



THE CITY OF SAN DIEGO
MANAGER'S REPORT

DATE ISSUED: October 9, 2000 REPORT NO. 00-207
ATTENTION: Rules, Finance and Intergovernmental Relations Committee
Agenda of October 11, 2000
SUBJECT: E-Government Policy Issues

SUMMARY

Issues: Should the Committee recommend the revision of the Telecommunications Policy (900-13) to include a Privacy Notice and Disclaimer and other policy decisions pertaining to E-Government?

Manager's Recommendation: Approve the draft Privacy Policy and Disclaimer for immediate posting on the City's Web site. Direct the Manager to prepare a draft revision for Council review of the Telecommunications Policy to include a Privacy Notice and Disclaimer and other policy proposals pertaining to the City's E-government.

Other Recommendations: None

Fiscal Impact: None

BACKGROUND

In October 1994, the City Council adopted (900-13) the Telecommunications Policy to guide the City's response to the challenges and opportunities presented by emerging telecommunications. Technology has advanced significantly since 1994, especially with the explosive growth of the Internet and the World-Wide-Web. The public's use and access to the Internet are increasing and there is an expectation for government to provide electronic access to interactive services on the Internet.

The City's Web site, recognized as a City service with the "highest residential satisfaction" rating in 1999, is a tremendous resource to citizens with more than 4,058 unique web pages and 100,927,611 "hits" in FY'00. It is the single, comprehensive, official web site for the City of San Diego. Numerous databases of City information, notices, forms, service requests, calendars, maps and email to City officials are accessed by citizens, tourists, businesses, and other organizations and agencies, locally and globally. The City's web site is clearly a significant service delivery point, that the public can visit conveniently and around the clock from their homes, schools, libraries, businesses, community service centers, or virtually anywhere using the Internet.

During the past year, the City's E-Government Program has been establishing the foundation for the City to provide more dynamic and interactive capabilities on the City Web site. Electronic Government, known as E-Government, encompasses a vision and strategy of using technology to transform how the City will serve its citizens and how we will interact with our business partners, employees and other government organizations in the 21st century. Potential outcomes of E-Government are more responsive citizen-centric services, "on-demand" online business transaction services, greater access to the "business of government" and citizen participation in government, and enhanced economic development.

Some of E-Government initiatives implemented recently are listed in Current Major E-Government Initiatives in Appendix 3. Under development and anticipated for implementation in the next 60 days include electronic payment and "Your Residential Services", a GIS application that allows citizens to type in their address to learn the City services in their neighborhood.

E-Government requires end-to-end rethinking and redesign of the way the City serves its community. Business processes will need to be turned "inside out" to be more "customer-facing." Citizens won't need to "understand" our organizational structure to obtain services. We will be able to interact with our business partners using industry standard practices and solutions. Technical skills, infrastructure and support are being developed to enable the City to respond quickly to constant changing needs and expectations. Typical business focuses such as customer service management (CRM) and marketing will be necessary for government to be competitive. When a company can do its business online, it is not likely to want to relocate to or interact with a City that still conducts its government in-line.

It is important to address the policy issues and the implications of E-Government as the City moves toward interactive services and online transactions. There are critical responsibilities that the City must ensure are being met when delivering electronic services. Examples include: protecting the citizens' privacy and safeguarding City data, systems, and network, ensuring equal access and consideration of those with special needs such as the disabled community and to minimize the "digital divide," and how to pay for the costs of providing electronic services. While established policies can serve as the basis for addressing some issues, such as advertising, endorsements, and liability, new policy guideposts are necessary to navigate how we build this

new path of serving our citizens and conducting business electronically. This report presents a proposed Privacy and Disclaimer Policy. It is recommended that the Policy be approved and that the nature of the policy be posted on the City's Web site. This report also introduces a summary of several other E-Government policy issues that will need to be fully developed and discussed in the near future.

DISCUSSION

The existing Telecommunications Policy (900-13) provides the basic fair information principles for the use of telecommunications to meet City goals. In particular the policy supports the objective to balance open government with protecting the privacy of citizens, by guiding the collection, maintenance and dissemination of personal information held by the City. The basic principles approved continue to serve as the foundation, along with other policies and laws, for implementing and using technology to delivery electronic services. However, the state-of-the-art and the new applications of technology in government necessitate a review of the policy and the proposed implementation of a Privacy and Disclaimer Notice.

PRIVACY NOTICE

The proposed PRIVACY NOTICE consists of sections on **Personal/Confidential Information** and **Security**.

Privacy The protection of privacy is a real concern of citizens regarding their personal information collected and stored in computer systems and on the Internet. Citizens need to be assured that the City is actively supporting the policy. Updating the policy to append the proposed notices and the posting of the notices on the web site would more specifically communicate the City's implementation of the policy. The proposed policy consists of sections on **Personal/Confidential Information** and **Security**. The notice supports the practices of responsible information-handling and openness as stated in California Government Code section 11015.5:

- 1) Defines what is kind of information collected and stored on the Web site,
- 2) States the purposes for collecting the information,
- 3) Identifies the use of the information,
- 4) Indicates how incorrect or inaccurate information can be updated,
- 5) Indicates use of "cookies" and how they are used.

The proposed policy clearly states that personal information will only be used for the purpose stated. "Cookies" are a type of technology which transfers information from the City's Web site to the consumer's computer for record-keeping purposes. "Cookies" are generated and stored on the user's computer to be used by the Web site on their next visit. "Cookies" are also currently used to collect technical information for usage statistics and site management. In the future, "cookies" may be used in identifying user preferences to support the capability of

personalization when accessing the site. The Privacy Notice is to be accessible on the City's Web Site at a minimum from any web page on the site that collects personal information.

Security Security and trust in electronic communications are critical to a wider acceptance of the Internet as a medium for electronic service delivery and transactions. A trustworthy infrastructure for conducting electronic transactions must ensure authentication of the parties involved, message integrity, confidentiality, access control, and non-repudiation of transactions. Protection of the City's network, data and systems from unauthorized access is critical. The San Diego Data Processing Corporation has developed a Technical Security Policy. The City recently implemented secure remote access to City systems for employees and secure encryption technology for interactive forms completed by the public on the City's Web site. The **Disclaimer of Liability** is included in the Notice.

DISCLAIMER NOTICE

The Disclaimer Notice also addresses many of the issues regarding linking to commercial Web sites regarding the City's endorsement policy, warranties, use of third party materials, copyright and indemnification. The **Notice to City** section states that the information provided on the City's Web site does not constitute "legal or official notice", rather that the Web site information is provided as public service. The **Prohibitions** section forbids the use of the City's seal to endorse commercial activity without permission of the City. The **Restrictions on Use of Materials** and **Copyright Notice** sections govern the use of information on the site and describe which materials are protected pursuant to copyright provisions

The **Disclaimer for Hypertext Links** provision describes the policy for "linking" the City's Web site to other sites on the Internet, making it clear that such linking is for informational purposes and does not imply any endorsement by the City. It also states that the City is not responsible for the content, quality, or accuracy of any "off-site" materials. Links on the City of Web site to non-government sites are not prohibited. Enabling links to selective non-government sites may be appropriate to support information, services or economic development provided on the City's Web site. Guidelines and criteria for evaluating current and potential links on the City Web site will be reviewed for compliance with this policy.

The **Disclaimer of Liability** section clearly states that the City shall not be held liable for any improper or incorrect use of the information contained on the City's Web site nor for damages to others arising using the Web site and its information. The **Disclaimer of Warranties/Accuracy and Use of Information section** states that the City will makes every attempt to ensure the information on its Web site is accurate. However, the City is not liable for inaccuracy and omissions.

FUTURE POLICY ISSUES/DISCUSSIONS

There are several other complex issues related to E-Government that may require discussion and

policies. The issues are emerging particularly as the City further develops E-Government solutions. These may include:

- New Costs There are new costs related to infrastructure and transaction charges from financial institutions and vendors such as processing fees, credit card discount fees, and service costs. These are typically associated with e-commerce applications such as payments for online bills, permits and licensing, and online procurement or sale of real property. When can selective public records information be provided as a "fee-based" service? Some cities are passing along those costs and others absorb such fees as the cost of doing business more effectively.
- Advertising The use of advertising on Web site, such as banner ads are occurring on a few municipal sites. However, the issue involving the selection of which ads to allow and the perceived endorsement of those commercial entities create potential legal issues. It should be noted that the City is presenting logos and links to those companies selected through the Municipal Marketing Partnership Program.
- Special Needs Other issues pertain to the special needs of several populations groups such as non-English speaking people and the disabled community. To what extent can the City Web site serve all groups effectively? Which languages and how many can the City Web site support and afford? What is reasonable to provide and what alternative formats might better serve these groups? The City does make every reasonable attempt to adopt the American Disabilities Act guidelines. The City will continue to monitor the marketplace for effective tools to assist in serving these groups.
- Digital signatures, also known as electronic signatures are a vital component of Internet-based e-commerce because they authenticate the identities of the parties involved in a transaction. It has been deemed binding as a tool to secure and authenticate business filings where a signature is required. This capability is also significant for achieving a "paperless" office where City business requires a signature. The City is planning to implement this capability. However, how best and for which business requirements would the City implement this capability.

SUMMARY

There are many issues that need to be addressed in meeting the E-Government opportunities. Adding the Privacy and Disclaimer Notices to the Telecommunications Policy supports the City's goal of successful electronic service delivery.

ALTERNATIVE

Do not approve the policy statements or approve modified policy statements.

Respectfully submitted,

Dianah Neff
Deputy City Manager/CIO

RW/DN

- Attachments:
1. Telecommunication Policy (900-16)
 2. Proposed Privacy and Disclaimer Notice
 3. Current Major E-Government Initiatives

Note: Attachment 1 not available in electronic format. A copy is available for review in the Office of the City Clerk.