

GOVERNOR'S 1999-00 BUDGET PROPOSAL FOR: INFORMATION TECHNOLOGY

Information technology expenditures throughout state government are reported to exceed \$2 billion annually. Unfortunately, as California turns more and more toward automation as a means of providing better services, several computer systems have instead failed, thus costing taxpayers hundreds of millions of dollars. The Department of Information Technology was established in 1995 to provide oversight of information technology investments. In addition, the Health and Welfare Agency Data Center and the Stephen P. Teale Data center provide state agencies with information technology services.

THE DEPARTMENT OF INFORMATION TECHNOLOGY

The Department of Information Technology (DOIT) was created by SB 1 (Alquist), Chapter 508, Statutes of 1995, and has the responsibility for the strategic direction and oversight of the State's information technology investments. The budget proposes \$8.3 million for DOIT, a 2.4 percent decrease over revised current year spending.

Year 2000: The Year 2000 problem results from computer systems using only two digits to specify years, which impedes systems' ability to recognize twenty-first century years. Left unresolved, state government would be unable to adequately accomplish even its most basic tasks, such as determining eligibility for public benefits.

Since October 1997 state agencies have been instructed to fix Year 2000 problems of "Mission Critical" systems. The DOIT's Year 2000 Project provides oversight of state agencies' progress in solving Year 2000 problems. DOIT's oversight increases to the point of intervention if the success of a particular agency's project is jeopardized.

In addition, the State's embedded chip technologies are now being evaluated to determine whether replacement is needed for Year 2000 compliance. There are thousands of embedded systems within State government that deliver necessary water, power, telecommunications; and fire services; regulate electronic door locking systems in prisons as well as other state buildings; and run traffic control systems.

The latest DOIT estimate for solving all of the State's Year 2000 problems stands at \$290 million. Generally, departments have redirected existing resources to address Year 2000 needs. However, the 1997-98 State Budget contained a \$55 million reserve account for departments to request an augmentation to existing funds if needed. The 1998-99 State Budget appropriated a total of \$19 million to individual departments and a \$20 million reserve account.

The Administration has appointed a task force to immediately evaluate the State's most critical service delivery areas. Should evaluations determine additional resources are needed to ensure Year 2000 compliance, the Governor would request that additional funds be provided in the budget.

HEALTH AND WELFARE AGENCY DATA CENTER

The Health and Welfare Agency Data Center (HWDC) provides information technology services to various departments of the Health and Welfare Agency, as well as to other state agencies and various local jurisdictions. The Governor's budget proposes \$250 million for HWDC, an increase of \$11 million, or 4.6 percent, over revised current year spending.

California Child Support Automation: The California Child Support Automation system (CCSA) has replaced the failed Statewide Automated Child Support (SACSS) system, which cost taxpayers over \$100 million dollars and left the state without a statewide system with which to track down deadbeat parents. Without a federally approved system in place until the CCSA is fully implemented, California stands to lose tens of millions of dollars in federal support. The CCSA will be implemented in September of 2001 and will consist of four linked consortia systems.

The Governor's budget proposes \$31.4 million for the CCSA system to procure a vendor to link the four consortia, to transition non-SACSS counties to their selected system, and for maintenance.

Statewide Automated Welfare System: The Statewide Automated Welfare System (SAWS) automates welfare eligibility processes and administrative functions for the CalWORKs, Food Stamp, Medi-Cal, Foster Care, Refugee, and County Medical Services program through a four system consortia.

The Governor's budget proposes: \$25.7 million for maintenance and operations of Interim SAWS, which serves 35 counties; \$30.5 million for design, development, and implementation of the Welfare Client Data System, which will serve 18 counties; \$10.4 million for the Los Angeles Eligibility, Automated, Determination, Evaluation, and Reporting (LEADER) system for continued operation and incorporation of various welfare reform requirements; \$12.6 million for planning and implementation activities for Consortium IV, which will serve four counties; and \$4.4 million to implement SAWS Technical Architecture so data can be shared among the four consortia.

Child Welfare Services / Case Management System: The Child Welfare Services / Case Management System (CWS/CMS) automates tracking and reporting information for the Child Welfare Services, Foster Care, and Adoptions programs. The Governor's budget proposes \$43.3 million for maintenance and operation.

Electronic Benefit Transfer: The Electronic Benefit Transfer (EBT) will provide a system to deliver public benefits to eligible recipients through electronic means. Implementation of EBT will begin in 1999-00 and when fully operational by October 2002, Food Stamp and CalWORKS recipients will be able to access their benefits with ATM-like cards. The Governor's budget proposes \$3.7 million to complete EBT development activities.

Statewide Fingerprint Imaging System Provides: The Statewide Fingerprint Imaging System (SFIS) will detect and reduce multiple case fraud in the CalWORKS and Food Stamp program. The Governor's budget proposes \$10.8 million to complete development and to implement SFIS in 1999-00.

STEPHEN P. TEALE DATA CENTER

The Stephen P. Teale Data Center provides information technology services to over 200 state agencies. The Governor's budget proposes \$85.4 million for the Teale Data Center, an increase of \$1.7 million.

The Governor's budget proposes \$2.2 million to purchase and manage additional mainframe processing and direct-access storage device capacity, and \$2.2 million to pay for facility relocation expenses as the Data Center prepares to relocate to a new facility in Rancho Cordova.