

AMENDED IN ASSEMBLY MAY 11, 2010

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 2408

Introduced by Assembly Member Smyth ~~Members Smyth and Huber~~

February 19, 2010

An act to amend Sections 8592.1, 8592.5, 8592.7, 11532, 11534, 11535, 11537, 11539, 11540, 11541, 11541.5, 11542, 11543, 11544, 11546.5, 11549, 11549.1, 11549.3, 11549.5, 12804, 14995, 15251, 15253, 15254, 15275, 15277, 53108.5, 53113, 53114, 53114.1, 53114.2, 53115, 53115.1, 53115.2, 53115.3, 53116, 53119, 53120, 53126.5, and 53127 of, to amend the headings of Article 2 (commencing with Section 11534) and Article 3 (commencing with Section 11544) of Chapter 5.5 of Part 1 of Division 3 of Title 2 of, to amend the heading of Chapter 5.7 (commencing with Section 11549) of Part 1 of Division 3 of Title 2 of, to amend and renumber Section 11549.6 of, to add Sections 11549.7 and 11549.8 to, to add the headings of Article 1 (commencing with Section 11549) and Article 2 (commencing with Section 11549.5) to Chapter 5.7 of Part 1 of Division 3 of Title 2 of, and to repeal Sections 11548.5 and 11549.2 of, the Government Code, to amend Sections 12100.7, 12101, 12103, 12104, 12105, 12120, and 12121 of the Public Contract Code, to amend Sections 41030, 41031, 41032, 41136.1, 41137, 41137.1, 41138, 41139, 41140, 41141, and 41142 of the Revenue and Taxation Code, and to amend Section 16501.7 of the Welfare and Institutions Code, relating to state government information technology.

LEGISLATIVE COUNSEL'S DIGEST

AB 2408, as amended, Smyth. State government information technology.

(1) Existing law, the Governor's Reorganization Plan No. 1 of 2009, transferred all the duties, functions, employees, property, and related funding of the Division of Telecommunications in the Department of General Services to the office of the State Chief Information Officer. The plan also renamed and transferred the Department of Technology Services in the State and Consumer Services Agency to the Office of the Department of Technology Services within the office of the State Chief Information Officer, renamed the Department of Technology Services Revolving Fund the Technology Services Revolving Fund, and made conforming changes. The plan eliminated the Office of Information Security and Privacy Protection, and instead created the Office of Information Security within the office of the State Chief Information Officer, and the Office of Privacy Protection within the State and Consumer Services Agency, with a division of the duties, personnel, property, and funding of the Office of Information Security and Privacy Protection between the 2 offices. The plan also transferred duties relating to the state's procurement of information technology from the Department of Finance, the Department of General Services, and the Department of Information Technology to the office of the State Chief Information Officer.

Existing law requires the Legislative Counsel to prepare for introduction not later than the next regular session of the Legislature occurring more than 90 days after the effective date of GRP No. 1, a bill effecting these changes in the statutes to reflect the changes made by the plan.

This bill would make the statutory codification changes made necessary by the plan.

(2) Existing law, until January 1, 2013, creates the office of the State Chief Information Officer, within the Governor's cabinet, with a State Chief Information Officer having specified duties in creating and managing the technology policy of the state.

This bill would delete the provision repealing the provisions establishing the office of the State Chief Information Officer, thus allowing those provisions to continue in effect indefinitely.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

SECTION 1. Section 8592.1 of the Government Code is amended to read:

8592.1. For purposes of this article, the following terms have the following meanings:

(a) “Backward compatibility” means that the equipment is able to function with older, existing equipment.

(b) “Committee” means the Public Safety Radio Strategic Planning Committee, that was established in December 1994 in recognition of the need to improve existing public radio systems and to develop interoperability among public safety departments and between state public safety departments and local or federal entities, and that consists of representatives of the following state entities:

(1) The California Emergency Management Agency, who shall serve as chairperson.

(2) The Department of the California Highway Patrol.

(3) The Department of Transportation.

(4) The Department of Corrections and Rehabilitation.

(5) The Department of Parks and Recreation.

(6) The Department of Fish and Game.

(7) The Department of Forestry and Fire Protection.

(8) The Department of Justice.

(9) The Department of Water Resources.

(10) The State Department of Public Health.

(11) The Emergency Medical Services Authority.

(12) The office of the State Chief Information Officer.

(13) The Military Department.

(14) The Department of Finance.

(c) “First response agencies” means public agencies that, in the early stages of an incident, are responsible for, among other things, the protection and preservation of life, property, evidence, and the environment, including, but not limited to, state fire agencies, state and local emergency medical services agencies, local sheriffs’ departments, municipal police departments, county and city fire departments, and police and fire protection districts.

(d) “Nonproprietary equipment or systems” means equipment or systems that are able to function with another manufacturer’s equipment or system regardless of type or design.

1 (e) “Open architecture” means a system that can accommodate
2 equipment from various vendors because it is not a proprietary
3 system.

4 (f) “Public safety radio subscriber” means the ultimate end user.
5 Subscribers include individuals or organizations, including, for
6 example, local police departments, fire departments, and other
7 operators of a public safety radio system. Typical subscriber
8 equipment includes end instruments, including mobile radios,
9 hand-held radios, mobile repeaters, fixed repeaters, transmitters,
10 or receivers that are interconnected to utilize assigned public safety
11 communications frequencies.

12 (g) “Public safety spectrum” means the spectrum allocated by
13 the Federal Communications Commission for operation of
14 interoperable and general use radio communication systems for
15 public safety purposes within the state.

16 SEC. 2. Section 8592.5 of the Government Code is amended
17 to read:

18 8592.5. (a) Except as provided in subdivision (c), a state
19 department that purchases public safety radio communication
20 equipment shall ensure that the equipment purchased complies
21 with applicable provisions of the following:

22 (1) The common system standards for digital public safety radio
23 communications commonly referred to as the “Project 25
24 Standard,” as that standard may be amended, revised, or added to
25 in the future jointly by the Associated Public-Safety
26 Communications Officials, Inc., National Association of State
27 Telecommunications Directors, and agencies of the federal
28 government, commonly referred to as “APCO/NASTD/FED.”

29 (2) The operational and functional requirements delineated in
30 the Statement of Requirements for Public Safety Wireless
31 Communications and Interoperability developed by the SAFECOM
32 Program under the United States Department of Homeland
33 Security.

34 (b) Except as provided in subdivision (c), a local first response
35 agency that purchases public safety radio communication
36 equipment, in whole or in part, with state funds or federal funds
37 administered by the state, shall ensure that the equipment purchased
38 complies with paragraphs (1) and (2) of subdivision (a).

39 (c) Subdivision (a) or (b) shall not apply to either of the
40 following:

1 (1) Purchases of equipment to operate with existing state or
2 local communications systems where the latest applicable standard
3 will not be compatible, as verified by the office of the State Chief
4 Information Officer.

5 (2) Purchases of equipment for existing statewide low-band
6 public safety communications systems.

7 (d) This section may not be construed to require an affected
8 state or local governmental agency to compromise its immediate
9 mission or ability to function and carry out its existing
10 responsibilities.

11 SEC. 3. Section 8592.7 of the Government Code is amended
12 to read:

13 8592.7. (a) A budget proposal submitted by a state agency for
14 support of a new or modified radio system shall be accompanied
15 by a technical project plan that includes all of the following:

- 16 (1) The scope of the project.
- 17 (2) Alternatives considered.
- 18 (3) Justification for the proposed solution.
- 19 (4) A project implementation plan.
- 20 (5) A proposed timeline.
- 21 (6) Estimated costs by fiscal year.

22 (b) The committee shall review the plans submitted pursuant to
23 subdivision (a) for consistency with the statewide integrated public
24 safety communication strategic plan included in the annual report
25 required pursuant to Section 8592.6.

26 (c) The office of the State Chief Information Officer shall review
27 the plans submitted pursuant to subdivision (a) for consistency
28 with the technical requirements of the statewide integrated public
29 safety communication strategic plan included in the annual report
30 required pursuant to Section 8592.6.

31 SEC. 4. Section 11532 of the Government Code is amended
32 to read:

33 11532. For purposes of this chapter, the following terms shall
34 have the following meanings, unless the context requires otherwise:

35 (a) "Board member" means a member of the Technology
36 Services Board.

37 (b) "Board" means the Technology Services Board created
38 pursuant to Section 11535.

39 (c) "Director" means the Director of the Office of Technology
40 Services.

(d) “Technology” includes, but is not limited to, all electronic technology systems and services, automated information handling, system design and analysis, conversion of data, computer programming, information storage and retrieval, and business telecommunications systems and services.

(e) “Business telecommunications systems and services” includes, but is not limited to, wireless or wired systems for transport of voice, video, and data communications, network systems, requisite facilities, equipment, system controls, simulation, electronic commerce, and all related interactions between people and machines. Public safety communications are excluded from this definition.

(f) “Public agencies” include, but are not limited to, all state and local governmental agencies in the state, including cities, counties, other political subdivisions of the state, state departments, agencies, boards, and commissions, and departments, agencies, boards, and commissions of other states and federal agencies.

SEC. 5. The heading of Article 2 (commencing with Section 11534) of Chapter 5.5 of Part 1 of Division 3 of Title 2 of the Government Code is amended to read:

Article 2. Office of Technology Services

SEC. 6. Section 11534 of the Government Code is amended to read:

11534. (a) There is in state government, in the office of the State Chief Information Officer, the Office of Technology Services.

(b) The purpose of this article is to establish a general purpose technology services provider to serve the common technology needs of executive branch entities with accountability to customers for providing secure services that are responsive to client needs at a cost representing best value to the state.

(c) The purpose of this chapter is to improve and coordinate the use of technology and to coordinate and cooperate with all public agencies in the state in order to eliminate duplications and to bring about economies that could not otherwise be obtained.

(d) Unless the context clearly requires otherwise, whenever the term “Department of Technology Services” appears in any statute, regulation, or contract, it shall be deemed to refer to the Office of Technology Services, and whenever the term “Director of

Technology Services” appears in statute, regulation, or contract, it shall be deemed to refer to the State Chief Information Officer.

(e) Unless the context clearly requires otherwise, the Office of Technology Services and the State Chief Information Officer succeed to and are vested with all the duties, powers, purposes, responsibilities, and jurisdiction vested in the former Department of Technology Services and the former Director of Technology Services, respectively.

(f) All employees serving in state civil service, other than temporary employees, who are engaged in the performance of functions transferred to the Office of Technology Services, are transferred to the Office of Technology Services. The status, positions, and rights of those persons shall not be affected by their transfer and shall continue to be retained by them pursuant to the State Civil Service Act (Part 2 (commencing with Section 18500) of Division 5), except as to positions the duties of which are vested in a position exempt from civil service. The personnel records of all transferred employees shall be transferred to the Office of Technology Services.

(g) The property of any office, agency, or department related to functions transferred to the Office of Technology Services is transferred to the Office of Technology Services. If any doubt arises as to where that property is transferred, the Department of General Services shall determine where the property is transferred.

(h) All unexpended balances of appropriations and other funds available for use in connection with any function or the administration of any law transferred to the Office of Technology Services shall be transferred to the Office of Technology Services for the use and for the purpose for which the appropriation was originally made or the funds were originally available. If there is any doubt as to where those balances and funds are transferred, the Department of Finance shall determine where the balances and funds are transferred.

SEC. 7. Section 11535 of the Government Code is amended to read:

11535. (a) There is, in the Office of Technology Services, the Technology Services Board.

(b) The board shall consist of 13 members, as follows:

(1) The State Chief Information Officer, who shall serve as the chair of the board.

(2) The Director of Finance, who shall serve as vice chair of the board.

(3) The Controller.

(4) The Secretary of Food and Agriculture, the Secretary of Business, Transportation and Housing, the Secretary of the Department of Corrections and Rehabilitation, the Secretary for Environmental Protection, the Secretary of California Health and Human Services, the Secretary of Labor and Workforce Development, the Secretary of the Natural Resources Agency, the Secretary of State and Consumer Services, and the Secretary of Veterans Affairs.

(5) The Secretary of California Emergency Management.

SEC. 8. Section 11537 of the Government Code is amended to read:

11537. (a) The State Chief Information Officer shall engage an independent firm of certified public accountants to conduct an annual financial audit of all accounts and transactions of the Office of Technology Services. The audit shall be conducted in accordance with generally accepted government auditing standards. The audited financial statements shall be presented to the board, the Governor, and the Legislature not more than 120 days after the close of the fiscal year.

(b) The State Chief Information Officer may arrange for other audits as are necessary or prudent to ensure proper oversight and management of the Office of Technology Services.

SEC. 9. Section 11539 of the Government Code is amended to read:

11539. The director shall be responsible for managing the affairs of the Office of Technology Services and shall perform all duties, exercise all powers and jurisdiction, and assume and discharge all responsibilities necessary to carry out the purposes of this chapter. The Office of Technology Services shall employ professional, clerical, technical, and administrative personnel as necessary to carry out this chapter.

SEC. 10. Section 11540 of the Government Code is amended to read:

11540. (a) The director shall propose for board consideration and approval an annual budget for the Office of Technology Services' operations.

(b) The State Chief Information Officer shall propose for board consideration rates for Office of Technology Services' services based on a formal rate methodology approved by the board. At least 60 days before submitting proposed rates to the board, the State Chief Information Officer shall submit the proposed rates to the Department of Finance. Submittal of the rates to the Department of Finance shall be in a format and timeframe determined by the Department of Finance. The Department of Finance shall prepare a report for the board evaluating the reasonableness of the proposed rates and any significant impact the Office of Technology Services' rates are likely to have upon the budgets of other departments.

(c) It is the intent of the Legislature that this section supersede Section 11540 of the Government Code, as added by Section 1 of the Governor's Reorganization Plan No. 2, effective July 9, 2005.

SEC. 11. Section 11541 of the Government Code is amended to read:

11541. (a) The Office of Technology Services may acquire, install, equip, maintain, and operate new or existing business telecommunications systems and services. Acquisitions for information technology goods and services shall be made pursuant to Chapter 3 (commencing with Section 12100) of Part 2 of Division 2 of the Public Contract Code. To accomplish that purpose, the Office of Technology Services may enter into contracts, obtain licenses, acquire personal property, install necessary equipment and facilities, and do other acts that will provide adequate and efficient business telecommunications systems and services. Any system established shall be made available to all public agencies in the state on terms that may be agreed upon by the agency and the Office of Technology Services.

(b) With respect to business telecommunications systems and services, the Office of Technology Services may do all of the following:

(1) Provide representation of public agencies before the Federal Communications Commission in matters affecting the state and other public agencies regarding business telecommunications systems and services issues.

(2) Provide, upon request, advice to public agencies concerning existing or proposed business telecommunications systems and services between any and all public agencies.

1 (3) Recommend to public agencies rules, regulations,
2 procedures, and methods of operation that it deems necessary to
3 effectuate the most efficient and economical use of business
4 telecommunications systems and services within the state.

5 (4) Carry out the policies of this chapter.

6 (c) The Office of Technology Services has responsibilities with
7 respect to business telecommunications systems, services, policy,
8 and planning, which include, but are not limited to, all of the
9 following:

10 (1) Assessing the overall long-range business
11 telecommunications needs and requirements of the state
12 considering both routine and emergency operations for business
13 telecommunications systems and services, performance, cost,
14 state-of-the-art technology, multiuser availability, security,
15 reliability, and other factors deemed to be important to state needs
16 and requirements.

17 (2) Developing strategic and tactical policies and plans for
18 business telecommunications with consideration for the systems
19 and requirements of public agencies.

20 (3) Recommending industry standards, service level agreements,
21 and solutions regarding business telecommunications systems and
22 services to ensure multiuser availability and compatibility.

23 (4) Providing advice and assistance in the selection of business
24 telecommunications equipment to ensure all of the following:

25 (A) Ensuring that the business telecommunications needs of
26 state agencies are met.

27 (B) Ensuring that procurement is compatible throughout state
28 agencies and is consistent with the state's strategic and tactical
29 plans for telecommunications.

30 (C) Ensuring that procurement is designed to leverage the buying
31 power of the state and encourage economies of scale.

32 (5) Providing management oversight of statewide business
33 telecommunications systems and services developments.

34 (6) Providing for coordination of, and comment on, plans and
35 policies and operational requirements from departments that utilize
36 business telecommunications systems and services as determined
37 by the Office of Technology Services.

38 (7) Monitoring and participating, on behalf of the state, in the
39 proceedings of federal and state regulatory agencies and in

1 congressional and state legislative deliberations that have an impact
2 on state governmental business telecommunications activities.

3 (d) The Office of Technology Services shall develop and
4 describe statewide policy on the use of business
5 telecommunications systems and services by state agencies. In the
6 development of that policy, the Office of Technology Services
7 shall ensure that access to state business information and services
8 is improved, and that the policy is cost effective for the state and
9 its residents. The Office of Technology Services shall develop
10 guidelines that do all of the following:

11 (1) Describe what types of state business information and
12 services may be accessed using business telecommunications
13 systems and services.

14 (2) Characterize the conditions under which a state agency may
15 utilize business telecommunications systems and services.

16 (3) Characterize the conditions under which a state agency may
17 charge for information and services.

18 (4) Specify pricing policies.

19 (5) Provide other guidance as may be appropriate at the
20 discretion of the Office of Technology Services.

21 (e) It is the intent of the Legislature that this section supersede
22 Section 11541 of the Government Code, as added by Section 1 of
23 the Governor's Reorganization Plan No. 2, effective July 9, 2005.

24 SEC. 12. Section 11541.5 of the Government Code is amended
25 to read:

26 11541.5. (a) The Office of Technology Services shall create
27 a link to state agency Internet Web sites at the State of California
28 Internet portal specifically for the use of small businesses, designed
29 to assist entrepreneurs and small business owners in accessing
30 information regarding startup requirements and regulatory
31 compliance applicable to the particular business.

32 (b) For purposes of this section, "small business" has the same
33 meaning as set forth in Section 14837.

34 SEC. 13. Section 11542 of the Government Code is amended
35 to read:

36 11542. (a) (1) The Stephen P. Teale Data Center and the
37 California Health and Human Services Agency Data Center are
38 consolidated within, and their functions are transferred to, the
39 Office of Technology Services.

(2) Except as expressly provided otherwise in this chapter, the Office of Technology Services is the successor to, and is vested with, all of the duties, powers, purposes, responsibilities, and jurisdiction of the Stephen P. Teale Data Center, and the California Health and Human Services Agency Data Center. Any reference in statutes, regulations, or contracts to those entities with respect to the transferred functions shall be construed to refer to the Office of Technology Services unless the context clearly requires otherwise.

(3) No contract, lease, license, or any other agreement to which either the Stephen P. Teale Data Center or the California Health and Human Services Agency Data Center, is a party shall be void or voidable by reason of this chapter, but shall continue in full force and effect, with the Office of Technology Services assuming all of the rights, obligations, and duties of the Stephen P. Teale Data Center or the California Health and Human Services Agency Data Center, respectively.

(4) Notwithstanding subdivision (e) of Section 11793 and subdivision (e) of Section 11797, on and after the effective date of this chapter, the balance of any funds available for expenditure by the Stephen P. Teale Data Center and the California Health and Human Services Agency Data Center, with respect to business telecommunications systems and services functions in carrying out any functions transferred to the Office of Technology Services by this chapter, shall be transferred to the Technology Services Revolving Fund created by Section 11544, and shall be made available for the support and maintenance of the Office of Technology Services.

(5) All references in statutes, regulations, or contracts to the former Stephen P. Teale Data Center Fund or the California Health and Human Services Data Center Revolving Fund shall be construed to refer to the Technology Services Revolving Fund unless the context clearly requires otherwise.

(6) All books, documents, records, and property of the Stephen P. Teale Data Center and the California Health and Human Services Agency Data Center, excluding the Systems Integration Division, shall be transferred to the Office of Technology Services.

(7) (A) All officers and employees of the former Stephen P. Teale Data Center and the California Health and Human Services

1 Agency Data Center, are transferred to the Office of Technology
2 Services.

3 (B) The status, position, and rights of any officer or employee
4 of the Stephen P. Teale Data Center and the California Health and
5 Human Services Agency Data Center, shall not be affected by the
6 transfer and consolidation of the functions of that officer or
7 employee to the Office of Technology Services.

8 (b) (1) All duties and functions of the Telecommunications
9 Division of the Department of General Services are transferred to
10 the office of the State Chief Information Officer.

11 (2) Unless the context clearly requires otherwise, whenever the
12 term “Telecommunications Division of the Department of General
13 Services” appears in any statute, regulation, or contract, it shall be
14 deemed to refer to the office of the State Chief Information Officer.

15 (3) All employees serving in state civil service, other than
16 temporary employees, who are engaged in the performance of
17 functions transferred to the office of the State Chief Information
18 Officer, are transferred to the office of the State Chief Information
19 Officer. The status, positions, and rights of those persons shall not
20 be affected by their transfer and shall continue to be retained by
21 them pursuant to the State Civil Service Act (Part 2 (commencing
22 with Section 18500) of Division 5), except as to positions the duties
23 of which are vested in a position exempt from civil service. The
24 personnel records of all transferred employees shall be transferred
25 to the office of the State Chief Information Officer.

26 (4) The property of any office, agency, or department related
27 to functions transferred to the office of the State Chief Information
28 Officer is transferred to the office of the State Chief Information
29 Officer. If any doubt arises as to where that property is transferred,
30 the Department of General Services shall determine where the
31 property is transferred.

32 (5) All unexpended balances of appropriations and other funds
33 available for use in connection with any function or the
34 administration of any law transferred to the office of the State
35 Chief Information Officer shall be transferred to the office of the
36 State Chief Information Officer for the use and for the purpose for
37 which the appropriation was originally made or the funds were
38 originally available. If there is any doubt as to where those balances
39 and funds are transferred, the Department of Finance shall
40 determine where the balances and funds are transferred.

1 SEC. 14. Section 11543 of the Government Code is amended
2 to read:

3 11543. (a) The State Chief Information Officer shall confer
4 as frequently as necessary or desirable, but not less than once every
5 quarter, with the board, on the operation and administration of the
6 Office of Technology Services. The State Chief Information Officer
7 shall make available for inspection by the board or any board
8 member, upon request, all books, records, files, and other
9 information and documents of the Office of Technology Services
10 and recommend any matters as he or she deems necessary and
11 advisable to improve the operation and administration of the Office
12 of Technology Services.

13 (b) The State Chief Information Officer shall make and keep
14 books and records to permit preparation of financial statements in
15 conformity with generally accepted accounting principles and any
16 state policy requirements.

17 SEC. 15. The heading of Article 3 (commencing with Section
18 11544) of Chapter 5.5 of Part 1 of Division 3 of Title 2 of the
19 Government Code is amended to read:

20
21 Article 3. Technology Services Revolving Fund
22

23 SEC. 16. Section 11544 of the Government Code, as added by
24 Section 1 of Chapter 533 of the Statutes of 2006, is amended to
25 read:

26 11544. (a) The Technology Services Revolving Fund, hereafter
27 known as the fund, is hereby created within the State Treasury.
28 The fund shall be administered by the State Chief Information
29 Officer, pursuant to the Office of Technology Services' plan of
30 operations, a plan of service offering as approved by the
31 Technology Services Board, to receive all revenues from the sale
32 of technology or technology services provided for in this chapter
33 and all other moneys properly credited to the board and the Office
34 of Technology Services from any other source, to pay, upon
35 appropriation by the Legislature, all costs arising from this chapter,
36 including, but not limited to, operating and other expenses of the
37 board and the Office of Technology Services and costs associated
38 with approved information technology projects, and to establish
39 reserves. At the discretion of the State Chief Information Officer,
40 segregated, dedicated accounts within the fund may be established.

1 (b) The fund shall consist of all of the following:

2 (1) Moneys appropriated and made available by the Legislature
3 for the purpose of this chapter.

4 (2) Any other moneys that may be made available to the Office
5 of Technology Services for the purpose of this chapter from any
6 other source, including the return from investments of moneys by
7 the Treasurer.

8 (c) The Office of Technology Services may collect payments
9 from public agencies for providing services to those agencies that
10 the agencies have contracted with the Office of Technology
11 Services to provide. The Office of Technology Services may
12 require monthly payments by client agencies for the services the
13 agencies have contracted the Office of Technology Services to
14 provide. Pursuant to Section 11255, the Controller shall transfer
15 any amounts so authorized by the Office of Technology Services,
16 consistent with the annual budget of each department, to the fund.
17 The Office of Technology Services shall notify each affected state
18 agency upon requesting the Controller to make the transfer.

19 (d) If the balance remaining in the fund at the end of any fiscal
20 year exceeds 25 percent of the Office of Technology Services'
21 current fiscal year budget, the excess amount shall be used to
22 reduce the billing rates for services rendered during the following
23 fiscal year.

24 (e) It is the intent of the Legislature that this section supersede
25 Section 11544 of the Government Code, as added by Section 1 of
26 the Governor's Reorganization Plan No. 2, effective July 9, 2005.

27 SEC. 17. Section 11546.5 of the Government Code is amended
28 to read:

29 11546.5. Notwithstanding any other provision of law, all
30 employees of the office of the State Chief Information Officer
31 shall be designated as excluded from collective bargaining pursuant
32 to subdivision (b) of Section 3527, except for employees of the
33 Office of Technology Services and the employees of the
34 Telecommunications Division of the Department of General
35 Services transferred to the office of the State Chief Information
36 Officer.

37 SEC. 18. Section 11548.5 of the Government Code is repealed.

38 SEC. 19. The heading of Chapter 5.7 (commencing with
39 Section 11549) of Part 1 of Division 3 of Title 2 of the Government
40 Code is amended to read:

1 CHAPTER 5.7. OFFICE OF INFORMATION SECURITY AND OFFICE
2 OF PRIVACY PROTECTION

3
4 SEC. 20. The heading of Article 1 (commencing with Section
5 11549) is added to Chapter 5.7 of Part 1 of Division 3 of Title 2
6 of the Government Code, to read:

7
8 Article 1. Office of Information Security
9

10 SEC. 21. Section 11549 of the Government Code is amended
11 to read:

12 11549. (a) There is in state government, in the office of the
13 State Chief Information Officer, the Office of Information Security.
14 The purpose of the Office of Information Security is to ensure the
15 confidentiality, integrity, and availability of state systems and
16 applications, and to promote and protect privacy as part of the
17 development and operations of state systems and applications to
18 ensure the trust of the residents of this state.

19 (b) The office shall be under the direction of a director, who
20 shall be appointed by, and serve at the pleasure of, the Governor.
21 The director shall report to the State Chief Information Officer,
22 and shall lead the Office of Information Security in carrying out
23 its mission.

24 (c) The duties of the Office of Information Security, under the
25 direction of the director, shall be to provide direction for
26 information security and privacy to state government agencies,
27 departments, and offices, pursuant to Section 11549.3.

28 (d) (1) Unless the context clearly requires otherwise, whenever
29 the term “Office of Information Security and Privacy Protection”
30 appears in any statute, regulation, or contract, it shall be deemed
31 to refer to the Office of Information Security, and whenever the
32 term “executive director of the Office of Information Security and
33 Privacy Protection” appears in statute, regulation, or contract, it
34 shall be deemed to refer to the Director of the Office of Information
35 Security.

36 (2) All employees serving in state civil service, other than
37 temporary employees, who are engaged in the performance of
38 functions transferred from the Office of Information Security and
39 Privacy Protection to the Office of Information Security, are
40 transferred to the Office of Information Security. The status,

positions, and rights of those persons shall not be affected by their transfer and shall continue to be retained by them pursuant to the State Civil Service Act (Part 2 (commencing with Section 18500) of Division 5), except as to positions the duties of which are vested in a position exempt from civil service. The personnel records of all transferred employees shall be transferred to the Office of Information Security.

(3) The property of any office, agency, or department related to functions transferred to the Office of Information Security is transferred to the Office of Information Security. If any doubt arises as to where that property is transferred, the Department of General Services shall determine where the property is transferred.

(4) All unexpended balances of appropriations and other funds available for use in connection with any function or the administration of any law transferred to the Office of Information Security shall be transferred to the Office of Information Security for the use and for the purpose for which the appropriation was originally made or the funds were originally available. If there is any doubt as to where those balances and funds are transferred, the Department of Finance shall determine where the balances and funds are transferred.

SEC. 22. Section 11549.1 of the Government Code is amended to read:

11549.1. As used in this article, the following terms have the following meanings:

(a) "Director" means the Director of the Office of Information Security.

(b) "Office" means the Office of Information Security.

(c) "Program" means an information security program established pursuant to Section 11549.3.

SEC. 23. Section 11549.2 of the Government Code is repealed.

SEC. 24. Section 11549.3 of the Government Code is amended to read:

11549.3. (a) The director shall establish an information security program. The program responsibilities include, but are not limited to, all of the following:

(1) The creation, updating, and publishing of information security and privacy policies, standards, and procedures for state agencies in the State Administrative Manual.

1 (2) The creation, issuance, and maintenance of policies,
2 standards, and procedures directing state agencies to effectively
3 manage security and risk for all of the following:

4 (A) Information technology, which includes, but is not limited
5 to, all electronic technology systems and services, automated
6 information handling, system design and analysis, conversion of
7 data, computer programming, information storage and retrieval,
8 telecommunications, requisite system controls, simulation,
9 electronic commerce, and all related interactions between people
10 and machines.

11 (B) Information that is identified as mission critical, confidential,
12 sensitive, or personal, as defined and published by the office.

13 (3) The creation, issuance, and maintenance of policies,
14 standards, and procedures directing state agencies for the collection,
15 tracking, and reporting of information regarding security and
16 privacy incidents.

17 (4) The creation, issuance, and maintenance of policies,
18 standards, and procedures directing state agencies in the
19 development, maintenance, testing, and filing of each agency's
20 disaster recovery plan.

21 (5) Coordination of the activities of agency information security
22 officers, for purposes of integrating statewide security initiatives
23 and ensuring compliance with information security and privacy
24 policies and standards.

25 (6) Promotion and enhancement of the state agencies' risk
26 management and privacy programs through education, awareness,
27 collaboration, and consultation.

28 (7) Representing the state before the federal government, other
29 state agencies, local government entities, and private industry on
30 issues that have statewide impact on information security and
31 privacy.

32 (b) (1) Every state agency, department, and office shall comply
33 with the information security and privacy policies, standards, and
34 procedures issued pursuant to this chapter by the Office of
35 Information Security.

36 (2) Every state agency, department, and office shall comply
37 with filing requirements and incident notification by providing
38 timely information and reports as required by policy or directives
39 of the office.

1 (3) The office may conduct, or require to be conducted,
2 independent security assessments of any state agency, department,
3 or office, the cost of which shall be funded by the state agency,
4 department, or office being assessed.

5 (4) The office may require an audit of information security to
6 ensure program compliance, the cost of which shall be funded by
7 the state agency, department, or office being audited.

8 (5) The office shall report to the office of the State Chief
9 Information Officer any state agency found to be noncompliant
10 with information security program requirements.

11 SEC. 25. The heading of Article 2 (commencing with Section
12 11549.5) is added to Chapter 5.7 of Part 1 of Division 3 of Title
13 2 of the Government Code, to read:

14
15 Article 2. Office of Privacy Protection
16

17 SEC. 26. Section 11549.5 of the Government Code is amended
18 to read:

19 11549.5. (a) There is hereby created, in the State and Consumer
20 Services Agency, the Office of Privacy Protection. The purpose
21 of the Office of Privacy Protection shall be to protect the privacy
22 of individuals' personal information in a manner consistent with
23 the California Constitution by identifying consumer problems in
24 the privacy area and facilitating the development of fair information
25 practices in adherence with the Information Practices Act of 1977
26 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part
27 4 of Division 3 of the Civil Code) and to promote and protect
28 consumer privacy to ensure the trust of the residents of this state.

29 (b) The Office of Privacy Protection shall inform the public of
30 potential options for protecting the privacy of, and avoiding the
31 misuse of, personal information.

32 (c) The Office of Privacy Protection shall make
33 recommendations to organizations for privacy policies and
34 practices that promote and protect the interests of the consumers
35 of this state.

36 (d) The Office of Privacy Protection may promote voluntary
37 and mutually agreed upon nonbinding arbitration and mediation
38 of privacy-related disputes where appropriate.

39 (e) The Office of Privacy Protection shall do all of the following:

1 (1) Receive complaints from individuals concerning a person
2 obtaining, compiling, maintaining, using, disclosing, or disposing
3 of personal information in a manner that may be potentially
4 unlawful or violate a stated privacy policy relating to that
5 individual, and provide advice, information, and referral, where
6 available.

7 (2) Provide information to consumers on effective ways of
8 handling complaints that involve violations of privacy-related
9 laws, including identity theft and identity fraud. If appropriate
10 local, state, or federal agencies are available to assist consumers
11 with those complaints, the office shall refer those complaints to
12 those agencies.

13 (3) Develop information and educational programs and materials
14 to foster public understanding and recognition of the purposes of
15 this article.

16 (4) Investigate and assist in the prosecution of identity theft and
17 other privacy-related crimes, and, as necessary, coordinate with
18 local, state, and federal law enforcement agencies in the
19 investigation of similar crimes.

20 (5) Assist and coordinate in the training of local, state, and
21 federal law enforcement agencies regarding identity theft and other
22 privacy-related crimes, as appropriate.

23 (6) The authority of the Office of Privacy Protection to adopt
24 regulations under this article shall be limited exclusively to those
25 regulations necessary and appropriate to implement subdivisions
26 (b), (c), (d), and (e).

27 SEC. 27. Section 11549.6 of the Government Code is amended
28 and renumbered to read:

29 11549.10. This chapter shall not apply to the State
30 Compensation Insurance Fund, the Legislature, or the Legislative
31 Data Center in the Legislative Counsel Bureau.

32 SEC. 28. Section 11549.7 is added to the Government Code,
33 to read:

34 11549.7. The Office of Privacy Protection shall be under the
35 direction of a director who shall report to the Secretary of State
36 and Consumer Services and lead the Office of Privacy Protection
37 in carrying out its mission.

38 SEC. 29. Section 11549.8 is added to the Government Code,
39 to read:

1 11549.8. As used in this article, the following terms have the
2 following meanings:

3 (a) “Director” means the Director of the Office of Privacy
4 Protection.

5 (b) “Office” means the Office of Privacy Protection.

6 SEC. 30. Section 12804 of the Government Code is amended
7 to read:

8 12804. The Agriculture and Services Agency is hereby renamed
9 the State and Consumer Services Agency.

10 The State and Consumer Services Agency consists of the
11 following: the Department of General Services; the Department
12 of Consumer Affairs; the Franchise Tax Board; the Public
13 Employees’ Retirement System; the State Teachers’ Retirement
14 System; the Department of Fair Employment and Housing; the
15 Fair Employment and Housing Commission; the California Science
16 Center; the California Victim Compensation and Government
17 Claims Board; the California African American Museum; the
18 California Building and Standards Commission; the Alfred E.
19 Alquist Seismic Safety Commission; and the Office of Privacy
20 Protection.

21 SEC. 31. Section 14995 of the Government Code is amended
22 to read:

23 14995. (a) The Electronic Funds Transfer Task Force is hereby
24 established in state government.

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

29 (1) State Board of Equalization.

30 (2) Franchise Tax Board.

31 (3) Employment Development Department.

32 (4) Treasurer.

33 (5) Controller.

34 (6) Department of Finance.

35 (7) Department of General Services.

36 (8) Office of Technology Services.

37 (c) The Electronic Funds Transfer Task Force shall study and
38 report to the Legislature, on or before April 1, 2008, a plan for the
39 development and implementation of a payment disbursal system

1 utilizing electronic funds transfer technology. The plan shall
2 include, but not be limited to, all of the following:

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

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

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

10 (A) Costs and savings related to float time.

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

12 (C) Costs and savings related to paperless transactions.

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

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

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

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

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

30 (7) An examination of and recommendation on incorporating
31 the disbursal of funds for localities into the electronic payment
32 system.

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

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

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

3 (11) A recommendation on the timely development of the
4 electronic payment disbursal system.

5 SEC. 32. Section 15251 of the Government Code is amended
6 to read:

7 15251. As used in this part, “office” means office of the State
8 Chief Information Officer.

9 SEC. 33. Section 15253 of the Government Code is amended
10 to read:

11 15253. This part shall apply only to those communications
12 facilities which are owned and operated by public agencies in
13 connection with official business of law enforcement services, fire
14 services, natural resources services, agricultural services, and
15 highway maintenance and control of the state or of cities, counties,
16 and other political subdivisions in this state. This part shall not be
17 construed as conferring upon the office control of programs or
18 broadcasts intended for the general public.

19 SEC. 34. Section 15254 of the Government Code is amended
20 to read:

21 15254. Radio and other communications facilities owned or
22 operated by the state and subject to the jurisdiction of the office
23 shall not be used for political, sectarian, or propaganda purposes.
24 The facilities shall not be used for the purpose of broadcasts
25 intended for the general public, except for fire, flood, frost, storm,
26 catastrophe, and other warnings and information for the protection
27 of the public safety as the office may prescribe.

28 SEC. 35. Section 15275 of the Government Code is amended
29 to read:

30 15275. The office may do all of the following:

31 (a) Provide adequate representation of local and state
32 governmental bodies and agencies before the Federal
33 Communications Commission in matters affecting the state and
34 its cities, counties, and other public agencies regarding public
35 safety communications issues.

36 (b) Provide, upon request, adequate advice to state and local
37 agencies in the state concerning existing or proposed public safety
38 communications facilities between any and all of the following:
39 cities, counties, other political subdivisions of the state, state
40 departments, agencies, boards, and commissions, and departments,

1 agencies, boards, and commissions of other states and federal
2 agencies.

3 (c) Recommend to the appropriate state and local agencies rules,
4 regulations, procedures, and methods of operation that it deems
5 necessary to effectuate the most efficient and economical use of
6 publicly owned and operated public safety communications
7 facilities within this state.

8 (d) Provide, upon request, information and data concerning the
9 public safety communications facilities that are owned and operated
10 by public agencies in connection with official business of public
11 safety services.

12 (e) Carry out the policy of this part.

13 SEC. 36. Section 15277 of the Government Code is amended
14 to read:

15 15277. The duties of the office shall include, but not be limited
16 to, all of the following:

17 (a) Assessing the overall long-range public safety
18 communications needs and requirements of the state considering
19 emergency operations, performance, cost, state-of-the-art
20 technology, multiuser availability, security, reliability, and other
21 factors deemed to be important to state needs and requirements.

22 (b) Developing strategic and tactical policies and plans for public
23 safety communications with consideration for the systems and
24 requirements of the state and all public agencies in this state, and
25 preparing an annual strategic communications plan that includes
26 the feasibility of interfaces with federal and other state
27 telecommunications networks and services.

28 (c) Recommending industry standards for public safety
29 communications systems to ensure multiuser availability and
30 compatibility.

31 (d) Providing advice and assistance in the selection of
32 communications equipment to ensure that the public safety
33 communications needs of state agencies are met and that
34 procurements are compatible throughout state agencies and are
35 consistent with the state's strategic and tactical plans for public
36 safety communications.

37 (e) Providing management oversight of statewide public safety
38 communications systems developments.

39 (f) Providing for coordination of, and comment on, plans,
40 policies, and operational requirements from departments that utilize

1 public safety communications in support of their principal function,
2 such as the California Emergency Management Agency, National
3 Guard, health and safety agencies, and others with primary public
4 safety communications programs.

5 (g) Monitoring and participating on behalf of the state in the
6 proceedings of federal and state regulatory agencies and in
7 congressional and state legislative deliberations that have an impact
8 on state government public safety communications activities.

9 (h) Developing plans regarding teleconferencing as an
10 alternative to state travel during emergency situations.

11 SEC. 37. Section 53108.5 of the Government Code is amended
12 to read:

13 53108.5. "Office," as used in this article, means the office of
14 the State Chief Information Officer.

15 SEC. 38. Section 53113 of the Government Code is amended
16 to read:

17 53113. The Legislature finds that, because of overlapping
18 jurisdiction of public agencies, public safety agencies, and
19 telephone service areas, a general overview or plan should be
20 developed prior to the establishment of any system. In order to
21 ensure that proper preparation and implementation of those systems
22 is accomplished by all public agencies by December 31, 1985, the
23 office, with the advice and assistance of the Attorney General,
24 shall secure compliance by public agencies as provided in this
25 article.

26 SEC. 39. Section 53114 of the Government Code is amended
27 to read:

28 53114. The office, with the advice and assistance of the
29 Attorney General, shall coordinate the implementation of systems
30 established pursuant to the provisions of this article. The office,
31 with the advice and assistance of the Attorney General, shall assist
32 local public agencies and local public safety agencies in obtaining
33 financial help to establish emergency telephone service, and shall
34 aid agencies in the formulation of concepts, methods, and
35 procedures that will improve the operation of systems required by
36 this article and that will increase cooperation between public safety
37 agencies.

38 SEC. 40. Section 53114.1 of the Government Code is amended
39 to read:

1 53114.1. To accomplish the responsibilities specified in this
2 article, the office is directed to consult at regular intervals with the
3 State Fire Marshal, the State Department of Public Health, the
4 Office of Traffic Safety, the California Emergency Management
5 Agency, the California Council on Criminal Justice, a local
6 representative from a city, a local representative from a county,
7 the public utilities in this state providing telephone service, the
8 Associated Public Safety Communications Officers, the Emergency
9 Medical Services Authority, the Department of the California
10 Highway Patrol, and the Department of Forestry and Fire
11 Protection. These agencies shall provide all necessary assistance
12 and consultation to the office to enable it to perform its duties
13 specified in this article.

14 SEC. 41. Section 53114.2 of the Government Code is amended
15 to read:

16 53114.2. Technical and operational standards for the
17 development of the public agency systems shall be established and
18 reviewed by the office on or before December 31, 1973, after
19 consultation with all agencies specified in Section 53114.1. On or
20 before December 31, 1976, and each even-numbered year
21 thereafter, after consultation with all agencies specified in Section
22 53114.1, the office shall review and update technical and
23 operational standards for public agency systems.

24 SEC. 42. Section 53115 of the Government Code is amended
25 to read:

26 53115. (a) On or before January 31, 1975, all public agencies
27 shall submit tentative plans for the establishment of a system
28 required by this article to the public utility or utilities providing
29 public telephone service within the respective jurisdiction of each
30 public agency. A copy of each such plan shall be filed with the
31 office.

32 (b) On or before October 1, 1978, all public agencies shall
33 submit final plans to the office for approval. The final plan shall
34 identify all planning, implementation, installation, and operating
35 costs the local agency feels necessary to implement the system
36 required by this article. On or before July 1, 1981, all public
37 agencies shall place a firm order as approved by the office to the
38 utility or utilities providing telephone service to the public agency,
39 and shall make arrangements with such utilities for the
40 implementation of the planned emergency telephone system no

1 later than December 31, 1985. If the Legislature fails to take action
2 as specified in Section 41030 of the Revenue and Taxation Code
3 prior to January 1, 1981, then the dates specified for ordering and
4 implementation of a system shall be respectively postponed by the
5 number of years elapsing between 1981 and the year in which the
6 Legislature acts.

7 (c) If any public agency has implemented or is a part of a system
8 required by this article on a deadline specified in subdivision (a)
9 or (b), such public agency shall submit in lieu of the tentative or
10 final plan a report describing the system and stating its operational
11 date.

12 (d) Plans filed pursuant to subdivisions (a) and (b) shall conform
13 to minimum standards established pursuant to Section 53114.2.

14 (e) The office shall monitor all emergency telephone systems
15 to ensure they comply with minimal operational and technical
16 standards as established by the division. If any system does not
17 comply the office shall notify in writing the public agency or
18 agencies operating the system of its deficiencies. The public agency
19 shall bring the system into compliance with the operational and
20 technical standards within 60 days of notice by the division. Failure
21 to comply within such time shall subject the public agency to action
22 by the Attorney General pursuant to Section 53116.

23 SEC. 43. Section 53115.1 of the Government Code is amended
24 to read:

25 53115.1. (a) There is in state government the State 911
26 Advisory Board.

27 (b) The advisory board shall be comprised of the following
28 members appointed by the Governor who shall serve at the pleasure
29 of the Governor.

30 (1) The Chief of the California 911 Emergency Communications
31 Office shall serve as the nonvoting chair of the board.

32 (2) One representative from the Department of the California
33 Highway Patrol.

34 (3) Two representatives on the recommendation of the California
35 Police Chiefs Association.

36 (4) Two representatives on the recommendation of the California
37 State Sheriffs' Association.

38 (5) Two representatives on the recommendation of the California
39 Fire Chiefs Association.

1 (6) Two representatives on the recommendation of the CalNENA
2 Executive Board.

3 (7) One representative on the joint recommendation of the
4 executive boards of the state chapters of the Association of
5 Public-Safety Communications Officials-International, Inc.

6 (c) Recommending authorities shall give great weight and
7 consideration to the knowledge, training, and expertise of the
8 appointee with respect to their experience within the California
9 911 system. Board members should have at least two years of
10 experience as a Public Safety Answering Point (PSAP) manager
11 or county coordinator, except where a specific person is designated
12 as a member.

13 (d) Members of the advisory board shall serve at the pleasure
14 of the Governor, but may not serve more than two consecutive
15 two-year terms, except as follows:

16 (1) The presiding Chief of the California 911 Emergency
17 Communications Office shall serve for the duration of his or her
18 tenure.

19 (2) Four of the members shall serve an initial term of three years.

20 (e) Advisory board members shall not receive compensation
21 for their service on the board, but may be reimbursed for travel
22 and per diem for time spent in attending meetings of the board.

23 (f) The advisory board shall meet quarterly in public sessions
24 in accordance with the Bagley-Keene Open Meeting Act (Article
25 9 (commencing with Section 11120) of Chapter 2 of Part 1 of
26 Division 3 of Title 2). The office shall provide administrative
27 support to the State 911 Advisory Board. The State 911 Advisory
28 Board, at its first meeting, shall adopt bylaws and operating
29 procedures consistent with this article and establish committees
30 as necessary.

31 (g) Notwithstanding any other provision of law, any member
32 of the advisory board may designate a person to act as that member
33 in his or her place and stead for all purposes, as though the member
34 were personally present.

35 SEC. 44. Section 53115.2 of the Government Code is amended
36 to read:

37 53115.2. (a) The State 911 Advisory Board shall advise the
38 office on all of the following subjects:

39 (1) Policies, practices, and procedures for the California 911
40 Emergency Communications Office.

1 (2) Technical and operational standards for the California 911
2 system consistent with the National Emergency Number
3 Association (NENA) standards.

4 (3) Training standards for county coordinators and Public Safety
5 Answering Point (PSAP) managers.

6 (4) Budget, funding, and reimbursement decisions related to
7 the State Emergency Number Account.

8 (5) Proposed projects and studies conducted or funded by the
9 State Emergency Number Account.

10 (6) Expediting the rollout of Enhanced 911 Phase II technology.

11 (b) Upon request of a local public agency, the board shall
12 conduct a hearing on any conflict between a local public agency
13 and the office regarding a final plan that has not been approved
14 by the office pursuant to Section 53114. The board shall meet
15 within 30 days following the request, and shall make a
16 recommendation to resolve the conflict to the office within 90 days
17 following the initial hearing by the board pursuant to the request.

18 SEC. 45. Section 53115.3 of the Government Code is amended
19 to read:

20 53115.3. When proposed implementation of the 911 system
21 by a single public agency within its jurisdiction may adversely
22 affect the implementation of the system by a neighboring public
23 agency or agencies, such neighboring public agency may request
24 that the office evaluate the impact of implementation by the
25 proposing public agency and evaluate and weigh that impact in its
26 decision to approve or disapprove the proposing public agency's
27 final plan pursuant to Section 53115. In order to effectuate this
28 process, each city shall file a notice of filing of its final plan with
29 each adjacent city and with the county in which the proposing
30 public agency is located at the same time such final plan is filed
31 with the office and each county shall file a notice of filing of its
32 final plan with each city within the county and each adjacent county
33 at the time the final plan is filed with the office. Any public agency
34 wishing to request review pursuant to this section shall file its
35 request with the office within 30 days of filing of the final plan
36 for which review is sought.

37 SEC. 46. Section 53116 of the Government Code is amended
38 to read:

39 53116. The Attorney General may, on behalf of the office or
40 on his or her own initiative, commence judicial proceedings to

1 enforce compliance by any public agency or public utility providing
2 telephone service with the provisions of this article.

3 SEC. 47. Section 53119 of the Government Code is amended
4 to read:

5 53119. Any telephone corporation serving rural telephone areas
6 which cannot currently provide enhanced “911” emergency
7 telephone service capable of selective routing, automatic number
8 identification, or automatic location identification shall present to
9 the office a comprehensive plan detailing a schedule by which
10 those facilities will be converted to be compatible with the
11 enhanced emergency telephone system.

12 SEC. 48. Section 53120 of the Government Code is amended
13 to read:

14 53120. The office shall not delay implementation of the
15 enhanced “911” emergency telephone system in those portions of
16 cities or counties, or both, served by a local telephone corporation
17 that has equipment compatible with the enhanced “911” emergency
18 telephone system.

19 SEC. 49. Section 53126.5 of the Government Code is amended
20 to read:

21 53126.5. For purposes of this article, the following definitions
22 apply:

23 (a) “Local public agency” means a city, county, city and county,
24 and joint powers authority that provides a public safety answering
25 point (PSAP).

26 (b) “Nonemergency telephone system” means a system
27 structured to provide access to only public safety agencies such
28 as police and fire, or a system structured to provide access to public
29 safety agencies and to all other services provided by a local public
30 agency such as street maintenance and animal control.

31 SEC. 50. Section 53127 of the Government Code is amended
32 to read:

33 53127. The office of the State Chief Information Officer may
34 aid local public agencies in the formulation of concepts, methods,
35 and procedures that will improve the operation of systems
36 authorized by this article and increase cooperation among public
37 agencies.

38 SEC. 51. Section 12100.7 of the Public Contract Code is
39 amended to read:

40 12100.7. As used in this chapter:

1 (a) “Department” means the Department of General Services.

2 (b) “Director” means the Director of General Services.

3 (c) “Information technology” shall have the same definition as
4 set forth in Section 11702 of the Government Code.

5 (d) “Multiple award schedule” (MAS) is an agreement
6 established between the General Services Administration of the
7 United States and certain suppliers to do business under specific
8 prices, terms, and conditions for specified goods, information
9 technology, and services.

10 (e) “Multiple award” means a contract of indefinite quantity for
11 one or more similar goods, information technology, or services to
12 more than one supplier.

13 (f) “Office” means the office in the department, by whatever
14 name it may be called, which is responsible for contracting for
15 goods and information technology, and is headed by the state
16 procurement officer.

17 (g) “Procedures” means the specific methods or courses of action
18 to implement policies for information technology procurement.

19 (h) For purposes of this chapter, “policies” may be defined as
20 setting general principles and standards for the acquisition of
21 information technology.

22 (i) For purposes of this chapter, “value-effective acquisition”
23 may be defined to include, but not be limited to, the following:

24 (1) The operational cost that the state would incur if the bid or
25 proposal is accepted.

26 (2) Quality of the product or service, or its technical competency.

27 (3) Reliability of delivery and implementation schedules.

28 (4) The maximum facilitation of data exchange and systems
29 integration.

30 (5) Warranties, guarantees, and return policy.

31 (6) Supplier financial stability.

32 (7) Consistency of the proposed solution with the state’s
33 planning documents and announced strategic program direction.

34 (8) Quality and effectiveness of business solution and approach.

35 (9) Industry and program experience.

36 (10) Prior record of supplier performance.

37 (11) Supplier expertise with engagements of similar scope and
38 complexity.

39 (12) Extent and quality of the proposed participation and
40 acceptance by all user groups.

1 (13) Proven development methodologies and tools.

2 (14) Innovative use of current technologies and quality results.

3 SEC. 52. Section 12101 of the Public Contract Code is amended
4 to read:

5 12101. It is the intent of the Legislature that policies developed
6 by the office of the State Chief Information Officer and procedures
7 developed by the Department of General Services in accordance
8 with Section 12102 provide for the following:

9 (a) The expeditious and value-effective acquisition of
10 information technology goods and services to satisfy state
11 requirements.

12 (b) The acquisition of information technology goods and services
13 within a competitive framework.

14 (c) The delegation of authority by the Department of General
15 Services to each state agency that has demonstrated to the
16 department's satisfaction the ability to conduct value-effective
17 information technology goods and services acquisitions.

18 (d) The exclusion from state bid processes, at the state's option,
19 of any supplier having failed to meet prior contractual requirements
20 related to information technology goods and services.

21 (e) The review and resolution of protests submitted by any
22 bidders with respect to any information technology goods and
23 services acquisitions.

24 SEC. 53. Section 12103 of the Public Contract Code is amended
25 to read:

26 12103. In addition to the mandatory requirements enumerated
27 in Section 12102, the acquisition policies developed and maintained
28 by the office of the State Chief Information Officer and procedures
29 developed and maintained by the Department of General Services
30 in accordance with this chapter may provide for the following:

31 (a) Price negotiation with respect to contracts entered into in
32 accordance with this chapter.

33 (b) System or equipment component performance, or availability
34 standards, including an assessment of the added cost to the state
35 to receive contractual guarantee of a level of performance.

36 (c) Requirement of a bond or assessment of a cost penalty with
37 respect to a contract or consideration of a contract offered by a
38 supplier whose performance has been determined unsatisfactory
39 in accordance with established procedures maintained in the State
40 Administrative Manual as required by Section 12102.

1 SEC. 54. Section 12104 of the Public Contract Code is amended
2 to read:

3 12104. (a) (1) Commencing on or before January 1, 2007, the
4 State Contracting Manual shall set forth all policies, procedures,
5 and methods that shall be used by the department when seeking
6 to obtain bids for the acquisition of information technology,
7 including any policies contained in the State Administrative
8 Manual.

9 (2) Revisions to the manual must be publicly announced,
10 including, but not limited to, postings on the department's Internet
11 homepage.

12 (b) On or before January 1, 2007, the department shall designate
13 a single entity within the department that shall be solely responsible
14 for the development, implementation, and maintenance of
15 standardized methods for the development of information
16 technology requests for proposals.

17 (c) Commencing on or before January 1, 2007, all information
18 technology requests for proposals shall be reviewed by the Office
19 of Legal Services prior to release to the public.

20 (d) (1) On or before January 1, 2007, the department, in
21 consultation with a representative from the Office of Technology
22 Services, the Department of Finance, the Senate, and the Assembly,
23 along with representatives from the information technology
24 industry, shall issue a management memorandum setting forth
25 uniform standards for information technology procurement. The
26 management memorandum shall prioritize how the technology
27 will advance the public policy purpose of the state program that
28 the information technology will serve over the department's or
29 client's preference for a particular information product design.
30 Prior to issuing the management memorandum, the department
31 shall hold at least two public hearings on the standards that are
32 proposed to be included in the management memorandum.

33 (2) The management memorandum issued pursuant to paragraph
34 (1) shall not apply to procurements necessary to meet the
35 requirements of the Department of Justice Hawkins Data Center.

36 SEC. 55. Section 12105 of the Public Contract Code is amended
37 to read:

38 12105. The Department of General Services and the office of
39 the State Chief Information Officer shall coordinate in the
40 development of policies and procedures that implement the intent

1 of this chapter. The office of the State Chief Information Officer
2 shall have the final authority in the determination of any general
3 policy and the Department of General Services shall have the final
4 authority in the determination of any procedures.

5 SEC. 56. Section 12120 of the Public Contract Code is amended
6 to read:

7 12120. The Legislature finds and declares that, with the advent
8 of deregulation in the telecommunications industry, substantial
9 cost savings can be realized by the state through the specialized
10 evaluation and acquisition of alternative telecommunications
11 systems. All contracts for the acquisition of telecommunications
12 services and all contracts for the acquisition of telecommunications
13 goods, whether by lease or purchase, shall be made by, or under
14 the supervision of, the Department of General Services. All
15 acquisitions shall be accomplished in accordance with Chapter 3
16 (commencing with Section 12100), relating to the acquisition of
17 information technology goods and services, except to the extent
18 any directive or provision is uniquely applicable to information
19 technology acquisitions. The office shall have responsibility for
20 the establishment of policy and procedures for telecommunications.
21 The office shall have responsibility for the establishment of tactical
22 policy and procedures for data-processing acquisitions consistent
23 with statewide strategic policy. The Trustees of the California State
24 University and the Board of Governors of the California
25 Community Colleges shall assume the functions of the office with
26 regard to acquisition of telecommunications goods and services
27 by the California State University and the California Community
28 Colleges, respectively. The trustees and the board shall each grant
29 to the office an opportunity to bid whenever the university or the
30 college system solicits bids for telecommunications goods and
31 services.

32 SEC. 57. Section 12121 of the Public Contract Code is amended
33 to read:

34 12121. As used in this chapter:

35 (a) "Office" means the office of the State Chief Information
36 Officer.

37 (b) "Tactical policy" means the policies of an organization
38 necessary to direct operational staff in carrying out their day-to-day
39 activities.

1 (c) “Strategic policy” means policy which defines the goals and
2 objectives for an organization.

3 SEC. 58. Section 41030 of the Revenue and Taxation Code is
4 amended to read:

5 41030. The office of the State Chief Information Officer shall
6 determine annually, on or before October 1, a surcharge rate that
7 it estimates will produce sufficient revenue to fund the current
8 fiscal year’s 911 costs. The surcharge rate shall be determined by
9 dividing the costs (including incremental costs) the office of the
10 State Chief Information Officer estimates for the current fiscal
11 year of 911 plans approved pursuant to Section 53115 of the
12 Government Code, less the available balance in the State
13 Emergency Telephone Number Account in the General Fund, by
14 its estimate of the charges for intrastate telephone communications
15 services and VoIP service to which the surcharge will apply for
16 the period of January 1 to December 31, inclusive, of the next
17 succeeding calendar year, but in no event shall such surcharge rate
18 in any year be greater than three-quarters of 1 percent nor less than
19 one-half of 1 percent.

20 SEC. 59. Section 41031 of the Revenue and Taxation Code is
21 amended to read:

22 41031. The office of the State Chief Information Officer shall
23 make its determination of the surcharge rate each year no later
24 than October 1 and shall notify the board of the new rate, which
25 shall be fixed by the board to be effective with respect to charges
26 made for intrastate telephone communication services and VoIP
27 service on or after January 1 of the next succeeding calendar year.

28 SEC. 60. Section 41032 of the Revenue and Taxation Code is
29 amended to read:

30 41032. Immediately upon notification by the office of the State
31 Chief Information Officer and fixing the surcharge rate, the board
32 shall each year no later than November 15 publish in its minutes
33 the new rate, and it shall notify by mail every service supplier
34 registered with it of the new rate.

35 SEC. 61. Section 41136.1 of the Revenue and Taxation Code
36 is amended to read:

37 41136.1. For each fiscal year, moneys in the State Emergency
38 Telephone Number Account not appropriated for a purpose
39 specified in Section 41136 shall be held in trust for future
40 appropriation for upcoming, planned “911” emergency telephone

1 number projects that have been approved by the office of the State
2 Chief Information Officer, even if the projects have not yet
3 commenced.

4 SEC. 62. Section 41137 of the Revenue and Taxation Code is
5 amended to read:

6 41137. The office of the State Chief Information Officer shall
7 pay, from funds appropriated from the State Emergency Telephone
8 Number Account by the Legislature, as provided in Section 41138,
9 bills submitted by service suppliers or communications equipment
10 companies for the installation and ongoing costs of the following
11 communication services provided local agencies by service
12 suppliers in connection with the “911” emergency telephone
13 number system:

- 14 (a) A basic system.
- 15 (b) A basic system with telephone central office identification.
- 16 (c) A system employing automatic call routing.
- 17 (d) Approved incremental costs that have been concurred in by
18 the office of the State Chief Information Officer.

19 SEC. 63. Section 41137.1 of the Revenue and Taxation Code
20 is amended to read:

21 41137.1. The office of the State Chief Information Officer shall
22 pay, from funds appropriated from the State Emergency Telephone
23 Number Account by the Legislature, as provided in Section 41138,
24 claims submitted by local agencies for approved incremental costs
25 and for the cost of preparation of final plans submitted to the office
26 of the State Chief Information Officer for approval on or before
27 October 1, 1978, as provided in Section 53115 of the Government
28 Code.

29 SEC. 64. Section 41138 of the Revenue and Taxation Code is
30 amended to read:

31 41138. (a) It is the intent of the Legislature that the
32 reimbursement rates for “911” emergency telephone number
33 equipment shall not exceed specified amounts negotiated with
34 each interested supplier and approved by the office of the State
35 Chief Information Officer. The office of the State Chief
36 Information Officer shall negotiate supplier pricing to ensure cost
37 effectiveness and the best value for the “911” emergency telephone
38 number system. The office of the State Chief Information Officer
39 shall pay those bills as provided in Section 41137 only under the
40 following conditions:

1 (1) The office of the State Chief Information Officer shall have
2 received the local agency's "911" emergency telephone number
3 system plan by July 1 of the prior fiscal year and approved the
4 plan by October 1 of the prior fiscal year.

5 (2) The Legislature has appropriated in the Budget Bill an
6 amount sufficient to pay those bills.

7 (3) The office of the State Chief Information Officer has
8 reviewed and approved each line item of a request for funding to
9 ensure the necessity of the proposed equipment or services and
10 the eligibility for reimbursement.

11 (4) The amounts to be paid do not exceed the pricing submitted
12 by the supplier and approved by the office of the State Chief
13 Information Officer. Extraordinary circumstances may warrant
14 spending in excess of the established rate, but shall be preapproved
15 by the office of the State Chief Information Officer. In determining
16 the reimbursement rate, the office of the State Chief Information
17 Officer shall utilize the approved pricing submitted by the supplier
18 providing the equipment or service.

19 (b) Nothing in this section shall be construed to limit an agency's
20 ability to select a supplier or procure telecommunications
21 equipment as long as the supplier's pricing is preapproved by the
22 office of the State Chief Information Officer. Agencies shall be
23 encouraged to procure equipment on a competitive basis. Any
24 amount in excess of the pricing approved by the office of the State
25 Chief Information Officer shall not be reimbursed.

26 SEC. 65. Section 41139 of the Revenue and Taxation Code is
27 amended to read:

28 41139. From funds appropriated by the Legislature from the
29 Emergency Telephone Number Account, the office of the State
30 Chief Information Officer shall begin paying bills as provided in
31 Sections 41137, 41137.1, and 41138 in the 1977-78 fiscal year
32 for plans submitted by local agencies by July 1, 1976, to the office
33 of the State Chief Information Officer which the office of the State
34 Chief Information Officer has approved.

35 SEC. 66. Section 41140 of the Revenue and Taxation Code is
36 amended to read:

37 41140. The office of the State Chief Information Officer shall
38 reimburse local agencies, from funds appropriated from the
39 Emergency Telephone Number Account by the Legislature, for
40 amounts not previously compensated for by another governmental

1 agency, which have been paid by agencies for approved
2 incremental costs or to service suppliers or communication
3 equipment companies for the following communications services
4 supplied in connection with the “911” emergency phone number,
5 provided local agency plans had been approved by the office of
6 the State Chief Information Officer:

7 (a) A basic system.

8 (b) A basic system with telephone central office identification.

9 (c) A system employing automatic call routing.

10 (d) Approved incremental costs.

11 SEC. 67. Section 41141 of the Revenue and Taxation Code is
12 amended to read:

13 41141. Claims for reimbursement shall be submitted by local
14 agencies to the office of the State Chief Information Officer, which
15 shall determine payment eligibility and shall reduce the claim for
16 charges that exceed the approved incremental costs, approved
17 contract amounts, or the established tariff rates for costs. No claim
18 shall be paid until funds are appropriated by the Legislature.

19 SEC. 68. Section 41142 of the Revenue and Taxation Code is
20 amended to read:

21 41142. Notwithstanding any other provision of this article, if
22 the Legislature fails to appropriate an amount sufficient to pay
23 bills submitted to the office of the State Chief Information Officer
24 by service suppliers or communications equipment companies for
25 the installation and ongoing communications services supplied
26 local agencies in connection with the “911” emergency telephone
27 number system, and to pay claims of local agencies which, prior
28 to the effective date of this part, paid amounts to service suppliers
29 or communications equipment companies for the installation and
30 ongoing expenses in connection with the “911” emergency
31 telephone number system, the obligation of service suppliers and
32 local agencies to provide “911” emergency telephone service shall
33 terminate and service shall not again be required until the
34 Legislature has appropriated an amount sufficient to pay those
35 bills or claims. Nothing in this part shall preclude local agencies
36 from purchasing or acquiring any communication equipment from
37 companies other than the telephone service suppliers.

38 SEC. 69. Section 16501.7 of the Welfare and Institutions Code
39 is amended to read:

1 16501.7. (a) On or before December 1, 2005, the State
2 Department of Social Services shall develop, and provide to the
3 Chairperson of the Joint Legislative Budget Committee, a Child
4 Welfare Services/Case Management System *system* performance
5 commitments plan. The plan shall be developed in conjunction
6 with the Office of System Integration, the Office of Technology
7 Services, and the County Welfare Directors Association.

8 (b) (1) The plan developed as required by subdivision (a) shall
9 include, but not be limited to, performance standards for system
10 availability, application transaction time, batch processing
11 windows, data downloads, a process for the identification, tracking,
12 and response of repair service requests, data backup and recovery,
13 help desk responsiveness, and a process for security incidents.

14 (2) The plan may include print time.

15 (3) The plan shall describe all of the following:

16 (A) The mechanism for tracking system performance.

17 (B) Corrective action protocols.

18 (C) The steps that will be taken should performance fall below
19 standards for a specified period of time.

20 (c) It is the intent of the Legislature that the plan developed
21 pursuant to this section shall do all of the following:

22 (1) Appropriately assign responsibility for ensuring service
23 levels to the entity accountable.

24 (2) Prioritize implementation of components of the plan.

25 (3) Address implementation feasibility of the plan's components,
26 including any issues regarding plan implementation that need to
27 be addressed.