

A Bill for an Act Relating to the Department of Accounting and General Services.

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

SECTION 1. In March 2011, the State launched an initiative to modernize and transform the State's technology infrastructure, systems, processes, and procedures. The State subsequently hired its first full-time chief information officer in July 2011 to oversee the development and implementation of a statewide information technology strategic plan. In September 2011, the first phase of the State's modernization initiative was completed with the publishing of the "Baseline of Information Management and Technology and Comprehensive View of State Services" report. The findings and recommendations in this report provide the basis for the strategic direction that the State needs to take going forward. The development of the statewide information technology strategic plan, which will include a business transformation strategy, is currently under development and is anticipated to be delivered by the chief information officer in July 2012.

The report explains that the State's budget reductions over the last decade and lack of centralized governance of information technology and information resource management have resulted in minimal integration of business processes between departments, duplication of efforts and redundant processes, and aging legacy systems. Further, the State's current level of investment in information technology and information resource management is inadequate compared to benchmark standards found in other states and existing best practices.

It is recognized that technology alone cannot address the State's needs; simply automating obsolete or stove-piped processes will not lead to better outcomes. What is required is a re-thinking of the existing business processes throughout state government, in every department, in order to take full advantage of the transformation capabilities modern technology offers. It is the chief information officer's and business transformation executive's intention to embark upon a prioritized enterprise-wide re-evaluation of business processes and their enabling technologies in order to advance Hawaii to a more agile, responsive, and transparent future state.

The re-thinking of business processes and the transformation of the State's information technology infrastructure and framework will result in increased efficiencies through greater collaboration and information sharing, improved effectiveness through eliminating redundancies, enhanced levels of information security, future cost savings, and business processes that will more closely align with the business needs of the State. Additionally, the new information technology framework that will be documented in the strategic plan will include an enterprise architecture for the State and will serve as the basis for annual tactical operation plans going forward.

Funding for the defined initiatives resulting from the strategic plan cannot be funded until fiscal year 2013-2014, but there are basic and critical foundational elements that must be implemented in fiscal year 2012-13, in order for the State to realize the greatest benefits of the overall transformation initiative.

The legislature further finds that the public procurement approval process for information technology procurements can often extend over a lengthy period. An expedited procurement approval process to implement the first group of business process reengineering and information technology activities, pilot projects to increase current operational capabilities, and demonstration projects authorized in the Supplemental Appropriations Act of 2012 is essential to meet

key deadlines tied to the fiscal year 2013-2015 biennium budget cycle for implementation of the State's information technology strategic plan.

The purpose of this Act is to expedite implementation of the business reengineering process and technology initiatives as a foundation for the transformation activities proposed in the State's information technology strategic plan by providing a twelve-month, expedited process for information technology projects authorized in the Supplemental Appropriations Act of 2012 under information processing and communication services (AGS 131).

SECTION 2. Beginning July 30, 2012, the state procurement office and the office of information management and technology shall submit monthly reports to the legislature on the status of information technology procurements for authorized projects undertaken by the office of information management and technology to implement the State's information technology strategic plan. Where appropriate, the state procurement officer may approve exemptions for individual procurements that facilitate the immediate deployment of demonstration technology projects authorized in the Supplemental Appropriations Act of 2012 under information and communication services (AGS 131) that will be completed by June 30, 2013.

The office of information management and technology shall also submit a report on the number of information technology procurements completed on an expedited basis, the results achieved in each technology project, as well as recommendations on the feasibility of establishing a new category for information technology procurements within the States procurement laws.

SECTION 3. This Act shall take effect on July 1, 2012.

(Approved July 5, 2012.)