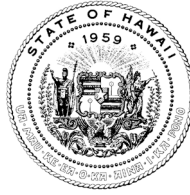


DAVID Y. IGE  
GOVERNOR



DOUGLAS MURDOCK  
CHIEF INFORMATION  
OFFICER

## OFFICE OF ENTERPRISE TECHNOLOGY SERVICES

P.O. BOX 119, HONOLULU, HI 96810-0119  
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Testimony of  
DOUGLAS MURDOCK  
Chief Information Officer  
Enterprise Technology Services

Before the

HOUSE COMMITTEE ON HIGHER EDUCATION & TECHNOLOGY  
Friday, March 18, 2022

SENATE BILL NO. 3284 SD2  
RELATING TO INFORMATION TECHNOLOGY SERVICES

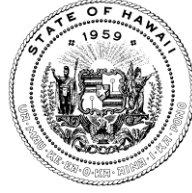
Dear Chair Takayama, Vice Chair Clark, and members of the committee,

The Office of Enterprise Technology Services (ETS) supports the intent of this bill which establishes a working group that will evaluate and plan for phased consolidation of the executive branch's IT resources and make recommendations to attract high quality IT professionals to the state.

ETS has successfully consolidated many of the IT services used by the departments such as Microsoft 365 for email, file sharing and online meetings and Adobe eSign for document management, workflow, and electronic signature, and several cybersecurity tools. In addition, ETS has successfully worked to modernize the state's Enterprise Resource Planning systems including Human Resources, Payroll, Time and Leave, and Financial Management. These are just a few of the shared services ETS already provides. ETS has inventories of state systems and reviews departmental needs in order to select new opportunities for consolidation by establishing new shared services where appropriate.

To facilitate this working group, we ask that the legislature approve the requests in the Governor's budget for the re-establishment of the ETS Administrative Services Officer and ETS Human Resources Manager. ETS is currently struggling without these positions and the positions will be critical in enabling the working group to meet the goals set forth in the bill.

Thank you for the opportunity to provide testimony on this measure.



DAVID Y. IGE  
GOVERNOR

JOSH GREEN  
LT. GOVERNOR

**STATE OF HAWAII  
OFFICE OF THE DIRECTOR  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

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CATHERINE P. AWAKUNI COLÓN  
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI  
DEPUTY DIRECTOR

**Testimony of the Department of Commerce and Consumer Affairs**

**Before the  
House Committee on Higher Education & Technology  
Friday, March 18, 2022  
2:00 p.m.  
Via Videoconference**

**On the following measure:  
S.B. 3284 S.D.2, RELATING TO INFORMATION TECHNOLOGY SERVICES**

Chair Takayama and Members of the Committee:

My name is Catherine P. Awakuni Colón, and I am the Director of the Department of Commerce and Consumer Affairs (Department). The Department appreciates the intent of this bill and offers comments on this bill.

The purposes of this bill are to: (1) establish a technology services consolidation working group, which shall develop a plan for the phased consolidation of all state executive branch information technology services and staff within 5 years, except those of the Department of Education, Hawaii Health Systems Corporation, University of Hawaii, and Office of Hawaiian Affairs, under the Office of Enterprise Technology Services, (2) require the working group to recommend ways to attract high quality information technology professionals to the State and (3) dissolve the working group on 6/30/2023.

The Department believes in the importance of information technology services and agrees that the State can benefit from consolidating these resources to ensure that the State remains in compliance with regulatory requirements for accessibility,

information storage, data sharing, and security. The Department believes however IT staff should remain with the Department and work in cooperation with the central IT organization to meet the goals of efficiency and effective governance. The Department relies on IT staff to maintain and troubleshoot its programs that benefit the State. Therefore keeping IT staff with the Department will ensure the effectiveness of these programs.

Thank you for the opportunity to testify on this bill.

DAVID Y. IGE  
GOVERNOR



CRAIG K. HIRAI  
DIRECTOR

GLORIA CHANG  
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
P.O. BOX 150  
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**WRITTEN ONLY**  
TESTIMONY BY CRAIG K. HIRAI  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE HOUSE COMMITTEE ON HIGHER EDUCATION & TECHNOLOGY  
ON  
SENATE BILL NO. 3284, S.D. 2

**March 18, 2022**  
**2:00 p.m.**  
**Room 309 and Videoconference**

RELATING TO INFORMATION TECHNOLOGY SERVICES

The Department of Budget and Finance (B&F) offers comments on Senate Bill (S.B.) No. 3284, S.D. 2.

S.B. No. 3284, S.D. 2, establishes a technology services consolidation working group, attached to the Department of Accounting and General Services, under the Office of Enterprise Technology Services (ETS), which shall develop a plan for the phased consolidation of all State Executive Branch information technology (IT) services and staff within five years, except those of the Department of Education, Hawai'i Health Systems Corporation, University of Hawai'i, and Office of Hawaiian Affairs; requires the working group to recommend ways to attract high quality IT professionals to the State; and dissolves the working group on June 30, 2023. The State's Chief Information Officer shall serve as chairperson to the working group.

Regarding the concept of a phased consolidation of IT services within ETS, B&F has concerns that an unintended consequence of consolidating IT services for such a large number of agencies may hinder responsiveness to individual impacted agencies.

Thank you for your consideration of our comments.



March 18, 2022

Rep. Gregg Takayama, Chair  
Rep. Linda Clark, Vice-Chair  
HOUSE COMMITTEE ON HIGHER EDUCATION AND TECHNOLOGY  
Via Videoconference

RE: SUPPORT FOR SB 3284, SD2, RELATING TO INFORMATION TECHNOLOGY SERVICES

Aloha Chair Takayama, Vice Chair Clark, and committee members:

My name is Christine Sakuda and I serve as the executive director of Transform Hawai'i Government (THG), a coalition of organizations and individuals who advocate for an accessible, accountable and responsive state government that leverages technology to help citizens, communities, and businesses throughout Hawai'i to thrive. We provide a consistent and persistent voice to keep modernization a top priority of state government.

Senate Bill 3284, SD2, would establish a technology services consolidation working group, which would develop a plan for the phased consolidation of all state executive branch information technology services and staff within five years, with certain exceptions. Establishing a technology services working group aligns well with the state's vision for transformative information and technology-enriched government that serves all the people of Hawai'i and the 'āina. THG has long been a proponent for this vision and supported the development of the Hawai'i Information Technology Strategic Plan (HITSP). A key priority of the plan is to optimize state enterprise systems and centralized IT services.<sup>1</sup> This bill is a necessary step toward achieving that priority.

The working group would also be tasked with recommending ways to attract high quality IT professionals to the state. The HITSP also prioritizes establishing a continuous learning culture and growth mindset to modernize how work is performed. It seeks to enable the state to develop and sustain the digital workforce through building recruitment, hiring, training, assignment and staffing models, developing qualified talent at all levels (apprenticeship, entry, senior, enterprise-level), expanding learning and cross-training and developing in-house IT talent. We defer to the legislature whether including the Office of Hawaiian Affairs within the purview of the working group is appropriate but are encouraged whenever and wherever collaboration between and across agencies can be achieved to further the state's digital transformation goals.

We urge the legislature to invest resources, including funding to administer and conduct the working group, necessary to support this legislation. Please support SB 3284, SD2.

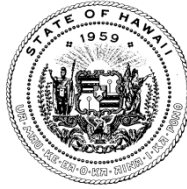
Respectfully submitted,

Christine Sakuda  
Executive Director  
Transform Hawai'i Government  
email: [csakuda@TransformHawaiiGov.org](mailto:csakuda@TransformHawaiiGov.org) | phone: (808) 321-2811  
web: [www.TransformHawaiiGov.org](http://www.TransformHawaiiGov.org)

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<sup>1</sup> Hawai'i Information Technology Strategic Plan. Hawai'i State Office of Enterprise Technology Services. (April 25, 2019). <https://ets.hawaii.gov/wp-content/uploads/2019/05/ETS-Strategic-Plan-website-4.25.19.pdf>

DAVID Y. IGE  
GOVERNOR



TESTIMONY BY:

JADE T. BUTAY  
DIRECTOR

Deputy Directors  
ROSS M. HIGASHI  
EDUARDO P. MANGLALLAN  
PATRICK H. MCCAIN  
EDWIN H. SNIFFEN

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

March 18, 2022  
2:00 P.M.

State Capitol, Conference Room 309/Teleconference

**S.B. 3284, S.D. 2**  
**RELATING TO INFORMATION TECHNOLOGY SERVICES**

House Committee on Higher Education & Technology

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The Department of Transportation (HDOT), Highways Division **submits concerns** with this bill that proposes to establish a technology services consolidation working group, which shall develop a plan for the phased consolidation of all state executive branch information technology services and staff within five years, except those of the Department of Education, Hawaii Health Systems Corporation, University of Hawaii, and the office of Hawaiian Affairs under the Office of Enterprise Technology Services (ETS).

Information technology (IT) is constantly evolving and there are seldom “one size fits all” solutions. This is especially true in the area of transportation. When developing a new information technology solution, it is critical that the Highways Division have a purpose developed and dedicated information technology program. This is required to allow us to be as nimble as possible to ensure we can keep up with the communications, data integration, and infrastructure management technology necessary to meet the ever changing needs of the public.

The Highways Division has been successful in recent years in developing and implementing information technology solutions that are unique to our operations. These systems allow the Highways Division to deliver services to the people of Hawaii in line with our six core goals: Safety, Economic Vitality, Multi-modal Integration, Resiliency, System Efficiency and System Preservation.

Examples of specialized systems developed and implemented by the Highways Division are:

1. The State of Hawaii Advanced Crash Analysis system which is a comprehensive system that stores and catalogs all major accidents in the state. From this system we can analyze accident locations, trends and causes to make changes to roadway safety. In addition, the system can use the wealth of data it collects to make predictive recommendations on future areas of concern.

2. A comprehensive e-construction system which allows for the timely and accurate management of our multi-million-dollar construction program in a cloud based, paperless environment.
3. A comprehensive data integration platform that ingests the various data sources in the division and displays them in whatever way is required by the end user. This allows for real time data analysis and reports and transparent updates to the public through the Highway Program Status map.
4. Automated Act 100 report to legislature using real time data from throughout the Highways Division program.
5. Geographic Information System based lane closure entry system that creates a public map to communicate location of planned construction. This system is first of its kind and received a Special Achievement in GIS Award from esri in 2020 (<https://events.esri.com/conference/sagList/?fa=Detail&SID=2938>).
6. Electronic Statewide Transportation Improvement Program system which automates the division's Statewide Transportation Improvement Program. The STIP is required by 49 United States Code 5304(g) for projects to receive federal funding.
7. Cloud based climate resilience for infrastructure system resulting in a hazard viewer (available at <https://hidot.hawaii.gov/resilience/>). Knowing hazards, risks, and time horizons for effects on the highways system informs HDOT's project prioritization process and allows us to add resilience features to projects in development.

These are just a few examples of the unique information technology IT challenges that the Highways Division faced and solved. Key to this success is the ability to be nimble with our IT development. This is only achievable by having a dedicated IT program that is fully dedicated to the unique challenges of running 21<sup>st</sup> century transportation organization. Having this staff stand in line along with all the other departmental programs for service from a centralized IT office will hinder our ability to innovate and serve. In addition, all major information technology initiatives are already coordinated and approved by ETS at their inception. ETS reviews and works with submitting departments to ensure that the project adheres to state information technology policies, takes advantage of economies of scale and utilizes existing resources where available. All technological advances developed in the various initiatives are also made available to other State departments.

Thank you for the opportunity to provide testimony.