ENROLLED SENATE
BILL NO. 1315

By: Robinson of the Senate

and

Anthony of the House

An Act relating to state government and public finance; amending 74 O.S. 1991, Sections 85.3, as amended by Section 1, Chapter 175, O.S.L. 1993, 85.7, as last amended by Section 19 of Enrolled House Bill No. 2428 of the 2nd Session of the 45th Oklahoma Legislature, Section 1, Chapter 291, O.S.L. 1995 and Section 85.12, as last amended by Section 2 of Enrolled Senate Bill No. 775 of the 2nd Session of the 45th Oklahoma Legislature (74 O.S. Supp. 1995, Sections 85.3 and 85.9D), which relate to the Oklahoma Central Purchasing Act; amending 62 O.S. 1991, Sections 41.5e and 41.5j, as amended by Section 7, Chapter 268, O.S.L. 1992 (62 O.S. Supp. 1995, Section 41.5j), which relate to data processing, communications, and telecommunications; requiring certain recognition of certain contracts; authorizing certain negotiations; authorizing certain purchases; making certain provisions of the Oklahoma Central Purchasing Act not applicable to certain entities and certain purchases; clarifying applicability of certain bidding requirements; exempting certain entities from limitations on entering certain contracts; requiring certain coordination with certain division of Office of State Finance; exempting certain acquisitions from the purview of the Oklahoma Central Purchasing Act; restricting certain requirements to agencies of the executive branch; changing requirement for submission of certain plans and exempting certain entity from requirement to submit certain plans; providing for codification; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 85.9E of Title 74, unless there is created a duplication in numbering, reads as follows:

A. The Department of Central Services shall recognize as a statewide contract an unencumbered contract consummated in behalf of the telecommunications network known as OneNet by the Oklahoma State Regents for Higher Education or any other state entity assigned responsibility for OneNet; provided, said recognition shall require recommendation by the Information Services Division of the Office of

State Finance. The Department of Central Services shall not subject purchases pursuant to said contracts to any quantity limit.

B. For purchases that require review of the purchase requisition by the Information Services Division of the Office of State Finance and that are not available on a statewide contract but are available from a General Services Administration (GSA) schedule or contract, or are available from a GSA schedule or contract at a lesser price than from a state contract, state agencies may, with the approval of the Information Services Division, purchase from the vendor or vendors on the GSA schedule or contract.

C. The Oklahoma State Regents for Higher Education and any other state entity assigned responsibility for OneNet are authorized to negotiate for education or government discounts from published price listings and to make contracts at such prices subject to adjustment for price increases nationally published.

SECTION 2. AMENDATORY 74 O.S. 1991, Section 85.3, as amended by Section 1, Chapter 175, O.S.L. 1993 (74 O.S. Supp. 1995, Section 85.3), is amended to read as follows:

Section 85.3 There is hereby created and established in the Department of Central Services a Purchasing Division, the administrative head of which shall be the Director of Central Purchasing. Said Director shall be hired by the Director of the Department of Central Services. The Director shall be at least twenty-eight (28) years of age, have a thorough knowledge of office practices and buying procedures in volume purchasing, and be a graduate of an accredited college or university with at least five (5) years' experience in commercial or governmental purchasing, or, in lieu of such educational requirement, have at least ten (10) years' experience in commercial or governmental purchasing. Said State Purchasing Division shall include the following employees, and employment of such employees is hereby authorized: one assistant director; one qualified specifications engineer; nineteen or less qualified buyers who shall be experienced for three (3) years, respectively, in the following commodities: food, hardware, textiles, petroleum, office supplies, building materials, pharmaceutical supplies, automotive equipment, parts and accessories, and any other commodity group found by the Department of Central Services to justify special purchasing attention, and one of whom shall be responsible solely for purchases of products and services of the severely handicapped, as provided in Section 3001 et seq. of this title; one dietitian, who shall have the qualifications required by the State Department of Health; and such other technical and clerical personnel as shall be employed by the Department of Central Services, or hereafter provided by law. All activities of any state agency, department, or institution relating to purchasing shall be under the direction of the Purchasing Division, except such acquisitions as are excluded by the Oklahoma Central Purchasing Act. The provisions of the Oklahoma Central Purchasing Act shall not apply to county government nor to institutions of ~~higher learning~~ The Oklahoma State System of Higher Education, the Oklahoma State Regents for Higher Education, the University Centers subject to the State Regents, nor to the telecommunications network known as OneNet whether said network is governed or operated by the State Regents or any other state entity assigned responsibility for OneNet. The Purchasing Division shall provide qualified personnel to supervise the purchasing activities of the various agencies, departments, and institutions of the state. Each agency, department, and institution shall designate personnel to coordinate its purchasing functions with the Purchasing Division. The Purchasing Division may, if the needs of an agency, department, or institution are such as to so

require, employ, and establish a buyer within such agency, department, or institution. No agency, department, or institution of this state shall have or maintain a purchasing section without the prior approval in writing of the Purchasing Division except those agencies whose acquisitions are exempted in Section 85.12 of this title.

The Purchasing Division is encouraged to make purchases from industries operated by the State Department of Corrections of items manufactured or offered for sale by said Department of Corrections, and to make all purchases from industries operated and items manufactured and sold in this state, whenever practicable.

None of the personnel authorized by this section shall furnish any of the services, materials, supplies, or equipment covered by the Oklahoma Central Purchasing Act, nor shall such personnel be employees, partners, associates, officers, or stockholders in or with any business entity which does, nor shall anyone be employed in any of the positions authorized by this section whose spouse or child owns any stock in any business entity which furnishes any supplies, materials, services, or equipment covered by the Oklahoma Central Purchasing Act, nor shall anyone be employed in any of the positions authorized by this section whose brother, sister, father, mother, aunt, uncle, or other relative within the third degree, whether related by consanguinity or affinity, is engaged in furnishing such supplies, materials, services, or equipment or is interested in any business entity which does, except that such relative, excluding a spouse or child, may own Five Thousand Dollars ($5,000.00) worth or less, or one percent (1%) or less, whichever amount is the lesser amount, of the stock of a corporation or any business entity which furnishes such materials, supplies, equipment, and services.

SECTION 3. AMENDATORY 74 O.S. 1991, Section 85.7, as last amended by Section 19 of Enrolled House Bill No. 2428 of the 2nd Session of the 45th Oklahoma Legislature, is amended to read as follows:

Section 85.7 A. No acquisition or contract shall be made without the submission of competitive bids by the State Purchasing Director, except as provided in this section.

1. Any acquisition or contract for an amount of Two Thousand Five Hundred Dollars ($2,500.00) or less shall be exempted from competitive bidding procedures. Separate contracts or acquisitions for the individual components of a total project or service or split purchasing for the purpose of evading the requirement of competitive bidding shall be deemed a felony. The State Purchasing Director may waive or increase the two-thousand-five-hundred-dollar limit up to, but not to exceed, a contract or purchase price of ten percent (10%) above the open market limit to perfect an otherwise valid acquisition or contract inadvertently exceeding the two-thousand-five-hundred-dollar limit due to administrative error or unforeseeable circumstances. Requests for such waiver or increase shall be promptly submitted upon the discovery of such error or circumstance to the State Purchasing Director in a form prescribed by said Director setting forth the facts. All requests for such waiver or increase in amount, whether granted or denied, shall be reported monthly to the offices of the Governor, President Pro Tempore of the Senate, and Speaker of the House of Representatives.

2. Contracts for master custodian banks or trust companies, investment managers and investment consultants for state retirement systems, the State Insurance Fund, and the State and Education Employees Group Insurance Board, the pension fund management consultants of the Oklahoma State Pension Commission, the

Commissioners of the Land Office and actuarial, architectural, engineering, legal, or other professional services as such term is defined in Section 803 of Title 18 of the Oklahoma Statutes shall be exempt from competitive bidding procedures. The Department of Central Services shall send a copy of such contracts or a list of such contracts to any member of the House or Senate Appropriations Committee, if requested by the member.

3. Competitive bids shall not be required for any emergency acquisitions or contracts involving Five Thousand Dollars ($5,000.00) or less, when, upon written request of the State Purchasing Director specifying the facts and circumstances giving rise thereto, the Governor certifies in writing the existence of an emergency authorizing the acquisition or contract.

4. Competitive bids for services to alleviate a serious environmental emergency shall not be required if, upon the request of the Chairman of the Corporation Commission and after having examined the facts and circumstances of the case, the Governor certifies in writing the existence of a serious environmental emergency. A serious environmental emergency for the purpose of this section means a situation within the jurisdiction of the Commission:

a. in which serious damage to the environment will quickly occur if immediate action is not taken, and the damage will be so significant that the urgent need for action outweighs the public policy strongly favoring competitive bids, or

b. a situation in which human life or safety is in imminent danger or significant property interests are threatened with imminent destruction.

5. Purchases or acquisitions for repairs of equipment and machinery in emergencies, or of livestock through a market agency, dealer, commission house, or livestock auction market bonded or licensed under federal or state law <u>or the purchase or collection of semen or embryos and the placement of embryos into recipient livestock</u> shall not be subject to the competitive bid requirements of this section or any other provisions of the Oklahoma Central Purchasing Act.

6. Purchases or acquisitions of human organs and internal prostheses for the Oklahoma Medical Center, shall not be subject to the competitive bid requirements of this section or any other provisions of the Oklahoma Central Purchasing Act.

7. Any contract for the restoration of historical sites and museums shall not be subject to the competitive bid requirements of this section or any other provision of the Oklahoma Central Purchasing Act. The procedures will be followed except contractor and bid selection will be the prerogative of the Oklahoma Historical Society Board and selection will be based on contractors' documented qualifications and experience.

8. Purchases of postage by state agencies shall be made in accordance with the provisions of Sections 90.1 through 90.4 of this title.

9. Any sole source contract shall not be subject to competitive bidding procedures. Any agency requesting products or services pursuant to a sole source contract shall comply with Section 89 of this title.

10. Contracts for the design, development, communication or implementation of the state employees flexible benefits plan shall not be subject to the requirements of this section; provided, that the Flexible Benefits Advisory Council shall use procedures

consistent with the competitive bid requirements of the Oklahoma Central Purchasing Act.

11. a. Any contract for a service for which the Department of Central Services has approved as qualifying for a fixed and uniform rate shall not be subject to competitive bid procedures.

b. The Department of Central Services shall establish criteria and guidelines for those services which may be qualified for a fixed and uniform rate.

c. The exception to competitive bid procedures authorized by this paragraph shall be limited to contracts for those services furnished to persons directly benefiting from such services and shall not be used by any agency to employ consultants or to purchase products.

d. Any agency desiring to have a service qualified for a fixed and uniform rate shall make a request for such qualification to the Department of Central Services and shall submit any documentation necessary to support such request. The Department of Central Services shall either approve or deny the request. If the Department of Central Services qualifies such services for a fixed and uniform rate, the agency requesting such qualification shall establish a fixed and uniform rate for such service, provided no contracts shall be entered into by the agency until such rate has been approved by the agency in a public hearing. Prior to approval, the proposed rate shall be clearly and separately identified in the agenda of the agency for the hearing and shall be openly and separately discussed during such hearing. In addition, the agency shall notify the Director of the Department of Central Services of its pending consideration of the proposed rate at least thirty (30) days before the agency is to meet on the proposed rate. Along with such notice, the agency shall deliver to the Department of Central Services a copy of the agenda items concerning the proposed rate with all supporting documentation and materials. The Director of the Department of Central Services shall communicate any observation, reservation, criticism or recommendation to the agency, either in person at the time of the hearing or in writing delivered to the agency before or at the time of the hearing. The Director of the Department of Central Services shall specifically note in such written communications if the Director of the Department of Central Services has determined the rate to be excessive. Any such written communication presented in the absence of the Director of the Department of Central Services shall be presented orally during the public hearing. Whether made in person or in writing any comment made by the Director of the Department of Central Services shall be made a part of the minutes of the hearing in full.

e. Within two (2) weeks after the convening of the Legislature, the administrative officer of each state agency shall furnish to the Speaker of the House of Representatives, the President Pro Tempore of the Senate and to any member of the House or Senate, if requested by such member, a complete list of all of

the types of services paid for by uniform fixed rates, the amount of the rate last approved by the agency for the service, and the number of contracts then in existence for each type of service. Any rate which has been determined to be excessive by the Director of the Department of Central Services shall be specifically identified in such list.

f. At any time, the Director of the Department of Central Services is authorized to review, suspend, or terminate a contract entered into pursuant to the provisions of this paragraph if the Director of the Department of Central Services determines the contract is not necessary, is excessive, or is not justified.

12. Purchases of or contracts for specifically prescribed nonmedical adaptive technology-related items for individuals with disabilities who are clients of the Department of Rehabilitation Services and which item is prescribed by a physician, rehabilitation engineer, qualified rehabilitation technician or qualified sensory aids specialist shall not be subject to the competitive bid requirements of this section. The Commission for Rehabilitation Services shall develop standards for the acquisition of such nonmedical adaptive technology-related items and may elect to utilize Central Purchasing when appropriate. Such standards shall foster economy, short response time, and shall include appropriate safeguards and written records to assure appropriate competition and economical and efficient purchasing and shall be approved by the Director of Central Purchasing.

13. Purchases of or contracts for specifically prescribed nonmedical assistive technology-related items not exceeding Two Thousand Five Hundred Dollars ($2,500.00) for individuals under sixteen (16) years of age who are recipients of Supplemental Security Income and which are prescribed by a physician, qualified sensory aids specialists or qualified special education instructors shall not be subject to the competitive bid requirements. The Department of Human Services shall develop standards for the acquisition of such nonmedical assistive technology-related items and may elect to utilize Central Purchasing when appropriate. Such standards shall foster economy, short response time, and shall include appropriate safeguards and written records to assure appropriate competition and economical and efficient purchasing and shall be approved by the Director of Central Purchasing.

14. a. Structured settlement agreements entered into by the Attorney General's office in order to settle any lawsuit involving the state, the Legislature, any state board, agency, commission, or any employee or official of the state shall not be subject to the competitive bidding requirements of this section if:

(1) prior to entering into any contract for the services of an entity to administer a structured settlement agreement, the Attorney General receives proposals from at least three entities engaged in providing such services, and

(2) the selection of a particular entity is made on the basis of the response to the request which is the most economical and provides the most competent service which furthers the best interests of the state.

b. A list of any such structured settlement agreements entered into by the Attorney General with summary thereon for the previous calendar year shall be

submitted to the Speaker of the House of Representatives and the President Pro Tempore of the Senate on January 31 of each year.

B. Acquisitions or contracts shall be awarded to the lowest and best bidder therefor at a specified time and place, which shall be open to the public, with such preference between bidders offering substantially the same products or services at substantially the same prices, as may be set under the authority of Section 85.5 of this title.

C. Bids for professional service contracts shall be evaluated by the State Purchasing Director and the agency contracting for such service. Both cost and technical expertise shall be considered in determining the lowest and best bid. Further, such agency shall present its evaluation and recommendation to the State Purchasing Director. A documented evaluation report containing the evaluations of the State Purchasing Director and the agency contracting for such service shall be completed prior to the awarding of a professional service contract and such report shall be a matter of public record.

D. When requested by the governing body of a state retirement system, the State Insurance Fund or the State and Education Employees Group Insurance Board which are authorized to hire investment managers, the Department of Central Services shall assist the governing body of a state retirement system, the Fund or the Board in the process of selecting investment managers. When requested by the Flexible Benefits Advisory Council, the Department of Central Services shall assist the Council in the process of selecting contracts for the design, development, communication or implementation of the state employees flexible benefits plan.

E. Except as otherwise specifically provided by law, the acquisition of food items or food products by a state public agency from a public trust created pursuant to Sections 176 through 180.56 of Title 60 of the Oklahoma Statutes shall comply with competitive bidding procedures pursuant to the provisions of this section.

SECTION 4. AMENDATORY Section 1, Chapter 291, O.S.L. 1995 (74 O.S. Supp. 1995, Section 85.9D), is amended to read as follows:

Section 85.9D <u>A.</u> As used in this section:

1. "Consolidation contracts" shall mean contracts for several state entities, entered into for the purposes of purchasing computer software maintenance and hardware maintenance contracts in quantity; and

2. "Enterprise contracts" shall mean agreements which would include all products used by this state that are manufactured, developed and designed by an individual vendor.

~~All~~ <u>B. Except as otherwise provided in subsection C of this section,</u> agencies within the executive branch shall coordinate any purchases of computer software maintenance and hardware maintenance contracts through the Department of Central Services. The Department of Central Services is authorized to establish consolidated contracts and enterprise agreements for the purpose of purchasing computer software maintenance and hardware maintenance contracts. The Department of Central Services is authorized to employ negotiations in lieu of bidding procedures in the purchase of the maintenance contracts only if the negotiations reduce the state's cost.

<u>C. Purchases of computer software maintenance and hardware maintenance contracts for the telecommunications network known as OneNet and such purchases by agencies of the executive branch for maintenance of software or hardware used in connection with OneNet or for applications for which compliance with standards or protocols</u>

established for OneNet users is required, shall be coordinated with the Information Services Division of the Office of State Finance.

SECTION 5. AMENDATORY 74 O.S. 1991, Section 85.12, as last amended by Section 2 of Enrolled Senate Bill No. 775 of the 2nd Session of the 45th Oklahoma Legislature, is amended to read as follows:

Section 85.12 A. The provisions of this section shall not be construed to affect any law relating to fiscal or accounting procedure except such as may be directly in conflict herewith; and all claims, warrants and bonds shall be examined, inspected and approved as now provided by law.

B. The following acquisitions shall not be included within the purview of the Oklahoma Central Purchasing Act, Section 85.1 et seq. of this title:

1. Food and other products produced by state institutions and agencies;

2. Contracts for construction of new buildings and for the repair, maintenance or modernization of old buildings by state educational institutions included within The Oklahoma State System of Higher Education;

3. The printing or duplication of publications or forms of whatsoever kind or character by state agencies, which service is performed upon their own equipment, by their own employees;

4. Acquisitions by institutions of The Oklahoma State System of Higher Education ~~on any institution or entity comprising the same~~, the Oklahoma State Regents for Higher Education, or the University Centers subject to the State Regents insofar as such acquisitions relate to textbooks, laboratory supplies, instructional materials and specialized laboratory equipment or acquisitions for the telecommunications network known as OneNet, whether said network is governed or operated by the State Regents or any other state entity assigned responsibility for OneNet;

5. Department of Transportation and Transportation Commission contractual services or right-of-way purchases. Contracts awarded pursuant to bids let by the Transportation Commission for the maintenance or construction of streets, roads, highways, bridges, or underpasses, or any other transportation facilities under the control of the Department of Transportation, the acquisitions of equipment or materials accruing to the Department of Transportation required in Federal-Aid contracts, and contracts for public service type announcements initiated by the Department of Transportation. Contractual services as used herein shall not include advertising or public relations services;

6. Utility services where rates therefor are regulated by a state or federal regulatory commission, or by city ordinance or by an Indian Tribal Council for use by the Department of Corrections only;

7. Acquisition of products and services by the University Hospitals and the University Hospitals Authority. The Authority shall develop standards for the acquisition of products and services and may elect to utilize Central Purchasing when appropriate. Such standards shall foster economy, short response time, and shall include appropriate safeguards and written records to assure appropriate competition and economical and efficient purchasing and shall be approved by the Director of Central Purchasing;

8. Contracts for custom harvesting by the Department of Corrections for the Department or its institutions;

9. Contracts with private prison contractors which are subject to the contracting procedures of Section 561 of Title 57 of the Oklahoma Statutes;

10. Acquisitions of aircraft by agencies authorized by the Legislature to purchase aircraft;

11. Purchases by the Oklahoma Municipal Power Authority;

12. Grand River Dam Authority;

13. Purchases by rural water, sewer, gas or solid waste management districts created pursuant to Section 1324.1 et seq. of Title 82 of the Oklahoma Statutes;

14. Purchases by the Oklahoma Ordnance Works Authority or Midwestern Oklahoma Development Authority, except that the Oklahoma Ordnance Works Authority and the Midwestern Oklahoma Development Authority shall remain subject to the provisions of Section 85.32 of this title;

15. Contracts entered into by the Oklahoma Industrial Finance Authority for the services of an appraiser or for acquisition of insurance when it is determined by its Board of Directors that an emergency exists and for the services of legal counsel when approved by the Attorney General;

16. Expenditure of monies appropriated to the State Board of Education for the purpose of Local, State-supported Programs and State-supported Programs except monies appropriated for the Administrative and Support Functions of the State Department of Education;

17. Contracts entered into by the State Department of Vocational and Technical Education for the development, revision or updating of vocational curriculum materials;

18. Contracts entered into by the Oklahoma Center for the Advancement of Science and Technology for professional services;

19. Contracts entered into by the Oklahoma Department of Commerce pursuant to the provisions of Section 5066.4 of this title;

20. Purchases made by the Oklahoma Historical Society from monies used to administer the White Hair Memorial;

21. Purchases of products available to an agency through a General Services Administration contract or other federal contract if the item is on current state contract and the terms of such contract are more favorable to the agency than the terms of a state contract for the same products as determined by the State Purchasing Director;

22. Contracts for managed health care services entered into by the state entity designated by law or the Department of Human Services, as specified in paragraph 1 of subsection A of Section 1010.3 of Title 56 of the Oklahoma Statutes;

23. Purchases of products by the Forestry Service of the State Department of Agriculture as authorized by the federal General Services Administration through a General Services Administration contract or other federal contract if the item is not on current state contract or the terms of such federal contract are more favorable to the agency than the terms of a state contract for the same products;

24. Purchases amounting to less than that requiring competitive bid pursuant to Section 85.7 of this title. The Director of Central Services shall promulgate rules related to such purchases in excess of Seven Hundred Fifty Dollars ($750.00) and not exceeding Two Thousand Five Hundred Dollars ($2,500.00) to ensure competitiveness and fairness in such purchases;

25. Purchases or acquisitions of clothing for clients of the Department of Human Services and purchases and acquisitions of food for group homes operated by the Department of Human Services; and

26. Purchases made or contracts entered into by the Oklahoma Energy Resources Board.

C. Notwithstanding the exclusions provided herein, any agency or common schools of Oklahoma, any municipality of the state, any rural fire protection district and county officers may, unless the contract with the state specifies otherwise, avail themselves of the provisions of the Oklahoma Central Purchasing contracts and the services of the Purchasing Director. Provided further, however, that any subdivision of government and any rural fire protection district of the state may designate the office of Oklahoma Central Purchasing as its agent for the purchase or procurement of any item or service contracted or available to the state.

D. Further, notwithstanding the exclusions provided herein, the purchasing policies and procedures of the Oklahoma Ordnance Works Authority, the University Hospitals Authority and the Midwestern Oklahoma Development Authority shall be subject to approval by the Director of the Department of Central Services, and said Director shall make periodic audits of the purchasing policies and procedures of the Oklahoma Ordnance Works Authority, the University Hospitals Authority and the Midwestern Oklahoma Development Authority to ensure that said purchasing policies and procedures, as approved, are being followed.

SECTION 6. AMENDATORY 62 O.S. 1991, Section 41.5e, is amended to read as follows:

Section 41.5e A. ~~Not later than September 1, 1984, and not less than annually thereafter all~~ All agencies of the executive branch of this state presently using or contemplating the use of electronic data processing applications, including but not limited to, the use of mainframe computers, minicomputers or microcomputers, word processing equipment, or office automation systems, shall annually submit to the Information Services Division a long-range plan, summarizing the agency's detailed plan, for not less than the ensuing three (3) fiscal years, which shall include as a minimum:

1. An overview of major projects and objectives;
2. Estimated resource requirements including personnel, hardware, and software;
3. Key project dates;
4. Project priorities;
5. Estimated project costs and benefits;
6. Revisions to previous plans;
7. Specific segments which will be included in the agency budget request for the next ensuing fiscal year; and
8. Such other information as the Information Services Division may require for analysis and consolidation into a statewide plan for electronic data processing.

B. ~~After June 30, 1985, no~~ No agency of the executive branch of this state shall enter into any agreement for the acquisition, development, or enhancement of application systems software or for the acquisition of electronic data processing equipment, peripheral devices whether or not connected to such equipment, unless the cost of such acquisition, development, or enhancement has been included in said agency's plan. The Information Services Division upon review of an agency's data processing and telecommunication plan shall submit in writing to the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the Senate and the ~~Chairman~~ Chair of the ~~Joint Legislative Committee on~~ State Data Processing and ~~Telecommunication~~ Telecommunications Advisory Committee its findings and recommendations on all proposed new and expanded programs and expenditures for personnel and the purchase or acquisition of equipment, hardware and software or accessories thereto, including but not limited to leases, rentals or lease-

purchase, indicating that the associated cost meet or comply with Section 41.5a of this title.

C. The provisions of this section shall not apply to the telecommunications network known as OneNet whether said network is governed or operated by the Oklahoma State Regents for Higher Education or any other state entity assigned responsibility for OneNet.

SECTION 7. AMENDATORY 62 O.S. 1991, Section 41.5j, as amended by Section 7, Chapter 268, O.S.L. 1992 (62 O.S. Supp. 1995, Section 41.5j), is amended to read as follows:

Section 41.5j A. No agency of the executive branch of the state shall use state funds for or enter into any agreement for the acquisition, development or enhancement of a communication or telecommunication system including voice, data, radio, video and facsimile systems, without written authorization of the Director of State Finance. The Director of State Finance shall verify that any such acquisition, development or enhancement is compatible with the operation of the Oklahoma Government Telecommunications Network created in Section ~~1~~ 41.5m of this ~~act~~ title.

B. Not later than September 1 of each year, all agencies of the state presently using or contemplating the use of voice, data, radio, video and facsimile communication or telecommunication systems shall submit to the Information Services Division of the Office of State Finance a long-range plan summarizing the agency's detailed plan, for not less than the current fiscal year and the ensuing three (3) fiscal years. Agencies may submit to the Information Services Division of the Office of State Finance revisions or amendments to its long-range plan as deemed necessary by the agencies. The plan shall include at a minimum:

1. An inventory of communication or telecommunication equipment owned, leased or rented for use in all communication services for state government, including communication services provided as part of any other total system to be used by the state or any of its agencies;

2. Current budget plans, expenditures and resources necessary to operate any and all systems included in the above inventory;

3. Major development projects proposed for the current fiscal year and the next three (3) fiscal years and the anticipated results and benefits to be achieved;

4. An explanation of revisions to previous plans;

5. Key project dates; and

6. Specific segments which will be included in the agency budget request for the ensuing fiscal year.

C. No agency of the executive branch of the state shall enter into any agreement for the acquisition, development or enhancement of a communication or telecommunication system or service including voice, data, radio, video and facsimile systems, unless the cost of such addition, change, improvement or development has been included in the statewide communications plan of the Information Services Division, as said plan may have been amended or revised.

D. State agencies may enter into interagency contracts to share communications and telecommunications resources for mutually beneficial purposes. The contract shall clearly state how its purpose contributes to the development or enhancement or cost reduction of a state network which includes voice, data, radio, video or facsimile systems. The contract shall be approved by the Information Services Division before any payments are made.

E. The provisions of this section shall not apply to the telecommunications network known as OneNet whether said network is governed or operated by the Oklahoma State Regents for Higher

Education or any other state entity assigned responsibility for OneNet.

SECTION 8. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 1st day of May, 1996.

President of the Senate

Passed the House of Representatives the 14th day of May, 1996.

Speaker of the House of Representatives