SENATE COMMITTEE ON INFORMATION MANAGEMENT AND TECHNOLOGY

May 21, 1999 Hearing Room C

8:30 Tapes 19 - 20

MEMBERS PRESENT: Sen. Verne Duncan, Chair

Sen. Peter Courtney, Vice-Chair

Sen. David Nelson

STAFF PRESENT: Marjorie Taylor, Administrator

Valerie Luhr, Administrative Support

MEASURE/ISSUES HEARD: Summary of Session Discussions: Including Y2K, Enterprise Plan, E-Commerce, and the role of IRMD in the State

These minutes are in compliance with Senate and House Rules. <u>Only text enclosed in quotation marks reports a speakerís exact words.</u> For complete contents, please refer to the tapes.

TAPE/#	Speaker	Comments
TAPE 19, A		
005	Chair Duncan	Calls the meeting to order at 8:36 a.m. Opens an informational meeting on a summary of session discussions.
SUMMARY OF SESSION DISCUSSIONS: Y2K, ENTERPRISE PLAN, E-COMMERCE, AND THE ROLE OF IRMD IN THE STATE		
018	Don Mazziotti	Chief Information Officer, Information Resources Management Division (IRMD), Department of Administrative Services (DAS). Submits information about Oregonís "State of the State" for the year 2000, quick facts for 2000, and the Oregon Enterprise Network **[exhibit A]**.

025	Barb Jensen	Manager, Statewide Year 2000 Project Office, DAS. Comments on Y2K progress made over the last two and a half years. Discusses "system readiness" and reviews the "Quick Facts" sheet in Mr. Mazziottiís handout. States most of the 78 systems are turning "green" on a daily basis. Explains the Department of Veteransí Affairsí system turned "red." Explains "date criteria." Comments on the Telecommunication System, the other red system. States Business Continuation Plans are due June 1, 1999, and DAS will provide information about the plans.
067	Mazziotti	States July 1, 1999, is the due date for all system corrections for all state agencies; and the agencies have been reminded. Explains at least 11 systems will not make the July 1 deadline for legitimate reasons. States he has solicited identification of any time overages from all states agency directors. States he hopes to have completion dates for all 262 systems before this legislative session is over. Reviews the importance of SB 268. States his office will rate the Business Continuation Plans, and he hopes to report to the legislature before the session ends. States he is not certain the problem will be Y2K-related within state government at the end of the year, but the biggest problems will be viruses and "cyber terrorism." Comments on the formation of a special task force with the State Police to prepare for the virus attack.
127	Sen. Nelson	Asks about progress of the big five state agencies.
131	Jensen	States DAS continues to monitor the Department of Human Resourcesí (DHR) remediation efforts on a daily basis. States a contractor is continuously watching DHRís progress through the Completion Assurance process. States DHR has 16 of the statewide mission-critical systems. States DHR has an interface team and separate hardware team.
146	Mazziotti	Explains DHR has taken a "factory production" approach to solving their problems. States 70 percent of the systems were implemented at the last report to the committee, and now 76 percent are implemented. States he hopes 95 percent will be implemented by July 1.
164	Sen. Nelson	Asks about critical dates in 1999.
167	Mazziotti	States 50 percent plus of the system failure dates occur in the year 2000. States there are several critical dates in 2001. States December 31 is probably no more than 15 percent of the trigger dates. States 23 trigger dates are posted on the agencyís website. States the agency does not know what will occur because of the "999" deadline.
195	Sen. Nelson	Asks about the federal governmentís progress.
196	Mazziotti	The federal government has a massive public relations effort underway. States he has contacted the administrators of big agencies, such as the Federal Aviation Agency, and states they cannot and will not certify that their navigation systems are Y2K compliant. States three airlines have announced they will not fly during the time period.

215	Sen. Nelson	Asks about the status of the electric utilities.
217	Mazziotti	States DAS has worked very closely with Portland General Electric (PGE). Discusses PGEís programs. States the greatest vulnerability would be electrical outage. DAS should have its plan completed at 10 a.m. this morning.
244	Jensen	States the percentages given in the handout will be different than other states. States each state measures its progress differently and it is difficult to do comparisons among states. States she believes Oregon is in the middle to upper part of being ready for Y2K.
257	Mazziotti	Discusses the "State of Oregon Enterprise Network" map. States the map is different than what the committee first saw, and Hermiston has been added. States the Enterprise Network is approaching a point of being able to carry video signals on the current frame relay network. Comments on the H323 standard that all agencies must meet for video purposes. States DAS will hire a consultant to help write the RFP (request for proposal) that will be distributed to the private sector for their bids. States the barrier continues to be whether the receiving sites have the equipment necessary to connect to the network and the budget to purchase services.
305	Chair Duncan	Asks about SB 142.
207	Sen. Nelson	States SB 142 is going to be amended.
314	Chair Duncan	Requests Mr. Mazziotti to give an update.
335	Mazziotti	States he hopes to have an alternative developed soon that parties subject to the discussion will find acceptable. States the general characteristics of the alternative are not wholly incompatible with SB 142-A. States the compromise includes a Universal Service Fund, an infrastructure fund, regulatory reform, and significant latitude for providers in the way they price their products and the way they are regulated. Explains the details in the legislation are very important.
370	Sen. Courtney	Speaks to the importance of all parties being able to work together.
383	Sen. Nelson	Asks how many phases are in the Enterprise Plan.
387	Mazziotti	States the plan has seven stages, and stage 1 is completed. States needs to determine whether to go to Ontario or Medford. States DAS expects to have the network fully deployed by July 1, 2001. States there are funding attributes of SB 142 that could provide some funding for the network.
412	Sen. Courtney	Speaks to the importance of appearing before the Senate Judiciary Committee for any concerns or desires before sine die.
Tape 20, A		

005	Chair Duncan	Asks Mr. Mazziotti to comment on a letter that he will sign.
008	Mazziotti	Explains he and Chair Duncan met to discuss what Mr. Mazziotti can do to consolidate networks and to cause agencies to work together rather than developing their own stand-alone systems. States Chair Duncan asked what the committee could do to help and that he suggested a letter from the committee to all the other committees to inform they should be concerned about the issues **[EXHIBIT B].**
030	Sen. Courtney	States he thinks the letter should go to state agencies.
032	Chair Duncan	Agrees the letter should go to all state agencies.
033	Mazziotti	States he welcomes the suggestion.
050	Sen. Courtney	Requests all members of the committee have their names on the letter.
058	Chair Duncan	Agrees to have the full committee sign the letter and be sent to all members of the Senate.
080	Sen. Courtney	States he thinks the letter should also be sent to members of the House.
093	Sen. Nelson	States his agreement as to the recipients of the letter.
109	Mazziotti	Extends thanks to the committee.
110	Chair Duncan	Extends thanks to Mr. Mazziotti and his staff and to committee members. Adjourns the meeting at 9:11 a.m.

Submitted By, Reviewed By,

Valerie Luhr, Marjorie Taylor,

Administrative Support Administrator

EXHIBIT SUMMARY

A ñ Summary of Discussions, Y2K, Enterprise Plan, E-Commerce, and Role of IRMD in the state, Don Mazziotti, 4 pp.

B ñ Summary of Discussions, Y2K, Enterprise Plan, E-Commerce, and Role of IRMD in the state, staff, 2 pp.