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# A BILL FOR AN ACT

RELATING TO INFORMATION TECHNOLOGY.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that Act 200, Session  
2 Laws of Hawaii 2010, implemented the information technology  
3 recommendations of Auditor's Report No. 09-06, "Audit of the  
4 State of Hawai'i's Information Technology: Who's in Charge?", by  
5 establishing a full-time chief information officer and an  
6 information technology steering committee. This Act also  
7 established the shared services technology special fund to  
8 facilitate the State's ability to generate overall cost  
9 reductions through economies of scale and decreased  
10 administrative burdens.

11           In addition, Act 200 requested that the governor report to  
12 the legislature prior to the 2011 regular session with  
13 recommendations for the most appropriate state agency to house  
14 the chief information officer and any personnel under the  
15 authority of the chief information officer; the appropriate  
16 funding level for the shared services technology special fund  
17 established in section 27-43(c), Hawaii Revised Statutes; and  
18 the designated percentage of all moneys collected pursuant to



1 section 36-27(a), Hawaii Revised Statutes, for deposit into the  
2 shared services technology special fund.

3 The legislature further finds that the provisions of Act  
4 200 have proven essential - and prophetic - regarding the  
5 State's information technology security, given recent high  
6 profile security breaches affecting state agencies. In  
7 particular, fourteen positions requested in H.B. No. 200, H.D.  
8 1, S.D. 1, are critical to the successful implementation of  
9 increased data security requirements and enhanced training for  
10 state agencies.

11 The purpose of this Act is to implement recommendations  
12 regarding:

- 13 (1) Placement of the chief information officer in the  
14 department of accounting and general services; and  
15 (2) Designation of the percentage of all moneys collected  
16 pursuant to section 36-27(a), Hawaii Revised Statutes,  
17 for deposit into the shared services technology  
18 special fund at three per cent, which will ensure an  
19 income of approximately \$1,200,000 annually for the  
20 uses of the fund, and a significant savings of general  
21 fund revenues.



1 SECTION 2. Section 27-43, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "[~~§~~27-43~~§~~] Information technology; chief information  
4 officer; information technology steering committee;  
5 establishment; responsibilities. (a) There is established  
6 within the [~~office of the governor~~] department of accounting and  
7 general services a full-time chief information officer to  
8 organize, manage, and oversee statewide information technology  
9 governance, including supervision and oversight of the  
10 information and communication services division of the  
11 department of accounting and general services. The chief  
12 information officer shall be appointed by the governor as  
13 provided in section 26-34. The chief information officer shall  
14 report directly to the governor and, in conjunction with the  
15 information technology steering committee, shall:

- 16 (1) Develop, implement, and manage statewide information  
17 technology governance;  
18 (2) Develop, implement, and manage the state information  
19 technology strategic plans;  
20 (3) Develop and implement statewide technology standards;



- 1           (4) Report annually to the governor and the legislature on  
2           the status and implementation of the state information  
3           technology strategic plan; [~~and~~]
- 4           (5) Perform other necessary or desirable functions to  
5           facilitate the intent of this section[-]; and
- 6           (6) Employ persons exempt from chapters 76 and 89.
- 7           (b) There is established an information technology  
8 steering committee to assist the chief information officer in  
9 developing the State's information technology standards and  
10 policies, including but not limited to:
- 11           (1) Assisting the chief information officer in developing  
12           and implementing the state information technology  
13           strategic plans;
- 14           (2) Assessing executive branch departments' progress in  
15           meeting the objectives defined in the state  
16           information technology strategic plans and identifying  
17           best practices for shared or consolidated services;
- 18           (3) Ensuring technology projects are selected based on  
19           their potential impact and risk to the State, as well  
20           as their strategic value;



- 1 (4) Ensuring that executive branch departments maintain  
2 sufficient tools to assess the value and benefits of  
3 technology initiatives;
- 4 (5) Assisting the chief information officer in developing  
5 state information technology standards and policies;  
6 and
- 7 (6) Clarifying the roles, responsibilities, and authority  
8 of the information and communication services  
9 division, specifically as it relates to its statewide  
10 duties.

11 The members of the information technology steering  
12 committee shall be appointed in equal number by the senate  
13 president and speaker of the house of representatives [~~in equal~~  
14 ~~number~~], respectively, and shall include representatives from  
15 executive branch departments, including large user agencies such  
16 as the department of education and the University of Hawaii; the  
17 judiciary; the legislature; and private individuals. The chief  
18 information officer shall serve as the chair of the committee  
19 and shall ensure that the committee is evaluated periodically.

20 (c) There is established within the department of [~~budget~~  
21 ~~and finance~~] accounting and general services a special fund to  
22 be known as the shared services technology special fund to be



1 administered and expended by the chief information officer for  
2 the purposes of this subsection. Three per cent of the receipts  
3 collected from special funds pursuant to section 36-27 shall be  
4 deposited into the shared services technology special fund. Any  
5 law to the contrary notwithstanding, the moneys in the fund  
6 shall be used to fund the operations of the chief information  
7 officer and the information technology steering committee,  
8 including the employment and training of staff and any other  
9 activities deemed necessary by the chief information officer to  
10 carry out the purposes of this section.

11 (d) The chief information officer and the comptroller may  
12 raise funds to defray administrative costs and may accept  
13 donations of money and personal property on behalf of the  
14 information technology steering committee; provided that all  
15 donations accepted from private sources shall be expended in the  
16 manner prescribed by the contributor, and all moneys received  
17 shall be deposited into the information technology trust  
18 account. The chief information officer may also directly  
19 receive donated personal services and personal property for  
20 which funding is not required.

21 (e) The chief information officer shall submit an annual  
22 report to the governor and the legislature no later than twenty



1 days prior to the convening of each regular session of the  
2 legislature on the activities and programs under the authority  
3 of the chief information officer and the information technology  
4 steering committee, and the expenditures of all moneys received  
5 from all sources and deposited into the information technology  
6 trust account and the shared services technology special fund."

7 SECTION 3. Section 36-27, Hawaii Revised Statutes, is  
8 amended by amending subsection (b) to read as follows:

9 "(b) Notwithstanding any other law to the contrary, the  
10 director shall deposit three per cent of all moneys collected  
11 pursuant to subsection (a) into the shared services technology  
12 special fund established pursuant to section 27-43."

13 SECTION 4. There is appropriated out of the shared  
14 services technology special fund established pursuant to section  
15 27-43, Hawaii Revised Statutes, the sum of \$1,200,000 or so much  
16 thereof as may be necessary for fiscal year 2011-2012 and the  
17 same sum or so much thereof as may be necessary for fiscal year  
18 2012-2013 to fund the operations of the chief information  
19 officer and the information technology steering committee,  
20 including the employment and training of staff and any other  
21 activities deemed necessary by the chief information officer.



1           The sums appropriated shall be expended by the department  
2 of accounting and general services for the purposes of this Act.

3           SECTION 5. Statutory material to be repealed is bracketed  
4 and stricken. New statutory material is underscored.

5           SECTION 6. This Act shall take effect on July 1, 2011.





**Report Title:**

Information Technology; Chief Information Officer; Shared Services Technology Special Fund; Appropriation

**Description:**

Moves the Chief Information Officer (CIO) from the Office of the Governor to the Department of Accounting and General Services (DAGS). Authorizes the CIO to employ persons not subject to chapters 76 and 89. Allocates three percent of central service fees collected to the Shared Services Technology Special Fund (Fund). Transfers the Fund from the Department of Budget and Finance to DAGS. Appropriates funds. Effective July 1, 2011. (HB1060 CD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

