

March 10, 2009

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**STATUTORY PROVISIONS**

An act to amend Sections 8592.1, 8592.5, 8592.7, 11532, 11534, 11535, 11537, 11539, 11540, 11541, 11541.5, 11542, 11543, 11544, 11545, 11546.5, 11549, 11549.1, 11549.3, 11549.5, 12804, 14995, 15251, 15253, 15254, 15275, 15277, 53108.5, 53113, 53114, 53114.1, 53114.2, 53115, 53115.1, 53115.2, 53115.3, 53116, 53119, 53120, 53126.5, and 53127 of, to amend the headings of Article 2 (commencing with Section 11534) and Article 3 (commencing with Section 11544) of Chapter 5.5 of Part 1 of Division 3 of Title 2 of, to amend the heading of Chapter 5.7 (commencing with Section 11549) of Part 1 of Division 3 of Title 2 of, to amend and renumber Section 11549.6 of, to add Sections 11549.7 and 11549.8 to, to add the headings of Article 1 (commencing with Section 11549) and Article 2 (commencing with Section 11549.5) to Chapter 5.7 of Part 1 of Division 3 of Title 2 of, and to repeal Section 11549.2 of, the Government Code, to amend Sections 12100.7, 12101, 12103, 12104, 12105, 12120, and 12121 of the Public Contract Code, to amend Sections 41030, 41031, 41032, 41136, 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 technology services.

LEGISLATIVE COUNSEL'S DIGEST

Governor's Reorganization Plan No.1 of 2009

State government information technology.

(1) Existing law 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 also creates the Division of Telecommunications within the Department of General Services, and requires the Telecommunications Division to perform numerous duties with regard to public safety, and emergency and nonemergency communications policies and facilities.

This plan would transfer all the duties, functions, employees, property, and related funding of the Division of Telecommunications to the office of the State Chief Information Officer.

(2) Existing law establishes the Department of Technology Services within the State and Consumer Services Agency, specifies the duties of the department's director, and establishes the Department of Technology Services Revolving Fund within the State Treasury.

This plan would rename and transfer the Department of Technology Services to the Office of Technology Services within the office of the State Chief Information Officer, rename the Department of Technology Services Revolving Fund the Technology Services Revolving Fund, and make conforming changes.

(3) Existing law establishes the Office of Information Security and Privacy Protection in the State and Consumer Services Agency and the Office of Privacy Protection within the Office of Information Security and Privacy Protection with duties to ensure the confidentiality, integrity, and availability of state systems and applications, and to promote and protect consumer privacy.

This plan would eliminate the Office of Information Security and Privacy Protection, and instead create 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.

(4) Existing law authorizes the Department of Finance, the Department of General Services, and the Department of Information Technology to create certain policies for the state's procurement of information technology.

This plan would transfer certain of those duties to the office of the State Chief Information Officer.

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, ~~which~~ *that* was established in December  
9 1994 in recognition of the need to improve existing public radio  
10 systems and to develop interoperability among public safety  
11 departments and between state public safety departments and local  
12 or federal entities, and ~~which~~ *that* consists of representatives of  
13 the following state entities:

14 (1) ~~The Office of Emergency Services~~ *California Emergency*  
15 *Management Agency*, who shall 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.

24 (10) The State Department of Public Health.

25 (11) The Emergency Medical Services Authority.

26 (12) ~~The Department of General Services~~ *office of the State*  
27 *Chief Information Officer*.

28 (13) ~~The Office of Homeland Security~~.

29 (14)

30 (13) The Military Department.

31 (15)

32 (14) The Department of Finance.

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

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

4 (e) “Open architecture” means a system that can accommodate  
5 equipment from various vendors because it is not a proprietary  
6 system.

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

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

19 SEC. 2. Section 8592.5 of the Government Code is amended  
20 to read:

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

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

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

37 (b) Except as provided in subdivision (c), a local first response  
38 agency that purchases public safety radio communication  
39 equipment, in whole or in part, with state funds or federal funds

1 administered by the state, shall ensure that the equipment purchased  
2 complies with paragraphs (1) and (2) of subdivision (a).

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

5 (1) Purchases of equipment to operate with existing state or  
6 local communications systems where the latest applicable standard  
7 will not be compatible, as verified by the ~~Telecommunications~~  
8 ~~Division of the Department of General Services~~ *office of the State*  
9 *Chief Information Officer*.

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

12 (d) This section may not be construed to require an affected  
13 state or local governmental agency to compromise its immediate  
14 mission or ability to function and carry out its existing  
15 responsibilities.

16 SEC. 3. Section 8592.7 of the Government Code is amended  
17 to read:

18 8592.7. (a) A budget proposal submitted by a state agency for  
19 support of a new or modified radio system shall be accompanied  
20 by a technical project plan that includes all of the following:

- 21 (1) The scope of the project.
- 22 (2) Alternatives considered.
- 23 (3) Justification for the proposed solution.
- 24 (4) A project implementation plan.
- 25 (5) A proposed timeline.
- 26 (6) Estimated costs by fiscal year.

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

31 (c) ~~The Telecommunications Division of the Department of~~  
32 ~~General Services~~ *office of the State Chief Information Officer* shall  
33 review the plans submitted pursuant to subdivision (a) for  
34 consistency with the technical requirements of the statewide  
35 integrated public safety communication strategic plan included in  
36 the annual report required pursuant to Section 8592.6.

37 SEC. 4. Section 11532 of the Government Code is amended  
38 to read:

39 11532. For purposes of this chapter, the following terms shall  
40 have the following meanings, unless the context requires otherwise:

1 (a) “Board member” means a member of the Technology  
2 Services Board.

3 ~~(b) “Department” means the Department of Technology Services~~  
4 ~~established by this chapter.~~

5 ~~(c)–~~

6 (b) “Board” means the Technology Services Board created  
7 pursuant to Section 11535.

8 ~~(d)–~~

9 (c) “Director” means the Director of *the Office of Technology*  
10 *Services*.

11 ~~(e)–~~

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

17 ~~(f)–~~

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

25 ~~(g)–~~

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

31 SEC. 5. The heading of Article 2 (commencing with Section  
32 11534) 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 2. ~~Department~~ *Office* of Technology Services

36

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

1 11534. (a) There is in state government, ~~in the State and~~  
2 ~~Consumer Services Agency, in the office of the State Chief~~  
3 ~~Information Officer, the Department Office of Technology Services.~~

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

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

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

19 (e) *Unless the context clearly requires otherwise, the Office of*  
20 *Technology Services and the State Chief Information Officer*  
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 arises*  
39 *as to where that property is transferred, the Department of General*  
40 *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  
9 and funds are transferred.

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

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

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

15 (1) The ~~Governor's designee, who~~ *State Chief Information*  
16 *Officer, who* shall serve as 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 ~~Secretaries~~ *Secretary of Food and Agriculture, the*  
21 *Secretary of Business, Transportation and Housing Agency, the*  
22 *Secretary of Corrections and Rehabilitation, the Secretary for*  
23 *Environmental Protection Agency, the Secretary of California*  
24 *Health and Human Services Agency, the Secretary of Labor and*  
25 *Workforce Development Agency, the Secretary of Natural*  
26 *Resources Agency, the Secretary of State and Consumer Services*  
27 *Agency, and the Department Secretary of Veterans Affairs, and*  
28 *the Youth and Adult Correctional Agency.*

29 (5) The ~~Director~~ *Secretary of the Office of California*  
30 *Emergency Services Management.*

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

33 11537. (a) The ~~board~~ *State Chief Information Officer* shall  
34 engage an independent firm of certified public accountants to  
35 conduct an annual financial audit of all accounts and transactions  
36 of the ~~department~~ *Office of Technology Services*. The audit shall  
37 be conducted in accordance with generally accepted government  
38 auditing standards. The audited financial statements shall be  
39 presented to the board, the Governor, and the Legislature not more  
40 than 120 days after the close of the fiscal year.

1 (b) The ~~board~~ *State Chief Information Officer* may arrange for  
2 other audits as are necessary or prudent to ensure proper oversight  
3 and management of the ~~department~~ *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 ~~department~~ *Office of Technology Services* and shall  
8 perform all duties, exercise all powers and jurisdiction, and assume  
9 and discharge all responsibilities necessary to carry out the  
10 purposes of this chapter. The ~~director~~ *Office of Technology Services*  
11 shall employ professional, clerical, technical, and administrative  
12 personnel as 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 ~~departmental~~ *Office of*  
17 *Technology Services*' operations. ~~As part of the annual budget~~  
18 ~~development, the department shall determine the impact of any~~  
19 ~~rebates, abatements, or rate reductions resulting from excess reserve~~  
20 ~~funds. At least 60 days before submitting the proposed budget to~~  
21 ~~the board, the director shall submit the proposed budget to the~~  
22 ~~Department of Finance. Submittal of the budget to the Department~~  
23 ~~of Finance shall be in a format and timeframe determined by the~~  
24 ~~Department of Finance. The Department of Finance shall prepare~~  
25 ~~a report to the board evaluating the reasonableness of the proposed~~  
26 ~~budget and any significant impact the department's budget is likely~~  
27 ~~to have upon the budgets of other departments.~~

28 (b) The ~~director~~ *State Chief Information Officer* shall propose  
29 for board consideration rates for ~~department~~ *Office of Technology*  
30 *Services*' services based on a formal rate methodology approved  
31 by the board. At least 60 days before submitting proposed rates to  
32 the board, the ~~director~~ *State Chief Information Officer* shall submit  
33 the proposed rates to the Department of Finance. Submittal of the  
34 rates to the Department of Finance shall be in a format and  
35 timeframe determined by the Department of Finance. The  
36 Department of Finance shall prepare a report ~~to~~ *for* the board  
37 evaluating the reasonableness of the proposed rates and any  
38 significant impact the ~~department's~~ *Office of Technology Services*'  
39 rates are likely to have upon the budgets of other departments.

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

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

6 11541. (a) The ~~department~~ *Office of Technology Services* may  
7 acquire, install, equip, maintain, and operate new or existing  
8 business telecommunications systems and services. Acquisitions  
9 for information technology goods and services shall be made  
10 pursuant to Chapter 3 (commencing with Section 12100) of Part  
11 2 of Division 2 of the Public Contract Code. To accomplish that  
12 purpose, ~~it~~ *the Office of Technology Services* may enter into  
13 contracts, obtain licenses, acquire *personal* property, install  
14 necessary equipment and facilities, and do other acts that will  
15 provide adequate and efficient business telecommunications  
16 systems and services. Any system established shall be made  
17 available to all public agencies in the state on terms that may be  
18 agreed upon by the agency and the ~~department~~ *Office of Technology*  
19 *Services*.

20 (b) With respect to business telecommunications systems and  
21 services, the ~~department~~ *Office of Technology Services* may do all  
22 of the following:

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

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

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

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

35 (c) The ~~department~~ *Office of Technology Services* has  
36 responsibilities with respect to business telecommunications  
37 systems, services, policy, and planning, which include, but are not  
38 limited to, all of the following:

39 (1) Assessing the overall long-range business  
40 telecommunications needs and requirements of the state

1 considering both routine and emergency operations for business  
2 telecommunications systems and services, performance, cost,  
3 state-of-the-art technology, multiuser availability, security,  
4 reliability, and other factors deemed to be important to state needs  
5 and requirements.

6 (2) Developing strategic and tactical policies and plans for  
7 business telecommunications with consideration for the systems  
8 and requirements of public agencies.

9 (3) Recommending industry standards, service level agreements,  
10 and solutions regarding business telecommunications systems and  
11 services to assure multiuser availability and compatibility.

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

14 (A) Ensuring that the business telecommunications needs of  
15 state agencies are met.

16 (B) Ensuring that procurement is compatible throughout state  
17 agencies and is consistent with the state's strategic and tactical  
18 plans for telecommunications.

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

21 (5) Providing management oversight of statewide business  
22 telecommunications systems and services developments.

23 (6) Providing for coordination of, and comment on, plans and  
24 policies and operational requirements from departments that utilize  
25 business telecommunications systems and services as determined  
26 by the ~~department~~ *Office of Technology Services*.

27 (7) Monitoring and participating, on behalf of the state, in the  
28 proceedings of federal and state regulatory agencies and in  
29 congressional and state legislative deliberations that have an impact  
30 on state governmental business telecommunications activities.

31 (d) The ~~department~~ *Office of Technology Services* shall develop  
32 and describe statewide policy on the use of business  
33 telecommunications systems and services by state agencies. In the  
34 development of that policy, the ~~department~~ *Office of Technology*  
35 *Services* shall ~~assure~~ *ensure* that access to state business  
36 information and services is improved, and that the policy is cost  
37 effective for the state and its residents. The ~~department~~ *Office of*  
38 *Technology Services* shall develop guidelines that do all of the  
39 following:

1 (1) Describe what types of state business information and  
2 services may be accessed using business telecommunications  
3 systems and services.

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

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

8 (4) Specify pricing policies.

9 (5) Provide other guidance as may be appropriate at the  
10 discretion of the ~~department~~ *Office of Technology Services*.

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

14 SEC. 12. Section 11541.5 of the Government Code is amended  
15 to read:

16 11541.5. (a) The ~~Department~~ *Office of Technology Services*  
17 shall create a link to state agency Web sites at the State of  
18 California Internet portal specifically for the use of small  
19 businesses, designed to assist entrepreneurs and small business  
20 owners in accessing information regarding startup requirements  
21 and regulatory compliance applicable to the particular business.

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

24 SEC. 13. Section 11542 of the Government Code is amended  
25 to read:

26 11542. (a) (1) The Stephen P. Teale Data Center and the  
27 California Health and Human Services Agency Data Center are  
28 consolidated within, and their functions are transferred to, the  
29 ~~department~~ *Office of Technology Services*.

30 ~~(b) The business telecommunications systems and services~~  
31 ~~functions of the Telecommunications Division of the Department~~  
32 ~~of General Services are transferred to the department.~~

33 (e)

34 (2) Except as expressly provided otherwise in this chapter, the  
35 ~~department~~ *Office of Technology Services* is the successor to, and  
36 is vested with, all of the duties, powers, purposes, responsibilities,  
37 and jurisdiction of the Stephen P. Teale Data Center, *and* the  
38 California Health and Human Services Agency Data Center, ~~and~~  
39 ~~the business telecommunications systems and services functions~~  
40 ~~of the Telecommunications Division of the Department of General~~

1 Services. Any reference in statutes, regulations, or contracts to  
2 those entities with respect to the transferred functions shall be  
3 construed to refer to the ~~Department~~ *Office of Technology Services*  
4 unless the context clearly requires otherwise.

5 ~~(d)~~

6 (3) No contract, lease, license, or any other agreement to which  
7 *either* the Stephen P. Teale Data Center; *or* the California Health  
8 and Human Services Agency Data Center, ~~—or—~~ the  
9 Telecommunications Division of the Department of General  
10 Services, with respect to the business telecommunications systems  
11 and services functions, is a party, shall be void or voidable by  
12 reason of this chapter, but shall continue in full force and effect,  
13 with the ~~department~~ *Office of Technology Services* assuming all  
14 of the rights, obligations, and duties of the Stephen P. Teale Data  
15 Center; *or* the California Health and Human Services Agency Data  
16 Center; ~~or the Telecommunications Division of the Department of~~  
17 ~~General Services~~, respectively.

18 ~~(e)~~

19 (4) Notwithstanding subdivision (e) of Section 11793 and  
20 subdivision (e) of Section 11797, on and after the effective date  
21 of this chapter, the balance of any funds available for expenditure  
22 by the Stephen P. Teale Data Center; *and* the California Health  
23 and Human Services Agency Data Center, ~~—and—~~ the  
24 Telecommunications Division of the Department of General  
25 Services, with respect to business telecommunications systems  
26 and services functions in carrying out any functions transferred to  
27 the ~~department~~ *Office of Technology Services* by this chapter, shall  
28 be transferred to the ~~Department of~~ Technology Services Revolving  
29 Fund created by Section 11544, and shall be made available for  
30 the support and maintenance of the ~~department~~ *Office of*  
31 *Technology Services*.

32 ~~(f)~~

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

38 ~~(g)~~

39 (6) All books, documents, records, and property of the Stephen  
40 P. Teale Data Center; *and* the California Health and Human

1 Services Agency Data Center, excluding the Systems Integration  
2 Division, ~~and the Telecommunications Division of the Department~~  
3 ~~of General Services, with respect to business telecommunications~~  
4 ~~systems and services functions~~, shall be transferred to the  
5 department *Office of Technology Services*.

6 ~~(h) (1)–~~

7 (7) (A) All officers and employees of the former Stephen P.  
8 Teale Data Center; *and* the California Health and Human Services  
9 Agency Data Center, ~~and the Telecommunications Division of the~~  
10 ~~Department of General Services, with respect to business~~  
11 ~~telecommunications systems and services functions~~, are transferred  
12 to the department *Office of Technology Services*.

13 ~~(2)–~~

14 (B) The status, position, and rights of any officer or employee  
15 of the Stephen P. Teale Data Center; *and* the California Health  
16 and Human Services Agency Data Center, ~~and the~~  
17 ~~Telecommunications Division of the Department of General~~  
18 ~~Services, with respect to business telecommunications systems~~  
19 ~~and services functions~~, shall not be affected by the transfer and  
20 consolidation of ~~their~~ *the functions of that officer or employee* to  
21 the department *Office of Technology Services*.

22 (b) (1) *All duties and functions of the Telecommunications*  
23 *Division of the Department of General Services are transferred*  
24 *to the office of the State Chief Information Officer.*

25 (2) *Unless the context clearly requires otherwise, whenever the*  
26 *term “Telecommunications Division of the Department of General*  
27 *Services” appears in any statute, regulation, or contract, it shall*  
28 *be deemed to refer to the office of the State Chief Information*  
29 *Officer.*

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 office of the State Chief Information*  
33 *Officer, are transferred to the office of the State Chief Information*  
34 *Officer. The status, positions, and rights of those persons shall not*  
35 *be affected by their transfer and shall continue to be retained by*  
36 *them pursuant to the State Civil Service Act (Part 2 (commencing*  
37 *with Section 18500) of Division 5), except as to positions the duties*  
38 *of which are vested in a position exempt from civil service. The*  
39 *personnel records of all transferred employees shall be transferred*  
40 *to the office of the State Chief Information Officer.*

1 (4) *The property of any office, agency, or department related*  
2 *to functions transferred to the office of the State Chief Information*  
3 *Officer is transferred to the office of the State Chief Information*  
4 *Officer. If any doubt arises as to where that property is transferred,*  
5 *the Department of General Services shall determine where the*  
6 *property is transferred.*

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

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

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

29 (b) ~~The director~~ *State Chief Information Officer* shall make and  
30 keep books and records to permit preparation of financial  
31 statements in conformity with generally accepted accounting  
32 principles and any state policy requirements.

33 SEC. 15. The heading of Article 3 (commencing with Section  
34 11544) 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 3. ~~Department of~~ *Technology Services Revolving Fund*  
38

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

4 11544. (a) ~~The Department of Technology Services Revolving~~  
5 Fund, hereafter known as the fund, is hereby created within the  
6 State Treasury. The fund shall be administered by the ~~director~~  
7 *State Chief Information Officer*, pursuant to the ~~department's Office~~  
8 *of Technology Services'* plan of operations, *a plan of service*  
9 *offering as approved by the Technology Services Board*, to receive  
10 all revenues from the sale of technology or technology services  
11 provided for in this chapter and all other moneys properly credited  
12 to the board and ~~department~~ *the Office of Technology Services*  
13 from any other source, to pay, upon appropriation by the  
14 Legislature, all costs arising from this chapter, including, but not  
15 limited to, operating and other expenses of the board and  
16 ~~department~~ *the Office of Technology Services* and costs associated  
17 with approved information technology projects, and to establish  
18 reserves. At the discretion of the ~~director~~ *State Chief Information*  
19 *Officer*, segregated, dedicated accounts within the fund may be  
20 established.

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

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

24 (2) Any other moneys that may be made available to the  
25 ~~department~~ *Office of Technology Services* for the purpose of this  
26 chapter from any other source, including the return from  
27 investments of moneys by the Treasurer.

28 (c) ~~The department~~ *Office of Technology Services* may collect  
29 payments from public agencies for providing services to those  
30 agencies that the agencies have contracted with the ~~department~~  
31 *Office of Technology Services* to provide. ~~The department~~ *Office*  
32 *of Technology Services* may require monthly payments by client  
33 agencies for the services the agencies have contracted the  
34 ~~department~~ *Office of Technology Services* to provide. Pursuant to  
35 Section 11255, the Controller shall transfer any amounts so  
36 authorized by the ~~department~~ *Office of Technology Services*,  
37 consistent with the annual budget of each department, to the fund.  
38 ~~The department~~ *Office of Technology Services* shall notify each  
39 affected state agency upon requesting the Controller to make the  
40 transfer.

1 (d) If the balance remaining in the fund at the end of any fiscal  
2 year exceeds 25 percent of the ~~department's~~ *Office of Technology*  
3 *Services'* current fiscal year budget, the excess amount shall be  
4 used to reduce the billing rates for services rendered during the  
5 following fiscal year.

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

9 SEC. 17. Section 11545 of the Government Code is amended  
10 to read:

11 11545. (a) There is in state government the office of the State  
12 Chief Information Officer. The State Chief Information Officer  
13 shall be appointed by, and serve at the pleasure of, the Governor,  
14 subject to Senate confirmation. The State Chief Information Officer  
15 shall be a member of the Governor's cabinet.

16 (b) The duties of the State Chief Information Officer 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, ~~polices~~ *policies*, standards, and enterprise  
22 architecture. This shall include the periodic review and maintenance  
23 of the information technology sections of the State Administrative  
24 Manual, except for sections on information technology procurement  
25 *procedures*, ~~information security~~ and information technology fiscal  
26 policy. The State Chief Information Officer shall consult with the  
27 Director of General Services, ~~the Director of the Office of~~  
28 ~~Information Security and Privacy Protection~~, the Director of  
29 Finance, and other relevant agencies concerning policies and  
30 standards these agencies are responsible to issue as they relate to  
31 information technology.

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

35 ~~(4) Coordinating the activities of agency and department chief~~  
36 ~~information officers and the Director of Technology Services for~~  
37 ~~purposes of integrating statewide technology initiatives, ensuring~~  
38 ~~compliance with information technology policies and standards,~~  
39 ~~including policies and standards issued by the Department of~~  
40 ~~General Services and the Office of Information Security and~~

1 ~~Privacy Protection, and promoting alignment and effective~~  
2 ~~management of information technology resources.~~

3 *(4) Providing technology direction to agency and department*  
4 *chief information officers to ensure the integration of statewide*  
5 *technology initiatives, compliance with information technology*  
6 *policies and standards, and promote the alignment and effective*  
7 *management of information technology services. Nothing in this*  
8 *paragraph shall be deemed to limit the authority of a constitutional*  
9 *officer, cabinet agency secretary, or department director to*  
10 *establish programmatic priorities and business direction to the*  
11 *respective agency or department chief information officer.*

12 *(5) Working to improve organizational maturity and capacity*  
13 *in the effective management of information technology.*

14 *(6) Establishing performance management and improvement*  
15 *processes to ensure state information technology systems and*  
16 *services are efficient and effective.*

17 *(7) Approving, suspending, terminating, and reinstating*  
18 *information technology projects.*

19 *(8) Performing enterprise information technology functions and*  
20 *services, including, but not limited to, implementing Geographic*  
21 *Information Systems (GIS), shared services, applications, and*  
22 *program and project management activities in partnership with*  
23 *the owning agency or department.*

24 *(c) The office of the State Chief Information Officer shall*  
25 *produce an annual information technology strategic plan that shall*  
26 *guide the acquisition, management, and use of information*  
27 *technology. State agencies shall cooperate with the office in the*  
28 *development of this plan, as required by the State Chief*  
29 *Information Officer.*

30 *(1) Upon establishment of the information technology strategic*  
31 *plan, the State Chief Information Officer shall take all appropriate*  
32 *and necessary steps to implement the plan, subject to any*  
33 *modifications and adjustments deemed necessary and reasonable.*

34 *(2) The information technology strategic plan shall be submitted*  
35 *to the Joint Legislative Budget Committee by January 15, 2009,*  
36 *and annually thereafter.*

37 SEC. 18. Section 11546.5 of the Government Code is amended  
38 to read:

39 ~~11546.5. (a) Employees of the Office of Technology Review,~~  
40 ~~Oversight, and Security within the Department of Finance shall~~

1 be transferred to the office of the State Chief Information Officer,  
2 the Office of Information Security and Privacy Protection, or the  
3 Finance Information Technology Consulting Unit within the  
4 Department of Finance.

5 (b) Notwithstanding Section 19050.9, the Director of Finance  
6 shall have final approval over which persons serving in the  
7 Department of Finance Office of Technology Review, Oversight,  
8 and Security as of the effective date of this chapter are transferred  
9 to the office of the State Chief Information Officer, the Office of  
10 Information Security and Privacy Protection, and the Finance  
11 Information Technology Consulting Unit. The status, position,  
12 and rights of those persons transferring and those persons  
13 remaining within the Department of Finance shall be retained by  
14 them pursuant to Section 19050.9 and the State Civil Service Act  
15 (Part 2 (commencing with Section 18500) of Division 5).

16 (c) All relevant records and papers held for the benefit and use  
17 of the former Department of Information Technology in the  
18 performance of its statutory duties, powers, purposes, and  
19 responsibilities, and of the Office of Technology Review,  
20 Oversight, and Security within the Department of Finance in the  
21 performance of its statutory duties, powers, purposes, and  
22 responsibilities, except for records and papers with respect to  
23 information security, shall be transferred to the office of the State  
24 Chief Information Officer.

25 (d)  
26 11546.5. Notwithstanding any other provision of law, all  
27 employees of the office of the State Chief Information Officer  
28 shall be designated as excluded from collective bargaining pursuant  
29 to subdivision (b) of Section 3527, *except for employees of the*  
30 *Office of Technology Services and the employees of the*  
31 *Telecommunications Division of the Department of General*  
32 *Services transferred to the office of the State Chief Information*  
33 *Officer.*

34 (e) Notwithstanding any other provision of law, the Director of  
35 Finance may enter into contractual agreements on behalf of the  
36 office of the State Chief Information Officer until the State Chief  
37 Information Officer is appointed by the Governor, but not later  
38 than June 30, 2008, whichever occurs first.

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

4  
5 CHAPTER 5.7. OFFICE OF INFORMATION SECURITY AND *OFFICE*  
6 *OF PRIVACY PROTECTION*  
7

8 SEC. 20. The heading of Article 1 (commencing with Section  
9 11549) is added to Chapter 5.7 of Part 1 of Division 3 of Title 2  
10 of the Government Code, to read:

11  
12 Article 1. Office of Information Security  
13

14 SEC. 21. Section 11549 of the Government Code is amended  
15 to read:

16 11549. (a) There is in state government, in the ~~State and~~  
17 ~~Consumer Services Agency~~ *office of the State Chief Information*  
18 *Officer*, the Office of Information Security ~~and Privacy Protection~~.  
19 The purpose of the ~~office~~ *Office of Information Security* is to ensure  
20 the confidentiality, integrity, and availability of state systems and  
21 applications, and to promote and protect ~~consumer~~ *privacy as part*  
22 *of the development and operations of state systems and applications*  
23 to ensure the trust of the residents of this state.

24 (b) The office shall be under the direction of ~~an executive officer~~  
25 *a director*, who shall be appointed by, and serve at the pleasure  
26 of, the Governor. The ~~executive officer~~ *director* shall report to the  
27 ~~Secretary of State and Consumer Services~~ *State Chief Information*  
28 *Officer*, and shall lead the ~~office~~ *Office of Information Security* in  
29 carrying out its mission.

30 (c) The duties of the ~~office~~ *Office of Information Security*, under  
31 the direction of the ~~executive officer~~ *director*, shall ~~include, but~~  
32 ~~are not limited to, all of the following:~~ *be to provide direction for*  
33 *information security and privacy to state government agencies,*  
34 *departments, and offices, pursuant to Section 11549.3.*

35 (1) ~~Provide direction for information security and privacy to~~  
36 ~~state government agencies, departments, and offices, pursuant to~~  
37 ~~Section 11549.3.~~

38 (2) ~~Administer constituent programs and the Office of Privacy~~  
39 ~~Protection pursuant to Section 11549.5.~~

1 (d) (1) Unless the context clearly requires otherwise, whenever  
2 the term “Office of Information Security and Privacy Protection”  
3 appears in any statute, regulation, or contract, it shall be deemed  
4 to refer to the Office of Information Security, and whenever the  
5 term “executive director of the Office of Information Security and  
6 Privacy Protection” appears in statute, regulation, or contract, it  
7 shall be deemed to refer to the Director of the Office of Information  
8 Security.

9 (2) All employees serving in state civil service, other than  
10 temporary employees, who are engaged in the performance of  
11 functions transferred from the Office of Information Security and  
12 Privacy Protection to the Office of Information Security, are  
13 transferred to the Office of Information Security. The status,  
14 positions, and rights of those persons shall not be affected by their  
15 transfer and shall continue to be retained by them pursuant to the  
16 State Civil Service Act (Part 2 (commencing with Section 18500)  
17 of Division 5), except as to positions the duties of which are vested  
18 in a position exempt from civil service. The personnel records of  
19 all transferred employees shall be transferred to the Office of  
20 Information Security.

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

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

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

37 11549.1. As used in this ~~chapter~~ article, the following terms  
38 have the following meanings:

1 (a) ~~“Executive officer”~~ “*Director*” means the ~~executive officer~~  
2 *Director* of the Office of Information Security ~~and Privacy~~  
3 ~~Protection~~.

4 (b) “Office” means the Office of Information Security ~~and~~  
5 ~~Privacy Protection~~.

6 (c) “Program” means an information security program  
7 established pursuant to Section 11549.3.

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

9 ~~11549.2. (a) Employees assigned to the security unit of the~~  
10 ~~Office of Technology Review, Oversight, and Security within the~~  
11 ~~Department of Finance, and the employees of the Office of Privacy~~  
12 ~~Protection within the Department of Consumer Affairs are~~  
13 ~~transferred to the office, within the State and Consumer Services~~  
14 ~~Agency.~~

15 (b) ~~The status, position, and rights of an employee transferred~~  
16 ~~pursuant to this section shall not be affected by the transfer.~~

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

19 11549.3. (a) ~~The executive officer~~ *director* shall establish an  
20 information security program. The program responsibilities include,  
21 but are not limited to, all of the following:

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

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

28 (A) Information technology, which includes, but is not limited  
29 to, all electronic technology systems and services, automated  
30 information handling, system design and analysis, conversion of  
31 data, computer programming, information storage and retrieval,  
32 telecommunications, requisite system controls, simulation,  
33 electronic commerce, and all related interactions between people  
34 and machines.

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

37 (3) The creation, issuance, and maintenance of policies,  
38 standards, and procedures directing state agencies for the collection,  
39 tracking, and reporting of information regarding security and  
40 privacy incidents.

1 (4) The creation, issuance, and maintenance of policies,  
2 standards, and procedures directing state agencies in the  
3 development, maintenance, testing, and filing of each agency's  
4 ~~operational~~ *disaster* recovery plan.

5 (5) Coordination of the activities of agency information security  
6 officers, for purposes of integrating statewide security initiatives  
7 and ensuring compliance with information security and privacy  
8 policies and standards.

9 (6) Promotion and enhancement of the state agencies' risk  
10 management and privacy programs through education, awareness,  
11 collaboration, and consultation.

12 (7) Representing the state before the federal government, other  
13 state agencies, local government entities, and private industry on  
14 issues that have statewide impact on information security and  
15 privacy.

16 (b) (1) Every state agency, department, and office shall comply  
17 with the information security and privacy policies, standards, and  
18 procedures issued pursuant to this chapter by the Office of  
19 Information Security and ~~Privacy Protection~~.

20 (2) Every state agency, department, and office shall comply  
21 with filing requirements and incident notification by providing  
22 timely information and reports as required by policy or directives  
23 of the office.

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

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

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

34 SEC. 25. The heading of Article 2 (commencing with Section  
35 11549.5) is added to Chapter 5.7 of Part 1 of Division 3 of Title  
36 2 of the Government Code, to read:

37  
38  
39

Article 2. Office of Privacy Protection

1 SEC. 26. Section 11549.5 of the Government Code is amended  
2 to read:

3 11549.5. (a) There is hereby created, in the ~~office~~, *State and*  
4 *Consumer Services Agency*, the Office of Privacy Protection. The  
5 purpose of the Office of Privacy Protection shall be to protect the  
6 privacy of individuals' personal information in a manner consistent  
7 with the California Constitution by identifying consumer problems  
8 in the privacy area and facilitating the development of fair  
9 information practices in adherence with the Information Practices  
10 Act of 1977 (Chapter 1 (commencing with Section 1798) of Title  
11 1.8 of Part 4 of Division 3 of the Civil Code) *and to promote and*  
12 *protect consumer privacy to ensure the trust of the residents of*  
13 *this state.*

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

17 (c) The Office of Privacy Protection shall make  
18 recommendations to organizations for privacy policies and  
19 practices that promote and protect the interests of the consumers  
20 of this state.

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

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

25 (1) Receive complaints from individuals concerning a person  
26 obtaining, compiling, maintaining, using, disclosing, or disposing  
27 of personal information in a manner that may be potentially  
28 unlawful or violate a stated privacy policy relating to that  
29 individual, and provide advice, information, and referral, where  
30 available.

31 (2) Provide information to consumers on effective ways of  
32 handling complaints that involve violations of privacy-related  
33 laws, including identity theft and identity fraud. If appropriate  
34 local, state, or federal agencies are available to assist consumers  
35 with those complaints, the office shall refer those complaints to  
36 those agencies.

37 (3) Develop information and educational programs and materials  
38 to foster public understanding and recognition of the purposes of  
39 this article.

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

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

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

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

14 ~~11549.6.~~

15 *11549.10.* This chapter shall not apply to the State  
16 Compensation Insurance Fund, the Legislature, or the Legislative  
17 Data Center in the Legislative Counsel Bureau.

18 SEC. 28. Section 11549.7 is added to the Government Code,  
19 to read:

20 11549.7. The Office of Privacy Protection shall be under the  
21 direction of a director who shall report to the Secretary of State  
22 and Consumer Services, and shall lead the Office of Privacy  
23 Protection in carrying out its mission.

24 SEC. 29. Section 11549.8 is added to the Government Code,  
25 to read:

26 11549.8. As used in this article, the following terms have the  
27 following meanings:

28 (a) “Director” means the Director of the Office of Privacy  
29 Protection.

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

31 SEC. 30. Section 12804 of the Government Code is amended  
32 to read:

33 12804. The Agriculture and Services Agency is hereby renamed  
34 the State and Consumer Services Agency.

35 The State and Consumer Services Agency consists of the  
36 following: the Department of General Services; ~~the Department~~  
37 ~~of Technology Services~~; the Department of Consumer Affairs; the  
38 Franchise Tax Board; the Public Employees’ Retirement System;  
39 the State Teachers’ Retirement System; the Department of Fair  
40 Employment and Housing; the Fair Employment and Housing

1 Commission; the California Science Center; the California Victim  
2 Compensation and Government Claims Board; the California  
3 ~~African-American~~ *African American* Museum; the ~~State California~~  
4 Building and Standards Commission; the Alfred E. Alquist Seismic  
5 Safety Commission; and the Office of ~~Information Security and~~  
6 Privacy Protection.

7 SEC. 31. Section 14995 of the Government Code is amended  
8 to read:

9 14995. (a) The Electronic Funds Transfer Task Force is hereby  
10 established in state government.

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

- 16 (1) State Board of Equalization.
- 17 (2) Franchise Tax Board.
- 18 (3) Employment Development Department.
- 19 (4) Treasurer.
- 20 (5) Controller.
- 21 (6) Department of Finance.
- 22 (7) Department of General Services.
- 23 (8) ~~Department~~ *Office* of Technology Services.

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

- 29 (1) An examination of all payments disbursed by the state and  
30 the methods currently used to transfer these funds.
- 31 (2) A recommendation on which payments should be included  
32 in a new electronic payment disbursal system.
- 33 (3) An examination of the cost of developing and utilizing a  
34 comprehensive electronic payment disbursal system, including,  
35 but not limited to, all of the following:
  - 36 (A) Costs and savings related to float time.
  - 37 (B) Costs and savings related to transaction process time.
  - 38 (C) Costs and savings related to paperless transactions.
  - 39 (D) Costs and savings related to system development and  
40 implementation of a new electronic payment disbursal system.

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

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

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

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

16 (7) An examination of and recommendation on incorporating  
17 the disbursal of funds for localities into the electronic payment  
18 system.

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

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

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

28 (11) A recommendation on the timely development of the  
29 electronic payment disbursal system.

30 SEC. 32. Section 15251 of the Government Code is amended  
31 to read:

32 15251. As used in this part, "~~department~~" means ~~Department~~  
33 ~~of General Services~~ "*office*" means *office of the State Chief*  
34 *Information Officer*.

35 SEC. 33. Section 15253 of the Government Code is amended  
36 to read:

37 15253. This part shall apply only to those communications  
38 facilities which are owned and operated by public agencies in  
39 connection with official business of law enforcement services, fire  
40 services, natural resources services, agricultural services, and

1 highway maintenance and control of the state or of cities, counties,  
2 and other political subdivisions in this state. This part shall not be  
3 construed as conferring upon the ~~Department of General Services~~  
4 *office* control of programs or broadcasts intended for the general  
5 public.

6 SEC. 34. Section 15254 of the Government Code is amended  
7 to read:

8 15254. Radio and other communications facilities owned or  
9 operated by the state and subject to the jurisdiction of the  
10 ~~Department of General Services~~ *office* shall not be used for  
11 political, sectarian, or propaganda purposes. ~~Such~~ *The* facilities  
12 shall not be used for the purpose of broadcasts intended for the  
13 general public, except for fire, flood, frost, storm, catastrophe, and  
14 ~~such~~ other warnings and information for the protection of the public  
15 safety as the ~~department~~ *office* may prescribe.

16 SEC. 35. Section 15275 of the Government Code is amended  
17 to read:

18 15275. The ~~Department of General Services~~ *office* may do all  
19 of the following:

20 (a) Provide adequate representation of local and state  
21 governmental bodies and agencies before the Federal  
22 Communications Commission in matters affecting the state and  
23 its cities, counties, and other public agencies regarding public  
24 safety communications issues.

25 (b) Provide, upon request, adequate advice to state and local  
26 agencies in the state concerning existing or proposed public safety  
27 communications facilities between any and all of the following:  
28 cities, counties, other political subdivisions of the state, state  
29 departments, agencies, boards, and commissions, and departments,  
30 agencies, boards, and commissions of other states and federal  
31 agencies.

32 (c) Recommend to the appropriate state and local agencies rules,  
33 regulations, procedures, and methods of operation that it deems  
34 necessary to effectuate the most efficient and economical use of  
35 publicly owned and operated public safety communications  
36 facilities within this state.

37 (d) Provide, upon request, information and data concerning the  
38 public safety communications facilities that are owned and operated  
39 by public agencies in connection with official business of public  
40 safety services.

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

2 SEC. 36. Section 15277 of the Government Code is amended  
3 to read:

4 ~~15277. There is hereby established within the department a~~  
5 ~~Division of Telecommunications. The division shall include a~~  
6 ~~policy and planning unit whose duties of the office shall include,~~  
7 but not be limited to, all of the following:

8 (a) Assessing the overall long-range public safety  
9 communications needs and requirements of the state considering  
10 emergency operations, performance, cost, state-of-the-art  
11 technology, multiuser availability, security, reliability, and other  
12 factors deemed to be important to state needs and requirements.

13 (b) Developing strategic and tactical policies and plans for public  
14 safety communications with consideration for the systems and  
15 requirements of the state and all public agencies in this state, and  
16 preparing an annual strategic communications plan that includes  
17 the feasibility of interfaces with federal and other state  
18 telecommunications networks and services.

19 (c) Recommending industry standards for public safety  
20 communications systems to assure multiuser availability and  
21 compatibility.

22 (d) Providing advice and assistance in the selection of  
23 communications equipment to ensure that the public safety  
24 communications needs of state agencies are met and that  
25 procurements are compatible throughout state agencies and are  
26 consistent with the state's strategic and tactical plans for public  
27 safety communications.

28 (e) Providing management oversight of statewide public safety  
29 communications systems developments.

30 (f) Providing for coordination of, and comment on, plans,  
31 policies, and operational requirements from departments that utilize  
32 public safety communications in support of their principal function,  
33 such as the ~~Office of Emergency Services~~ *California Emergency*  
34 *Management Agency*, National Guard, health and safety agencies,  
35 and others with primary public safety communications programs.

36 (g) Monitoring and participating on behalf of the state in the  
37 proceedings of federal and state regulatory agencies and in  
38 congressional and state legislative deliberations that have an impact  
39 on state government public safety communications activities.

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

3 SEC. 37. Section 53108.5 of the Government Code is amended  
4 to read:

5 53108.5. ~~“Communications Division,”~~ “*Office*,” as used in  
6 this article, means the ~~Communications Division of the Department~~  
7 ~~of General Services~~ *office of the State Chief Information Officer*.

8 SEC. 38. Section 53113 of the Government Code is amended  
9 to read:

10 53113. The Legislature finds that, because of overlapping  
11 jurisdiction of public agencies, public safety agencies, and  
12 telephone service areas, a general overview or plan should be  
13 developed prior to the establishment of any system. In order to  
14 insure that proper preparation and implementation of such systems  
15 is accomplished by all public agencies by December 31, 1985, the  
16 ~~Communications Division~~ *office*, with the advice and assistance  
17 of the Attorney General, shall secure compliance by public agencies  
18 as provided in this article.

19 SEC. 39. Section 53114 of the Government Code is amended  
20 to read:

21 53114. The ~~Communications Division~~ *office*, with the advice  
22 and assistance of the Attorney General, shall coordinate the  
23 implementation of systems established pursuant to the provisions  
24 of this article. The ~~Communications Division~~ *office*, with the advice  
25 and assistance of the Attorney General, shall assist local public  
26 agencies and local public safety agencies in obtaining financial  
27 help to establish emergency telephone service, and shall aid ~~such~~  
28 agencies in the formulation of concepts, methods, and procedures  
29 ~~which that~~ will improve the operation of systems required by this  
30 article and ~~which that~~ will increase cooperation between public  
31 safety agencies.

32 SEC. 40. 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 ~~Communications Division~~ *office* is directed to consult  
36 at regular intervals with the State Fire Marshal, the State  
37 Department of *Public Health Services*, the ~~Governor’s Office of~~  
38 ~~Traffic Safety~~, the ~~Office of Emergency Services California~~  
39 ~~Emergency Management Agency~~, the California Council on  
40 Criminal Justice, a local representative from a city, a local

1 representative from a county, the public utilities in this state  
2 providing telephone service, the Associated Public Safety  
3 Communications Officers, the Emergency Medical Services  
4 Authority, the Department of the California Highway Patrol, and  
5 the Department of Forestry and Fire Protection. These agencies  
6 shall provide all necessary assistance and consultation to the  
7 ~~Communications Division~~ *office* to enable it to perform its duties  
8 specified in this article.

9 SEC. 41. Section 53114.2 of the Government Code is amended  
10 to read:

11 53114.2. Technical and operational standards for the  
12 development of the public agency systems shall be established and  
13 reviewed by the ~~Communications Division~~ *office* on or before  
14 December 31, 1973, after consultation with all agencies specified  
15 in Section 53114.1. On or before December 31, 1976, and each  
16 even-numbered year thereafter, after consultation with all agencies  
17 specified in Section 53114.1, the ~~Communications Division~~ *office*  
18 shall review and update technical and operational standards for  
19 public agency systems.

20 SEC. 42. Section 53115 of the Government Code is amended  
21 to read:

22 53115. (a) On or before January 31, 1975, all public agencies  
23 shall submit tentative plans for the establishment of a system  
24 required by this article to the public utility or utilities providing  
25 public telephone service within the respective jurisdiction of each  
26 public agency. A copy of each such plan shall be filed with the  
27 ~~Communications Division~~ *office*.

28 (b) On or before October 1, 1978, all public agencies shall  
29 submit final plans to the ~~Communications Division~~ *office* for  
30 approval. The final plan shall identify all planning, implementation,  
31 installation, and operating costs the local agency feels necessary  
32 to implement the system required by this article. On or before July  
33 1, 1981, all public agencies shall place a firm order as approved  
34 by the ~~Communications Division~~ *office* to the utility or utilities  
35 providing telephone service to the public agency, and shall make  
36 arrangements with such utilities for the implementation of the  
37 planned emergency telephone system no later than December 31,  
38 1985. If the Legislature fails to take action as specified in Section  
39 41030 of the Revenue and Taxation Code prior to January 1, 1981,  
40 then the dates specified for ordering and implementation of a

1 system shall be respectively postponed by the number of years  
2 elapsing between 1981 and the year in which the Legislature acts.

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

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

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

20 SEC. 43. Section 53115.1 of the Government Code is amended  
21 to read:

22 53115.1. (a) There is in state government the State 911  
23 Advisory Board.

24 (b) The advisory board shall be comprised of the following  
25 members appointed by the Governor who shall serve at the pleasure  
26 of the Governor.

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

29 (2) One representative from the Department of the California  
30 Highway Patrol.

31 (3) Two representatives on the recommendation of the California  
32 Police Chiefs Association.

33 (4) Two representatives on the recommendation of the California  
34 State Sheriffs' Association.

35 (5) Two representatives on the recommendation of the California  
36 Fire Chiefs Association.

37 (6) Two representatives on the recommendation of the CalNENA  
38 Executive Board.

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

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

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

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

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

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

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

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

33 SEC. 44. Section 53115.2 of the Government Code is amended  
34 to read:

35 53115.2. (a) The State 911 Advisory Board shall advise the  
36 ~~Telecommunications Division of the Department of General~~  
37 ~~Services office~~ on all of the following subjects:

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

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

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

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

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

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

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

20 SEC. 45. Section 53115.3 of the Government Code is amended  
21 to read:

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

1 SEC. 46. Section 53116 of the Government Code is amended  
2 to read:

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

8 SEC. 47. Section 53119 of the Government Code is amended  
9 to read:

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

17 SEC. 48. Section 53120 of the Government Code is amended  
18 to read:

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

24 SEC. 49. Section 53126.5 of the Government Code is amended  
25 to read:

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

28 ~~(a) “Division of Telecommunications” means the Division of~~  
29 ~~Telecommunications of the Department of General Services.~~

30 ~~(b)~~

31 *(a)* “Local public agency” means a city, county, city and county,  
32 and joint powers authority that provides a public safety answering  
33 point (PSAP).

34 ~~(e)~~

35 *(b)* “Nonemergency telephone system” means a system  
36 structured to provide access to only public safety agencies such  
37 as police and fire, or a system structured to provide access to public  
38 safety agencies and to all other services provided by a local public  
39 agency such as street maintenance and animal control.

1 SEC. 50. Section 53127 of the Government Code is amended  
2 to read:

3 53127. ~~The Division of Telecommunications~~ *office of the State*  
4 *Chief Information Officer* may aid local public agencies in the  
5 formulation of concepts, methods, and procedures that will improve  
6 the operation of systems authorized by this article and increase  
7 cooperation among public agencies.

8 SEC. 51. Section 12100.7 of the Public Contract Code is  
9 amended to read:

10 12100.7. As used in this chapter:

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

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

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

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

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

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

27 (g) *“Procedures” means the specific methods or courses of*  
28 *action to implement policies for information technology*  
29 *procurement.*

30 (h) *For purposes of this chapter, “policies” may be defined as*  
31 *setting general principles and standards for the acquisition of*  
32 *information technology.*

33 ~~(g)~~

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

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

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

39 (3) Reliability of delivery and implementation schedules.

1 (4) The maximum facilitation of data exchange and systems  
2 integration.

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

4 (6) Supplier financial stability.

5 (7) Consistency of the proposed solution with the state's  
6 planning documents and announced strategic program direction.

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

8 (9) Industry and program experience.

9 (10) Prior record of supplier performance.

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

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

14 (13) Proven development methodologies and tools.

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

16 SEC. 52. Section 12101 of the Public Contract Code is amended  
17 to read:

18 12101. It is the intent of the Legislature that policies developed  
19 by the ~~Department of Information Technology~~ *office of the State*  
20 *Chief Information Officer* and procedures developed by the  
21 Department of General Services in accordance with Section 12102  
22 provide for *the following*:

23 (a) The expeditious and value-effective acquisition of  
24 information technology goods and services to satisfy state  
25 requirements.

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

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

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

35 (e) The review and resolution of protests submitted by any  
36 bidders with respect to any information technology goods and  
37 services acquisitions.

38 SEC. 53. Section 12103 of the Public Contract Code is amended  
39 to read:

1 12103. In addition to the mandatory requirements enumerated  
2 in Section 12102, the acquisition policies developed and maintained  
3 by the ~~Department of Information Technology~~ *office of the State*  
4 *Chief Information Officer* and procedures developed and  
5 maintained by the Department of General Services in accordance  
6 with this chapter may provide for the following:

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

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

12 (c) Requirement of a bond or assessment of a cost penalty with  
13 respect to a contract or consideration of a contract offered by a  
14 supplier whose performance has been determined unsatisfactory  
15 in accordance with established procedures maintained in the State  
16 Administrative Manual as required by Section 12102.

17 SEC. 54. Section 12104 of the Public Contract Code is amended  
18 to read:

19 12104. (a) (1) Commencing on or before January 1, 2007, the  
20 State Contracting Manual shall set forth all policies, procedures,  
21 and methods that shall be used by the department when seeking  
22 to obtain bids for the acquisition of information technology,  
23 including any policies contained in the State Administrative  
24 Manual.

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

28 (b) On or before January 1, 2007, the department shall designate  
29 a single entity within the department that shall be solely responsible  
30 for the development, implementation, and maintenance of  
31 standardized methods for the development of information  
32 technology requests for proposals.

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

36 (d) (1) On or before January 1, 2007, the department, in  
37 consultation with a representative from the ~~Department~~ *Office* of  
38 Technology Services, the Department of Finance, the Senate, and  
39 the Assembly, along with representatives from the information  
40 technology industry, shall issue a management memorandum

1 setting forth uniform standards for information technology  
2 procurement. The management memorandum shall prioritize how  
3 the technology will advance the public policy purpose of the state  
4 program that the information technology will serve over the  
5 department's or client's preference for a particular information  
6 product design. Prior to issuing the management memorandum,  
7 the department shall hold at least two public hearings on the  
8 standards that are proposed to be included in the management  
9 memorandum.

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

13 SEC. 55. Section 12105 of the Public Contract Code is amended  
14 to read:

15 12105. The Department of General Services and the ~~Department~~  
16 ~~of Information Technology~~ *office of the State Chief Information*  
17 *Officer* shall coordinate in the development of policies and  
18 procedures ~~which~~ *that* implement the intent of this chapter. The  
19 ~~Department of Information Technology~~ *office of the State Chief*  
20 *Information Officer* shall have the final authority in the  
21 determination of any general policy and the Department of General  
22 Services shall have the final authority in the determination of any  
23 procedures.

24 SEC. 56. Section 12120 of the Public Contract Code is amended  
25 to read:

26 12120. The Legislature finds and declares that, with the advent  
27 of deregulation in the telecommunications industry, substantial  
28 cost savings can be realized by the state through the specialized  
29 evaluation and acquisition of alternative telecommunications  
30 systems. All contracts for the acquisition of telecommunications  
31 services and all contracts for the acquisition of telecommunications  
32 goods, whether by lease or purchase, shall be made by, or under  
33 the supervision of, the Department of General Services. All  
34 acquisitions shall be accomplished in accordance with Chapter 3  
35 (commencing with Section 12100), relating to the acquisition of  
36 information technology goods and services, except to the extent  
37 any directive or provision is uniquely applicable to information  
38 technology acquisitions. The ~~Department of General Services~~ *office*  
39 shall have responsibility for the establishment of policy and  
40 procedures for telecommunications. The ~~Department of General~~

1 ~~Services~~ *office* shall have responsibility for the establishment of  
2 tactical policy and procedures for data-processing acquisitions  
3 consistent with statewide strategic policy ~~as established by the~~  
4 ~~Department of Finance. The Department of Finance shall have~~  
5 ~~review and approval responsibility of data-processing information~~  
6 ~~and telecommunication acquisitions to assure consistency with~~  
7 ~~budgetary objectives.~~ The Trustees of the California State  
8 University and the Board of Governors of the California  
9 Community Colleges shall assume the functions of the ~~Department~~  
10 ~~of Finance and the Department of General Services~~ *office* with  
11 regard to acquisition of telecommunication goods and services by  
12 the California State University and the California Community  
13 Colleges, respectively. The trustees and the board shall each grant  
14 to the ~~Department of General Services, Division of~~  
15 ~~Telecommunications,~~ *office* an opportunity to bid whenever the  
16 university or the college system solicits bids for  
17 telecommunications goods and services.

18 SEC. 57. Section 12121 of the Public Contract Code is amended  
19 to read:

20 12121. As used in this chapter:

21 (a) “*Office*” means the office of the State Chief Information  
22 Officer.

23 (a)

24 (b) “Tactical policy” means the policies of an organization  
25 necessary to direct operational staff in carrying out their day-to-day  
26 activities.

27 (b)

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

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

32 41030. The ~~Department of General Services~~ *office of the State*  
33 *Chief Information Officer* shall determine annually, on or before  
34 October 1, a surcharge rate that it estimates will produce sufficient  
35 revenue to fund the current fiscal year’s 911 costs. The surcharge  
36 rate shall be determined by dividing the costs (including  
37 incremental costs) the ~~Department of General Services~~ *office of*  
38 *the State Chief Information Officer* estimates for the current fiscal  
39 year of 911 plans approved pursuant to Section 53115 of the  
40 Government Code, less the available balance in the State

1 Emergency Telephone Number Account in the General Fund, by  
2 its estimate of the charges for intrastate telephone communications  
3 services and VoIP service to which the surcharge will apply for  
4 the period of January 1 to December 31, inclusive, of the next  
5 succeeding calendar year, but in no event shall such surcharge rate  
6 in any year be greater than three-quarters of 1 percent nor less than  
7 one-half of 1 percent.

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

10 41031. ~~The Department of General Services~~ *office of the State*  
11 *Chief Information Officer* shall make its determination of such the  
12 surcharge rate each year no later than October 1 and shall notify  
13 the board of the new rate, which shall be fixed by the board to be  
14 effective with respect to charges made for intrastate telephone  
15 communication services and VoIP service on or after January 1  
16 of the next succeeding calendar year.

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

19 41032. Immediately upon notification by the ~~Department of~~  
20 ~~General Services~~ *office of the State Chief Information Officer* and  
21 fixing the surcharge rate, the board shall each year no later than  
22 November 15 publish in its minutes the new rate, and it shall notify  
23 by mail every service supplier registered with it of the new rate.

24 SEC. 61. Section 41136 of the Revenue and Taxation Code is  
25 amended to read:

26 41136. Funds in the State Emergency Telephone Number  
27 Account shall, when appropriated by the Legislature, be spent  
28 solely for the following purposes:

- 29 (a) To pay refunds authorized by this part.
- 30 (b) To pay the State Board of Equalization for the cost of the  
31 administration of this part.
- 32 (c) To pay the ~~Department of General Services~~ *office of the*  
33 *State Chief Information Officer* for its costs in administration of  
34 the “911” emergency telephone number system.
- 35 (d) To pay bills submitted to the ~~Department of General Services~~  
36 *office of the State Chief Information Officer* by service suppliers  
37 or communications equipment companies for the installation of,  
38 and ongoing expenses for, the following communications services  
39 supplied to local agencies in connection with the “911” emergency  
40 phone number system:

1 (1) A basic system.

2 (2) A basic system with telephone central office identification.

3 (3) A system employing automatic call routing.

4 (4) Approved incremental costs.

5 (e) To pay claims of local agencies for approved incremental  
6 costs, not previously compensated for by another governmental  
7 agency.

8 (f) To pay claims of local agencies for incremental costs and  
9 amounts, not previously compensated for by another governmental  
10 agency, incurred prior to the effective date of this part, for the  
11 installation and ongoing expenses for the following communication  
12 services supplied in connection with the “911” emergency phone  
13 number system:

14 (1) A basic system.

15 (2) A basic system with telephone central office identification.

16 (3) A system employing automatic call routing.

17 (4) Approved incremental costs. Incremental costs shall not be  
18 allowed unless the costs are concurred in by the ~~Division of~~  
19 ~~Telecommunications of the Department of General Services~~ *office*  
20 *of the State Chief Information Officer.*

21 (g) To pay the ~~Division of Telecommunications of the~~  
22 ~~Department of General Services~~ *office of the State Chief*  
23 *Information Officer* for the costs associated with the pilot program  
24 authorized by Article 6.5 (commencing with Section 53125) of  
25 Chapter 1 of Part 1 of Division 2 of Title 5 of the Government  
26 Code.

27 SEC. 62. Section 41136.1 of the Revenue and Taxation Code  
28 is amended to read:

29 41136.1. For each fiscal year, moneys in the State Emergency  
30 Telephone Number Account not appropriated for a purpose  
31 specified in Section 41136 shall be held in trust for future  
32 appropriation for upcoming, planned “911” emergency telephone  
33 number projects that have been approved by the ~~Department of~~  
34 ~~General Services~~ *office of the State Chief Information Officer*, even  
35 if the projects have not yet commenced.

36 SEC. 63. Section 41137 of the Revenue and Taxation Code is  
37 amended to read:

38 41137. The ~~Department of General Services~~ *office of the State*  
39 *Chief Information Officer* shall pay, from funds appropriated from  
40 the State Emergency Telephone Number Account by the

1 Legislature, as provided in Section 41138, bills submitted by  
2 service suppliers or communications equipment companies for the  
3 installation and ongoing costs of the following communication  
4 services provided local agencies by service suppliers in connection  
5 with the “911” emergency telephone number system:

- 6 (a) A basic system.
- 7 (b) A basic system with telephone central office identification.
- 8 (c) A system employing automatic call routing.
- 9 (d) Approved incremental costs that have been concurred in by  
10 the ~~Communications Division~~ *office of the State Chief Information*  
11 *Officer*.

12 SEC. 64. Section 41137.1 of the Revenue and Taxation Code  
13 is amended to read:

14 41137.1. The ~~Department of General Services~~ *office of the*  
15 *State Chief Information Officer* shall pay, from funds appropriated  
16 from the State Emergency Telephone Number Account by the  
17 Legislature, as provided in Section 41138, claims submitted by  
18 local agencies for approved incremental costs and for the cost of  
19 preparation of final plans submitted to the ~~Communications~~  
20 ~~Division~~ *office of the State Chief Information Officer* for approval  
21 on or before October 1, 1978, as provided in Section 53115 of the  
22 Government Code.

23 SEC. 65. Section 41138 of the Revenue and Taxation Code is  
24 amended to read:

25 41138. (a) It is the intent of the Legislature that the  
26 reimbursement rates for “911” emergency telephone number  
27 equipment shall not exceed specified amounts negotiated with  
28 each interested supplier and approved by the ~~department~~ *office of*  
29 *the State Chief Information Officer*. The ~~department~~ *office of the*  
30 *State Chief Information Officer* shall negotiate supplier pricing to  
31 ensure cost effectiveness and the best value for the “911”  
32 emergency telephone number system. The ~~department~~ *office of*  
33 *the State Chief Information Officer* shall pay those bills as provided  
34 in Section 41137 only under the following conditions:

35 (1) The ~~department~~ *office of the State Chief Information Officer*  
36 shall have received the local agency’s “911” emergency telephone  
37 number system plan by July 1 of the prior fiscal year and approved  
38 the plan by October 1 of the prior fiscal year.

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

1 (3) The ~~department~~ *office of the State Chief Information Officer*  
2 has reviewed and approved each line item of a request for funding  
3 to ensure the necessity of the proposed equipment or services and  
4 the eligibility for reimbursement.

5 (4) The amounts to be paid do not exceed the pricing submitted  
6 by the supplier and approved by the ~~department~~ *office of the State*  
7 *Chief Information Officer*. Extraordinary circumstances may  
8 warrant spending in excess of the established rate, but shall be  
9 preapproved by the ~~department~~ *office of the State Chief Information*  
10 *Officer*. In determining the reimbursement rate, the ~~department~~  
11 *office of the State Chief Information Officer* shall utilize the  
12 approved pricing submitted by the supplier providing the equipment  
13 or service.

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

22 SEC. 66. Section 41139 of the Revenue and Taxation Code is  
23 amended to read:

24 41139. From funds appropriated by the Legislature from the  
25 Emergency Telephone Number Account, the ~~department~~ *office of*  
26 *the State Chief Information Officer* shall begin paying ~~such~~ bills  
27 as provided in Sections 41137, 41137.1, and 41138 in the 1977-78  
28 fiscal year for plans submitted by local agencies by July 1, 1976,  
29 to the ~~department~~ *office of the State Chief Information Officer*  
30 which the ~~department~~ *office of the State Chief Information Officer*  
31 has approved.

32 SEC. 67. Section 41140 of the Revenue and Taxation Code is  
33 amended to read:

34 41140. The ~~Department of General Service~~ *office of the State*  
35 *Chief Information Officer* shall reimburse local agencies, from  
36 funds appropriated from the Emergency Telephone Number  
37 Account by the Legislature, for amounts not previously  
38 compensated for by another governmental agency, which have  
39 been paid by ~~such~~ agencies for approved incremental costs or to  
40 service suppliers or communication equipment companies for the

1 following communications services supplied in connection with  
2 the “911” emergency phone number, provided ~~such~~ local agency  
3 plans had been approved by the ~~department~~ *office of the State Chief*  
4 *Information Officer*:

5 ~~(1)~~

6 (a) A basic system.

7 ~~(2)~~

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

9 ~~(3)~~

10 (c) A system employing automatic call routing.

11 ~~(4)~~

12 (d) Approved incremental costs.

13 SEC. 68. Section 41141 of the Revenue and Taxation Code is  
14 amended to read:

15 41141. Claims for reimbursement shall be submitted by local  
16 agencies to the ~~Communications Division in the Department of~~  
17 ~~General Services~~ *office of the State Chief Information Officer*,  
18 which shall determine payment eligibility and shall reduce the  
19 claim for charges ~~which~~ *that* exceed the approved incremental  
20 costs, approved contract amounts, or the established tariff rates  
21 for ~~such~~ costs. No claim shall be paid until funds are appropriated  
22 by the Legislature.

23 SEC. 69. 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 ~~Department of General Services~~ *office of the*  
28 *State Chief Information Officer* by service suppliers or  
29 communications equipment companies for the installation and  
30 ongoing communications services supplied local agencies in  
31 connection with the “911” emergency phone number system, and  
32 to pay claims of local agencies which, prior to the effective date  
33 of this part, paid amounts to service suppliers or communications  
34 equipment companies for the installation and ongoing expenses  
35 in connection with the “911” emergency phone number system,  
36 the obligation of service suppliers and local agencies to provide  
37 “911” emergency telephone service shall terminate and ~~such~~ service  
38 shall not again be required until the Legislature has appropriated  
39 an amount sufficient to pay ~~such~~ *those* bills or claims. Nothing in  
40 this part shall preclude local agencies from purchasing or acquiring

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

3 SEC. 70. 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 performance  
9 commitments plan. The plan shall be developed in conjunction  
10 with the Office of System Integration, the ~~Department~~ *Office* of  
11 Technology Services, and the County Welfare Directors  
12 Association.

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

19 (2) The plan may include print time.

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

21 (A) The mechanism for tracking system performance.

22 (B) Corrective action protocols.

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

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

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

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

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