

# CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM

## BILL ANALYSIS

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**Assembly Bill 2100**                      **Assembly Member Dutra (As amended 5/4/00)**

**Position:**                                      **Neutral, if amended**

**Proponents:**                                      **Unknown**

**Opponents:**                                      **Unknown**

### **SUMMARY**

AB 2100 establishes the California Internet Portal Management Authority within the Department of Information Technology (DOIT), under the direction of the Chief Information Officer of DOIT. The Authority would establish, administer, manage and maintain Internet policies for the State of California and would either post or direct a state agency to post information on the Internet if a State Budget appropriation is made directing the posting of specified information. This bill specifies, with certain exceptions, that after June 30, 2002, no state agency could post information on the Internet unless a proposal for posting has been approved by the Authority, and that all information be posted according to specified procedures. This bill also requires the development of regulations by the Authority for state agencies to collect fees electronically in lieu of cash or check.

### **HISTORY**

In 1994, Governor Wilson created the Task Force on Government Technology Policy and Procurement, comprised of private sector information technology professionals. This task force conducted an expedited 60-day review of state information technology practices and agreed on a blueprint to reform the state's use and management of information technology.

SB 1 (Alquist), Chapter 508, Statutes of 1995 created the DOIT, which is responsible for the statewide coordination to the State of California's information technology and telecommunications system. DOIT is also responsible for ensuring that the state is receiving the maximum benefit from its nearly \$2 billion annual investment in these technologies.

### **SUMMARY OF AMENDMENTS**

The May 4, 2000 amendments enable state agencies to manage and maintain the content on their websites without having to seek approval continually from a central authority. Initial approval for posting information would still be required, and the central authority would determine the parameters and rules for the maintenance of content. In addition, the May 4<sup>th</sup> amendments delete the application of this bill to California State University.

## **CURRENT PRACTICE**

Currently, DOIT has general oversight of state information technology programs. The Secretary of State is required to issue and maintain rules and regulations for the use of digital signatures and maintains the Uniform Electronic Transactions Act. Existing law requires that numerous departments and agencies post specific information and content on the Internet. Under current law, the provisions of the Public Records Act and the Information Practices Act apply to statutes requiring or restricting specific Internet-related activities by state agencies. In addition, specific privacy and security guidelines apply to state agencies involved in Internet-related activities. The Citizen Complaint Act of 1997, which requires that specified complaint and comment forms be posted on the Internet; and the Grant Information Act of 1999, which requires that specific information regarding grant availability and eligibility to be posted on the Internet.

CalSTRS currently develops, administers and maintains its own Internet web site, and CalSTRS management approves the content of all material posted on the Internet. In addition, pursuant to the plenary authority granted the Teachers' Retirement Board under Proposition 162, CalSTRS does not report to DOIT.

CalSTRS does not receive any payments electronically, but does pay allowances electronically to about 90 percent of the CalSTRS members and beneficiaries receiving benefits.

## **DISCUSSION**

According to the bill's author, AB 2100 "directly counters the 'stovepipe' approach to technology that we currently employ across [state] departments – where each department is responsible for its own technology and electronic government initiatives. He also argues that the implementation of "a single technological architecture, attached to a specific policy objective of improving citizen access and customer service" will increase efficiency and ease of use for government technology. In addition, the author believes that "cementing the role of the Legislature through the budgetary process" will solve the problems of access and confusion associated with public use of government technology.

Although the intent of AB 2100 is to coordinate and streamline government procedures on the Internet, CalSTRS has concerns about the potential consequences of this bill. Access to the CalSTRS website would be funneled through a single domain for the state of California. This transfer of responsibility could conflict with Proposition 162, which grants the board of a public retirement system the sole and exclusive authority over the administration of the system.

For material requiring approval, CalSTRS would need to submit a written proposal to the proposed Authority and wait a minimum of ten days. This approval process could significantly slow the delivery of some information to CalSTRS members, which could adversely affect customer service. The workload for CalSTRS staff could increase significantly because of the need to obtain approval to post on the Internet.

Although the May 4<sup>th</sup> amendments would allow CalSTRS staff to update information placed on the CalSTRS website, such as the legislative weekly updates, Board agendas and other information of interest to CalSTRS members, CalSTRS would need approval from the central Authority before putting any new information on the CalSTRS website. This could hinder CalSTRS' ability to provide information to its members on a timely basis.

## **FISCAL IMPACT**

Benefit Program Costs – None.

Administrative Costs – Although CalSTRS would not be required to accept payments by electronic means under this bill, new accounting procedures would have to be developed and implemented to facilitate the receipt of electronic payments, resulting in one-time and minor on-going costs.

## **POSITION**

Neutral, if amended to exclude CalSTRS from the bill's requirement to obtain DOIT approval of web content. This bill could delay the posting of time-sensitive information and jeopardize the ease of access to CalSTRS information to the general public, members, employers and CalSTRS staff. Requiring approval of CalSTRS website content by another state agency appears to be inconsistent with the Board's authority under Proposition 162.