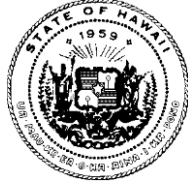


DAVID Y. IGE
GOVERNOR



PANKAJ BHANOT
DIRECTOR

CATHY BETTS
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

February 17, 2019

TO: The Honorable Representative Sylvia Luke, Chair
House Committee on Finance

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 1553 HD 1– RELATING TO HOMELAND SECURITY**

Hearing: February 21, 2019, 12:30 p.m.
Conference Room 308, State Capitol

DEPARTMENT’S POSITION: The Department of Human Services (DHS) supports this measure. The Committee on Judiciary amended the measure by defecting the effective date.

PURPOSE: The purpose of the bill is to establish the Hawaii State Fusion Center as a program under the Office of Homeland Security and establish the position of Hawaii State Fusion Center Director who shall be state-funded, responsible to the Director of Homeland Security, and accountable to manage the operations of the Center.

The Fusion Center is a significant resource to the State of Hawaii and serves as an important hub for Federal, State, County agencies, and private entities to come together and receive the most up to date information on security and other issues that may impact the residents of the State. DHS is a State partner agency and has received assistance, training, and information through Fusion Center and member partners on issues that range from homelessness, cybersecurity, coordinated response to sex trafficking, the REAL ID Act, improving system response to workplace violence, and vital information from the Centers for Disease Control and Prevention. DHS has also relied on its partnership to engage Fusion Center partners as reviewing and planning team members of the State's Emergency Repatriation Plan

Thank you for the opportunity to testify on this bill.



DAVID Y. IGE
GOVERNOR

MIKE MCCARTNEY
DIRECTOR

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
MIKE MCCARTNEY
Director

Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON FINANCE

Thursday, February 21, 2019
12:30 PM
State Capitol, Conference Room 308

In consideration of
HB 1553 HD1
RELATING TO HOMELAND SECURITY

Chair Luke, Vice Chair Cullen, and members of the Committee. The Department of Business, Economic Development, and Tourism (DBEDT) **strongly supports** HB 1553 HD1, which establishes the Hawaii State Fusion Center as a program under the Office of Homeland Security and establishes the position of Hawaii State Fusion Center Director who shall be state-funded, responsible to the Director of Homeland Security, and accountable to manage the operations of the Center.

The State Homeland Security statutes (Chapter 128A, Hawaii Revised Statutes), were enacted to provide a homeland security law to provide for all homeland security functions of the State and its counties. It is intended to ensure that the State will be adequately prepared to deal with terrorist attacks; preserve the lives and property of the people of the State; and to protect the public peace, health, and safety.

The Hawaii State Fusion Center supports these objectives by being the focal point for sharing local, national, and international information and context with the national level intelligence community. These functions and roles are critical to the State. We support this bill provided that its passage does not replace or adversely impact priorities indicated in our Executive Budget.

Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR



ARTHUR J. LOGAN
MAJOR GENERAL
ADJUTANT GENERAL

KENNETH S. HARA
BRIGADIER GENERAL
DEPUTY ADJUTANT GENERAL

STATE OF HAWAII
DEPARTMENT OF DEFENSE
OFFICE OF THE ADJUTANT GENERAL
3949 DIAMOND HEAD ROAD
HONOLULU, HAWAII 96816-4495

STATE OF HAWAII
DEPARTMENT OF DEFENSE

TESTIMONY ON HOUSE BILL 1553 HD1
A BILL RELATED TO HOMELAND SECURITY

PRESENTATION TO THE
COMMITTEE ON FINANCE

BY

MAJOR GENERAL ARTHUR J. LOGAN
ADJUTANT GENERAL,
DIRECTOR OF THE HAWAII EMERGENCY MANAGEMENT AGENCY
AND DIRECTOR OF HOMELAND SECURITY

FEBRUARY 21, 2019

Good afternoon Chairperson Sylvia Luke, Vice Chair Ty J.K. Cullen and members of the Committee on Finance.

I am MG Arthur J. Logan, Adjutant General, Director of Emergency Management and Director of Homeland Security. Thank you for the opportunity to submit testimony in **STRONG SUPPORT** of HB 1553 HD 1.

This proposal, with the additions to HRS Chapter 128 A will solidify the Hawaii Fusion Center. One of the major functions of the fusion center is to share information and to ensure our partners are equipped with the necessary tools to keep Hawaii and the Nation safe, secure and resilient.

The Hawaii State Fusion Center is the state's primary agency to receive, analyze, gather and share of threat-related information between the federal, state, local, and private sector partners. Fusion centers are situated in the state to empower front line law enforcement, public safety, fire, emergency responders, public health, critical infrastructure protection and private sector security personnel to understand the implications of intelligence for and to the State. The fusion center provides interdisciplinary expertise and situational awareness to inform decision-making at all levels of government. The Hawaii State Fusion Center conducts analysis and facilitates information sharing by assisting law enforcement and homeland security partners in preventing, protecting against and responding to crime, terrorism and all-hazard incidents.

The fusion center collaborates among all levels of government to receive, analyze, and disseminate threat related information in coordination with intelligence partners by coordinating with the 16 critical infrastructure sectors and lifelines, for example, electric, water, food, gas, utilities, communications, etc. The collaboration includes the integration of cyber related threat information, cyber-crime prevention and analytic capabilities to assist in identifying cyber threats and indicators to individual networks and systems. The intelligence analyst within the fusion center assist piecing together the disparate bits of information to form integrated views to produce actionable intelligence products on emerging cyber incidents, risk, threats, event, or trend.

In addition to the support to and from law enforcement with alert@hiorca.org portal, the Hawaii State Fusion Center works closely with the all educational levels and security personnel to report school incidents, theft, threats, shootings, etc., in our www.safekeiki.org portal. In addition, many of our hotel security are part of the www.hhvisa.org portal, where again threats to our visitors are noted and provided to the appropriate law enforcement for investigation.

The Hawaii State Fusion Center is an important and integral part of Hawaii's Homeland Security and the protection of our citizens and visitors.

Thank you for allowing me to testify in SUPPORT of House Bill 1553 HD1.

DAVID Y. IGE
GOVERNOR



ARTHUR J. LOGAN
MAJOR GENERAL
ADJUTANT GENERAL

KENNETH S. HARA
BRIGADIER GENERAL
DEPUTY ADJUTANT GENERAL

STATE OF HAWAII
DEPARTMENT OF DEFENSE
OFFICE OF THE ADJUTANT GENERAL
3949 DIAMOND HEAD ROAD
HONOLULU, HAWAII 96816-4495

STATE OF HAWAII
DEPARTMENT OF DEFENSE

TESTIMONY ON HOUSE BILL 1553
A BILL RELATED TO HOMELAND SECURITY

PRESENTATION TO THE
COMMITTEE ON FINANCE

BY
DOLORES COOK
STATE DEPARTMENT OF DEFENSE
ADMINISTRATOR, OFFICE OF HOMELAND SECURITY

FEBRUARY 21, 2019

Good afternoon Chairperson Sylvia Luke, Vice Chair Ty J.K. Cullen and members of the Committee on Finance.

I am Dolores Cook, Administrator, Office of Homeland Security. Thank you for the opportunity to submit testimony in STRONG SUPPORT of HB 1553, HD 1.

The proposal of HB 1553, with the additions to HRS Chapter 128A are important to solidify the Hawaii Fusion Center. The Hawaii Fusion Center is essential for the state to share information to ensure our partners are equipped with the necessary tools to keep Hawaii and the Nation safe, secure and resilient.

The Hawaii State Fusion Center is the focal point for the state to receive, analyze, gather and share threat-related information between our federal, state, local, and private sector partners. It also empowers front line law enforcement, public safety, fire, emergency responders, public health, critical infrastructure protection and private sector security personnel to understand the implications of intelligence to the State. This collaboration, synchronization and analysis of information produces actionable intelligence products on emerging cyber incidents, potential threats, public event, and/or trends. In addition to the support and collaboration with law enforcement, the Hawaii State Fusion Center also works closely with our schools' and hotels' security.

The Hawaii State Fusion Center is an important part of Hawaii's homeland security and the protection and safety of our residence and visitors.

Thank you for allowing me to submit testimony in SUPPORT of House Bill 1553, HD 1.

**TESTIMONY BEFORE THE
HOUSE COMMITTEE ON FINANCE**

**H.B. 1553, HD1
Relating to Homeland Security**

Thursday, February 21, 2019
12:30 p.m., Finance Committee Agenda #2, Item #3
State Capitol, Conference Room 308

Bryan Tepper
Information Assurance Manager
Hawaiian Electric Company, Inc.

Dear Chair Luke, Vice Chair San Cullen, and Members of the Committee,

My name is Bryan Tepper and I represent Hawaiian Electric Company and its subsidiary utilities Maui Electric Company and Hawaii Electric Light Company (collectively, "Hawaiian Electric Companies"). Hawaiian Electric supports H.B. 1553, HD1, Relating to Homeland Security. H.B. 1553, HD1 proposes to establish the Hawaii State Fusion Center ("HSFC") as a program in the Office of Homeland Security and establishes the position of Hawaii State Fusion Center Director who shall be state-funded, responsible to the Director of Homeland Security, and accountable to manage the operations of the Center.

Hawaiian Electric is a public private member of the Hawaii State Fusion Center. We are an active member that utilizes the resources of the HSFC for identification and analysis of threats to the energy infrastructure. The partnership between Hawaiian Electric and the Hawaii State Fusion Center provides essential information that Hawaiian Electric employs in its remediation of vulnerabilities to protect the critical infrastructure and customer and employee personally identifiable information.

Hawaiian Electric believes the Hawaii State Fusion Center plays an essential role in the protection of the State of Hawaii and its people, property and critical infrastructure. Officially establishing the Hawaii State Fusion Center in statute recognizes the importance of this organization and provides necessary continuity for its operations.

Thank you for the opportunity to testify on this measure.

BOARD OF WATER SUPPLY

CITY AND COUNTY OF HONOLULU
630 SOUTH BERETANIA STREET
HONOLULU, HI 96843
www.boardofwatersupply.com




February 21, 2019

KIRK CALDWELL, MAYOR

BRYAN P. ANDAYA, Chair
KAPUA SPROAT, Vice Chair
KAY C. MATSUI
RAY C. SOON
MAX J. SWORD

ROSS S. SASAMURA, Ex-Officio
JADE T. BUTAY, Ex-Officio

ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer

ELLEN E. KITAMURA, P.E.
Deputy Manager and Chief Engineer 

The Honorable Sylvia Luke, Chair
and Members
Committee on Finance
Hawaii State Capitol, Room 308
Honolulu, Hawaii 96813

Dear Chair Luke and Members:

Subject: House Bill 1553, House Draft 1, Relating to Homeland Security

The Board of Water Supply (BWS) strongly supports House Bill (HB) 1553, House Draft (HD) 1. As a water utility serving almost one million residents and visitors, the BWS is designated as part of Hawaii's critical infrastructure by the Department of Homeland Security. The BWS recognizes potential terrorist threats may significantly impact the health, safety and livelihood of every resident and visitor on the Island of Oahu.

Safeguarding our operation from these potential threats is the reason the BWS has become a partner of the Hawaii State Fusion Center (HSFC) under the direction of the Hawaii Department of Defense, through the signing of a Memorandum of Understanding (MOU) in June 2016. The MOU establishes efficient and timely sharing of information between two organizations to increase situational awareness of possible cyber-security issues and concerns.

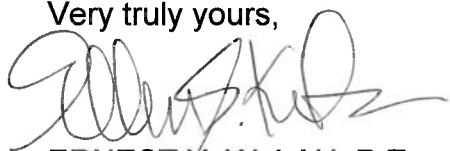
With the current and actionable threat intelligence, coordinated and timely information dissemination, access to critical information sharing amongst Federal, State, County agencies and public-private entities is a critical component of our situational and operational programs for protecting against cyber and physical attacks. HB 1553, HD 1, provides the mechanism to provide the necessary staffing for the HSFC to become operational and to meet its intended mission.

Should the HSFC, its Center Director, no longer be in existence, the BWS would lose a valued partner and ally in its mission to provide safe, dependable and affordable water now and into the future.

The Honorable Sylvia Luke
and Members
February 21, 2019
Page 2

Thank you for the opportunity to testify on HB 1553, HD 1.

Very truly yours,



ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer



Testimony to the House Committee on Finance

Thursday, February 21, 2019 12:30 p.m.
Conference Room 308, State Capitol
RE: House Bill 1553 HD1

Chair Luke, Vice Chair Cullen and Members of the Committee on Finance:

Hawaii Gas supports HB 1553 HD1 and provides the following comments.

HB 1553 HD1 amends Chapter 128, Hawaii Revised Statutes, by establishing the Hawaii State Fusion Center as a program under the Office of Homeland Security and establishes the position of Hawaii State Fusion Center Director who shall be state-funded, responsible to the Director of Homeland Security, and accountable to manage the operations of the Center. The purpose of this bill is to codify the linkages of the Fusion Center within the State Department of Defense, specifically the State's Office of Homeland Security.

The importance of the Hawaii State Fusion Center should not be overlooked. Hawaii faces an evolving threat environment in which threats emanate not only from outside our borders but also from within our communities. The Center fulfills a critical role in the defense of our state and nation as the hub and spokes for gathering and sharing threat-related information between the federal, state and local levels of government and private sector partners.

Hawaii's Center is also part of a national network of fusion centers that collaborates to build capacity, share resources and provide training to improve our performance to strengthen our homeland security.

Hawaii Gas has been a partner company to the Hawaii State Fusion Center. There are a number of reasons for federal, state and local governments to consider gas systems as a critical part of energy security. The physical and cyber security operations of gas production, transmission and distribution make the system inherently reliable and resilient. Our state's gas pipelines are considered critical infrastructure because they are mostly underground and protected from weather and other elements. So, disruptions to gas service are very rare. Our customers and our state rely on our service to provide a constant source of energy for powering backup generation systems, and providing a heating source for sanitation, cooking and drying needs. Hawaii Gas in accordance with federal requirements runs simulated exercises in response/recovery efforts to help prepare in the event of natural or man-made disasters and work closely with government agencies to share threat information and practices. So, the State Fusion Center's partnerships with companies like Hawaii Gas and with other major economic sectors are critical and serve as great resource for our state and the nation.



Thank you for the opportunity to testify on HB 1553 HD1.

Sincerely,

Jeannine A. Souki
Director, Government Affairs and Communications
Hawaii Gas



**TESTIMONY OF TINA YAMAKI
PRESIDENT
RETAIL MERCHANTS OF HAWAII
February 21, 2019**

Re: HB 1553 HD1 RELATING TO HOMELAND SECURITY

Good afternoon Chairperson Luke and members of the House Committee on Finance. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii (RMH) is a statewide not-for-profit trade organization committed to supporting the retail industry and business in general in Hawaii. The retail industry is one of the largest employers in the state, employing 25% of the labor force.

The Retail Merchants of Hawaii **STRONGLY SUPPORTS HB 1553 HD1 Relating to Homeland Security.** For many years, the Retail Merchant of Hawaii has been working in partnership with the Hawaii State Fusion Center. They are very influential in formulating partnerships between not only federal, state and county government agencies, but with business community partners like us that share information to combat safety and security problems and issues facing not only our industry but our community and government as well.

As property crimes continue to plague retailers, the Hawaii State Fusion Center has been instrumental in establishing the Hawaii Organized Retail Crime Alliance (HIORCA) website that is open only to law enforcement and retail investigators in an effort to share cross jurisdictional information to identify, disrupt, and apprehend Organized Retail Crime (ORC) crews. HIORCA operates like a business "crime watch" that allows law enforcement and retailers to communicate on a real time basis through alerts about criminal activity and incidents impacting their business or geographic area, in an effort to prevent other retail partners from being victimized.

The information that we receive from the Hawaii State Fusion Center is invaluable through their dissemination of information on leads, tips, trends, suspicious activities and more. It is only by continuing to work in partnership that we can maintain a Hawaii that is not only safe to visit but to live and work as well.

Mahalo for this opportunity to testify.



HOUSE COMMITTEE ON FINANCE

February 21, 2019, 12:30 PM

State Capitol, Room 308

Written Testimony Only of CyberHawaii
HB 1553 HD1 Relating to Homeland Security

Chair Luke, Vice-Chair Cullen and members of the House Committee on Finance, CyberHawaii respectfully submits its testimony in **strong support** of HB 1553 HD1.

Co-led by executive team members Clyde Sonobe and Jennifer Sabas, CyberHawaii is a non-profit organization committed to a whole of community approach to mitigate cyber risk, support educational and workforce pathways, and invest in business and nonprofit mentoring for a more cyber secure and resilient Hawaii. Our members include large and mid-size businesses, strategic federal, military, state and county government partners, as well as affiliate business organizations.

On Tuesday, January 29, 2019, the U.S. National Intelligence Agency released its annual “World-Wide Threat Assessment” with growing cyber attacks topping the list of threats of greatest concern, coming from Russia and China in particular and targeting American infrastructure. Our nation’s Intelligence Chiefs presented their finding on Capitol Hill.

Safeguarding Hawaii from cyber attack requires collaboration between State, Local, Federal government and Defense agencies, together with critical infrastructure private sector companies and partners. CyberHawaii recognizes the critical role that the Hawaii State Fusion Center must play in this most important endeavor.

In partnership with the U.S. Department of Homeland Security's newly created Cyber Security and Infrastructure Agency, the State Fusion Center and its director will provide a focal point for the cohesive efforts between all stakeholders, and in particular with private sector companies, allowing for increased anonymized information sharing and cyber threat mitigation. Cyber security is everyone's kuleana. Working together as a community, we can all do our part and make a difference. The Fusion Center, together with a strong director, is an essential component of the strategy.

Thank you for this opportunity to submit testimony in **strong support** of HB 1553 HD1.

HB-1553-HD-1

Submitted on: 2/17/2019 3:14:35 PM

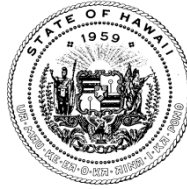
Testimony for FIN on 2/21/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Joseph Kohn MD	We Are One, Inc. - www.WeAreOne.cc - WAO	Oppose	No

Comments:

Strongly Oppose systematic invasion of privacy for toxic corporate military industrial purposes.

www.WeAreOne.cc



LATE

TESTIMONY BY:

JADE T. BUTAY
DIRECTOR

Deputy Directors
LYNN A.S. ARAKI-REGAN
DEREK J. CHOW
ROSS M. HIGASHI
EDWIN H. SNIFFEN

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

February 21, 2019
12:30 p.m.
State Capitol, Room 308

H.B. 1553, H.D. 1
RELATING TO HOMELAND SECURITY

House Committee on Finance

The Department of Transportation (DOT) **supports** H.B. 1553 which seeks inclusion of the Hawaii Fusion Center, under the Hawaii Department of Homeland Security. The vision of the fusion center is to share information to ensure law enforcement and security partners are equipped with the necessary tools to keep Hawaii and the Nation safe, secure and resilient.

The overall goal of the DOT is to facilitate the rapid, safe, and economical movement of people, goods and mail into, within, and out of the State by providing and operating transportation facilities and supporting services.

The DOT currently has three (3) Divisions: Airports, Harbors, and Highways. DOT provides, operates, and maintains 11 commercial service airports, 4 general aviation airports, 10 commercial harbors, and more than 2,500 miles of highway.

The three (3) transportation divisions are regulated by various federal agencies to ensure compliance with environmental, health, safety, law enforcement, and security requirements.

Current events such as terrorism, active shooter, insider threat, human smuggling, and trespassing impact our three transportation divisions. By this bill, the DOT will be able to receive timely information, both classified and unclassified, from the Hawaii Fusion Center to allow its new Office of Security and Law Enforcement to prepare for and respond to any threat to our transportation sectors, which are considered critical infrastructures

Thank you for the opportunity to provide testimony.