

Honolulu, Hawaii
March 19, 2010

RE: S.B. No. 2548
S.D. 2
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Sir:

Your Committee on Economic Revitalization, Business, & Military Affairs, to which was referred S.B. No. 2548, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO INFORMATION TECHNOLOGY,"

begs leave to report as follows:

The purpose of this bill is to improve the administration of the State's information technology (IT) resources by:

- (1) Establishing a full-time Chief Information Officer (CIO) to organize, manage, and oversee the state IT;
- (2) Creating an IT Steering Committee (Steering Committee), including representatives of large information technology user agencies of the Executive, Judicial, and Legislative Branches to assist the Chief Information Officer;
- (3) Creating Shared Services Technology Special Fund into which a percentage of the special fund assessments for government central service expenses is to be deposited and used to fund the activities of the CIO and Steering Committee; and
- (4) Providing that the departmental administrative expenses which each special fund must reimburse under section 36-



30, Hawaii Revised Statutes, include the implementation of IT policies developed by the CIO and Steering Committee.

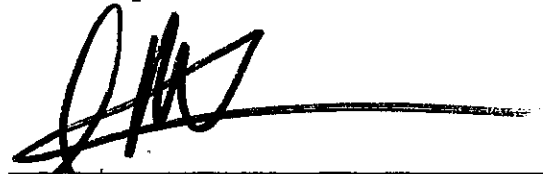
The Hawaii Medical Service Association supported this bill. The High Technology Development Corporation supported the intent of this measure. The Office of the Governor and Department of Accounting and General Services opposed this bill. The Department of Budget and Finance and Department of the Attorney General provided comments.

During tough economic times, the private sector looks to IT for solutions. This bill will allow the State to review and improve its own management of IT and to more effectively use IT to meet the difficult challenge of providing public services with reduced resources.

Your Committee finds that implementation of this bill involves the establishment of a cabinet-level position, and a determination must be made as to whether this would fit into the overall financial plan for the State. To encourage further discussion of this measure, your Committee has changed its effective date to July 1, 2112.

As affirmed by the record of votes of the members of your Committee on Economic Revitalization, Business, & Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2548, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2548, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Revitalization, Business, &
Military Affairs,



ANGUS L.K. MCKELVEY, Chair



