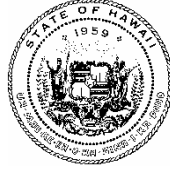


# **HB 1060, HD1 Testimony**

**EDT**

NEIL ABERCROMBIE  
GOVERNOR



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TESTIMONY  
OF  
BRUCE A. COPPA, COMPTROLLER  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
TO THE  
SENATE COMMITTEE  
ON  
ECONOMIC DEVELOPMENT AND TECHNOLOGY  
ON  
March 16, 2010  
H.B. 1060, H.D. 1

RELATING TO INFORMATION TECHNOLOGY

Chair Fukunaga and members of the Committee, thank you for the opportunity to testify on H.B. 1060, H.D. 1.

The Department of Accounting and General Services (DAGS) strongly supports and recommends passage of H.B. 1060, H.D. 1. We introduced this bill as a means to implement Act 200, SLH 2010, which called for establishment of a full time chief information officer (CIO), development and implementation of an information technology strategic plan, and creation of the shared services technology special fund.

Our proposed implementation approach for Act 200 entails two phases. The first can be viewed as the planning phase. During this phase, the CIO will focus on strategic actions to include the completion of the Information Technology Strategic Plan (the Plan) with the assistance of the Information Technology Steering Committee and will remain in the Governor's

Office. The Plan will become the State's technology vision and serve as the road map to implement the vision. More specifically, the Plan will become the basis for the long term statewide technology transformation, operational organizational structure for the CIO and consolidated IT staff, and the required technology budget.

The proposed bill would establish 3% (approximately \$1.2M) of all monies collected via special funds (pursuant to section 36-27, HRS) not specifically excluded to go toward the shared services technology special fund. This percentage will provide for salaries of the CIO and support staff, made up of relatively senior level, exempt IT staff, during this planning phase and will be revised when the Plan is approved and sufficient fidelity is available to determine the longer term percentage required to fund Plan implementation. This 3% will be augmented by a grant from a philanthropic organization to ensure we can start this initiative at the earliest possible date.

The second phase of implementing Act 200 will be the implementation phase of the Plan. Commencing on or about July 1, 2013, the organizational placement in the Executive Branch and operational structure for the CIO will be finalized and include consolidation of IT staff as required by the Plan. This will be finalized through the budget bill for the 2013-2015 biennium budget and legislation to address reorganization requirements in the 2013 legislative session.

At this time, we would like to recommend the following changes to H.B. 1060, H.D. 1:

- 1) Specifying in SECTION 1. (c) and 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.
- 2) Delete SECTION 1. (d).

- 3) Amend the current effective date of July 1, 2030, to July 1, 2011, which aligns to the agreement we have with the philanthropic organization as a condition for their Foundation funding..

Thank you for the opportunity to testify on this matter.