

Honolulu, Hawaii

FEB 08 2007

RE: S.B. No. 710
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Economic Development and Taxation, to which was referred S.B. No. 710 entitled:

"A BILL FOR AN ACT RELATING TO TECHNOLOGY,"

begs leave to report as follows:

The purpose of this measure is to appropriate \$2,710,000 for fiscal year 2007-2008, for the Department of Accounting and General Services' Information Processing Services Program to implement an interim alternate data center site and a business continuity plan while a solution for a permanent alternate data center site is developed.

Testimony in support of this measure was received from the Department of Accounting and General Services, High Technology Development Corporation, and one individual.

Your Committee finds that government operations are increasingly dependent on reliable information processing and telecommunication services as more of the State's services become automated. In the event of a system failure, state agencies would be unable to pay over sixty thousand state employees and contractors, process welfare checks to over ten thousand recipients, provide health related services or otherwise procure, regulate, or undertake a wide variety of services to the public that are now provided by telephone, over the Internet, or even through face to face transactions. The October 2006, earthquakes that shook the islands made that very clear, and it was fortunate that the State's data center was not compromised.



Your Committee further finds that establishing an alternate data center to provide critical core functions has taken on an increased urgency. The Department of Accounting and General Services projects a non-recurring facility preparation cost of \$500,000 and approximately \$2,200,000 for annual operational costs of a short-term five thousand square foot facility.

Discussion of the alternate data center also raised the issue of building a permanent facility designed to include other large user government agencies. A permanent twenty thousand square foot facility, housed at a location other than Oahu, could be operational within two to three years, once funding is available.

Your Committee has amended this measure by replacing the appropriation with an unspecified amount for the purposes of further discussion on the costs of providing an interim data center as well as the costs of a permanent facility.

As affirmed by the record of votes of the members of your Committee on Economic Development and Taxation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 710, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 710, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development and Taxation,



CAROL FUKUNAGA, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Economic Development and Taxation
EDT

Bill / Resolution No.:*	Committee Referral:	Date:		
<i>SB 710</i>	<i>EDT, WAM</i>	<i>2/7/07</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
FUKUNAGA, Carol (C)	✓			
ESPERO, Will (VC)	✓			
ENGLISH, J. Kalani				✓
IGE, David Y.				✓
SLOM, Sam	✓			
TOTAL	<i>3</i>			<i>2</i>
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<i>Will Espero</i>				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency		

*Only one measure per Record of Votes