STAND. COM. REP. NO. 336

Honolulu, Hawaii

APR 0 4 2014

RE: H.B. No. 2003

H.D. 1 S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

## Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 2003, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CYBERSECURITY,"

begs leave to report as follows:

The purpose and intent of this measure is to appropriate funds to the Department of Defense to establish a Hawaii cybersecurity, economic, education, and infrastructure security coordinator position to coordinate efforts on and recommend improvements to the State's cybersecurity and cyber resiliency.

In addition, this measure requires the cybersecurity, economic, education, and infrastructure security coordinator to define requirements for securing state, federal, and private moneys to fund cybersecurity improvements.

The Department of Defense, Hawaii State Office of Information Management and Technology, and Oceanit provided testimony in support of this measure.

Your Committee finds that coordination and collaboration is needed between government agencies, the University of Hawaii, and the private and public sector to improve cybersecurity and cyber resiliency in the State and to develop effective responses to cyber-attacks. Innovative advancements in technology have provided new and convenient ways to store sensitive information and data in cyberspace but have also spawned new types of security

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threats and intrusion. Any compromise or unauthorized use of the valuable and sensitive information stored in cyberspace may significantly disrupt critical operations and render the State and its agencies vulnerable to cyber-attacks. Your Committee believes that this measure will improve cybersecurity and cyber resiliency by ensuring that any cyber threat or attack is met with a timely and coordinated response.

Your Committee has amended this measure by:

- (1) Clarifying that the cybersecurity, economic, education, and infrastructure security coordinator position is established in Chapter 128, Hawaii Revised Statutes;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2003, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2003, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

DAVID Y. IGE Chair

## The Senate Twenty-Seventh Legislature State of Hawai'i

## Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee	Referral:	Da	te:	,
HB2003 HD1	WAM			4-2-	14
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)					
KIDANI, Michelle N. (VC)					
CHUN OAKLAND, Suzanne		~			
DELA CRUZ, Donovan M.					
ENGLISH, J. Kalani					
ESPERO, Will		<u> </u>			
KAHELE, Gilbert		<u> </u>			
KEITH-AGARAN, Gilbert S.C.					
KOUCHI, Ronald D.		<u> </u>			
RUDERMAN, Russell E.		<u> </u>			
THIELEN, Laura H.					
TOKUDA, Jill N.				<u> </u>	
SLOM, Sam					
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Recommendation:  Adopted  Not Adopted					
Chair's or Designee's Signature: huhlle A. Kdani					
Distribution:         Original         Yellow         Pink         Goldenrod           File with Committee Report         Clerk's Office         Drafting Agency         Committee File Copy					

\*Only one measure per Record of Votes