

ACT 200

S.B. NO. 2548

A Bill for an Act Relating to Information Technology.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that in March 2009, the auditor released Report No. 09-06: "Audit of the State of Hawai'i's Information Technology: Who's in Charge?", conducted pursuant to section 23-4, Hawaii Revised Statutes, which requires the auditor to conduct postaudits of the transactions, accounts, programs, and performance of all departments, offices, and agencies of the State and its political subdivisions. Chief among the report's findings is the recommendation that the governor formally assign responsibility for the development and execution of the information technology strategic plan to the

State's chief information officer. The report also made several recommendations to the legislature to explicate the responsibilities of the various information technology governance entities.

The purpose of this Act is to implement the information technology recommendations of auditor's Report No. 09-06 by establishing a full-time chief information officer and an information technology steering committee. This Act also establishes the shared services technology special fund to facilitate the State's ability to generate overall cost reductions through economies of scale and decreased administrative burdens.

SECTION 2. Chapter 27, Hawaii Revised Statutes, is amended by adding a new section to part VII, to be appropriately designated and to read as follows:

“§27- Information technology; chief information officer; information technology steering committee; establishment; responsibilities. (a) There is established within the office of the governor a full-time chief information officer to organize, manage, and oversee statewide information technology governance, including supervision and oversight of the information and communication services division of the department of accounting and general services. The chief information officer shall be appointed by the governor as provided in section 26-34. The chief information officer shall report directly to the governor and, in conjunction with the information technology steering committee, shall:

- (1) Develop, implement, and manage statewide information technology governance;
- (2) Develop, implement, and manage the state information technology strategic plans;
- (3) Develop and implement statewide technology standards;
- (4) Report annually to the governor and the legislature on the status and implementation of the state information technology strategic plan; and
- (5) Perform other necessary or desirable functions to facilitate the intent of this section.

(b) There is established an information technology steering committee to assist the chief information officer in developing the State's information technology standards and policies, including but not limited to:

- (1) Assisting the chief information officer in developing and implementing the state information technology strategic plans;
- (2) Assessing executive branch departments' progress in meeting the objectives defined in the state information technology strategic plans and identifying best practices for shared or consolidated services;
- (3) Ensuring technology projects are selected based on their potential impact and risk to the State, as well as their strategic value;
- (4) Ensuring that executive branch departments maintain sufficient tools to assess the value and benefits of technology initiatives;
- (5) Assisting the chief information officer in developing state information technology standards and policies; and
- (6) Clarifying the roles, responsibilities, and authority of the information and communication services division, specifically as it relates to its statewide duties.

The members of the information technology steering committee shall be appointed by the senate president and speaker of the house of representatives in equal number respectively and shall include representatives from executive branch departments, including large user agencies such as the department of

education and the University of Hawaii; the judiciary; the legislature; and private individuals. The chief information officer shall serve as the chair of the committee and shall ensure that the committee is evaluated periodically.

(c) There is established within the department of budget and finance a special fund to be known as the shared services technology special fund to be administered and expended by the chief information officer for the purposes of this subsection. per cent of the receipts collected from special funds pursuant to section 36-27 shall be deposited into the shared services technology special fund. Any law to the contrary notwithstanding, the moneys in the fund shall be used to fund the operations of the chief information officer and the information technology steering committee, including the employment and training of staff and any other activities deemed necessary by the chief information officer to carry out the purposes of this section."

SECTION 3. Section 36-27, Hawaii Revised Statutes, is amended to read as follows:

"§36-27 Transfers from special funds for central service expenses. (a) Except as provided in this section, and notwithstanding any other law to the contrary, from time to time, the director of finance, for the purpose of defraying the prorated estimate of central service expenses of government in relation to all special funds, except the:

- (1) Special out-of-school time instructional program fund under section 302A-1310;
- (2) School cafeteria special funds of the department of education;
- (3) Special funds of the University of Hawaii;
- (4) State educational facilities improvement special fund;
- (5) Convention center enterprise special fund under section 201B-8;
- (6) Special funds established by section 206E-6;
- (7) Housing loan program revenue bond special fund;
- (8) Housing project bond special fund;
- (9) Aloha Tower fund created by section 206J-17;
- (10) Funds of the employees' retirement system created by section 88-109;
- (11) Unemployment compensation fund established under section 383-121;
- (12) Hawaii hurricane relief fund established under chapter 431P;
- (13) Hawaii health systems corporation special funds and the subaccounts of its regional system boards;
- (14) Tourism special fund established under section 201B-11;
- (15) Universal service fund established under [~~chapter 269;~~] section 269-42;
- (16) Emergency and budget reserve fund under section 328L-3;
- (17) Public schools special fees and charges fund under section 302A-1130[~~(F)~~];
- (18) Sport fish special fund under section 187A-9.5;
- (19) Glass advance disposal fee [~~special fund~~] established by section 342G-82;
- (20) Center for nursing special fund under section 304A-2163;
- (21) Passenger facility charge special fund established by section 261-5.5;
- (22) Court interpreting services revolving fund under section 607-1.5;
- (23) Hawaii cancer research special fund;
- (24) Community health centers special fund;

- (25) Emergency medical services special fund; ~~and~~
- (26) Rental motor vehicle customer facility charge special fund established under section 261-5.6[~~5~~]; and
- (27) Shared services technology special fund under section 27-

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

(b) Notwithstanding any other law to the contrary, the director shall deposit per cent of all moneys collected pursuant to subsection (a) into the shared services technology special fund established pursuant to section 27- .”

SECTION 4. Section 36-30, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

- “(a) Each special fund, except the:
- (1) Transportation use special fund established by section 261D-1;
 - (2) Special out-of-school time instructional program fund under section 302A-1310;
 - (3) School cafeteria special funds of the department of education;
 - (4) Special funds of the University of Hawaii;
 - (5) State educational facilities improvement special fund;
 - (6) Special funds established by section 206E-6;
 - (7) Aloha Tower fund created by section 206J-17;
 - (8) Funds of the employees’ retirement system created by section 88-109;
 - (9) Unemployment compensation fund established under section 383-121;
 - (10) Hawaii hurricane relief fund established under section 431P-2;
 - (11) Convention ~~[[center]]~~ enterprise special fund established under section 201B-8;
 - (12) Hawaii health systems corporation special funds and the subaccounts of its regional system boards;
 - (13) Tourism special fund established under section 201B-11;
 - (14) Universal service fund established under ~~[chapter 269;]~~ section 269-42;
 - (15) Emergency and budget reserve fund under section 328L-3;
 - (16) Public schools special fees and charges fund under section 302A-1130~~(F)~~;
 - (17) Sport fish special fund under section 187A-9.5;
 - (18) Center for nursing special fund under section 304A-2163;
 - (19) Passenger facility charge special fund established by section 261-5.5;
 - (20) Court interpreting services revolving fund under section 607-1.5;
 - (21) Hawaii cancer research special fund;
 - (22) Community health centers special fund;
 - (23) Emergency medical services special fund; ~~and~~
 - (24) Rental motor vehicle customer facility charge special fund established under section 261-5.6[~~5~~]; and

(25) Shared services technology special fund under section 27- shall be responsible for its pro rata share of the administrative expenses incurred by the department responsible for the operations supported by the special fund concerned.

- (b) Administrative expenses shall include:
 - (1) Salaries;
 - (2) Maintenance of buildings and grounds;
 - (3) Utilities; ~~and~~
 - (4) General office expenses~~[-]; and~~
 - (5) Implementation of information technology policies developed by the chief information officer and the information technology steering committee pursuant to section 27- .”

SECTION 5. The governor shall report to 2011 legislature with recommendations for:

- (1) The most appropriate state agency to house the chief information officer and any personnel under the authority of the chief information officer; whether as the executive of a separate agency or as part of an existing agency;
- (2) The appropriate funding level for the shared services technology special fund established in section 27- (c), Hawaii Revised Statutes, and the designated percentage of all moneys collected pursuant to section 36-27(a), Hawaii Revised Statutes, for deposit into the shared services technology special fund; and
- (3) Any legislation necessary to implement these recommendations.

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 7. This Act shall take effect on January 1, 2011; provided that the amendments made to sections 36-27 and 36-30, Hawaii Revised Statutes, by sections 3 and 4 of this Act shall not be repealed when those sections are reenacted on June 30, 2015, by section 34 of Act 79, Session Laws of Hawaii 2009.

(Became law on July 6, 2010, without the governor’s signature, pursuant to Art. III, §16, State Constitution.)

Note

1. Edited pursuant to HRS §23G-16.5.