

## Assembly Bill No. 2098

### CHAPTER 818

An act to add Part 5.6 (commencing with Section 14995) to Division 3 of Title 2 of the Government Code, relating to state government.

[Approved by Governor September 30, 2006. Filed with Secretary of State September 30, 2006.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 2098, Liu. State government: electronic payment system: Electronic Funds Transfer Task Force.

Existing law generally authorizes state agencies to accept alternate payment devices, subject to specified conditions.

This bill would establish the Electronic Funds Transfer Task Force, as specified, to study and report to the Legislature on or before April 1, 2008, a plan for development and implementation of a new payment dispersal system utilizing electronic funds transfer technology, to include specified components.

*The people of the State of California do enact as follows:*

SECTION 1. Part 5.6 (commencing with Section 14995) is added to Division 3 of Title 2 of the Government Code, to read:

#### PART 5.6. ELECTRONIC FUNDS TRANSFER TASK FORCE

##### CHAPTER 1. ELECTRONIC FUNDS TRANSFER TASK FORCE

14995. (a) The Electronic Funds Transfer Task Force is hereby established in state government.

(b) The Electronic Funds Transfer Task Force shall consist of one representative from each of the following agencies, boards, and departments, appointed by the corresponding agency, board, or department head, as follows:

- (1) State Board of Equalization.
- (2) Franchise Tax Board.
- (3) Employment Development Department.
- (4) Treasurer.
- (5) Controller.
- (6) Department of Finance.
- (7) Department of General Services.
- (8) Department of Technology Services.

(c) The Electronic Funds Transfer Task Force shall study and report to the Legislature, on or before April 1, 2008, a plan for the development and implementation of a payment dispersal system utilizing electronic funds transfer technology. The plan shall include, but not be limited to, all of the following:

(1) An examination of all payments dispersed by the state and the methods currently used to transfer these funds.

(2) A recommendation on which payments should be included in a new electronic payment dispersal system.

(3) An examination of the cost of developing and utilizing a comprehensive electronic payment dispersal system, including, but not limited to, all of the following:

(A) Costs and savings related to float time.

(B) Costs and savings related to transaction process time.

(C) Costs and savings related to paperless transactions.

(D) Costs and savings related to system development and implementation of a new electronic payment dispersal system.

(E) Costs and savings related to administration of a new electronic payment dispersal system.

(4) A recommendation on how a comprehensive electronic payment dispersal system should be developed, including, but not limited to, recommendations on whether the state should contract for private administration of an electronic payment dispersal system, develop a system within state government, or use any other means available.

(5) An examination of the costs and benefits of using a user-friendly, single online portal interface for the dispersal of funds through an electronic payment dispersal system.

(6) A recommendation on which state agencies, boards, and departments should be required to use the electronic payment dispersal system for payment of funds, and what, if any, exceptions should be provided for these agencies, boards, and departments.

(7) An examination and recommendation on incorporating the dispersal of funds for localities into the electronic payment system.

(8) An examination of and recommendation on the system's flexibility for future expansion of services.

(9) An examination of and recommendation on incorporating electronic payment cards, or similar products, into the electronic payment dispersal system. This shall include, but not be limited to, the costs and savings of using electronic payment cards for social services and unbanked customers.

(10) An examination of and recommendation on incorporating electronic check conversion into the electronic dispersal system.

(11) A recommendation on the timely development of the electronic payment dispersal system.