



**STATE OF HAWAII  
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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April 4, 2017

TO: The Honorable Jill N. Tokuda, Chair,  
The Honorable Donovan M. Dela Cruz, Vice-Chair, and  
Members of the Senate Committee on Ways and Means

Date: Tuesday, April 4, 2017  
Time: 9:35 a.m.  
Place: Conference Room 211, State Capitol

From: Linda Chu Takayama, Director  
Department of Labor and Industrial Relations (DLIR)

**Re: HB 598 HD2 Relating to Cybersecurity**

**I. OVERVIEW OF PROPOSED LEGISLATION**

HB598 HD2 authorizes the University of Hawaii to participate in and contribute funding for activities related to the development of a Hawaii cyber ecosystem to address the many aspects of cybersecurity, including workforce development, curriculum development, threat preparedness, and economic innovation.

The Department supports this bill provided its passage does not adversely affect priorities identified in the Governor's Executive Budget request, and offers comments.

**II. CURRENT LAW**

Cybersecurity will be a growing concern as more of the economic and personal activities of Hawaii's people have some online component, which creates potential vulnerabilities and threatens critical infrastructure and industries. Other coordinated efforts such as the National and State Cyber Security Awareness Month in October have recognized that the shared vulnerabilities created by online activity entails the need for shared responsibility for such potential threats. However, more work is required to ensure that Hawaii's workforce is able to meet cybersecurity challenges in the coming years.

### **III. COMMENTS ON THE HOUSE BILL**

The Department supports this bill as a way to build cybersecurity understanding and awareness into Hawaii's education, workforce development, and economic ecosystem, provided that its passage does not adversely affect priorities identified in the Governor's Executive Budget request, and offers the following comments:

Cybersecurity is deeply intertwined with the opportunities for innovation afforded by advancements in digital technologies. A focus on cybersecurity can both ensure a cutting edge workforce while also protecting Hawaii from sophisticated cyber threats.

DLIR notes that currently it has grant funding of \$3,000,000 (American Apprenticeship Initiative) to develop apprenticeships in information technology, which may include cybersecurity. This measure, if enacted, could contribute to the development of information technology career pathways, including those needed in the essential cybersecurity field.

Written Only

DAVID Y. IGE  
GOVERNOR



KATHRYN S. MATAYOSHI  
SUPERINTENDENT

STATE OF HAWAII  
DEPARTMENT OF EDUCATION  
P.O. BOX 2360  
HONOLULU, HAWAII 96804

**Date:** 04/04/2017  
**Time:** 09:35 AM  
**Location:** 211  
**Committee:** Senate Ways and Means

**Department:** Education

**Person Testifying:** Kathryn S. Matayoshi, Superintendent of Education

**Title of Bill:** HB 0598, HD2 RELATING TO CYBERSECURITY.

**Purpose of Bill:** Authorizes and provides funding for the University of Hawaii to participate in and contribute funding for the development of a Hawaii cyber ecosystem and related aspects of cyber security. (HB598 HD2)

**Department's Position:**

Chair Tokuda and members of the Senate Committee on Ways and Means, thank you for this opportunity to submit testimony in strong support of HB598 HD2 which authorizes and provides funding for the University of Hawaii to participate in and contribute funding for the development of a Hawaii cyber ecosystem and related aspects of cyber security.

The Department of Education (DOE) currently works closely and collaboratively with the University of Hawaii System, including its community colleges, to prepare our students for careers in technology related disciplines. The authorization and provision of funding for the University of Hawaii to participate in and contribute funding for the development of a Hawaii cyber ecosystem and related aspects of cyber security will provide DOE students with not only additional and continued technology based education curriculum, but also the additional opportunities for careers in Hawaii's technology and innovation economy.

Thank you again for your consideration of the DOE's strong support of HB598 HD2.



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Testimony Presented Before the  
Senate Committee on Ways and Means  
Tuesday, April 4, 2017 at 9:35 a.m.

by

Vassilis L. Syrmos, Vice President for Research and Innovation  
University of Hawai'i System

### HB 598 HD2 – RELATING TO CYBERSECURITY

Chair Tokuda, Vice Chair Dela Cruz, and members of the committee:

The University of Hawai'i (UH) supports this measure.

Cyber threats are among the gravest national security dangers to the U.S. – as citizens and those in the private sector and government are increasingly confronted by identity theft, cyber-enabled economic espionage, politically motivated cyberattacks and other malicious activity. It is also one of the most strategic threats that the federal, state and private sectors face in Hawai'i.

The University of Hawai'i continues to be a strong advocate of the proposed development of a Hawai'i “cyber-ecosystem” to coordinate and support cyber activities related to readiness and resilience, education and workforce development, economic development and innovation.

A statewide collaboration in Hawai'i's cyber ecosystem can lead to an expanding innovation economy and innovative approaches to increase Hawai'i's preparedness, readiness and resilience to cyber threats. Concurrently, it can lead to the development of a comprehensive cybersecurity education curriculum that spans the state's middle, intermediate and high schools, and continues into higher education and the workforce to address the unmet need for trained cybersecurity personnel in Hawai'i and abroad.

The University of Hawai'i stands by its previous testimony to contribute funding for activities related to the development of a Hawai'i cyber ecosystem comprising of private companies, nonprofit organizations, government and individuals involved in this battle.

Thank you for the opportunity to provide this testimony.

Statement of  
Nelson Kanemoto  
President and CEO  
Referentia Systems Incorporated  
before the  
COMMITTEE ON WAYS AND MEANS  
Tuesday, April 4, 2017  
9:35 AM  
State Capitol, Conference Room 211  
In consideration of  
HB 598 HD 2  
RELATING CYBERSECURITY

Chair Tokuda, Vice Chair Dela Cruz, and members of the Committee on Ways and Means. Thank you for this opportunity to submit testimony on HB 598 HD 2.

My name is Nelson Kanemoto, President and CEO of Referentia Systems Inc. Referentia strongly supports HB 598 HD2. Referentia Systems is a National Security Agency (NSA) Trusted Integrator headquartered in Hawaii and a nationally recognized provider of cybersecurity solutions for the federal government, the Department of Defense (DoD), and other critical infrastructure. Referentia has a strong track record of successful advanced solutions to address critical cybersecurity concerns threatening IT modernization including the Nation's smart grid.

As a developer of cybersecurity and advanced network solutions for critical infrastructure, Referentia understands the central role that broadband and the Internet plays in local, national and global economic development and modernization including the development of the smart grid, healthcare information exchange, transportation security, etc. as well as financial, tourism, military, and other key industries – all vulnerable to cyber threats.

Referentia is in full support of establishing a cyber Hawaii pilot project at the University of Hawaii to plan, develop and implement a cyber ecosystem to include education, workforce development, innovation and economic development in cybersecurity. A cybersecure Hawaii at the community level across the islands is critical for Hawaii's economic stability and internet safety of its citizens, businesses and especially, critical infrastructure.

For Hawaii to compete as an economic stronghold in the global marketplace, the cybersecurity of our critical infrastructure and our communities are key to driving innovation, modernization, economy development and job creation. Thank you again for this opportunity to submit testimony in strong support of HB 598 HD2.



# Chamber of Commerce HAWAII

*The Voice of Business*

**Testimony to the Senate Committee on Ways and Means  
Tuesday, April 4, 2017 at 9:35 A.M.  
Conference Room 211, State Capitol**

**RE: HOUSE BILL 598 HD2 RELATING TO CYBERSECURITY**

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** HB 598 HD2, which authorizes and provides funding for the University of Hawaii to participate in and contribute funding for the development of a Hawaii cyber ecosystem and related aspects of cyber security.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,600+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

This bill would provide crucial support to plan, develop and implement a cyber security center at the University of Hawaii. This is an important project that should be implemented in this age of internet connectivity and rampant cyber threats around the world today. The bill would also provide the talent pipeline needed today by businesses in Hawaii.

Thank you for the opportunity to testify.

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Sunday, April 2, 2017 7:32 PM  
**To:** WAM Testimony  
**Cc:** lbc@hawaiiantel.net  
**Subject:** \*Submitted testimony for HB598 on Apr 4, 2017 09:35AM\*

**HB598**

Submitted on: 4/2/2017

Testimony for WAM on Apr 4, 2017 09:35AM in Conference Room 211

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Lois Crozer	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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