

**HB 1060**

**HD1, SD1**

NEIL ABERCROMBIE  
GOVERNOR



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WRITTEN COMMENTS  
OF  
BRUCE A. COPPA, COMPTROLLER  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
TO THE  
SENATE COMMITTEE  
ON  
WAYS AND MEANS  
ON  
March 30, 2011

H.B. 1060, H.D. 1, S.D. 1

RELATING TO INFORMATION TECHNOLOGY

Chair Ige, and members of the Committee, thank you for the opportunity to provide comment on H.B. 1060, H.D. 1, S.D. 1.

The Department of Accounting and General Services (DAGS) is in support of H.B. 1060, H.D. 1, S.D. 1.

We do wish to provide comments on the following:

First, revising SECTION 1.(c) to move the administration of the shared services technology special fund from DAGS to the Office of the Governor to streamline the process by keeping the positions, related expenses, and funding source within the same office.

Second, specifying in SECTION 1.(c) and SECTION 2.(b), the blank percentage figure to reflect 3 per cent which would amount to approximately \$1.2M, and would be used to fund salaries, equipment, and to a much lesser degree consulting within the CIO's office during the planning phase.

Third, in SECTION 1.(d), the information technology steering committee trust account may be removed from the bill as it is no longer necessary. If the information technology steering committee trust account is not removed, we recommend it be renamed the information technology trust account to fit its planned use and should be separate and apart from the shared services technology special fund. H.B. 1060, H.D 1, S.D. 1, as it is currently written places the trust account as a sub account of the special fund. The trust account should be separate and apart from the special fund account to avoid any confusion on the appropriation ceiling and to recognize the different means of funding.

Fourth, in SECTION 1.(d), the bill does not specifically allow for donated personal services. We would request that a provision be included in the bill to allow for donated personal services. With the revision being proposed, Section 27-43 (d) would read as follows: "The chief information officer, and the comptroller may raise funds to defray administrative costs, and may accept donations of money and personal property; provided that all private donations accepted from private sources shall be expended in the manner prescribed by the contributor. The chief information officer may also directly receive donated personal services and personal property which are donated and for which funding is not required."

Fifth, in SECTION 1.(e), requiring an accounting and activity report of both the shared services technology special fund and the information technology trust account (if not deleted from the bill) in the annual report to the governor and legislature. This change would clarify that both funds are separate funds.

Sixth, delete SECTION 3. There is no appropriation required out of the general revenues of the State of Hawaii other than the amount specified in SECTION 1.(c) and SECTION 2.(b).

Seventh, specifying in SECTION 4. the blank sum to be an appropriation of \$1.2M for the shared services technology special fund for fiscal year 2012 and 2013. This appropriation is necessary to fund the operations of the CIO and the information technology steering committee including the employment and training of staff.

Eight, in SECTION 6., changing the effective date of this Act from July 1, 2050 to July 1, 2011.

Thank you for the opportunity to submit written comments on this matter.