SENATE COMMITTEE ON INFORMATION MANAGEMENT

AND TECHNOLOGY

January 27, 1999 Hearing Room H-174

5:00 p.m. Tapes 3 - 4

MEMBERS PRESENT: Sen. Verne Duncan, Chair

Sen. Peter Courtney

Sen. David Nelson

STAFF PRESENT: Marjorie Taylor, Administrator

Patrick Brennan, Administrative Support

MEASURE/ISSUES HEARD: INFORMATIONAL MEETING

-Don Mazziotti, Chief Information Officer

-Barbara Jensen, Manager, Statewide Year 2000 Project Office

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 3, A		
003	Chair Duncan	Calls meeting to order at 5:05 p.m.
018	Rep. Jim Hill	House District 5, House Commerce Committee Chairman. Gives an overview of the House Commerce Committeeís activities in regards to information technology issues. Discusses coordination of committee efforts on information technology (IT) issues, with regards to referrals to the Committee on Ways and Means. States that coordination between the two chambers will give a better understanding of the process that particular agencies and Ways and Means are undergoing with regards to IT issues.
040	Chair Duncan	States that the role of the information technology committees in both houses becomes increasingly important during the interim.

042	Rep. Hill	Agrees with the chair's statement. Mentions that there may be an enhancement of the role of IT committees if agencies are made to bring IT issues to the committees for approval before moving them along in the process. Mentions that he has a desire for development of expertise within policy committees on IT issues, so that the members of those committees cannot be pushed around by agencies.
058`	Chair Duncan	Asks if Rep. Hill is wishing to "front load" the system.
060	Rep. Hill	Agrees with the chair's statement, and adds that "front loading" would allow an understanding of the direction that IT policy is moving.
064	Sen. Nelson	States that he believes that Rep. Hill's proposal would be beneficial, given that the responsibility of IT issues are now split, with each chamber having a committee dealing with IT issues, rather than a joint committee as was the case in the past.
066	Sen. Courtney	Agrees with Rep. Hill's points regarding coordination of committee and agency efforts.
072	Rep. Hill	States that coordination is important, especially under term limits, where legislators cannot develop expertise in issue areas (such as IT), as they could previously over a long career and under the tutelage of experienced senior legislators. States that the process of learning must begin earlier in order for members to understand the decisions that agencies are making in regards to IT and the ramifications of those decisions. To do otherwise would be a "disservice to the citizens of the state."
085	Chair Duncan	Mentions that there are agency staff-persons that have IT roles, but that the top administrators in the agencies have less of an understanding of those issues. States that the legislative committees may be able to assist the top level managers understand the implications of issues such as the Year 2000 (Y2K) problem.
100	Rep. Hill	Discusses upcoming plans for the House Commerce Committee. Mentions that he is bringing in both the Y2K officers and the agency heads before the committee. States that his committee is doing so in order to deliver the message that the agencies must comply with the Y2K office, to both the technical staff and to the agency heads upon whom the final responsibility ultimately rests.
114	Chair Duncan	Asks if the presentations by the agencies were taped.
115	Rep. Hill	States that some of the meetings were taped, but that it was not possible in some instances to do so.
116	Chair Duncan	States that the committee may wish to review some of the presentations that were made by agencies to the House Commerce Committee. Asks Rep. Hill if the presentations by agencies had shown proper movement on the issue of Y2K compliance.

128	Rep. Hill	Answers that he is concerned by the lack of movement on the part of agencies, but trusts the agency members in charge of the Y2K protocols and the ability of the Information Resources Management Division to monitor agency progress. States that he wants agency heads to come to the committees to allow committee members to express the need for the agency heads to be involved and to push for compliance, as well as the fact that they will be held accountable for their agenciesí compliance.
149	Marjorie Taylor	Administrator. Mentions that committee members have been given the materials that were presented by agencies to the House Commerce Committee, with regards to the Y2K issue.
INFORMATIONAL MEETING		
165	Don Mazziotti	Mentions that he has made presentations on the Year 2000 issue on eight occasions in the first two weeks of the 1999 Session. States that several committees have expressed concerns regarding the Y2K issue. Mentions that the Information Resources Management Division (IRMD) considers this committee and the House Commerce Committee as its primary legislative contacts on information management issues.
177	Chair Duncan	Mentions the interest and concern regarding the Y2K issue within the legislature is a sign that there is increasing awareness of the issue.
182	Mazziotti	Chief Information Officer, IRMD. Introduces the IRMD delegation **(EXHIBIT A)**. Mentions the request made during the previous meeting for provision of information on possible committee activities in regards to IT issues. Mentions that suggestions have been included in a handout provided to the committee
225	Mazziotti	Gives a brief summary of the six issue areas suggested by IRMD for action on the part of the committee: • Policy Issues • Y2K ñ State of the State • Y2K ñ System Condition Changes • Enterprise Issues ñ Progress on Enterprise • General Technology Issues • New I.T. Project Notifications/Approval Mentions that the House Commerce Committee has been exhaustive in looking into compliance of agencies with mission critical systems, and suggests that this committee need not focus on that area. Mentions other issues regarding Y2K that might be worth investigation by the committee, including having dialogue with agencies regarding "business continuation" plans of mission critical agencies.
261	Chair Duncan	Asks if the dialogue with agencies suggested by Mazziotti would be through the Governorís IT Round Table.
263	Mazziotti	States that he is suggesting that the committee invite testimony from mission critical agencies regarding business continuation. Says that so far only systems have been rated, and that business continuation and project management will be

		rated by IRMD in the future. Mentions the possibility of getting input from local governments. Mentions public awareness and polls regarding potential Y2K catastrophes.
315	Chair Duncan	Asks Mazziotti if the IRMD has a dialogue with the banks and utilities.
319	Mazziotti	Defers question to Barbara Jensen.
320	Barbara Jensen	Year 2000 Project Manager, Department of Administrative Services (DAS). States that they have worked closely with the Statewide Y2K Advisory Council. Says that the Council is made up of agencies with regulatory connections to transportation, health care, small business, public utilities, and others. States that there is a high level of coordination through the Council.
344	Mazziotti	Mentions that the committee might call representatives of industry sectors to update their reports regarding Y2K readiness, since the last report was in November.
360	Mazziotti	Mentions enterprise issues. States that there are two areas of concern in the area. States that the first is that of adopting a communications standard, which is the key to facilitating seamless electronic communication throughout the state system.
411	Chair Duncan	Suggests that there are probably a lot of "turf issues" between state agencies in regards to communications standards.
415	Mazziotti	States that there is a need for all agencies and branches to work together to create a single network across which information can flow freely. Mentions that there are some agencies that might need to be pushed into going along with a single standard.
425	Chair Duncan	Asks if there are any particular agencies that might be uncooperative on the issue of standards.
428	Mazziotti	States that he does not know of any that might be uncooperative. Mentions that early in 1998 the Oregon Department of Transportation (ODOT) was thinking independently, in that it was able to implement its own plan apart from other agencies. States that ODOT has been cooperative and has participated in creating the standards.
TAPE 4, A		
030	Mazziotti	Discusses electronic commerce. Mentions that there are many controversial and unresolved issues regarding electronic commerce, and that to his knowledge they are not being discussed. States that IRMD is currently working on establishing an office related to electronic commerce. States that there must be more recognition of the policy issues regarding the issue. Says that Oregon is a major center for electronic commerce in the world and will likely continue to be, since

		the lack of a sales tax is an advantage in electronic commerce, as is the concentration of IT knowledgeable people in the state.
055	Chair Duncan	Asks Sen. Nelson if the Committee on Business and Consumer Affairs has dealt with electronic commerce issues.
056	Sen. Nelson	Answers that the committee has not dealt with those issues. Explains that the state agencies have been looked to as the driving force behind building the necessary infrastructure.
060	Mazziotti	Mentions that the infrastructure is important, but that policy is also important in areas such as contracts and filings. States that IRMD staff have been assigned to the issue, and that those individuals could be brought in to present information to the committee.
073	Mazziotti	Discusses general technology issues and new IT project notifications and approval, which he indicates are related. States that there is a need for oversight, and offers assistance in performing that oversight. States that IRMD intends to overhaul its review process, and that input from the committee on that overhaul would be beneficial. Mentions that many IT programs are waiting for review until after the Y2K matter has run its course, and that advance planning on some of those matters may be useful.
098	Chair Duncan	Asks about the coordination between the state and federal levels in regards to Y2K program implementation.
103	Jensen	Discusses coordination with the Federal government in regards to the Y2K issue. Mentions that interfaces are of primary concern in regards to federal involvement with the stateís efforts.
116	Mazziotti	Offers other aspects of federal activity. Mentions that FEMA will be conducting regional preparation activities. States that he is generally unimpressed by federal-level activity. Says that the Federal government seems to want to shift responsibility for Y2K to the states. Mentions that United States Sen. Gordon Smith intends to hold a congressional hearing in February on Y2K issues. Mentions that Sen. Smith is concerned primarily with the stateís status and public confidence in state governmentís solutions to the Y2K problem.
151	Chair Duncan	States that committee involvement in the congressional hearing would be beneficial.
155	Mazziotti	Discusses his concerns with several federal systems: • Aviation navigation system, • Regional power grid, • Coastal and Waterway navigation system, and • Department of Defense
161	Chair Duncan	Says that involvement might be important, having agencies reporting to the

		committee.
165	Sen. Nelson	Mentions electronic commerce and its value to the economy as a reason for the committee to deal with the issue.
171	Chair Duncan	Agrees that it might be something to discuss in the committee.
175	Mazziotti	States that those are the subjects that IRMD had envisioned for the committee to possibly consider during the session.
180	Chair Duncan	Discusses process of working with IRMD and having them continue to report on a regular basis.
188	Mazziotti	Offers to help in any way that the committee would request.
191	Chair Duncan	Asks Sen. Nelson if the committee seems to be on the "right track."
193	Sen. Nelson	States that he believes so. Says that oversight is important regarding Y2K, since it has such a large potential impact so near in the future.
200	Chair Duncan	Mentions that the business continuation planning is an interesting issue.
203	Taylor	Asks Mazziotti when IRMD will be developing the Y2K business continuation rating system.
205	Mazziotti	States that business continuation planning is ongoing. Mentions that the agencies should come in and give continuation plans to the committee.
218	Chair Duncan	Says that having those agencies testify to the committee might be helpful to the efforts by IRMD to push compliance and planning on the part of agencies.
221	Mazziotti	Agrees that it would get the attention necessary for getting the ball rolling within the agencies, as well as increasing public awareness.
227	Chair Duncan	Asks when a reasonable time would be for bringing in agency representatives.
229	Mazziotti	States that one option would be February, since they should be well along by then in their planning and implementation. Mentions that some agencies are further along than others.
248	Chair Duncan	Asks for suggestions regarding what agencies to call when, and suggests that the agencies might be prepared for the possibility of being called to report to the committee.

259	Taylor	Mentions that it might be good to bring agencies in during February, and then again near the end of the session so as to judge the progress over that period of time.
263	Mazziotti	Agrees with Taylor.
268	Chair Duncan	Discusses schedules and attending various meetings related to Y2K by committee members and staff.
336	Chair Duncan	Adjourns meeting at 5:55 p.m.

Submitted By, Reviewed By,

Patrick Brennan, Marjorie Taylor,

Administrative Support Administrator

EXHIBIT SUMMARY

A ñ Year 2000, Printed materials, Don Mazziotti, 3 pp.