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JADE T. BUTAY  
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DEPUTY DIRECTOR

STATE OF HAWAII  
KA MOKU'ĀINA O HAWAII  
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
KA 'OIHANA PONO LIMAHANA

February 22, 2023

To: The Honorable Donovan M. Dela Cruz, Chair  
The Honorable Gilbert S.C. Keith-Agaran, Vice Chair and  
Members of the Senate Committee on Ways and Means

Date: Wednesday, February 22, 2023  
Time: 9:30 a.m.  
Place: Conference Room 211, State Capitol

From: Jade T. Butay, Director  
Department of Labor and Industrial Relations (DLIR)

**Re: S.B. 284 SD1 RELATING TO INFORMATION TECHNOLOGY**

**I. OVERVIEW OF PROPOSED LEGISLATION**

The DLIR **supports the intent** of this measure and defers to the Office of Enterprise Technology Services (ETS) regarding the IT specific provisions in the measure. SB284 SD1 requires the technology services consolidation working group to decommission the ETS' data center located in the Kalanimoku Building and extends the dissolution date of the technology services consolidation working group among other provisions.

**II. COMMENTS ON THE SENATE BILL**

The DLIR is participating in and supports the extension of the technology services consolidation working group that is evaluating and planning for phased consolidation of the executive branch's IT resources where practicable and making recommendations to attract high quality IT professionals to the state.



TIME/DATE: 9:30 am, Wednesday, February 22, 2023  
PLACE: State Capitol Conference Room 211 & Videoconference  
COMMITTEES: Senate Ways & Means  
BILL: SB284, SD1 Relating to Information Technology  
POSITION: Support

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and committee members:

THG (Transform Hawai'i Government) supports SB284, SD1 relating to information technology. As a nonprofit organization that has collaborated with state government for more than a decade, we strongly support the modernization and investment in backbone IT infrastructure requirements to create more efficiency and responsiveness.

Access to data is key to timely, informed decision-making to benefit Hawai'i's people. We believe the relocation and consolidation of our state's main data center is key to systemically creating more resiliency. A physical location that is not subject to flooding or natural disasters and a consolidated approach to protecting data from cyberattacks will help preempt or mitigate service disruptions.

Last year, THG was one of the presenting sponsors of the first Hawai'i Cloud Innovation Summit in our state to showcase the possibilities of cloud migration to public, private and nonprofit leaders. We fully support the state's commitment to cloud innovation to keep pace with the rest of the world.

Mahalo for considering our testimony.

Sincerely,

A handwritten signature in blue ink, appearing to read 'C. Sakuda', is written over a faint, light blue circular watermark.

Christine Sakuda  
Executive Director  
Transform Hawai'i Government  
email: [csakuda@TransformHawaiiGov.org](mailto:csakuda@TransformHawaiiGov.org) | phone: (808) 321-2811  
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## **TESTIMONY IN SUPPORT OF SENATE BILL 284, SENATE DRAFT 1 RELATING TO INFORMATION TECHNOLOGY**

Senate Committee on Ways and Means  
Senator Donovan M. Dela Cruz, Chair  
Senator Gilbert S.C. Keith-Agaran, Vice Chair

Wednesday, February 22, 2023, 9:30 a.m.

### **Written Testimony**

Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Committee,

Thank you for this opportunity to offer our support for SB 284, SD1 Relating to Information Technology. My name is Richard Zheng, President and CEO of Servpac.

As a locally owned company established in 2004, Servpac has evolved from a Hawaii telecommunications provider to an all-in-one cloud-based technology solution, offering high speed fiber internet, VoIP phones, cloud computing, data center colocation and managed IT services. We understand the unique challenges that Hawaii's businesses face and we provide customized solutions to keep them connected in a mission-critical world.

Data centers and fiber optic networks are driving forces that support the creation and growth of the high-tech sector in Hawaii. These facilities enable the creation of high paying jobs in the technology sector, thereby contributing to the diversification of Hawaii's economy.

Data facilities should strive to provide the ultimate in fault tolerance, is dual-powered, redundant electrical, distribution and storage system, and highly redundant server and network architectures.

1. Generators are complex systems that require periodic maintenance and testing, and can fail to start or run for many reasons. Thus, a data center must have two or more generators that are capable of carrying the entire load of the facility, and that autonomously operate during a utility power outage. Examples of generator

failure: dead starting batteries, air in fuel injectors, contaminated fuel clogs filter, geckos short out controls.

2. Separate and diverse fuel storage is critical for generator operation in the case of contamination, leak, or other problems that may cause one fuel storage tank to be unavailable for service. For example, if a leak is detected in the piping, or a valve needs to be replaced, the fuel source will be unavailable to operate the generator(s) served.
3. Power and Cooling Distribution Paths. A data center should have physically separated power and cooling distribution paths to reduce the impact of a failure caused by accidental damage. Examples are turning off incorrect circuit breakers, power overload trips breakers, forklifts running into piping, construction accidents or mistakes disconnecting or shutting off systems, and emergency maintenance tasks.
4. Hawaii Special Considerations. Data center equipment such as generators, electrical gear, and cooling systems are often large and specialized systems not normally stocked on Island. Thus, it becomes especially important to have multiple levels of redundancy built into the data center to anticipate the possibility of extended repair and replacement times.

For the forgoing reasons, we request the following amendments to ensure mission-critical government functions and data are protected.

Page 8 lines 3-5:

- (i) Possesses the resiliency to perform concurrent maintenance or upgrades without down time **with multiple power generation, fuel storage, power distribution paths, cooling systems and heat exchange distribution paths ensuring that the data center can continue to operate even if one system fails when a utility power source is not available, without affecting the overall system;**

We agree with Stand. Com. Rep. No. 652 to bring clarity and enforcement to ensure no hostile investments or equipment pose a threat to critical government data. We ask for the committee's consideration of a new item in Section 3 on pages 8-9:

**Has no foreign investments or ties, directly or indirectly, or through an affiliate with any countries listed in Export Administration Regulations Supplement No. 1 to Part 740 Groups D and E; and complies with the Federal Secure and Trusted Communications Networks Act of 2019, as amended, in the provision of telecommunications services, proscribing the use of equipment which pose an unacceptable risk to national security of the United States or the security or safety of United States persons, as specified on the Federal Communications Commission's Covered Equipment List.**

Mahalo for allowing Servpac to share our perspectives on SB 284, SD1.

**SB-284-SD-1**

Submitted on: 2/20/2023 2:29:27 PM

Testimony for WAM on 2/22/2023 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Conan K Donahue	Individual	Support	Written Testimony Only

Comments:

I support SB284