



GOV. MSG. NO. **1325**

EXECUTIVE CHAMBERS  
HONOLULU

NEIL ABERCROMBIE  
GOVERNOR

July 05, 2012

The Honorable Shan Tsutsui, President  
and Members of the Senate  
Twenty-Sixth State Legislature  
State Capitol, Room 409  
Honolulu, Hawaii 96813

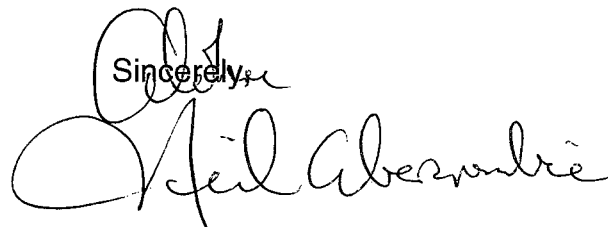
The Honorable Calvin Say, Speaker  
and Members of the House  
Twenty-Sixth State Legislature  
State Capitol, Room 431  
Honolulu, Hawaii 96813

Dear President Tsutsui, Speaker Say and Members of the Legislature:

This is to inform you that on July 05, 2012, the following bill was signed into law:

SB2780 SD1 HD2 CD1

RELATING TO THE DEPARTMENT OF  
ACCOUNTING AND GENERAL SERVICES  
**Act 222 (12)**

Sincerely,  


NEIL ABERCROMBIE  
Governor, State of Hawaii

Approved by the Governor  
on JUL 5 2012

ACT 222

THE SENATE  
TWENTY-SIXTH LEGISLATURE, 2012  
STATE OF HAWAII

S.B. NO. 2780  
S.D. 1  
H.D. 2  
C.D. 1

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## A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

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

1           SECTION 1. In March 2011, the State launched an initiative  
2 to modernize and transform the State's technology  
3 infrastructure, systems, processes, and procedures. The State  
4 subsequently hired its first full-time chief information officer  
5 in July 2011 to oversee the development and implementation of a  
6 statewide information technology strategic plan. In September  
7 2011, the first phase of the State's modernization initiative  
8 was completed with the publishing of the "Baseline of  
9 Information Management and Technology and Comprehensive View of  
10 State Services" report. The findings and recommendations in  
11 this report provide the basis for the strategic direction that  
12 the State needs to take going forward. The development of the  
13 statewide information technology strategic plan, which will  
14 include a business transformation strategy, is currently under  
15 development and is anticipated to be delivered by the chief  
16 information officer in July 2012.

17           The report explains that the State's budget reductions over  
18 the last decade and lack of centralized governance of



1 information technology and information resource management have  
2 resulted in minimal integration of business processes between  
3 departments, duplication of efforts and redundant processes, and  
4 aging legacy systems. Further, the State's current level of  
5 investment in information technology and information resource  
6 management is inadequate compared to benchmark standards found  
7 in other states and existing best practices.

8 It is recognized that technology alone cannot address the  
9 State's needs; simply automating obsolete or stove-piped  
10 processes will not lead to better outcomes. What is required is  
11 a re-thinking of the existing business processes throughout  
12 state government, in every department, in order to take full  
13 advantage of the transformation capabilities modern technology  
14 offers. It is the chief information officer's and business  
15 transformation executive's intention to embark upon a  
16 prioritized enterprise-wide re-evaluation of business processes  
17 and their enabling technologies in order to advance Hawaii to a  
18 more agile, responsive, and transparent future state.

19 The re-thinking of business processes and the  
20 transformation of the State's information technology  
21 infrastructure and framework will result in increased  
22 efficiencies through greater collaboration and information



1 sharing, improved effectiveness through eliminating  
2 redundancies, enhanced levels of information security, future  
3 cost savings, and business processes that will more closely  
4 align with the business needs of the State. Additionally, the  
5 new information technology framework that will be documented in  
6 the strategic plan will include an enterprise architecture for  
7 the State and will serve as the basis for annual tactical  
8 operation plans going forward.

9 Funding for the defined initiatives resulting from the  
10 strategic plan cannot be funded until fiscal year 2013-2014, but  
11 there are basic and critical foundational elements that must be  
12 implemented in fiscal year 2012-13, in order for the State to  
13 realize the greatest benefits of the overall transformation  
14 initiative.

15 The legislature further finds that the public procurement  
16 approval process for information technology procurements can  
17 often extend over a lengthy period. An expedited procurement  
18 approval process to implement the first group of business  
19 process reengineering and information technology activities,  
20 pilot projects to increase current operational capabilities, and  
21 demonstration projects authorized in the Supplemental  
22 Appropriations Act of 2012 is essential to meet key deadlines



1 tied to the fiscal year 2013-2015 biennium budget cycle for  
2 implementation of the State's information technology strategic  
3 plan.

4 The purpose of this Act is to expedite implementation of  
5 the business reengineering process and technology initiatives as  
6 a foundation for the transformation activities proposed in the  
7 State's information technology strategic plan by providing a  
8 twelve-month, expedited process for information technology  
9 projects authorized in the Supplemental Appropriations Act of  
10 2012 under information processing and communication services  
11 (AGS 131).

12 SECTION 2. Beginning July 30, 2012, the state procurement  
13 office and the office of information management and technology  
14 shall submit monthly reports to the legislature on the status of  
15 information technology procurements for authorized projects  
16 undertaken by the office of information management and  
17 technology to implement the State's information technology  
18 strategic plan. Where appropriate, the state procurement  
19 officer may approve exemptions for individual procurements that  
20 facilitate the immediate deployment of demonstration technology  
21 projects authorized in the Supplemental Appropriations Act of



1 2012 under information and communication services (AGS 131) that  
2 will be completed by June 30, 2013.

3 The office of information management and technology shall  
4 also submit a report on the number of information technology  
5 procurements completed on an expedited basis, the results  
6 achieved in each technology project, as well as recommendations  
7 on the feasibility of establishing a new category for  
8 information technology procurements within the States  
9 procurement laws.

10 SECTION 3. This Act shall take effect on July 1, 2012.

APPROVED this 5 day of JUL, 2012



GOVERNOR OF THE STATE OF HAWAII