

ENROLLED SENATE
BILL NO. 376

By: Leftwich of the Senate

and

Paulk, Collins, Lindley
and Toure of the House

An Act relating to state government; enacting the Oklahoma Privatization of State Functions Act; citing act; stating purpose; defining terms; requiring state agencies to perform certain duties prior to privatization; providing for notification; providing information; giving consideration to agency employee proposals; providing for notice of intent to seek requests for proposals; providing certification by agency; prohibiting certain activity; providing for codification; and providing an effective date.

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 595 of Title 74, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Oklahoma Privatization of State Functions Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 595.1 of Title 74, unless there is created a duplication in numbering, reads as follows:

It is hereby declared that the purpose of the Oklahoma Privatization of State Functions Act is to set guidelines for the privatization of state services in order to ensure that, if approved, the privatization of state services is cost effective and in the best interest of the citizens of this state.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 595.2 of Title 74, unless there is created a duplication in numbering, reads as follows:

As used in this act:

1. "Agency" means an agency, board, commission or other entity of state government.

2. "Privatize" means to enter into contract for the performance of a duty or function which is currently being performed by a state employee.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 595.3 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. Before any agency can contract to privatize a function, program, service, unit or division, the agency must allow its employees the opportunity to submit proposals for improving the operations, efficiency or organization of the entity being considered for privatization.

B. The privatization process shall begin with:

1. Notification to employees impacted by the proposed privatization by the agency of its intent to privatize a function, program, service, unit or division of the agency;

2. A specific statement that employees have an opportunity to submit proposals to the agency; and

3. Notification by the agency simultaneously with the notice required pursuant to paragraph 1 of this subsection, to the Director of the Office of State Finance of the agency's intent to privatize a state function.

C. The agency shall provide information about the delivery of services to its employees as they develop proposals to be considered. This information shall include revenue expenditure data, wage and salary data, and inventory of the supplies, equipment, and facilities associated with the program being privatized.

D. Proposals submitted by agency employees to the agency shall be considered when a determination is made on seeking nonemployee bids to privatize a function, program, service, unit or division of the agency.

E. After an agency has decided to privatize a function, program, service, unit or division and has met the requirements of subsection D of this section, the agency shall notify the Director of State Finance of its intent to solicit bids by interested parties. Prior to solicitation of bids from other interested parties, the agency shall notify the Governor, President Pro Tempore of the Senate, and Speaker of the House of Representatives of the agency's intent to solicit bids and a statement that the agency has given the opportunity to its employees to submit proposals pursuant to this section prior to the decision to privatize. The agency shall also certify that the provisions of this act and all other applicable laws regarding the privatization of the respective state functions have been complied with.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 595.4 of Title 74, unless there is created a duplication in numbering, reads as follows:

Any state officer or employee who exercises discretionary or decision-making authority in awarding a privatization contract shall be prohibited for a period of one (1) year from the date that the privatization contract is awarded from becoming an officer or employee of a business organization which is a party to any privatization contract with the state agency in which the state officer or employee exercised such discretionary or decision-making authority.

SECTION 6. This act shall become effective January 1, 2000.

Passed the Senate the 18th day of May, 1999.

President of the Senate

Passed the House of Representatives the 20th day of May, 1999.

Speaker of the House of
Representatives