

AMENDED IN SENATE AUGUST 3, 2010

AMENDED IN SENATE JUNE 29, 2010

AMENDED IN SENATE JUNE 15, 2010

AMENDED IN ASSEMBLY MAY 11, 2010

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2408**

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**Introduced by Assembly Members Smyth and Huber**

February 19, 2010

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An act to amend Sections 8592.1, 8592.5, 8592.7, 11532, 11534, 11535, 11537, 11539, 11540, 11541, 11541.5, 11542, 11543, 11544, 11545, 11546, 11546.5, 11548.5, 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 11546.1, 11546.2, 11546.3, 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 Section 11549.2 of, and to repeal Chapter 9 (commencing with Section 14930) of Part 5.5 of Division 3 of Title 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 2872.5, 2892, and 2892.1 of the Public Utilities 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 (GRP No. 1), 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. Existing law requires the Department of General Services to perform certain duties related to state information technology.

This bill would extend the repeal of the provisions establishing the office of the State Chief Information Officer to January 1, 2015. This bill would rename the office of the State Chief Information Officer as the California Technology Agency and the position of the State Chief Information Officer as the Secretary of California Technology and impose additional duties on both regarding state information technology governance and implementation. The bill would also transfer specified state information technology-related duties from the Department of General Services to the California Technology Agency and create the positions of chief information officer and information security officer in specified state agencies, as defined, and state entities. This bill would also make technical and conforming statutory changes.

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

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

- 1 SECTION 1. Section 8592.1 of the Government Code is  
2 amended to read:  
3 8592.1. For purposes of this article, the following terms have  
4 the following meanings:  
5 (a) “Backward compatibility” means that the equipment is able  
6 to function with older, existing equipment.  
7 (b) “Committee” means the Public Safety Radio Strategic  
8 Planning Committee, that was established in December 1994 in  
9 recognition of the need to improve existing public radio systems  
10 and to develop interoperability among public safety departments  
11 and between state public safety departments and local or federal  
12 entities, and that consists of representatives of the following state  
13 entities:  
14 (1) The California Emergency Management Agency, who shall  
15 serve as chairperson.  
16 (2) The Department of the California Highway Patrol.  
17 (3) The Department of Transportation.  
18 (4) The Department of Corrections and Rehabilitation.  
19 (5) The Department of Parks and Recreation.  
20 (6) The Department of Fish and Game.  
21 (7) The Department of Forestry and Fire Protection.  
22 (8) The Department of Justice.  
23 (9) The Department of Water Resources.

- 1 (10) The State Department of Public Health.  
2 (11) The Emergency Medical Services Authority.  
3 (12) The California Technology Agency.  
4 (13) The Military Department.  
5 (14) The Department of Finance.

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

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

16 (e) “Open architecture” means a system that can accommodate  
17 equipment from various vendors because it is not a proprietary  
18 system.

19 (f) “Public safety radio subscriber” means the ultimate end user.  
20 Subscribers include individuals or organizations, including, for  
21 example, local police departments, fire departments, and other  
22 operators of a public safety radio system. Typical subscriber  
23 equipment includes end instruments, including mobile radios,  
24 hand-held radios, mobile repeaters, fixed repeaters, transmitters,  
25 or receivers that are interconnected to utilize assigned public safety  
26 communications frequencies.

27 (g) “Public safety spectrum” means the spectrum allocated by  
28 the Federal Communications Commission for operation of  
29 interoperable and general use radio communication systems for  
30 public safety purposes within the state.

31 SEC. 2. Section 8592.5 of the Government Code is amended  
32 to read:

33 8592.5. (a) Except as provided in subdivision (c), a state  
34 department that purchases public safety radio communication  
35 equipment shall ensure that the equipment purchased complies  
36 with applicable provisions of the following:

37 (1) The common system standards for digital public safety radio  
38 communications commonly referred to as the “Project 25  
39 Standard,” as that standard may be amended, revised, or added to  
40 in the future jointly by the Association of Public-Safety

1 Communications Officials, Inc., National Association of State  
2 Telecommunications Directors, and agencies of the federal  
3 government, commonly referred to as “APCO/NASTD/FED.”

4 (2) The operational and functional requirements delineated in  
5 the Statement of Requirements for Public Safety Wireless  
6 Communications and Interoperability developed by the SAFECOM  
7 Program under the United States Department of Homeland  
8 Security.

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

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

16 (1) Purchases of equipment to operate with existing state or  
17 local communications systems where the latest applicable standard  
18 will not be compatible, as verified by the California Technology  
19 Agency.

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

22 (d) This section may not be construed to require an affected  
23 state or local governmental agency to compromise its immediate  
24 mission or ability to function and carry out its existing  
25 responsibilities.

26 SEC. 3. Section 8592.7 of the Government Code is amended  
27 to read:

28 8592.7. (a) A budget proposal submitted by a state agency for  
29 support of a new or modified radio system shall be accompanied  
30 by a technical project plan that includes all of the following:

- 31 (1) The scope of the project.
- 32 (2) Alternatives considered.
- 33 (3) Justification for the proposed solution.
- 34 (4) A project implementation plan.
- 35 (5) A proposed timeline.
- 36 (6) Estimated costs by fiscal year.

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

1 (c) The California Technology Agency shall review the plans  
2 submitted pursuant to subdivision (a) for consistency with the  
3 technical requirements of the statewide integrated public safety  
4 communication strategic plan included in the annual report required  
5 pursuant to Section 8592.6.

6 SEC. 4. Section 11532 of the Government Code is amended  
7 to read:

8 11532. For purposes of this chapter, the following terms shall  
9 have the following meanings, unless the context requires otherwise:

10 (a) "Board member" means a member of the Technology  
11 Services Board.

12 (b) "Board" means the Technology Services Board created  
13 pursuant to Section 11535.

14 (c) "Director" means the Director of the Office of Technology  
15 Services.

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

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

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

33 SEC. 5. The heading of Article 2 (commencing with Section  
34 11534) of Chapter 5.5 of Part 1 of Division 3 of Title 2 of the  
35 Government Code is amended to read:

36  
37 Article 2. Office of Technology Services  
38

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

1 11534. (a) There is in state government, in the California  
2 Technology Agency, the Office of Technology Services.

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

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

12 (d) Unless the context clearly requires otherwise, whenever the  
13 term “Department of Technology Services” appears in any statute,  
14 regulation, or contract, it shall be deemed to refer to the Office of  
15 Technology Services, and whenever the term “Director of  
16 Technology Services” appears in statute, regulation, or contract,  
17 it shall be deemed to refer to the Secretary of California  
18 Technology.

19 (e) Unless the context clearly requires otherwise, the Office of  
20 Technology Services and the Secretary of California Technology  
21 succeed to and are vested with all the duties, powers, purposes,  
22 responsibilities, and jurisdiction vested in the former Department  
23 of Technology Services and the former Director of Technology  
24 Services, respectively.

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

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

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

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

12 11535. (a) There is, in the Office of Technology Services, the  
13 Technology Services Board.

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

15 (1) The Secretary of California Technology, who shall serve as  
16 the chair of the board.

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

19 (3) The Controller.

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

28 (5) The Secretary of California Emergency Management.

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

31 11537. (a) The Secretary of California Technology shall  
32 engage an independent firm of certified public accountants to  
33 conduct an annual financial audit of all accounts and transactions  
34 of the Office of Technology Services. The audit shall be conducted  
35 in accordance with generally accepted government auditing  
36 standards. The audited financial statements shall be presented to  
37 the board, the Governor, and the Legislature not more than 120  
38 days after the submittal of the annual financial statements.

1 (b) The Secretary of California Technology may arrange for  
2 other audits as are necessary or prudent to ensure proper oversight  
3 and management of the Office of Technology Services.

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

6 11539. The director shall be responsible for managing the  
7 affairs of the Office of Technology Services and shall perform all  
8 duties, exercise all powers and jurisdiction, and assume and  
9 discharge all responsibilities necessary to carry out the purposes  
10 of this chapter. The Office of Technology Services shall employ  
11 professional, clerical, technical, and administrative personnel as  
12 necessary to carry out this chapter.

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

15 11540. (a) The director shall propose for board consideration  
16 and approval an annual budget for the Office of Technology  
17 Services' operations.

18 (b) The Secretary of California Technology shall propose for  
19 board consideration rates for Office of Technology Services'  
20 services based on a formal rate methodology approved by the  
21 board. At least 60 days before submitting proposed rates to the  
22 board, the Secretary of California Technology shall submit the  
23 proposed rates to the Department of Finance. Submittal of the rates  
24 to the Department of Finance shall be in a format and timeframe  
25 determined by the Department of Finance. The Department of  
26 Finance shall prepare a report for the board evaluating the  
27 reasonableness of the proposed rates and any significant impact  
28 the Office of Technology Services' rates are likely to have upon  
29 the budgets of other departments.

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

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

35 11541. (a) The Office of Technology Services may acquire,  
36 install, equip, maintain, and operate new or existing business  
37 telecommunications systems and services. Acquisitions for  
38 information technology goods and services shall be made pursuant  
39 to Chapter 3 (commencing with Section 12100) of Part 2 of  
40 Division 2 of the Public Contract Code. To accomplish that

1 purpose, the Office of Technology Services may enter into  
2 contracts, obtain licenses, acquire personal property, install  
3 necessary equipment and facilities, and do other acts that will  
4 provide adequate and efficient business telecommunications  
5 systems and services. Any system established shall be made  
6 available to all public agencies in the state on terms that may be  
7 agreed upon by the agency and the Office of Technology Services.

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

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

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

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

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

23 (c) The Office of Technology Services has responsibilities with  
24 respect to business telecommunications systems, services, policy,  
25 and planning, which include, but are not limited to, all of the  
26 following:

27 (1) Assessing the overall long-range business  
28 telecommunications needs and requirements of the state  
29 considering both routine and emergency operations for business  
30 telecommunications systems and services, performance, cost,  
31 state-of-the-art technology, multiuser availability, security,  
32 reliability, and other factors deemed to be important to state needs  
33 and requirements.

34 (2) Developing strategic and tactical policies and plans for  
35 business telecommunications with consideration for the systems  
36 and requirements of public agencies.

37 (3) Recommending industry standards, service level agreements,  
38 and solutions regarding business telecommunications systems and  
39 services to ensure multiuser availability and compatibility.

- 1 (4) Providing advice and assistance in the selection of business  
2 telecommunications equipment to ensure all of the following:
- 3 (A) Ensuring that the business telecommunications needs of  
4 state agencies are met.
- 5 (B) Ensuring that procurement is compatible throughout state  
6 agencies and is consistent with the state's strategic and tactical  
7 plans for telecommunications.
- 8 (C) Ensuring that procurement is designed to leverage the buying  
9 power of the state and encourage economies of scale.
- 10 (5) Providing management oversight of statewide business  
11 telecommunications systems and services developments.
- 12 (6) Providing for coordination of, and comment on, plans and  
13 policies and operational requirements from departments that utilize  
14 business telecommunications systems and services as determined  
15 by the Office of Technology Services.
- 16 (7) Monitoring and participating, on behalf of the state, in the  
17 proceedings of federal and state regulatory agencies and in  
18 congressional and state legislative deliberations that have an impact  
19 on state governmental business telecommunications activities.
- 20 (d) The Office of Technology Services shall develop and  
21 describe statewide policy on the use of business  
22 telecommunications systems and services by state agencies. In the  
23 development of that policy, the Office of Technology Services  
24 shall ensure that access to state business information and services  
25 is improved, and that the policy is cost effective for the state and  
26 its residents. The Office of Technology Services shall develop  
27 guidelines that do all of the following:
- 28 (1) Describe what types of state business information and  
29 services may be accessed using business telecommunications  
30 systems and services.
- 31 (2) Characterize the conditions under which a state agency may  
32 utilize business telecommunications systems and services.
- 33 (3) Characterize the conditions under which a state agency may  
34 charge for information and services.
- 35 (4) Specify pricing policies.
- 36 (5) Provide other guidance as may be appropriate at the  
37 discretion of the Office of Technology Services.
- 38 (e) It is the intent of the Legislature that this section supersede  
39 Section 11541 of the Government Code, as added by Section 1 of  
40 the Governor's Reorganization Plan No. 2, effective July 9, 2005.

1 SEC. 12. Section 11541.5 of the Government Code is amended  
2 to read:

3 11541.5. (a) The Office of Technology Services shall create  
4 a link to state agency Internet Web sites at the State of California  
5 Internet portal specifically for the use of small businesses, designed  
6 to assist entrepreneurs and small business owners in accessing  
7 information regarding startup requirements and regulatory  
8 compliance applicable to the particular business.

9 (b) For purposes of this section, “small business” has the same  
10 meaning as set forth in Section 14837.

11 SEC. 13. Section 11542 of the Government Code is amended  
12 to read:

13 11542. (a) (1) The Stephen P. Teale Data Center and the  
14 California Health and Human Services Agency Data Center are  
15 consolidated within, and their functions are transferred to, the  
16 Office of Technology Services.

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

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

34 (4) Notwithstanding subdivision (e) of Section 11793 and  
35 subdivision (e) of Section 11797, on and after the effective date  
36 of this chapter, the balance of any funds available for expenditure  
37 by the Stephen P. Teale Data Center and the California Health and  
38 Human Services Agency Data Center, with respect to business  
39 telecommunications systems and services functions in carrying  
40 out any functions transferred to the Office of Technology Services

1 by this chapter, shall be transferred to the Technology Services  
2 Revolving Fund created by Section 11544, and shall be made  
3 available for the support and maintenance of the Office of  
4 Technology Services.

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

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

14 (7) (A) All officers and employees of the former Stephen P.  
15 Teale Data Center and the California Health and Human Services  
16 Agency Data Center, are transferred to the Office of Technology  
17 Services.

18 (B) The status, position, and rights of any officer or employee  
19 of the Stephen P. Teale Data Center and the California Health and  
20 Human Services Agency Data Center, shall not be affected by the  
21 transfer and consolidation of the functions of that officer or  
22 employee to the Office of Technology Services.

23 (b) (1) All duties and functions of the Telecommunications  
24 Division of the Department of General Services are transferred to  
25 the California Technology Agency.

26 (2) Unless the context clearly requires otherwise, whenever the  
27 term “Telecommunications Division of the Department of General  
28 Services” appears in any statute, regulation, or contract, it shall be  
29 deemed to refer to the California Technology Agency.

30 (3) All employees serving in state civil service, other than  
31 temporary employees, who are engaged in the performance of  
32 functions transferred to the California Technology Agency, are  
33 transferred to the California Technology Agency. The status,  
34 positions, and rights of those persons shall not be affected by their  
35 transfer and shall continue to be retained by them pursuant to the  
36 State Civil Service Act (Part 2 (commencing with Section 18500)  
37 of Division 5), except as to positions the duties of which are vested  
38 in a position exempt from civil service. The personnel records of  
39 all transferred employees shall be transferred to the California  
40 Technology Agency.

1 (4) The property of any office, agency, or department related  
2 to functions transferred to the California Technology Agency, are  
3 transferred to the California Technology Agency. If any doubt  
4 arises as to where that property is transferred, the Department of  
5 General Services shall determine where the property is transferred.

6 (5) All unexpended balances of appropriations and other funds  
7 available for use in connection with any function or the  
8 administration of any law transferred to the California Technology  
9 Agency shall be transferred to the California Technology Agency  
10 for the use and for the purpose for which the appropriation was  
11 originally made or the funds were originally available. If there is  
12 any doubt as to where those balances and funds are transferred,  
13 the Department of Finance shall determine where the balances and  
14 funds are transferred.

15 SEC. 14. Section 11543 of the Government Code is amended  
16 to read:

17 11543. (a) The Secretary of California Technology shall confer  
18 as frequently as necessary or desirable, but not less than once every  
19 quarter, with the board, on the operation and administration of the  
20 Office of Technology Services. The Secretary of California  
21 Technology shall make available for inspection by the board or  
22 any board member, upon request, all books, records, files, and  
23 other information and documents of the Office of Technology  
24 Services and recommend any matters as he or she deems necessary  
25 and advisable to improve the operation and administration of the  
26 Office of Technology Services.

27 (b) The Secretary of California Technology shall make and keep  
28 books and records to permit preparation of financial statements in  
29 conformity with generally accepted accounting principles and any  
30 state policy requirements.

31 SEC. 15. The heading of Article 3 (commencing with Section  
32 11544) of Chapter 5.5 of Part 1 of Division 3 of Title 2 of the  
33 Government Code is amended to read:

34  
35 Article 3. Technology Services Revolving Fund  
36

37 SEC. 16. Section 11544 of the Government Code, as added by  
38 Section 1 of Chapter 533 of the Statutes of 2006, is amended to  
39 read:

1 11544. (a) The Technology Services Revolving Fund, hereafter  
2 known as the fund, is hereby created within the State Treasury.  
3 The fund shall be administered by the Secretary of California  
4 Technology to receive all revenues from the sale of technology or  
5 technology services, provided for in this chapter, for other services  
6 rendered by the California Technology Agency, and all other  
7 moneys properly credited to the California Technology Agency  
8 from any other source, to pay, upon appropriation by the  
9 Legislature, all costs arising from this chapter and rendering of  
10 services to state and other public agencies, including, but not  
11 limited to, employment and compensation of necessary personnel  
12 and expenses, such as operating and other expenses of the board  
13 and the California Technology Agency and costs associated with  
14 approved information technology projects, and to establish  
15 reserves. At the discretion of the Secretary of California  
16 Technology, segregated, dedicated accounts within the fund may  
17 be established.

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

19 (1) Moneys appropriated and made available by the Legislature  
20 for the purposes of this chapter.

21 (2) Any other moneys that may be made available to the  
22 California Technology Agency from any other source, including  
23 the return from investments of moneys by the Treasurer.

24 (c) The California Technology Agency may collect payments  
25 from public agencies for providing services to those agencies that  
26 the agencies have requested from the California Technology  
27 Agency. The California Technology Agency may require monthly  
28 payments by client agencies for the services the agencies have  
29 requested. Pursuant to Section 11255, the Controller shall transfer  
30 any amounts so authorized, consistent with the annual budget of  
31 each department, to the fund. The California Technology Agency  
32 shall notify each affected state agency upon requesting the  
33 Controller to make the transfer.

34 (d) As of the end of any fiscal year, if the balance remaining in  
35 the fund at the end of that fiscal year exceeds 25 percent of the  
36 portion of the California Technology Agency's current fiscal year  
37 budget used for support of data center and other client services,  
38 the excess amount shall be used to reduce the billing rates for  
39 services rendered during the following fiscal year.

1 SEC. 17. Section 11545 of the Government Code is amended  
 2 to read:

3 11545. (a) (1) There is in state government the California  
 4 Technology Agency. The Secretary of California Technology shall  
 5 be appointed by, and serve at the pleasure of, the Governor, subject  
 6 to Senate confirmation. The Secretary of California Technology  
 7 shall supervise the California Technology Agency and be a member  
 8 of the Governor’s cabinet.

9 (2) Unless the context clearly requires otherwise, whenever the  
 10 term “office of the State Chief Information Officer” appears in  
 11 any statute, regulation, or contract, it shall be construed to refer to  
 12 the California Technology Agency, and whenever the term “State  
 13 Chief Information Officer” appears in any statute, regulation, or  
 14 contract, it shall be construed to refer to the Secretary of California  
 15 Technology.

16 (b) The duties of the Secretary of California Technology shall  
 17 include, but are not limited to, all of the following:

18 (1) Advising the Governor on the strategic management and  
 19 direction of the state’s information technology resources.

20 (2) Establishing and enforcing state information technology  
 21 strategic plans, policies, standards, and enterprise architecture.  
 22 This shall include the periodic review and maintenance of the  
 23 information technology sections of the State Administrative  
 24 Manual, except for sections on information technology procurement  
 25 procedures, and information technology fiscal policy. The Secretary  
 26 of California Technology shall consult with the Director of General  
 27 Services, the Director of Finance, and other relevant agencies  
 28 concerning policies and standards these agencies are responsible  
 29 to issue as they relate to information technology.

30 (3) Minimizing overlap, redundancy, and cost in state operations  
 31 by promoting the efficient and effective use of information  
 32 technology.

33 (4) Providing technology direction to agency and department  
 34 chief information officers to ensure the integration of statewide  
 35 technology initiatives, compliance with information technology  
 36 policies and standards, and ~~promote~~ *the promotion of* the alignment  
 37 and effective management of information technology services.  
 38 Nothing in this paragraph shall be deemed to limit the authority  
 39 of a constitutional officer, cabinet agency secretary, or department

1 director to establish programmatic priorities and business direction  
2 to the respective agency or department chief information officer.

3 (5) Working to improve organizational maturity and capacity  
4 in the effective management of information technology.

5 (6) Establishing performance management and improvement  
6 processes to ensure state information technology systems and  
7 services are efficient and effective.

8 (7) Approving, suspending, terminating, and reinstating  
9 information technology projects.

10 (8) Performing enterprise information technology functions and  
11 services, including, but not limited to, implementing Geographic  
12 Information Systems (GIS), shared services, applications, and  
13 program and project management activities in partnership with the  
14 owning agency or department.

15 (c) The Secretary of California Technology shall produce an  
16 annual information technology strategic plan that shall guide the  
17 acquisition, management, and use of information technology. State  
18 agencies shall cooperate with the agency in the development of  
19 this plan, as required by the Secretary of California Technology.

20 (1) Upon establishment of the information technology strategic  
21 plan, the Secretary of California Technology shall take all  
22 appropriate and necessary steps to implement the plan, subject to  
23 any modifications and adjustments deemed necessary and  
24 reasonable.

25 (2) The information technology strategic plan shall be submitted  
26 to the Joint Legislative Budget Committee by January 15 of every  
27 year.

28 (d) The Secretary of California Technology shall produce an  
29 annual information technology performance report that shall assess  
30 and measure the state's progress toward enhancing information  
31 technology human capital management; reducing and avoiding  
32 costs associated with the acquisition, development, implementation,  
33 management, and operation of information technology assets,  
34 infrastructure, and systems; improving energy efficiency in the  
35 use of information technology assets; enhancing the security,  
36 reliability, and quality of information technology networks,  
37 services, and systems; and improving the information technology  
38 procurement process. The agency shall establish those policies  
39 and procedures required to improve the performance of the state's  
40 information technology program.

1 (1) The agency shall submit an information technology  
2 performance management framework to the Joint Legislative  
3 Budget Committee by May 15, 2009, accompanied by the most  
4 current baseline data for each performance measure or metric  
5 contained in the framework. The information technology  
6 performance management framework shall include the performance  
7 measures and targets that the agency will utilize to assess the  
8 performance of the state's information technology program. The  
9 agency shall provide notice to the Joint Legislative Budget  
10 Committee within 30 days of making changes to the framework.  
11 This notice shall include the rationale for changes in specific  
12 measures or metrics.

13 (2) State agencies shall take all necessary steps to achieve the  
14 targets set forth by the agency and shall report their progress to  
15 the agency on a quarterly basis.

16 (3) The information technology performance report shall be  
17 submitted to the Joint Legislative Budget Committee by January  
18 15 of every year. To enhance transparency, the agency shall post  
19 performance targets and progress toward these targets on its public  
20 Internet Web site.

21 (4) The agency shall at least annually report to the Director of  
22 Finance cost savings achieved through improvements to the way  
23 the state acquires, develops, implements, manages, and operates  
24 state technology assets, infrastructure, and systems. This report  
25 shall be submitted in a timeframe determined by the Department  
26 of Finance and shall identify the actual savings achieved by each  
27 office, department, and agency.

28 SEC. 18. Section 11546 of the Government Code is amended  
29 to read:

30 11546. (a) The California Technology Agency shall be  
31 responsible for the approval and oversight of information  
32 technology projects, which shall include, but are not limited to,  
33 all of the following:

34 (1) Establishing and maintaining a framework of policies,  
35 procedures, and requirements for the initiation, approval,  
36 implementation, management, oversight, and continuation of  
37 information technology projects.

38 (2) Evaluating information technology projects based on the  
39 business case justification, resources requirements, proposed  
40 technical solution, project management, oversight and risk

1 mitigation approach, and compliance with statewide strategies,  
2 policies, and procedures. Projects shall continue to be funded  
3 through the established Budget Act process.

4 (3) Consulting with agencies during initial project planning to  
5 ensure that project proposals are based on well-defined  
6 programmatic needs, clearly identify programmatic benefits, and  
7 consider feasible alternatives to address the identified needs and  
8 benefits consistent with statewide strategies, policies, and  
9 procedures.

10 (4) Consulting with agencies prior to project initiation to review  
11 the project governance and management framework to ensure that  
12 it is best designed for success and will serve as a resource for  
13 agencies throughout the project implementation.

14 (5) Requiring agencies to provide information on information  
15 technology projects including, but not limited to, all of the  
16 following:

17 (A) The degree to which the project is within approved scope,  
18 cost, and schedule.

19 (B) Project issues, risks, and corresponding mitigation efforts.

20 (C) The current estimated schedule and costs for project  
21 completion.

22 (6) Requiring agencies to perform remedial measures to achieve  
23 compliance with approved project objectives. These remedial  
24 measures may include, but are not limited to, any of the following:

25 (A) Independent assessments of project activities, the cost of  
26 which shall be funded by the agency administering the project.

27 (B) Establishing remediation plans.

28 (C) Securing appropriate expertise, the cost of which shall be  
29 funded by the agency administering the project.

30 (D) Requiring additional project reporting.

31 (E) Requiring approval to initiate any action identified in the  
32 approved project schedule.

33 (7) Suspending, reinstating, or terminating information  
34 technology projects. The agency shall notify the Joint Legislative  
35 Budget Committee of any project suspension, reinstatement, and  
36 termination within 30 days of that suspension, reinstatement, or  
37 termination.

38 (8) Establishing restrictions or other controls to mitigate  
39 nonperformance by agencies, including, but not limited to, any of  
40 the following:

1 (A) The restriction of future project approvals pending  
 2 demonstration of successful correction of the identified  
 3 performance failure.

4 (B) The revocation or reduction of authority for state agencies  
 5 to initiate information technology projects or acquire information  
 6 technology or telecommunications goods or services.

7 (b) The California Technology Agency shall have the authority  
 8 to delegate to another agency any authority granted under this  
 9 section based on its assessment of the agency’s project  
 10 management, project oversight, and project performance.

11 SEC. 19. Section 11546.1 is added to the Government Code,  
 12 to read:

13 11546.1. The California Technology Agency shall improve  
 14 the governance and implementation of information technology by  
 15 standardizing reporting relationships, roles, and responsibilities  
 16 for setting information technology priorities.

17 (a) (1) Each state agency shall have a chief information officer  
 18 who is appointed by the head of the state agency, or by the head’s  
 19 designee, subject to the approval of the California Technology  
 20 Agency.

21 (2) A chief information officer appointed under this subdivision  
 22 shall do all of the following:

23 (A) Oversee the information technology portfolio and  
 24 information technology services within his or her state agency  
 25 through the operational oversight of information technology  
 26 budgets of departments, boards, bureaus, and offices within the  
 27 state agency.

28 (B) Develop the enterprise architecture for his or her state  
 29 agency, subject to the review and approval of the California  
 30 Technology Agency, to rationalize, standardize, and consolidate  
 31 information technology applications, assets, infrastructure, data,  
 32 and procedures for all departments, boards, bureaus, and offices  
 33 within the state agency.

34 (C) Ensure that all departments, boards, bureaus, and offices  
 35 within the state agency are in compliance with the state information  
 36 technology policy.

37 (b) (1) Each state entity ~~for which the Governor appoints the~~  
 38 ~~head and~~ *within the executive branch, including all departments,*  
 39 *boards, bureaus, commissions, councils, and offices,* that is not a  
 40 state agency, as defined by subdivision (e), shall have a chief

1 information officer who is appointed by the head of the state entity,  
2 ~~subject to the approval of the California Technology Agency.~~ *of*  
3 *the state entity.*

4 (2) A chief information officer appointed under this subdivision  
5 shall do all of the following:

6 (A) Supervise all information technology and  
7 telecommunications activities within his or her state entity,  
8 including, but not limited to, information technology, information  
9 security, and telecommunications personnel, contractors, systems,  
10 assets, projects, purchases, and contracts.

11 (B) Ensure the entity conforms with state information technology  
12 and telecommunications policy and enterprise architecture.

13 (c) Each state agency shall have an information security officer  
14 appointed by the head of the state agency, or the head's designee,  
15 subject to the approval by the California Technology Agency. The  
16 state agency's information security officer appointed under this  
17 subdivision shall report to the state agency's chief information  
18 officer.

19 (d) Each state entity ~~for which the Governor appoints the head~~  
20 ~~and within the executive branch, including all departments, boards,~~  
21 ~~bureaus, commissions, councils, and offices,~~ that is not a state  
22 agency, as defined by subdivision (e), shall have an information  
23 security officer who is appointed by the head of the entity, ~~subject~~  
24 ~~to the approval of the California Technology Agency of the state~~  
25 ~~entity.~~ An information security officer shall report to the chief  
26 information officer of his or her state entity. The California  
27 Technology Agency shall develop specific qualification criteria  
28 for an information security officer. If a state entity cannot fund a  
29 position for an information security officer, the entity's chief  
30 information officer shall perform the duties assigned to the  
31 information security officer. The chief information officer shall  
32 coordinate with the California Technology Agency for any  
33 necessary support.

34 (e) For purposes of this section, "state agency" means the  
35 Business, Transportation and Housing Agency, Department of  
36 Corrections and Rehabilitation, Department of Veterans Affairs,  
37 State and Consumer Services Agency, Natural Resources Agency,  
38 California Health and Human Services Agency, California  
39 Environmental Protection Agency, Labor and Workforce  
40 Development Agency, and Department of Food and Agriculture.

1 SEC. 20. Section 11546.2 is added to the Government Code,  
2 to read:

3 11546.2. On or before February 1, 2011, and annually  
4 thereafter, each state agency, *and state entity subject to Section*  
5 *11546.1*, shall submit, as instructed by the California Technology  
6 Agency, a summary of its actual and projected information  
7 technology and telecommunications costs, including personnel,  
8 for the immediately preceding fiscal year and current fiscal year,  
9 showing current expenses and projected expenses for the current  
10 fiscal year, in a format prescribed by the California Technology  
11 Agency in order to capture statewide information technology  
12 expenditures.

13 SEC. 21. Section 11546.3 is added to the Government Code,  
14 to read:

15 11546.3. (a) (1) A chief information officer appointed under  
16 Section 11546.1 shall develop a plan to leverage cost-effective  
17 strategies to reduce the total amount of energy utilized by  
18 information technology and telecommunications equipment *by the*  
19 *officers agency or entity, as the case maybe, in support of the*  
20 *statewide effort to reduce energy consumption* by 20 percent below  
21 the 2009 baseline by July 1, 2011, and by 30 percent below the  
22 2009 baseline by July 1, 2012.

23 (2) A chief information officer appointed under Section 11546.1  
24 shall report the progress toward the energy reduction targets in  
25 paragraph (1) to the California Technology Agency on a quarterly  
26 basis beginning in January 2011. The California Technology  
27 Agency shall include the quarterly reports on its Internet Web site.

28 (b) (1) A state agency or entity subject to Section 11546.1 shall  
29 do all of the following:

30 (A) Comply with the policies of the California Technology  
31 Agency to reduce the total amount of office square footage  
32 currently utilized for data centers *by the agency or entity, as the*  
33 *case may be, in support of the statewide effort to reduce energy*  
34 *consumption* by 50 percent below the 2009 baseline by July 2011.

35 (B) Host all mission critical and public-facing applications and  
36 server refreshes in a Tier III or equivalent data center, as designated  
37 by the California Technology Agency.

38 (C) Close any existing data centers or server rooms that house  
39 nonnetwork equipment by June 2013. On or before July 2011,  
40 transition plans, in accordance with guidance provided by the

1 California Technology Agency, shall be submitted to the California  
2 Technology Agency.

3 (D) ~~Migrate~~ *Be in migration* from its existing network services  
4 to the California Government Network by no later than July 2011.

5 (E) Report to the California Technology Agency on the progress  
6 toward the targets listed in this subdivision on a quarterly basis,  
7 beginning in January 2011.

8 (2) The California Technology Agency shall include the  
9 quarterly reports required by subparagraph (E) of paragraph (1)  
10 on its Internet Web site.

11 (c) (1) A state agency or entity subject to Section 11546.1 shall  
12 do both of the following:

13 (A) ~~Migrate~~ *Be in migration* to the state shared e-mail solution  
14 by no later than June 2011.

15 (B) Report to the California Technology Agency on the progress  
16 toward the target listed in subparagraph (A) on a quarterly basis,  
17 beginning in April 2011.

18 (2) The California Technology Agency shall include the  
19 quarterly reports required by subparagraph (B) of paragraph (1)  
20 on its Internet Web site.

21 SEC. 22. Section 11546.5 of the Government Code is amended  
22 to read:

23 11546.5. Notwithstanding any other provision of law, all  
24 employees of the California Technology Agency shall be  
25 designated as excluded from collective bargaining pursuant to  
26 subdivision (b) of Section 3527, except for employees of the Office  
27 of Technology Services and employees of the Public Safety  
28 Communications Division who are not otherwise excluded from  
29 collective bargaining.

30 SEC. 23. Section 11548.5 of the Government Code is amended  
31 to read:

32 11548.5. This chapter shall remain in effect only until January  
33 1, 2015, and as of that date is repealed, unless a later enacted  
34 statute, that is enacted before January 1, 2015, deletes or extends  
35 that date.

36 SEC. 24. The heading of Chapter 5.7 (commencing with  
37 Section 11549) of Part 1 of Division 3 of Title 2 of the Government  
38 Code is amended to read:

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

3  
4 SEC. 25. 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. 26. Section 11549 of the Government Code is amended  
11 to read:

12 11549. (a) There is in state government, in the California  
13 Technology Agency, the Office of Information Security. The  
14 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 Secretary of California Technology,  
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,

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

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

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

22 SEC. 27. Section 11549.1 of the Government Code is amended  
23 to read:

24 11549.1. As used in this article, the following terms have the  
25 following meanings:

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

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

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

31 SEC. 28. Section 11549.2 of the Government Code is repealed.

32 SEC. 29. Section 11549.3 of the Government Code is amended  
33 to read:

34 11549.3. (a) The director shall establish an information security  
35 program. The program responsibilities include, but are not limited  
36 to, all of the following:

37 (1) The creation, updating, and publishing of information  
38 security and privacy policies, standards, and procedures for state  
39 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) An information security officer appointed pursuant to Section  
33 11546.1 shall implement the policies and procedures issued by the  
34 Office of Information Security, including, but not limited to,  
35 performing all of the following duties:

36 (1) Comply with the information security and privacy policies,  
37 standards, and procedures issued pursuant to this chapter by the  
38 Office of Information Security.

1 (2) Comply with filing requirements and incident notification  
2 by providing timely information and reports as required by policy  
3 or directives of the office.

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

8 (d) The office may require an audit of information security to  
9 ensure program compliance, the cost of which shall be funded by  
10 the state agency, department, or office being audited.

11 (e) The office shall report to the California Technology Agency  
12 any state agency found to be noncompliant with information  
13 security program requirements.

14 SEC. 30. The heading of Article 2 (commencing with Section  
15 11549.5) is added to Chapter 5.7 of Part 1 of Division 3 of Title  
16 2 of the Government Code, to read:

17  
18 Article 2. Office of Privacy Protection  
19

20 SEC. 31. Section 11549.5 of the Government Code is amended  
21 to read:

22 11549.5. (a) There is hereby created, in the State and Consumer  
23 Services Agency, the Office of Privacy Protection. The purpose  
24 of the Office of Privacy Protection shall be to protect the privacy  
25 of individuals' personal information in a manner consistent with  
26 the California Constitution by identifying consumer problems in  
27 the privacy area and facilitating the development of fair information  
28 practices in adherence with the Information Practices Act of 1977  
29 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part  
30 4 of Division 3 of the Civil Code) and to promote and protect  
31 consumer privacy to ensure the trust of the residents of this state.

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

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

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

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

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

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

17 (3) Develop informational and educational programs and  
18 materials to foster public understanding and recognition of the  
19 purposes of this article.

20 (4) 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 (5) 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. 32. 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. 33. 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. 34. 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. 35. 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. 36. Chapter 9 (commencing with Section 14930) of Part  
22 5.5 of Division 3 of Title 2 of the Government Code is repealed.

23 SEC. 37. Section 14995 of the Government Code is amended  
24 to read:

25 14995. (a) The Electronic Funds Transfer Task Force is hereby  
26 established in state government.

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

- 31 (1) State Board of Equalization.
- 32 (2) Franchise Tax Board.
- 33 (3) Employment Development Department.
- 34 (4) Treasurer.
- 35 (5) Controller.
- 36 (6) Department of Finance.
- 37 (7) Department of General Services.
- 38 (8) Office of Technology Services.

39 (c) The Electronic Funds Transfer Task Force shall study and  
40 report to the Legislature, on or before April 1, 2008, a plan for the

1 development and implementation of a payment disbursal system  
2 utilizing electronic funds transfer technology. The plan shall  
3 include, but not be limited to, all of the following:  
4 (1) An examination of all payments disbursed by the state and  
5 the methods currently used to transfer these funds.  
6 (2) A recommendation on which payments should be included  
7 in a new electronic payment disbursal system.  
8 (3) An examination of the cost of developing and utilizing a  
9 comprehensive electronic payment disbursal system, including,  
10 but not limited to, all of the following:  
11 (A) Costs and savings related to float time.  
12 (B) Costs and savings related to transaction process time.  
13 (C) Costs and savings related to paperless transactions.  
14 (D) Costs and savings related to system development and  
15 implementation of a new electronic payment disbursal system.  
16 (E) Costs and savings related to administration of a new  
17 electronic payment disbursal system.  
18 (4) A recommendation on how a comprehensive electronic  
19 payment disbursal system should be developed, including, but not  
20 limited to, recommendations on whether the state should contract  
21 for private administration of an electronic payment disbursal  
22 system, develop a system within state government, or use any other  
23 means available.  
24 (5) An examination of the costs and benefits of using a  
25 user-friendly, single online portal interface for the disbursal of  
26 funds through an electronic payment disbursal system.  
27 (6) A recommendation on which state agencies, boards, and  
28 departments should be required to use the electronic payment  
29 disbursal system for payment of funds, and what, if any, exceptions  
30 should be provided for these agencies, boards, and departments.  
31 (7) An examination of and recommendation on incorporating  
32 the disbursal of funds for localities into the electronic payment  
33 system.  
34 (8) An examination of and recommendation on the system's  
35 flexibility for future expansion of services.  
36 (9) An examination of and recommendation on incorporating  
37 electronic payment cards, or similar products, into the electronic  
38 payment disbursal system. This shall include, but not be limited  
39 to, the costs and savings of using electronic payment cards for  
40 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. 38. Section 15251 of the Government Code is amended  
6 to read:

7 15251. Unless the context requires otherwise, as used in this  
8 part, the following terms shall have the following meanings:

9 (a) "Agency" means the California Technology Agency.

10 (b) "Division" means the Public Safety Communications  
11 Division established by this part.

12 SEC. 39. Section 15253 of the Government Code is amended  
13 to read:

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

22 SEC. 40. Section 15254 of the Government Code is amended  
23 to read:

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

31 SEC. 41. Section 15275 of the Government Code is amended  
32 to read:

33 15275. The agency may do all of the following:

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

39 (b) Provide, upon request, adequate advice to state and local  
40 agencies in the state concerning existing or proposed public safety

1 communications facilities between any and all of the following:  
2 cities, counties, other political subdivisions of the state, state  
3 departments, agencies, boards, and commissions, and departments,  
4 agencies, boards, and commissions of other states and federal  
5 agencies.

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

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

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

16 SEC. 42. Section 15277 of the Government Code is amended  
17 to read:

18 15277. The Public Safety Communications Division is  
19 established within the agency. The duties of the division shall  
20 include, but not be limited to, all of the following:

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

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

32 (c) Recommending industry standards for public safety  
33 communications systems to ensure multiuser availability and  
34 compatibility.

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

1 (e) Providing management oversight of statewide public safety  
2 communications systems developments.

3 (f) Providing for coordination of, and comment on, plans,  
4 policies, and operational requirements from departments that utilize  
5 public safety communications in support of their principal function,  
6 such as the California Emergency Management Agency, National  
7 Guard, health and safety agencies, and others with primary public  
8 safety communications programs.

9 (g) Monitoring and participating on behalf of the state in the  
10 proceedings of federal and state regulatory agencies and in  
11 congressional and state legislative deliberations that have an impact  
12 on state government public safety communications activities.

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

15 (i) Ensuring that all radio transmitting devices owned or operated  
16 by state agencies and departments are licensed, installed, and  
17 maintained in accordance with the requirements of federal law. A  
18 request for a federally required license for a state-owned radio  
19 transmitting device shall be sought only in the name of the “State  
20 of California.”

21 (j) Acquiring, installing, equipping, maintaining, and operating  
22 new or existing public safety communications systems and facilities  
23 for public safety agencies. To accomplish that purpose, the division  
24 is authorized to enter into contracts, obtain licenses, acquire  
25 property, install necessary equipment and facilities, and do other  
26 necessary acts to provide adequate and efficient public safety  
27 communications systems. Any systems established shall be  
28 available to all public agencies in the state on terms that may be  
29 agreed upon by the public agency and the division.

30 (k) Acquiring, installing, equipping, maintaining, and operating  
31 all new or replacement microwave communications systems  
32 operated by the state, except microwave equipment used  
33 exclusively for traffic signal and signing control, traffic metering,  
34 and roadway surveillance systems. To accomplish that purpose,  
35 the division is authorized to enter into contracts, obtain licenses,  
36 acquire property, install necessary equipment and facilities, and  
37 do other necessary acts to provide adequate and efficient  
38 microwave communications systems. Any system established shall  
39 be available to all public safety agencies in the state on terms that  
40 may be agreed upon by the public agency and the division.

1 (l) This chapter shall not apply to Department of Justice  
2 communications operated pursuant to Chapter 2.5 (commencing  
3 with Section 15150) of Part 6.

4 SEC. 43. Section 53108.5 of the Government Code is amended  
5 to read:

6 53108.5. "Division," as used in this article, means the Public  
7 Safety Communications Division within the California Technology  
8 Agency.

9 SEC. 44. Section 53113 of the Government Code is amended  
10 to read:

11 53113. The Legislature finds that, because of overlapping  
12 jurisdiction of public agencies, public safety agencies, and  
13 telephone service areas, a general overview or plan should be  
14 developed prior to the establishment of any system. In order to  
15 ensure that proper preparation and implementation of those systems  
16 is accomplished by all public agencies by December 31, 1985, the  
17 division, with the advice and assistance of the Attorney General,  
18 shall secure compliance by public agencies as provided in this  
19 article.

20 SEC. 45. Section 53114 of the Government Code is amended  
21 to read:

22 53114. The division, with the advice and assistance of the  
23 Attorney General, shall coordinate the implementation of systems  
24 established pursuant to the provisions of this article. The division,  
25 with the advice and assistance of the Attorney General, shall assist  
26 local public agencies and local public safety agencies in obtaining  
27 financial help to establish emergency telephone service, and shall  
28 aid agencies in the formulation of concepts, methods, and  
29 procedures that will improve the operation of systems required by  
30 this article and that will increase cooperation between public safety  
31 agencies.

32 SEC. 46. Section 53114.1 of the Government Code is amended  
33 to read:

34 53114.1. To accomplish the responsibilities specified in this  
35 article, the division is directed to consult at regular intervals with  
36 the State Fire Marshal, the State Department of Public Health, the  
37 Office of Traffic Safety, the California Emergency Management  
38 Agency, the California Council on Criminal Justice, a local  
39 representative from a city, a local representative from a county,  
40 the public utilities in this state providing telephone service, the

1 Association of Public-Safety Communications Officials, the  
2 Emergency Medical Services Authority, the Department of the  
3 California Highway Patrol, and the Department of Forestry and  
4 Fire Protection. These agencies shall provide all necessary  
5 assistance and consultation to the division to enable it to perform  
6 its duties specified in this article.

7 SEC. 47. Section 53114.2 of the Government Code is amended  
8 to read:

9 53114.2. On or before December 31, 1976, and each  
10 even-numbered year thereafter, after consultation with all agencies  
11 specified in Section 53114.1, the division shall review and update  
12 technical and operational standards for public agency systems.

13 SEC. 48. Section 53115 of the Government Code is amended  
14 to read:

15 53115. The division shall monitor all emergency telephone  
16 systems to ensure they comply with minimal operational and  
17 technical standards as established by the division. If any system  
18 does not comply the division shall notify in writing the public  
19 agency or agencies operating the system of its deficiencies. The  
20 public agency shall bring the system into compliance with the  
21 operational and technical standards within 60 days of notice by  
22 the division. Failure to comply within such time shall subject the  
23 public agency to action by the Attorney General pursuant to Section  
24 53116.

25 SEC. 49. Section 53115.1 of the Government Code is amended  
26 to read:

27 53115.1. (a) There is in state government the State 911  
28 Advisory Board.

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

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

34 (2) One representative from the Department of the California  
35 Highway Patrol.

36 (3) Two representatives on the recommendation of the California  
37 Police Chiefs Association.

38 (4) Two representatives on the recommendation of the California  
39 State Sheriffs' Association.

1 (5) Two representatives on the recommendation of the California  
2 Fire Chiefs Association.

3 (6) Two representatives on the recommendation of the CalNENA  
4 Executive Board.

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

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

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

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

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

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

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

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

37 SEC. 50. Section 53115.2 of the Government Code is amended  
38 to read:

39 53115.2. (a) The State 911 Advisory Board shall advise the  
40 division on all of the following subjects:

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

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

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

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

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

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

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

21 SEC. 51. Section 53115.3 of the Government Code is amended  
22 to read:

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

1 SEC. 52. Section 53116 of the Government Code is amended  
2 to read:

3 53116. The Attorney General may, on behalf of the division  
4 or on his or her own initiative, commence judicial proceedings to  
5 enforce compliance by any public agency or public utility providing  
6 telephone service with the provisions of this article.

7 SEC. 53. Section 53119 of the Government Code is amended  
8 to read:

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

16 SEC. 54. Section 53120 of the Government Code is amended  
17 to read:

18 53120. The division shall not delay implementation of the  
19 enhanced “911” emergency telephone system in those portions of  
20 cities or counties, or both, served by a local telephone corporation  
21 that has equipment compatible with the enhanced “911” emergency  
22 telephone system.

23 SEC. 55. Section 53126.5 of the Government Code is amended  
24 to read:

25 53126.5. For purposes of this article, the following definitions  
26 apply:

27 (a) “Local public agency” means a city, county, city and county,  
28 and joint powers authority that provides a public safety answering  
29 point (PSAP).

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

35 (c) “Public Safety Communications Division” means the Public  
36 Safety Communications Division within the California Technology  
37 Agency.

38 SEC. 56. Section 53127 of the Government Code is amended  
39 to read:

1 53127. The Public Safety Communications Division is  
2 authorized to aid local public agencies in the formulation of  
3 concepts, methods, and procedures that will improve the operation  
4 of systems authorized by this article and increase cooperation  
5 among public agencies.

6 SEC. 57. Section 12100.7 of the Public Contract Code is  
7 amended to read:

8 12100.7. As used in this chapter:

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

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

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

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

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

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

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

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

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

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

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

35 (3) Reliability of delivery and implementation schedules.

36 (4) The maximum facilitation of data exchange and systems  
37 integration.

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

39 (6) Supplier financial stability.

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

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

4 (9) Industry and program experience.

5 (10) Prior record of supplier performance.

6 (11) Supplier expertise with engagements of similar scope and  
7 complexity.

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

10 (13) Proven development methodologies and tools.

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

12 SEC. 58. Section 12101 of the Public Contract Code is amended  
13 to read:

14 12101. It is the intent of the Legislature that policies developed  
15 by the California Technology Agency and procedures developed  
16 by the Department of General Services in accordance with Section  
17 12102 provide for the following:

18 (a) The expeditious and value-effective acquisition of  
19 information technology goods and services to satisfy state  
20 requirements.

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

23 (c) The delegation of authority by the Department of General  
24 Services to each state agency that has demonstrated to the  
25 department’s satisfaction the ability to conduct value-effective  
26 information technology goods and services acquisitions.

27 (d) The exclusion from state bid processes, at the state’s option,  
28 of any supplier having failed to meet prior contractual requirements  
29 related to information technology goods and services.

30 (e) The review and resolution of protests submitted by any  
31 bidders with respect to any information technology goods and  
32 services acquisitions.

33 SEC. 59. Section 12103 of the Public Contract Code is amended  
34 to read:

35 12103. In addition to the mandatory requirements enumerated  
36 in Section 12102, the acquisition policies developed and maintained  
37 by the California Technology Agency and procedures developed  
38 and maintained by the Department of General Services in  
39 accordance with this chapter may provide for the following:

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

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

6 (c) Requirement of a bond or assessment of a cost penalty with  
7 respect to a contract or consideration of a contract offered by a  
8 supplier whose performance has been determined unsatisfactory  
9 in accordance with established procedures maintained in the State  
10 Administrative Manual as required by Section 12102.

11 SEC. 60. Section 12104 of the Public Contract Code is amended  
12 to read:

13 12104. (a) (1) Commencing on or before January 1, 2007, the  
14 State Contracting Manual shall set forth all procedures and methods  
15 that shall be used by the department when seeking to obtain bids  
16 for the acquisition of information technology.

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

20 ~~(b) The California Technology Agency shall designate a single  
21 entity within the agency that shall be solely responsible for the  
22 development, implementation, and maintenance of standardized~~

23 *(b) The department, in consultation with the California  
24 Technology Agency, shall develop, implement, and maintain  
25 standardized methods for the development of information  
26 technology requests for proposals.*

27 (c) All information technology requests for proposals shall be  
28 reviewed by the California Technology Agency and the Department  
29 of General Services prior to release to the public.

30 SEC. 61. Section 12105 of the Public Contract Code is amended  
31 to read:

32 12105. The Department of General Services and the California  
33 Technology Agency shall coordinate in the development of policies  
34 and procedures that implement the intent of this chapter. The  
35 California Technology Agency shall have the final authority in  
36 the determination of any general policy and the Department of  
37 General Services shall have the final authority in the determination  
38 of any procedures.

39 SEC. 62. Section 12120 of the Public Contract Code is amended  
40 to read:

1 12120. The Legislature finds and declares that, with the advent  
2 of deregulation in the telecommunications industry, substantial  
3 cost savings can be realized by the state through the specialized  
4 evaluation and acquisition of alternative telecommunications  
5 systems. All contracts for the acquisition of telecommunications  
6 services and all contracts for the acquisition of telecommunications  
7 goods, whether by lease or purchase, shall be made by, or under  
8 the supervision of, the California Technology Agency. All  
9 acquisitions shall be accomplished in accordance with Chapter 3  
10 (commencing with Section 12100), relating to the acquisition of  
11 information technology goods and services, except to the extent  
12 any directive or provision is uniquely applicable to information  
13 technology acquisitions. The agency shall have responsibility for  
14 the establishment of policy and procedures for telecommunications.  
15 The agency shall have responsibility for the establishment of  
16 tactical policy and procedures for information technology and  
17 telecommunications acquisitions consistent with statewide strategic  
18 policy. The Trustees of the California State University and the  
19 Board of Governors of the California Community Colleges shall  
20 assume the functions of the agency with regard to acquisition of  
21 telecommunications goods and services by the California State  
22 University and the California Community Colleges, respectively.  
23 The trustees and the board shall each grant to the agency an  
24 opportunity to bid whenever the university or the college system  
25 solicits bids for telecommunications goods and services.

26 SEC. 63. Section 12121 of the Public Contract Code is amended  
27 to read:

28 12121. As used in this chapter:

29 (a) "Agency" means the California Technology Agency.

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

33 (c) "Strategic policy" means policy which defines the goals and  
34 objectives for an organization.

35 SEC. 64. Section 2872.5 of the Public Utilities Code is  
36 amended to read:

37 2872.5. (a) The commission, in consultation with the California  
38 Emergency Management Agency and the California Technology  
39 Agency, shall open an investigative proceeding to determine  
40 whether standardized notification systems and protocol should be

1 utilized by entities that are authorized to use automatic  
2 dialing-announcing devices pursuant to subdivision (e) of Section  
3 2872, to facilitate notification of affected members of the public  
4 of local emergencies. The commission shall not establish standards  
5 for notification systems or standard notification protocol unless it  
6 determines that the benefits of the standards exceed the costs.

7 (b) Before January 1, 2008, the commission shall prepare and  
8 submit to the Legislature a report on the results of the proceeding,  
9 including recommendations for funding notification systems and  
10 any statutory modifications needed to facilitate notification of  
11 affected members of the public of local emergencies.

12 SEC. 65. Section 2892 of the Public Utilities Code is amended  
13 to read:

14 2892. (a) A provider of commercial mobile radio service, as  
15 defined in Section 216.8, shall provide access for end users of that  
16 service to the local emergency telephone systems described in the  
17 Warren-911-Emergency Assistance Act (Article 6 (commencing  
18 with Section 53100) of Chapter 1 of Part 1 of Division 2 of Title  
19 5 of the Government Code). "911" shall be the primary access  
20 number for those emergency systems. A provider of commercial  
21 mobile radio service, in accordance with all applicable Federal  
22 Communication Commission orders, shall transmit all "911" calls  
23 from technologically compatible commercial mobile radio service  
24 communication devices without requiring user validation or any  
25 similar procedure. A provider of commercial mobile radio service  
26 may not charge any airtime, access, or similar usage charge for  
27 any "911" call placed from a commercial mobile radio service  
28 telecommunications device to a local emergency telephone system.

29 (b) A "911" call from a commercial mobile radio service  
30 telecommunications device may be routed to a public safety  
31 answering point other than the Department of the California  
32 Highway Patrol only if the alternate routing meets all of the  
33 following requirements:

34 (1) The "911" call originates from a location other than from a  
35 freeway, as defined in Section 23.5 of the Streets and Highways  
36 Code, under the jurisdiction of the Department of the California  
37 Highway Patrol.

38 (2) The alternate routing is economically and technologically  
39 feasible.

1 (3) The alternate routing will benefit public safety and reduce  
2 burdens on dispatchers for the Department of the California  
3 Highway Patrol.

4 (4) The Department of the California Highway Patrol, the  
5 California Technology Agency, and the proposed alternate public  
6 safety answering point, in consultation with the wireless industry,  
7 providers of “911” selective routing service, and local law  
8 enforcement officials, determine that it is in the best interest of the  
9 public and will provide more effective emergency service to the  
10 public to route “911” calls that do not originate from a freeway,  
11 as defined in Section 23.5 of the Streets and Highways Code, under  
12 the jurisdiction of the Department of the California Highway Patrol  
13 to another public safety answering point.

14 SEC. 66. Section 2892.1 of the Public Utilities Code is  
15 amended to read:

16 2892.1. (a) For purposes of this section, “telecommunications  
17 service” means voice communication provided by a telephone  
18 corporation as defined in Section 234, voice communication  
19 provided by a provider of satellite telephone services, voice  
20 communication provided by a provider of mobile telephony service,  
21 as defined in Section 2890.2, and voice communication provided  
22 by a commercially available facilities-based provider of voice  
23 communication services utilizing voice over Internet Protocol or  
24 any successor protocol.

25 (b) The commission, in consultation with the California  
26 Emergency Management Agency and the California Technology  
27 Agency, shall open an investigative or other appropriate proceeding  
28 to identify the need for telecommunications service systems not  
29 on the customer’s premises to have backup electricity to enable  
30 telecommunications networks to function and to enable the  
31 customer to contact a public safety answering point operator during  
32 an electrical outage, to determine performance criteria for backup  
33 systems, and to determine whether the best practices recommended  
34 by the Network Reliability and Interoperability Council in  
35 December 2005, for backup systems have been implemented by  
36 telecommunications service providers operating in California. If  
37 the commission determines it is in the public interest, the  
38 commission shall, consistent with subdivisions (c) and (d), develop  
39 and implement performance reliability standards.

1 (c) The commission, in developing any standards pursuant to  
2 the proceeding required by subdivision (b), shall consider current  
3 best practices and technical feasibility for establishing battery  
4 backup requirements.

5 (d) The commission shall not implement standards pursuant to  
6 the proceeding required by subdivision (b) unless it determines  
7 that the benefits of the standards exceed the costs.

8 (e) The commission shall determine the feasibility of the use of  
9 zero greenhouse gas emission fuel cell systems to replace diesel  
10 backup power systems.

11 (f) Before January 1, 2008, the commission shall prepare and  
12 submit to the Legislature a report on the results of the proceeding.

13 SEC. 67. Section 41030 of the Revenue and Taxation Code is  
14 amended to read:

15 41030. The California Technology Agency shall determine  
16 annually, on or before October 1, a surcharge rate that it estimates  
17 will produce sufficient revenue to fund the current fiscal year's  
18 911 costs. The surcharge rate shall be determined by dividing the  
19 costs (including incremental costs) the California Technology  
20 Agency estimates for the current fiscal year of 911 plans approved  
21 pursuant to Section 53115 of the Government Code, less the  
22 available balance in the State Emergency Telephone Number  
23 Account in the General Fund, by its estimate of the charges for  
24 intrastate telephone communications services and VoIP service to  
25 which the surcharge will apply for the period of January 1 to  
26 December 31, inclusive, of the next succeeding calendar year, but  
27 in no event shall such surcharge rate in any year be greater than  
28 three-quarters of 1 percent nor less than one-half of 1 percent.

29 SEC. 68. Section 41031 of the Revenue and Taxation Code is  
30 amended to read:

31 41031. The California Technology Agency shall make its  
32 determination of the surcharge rate each year no later than October  
33 1 and shall notify the board of the new rate, which shall be fixed  
34 by the board to be effective with respect to charges made for  
35 intrastate telephone communication services and VoIP service on  
36 or after January 1 of the next succeeding calendar year.

37 SEC. 69. Section 41032 of the Revenue and Taxation Code is  
38 amended to read:

39 41032. Immediately upon notification by the California  
40 Technology Agency and fixing the surcharge rate, the board shall

1 each year no later than November 15 publish in its minutes the  
2 new rate, and it shall notify by mail every service supplier  
3 registered with it of the new rate.

4 SEC. 70. Section 41136.1 of the Revenue and Taxation Code  
5 is amended to read:

6 41136.1. For each fiscal year, moneys in the State Emergency  
7 Telephone Number Account not appropriated for a purpose  
8 specified in Section 41136 shall be held in trust for future  
9 appropriation for upcoming, planned “911” emergency telephone  
10 number projects that have been approved by the California  
11 Technology Agency, even if the projects have not yet commenced.

12 SEC. 71. Section 41137 of the Revenue and Taxation Code is  
13 amended to read:

14 41137. The California Technology Agency shall pay, from  
15 funds appropriated from the State Emergency Telephone Number  
16 Account by the Legislature, as provided in Section 41138, bills  
17 submitted by service suppliers or communications equipment  
18 companies for the installation and ongoing costs of the following  
19 communication services provided local agencies by service  
20 suppliers in connection with the “911” emergency telephone  
21 number system:

- 22 (a) A basic system.
- 23 (b) A basic system with telephone central office identification.
- 24 (c) A system employing automatic call routing.
- 25 (d) Approved incremental costs that have been concurred in by  
26 the California Technology Agency.

27 SEC. 72. Section 41137.1 of the Revenue and Taxation Code  
28 is amended to read:

29 41137.1. The California Technology Agency shall pay, from  
30 funds appropriated from the State Emergency Telephone Number  
31 Account by the Legislature, as provided in Section 41138, claims  
32 submitted by local agencies for approved incremental costs and  
33 for the cost of preparation of final plans submitted to the California  
34 Technology Agency for approval on or before October 1, 1978,  
35 as provided in Section 53115 of the Government Code.

36 SEC. 73. Section 41138 of the Revenue and Taxation Code is  
37 amended to read:

38 41138. (a) It is the intent of the Legislature that the  
39 reimbursement rates for “911” emergency telephone number  
40 equipment shall not exceed specified amounts negotiated with

1 each interested supplier and approved by the California Technology  
2 Agency. The California Technology Agency shall negotiate  
3 supplier pricing to ensure cost effectiveness and the best value for  
4 the “911” emergency telephone number system. The California  
5 Technology Agency shall pay those bills as provided in Section  
6 41137 only under the following conditions:

7 (1) The California Technology Agency shall have received the  
8 local agency’s “911” emergency telephone number system plan  
9 by July 1 of the prior fiscal year and approved the plan by October  
10 1 of the prior fiscal year.

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

13 (3) The California Technology Agency has reviewed and  
14 approved each line item of a request for funding to ensure the  
15 necessity of the proposed equipment or services and the eligibility  
16 for reimbursement.

17 (4) The amounts to be paid do not exceed the pricing submitted  
18 by the supplier and approved by the California Technology Agency.  
19 Extraordinary circumstances may warrant spending in excess of  
20 the established rate, but shall be preapproved by the California  
21 Technology Agency. In determining the reimbursement rate, the  
22 California Technology Agency shall utilize the approved pricing  
23 submitted by the supplier providing the equipment or service.

24 (b) Nothing in this section shall be construed to limit an agency’s  
25 ability to select a supplier or procure telecommunications  
26 equipment as long as the supplier’s pricing is preapproved by the  
27 California Technology Agency. Agencies shall be encouraged to  
28 procure equipment on a competitive basis. Any amount in excess  
29 of the pricing approved by the California Technology Agency shall  
30 not be reimbursed.

31 SEC. 74. Section 41139 of the Revenue and Taxation Code is  
32 amended to read:

33 41139. From funds appropriated by the Legislature from the  
34 Emergency Telephone Number Account, the California Technology  
35 Agency shall begin paying bills as provided in Sections 41137,  
36 41137.1, and 41138 in the 1977–78 fiscal year for plans submitted  
37 by local agencies by July 1, 1976, to the California Technology  
38 Agency which the California Technology Agency has approved.

39 SEC. 75. Section 41140 of the Revenue and Taxation Code is  
40 amended to read:

1 41140. The California Technology Agency shall reimburse  
 2 local agencies, from funds appropriated from the Emergency  
 3 Telephone Number Account by the Legislature, for amounts not  
 4 previously compensated for by another governmental agency,  
 5 which have been paid by agencies for approved incremental costs  
 6 or to service suppliers or communication equipment companies  
 7 for the following communications services supplied in connection  
 8 with the “911” emergency ~~phone~~ *telephone* number, provided local  
 9 agency plans had been approved by the California Technology  
 10 Agency:

- 11 (a) A basic system.
- 12 (b) A basic system with telephone central office identification.
- 13 (c) A system employing automatic call routing.
- 14 (d) Approved incremental costs.

15 SEC. 76. Section 41141 of the Revenue and Taxation Code is  
 16 amended to read:

17 41141. Claims for reimbursement shall be submitted by local  
 18 agencies to the California Technology Agency, which shall  
 19 determine payment eligibility and shall reduce the claim for charges  
 20 that exceed the approved incremental costs, approved contract  
 21 amounts, or the established tariff rates for costs. No claim shall be  
 22 paid until funds are appropriated by the Legislature.

23 SEC. 77. Section 41142 of the Revenue and Taxation Code is  
 24 amended to read:

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

1 from purchasing or acquiring any communication equipment from  
2 companies other than the telephone service suppliers.

3 SEC. 78. Section 16501.7 of the Welfare and Institutions Code  
4 is amended to read:

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

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

18 (2) The plan may include print time.

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

20 (A) The mechanism for tracking system performance.

21 (B) Corrective action protocols.

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

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

26 (1) Appropriately assign responsibility for ensuring service  
27 levels to the entity accountable.

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

29 (3) Address implementation feasibility of the plan's components,  
30 including any issues regarding plan implementation that need to  
31 be addressed.

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