



State Representatives
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Thomas Hall

Good afternoon – Chairman Wilson, Vice-Chairman Hottinger– Ranking Member Maharath-

Thank you so much for allowing me to testify on Substitute House Bill 230. This bill is a direct result of an issue experienced by one of my constituents.

Brian Hilberg from Medina sent in an application for a liquor permit just before Thanksgiving. As the weeks went by and he had not received any communication, he began calling to follow up by phone and email – with no response. I received an email from a frustrated Brian on January 31, 2021 and immediately followed up with an email to the Department of Commerce.

I did receive an immediate response from the Department of Commerce, but it was disappointing – I was told that the liquor permitting process is paper-based and the system is from the 1960's. It also stated they were opening mail from August...in February.

After a follow up call with the Department of Commerce representatives, it was discovered that the computer system was actually from 1997....which means their computer system is one year younger than my co-sponsor on this bill, Rep. Thomas Hall. I don't know about you, but I did not even have a cell phone in 1997. I grew up in a time where you did not replace major appliances until they broke – but technological advances have come so quickly, we must replace our technology infrastructure on a reasonable schedule.

We can and should do better for our constituents. The businesses trying to invest in our economy during this very difficult time need us to be responsive to their needs and modernizing outdated computer systems is a way we can help. An updated system would allow applicants to apply for their permits online and be able to track the application through the permitting process.

And I do not think I need to remind anyone here the problems we have experienced with the ODJFS computer systems.

Good Afternoon Chair Wilson and members of the committee.

Amended Substitute House Bill 230 will lead our state on a path toward improving our state IT systems while allowing the legislature to monitor the progress of our agencies.

This legislation will require the Legislative Service Commission to submit a biannual report on expenditures made by state agencies and statewide offices for IT systems and services. This critical provision will provide the legislature with a much needed view of how taxpayer dollars are being spent on our state's IT infrastructure.

The Governor will also be required to produce a detailed statement in each operating budget of recommended appropriations for IT expenses.

To provide greater transparency on the state of our IT systems, this legislation will require DAS to contract with a third party entity to study our current IT infrastructure and identify areas of potential improvement.

This study will examine the following:

First -The state's management practices regarding IT systems and Shared Services, including procurement, centralization opportunities, and other future improvements

Second -Best practices regarding the use of cloud services

-And finally, the state's data sharing practices and opportunities to leverage the state's centralized data sharing platform.

This study will allow the General Assembly and the Department of Administrative Services to obtain a better understanding of the viability of Ohio's current IT infrastructure and practices. Additionally this will identify what improvements need to be made.

The results of this study will subsequently allow the Director of DAS to provide a report to the general assembly that identifies opportunities to leverage the state's buying power for application software used at multiple state agencies. The report from the director will also identify existing data silos that exist throughout the State's IT systems. This will allow the state to identify the most cost-effective systems available and identify necessary next steps to eliminate data silos to create a centralized system amongst departments.

In addition to the report from the Director, the bill places several other requirements on DAS to improve our systems.

DAS will be required to develop a strategic roadmap to migrate all systems to cloud and State of Ohio Computer Center Hosting Services.

DAS and OBM will be required to conduct an analysis to determine the average industry fee rates charged for data hosting services. Once those rates are determined, OBM will set those fees to market rates to prevent any up charge on services to our state agencies.

DAS will also be charged with the task of creating and maintaining a consolidated application list of all state owned software and associated hardware to improve our states IT inventory management.

Finally, the bill will establish two new boards and commissions:

1. The Cyber-Security & Fraud Advisory Council which will have representation from all statewide offices to adopt best practices in cybersecurity and fraud prevention
2. The Biannual Advisory Committee on State Information Technology is created to examine and identify additional area of improvement and initiatives regarding the states IT infrastructure.

This legislation will allow the legislature to become a more active participant in making sure our technology infrastructure is adequate to serve the citizens of the State of Ohio.

Thank you for the opportunity to testify before you all today, we will be happy to answer any questions.