

## Assembly Bill No. 2817

### CHAPTER 608

An act to add Chapter 7.2 (commencing with Section 11786) to Part 1 of Division 3 of Title 2 of the Government Code, relating to information technology, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 23, 2000. Filed  
with Secretary of State September 24, 2000.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 2817, Honda. Information technology: innovation projects grant program.

Existing law sets forth the duties of the Department of Finance in generally supervising matters concerning the financial and business policies of the state, and sets forth the duties of the Department of Information Technology in overseeing the information technology activities of the state.

This bill would require the Department of Finance and the Department of Information Technology, jointly, no later than 3 months from the date of the enactment of the 2000–01 Budget Act, to promulgate guidelines and a standard form for applications by certain state agencies for grants for information technology innovation projects. It would require applications submitted under these provisions to include specified information. It would require the Information Technology Innovation Council, which would be established pursuant to the bill, to evaluate the applications and make recommendations to the Department of Finance and the Department of Information Technology. The bill would require the Department of Finance to award the grants according to those recommendations, and would require the Department of Finance and the Department of Information Technology to report on various aspects of the projects funded by the grants to specified legislative committees at specified intervals.

This bill would declare that it is to take effect immediately as an urgency statute.

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

SECTION 1. It is the intent of the Legislature in enacting this act to provide for the awarding of grants for qualifying information technology innovation projects from funds appropriated for that purpose in the annual Budget Act.



SEC. 2. Chapter 7.2 (commencing with Section 11786) is added to Part 1 of Division 3 of Title 2 of the Government Code, to read:

CHAPTER 7.2. INFORMATION TECHNOLOGY INNOVATION GRANTS  
PROGRAM

11786. (a) The Information Technology Innovation Council is hereby established in state government.

(b) The council shall be composed of the following members:

- (1) Two representatives from the Governor's office.
- (2) Two agency secretaries, appointed by the Governor.
- (3) The chief information officer of the state.
- (4) The Director of Finance.
- (5) A Member of the Assembly, designated by the Speaker of the Assembly.
- (6) A Member of the Senate, designated by the Senate Committee on Rules.

(c) The council shall meet at least quarterly.

(d) The Governor shall appoint a member of the council as its chairperson.

(e) Council members who are Members of the Legislature shall perform the duties of council members to the extent that those duties are not inconsistent with their duties as Members of the Legislature.

11786.1. (a) (1) No later than three months from the date of the enactment of the 2000–01 Budget Act, the Department of Finance and the Department of Information Technology, jointly, shall promulgate guidelines for grant applications under this chapter, and create a standard application form, to be distributed to state agencies.

(2) The departments shall jointly review and revise, as necessary, the guidelines and application form no later than September 1 of each subsequent year.

(b) (1) A state agency may submit to the Department of Information Technology an application for funding for a proposed information technology innovation project, which shall include all of the following:

- (A) A description of the proposed project.
- (B) A detailed justification for the proposed project.
- (C) A long-range plan for the use of the proposed new information technology innovation.
- (D) A detailed explanation of how, if applicable, the proposed new information technology will improve the delivery of governmental services to the public.
- (E) A detailed explanation of how the proposed information technology will be integrated with existing program service delivery methodologies.
- (F) The estimated costs for development and implementation of the project and anticipated ongoing costs beyond the grant period.



(G) An implementation schedule for a funded project.

(H) A description of what efforts, if any, were made to share the cost of the project with other departments that use similar information technology or have similar program needs.

(I) A description of any business process reengineering efforts planned or conducted in support of the project.

(2) The Department of Information Technology shall review applications submitted pursuant to this section to confirm that each is in the form required by, and complies with, the guidelines promulgated pursuant to subdivision (a), and shall forward them to the Information Technology Innovation Council.

(c) For purposes of this chapter, an “information technology innovation project” or “project” means an information technology project that satisfies one or more of the following criteria:

(1) Maximizes customer satisfaction.

(2) Encourages or increases access to services.

(3) Has interagency or statewide participation.

(4) Demonstrates breakthrough improvements in business efficiency.

(5) Results in information technology capabilities that are transferable to multiple agencies.

(6) Provides a demonstration of a technology’s capabilities within the context of state programs.

(7) Combines multiple technologies in ways that improve state functions.

11786.2. (a) The Information Technology Innovation Council shall evaluate competing project applications based on the guidelines established pursuant to Section 13161, and shall make recommendations to the Department of Finance and the Department of Information Technology based on those evaluations. The council may rank its recommendations in order of priority.

(b) The Department of Finance shall award grants from funds appropriated in the annual Budget Act for the purposes of this chapter, according to the recommendations made pursuant to subdivision (a). The grants shall be awarded only for the projects recommended by the council and only in the amounts recommended by the council.

(c) A grant made pursuant to this section shall be in an amount that ensures implementation of a project for a maximum of three years.

(d) Funding for a proposed project shall be limited to the amount of the grant provided pursuant to this section. Any additional funding necessary for expanding the scope of a project shall be requested as part of the implementing agency’s annual budget development process.

11786.3. (a) No grant approved under this chapter may be funded sooner than 30 days after written notice is provided by the



Department of Finance to the Chair of the Senate Committee on Budget and Fiscal Review, the Chair of the Assembly Committee on Budget, the Chair of the Joint Legislative Budget Committee, the Chair of the Senate Committee on Appropriations, the Chair of the Assembly Committee on Appropriations, and the chairs of the relevant policy committees in the Senate and the Assembly.

(b) The notification provided pursuant to this section shall include all of the following:

- (1) A brief description of the grant proposal.
- (2) The estimated cost of the proposed project.
- (3) A description of improved service delivery or other project goals that are estimated to result from the proposed project.
- (4) An implementation schedule for the proposed project.

11786.4. (a) The Department of Finance shall provide funding for an outside vendor to conduct an independent evaluation of projects implemented pursuant to this chapter, and report these findings at least annually to the Chairs of the Senate Committee on Budget and Fiscal Review, the Assembly Committee on Budget, the Joint Legislative Budget Committee, the Senate Committee on Appropriations, and the Assembly Committee on Appropriations, and the chairs of the relevant policy committees in the Senate and the Assembly.

(b) The Department of Finance shall provide quarterly reports to the chairs of the legislative committees described in subdivision (a), listing the allocations made from the Information Technology Innovation Fund, and identifying the department, the project, and the amount for each allocation.

(c) The Department of Information Technology, in cooperation with the Department of Finance, shall provide, on or before January 1 of each year, to the chairs of the legislative committees described in subdivision (a), a report summarizing the results of the funded projects. The report shall describe all of the following for each funded project:

- (1) The project's purpose.
- (2) The project's expected and actual accomplishments.
- (3) The actual costs of the project.
- (4) The results of any independent review of the project.
- (5) The future next steps, if any, for the project.

11786.5. This chapter shall not apply to the University of California, the California State University, the State Compensation Insurance Fund, community college districts, or the judicial or legislative branches of state government.

11786.6. Funding for this chapter shall be subject to appropriations made for that purpose in the annual Budget Act.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning



of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that grant funds appropriated for the purposes of this act may be allocated at the earliest possible time, it is necessary for this act to take effect immediately.

