

SB 2548

EDT



The Judiciary, State of Hawaii

Testimony to the Senate Committee on Economic Development and Technology

The Honorable Carol Fukunaga, Chair
The Honorable Rosalyn H. Baker, Vice Chair
Monday, February 1, 2010, 1:30 p.m.
State Capitol, Conference Room 016

by
Thomas R. Keller
Administrative Director of the Courts

WRITTEN TESTIMONY ONLY

Bill No. and Title: Senate Bill No. 2548, Relating to Information Technology.

Purpose: Senate Bill 2548 would establish a full-time chief information officer position within the Office of the Governor.

Judiciary's Position:

The Judiciary is sympathetic to the importance and intent of the Senate Bill No. 2548, but asks that the bill be modified to make clear that the bill applies to the Executive Branch and that it exclude the Judiciary.

The purpose of Senate Bill 2548 is to implement the recommendations of Auditor's Report No. 09-06. In that report, the auditor noted that the Information and Communication Services Division (ICSD) is responsible for the State's overall technology plan for the Executive Branch. Report No. 09-06 also includes an exhibit showing the relationship between the IT administrators of departments within the Executive Branch and the ICSD administrator. The message of the report focuses exclusively on the organizational structure of the Executive Branch.

The Judiciary, with the support of the Legislature, has developed and is implementing its vision of technology for the courts. Furthermore, the Judiciary has a designated Chief Information Officer (CIO) and Information Technology division that, for the Judiciary, serves all the functions to be established by Senate Bill No. 2548.

Consequently, the Judiciary asks that the bill be amended to make clear that the CIO and committee established by Senate Bill No. 2548 oversee technology for the Executive Branch.

Thank you for the opportunity to testify on Senate Bill 2548.

Written Statement of
YUKA NAGASHIMA
Executive Director & CEO
High Technology Development Corporation
before the
SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TECHNOLOGY
Monday, February 1, 2010
1:30 PM
State Capitol, Conference Room 016

In consideration of
SB 2548 RELATING TO INFORMATION TECHNOLOGY.

Chair Fukunaga, Vice Chair Baker, and Members of the Senate Committee on Economic Development and Technology.

The High Technology Development Corporation (HTDC) supports the intent of SB 2548, which implements the information technology (IT) recommendations of Auditor's Report No. 09-06 and establishes within the Office of the Governor, a Chief Information Officer and Information Technology Steering Committee to organize, manage and oversee statewide information technology governance.

With tax revenues down, reduced public workforce and a significant number of recent or near-future retirees, the State is faced with a difficult challenge in having to provide for public services with more demand than ever, and to do so with reduced resources. When the private sector faces this type of a challenge, it looks to IT solutions. Having worked in the IT industry in the private sector, and now working in state government, I can confidently say that review of the State's procedures in the context of how IT can provide better results cheaper and faster, should be, and should have been one of the top internal priorities for state government.

I respectfully offer a few thoughts as the bill makes its way through the legislative process:

1. HTDC recommends a language change in Section 2, to amend Chapter 27 (a)(3), from "Develop and implement statewide technology standards" to "Development and implement statewide technology standards where appropriate".

The recommendation is made to mirror successful practices of the University of Hawaii (UH) where its IT services provide certain services to a certain level, and recommends specific solutions for which documentation and support are made available. However, should a department or a program choose to use another solution, it can, but is on its own for support. This model is successful because it recognizes the wide variety of needs various UH programs have, and that restricting them to work within certain technology standards would only result in

frustrated users and administrators, without any benefit. For example, timing of establishing new standards and new policies will most likely lag from the rapidly changing technology landscape, and it would not be fair to the Dept. of Accounting and General Services, ICSD (and any other agency responsible for enforcing and implementing the IT standards) to become experts in all types of IT solutions for each of the specialized needs (e.g., incubation center management software).

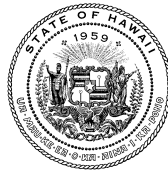
2. The authority of the Chief Information Officer (CIO) needs to reflect his/her role and responsibilities.

I appreciate the bill's language describing the CIO's responsibilities to organize, manage AND oversee. If the CIO were to be effective, the position must also be given the authority to coordinate and implement the IT solutions in each of the state government departments. The CIO's ability to work with the department heads, ICSD, and ultimately have authority to implement the solutions within these departments is so paramount to the success of this type of program, that if future versions of the bill do not explicitly define such level of authority for the CIO and retain that clause in the final version of the bill, this initiative will not yield the results this Legislature envisions.

3. Makeup of the Information Technology Steering Committee should be such that procurement decisions be kept separate or their recommendations be vendor neutral when presenting their findings.

While government employees selected to be on such a steering committee are well aware of the State code of ethics and not being "married to" a solution being delivered by a specific vendor, any private sector individuals on the committee should also be prevented from biases to provide specific solutions based on anything other than the merits of the technical solutions. It may be safer if the private sector appointees are knowledgeable and/or experts in IT areas, but not be a representative of a supplier of particular IT product brands, and prefer appointees who are "vendor/brand-agnostic".

Thank you for the opportunity to submit testimony to support the intent of SB2548.



**STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
AND GENERAL SERVICES**

P.O. BOX 119
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TESTIMONY
OF
RUSS K. SAITO, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
COMMITTEE ON ECONOMIC DEVELOPMENT AND TECHNOLOGY
ON
February 1, 2010

S.B. 2548

RELATING TO INFORMATION TECHNOLOGY

Chair Fukunaga and members of the Committee, thank you for the opportunity to testify on S.B.2548.

The Department of Accounting and General Services (DAGS) does not support this bill because we believe it is not necessary, and would require costs to implement and maintain for which there are no funds.

DAGS, through its Information and Communication Services Division (ICSD), has been making significant progress on improving the State's IT governance, structure and services since 2007 when we hired a new ICSD Administrator and Assistant Administrator, both having extensive private sector IT experience. We are currently researching and gathering information and working with other departments on consolidating the management of various IT functions, especially in the areas of shared services, procurement, and enterprise architecture. We believe there are efficiencies when certain functions are performed on a consolidated basis. For example, a single

statewide email service will provide cost savings and consistency across State departments, and, as such, we are exploring that concept.

Please note that one way to manage functions on a consolidated basis is to consolidate the funding of IT functions, as well as the approval of expenditures out of that consolidated funding account. DAGS introduced S.B. 830, “Shared Services Technology Special Fund” and its companion H.B. 1012 last year. DAGS recommends that you hear that bill and consider its passage this year as a way to achieve some of the objectives of S.B. 2548.

We appreciate your interest in improving IT for the State and will be happy to keep you apprised of the progress we make as we work towards improving governance, our IT structure and services.

Thank you for the opportunity to testify on this matter.

HMSA



An Independent Licensee of the Blue Cross and Blue Shield Association

February 1, 2010

The Honorable Carol Fukunaga, Chair
The Honorable Rosalyn Baker, Vice Chair

Senate Committee on Economic Development and Technology

Re: SB 2548 – Relating to Information Technology

Dear Chair Fukunaga, Vice Chair Baker and Members of the Committee:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify in support of SB 2548 which would create the position of Chief Information Officer within the state government with the responsibility to develop and execute the information technology strategic plan.

It is an exciting time for the state of Hawaii with respect to information technology in general and health information in particular. Many entities are striving to become recipients of federal grant monies for planning and projects which will ultimately improve the entire system of health care in the state. As an example, the Hawaii Health Information Exchange will receive ARRA funding to create a statewide information exchange. With the large amount of dollars coming into the state, it will be important to ensure that there is both tracking and coordination of federal health information technology dollars.

We believe that the use of information technology in all fields will continue to expand and ensuring that the state is providing appropriate oversight to these efforts only makes sense. Therefore we support the goals outlined in SB 2548.

Thank you for the opportunity to testify.

Sincerely,

A handwritten signature in black ink, appearing to read 'JDiesman', written over a white background.

Jennifer Diesman
Assistant Vice President
Government Relations