterprise           |  |  |  |  |  |  |  |
| 7  | technology services; chief information officer; information      |  |  |  |  |  |  |  |
| 8  | technology steering committee; establishment; responsibilities.  |  |  |  |  |  |  |  |
| 9  | (a) There is established within the department of accounting     |  |  |  |  |  |  |  |
| 10 | and general services the office of enterprise technology         |  |  |  |  |  |  |  |
| 11 | services, which shall be headed by a full-time chief information |  |  |  |  |  |  |  |
| 12 | officer to organize, manage, and oversee statewide information   |  |  |  |  |  |  |  |
| 13 | technology governance[, including supervision and oversight of   |  |  |  |  |  |  |  |
| 14 | the information and communication services division of the       |  |  |  |  |  |  |  |
| 15 | department of accounting and general services]. The chief        |  |  |  |  |  |  |  |
| 16 | information officer shall be appointed by the governor as        |  |  |  |  |  |  |  |
| 17 | provided in section 26-34. The chief information officer shall   |  |  |  |  |  |  |  |
| 18 | report directly to the governor and, in conjunction with the     |  |  |  |  |  |  |  |
| 19 | information technology steering committee, shall:                |  |  |  |  |  |  |  |
| 20 | (1) Develop, implement, and manage statewide information         |  |  |  |  |  |  |  |
| 21 | technology governance;   |  |  |  |  |  |  |  |

| 1   | (2) | Develop, implement, and manage the state information  |
|-----|-----|---|
| 2   |     | technology strategic plans;                           |
| 3   | (3) | Develop and implement statewide technology standards; |
| 4   | (4) | Work with each executive branch department and agency |
| 5   |     | to develop and maintain its respective multi-year     |
| 6   |     | information technology strategic and tactical plans   |
| 7   |     | and roadmaps that are part of the State's overall     |
| 8   | •   | information technology strategic plans, roadmaps, and |
| 9   |     | directions;   |
| 10  | (5) | Coordinate each executive branch department and       |
| 11  |     | agency's information technology budget request,       |
| 12  |     | forecast, and procurement purchase to ensure          |
| 13  |     | compliance with the department or agency's strategic  |
| 14  |     | plan and roadmap and with the office of enterprise    |
| 15. |     | technology services information technology governance |
| 16  |     | processes and enterprise architecture policies and    |
| 17  |     | standards, including policies and standards for       |
| 18  | •   | systems, services, hardware, software, and security   |
| 19  |     | management;   |

| 1  | [ <del>-(4)</del> ]  | (6) Report annually to the governor and the            |
|----|----------------------|--|
| 2  |                      | legislature on the status and implementation of the    |
| 3  |                      | state information technology strategic plan;           |
| 4  | [ <del>-(5)-</del> ] | (7) Perform other necessary or desirable functions to  |
| 5  |                      | facilitate the intent of this section; [and]           |
| 6  | [ <del>(6)</del> ]   | (8) Employ persons exempt from chapters 76 and 89[-];  |
| 7  | <u>(9)</u>           | Provide centralized computer information management    |
| 8  |                      | and processing services, coordination in the use of    |
| 9  |                      | all information processing equipment, software,        |
| 10 |                      | facilities, and services in the executive branch of    |
| 11 |                      | the State, and consultation and support services in    |
| 12 |                      | the use of information processing and management       |
| 13 |                      | technologies to improve the efficiency, effectiveness, |
| 14 |                      | and productivity of state government programs;         |
| 15 | (10)                 | Establish, coordinate, and manage a program to provide |
| 16 |                      | a means for public access to public information and    |
| 17 |                      | develop and operate an information network in          |
| 18 |                      | conjunction with overall plans for establishing a      |
| 19 |                      | communication backbone for state government; and       |
| 20 | (11)                 | Adopt rules, pursuant to chapter 91, necessary for the |
| 21 |                      | purposes of this part.                                 |

| 1  | (b) ·   | There is established an information technology         |  |  |  |  |  |  |
|----|---|--|--|--|--|--|--|--|
| 2  | steering committee to assist the chief information officer in |  |  |  |  |  |  |  |
| 3  | developing the State's information technology standards and   |  |  |  |  |  |  |  |
| 4  | policies,   | including but not limited to:                          |  |  |  |  |  |  |
| 5  | (1)   | Assisting the chief information officer in developing  |  |  |  |  |  |  |
| 6  |   | and implementing the state information technology      |  |  |  |  |  |  |
| 7  |   | strategic plans;                                       |  |  |  |  |  |  |
| 8  | (2)   | Assessing executive branch departments' progress in    |  |  |  |  |  |  |
| 9  |   | meeting the objectives defined in the state            |  |  |  |  |  |  |
| 10 |   | information technology strategic plans and identifying |  |  |  |  |  |  |
| 11 |   | best practices for shared or consolidated services;    |  |  |  |  |  |  |
| 12 | (3)   | Ensuring technology projects are selected based on     |  |  |  |  |  |  |
| 13 |   | their potential impact and risk to the State, as well  |  |  |  |  |  |  |
| 14 |   | as their strategic value;                              |  |  |  |  |  |  |
| 15 | (4)   | Ensuring that executive branch departments maintain    |  |  |  |  |  |  |
| 16 |   | sufficient tools to assess the value and benefits of   |  |  |  |  |  |  |
| 17 |   | technology initiatives;                                |  |  |  |  |  |  |
| 18 | (5)   | Assisting the chief information officer in developing  |  |  |  |  |  |  |
| 19 |   | state information technology standards and policies;   |  |  |  |  |  |  |
| 20 |   | and  |  |  |  |  |  |  |

| 1  | (6) Clarifying the roles, responsibilities, and authority        |
|----|--|
| 2  | of the [information and communication services                   |
| 3  | division, office of enterprise technology services,              |
| 4  | specifically as it relates to its statewide duties.              |
| 5  | The information technology steering committee shall consist      |
| 6  | of eleven members, with four members to be appointed by the      |
| 7  | senate president, four members to be appointed by the speaker of |
| 8  | the house of representatives, one member to be appointed by the  |
| 9  | chief justice, and one member to be appointed by the governor,   |
| 10 | and shall include representatives from executive branch          |
| 11 | departments, including large user agencies such as the           |
| 12 | department of education and the University of Hawaii; the        |
| 13 | judiciary; the legislature; and private individuals. The chief   |
| 14 | information officer shall serve as the chair of the committee    |
| 15 | and shall ensure that the committee is evaluated periodically."  |
| 16 | SECTION 4. Section 27G-3, Hawaii Revised Statutes, is            |
| 17 | amended by amending subsection (b) to read as follows:           |
| 18 | "(b) The committee shall consist of not more than fifteen        |
| 19 | voting[+],[+] ex officio members, or their designated            |
| 20 | representatives, as follows:                                     |
| 21 | (1) The comptroller;   |

| 1  | [ <del>-(2)</del> -                                   | The administrator of the information and communication |  |  |  |  |  |  |  |
|----|---|--|--|--|--|--|--|--|--|
| 2  |   | services division of the department of accounting and  |  |  |  |  |  |  |  |
| 3  |   | <del>general services;</del>                           |  |  |  |  |  |  |  |
| 4  | <del>(3)</del> ]                                      | (2) The administrator of the state procurement         |  |  |  |  |  |  |  |
| 5  |   | ffice;   |  |  |  |  |  |  |  |
| 6  | [ <del>-(4)</del> ]                                   | (3) The director of the office of information          |  |  |  |  |  |  |  |
| 7  |   | practices;   |  |  |  |  |  |  |  |
| 8  | [ <del>(5)</del> ]                                    | (4) The directors of not more than three government    |  |  |  |  |  |  |  |
| 9  |   | gencies using or planning to use the services of the   |  |  |  |  |  |  |  |
| 10 |   | portal manager;  |  |  |  |  |  |  |  |
| 11 | [ <del>(6)</del> ]                                    | (5) The administrative director of the courts;         |  |  |  |  |  |  |  |
| 12 | [ <del>(7)</del> ]                                    | (6) A representative of the Hawaii state senate        |  |  |  |  |  |  |  |
| 13 |   | appointed by the president of the senate;              |  |  |  |  |  |  |  |
| 14 | [ <del>(8)</del> ]                                    | (7) A representative of the Hawaii state house of      |  |  |  |  |  |  |  |
| 15 |   | representatives appointed by the speaker of the house  |  |  |  |  |  |  |  |
| 16 |   | of representatives;                                    |  |  |  |  |  |  |  |
| 17 | [ <del>(9)</del> ]                                    | (8) The chief information officers of the four         |  |  |  |  |  |  |  |
| 18 |   | counties; and  |  |  |  |  |  |  |  |
| 19 | [ <del>(10)</del> ]                                   | (9) The chief information officer."                    |  |  |  |  |  |  |  |
| 20 | SECTION 5. Section 27G-6, Hawaii Revised Statutes, is |  |  |  |  |  |  |  |  |
| 21 | amended to read as follows:                           |  |  |  |  |  |  |  |  |

| 1   | "[+] \$27G-6[+] Access Hawaii committee special fund. There      |  |  |  |  |  |  |  |  |
|-----|--|--|--|--|--|--|--|--|--|
| . 2 | is established in the state treasury the access Hawaii committee |  |  |  |  |  |  |  |  |
| 3   | special fund, into which shall be deposited fees collected by    |  |  |  |  |  |  |  |  |
| 4   | the [information and communication services division within the  |  |  |  |  |  |  |  |  |
| 5   | department of accounting and general services] office of         |  |  |  |  |  |  |  |  |
| 6   | enterprise technology services for the purpose of supporting the |  |  |  |  |  |  |  |  |
| 7   | access Hawaii committee. The chief information officer may       |  |  |  |  |  |  |  |  |
| 8   | appoint a portal program manager exempt from chapter 76, which   |  |  |  |  |  |  |  |  |
| 9   | may be funded by the access Hawaii committee special fund.       |  |  |  |  |  |  |  |  |
| 10  | Expenditures from the access Hawaii committee special fund shall |  |  |  |  |  |  |  |  |
| 11  | be approved by the access Hawaii committee; provided that        |  |  |  |  |  |  |  |  |
| 12  | information on income and expenditures shall be subject to       |  |  |  |  |  |  |  |  |
| 13  | legislative review and oversight in each budget submittal from   |  |  |  |  |  |  |  |  |
| 14  | the department of accounting and general services."              |  |  |  |  |  |  |  |  |
| 15  | SECTION 6. Section 435H-4, Hawaii Revised Statutes, is           |  |  |  |  |  |  |  |  |
| 16  | amended by amending subsection (d) to read as follows:           |  |  |  |  |  |  |  |  |
| 17  | "(d) The governor shall designate one representative to          |  |  |  |  |  |  |  |  |
| 18  | serve as the State's official representative on the board from   |  |  |  |  |  |  |  |  |
| 19  | among the following: the director of commerce and consumer       |  |  |  |  |  |  |  |  |
| 20  | affairs, the director of health, the director of human services, |  |  |  |  |  |  |  |  |
| 21  | the director of labor and industrial relations, a representative |  |  |  |  |  |  |  |  |

# S.B. NO. S.D. 2

- 1 from the office of healthcare transformation, or a
- 2 representative from the [office of information management and
- 3 technology.] office of enterprise technology services.
- 4 The governor's designated representative shall be an ex
- 5 officio, voting member of the board. The remaining state
- 6 officials shall be ex officio, nonvoting members of the board.
- 7 The governor shall notify the chair of the board regarding the
- 8 selection of the designated voting and nonvoting state members
- 9 of the board.
- 10 The director of commerce and consumer affairs, the director
- 11 of health, the director of human services, and the director of
- 12 labor and industrial relations may select a designee for a
- 13 specified meeting or meetings. The selection of the designee
- 14 shall be submitted in writing to the board of directors prior to
- 15 or at the meeting in which the designee will serve."
- 16 SECTION 7. Section 487N-5, Hawaii Revised Statutes is
- 17 amended as follows:
- 18 1. By amending subsection (a) to read:
- 19 "(a) There is established an information privacy and
- 20 security council within the department of accounting and general
- 21 services for administrative purposes only. Members of the

| 1 | council | shall | be | appointed | no | later | than | September | 3 | 2008. | bv |
|---|---------|-------|----|-----------|----|-------|------|-----------|---|-------|----|

- 2 the governor without regard to section 26-34 and shall be
- 3 composed of the following representatives:
- information in the conduct of their duties, including
  the department of commerce and consumer affairs, the
  department of education, the department of health, the
  department of human resources development, the
  department of human services, and the University of
  Hawaii, to be selected by the governor;
- 11 (2) The legislature, to be selected by the president of
  12 the senate and the speaker of the house of
  13 representatives;
- 14 (3) The judiciary, to be selected by the [administrator of the courts;] chief justice of the Hawaii supreme

  16 court; and
- 17 (4) The four counties, to be selected by the mayor of each 18 county; provided that the mayor of each county shall 19 determine the extent to which the county may or may 20 not participate.

- 1 The chief information officer or the chief information
- 2 officer's designee shall serve as chair of the council."
- 3 2. By amending subsection (e) to read:
- 4 "(e) The [comptroller] chief information officer may
- 5 establish support positions for the [information and
- 6 communication services division, office of enterprise
- 7 technology services, including but not limited to [, legal
- 8 support, information technology, human resources and personnel,
- 9 records management, and administrative support."
- 10 SECTION 8. All rights, powers, functions, and duties of
- 11 the office of information management and technology and the
- 12 information and communication services division of the
- 13 department of accounting and general services relating to.
- 14 information technology are consolidated under the office of
- 15 enterprise technology services. The chief information officer
- 16 shall amend or repeal rules under chapter 91, Hawaii Revised
- 17 Statutes, as necessary.
- 18 SECTION 9. All rules, policies, procedures, guidelines,
- 19 and other materials adopted or developed by the office of
- 20 information management and technology or the information and
- 21 communication services division of the department of accounting

- 1 and general services to implement provisions of the Hawaii
- 2 Revised Statutes which are reenacted or made applicable to the
- 3 office of enterprise technology services by this Act shall
- 4 remain in full force and effect until amended or repealed by
- 5 chief information officer pursuant to chapter 91, Hawaii Revised
- 6 Statutes. In the interim, every reference to the department of
- 7 accounting and general services or the information and
- 8 communication services division in those rules, policies,
- 9 procedures, guidelines, and other material is deemed to refer to
- 10 the office of enterprise technology services, as appropriate.
- 11 SECTION 10. All leases, contracts, loans, agreements,
- 12 permits, or other documents executed or entered into by or on
- 13 behalf of the office of information management and technology or
- 14 the information and communication services division of the
- 15 department of accounting and general services pursuant to the
- 16 provisions of the Hawaii Revised Statutes, which are reenacted
- 17 or made applicable to the office of enterprise technology
- 18 services by this Act, shall remain in full force and effect.
- 19 Effective July 2, 2016, every reference to the office of
- 20 information management and technology and the information and
- 21 communication services division therein shall be construed as a

- 1 reference to the office of enterprise technology services as
- 2 appropriate.
- 3 SECTION 11. All appropriations, records, equipment,
- 4 . machines, files, supplies, contracts, books, papers, documents,
- 5 maps, and other personal property heretofore made, used,
- 6 acquired, or held by the office of information management and
- 7 technology or information and communication services division of
- 8 the department of accounting and general services relating to
- 9 the functions transferred to the office of enterprise technology
- 10 services shall be transferred with the functions to which they
- 11 relate.
- 12 SECTION 12. Statutory material to be repealed is bracketed
- 13 and stricken. New statutory material is underscored.
- 14 SECTION 13. This Act shall take effect on July 2, 2016.

APPROVED this

day of JUN

, 2016

GOVERNOR OF THE STATE OF HAWAII