STAND. COM. REP. NO.

Honolulu, Hawaii February 16, 2016

RE: H.B. No. 2278 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2278 entitled:

"A BILL FOR AN ACT RELATING TO ENTERPRISE TECHNOLOGY SERVICES,"

begs leave to report as follows:

The purpose of this measure is to improve the State's management of information technology.

Specifically, this measure:

- Clearly establishes the Chief Information Officer as the State's information technology leader;
- (2) Consolidates the Office of Information Management and Technology and the Information and Communication Services Division of the Department of Accounting and General Services, including all related information technology functions, in the Office of Enterprise Technology Services under the direction of the Chief Information Officer; and
- (3) Makes conforming amendments by repealing statutory references to the Information and Communication Services Division of the Department of Accounting and General Services that are no longer applicable.



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The Comptroller, Chief Information Officer, and Office of Consumer Protection of the Department of Commerce and Consumer Affairs submitted testimony in support of this measure.

Your Committee finds that the state Auditor reported in 2009 that the State's management of information technology was weak and ineffective, and that, absent a clearly designated and effective Chief Information Officer, the State could not ensure that its information technology investments were "cost effective, optimally utilized, adequately planned for future growth, or [had] the operational flexibility to easily adapt to changing requirements."

Your Committee further finds that clearly establishing the Chief Information Officer as the State's information technology leader and consolidating the Office of Information Management and Technology and the Information and Communication Services Division of the Department of Accounting and General Services in the Office of Enterprise Technology Services will address the deficiencies identified by the Auditor and improve the State's management of information technology.

Your Committee has amended this measure by changing the effective date to July 2, 2112, to facilitate further discussion on the measure. Technical nonsubstantive amendments were also made to correct typographical and Ramseyering errors and for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2278, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2278, H.D. 1, and be referred to your Committee on Finance.

> Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

ANGUS L.K. MCKELVEY, Chair



State of Hawaii House of Representatives The Twenty-eighth Legislature



## **Record of Votes of the Committee on Consumer Protection & Commerce**

Bill/Resolution No.: HB 2278	Committee	Referral:	Date:	2-8	- 16 ,
□ 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)					
CPC Members		Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)		<u>۱</u>			
2. WOODSON, Justin H. (VC)		<u>\</u>			
3. BELATTI, Della Au		<b>\</b>			
4. BROWER, Tom		<u> </u>			
5. CREAGAN, Richard P.					
6. HAR, Sharon E.		\			
7. HASHEM, Mark J.		<u>\</u>			
8. KAWAKAMI, Derek S.K.		<u> </u>			
9. LEE, Chris		<u>\</u>			
10. NAKASHIMA, Mark M.					
11. OSHIRO, Marcus R.		<u> </u>		-	
12. SAN BUENAVENTURA, Joy A.					<u>\</u>
13. TAKAYAMA, Gregg		<u> </u>			
14. YAMANE, Ryan I.					
15. FUKUMOTO CHANG, Beth		<u> </u>			
16. McDERMOTT, Bob					
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TOTAL (16)		11		Ŭ	レン
The recommendation is: Image: Adopted life Image: Not Adopted life   If joint referral,					
Vice Chair's or designee's signature:					
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO					