

ENROLLED HOUSE
BILL NO. 1170

By: Derby, Martin (Scott),
Murphey and Nelson of the
House

and

Coffee, Johnson (Mike),
Myers and Jolley of the
Senate

An Act relating to technology; creating the Oklahoma Information Services Act; creating the position of Chief Information Officer; providing for the appointment of the Chief Information Officer; making the Chief Information Officer the Secretary of Information Technology and Telecommunications; establishing jurisdictional areas of responsibilities; establishing salary of the Chief Information Officer; establishing qualifications of the Chief Information Officer; providing for salary and expenses of the Chief Information Officer to be budgeted through the Office of State Finance; requiring the Chief Information Officer to complete an assessment within certain time frame; directing the Chief Information Officer to issue a report setting out a plan of action; specifying certain content; requiring presentation of the report; authorizing the Chief Information Officer to contract for certain assistance; granting the Chief Information Officer with authority over the functions and personnel of the Information Services Division of the Office of State Finance; specifying duties of the Information Services Division; requiring the Chief Information Officer to implement the plan of action upon certain approval; providing for oversight of implementation of the plan of action; requiring certain amount of net savings to be realized within certain time period; stating certain procurement duties of the Chief Information Officer; making the Information Services Division and Chief Information

Officer subject to certain laws for certain purposes; authorizing the Chief Information Officer to delegate certain duties; authorizing the Chief Information Officer to designate certain statewide contracts; requiring the Chief Information Officer to implement certain charges upon certain approval; establishing certain duties related to an interoperable radio communications system for state agencies; requiring the Chief Information Officer to implement a plan on open source technology and products; directing all state agencies and employees to cooperate and assist the Chief Information Officer; requiring the Chief Information Officer to prepare and submit an annual report on certain cost savings; providing definition of certain term; amending 62 O.S. 2001, Section 41.3, which relates to the Office of State Finance; changing administrative control of the Information Services Division; deleting obsolete division; amending 62 O.S. 2001, Sections 41.5a, as last amended by Section 1, Chapter 266, O.S.L. 2006, 41.5a-1, as amended by Section 2, Chapter 266, O.S.L. 2006, Section 1, Chapter 340, O.S.L. 2008, 41.5e, as last amended by Section 3, Chapter 266, O.S.L. 2006, 41.5f, as amended by Section 1, Chapter 148, O.S.L. 2007, 41.5h, as amended by Section 4, Chapter 266, O.S.L. 2006, 41.5i and 41.5j, as last amended by Sections 2 and 3 of Enrolled Senate Bill No. 1153 of the 1st Session of the 52nd Oklahoma Legislature, 41.5m, as amended by Section 9, Chapter 266, O.S.L. 2006, 41.5p, as amended by Section 10, Chapter 266, O.S.L. 2006, 41.5q, as amended by Section 11, Chapter 266, O.S.L. 2006, 41.5r, 41.5s, as amended by Section 12, Chapter 266, O.S.L. 2006, Section 2, Chapter 128, O.S.L. 2004, as amended by Section 3, Chapter 391, O.S.L. 2005, Section 4, Chapter 128, O.S.L. 2004 (62 O.S. Supp. 2008, Section 41.5t.2), as last amended by Section 1 of Enrolled Senate Bill No. 871 of the 1st Session of the 52nd Oklahoma Legislature, Section 4, Chapter 391, O.S.L. 2005, as amended by Section 1, Chapter 310, O.S.L. 2006 and Section 15, Chapter 266, O.S.L. 2006 (62 O.S. Supp. 2008, Sections 41.5a, 41.5a-1, 41.5a-4, 41.5e, 41.5f, 41.5h, 41.5m, 41.5p, 41.5q, 41.5s, 41.5t, 41.5u and 41.5v), which relate to the duties and responsibilities of the Information Services Division of the Office of State Finance;

changing references to the Director of the Office of State Finance and the Office of State Finance; updating statutory language and citations; deleting obsolete language; modifying and adding certain duties of the Information Services Division; modifying enforcement and agency compliance requirements of minimum information security and internal control standards; changing maximum amount for prior approval of certain acquisitions; expanding technology and applications to be included in agency plan; modifying means for submission of plans; adding certain locations and structures to communications system; expanding technology and applications to be included in the coordinated statewide planning; adding dollar amount limit on certain communications, telecommunications and equipment acquisitions; adding certain equipment to certain purchasing restriction; clarifying application of certain provisions; requiring the Information Services Division to manage the state portal system; requiring state entities to file certain records; prohibiting state agencies from developing an electronic portal system with certain authorization; changing name of the State Governmental Internet Application Review Board; modifying membership; adding certain duties; updating name of certain project and position; modifying membership of the Electronic and Information Technology Accessibility Advisory Council; deleting certain limitation; limiting the expenditure of state funds for certain technology during certain time period; prohibiting the creation or replacement of certain technology positions during certain time period; amending 74 O.S. 2001, Section 10.3, as last amended by Section 1, Chapter 428, O.S.L. 2005 (74 O.S. Supp. 2008, Section 10.3), which relates to the cabinet system of the Governor; designating certain cabinet area; making the Chief Information Officer the Secretary of certain cabinet area; amending 74 O.S. 2001, Section 85.5, as last amended by Section 3, Chapter 96, O.S.L 2008 (74 O.S. Supp. 2008, Section 85.5), which relates to the powers and duties of the State Purchasing Director; authorizing the Chief Information Officer to make certain acquisitions; authorizing the Chief Information Officer to designate certain statewide and mandatory

statewide contracts; repealing Section 5, Chapter 391, O.S.L. 2005 (62 O.S. Supp. 2008, Section 41.5a-2), which relates to the Task Force for the Study of Computer Information Officers; providing for codification; providing for noncodification; providing for recodification; and making certain sections effective upon certain appointment.

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

SECTION 1. NEW LAW A new section of law not to be codified in the Oklahoma Statutes reads as follows:

This act shall be known and may be cited as the "Oklahoma Information Services Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 41.5.1 of Title 62, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created the position of Chief Information Officer who shall be appointed by the Governor. The Chief Information Officer, in addition to having authority over the Information Services Division of the Office of State Finance, shall also serve as Secretary of Information Technology and Telecommunications or successor cabinet position and shall have jurisdictional areas of responsibility related to information technology and telecommunications systems of all state agencies as provided for in the Oklahoma Information Services Act. The salary of the Chief Information Officer shall not be less than One Hundred Thirty Thousand Dollars (\$130,000.00) or more than One Hundred Sixty Thousand Dollars (\$160,000.00). The first Chief Information Officer shall be appointed no later than January 1, 2010.

B. Any person appointed to the position of Chief Information Officer shall meet the following eligibility requirements:

1. A baccalaureate degree in Computer Information Systems, Information Systems or Technology Management, Business Administration, Finance, or other similar degree;

2. A minimum of ten (10) years of professional experience with responsibilities for management and support of information systems and information technology, including seven (7) years of direct management of a major information technology operation;

3. Familiarity with local and wide-area network design, implementation, and operation;

4. Experience with data and voice convergence service offerings;

5. Experience in developing technology budgets;

6. Experience in developing request for proposals and administering the bid process;

7. Experience managing professional staff, teams, and consultants;

8. Knowledge of telecommunications operations;

9. Ability to develop and set strategic direction for information technology and telecommunications and to manage daily development and operations functions;

10. An effective communicator who is able to build consensus;

11. Ability to analyze and resolve complex issues, both logical and interpersonal;

12. Effective verbal and written communications skills and effective presentation skills, geared toward coordination and education;

13. Ability to negotiate and defuse conflict; and

14. A self-motivator, independent, cooperative, flexible and creative.

C. The salary and any other expenses for the Chief Information Officer shall be budgeted as a separate line item through the Office of State Finance. The operating expenses of the Information Services Division shall be set by the Chief Information Officer and shall be budgeted as a separate line item through the Office of State Finance. The Office of State Finance shall provide adequate

office space, equipment and support necessary to enable the Chief Information Officer to carry out the information technology and telecommunications duties and responsibilities of the Officer and the Information Services Division.

D. 1. Within twelve (12) months of appointment, the first Chief Information Officer shall complete an assessment of the implementation of the transfer, coordination, and modernization of all information technology and telecommunication systems of all state agencies in the state as provided for in the Oklahoma Information Services Act. The assessment shall include the information technology and telecommunications systems of all institutions within The Oklahoma State System of Higher Education, the Oklahoma State Regents for Higher Education and the telecommunications network known as OneNet.

2. Within twelve (12) months of appointment, the first Chief Information Officer shall issue a report setting out a plan of action which will include the following:

- a. define the shared service model organization structure and the reporting relationship of the recommended organization,
- b. the implementation of an information technology and telecommunications shared services model that defines the statewide infrastructure environment needed by most state agencies that is not specific to individual agencies and the shared applications that are utilized across multiple agencies,
- c. define the services that shall be in the shared services model under the control of the Information Services Division of the Office of State Finance,
- d. define the roadmap to implement the proposed shared services model. The roadmap shall include recommendations on the transfer, coordination, and modernization of all information technology and telecommunication systems of all the state agencies in the state,
- e. recommendations on the reallocation of information technology and telecommunication resources and personnel,

- f. recommendations on maximizing the benefits to the state by the alignment and operation of the communications and data transfer network assets known as OneNet,
- g. a cost benefit analysis to support the recommendations on the reallocation of information technology and telecommunication resources and personnel, and
- h. a calculation of the net savings realized through the reallocation and consolidation of information technology and telecommunication resources and personnel after compensating for the cost of contracting with a private consultant as authorized in paragraph 4 of this subsection, implementing the plan of action, and ongoing costs of the Information Services Division of the Office of State Finance.

3. The plan of action report shall be presented to the Governor, Speaker of the House of Representatives, and the President Pro Tempore of the State Senate.

4. The Chief Information Officer may contract with a private consultant or consultants to assist in the assessment and development of the plan of action report as required in this subsection.

E. Beginning on the effective date of appointment, the Chief Information Officer shall be authorized to employ personnel, fix the duties and compensation of the personnel, not otherwise prescribed by law, and otherwise direct the work of the personnel in performing the function and accomplishing the purposes of the Information Services Division of the Office of State Finance.

F. Beginning on the effective date of the appointment of the first Chief Information Officer, the Information Services Division of the Office of State Finance shall be responsible for the following duties:

- 1. Formulate and implement the information technology strategy for all state agencies;

2. Define, design, and implement a shared services statewide infrastructure and application environment for information technology and telecommunications for all state agencies;

3. Direct the development and operation of a scalable telecommunications infrastructure that supports data and voice communications reliability, integrity, and security;

4. Supervise the applications development process for those applications that are utilized across multiple agencies;

5. Provide direction for the professional development of information technology staff of state agencies and oversee the professional development of the staff of the Information Services Division of the Office of State Finance;

6. Evaluate all technology and telecommunication investment choices for all state agencies;

7. Create a plan to ensure alignment of current systems, tools, and processes with the strategic information technology plan for all state agencies;

8. Set direction and provide oversight for the support and continuous upgrading of the current information technology and telecommunication infrastructure in the state in support of enhanced reliability, user service levels, and security;

9. Direct the development, implementation, and management of appropriate standards, policies and procedures to ensure the success of state information technology and telecommunication initiatives;

10. Recruit, hire and transfer the required technical staff in the Information Services Division of the Office of State Finance to support the services provided by the Division and the execution of the strategic information technology plan;

11. Establish, maintain, and enforce information technology and telecommunication standards;

12. Delegate, coordinate, and review all work to ensure quality and efficient operation of the Information Services Division of the Office of State Finance;

13. Create and implement a communication plan that disseminates pertinent information to state agencies on standards, policies, procedures, service levels, project status, and other important information to customers of the Information Services Division of the Office of State Finance and provide for agency feedback and performance evaluation by customers of the Division;

14. Develop and implement training programs for state agencies using the shared services of the Information Services Division of the Office of State Finance and recommend training programs to state agencies on information technology and telecommunication systems, products and procedures;

15. Provide counseling, performance evaluation, training, motivation, discipline, and assign duties for employees of the Information Services Division of the Office of State Finance;

16. Approve the purchasing of all information technology and telecommunication products and services for all state agencies;

17. Develop and enforce an overall infrastructure architecture strategy and associated roadmaps for desktop, network, server, storage, and statewide management systems for state agencies;

18. Effectively manage the design, implementation and support of complex, highly available infrastructure to ensure optimal performance, on-time delivery of features, and new products, and scalable growth;

19. Define and implement a governance model for requesting services and monitoring service level metrics for all shared services; and

20. Create the budget for the Information Services Division of the Office of State Finance to be submitted to the Legislature each year.

G. Upon receiving approval of the State Governmental Technology Applications Review Board, the Chief Information Officer shall implement the plan of action as set forth in subsection D of this section; provided, the plan of action for the Department of Human Services shall not be implemented until July 1, 2011. The State Governmental Technology Applications Review Board shall provide ongoing oversight of the implementation of the plan of action. Any proposed amendments to the plan of action shall be approved by the

Board prior to adoption. The net savings realized through the reallocation and consolidation of information technology and telecommunication resources and personnel after compensating for the up-front costs and ongoing costs of the Information Services Division of the Office of State Finance which are identified and reported in the plan of action shall be realized no later than two (2) years from the appointment date of the Chief Information Officer and shall at a minimum be not less than fifteen percent (15%) of the overall statewide information technology and telecommunications expenditures made by all state agencies during the fiscal year ending June 30, 2009.

H. Beginning on the effective date of appointment, the Chief Information Officer shall act as the Information Technology and Telecommunications Purchasing Director for all state agencies and shall be responsible for the procurement of all information technology and telecommunication software, hardware, equipment, peripheral devices, maintenance, consulting services, high technology systems, and other related information technology, data processing, telecommunication and related peripherals and services for all state agencies. The Chief Information Officer shall establish, implement, and enforce policies and procedures for the procurement of information technology and telecommunication software, hardware, equipment, peripheral devices, maintenance, consulting services, high technology systems, and other related information technology, data processing, telecommunication and related peripherals and services by purchase, lease-purchase, lease with option to purchase, lease and rental for all state agencies. The procurement policies and procedures established by the Chief Information Officer shall be consistent with The Oklahoma Central Purchasing Act.

I. The Information Services Division of the Office of State Finance and the Chief Information Officer shall be subject to The Oklahoma Central Purchasing Act for the approval and purchase of equipment and products not related to information and telecommunications technology, equipment, software, products and related peripherals and services and shall also be subject to the requirements of the Public Competitive Bidding Act of 1974, the Oklahoma Lighting Energy Conservation Act and the Public Building Construction and Planning Act when procuring data processing, information technology, telecommunication, and related peripherals and services and when constructing information technology and telecommunication facilities, telecommunication networks and supporting infrastructure. The Chief Information Officer shall be

authorized to delegate all or some of the procurement of information technology and telecommunication products and services and construction of facilities and telecommunication networks to another state entity if the Chief Information Officer determines it to be cost-effective and in the best interest of the state. The Chief Information Officer shall have authority to designate information technology and telecommunication contracts as statewide contracts and mandatory statewide contracts pursuant to Section 85.5 of Title 74 of the Oklahoma Statutes.

J. The Chief Information Officer shall establish and implement charges and a system to assess the charges to state agencies for their use of shared information technology and telecommunication services subject to the approval of the State Governmental Technology Applications Review Board.

K. The Chief Information Officer shall establish, implement, and enforce policies and procedure for the development and procurement of an interoperable radio communications system for state agencies. The Chief Information Officer shall work with local governmental entities in developing the interoperable radio communications system.

L. The Chief Information Officer shall develop and implement a plan to utilize open source technology and products for the information technology and telecommunication systems of all state agencies.

M. All state agencies and authorities of this state and all officers and employees of those entities shall work and cooperate with and lend assistance to the Chief Information Officer and the Information Services Division of the Office of State Finance and provide any and all information requested by the Chief Information Officer.

N. The Chief Information Officer shall prepare an annual report detailing the ongoing net saving attributable to the reallocation and consolidation of information technology and telecommunication resources and personnel and shall submit the report to the Governor, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate.

O. For purposes of the Oklahoma Information Services Act, unless otherwise provided for, "state agencies" shall include any office, officer, bureau, board, commission, counsel, unit, division,

body, authority or institution of the executive branch of state government, whether elected or appointed; provided, except with respect to the provisions of subsection D of this section, the term "state agencies" shall not include institutions within The Oklahoma State System of Higher Education, the Oklahoma State Regents for Higher Education and the telecommunications network known as OneNet.

SECTION 3. AMENDATORY 62 O.S. 2001, Section 41.3, is amended to read as follows:

Section 41.3 There is hereby created in the Executive Department, the Office of State Finance which shall consist of a Division of the Budget, and a Division of Central Accounting and Reporting, an Information Services Division, and an Oklahoma Financial Information System Management Division all under the administrative control of the Director of the Office of State Finance and directly responsible to him the Director and an Information Services Division under the administrative control of the Chief Information Officer and directly responsible to the Officer.

The terms "State Budget Director" or "Budget Director" appearing in the Oklahoma Statutes shall mean "Director of State Finance".

The terms "State Budget Office", "Division of the Budget", or "Division of Central Accounting and Reporting", or "Information Services Division", or "~~Oklahoma Financial Information System Management Division~~" appearing in the Oklahoma Statutes shall mean the Office of State Finance or the divisions thereof.

SECTION 4. AMENDATORY 62 O.S. 2001, Section 41.5a, as last amended by Section 1, Chapter 266, O.S.L. 2006 (62 O.S. Supp. 2008, Section 41.5a), is amended to read as follows:

Section 41.5a A. The Information Services Division of the Office of State Finance shall:

1. Coordinate information technology planning through analysis of the long-term information technology plans for each agency;
2. Develop a statewide information technology plan with annual modifications to include, but not be limited to, individual agency plans and information systems plans for the statewide electronic information technology function;

3. Establish and enforce minimum mandatory standards for:
 - a. information systems planning,
 - b. systems development methodology,
 - c. documentation,
 - d. hardware requirements and compatibility,
 - e. operating systems compatibility,
 - f. acquisition of software and hardware acquisition and technology-related services,
 - g. information security and internal controls,
 - h. data base compatibility, ~~and~~
 - i. contingency planning and disaster recovery, and
 - j. imaging systems, copiers, facsimile systems, printers, scanning systems and any associated supplies.

The standards shall, upon adoption, be the minimum requirements applicable to all agencies. These standards shall be compatible with the standards established for the Oklahoma Government Telecommunications Network ~~created in Section 41.5m of this title.~~ Individual agency standards may be more specific than statewide requirements but shall in no case be less than the minimum mandatory standards. Where standards required of an individual agency of the state by agencies of the federal government are more strict than the state minimum standards, such federal requirements shall be applicable;

4. Develop and maintain applications for agencies not having the capacity to do so;

5. Operate an information technology service center to provide operations and hardware support for agencies requiring such services and for statewide systems;

6. Maintain a directory of the following which have a value of Five Hundred Dollars (\$500.00) or more: application systems, systems software, hardware, internal and external information

technology, communication or telecommunication equipment owned, leased, or rented for use in 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, and studies and training courses in use by all agencies of the state; and facilitate the utilization of the resources by any agency having requirements which are found to be available within any agency of the state;

7. Assist agencies in the acquisition and utilization of information technology systems and hardware to effectuate the maximum benefit for the provision of services and accomplishment of the duties and responsibilities of agencies of the state;

8. Coordinate for the executive branch of state government agency information technology activities, encourage joint projects and common systems, ~~and~~ linking of agency systems through the review of agency plans, review and approval of all statewide contracts for software, hardware and information technology consulting services and development of a statewide plan and its integration with the budget process to ensure that developments or acquisitions are consistent with statewide objectives and that proposed systems are justified and cost effective;

9. Develop performance reporting guidelines for information technology facilities and conduct an annual review to compare agency plans and budgets with results and expenditures;

10. Establish operations review procedures for information technology installations operated by agencies of the state for independent assessment of productivity, efficiency, cost effectiveness, and security;

11. Establish service center user charges for billing costs to agencies based on the use of all resources;

12. Provide system development and consultant support to state agencies on a contractual, cost reimbursement basis; and

13. In conjunction with the Oklahoma Office of Homeland Security, enforce the minimum information security and internal control standards established by the Information Services Division. An enforcement team consisting of the ~~Director~~ Chief Information Officer of the Information Services Division or a designee, a representative of the Oklahoma Office of Homeland Security, and a

representative of the Oklahoma State Bureau of Investigation shall enforce the minimum information security and internal control standards. ~~An~~ If the enforcement team determines that an agency that is not in compliance with the minimum information security and internal control standards shall be notified. The agency will be required to submit a plan for becoming compliant within a specified time period, based on the severity of the noncompliance. If the agency does not become compliant with the minimum information security and internal control standards within the specified time period, the enforcement team shall institute progressive actions as follows:

- ~~a. if possible, extend the time period for becoming compliant,~~
- ~~b. work with the agency, the Chief Information Officer shall take immediate action to mitigate the noncompliance,~~
- ~~c. notify the agency director, the Governor, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate that the agency will be removed from including the removal of the agency from the infrastructure of the state until the agency becomes compliant,~~
- ~~d. notify the agency director, the Governor, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate that the enforcement team will take taking control of the information technology function of the agency until the agency is compliant, and~~
- ~~e. recommend to the Governor and the Legislature that transferring the administration and management of the information technology function of the agency be transferred to the Information Services Division or another state agency.~~

B. No agency of the executive branch of the state shall use state funds for or enter into any agreement for the acquisition of any category of computer hardware, software or any contract for information technology services and equipment exceeding Twenty five Thousand Dollars (\$25,000.00) Ten Thousand Dollars (\$10,000.00) in value, which shall include the acquisition amount, service costs,

maintenance costs, or any other costs or fees associated with the acquisition of the services or equipment, without written authorization of the ~~Director of State Finance~~ Chief Information Officer. The provisions of this subsection shall not be applicable to any member of The Oklahoma State System of Higher Education, any public elementary or secondary schools of the state, or any technology center school district as defined in Section 14-108 of Title 70 of the Oklahoma Statutes.

C. The Chief Information Officer and Information Services Division of the Office of State Finance and all agencies of the executive branch of the state shall not be required to disclose, directly or indirectly, any information of a state agency which is declared to be confidential or privileged by state or federal statute or the disclosure of which is restricted by agreement with the United States or one of its agencies, nor disclose information technology system details that may permit the access to confidential information or any information affecting personal security, personal identity, or physical security of state assets.

SECTION 5. AMENDATORY 62 O.S. 2001, Section 41.5a-1, as amended by Section 2, Chapter 266, O.S.L. 2006 (62 O.S. Supp. 2008, Section 41.5a-1), is amended to read as follows:

Section 41.5a-1 The Information Services Division of the Office of State Finance shall, at the end of each month, render a statement of charges to all state agencies to which it has furnished processing services for the direct costs of the Data Service Center of the Division. In total, the charges shall not exceed the direct costs of the Data Service Center of the Division. Systems analysts and programming services costs shall be recovered directly from the agency for which the service was rendered, as agreed to by that agency, and shall not be prorated to agencies not receiving such services. All amounts so collected shall be deposited in the State Treasury to the credit of the General Revenue Fund.

SECTION 6. AMENDATORY Section 1, Chapter 340, O.S.L. 2008 (62 O.S. Supp. 2008, Section 41.5a-4), is amended to read as follows:

Section 41.5a-4 A. The Information Services Division of the Office of State Finance is authorized to:

1. Develop and publish a state policy and procedures for the destruction or disposal of all electronic storage media to ensure

that all confidential information stored on such electronic media devices is destroyed or disposed of in a secure and safe manner;

2. Define the requirements for the secure destruction or disposal of electronic storage media; and

3. Assist the Department of Central Services in implementing the policy and procedures for the destruction or disposal of state electronic storage media.

B. The Information Services Division of the Office of State Finance shall notify all agencies, boards, commissions and authorities of the policy and procedures for the secure and safe destruction or disposal of electronic storage media.

C. The Department of Central Services shall remove all electronic storage media from all surplus information technology and telecommunication equipment before it is sold, donated, stored or destroyed. A state agency may remove electronic storage media from their surplus information technology and telecommunication equipment prior to sending the surplus to the Department of Central Services, so long as the agency has the technical expertise for removal and that the electronic storage media is sent for destruction or disposal pursuant to this subsection.

D. The Department of Central Services shall use existing and future funds from the sale of state surplus equipment and appropriations, as necessary, to pay for the destruction of electronic storage media.

SECTION 7. AMENDATORY 62 O.S. 2001, Section 41.5e, as last amended by Section 3, Chapter 266, O.S.L. 2006 (62 O.S. Supp. 2008, Section 41.5e), is amended to read as follows:

Section 41.5e A. No later than July 1 of each year, all agencies of the executive branch of this state presently using or contemplating the use of telecommunications and electronic information technology applications, including, but not limited to, the use of mainframe computers, minicomputers or microcomputers, word processing equipment, office automation systems, Internet, eGovernment, broadband, Wi-Fi or wireless networking, radio, including the interoperable radio communications system for state agencies, Global Positioning Systems (GPS), or contracts for information technology services and equipment, shall annually submit

to the Information Services Division of the Office of State Finance a one-year operations plan, which shall include as a minimum:

1. An overview of major projects and objectives;
2. Cost per defined category of hardware, software, services and personnel;
3. An assurance of compliance with state standards on accessibility of information technology for individuals with disabilities developed in accordance with Section 41.5t of this title; and
4. Such other information as the Information Services Division may require for analysis and consolidation into a statewide telecommunications and electronic information technology plan.

B. 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 information technology equipment or peripheral devices, including Internet and eGovernment, broadband, Wi-Fi or wireless networking, radio, including the interoperable radio communications system for state agencies, Global Positioning Systems (GPS), whether or not connected to such equipment, unless the cost of such acquisition, development, or enhancement has been included in the plan for the agency. The Information Services Division upon review of an information technology and telecommunication plan for the agency, shall submit in ~~writing~~ either printed or electronic form to the Governor, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate its findings and recommendations on all proposed new and expanded programs and expenditures for personnel and the purchase or acquisition of equipment, hardware, software, accessories, or services 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 8. AMENDATORY 62 O.S. 2001, Section 41.5f, as amended by Section 1, Chapter 148, O.S.L. 2007 (62 O.S. Supp. 2008, Section 41.5f), is amended to read as follows:

Section 41.5f A. The Office of State Finance shall:

1. Develop and/or acquire hardware and application software, including such modifications as may be required, to implement modern automated systems in the Department of Central Services, the Office of Personnel Management, and the Office of State Finance. Such systems include applications for accounting, budgeting, payroll/personnel, and purchasing;

2. Coordinate the initial implementation of the application systems with the three central service agencies of the state and coordinate the phased implementation of the application systems with all branches of state government;

3. Develop procedures manuals and the related training necessary to implement the application systems;

4. Maintain and enhance, as necessary, the application systems of the Integrated Central Systems; and

5. Ensure the integrity of information in the Integrated Central Systems through data security measures, internal controls, and appropriate data base management.

B. The Director of State Finance shall make all policy decisions required to implement the Integrated Central Systems in accordance with this section after consultation with other affected agencies.

C. The Director of State Finance may enter into contracts for services, equipment, software, or supplies needed to carry out the provisions of this section.

SECTION 9. AMENDATORY 62 O.S. 2001, Section 41.5h, as amended by Section 4, Chapter 266, O.S.L. 2006 (62 O.S. Supp. 2008, Section 41.5h), is amended to read as follows:

Section 41.5h A. The Information Services Division of the Office of State Finance is directed, authorized and empowered to enter into contracts for, to establish criteria for and manage the installation, maintenance and administration of a central

communication or intercommunication system for and upon behalf of this state. The installation shall fulfill communication or intercommunications requirements of this state and its agencies located in the Capitol and those buildings situated on the Capitol grounds, known as the "Capitol Complex" in Oklahoma City, Oklahoma, ~~and~~ the state-owned building known as the "Tulsa Capitol Building" in Tulsa, Oklahoma, buildings which house state agencies located within four (4) miles of the Capitol Complex, and any location used for the administration of the information technology and telecommunication infrastructure and security for the state.

B. The Information Services Division shall render a statement of charges at the end of each month to all state agencies to which it has furnished communications services for the direct cost sustained, provided that:

1. A pro rata formula is to be established in writing after giving consideration to the type of service furnished, the number and kinds of instruments used, the cost of operation and special installations required in each such agency in relation to the total cost of local service. The formula, once determined, is not to be redetermined more often than once every six (6) months nor to be changed after any such redetermination before the expiration of six (6) months; and

2. The Information Services Division is to be reimbursed by the state or any of its agencies for actual cost incurred for equipment installation or modification or for toll charges for use of telephone, telegraph, teletype, data communications, Internet, eGovernment, as referenced in Sections 41.5p and 41.5q of this title, or other form or forms of communication or intercommunication incurred by the state or by any agency.

C. No telephone, teletype, switchboard, line, cable system, data communication system, Internet, eGovernment, or systems of communication or intercommunication are to be installed in any building or buildings owned, rented, leased or otherwise held by this state or its agencies at locations described in subsection A of this section without written order of the ~~Director of State Finance~~ Chief Information Officer or a designee. Provided, however, that acquisition and installation of such equipment in the Legislature shall be subject to the final approval of the Speaker of the House of Representatives or the President Pro Tempore of the Senate as appropriate.

SECTION 10. AMENDATORY 62 O.S. 2001, Section 41.5i, as last amended by Section 2 of Enrolled Senate Bill No. 1153 of the 1st Session of the 52nd Oklahoma Legislature, is amended to read as follows:

Section 41.5i In addition to the powers and duties as defined elsewhere in this title, the Information Services Division of the Office of State Finance shall:

1. Coordinate statewide planning and approve statewide contracts for communication and telecommunications needs of state government agencies, including, but not limited to, voice, data, radio including the interoperable radio communications system for state agencies, video, broadband, Wi-Fi or wireless networking, Global Positioning Systems (GPS), Internet, eGovernment, as referenced in Sections 41.5p and 41.5q of this title, and facsimile transmissions through analysis of the telecommunications and information technology plan of each agency;

2. In coordination with the Oklahoma Office of Homeland Security, establish minimum mandatory standards and protocols for:

- a. communication networks and equipment,
- b. wide area and local area systems,
- c. integration of equipment, systems and joint usage,
- d. Internet and eGovernment,
- e. operating systems or methods to be used to meet communications requirements efficiently, effectively, and securely,
- f. rendering of aid between state government and its political subdivisions with respect to organizing of communications systems, and
- g. an economical and cost-effective utilization of communication services.

The standards and protocols shall be compatible with the standards and protocols established for the Oklahoma Government Telecommunications Network ~~created in Section 41.5m of this title;~~

3. Serve as a focal point for all statewide projects and approve all statewide contracts for state agencies involving current communications vendors where the focus of such authority can substantially enhance the state communications plan or the savings which can be achieved thereunder;

4. Provide, when requested by political subdivisions of the state, for the organizing of communications or telecommunications systems and service between the state and its political subdivisions and enter into agreements to effect the purposes of this section;

5. Cooperate with any federal, state or local emergency management agency in providing for emergency communications and telecommunication services;

6. Apply for, receive, and hold, or assist agencies in applying for, receiving or holding such authorizations, licenses and allocations of channels and frequencies to carry out the purposes of this section;

7. Accomplish such other purposes as may be necessary or incidental to the administration of its authority or functions pursuant to law; and

8. Provide support for telecommunication networks of state agencies through analysis of the telecommunications needs and requirements of each agency and promotion of the use of the Oklahoma Government Telecommunications Network ~~created in Section 41.5m of this title.~~

SECTION 11. AMENDATORY 62 O.S. 2001, Section 41.5j, as last amended by Section 3 of Enrolled Senate Bill No. 1153 of the 1st Session of the 52nd Oklahoma Legislature, 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, Internet, eGovernment, as referenced in Sections 41.5p and 41.5q of this title, ~~and~~ printers, scanners, copiers, facsimile systems and associated supplies exceeding Ten Thousand Dollars (\$10,000.00) in value, which shall include the acquisition amount, service costs, maintenance costs, or any other costs or fees associated with the acquisition of the system or equipment, without written

authorization of the ~~Director of State Finance~~ Chief Information Officer or a designee. The ~~Director of State Finance~~ Chief Information Officer or a designee shall verify that any acquisition, development or enhancement is compatible with the operation of the Oklahoma Government Telecommunications Network ~~created in Section 41.5m of this title~~.

B. 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, Internet, eGovernment, printers, scanners, copiers, 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 of the Office of State Finance, as said plan may have been amended or revised.

C. 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, Internet, eGovernment, or facsimile systems. The contract shall be approved by the Information Services Division before any payments are made.

D. The provisions of subsections A, B and C 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.

E. No state agency shall use state funds or enter into any agreement for the acquisition, development or enhancement of a public safety communication system unless the request is consistent with the Statewide Communications Interoperability Plan and the public safety communications standards issued by the Oklahoma Office of Homeland Security. Agencies interested in acquiring, developing or enhancing a public safety communications system shall submit a proposal to the Oklahoma Office of Homeland Security. The Oklahoma Office of Homeland Security shall issue a proposal review which summarizes whether the proposal is consistent with the Statewide Communications Interoperability Plan and the technology standards issued. The proposal review shall be submitted to the requesting

agency and to the ~~Director of State Finance~~ Chief Information Officer.

SECTION 12. AMENDATORY 62 O.S. 2001, Section 41.5m, as amended by Section 9, Chapter 266, O.S.L. 2006 (62 O.S. Supp. 2008, Section 41.5m), is amended to read as follows:

Section 41.5m A. There is hereby created a wide area telecommunications network to be known and referred to as the "Oklahoma Government Telecommunications Network (OGTN)". The OGTN shall consist of the telecommunications systems and networks of educational entities and agencies of state government.

B. Notwithstanding the provisions of subsection A of this section:

1. The Oklahoma State Regents for Higher Education may continue to operate, maintain and enhance the State Regents Educational Telecommunications Network, subject to the provisions of the Oklahoma Information Services Act. The Oklahoma State Regents for Higher Education shall submit all plans for the enhancement of the State Regents Educational Telecommunications Network to the Information Services Division of the Office of State Finance for review and approval within the context of the statewide telecommunications network provided for in subsection C of this section and shall participate with the ~~Office of State Finance Information Services Division~~ in joint efforts to provide services for the OGTN; and

2. The Department of Public Safety may continue to operate, maintain and enhance the statewide law enforcement data communications network provided for in Section 2-124 of Title 47 of the Oklahoma Statutes, subject to the provisions of the Oklahoma Information Services Act. The Department of Public Safety shall submit all plans for the enhancement of the statewide law enforcement data communications network to the Information Services Division of the Office of State Finance for review and approval and shall participate with the ~~Office of State Finance Information Services Division~~ in joint efforts to provide services for the OGTN.

C. The ~~Office of State Finance~~ Information Services Division shall be responsible for developing, operating and maintaining the OGTN. The purposes of the OGTN shall include the following:

1. Development of a comprehensive, unified statewide telecommunications network to effectively, efficiently, and securely meet the communication needs of educational entities and agencies of state government;

2. Effective and efficient utilization of existing telecommunications systems operated by educational entities and agencies of state government; and

3. Elimination and prevention of unnecessarily duplicative telecommunications systems operated by educational entities and agencies of state government.

D. In developing, operating and maintaining the OGTN, the ~~Office of State Finance~~ Information Services Division shall:

1. Develop a statewide master plan for meeting the communications needs of educational entities and of agencies of state government. To facilitate the development of a statewide master plan as provided for in this paragraph:

- a. the Oklahoma State Regents for Higher Education shall submit a report annually to the ~~Director of State Finance~~ Chief Information Officer identifying the telecommunications plans of each member of The Oklahoma State System of Higher Education. For purposes of developing such report, each member shall cooperate with and submit to the State Regents a plan of its telecommunications needs, including, but not limited to, Internet, eGovernment, as referenced in Sections 41.5p and 41.5q of this title, any interactive video plans, the purchase of informational data bases, software for manipulation of bibliographic records, and the use of telecommunications equipment or services,
- b. the State Superintendent of Public Instruction shall submit a report annually to the ~~Director of State Finance~~ Chief Information Officer identifying the telecommunications plans of the public common school system of the state. For purposes of developing such report, the respective public elementary and secondary schools shall cooperate with and submit to the State Superintendent a plan of their telecommunications needs, including, but not limited to, Internet,

eGovernment, any interactive video plans, the purchase of informational data bases, software for manipulation of bibliographic records, and the use of telecommunications equipment or services,

- c. the ~~State~~ Director of the Oklahoma Department of Career and Technology Education shall submit a report annually to the ~~Director of State Finance~~ Chief Information Officer identifying the telecommunications plans of technology center school districts. For purposes of developing such report, each technology center school district as defined in Section 14-108 of Title 70 of the Oklahoma Statutes shall cooperate with and submit to the ~~State~~ Director of the Oklahoma Department of Career and Technology Education a plan of its telecommunications needs, including, but not limited to, Internet, eGovernment, any interactive video plans, the purchase of informational data bases, software for manipulation of bibliographic records, and the use of telecommunications equipment or services,
- d. the chief administrative officer of each state agency of the executive branch shall submit a plan annually to the ~~Director of State Finance~~ Chief Information Officer identifying the telecommunications needs of the state agency, including, but not limited to, Internet, eGovernment, any interactive video plans, the purchase of informational data bases, software for manipulation of bibliographic records, and the use of telecommunications equipment or services, and
- e. the Director of the Oklahoma Department of Libraries shall submit a report annually to the ~~Director of State Finance~~ Chief Information Officer identifying the telecommunications plans of public libraries and public library systems. For purposes of developing such report, the chief administrative officer of any public library or public library system not otherwise required to submit a plan of its telecommunications needs pursuant to the provisions of this paragraph shall cooperate with and submit annually to the Director of the Oklahoma Department of Libraries a plan of its telecommunications needs, including, but not limited to, Internet, eGovernment, any interactive

video plans, the purchase of informational data bases, software for manipulation of bibliographic records and the use of telecommunications equipment or services. To assure inclusion in the report of the plans of the telecommunications needs of any library that is a part of any member of The Oklahoma State System of Higher Education, a public elementary or secondary school, or technology center school district, all such plans relating to libraries received by the Oklahoma State Regents for Higher Education, the State Superintendent of Higher Education, and the State Director of the Oklahoma Department of Career and Technology Education shall be submitted to the Director of the Oklahoma Department of Libraries by the respective recipients thereof as soon as practicable after receipt. The Director of the Oklahoma Department of Libraries shall certify to the ~~Office of State Finance~~ Information Services Division that such plans are consistent with the plan developed by the Oklahoma Library Technology Network or explain any inconsistencies therewith;

2. Identify the most cost-effective means of meeting the telecommunications needs of educational entities and of agencies of state government;

3. Develop minimum mandatory standards and protocols for equipment, facilities and services of the OGTN;

4. Evaluate the advantages and disadvantages of utilizing equipment, facilities, and services of both private entities and those owned and operated by the state; and

5. Recommend a fee structure to provide for the operation and maintenance of the OGTN.

SECTION 13. AMENDATORY 62 O.S. 2001, Section 41.5p, as amended by Section 10, Chapter 266, O.S.L. 2006 (62 O.S. Supp. 2008, Section 41.5p), is amended to read as follows:

Section 41.5p A. In order to be at the forefront of electronic commerce and provide constituents, agencies and out-of-state users with state-of-the-art electronic commerce and Internet tools, the State of Oklahoma recognizes the need for a state portal system connecting state agency websites and information systems.

B. The Information Services Division of the Office of State Finance shall manage the installation, maintenance and administration of the state portal system.

C. For purposes of this section and Section 41.5s of this title, a "portal system" shall mean a system that hosts and connects to a collection of ~~on-line~~ online government and public services and serves as the single point of access to state government services, information, and transaction processing with a common enterprise wide user interface allowing navigation among the services.

SECTION 14. AMENDATORY 62 O.S. 2001, Section 41.5q, as amended by Section 11, Chapter 266, O.S.L. 2006 (62 O.S. Supp. 2008, Section 41.5q), is amended to read as follows:

Section 41.5q A. Subject to review and adoption as outlined in Section 41.5s of this title, a state agency, board, commission, or authority is hereby authorized to charge a convenience fee for any electronic or ~~on-line~~ online transaction. A convenience fee shall apply to electronic or ~~on-line~~ online transactions only and shall not apply when accessing information provided through state government websites. If a state entity sets a convenience fee for electronic or ~~on-line~~ online transactions, the fee shall be reviewed by the State Governmental Internet Applications Review Board as provided for in Section 41.5s of this title. Each state entity shall keep a record of how the convenience fee has been determined and shall file the record with the Information Services Division of the Office of State Finance. A state agency, board, commission, or authority may periodically adjust a convenience fee as needed upon review and adoption as provided for in Section 41.5s of this title.

B. For purposes of this section, "convenience fee" shall mean any charge that is necessary to process an electronic or ~~on-line~~ online transaction with a state agency, board, commission or authority. The fee may be in excess of any fee charged for the service or product being provided by such state entity. This may include reasonable charges for the cost of the electronic or ~~on-line~~ online service including recovery of costs incurred in the development and implementation of the service or system, cost of sustaining and upgrading the electronic or ~~on-line~~ online service, and future expansion of the electronic or ~~on-line~~ online services.

SECTION 15. AMENDATORY 62 O.S. 2001, Section 41.5r, is amended to read as follows:

Section 41.5r A. Any state agency, board, commission, or authority which establishes an electronic portal system shall use an open-systems concept for the portal system which has been approved by the Information Service Division of the Office of State Finance.

B. No state agency, board, commission, or authority shall enter into an agreement for development of, enhancement to, or maintenance of an electronic portal system without the written authorization of the Information Services Division.

C. For purposes of this section, an "open-systems concept" shall mean a system that implements sufficient open specifications for interfaces, services, and supporting formats to enable properly engineered components to be utilized across a wide range of systems with minimal changes, to interoperate with other components on local and remote systems, and to interact with users in a style that facilitates portability. An open-systems concept is characterized by the following:

1. Well-defined, widely used, and nonproprietary interfaces or protocols;
2. Use of standards which are developed and adopted by industry recognized standards-making bodies;
3. A definition of all aspects of system interfaces to facilitate new or additional system capabilities for a wide range of applications; and
4. An explicit provision for expansion or upgrading through the incorporation of additional or higher performance elements with minimal impact on the system.

SECTION 16. AMENDATORY 62 O.S. 2001, Section 41.5s, as amended by Section 12, Chapter 266, O.S.L. 2006 (62 O.S. Supp. 2008, Section 41.5s), is amended to read as follows:

Section 41.5s A. There is hereby established the State Governmental ~~Internet~~ Technology Applications Review Board. The Board shall review and make recommendations to the Information Services Division of the Office of State Finance concerning state governmental Internet-based electronic or ~~on-line~~ online transactions or applications being provided by state agencies, boards, commissions, or authorities for use by the public, provide

oversight for implementation of the plan of action developed by the Chief Information Officer and advise the Chief Information Officer.

B. The State Governmental ~~Internet~~ Technology Applications Review Board shall be composed of the following members:

1. The Director of ~~the Office of~~ State Finance or a designee;
2. Four representatives from different state agencies, boards, commissions, or authorities to be appointed by the Governor;
3. ~~One member~~ Two members who ~~is~~ are not a ~~member of the Legislature or a state government employee~~ employees to be appointed by the Speaker of the House of Representatives; and
4. ~~One member~~ Two members who ~~is~~ are not a ~~member of the Legislature or a state government employee~~ employees to be appointed by the President Pro Tempore of the Senate.

C. Members of the Board shall serve for terms of two (2) years. The Board shall select a chair from among its members.

D. Members of the Board shall not receive compensation for serving on the Board, but shall be reimbursed for travel expenses incurred in the performance of their duties by their respective agencies or appointing authority in accordance with the State Travel Reimbursement Act.

E. The Board shall have the duty and responsibility of:

1. Reviewing a schedule of convenience fees, as is defined in Section 41.5q of this title, and all convenience fees and changes in fees charged by state agencies, boards, commissions, or authorities for electronic or ~~on-line~~ online transactions, and making recommendations pertaining to convenience fees to the ~~Office of State Finance~~ Information Services Division prior to its adoption by rule of such fees, changes to fees, or fee schedule; ~~and~~
2. Monitoring all portal systems and applications for portal systems created by state agencies, boards, commissions, or authorities, reviewing portal systems applications approved or denied by the Information Service Division of the Office of State Finance, and making recommendations to the Legislature and Governor to encourage greater use of the open-systems concept as is defined in Section 41.5r of this title;

3. Approving the plan of action developed by the Chief Information Officer as provided for in Section 2 of this act, providing ongoing oversight of implementation of the plan of action by the Chief Information Officer and approving any amendments to the plan of action;

4. Approving charges to state agencies established by the Chief Information Officer pursuant to Section 2 of this act for their use of shared information technology and telecommunications services;

5. Functioning in an advisory capacity to the Chief Information Officer; and

6. Developing performance metrics for quantifying the value of goods or services provided by state agencies and for considering if goods and services provided by a state agency could be modernized through the implementation of new technology to provide better quality goods or services that would result in cost savings or best value.

SECTION 17. AMENDATORY Section 2, Chapter 128, O.S.L. 2004, as amended by Section 3, Chapter 391, O.S.L. 2005 (62 O.S. Supp. 2008, Section 41.5t), is amended to read as follows:

Section 41.5t A. The Information Services Division of the Office of State Finance shall work in conjunction with the Department of Central Services to assure state compliance regarding accessibility of information technology for individuals with disabilities based on the provisions of Section 508 of the Workforce Investment Act of 1998.

B. When developing, procuring, maintaining or using information technology, or when administering contracts or grants that include the procurement, development, upgrading, or replacement of information technology each state agency shall ensure, unless an undue burden would be imposed on the agency, that the information technology allows employees, program participants, and members of the general public access to use of information and data that is comparable to the access by individuals without disabilities.

C. To assure accessibility, the Information Services Division and the Department of Central Services shall:

1. Adopt accessibility standards that address all technical standard categories of Section 508 of the Workforce Investment Act

of 1998 to be used by each state agency in the procurement of information technology, and in the development and implementation of custom-designed information technology systems, Web sites, and other emerging information technology systems;

2. Establish and implement a review procedure to be used to evaluate the accessibility of custom-designed information technology systems proposed by a state agency prior to expenditure of state funds;

3. Review and evaluate accessibility of information technology commonly purchased by state agencies, and provide accessibility reports on such products to those responsible for purchasing decisions;

4. Provide in partnership with Oklahoma Able Tech, the state assistive technology ~~project~~ program located at Oklahoma State University, training and technical assistance for state agencies to assure procurement of information technology that meets adopted accessibility standards;

5. Consult with the ~~Oklahoma~~ Oklahoma State Department of Rehabilitation Services and individuals with disabilities in accessibility reviews of information technology and in the delivery of training and technical assistance;

6. Establish complaint procedures, consistent with Section 508 of the Workforce Development Act of 1998, to be used by an individual who alleges that a state agency fails to comply with the provisions of this section;

7. Work with and seek advice from the Electronic and Information Technology Accessibility Advisory Council, created in Section 41.5t.2 of this title in developing accessibility standards and complaint procedures as required in this section; and

8. Require state agencies to submit evidence of assurance of compliance with state standards on accessibility of information technology for individuals with disabilities developed in accordance with this section. For executive branch state agencies that are required to submit an annual ~~long-range~~ operating plan pursuant to Section 41.5e of this title evidence of compliance shall be included in that report.

D. The ~~Director of State Finance~~ Chief Information Officer and the Director of the Department of Central Services shall promulgate rules, as necessary, to implement the provisions of this section.

SECTION 18. AMENDATORY Section 4, Chapter 128, O.S.L. 2004 (62 O.S. Supp. 2008, Section 41.5t.2), as last amended by Section 1 of Enrolled Senate Bill No. 871 of the 1st Session of the 52nd Oklahoma Legislature, is amended to read as follows:

Section 41.5t.2 A. There is hereby created, to continue until July 1, 2010, the Electronic and Information Technology Accessibility Advisory Council. The Advisory Council shall study and make recommendations concerning the accessibility for the disabled to publicly produced and provided electronic and information technology and to provide advice and assistance to the Information Services Division of the Office of State Finance on the development of accessibility standards and complaint procedures as provided for in Section 41.5t of this title.

B. The Advisory Council shall be composed of the following members:

1. Two members of the House of Representatives, appointed by the Speaker of the House of Representatives;

2. Two members of the Senate, appointed by the President Pro Tempore of the Senate;

3. The ~~Director of the Office of State Finance~~ Chief Information Officer, or a designee;

4. The Director of the Department of Central Services, or a designee;

5. The Director of the State Department of Rehabilitation Services, or a designee;

6. The Superintendent of Public Instruction, or a designee;

7. The ~~State~~ Director of the Oklahoma ~~State~~ Department of Career and Technology Education, or a designee;

8. The Director of the Library for the Blind and Physically Handicapped with the State Department of Rehabilitation Services, or a designee;

9. The Director of the Office of Disability Concerns, or a designee;

10. A representative of OneNet, the state telecommunications network within the Oklahoma State Regents for Higher Education;

11. The ~~Project Manager~~ Director for Oklahoma Able Tech, the state assistive technology ~~project~~ program located at Oklahoma State University;

12. A representative of state agency web managers appointed by the Governor from a list submitted by a state agency web manager group;

13. A representative of an association representing education technology administrators appointed by the Speaker of the House of Representatives;

14. A representative of an association of distance learning education professionals appointed by the President Pro Tempore of the Senate;

15. Two representatives of corporations or vendors of information or electronic technology hardware or software who are knowledgeable or have experience in the field of assistive technology appointed by the Governor;

16. A representative of a corporation or vendor specializing in assistive technology appointed by the Governor; and

17. Four representatives who are individuals with a disability, one who is blind or visually impaired, one who is deaf or hard of hearing, one with a mobility disability, and one with a cognitive disability and all of whom are users of information or electronic technology appointed by the Governor.

C. Members who were serving on the Electronic and Information Technology Accessibility Task Force as of July 1, 2004, shall automatically be appointed to serve on the Electronic and Information Technology Accessibility Advisory Council after July 1, 2004.

D. The Advisory Council shall:

1. Make recommendation on action, including legislative action, needed to ensure that all electronic and information technology produced, procured, or developed by state agencies are accessible to the disabled;

2. Identify disability accessibility standards that are emerging or fully adopted by national standard organizations;

3. Review and make recommendations on disability accessibility initiatives and legislation undertaken in other states; and

4. Provide advice and assistance to the Information Services Division of the Office of State Finance and the Department of Central Services on the development of accessibility standards and complaint procedures as provided for in Section 41.5t of this title.

E. The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall each designate a cochair from among the members of the Advisory Council.

F. A majority of the members of the Advisory Council shall constitute a quorum. A majority of the members present at a meeting may act for the Advisory Council.

G. Meetings of the Advisory Council shall be called by either cochair.

H. Proceedings of all meetings of the Advisory Council shall comply with the provisions of the Oklahoma Open Meeting Act.

I. The Advisory Council may divide into subcommittees in furtherance of its purpose.

J. Staff of the Oklahoma Able Tech, the state assistive technology ~~project~~ program located at Oklahoma State University, shall serve as primary staff for the Advisory Council. Appropriate personnel from the ~~Office of State Finance~~ Information Services Division and the Department of Central Services shall also assist with the work of the Advisory Council.

K. The Advisory Council may use the expertise and services of the staffs of the Oklahoma House of Representatives and State Senate and may, as necessary, seek the advice and services of experts in the field as well as other necessary professional and clerical staff.

L. All departments, officers, agencies, and employees of this state shall cooperate with the Advisory Council in fulfilling its duties and responsibilities including, but not limited to, providing any information, records, or reports requested by the Advisory Council.

M. Members of the Advisory Council shall receive no compensation for their service, but shall receive travel reimbursement as follows:

1. Legislative members of the Advisory Council shall be reimbursed for necessary travel expenses incurred in the performance of their duties in accordance with the provisions of Section 456 of Title 74 of the Oklahoma Statutes; and

2. Nonlegislative members of the Advisory Council shall be reimbursed by their appointing authorities or respective agencies for necessary travel expenses incurred in the performance of their duties in accordance with the State Travel Reimbursement Act.

SECTION 19. AMENDATORY Section 4, Chapter 391, O.S.L. 2005, as amended by Section 1, Chapter 310, O.S.L. 2006 (62 O.S. Supp. 2008, Section 41.5u), is amended to read as follows:

Section 41.5u A. No state agency, as defined by Section 250.3 of Title 75 of the Oklahoma Statutes, ~~nor~~ the Purchasing Division of the Department of Central Services nor the Information Services Division of the Office of State Finance, unless otherwise provided by federal law, shall enter into a contract for the acquisition of customized computer software developed or modified exclusively for the agency or the state, unless the vendor agrees to place into escrow with an independent third party the source code for the software and/or modifications.

B. The vendor must agree to place the source code for the software and any upgrades supplied to an agency in escrow with a third party acceptable to the agency and to enter into a customary source code escrow agreement which includes a provision that entitles the agency to receive everything held in escrow upon the occurrence of any of the following:

1. A bona fide material default of the obligations of the vendor under the agreement with the agency;

2. An assignment by the vendor for the benefit of its creditors;

3. A failure by the vendor to pay, or an admission by the vendor of its inability to pay, its debts as they mature;

4. The filing of a petition in bankruptcy by or against the vendor when such petition is not dismissed within sixty (60) days of the filing date;

5. The appointment of a receiver, liquidator or trustee appointed for any substantial part of the vendor's property;

6. The inability or unwillingness of the vendor to provide the maintenance and support services in accordance with the agreement with the agency; or

7. The ceasing of a vendor of maintenance and support of the software.

The fees of any third-party escrow agent subject to this section shall be borne by the vendor.

C. The State Purchasing Director or a procurement officer of a state agency ~~not subject to the Oklahoma Central Purchasing Act~~ shall not process any state agency request for the customization, modernization, or development of computer software unless the proposed vendor provides documentation that complies with subsections A and B of this section.

D. The State Purchasing Director shall provide advice and assistance, as may be required, in order for state agencies to comply with the provisions of this section.

E. As used in this section:

1. "State agency" shall include all state agencies, whether subject to the Central Purchasing Act or not, except the Oklahoma Lottery Commission; and

2. "Source code" means the programming instruction for a computer program in its original form, created by a programmer with a text editor or a visual programming tool and saved in a file.

SECTION 20. AMENDATORY Section 15, Chapter 266, O.S.L. 2006 (62 O.S. Supp. 2008, Section 41.5v), is amended to read as follows:

Section 41.5v A. The Information Services Division of the Office of State Finance shall create a standard security risk assessment for state agency information technology systems that complies with the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC) Information Technology - Code of Practice for Security Management (ISO/IEC 17799).

B. Each state agency that has an information technology system shall annually conduct an information security risk assessment to identify vulnerabilities associated with the information system. A final report of the information security risk assessment shall be submitted by each state agency to the ~~Office of State Finance~~ Information Services Division by the first day of December of each year. The final information security risk assessment report shall identify, prioritize, and document information security vulnerabilities for each of the state agencies assessed. Failure to comply with the requirements of this subsection may result in funding being withheld from the agency. State agencies shall use either the standard security risk assessment created by the ~~Office of State Finance~~ Information Services Division or a third-party risk assessment meeting the ISO/IEC 17799 standards and using the National Institute of Standards and Technology Special Publication 800-30 (NIST SP800-30) process and approved by the ~~Office of State Finance~~ Information Services Division. The ~~Office of State Finance~~ Information Services Division shall approve not less than two firms which state agencies may choose from to conduct the information security risk assessment.

C. The ~~Office of State Finance~~ Information Services Division shall report the results of the state agency assessments required pursuant to this section to the Governor, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate by the first day of January of each year.

SECTION 21. NEW LAW A new section of law not to be codified in the Oklahoma Statutes reads as follows:

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, Internet, eGovernment, printers, scanners, copiers, facsimile systems, computer hardware, software, or any contract for information technology services and equipment exceeding Ten Thousand Dollars (\$10,000.00) in value prior to appointment of the first Chief Information Officer without written authorization of the Director of the Office of State Finance.

B. No agency of the executive branch of the state shall create new full-time-equivalent administrative-level information technology positions or replace or fill an existing vacant full-time-equivalent administrative-level information technology position until the plan of action developed by the Chief Information Officer is approved as set forth in Section 2 of this act unless the Chief Information Officer grants written authorization. Prior to appointment of the first Chief Information Officer, the Director of the Office of State Finance may grant written authorization.

SECTION 22. AMENDATORY 74 O.S. 2001, Section 10.3, as last amended by Section 1, Chapter 428, O.S.L. 2005 (74 O.S. Supp. 2008, Section 10.3), is amended to read as follows:

Section 10.3 A. Within forty-five (45) days of assuming office, each Governor may create a cabinet system for the executive branch of state government. The cabinet system may be an organizational framework created by executive order which includes all executive agencies, boards, commissions, or institutions and their assignments to specific cabinet areas. The cabinet system shall consist of no more than fifteen cabinet areas and each cabinet area shall consist of executive agencies, boards, commissions, or institutions with similar programmatic or administrative objectives, ~~provided, one.~~ One cabinet area shall consist of the Oklahoma Department of Veterans Affairs, its institutions and other executive agencies, boards, commissions and institutions which are related to veterans. One cabinet area shall consist of the Information Services Division of the Office of State Finance and all the functions of all executive agencies, boards, commissions and institutions related to information technology and telecommunications. The Governor's cabinet shall be in effect until the Legislature supersedes each cabinet area by providing by law for specific cabinet areas or departments, or removes by law the authority of the Governor to create a cabinet area.

B. The Governor shall appoint, with the advice and consent of the Senate, a Secretary to head each cabinet area. The Secretary

appointee for the cabinet area consisting of the Oklahoma Department of Veterans Affairs and other related veterans entities shall be an honorably discharged veteran and be eligible to receive benefits from the United States Department of Veterans Affairs. The Secretary for the cabinet area consisting of the Information Services Division of the Office of State Finance and all related information technology and telecommunications functions of state government shall be the Chief Information Officer who shall be appointed pursuant to Section 2 of this act. A cabinet Secretary may be appointed as a position funded by the Office of the Governor from funds available to that office, or appointed as a cabinet Secretary from among the agency heads within the cabinet area. The cabinet Secretaries shall:

1. Advise the Governor of any policy changes or problems within the area they represent;
2. Advise the entities represented of any policy changes or problems as directed by the Governor; and
3. Coordinate information gathering for the Legislature as requested.

C. The cabinet Secretaries shall serve at the pleasure of the Governor, however, the appointment or removal of a cabinet Secretary who is also an agency head shall not otherwise affect the status of the other duties of the agency head. Whenever a Secretary position becomes vacant, the Governor shall appoint a successor within thirty (30) calendar days pursuant to the provisions of subsection B of this section. If the Legislature is not in session at the time of appointment it shall be subject to the advice and consent of the Senate upon convening of the next regular session of the Legislature.

SECTION 23. AMENDATORY 74 O.S. 2001, Section 85.5, as last amended by Section 3, Chapter 96, O.S.L. 2008 (74 O.S. Supp. 2008, Section 85.5), is amended to read as follows:

Section 85.5 A. Pursuant Except as otherwise provided in this section, pursuant to the provisions of Section 85.4 of this title, the State Purchasing Director, under the supervision of the Director of the Department of Central Services, shall have sole and exclusive authority and responsibility for all acquisitions used or consumed by state agencies. In order to carry out the powers and duties established in Section 2 of this act, the Chief Information Officer

shall have sole and exclusive authority and responsibility for all acquisitions of information and telecommunications technology, equipment, software, products and related peripherals and services used or consumed by state agencies.

B. The State Purchasing Director, after consultation with the requisitioning state agency, shall have authority to determine the particular brand, model, or other specific classification of each acquisition and to draft or invoke pursuant to The Oklahoma Central Purchasing Act specifications establishing the requirements for all necessary contracts or purchase orders.

C. The Director of the Department of Central Services shall have authority and responsibility to promulgate rules pursuant to provisions of The Oklahoma Central Purchasing Act governing, providing for, prescribing, or authorizing any act, practice, or requirement for which regulatory power is delegated for:

1. The time, manner, authentication, and form of making requisitions for acquisitions;

2. Inspection, analysis, and testing of acquisitions or samples suppliers submit prior to contract award;

3. The form and manner of submission for bids or proposals a supplier submits and the manner of accepting and opening bids or proposals;

4. The conditions under which the Department of Central Services shall require written contracts for acquisitions, the conditions under which acquisitions may be made on an open account basis, and the conditions and manner of negotiating such contracts;

5. Obtaining acquisitions produced by state institutions;

6. Conditions under which any of the rules herein authorized may be waived;

7. The amounts of and deposits on any bond or other surety required to be submitted with a bid or contract for the furnishing of acquisitions and the conditions under which such bond or other surety shall be required;

8. Storage and storage facilities necessary to accomplish responsibilities of the Director of the Department of Central Services;

9. The manner and conditions of delivery, which shall include the designation of the common carrier of property to be used to transport acquisitions whenever a common carrier is used, and the acceptance, or rejection, including check of quantities, of any acquisitions;

10. The form of any estimate, order, or other document the Director of the Department of Central Services requires;

11. State agency acquisitions not exceeding the acquisition purchase amount requiring competitive bid pursuant to Section 85.7 of this title to ensure competitiveness, fairness, compliance with provisions of all sections of The Oklahoma Central Purchasing Act, and compliance with provisions of Section 3001 et seq. of this title, which relate to the State Use Committee. The rules shall include separate provisions based on acquisition purchase price as follows:

- a. state agencies shall make acquisitions not exceeding Two Thousand Five Hundred Dollars (\$2,500.00), provided the acquisition process is fair and reasonable and is conducted pursuant to rules authorized pursuant to this section, and
- b. state agencies with certified procurement officers and internal purchasing procedures found compliant by the Director of the Department of Central Services pursuant to this section may make acquisitions in excess of Two Thousand Five Hundred Dollars (\$2,500.00) as provided below:
 - (1) acquisitions with a price exceeding Two Thousand Five Hundred Dollars (\$2,500.00) and not exceeding Ten Thousand Dollars (\$10,000.00), pursuant to rules authorized by this section, and
 - (2) acquisitions with a price exceeding Ten Thousand Dollars (\$10,000.00) and not exceeding the amount requiring a requisition to the State Purchasing Director, pursuant to Section 85.7 of this title, by telephone, facsimile, invitation to bid, or

solicitation by means of electronic commerce,
receipt of bids and bid award by the state
agency;

12. Training by the State Purchasing Director of state agency procurement officers;

13. Review and audit by the State Purchasing Director of state agency acquisitions;

14. The conditions for increasing acquisition limits for state agencies which have had a prior reduction in acquisition limit by the Director of the Department of Central Services;

15. Use of a state purchase card to make acquisitions; and

16. Any other matter or practice which relates to the responsibilities of the Director of the Department of Central Services.

D. The State Purchasing Director shall provide training for state agency purchasing officials and other purchasing staff. The training shall include principles of state procurement practices, basic contracting, provisions of The Oklahoma Central Purchasing Act, rules promulgated pursuant to The Oklahoma Central Purchasing Act, provisions of Section 3001 et seq. of this title, which relate to the State Use Committee, and any other matters related to state procurement practices. State agency purchasing officials that demonstrate proficiency shall be certified as "certified procurement officers" by the State Purchasing Director and shall be authorized to make acquisitions pursuant to provisions of The Oklahoma Central Purchasing Act and rules authorized by this section. The State Purchasing Director shall assess a fee to state agencies for the training that does not exceed each state agency's pro rata share of the costs the State Purchasing Director incurs to provide the training.

E. The State Purchasing Director shall review state agency acquisitions for the purposes of:

1. Ensuring state agency compliance with provisions of The Oklahoma Central Purchasing Act;

2. Ensuring state agency compliance with rules promulgated by the Department of Central Services pursuant to The Oklahoma Central Purchasing Act;

3. Ensuring state agency compliance with provisions of Section 3001 et seq. of this title pertaining to the State Use Committee;

4. Reporting any acquisition by any state agency found not to be in compliance with those sections or rules to the Director of the Department of Central Services; and

5. Recommending that the Director of the Department of Central Services reduce the acquisition competitive bid limit amount for any state agency found not to be in compliance with The Oklahoma Central Purchasing Act or rules promulgated thereto.

F. When recommended by the State Purchasing Director, based on written findings by the State Purchasing Director, the Director of the Department of Central Services may:

1. Require retraining of state agency procurement officials and other purchasing staff found not to be in compliance with provisions of The Oklahoma Central Purchasing Act, or rules promulgated pursuant to The Oklahoma Central Purchasing Act;

2. Reduce the acquisition competitive bid limit for any state agency found not to be in compliance with provisions of The Oklahoma Central Purchasing Act or rules promulgated pursuant to The Oklahoma Central Purchasing Act;

3. Transmit written findings by the State Purchasing Director to the State Auditor and Inspector for further investigation, indicating purchasing procedures that do not conform to provisions pursuant to The Oklahoma Central Purchasing Act or rules promulgated pursuant to The Oklahoma Central Purchasing Act;

4. Transmit to the Attorney General or the State Auditor and Inspector for further investigation a report made by the State Purchasing Director that the Director of the Department of Central Services reasonably believes indicates that an action that constitutes a criminal violation pursuant to The Oklahoma Central Purchasing Act or other laws has been taken by any state agency, state agency official, bidder, or supplier; or

5. Increase the state agency acquisition purchase amount requiring competitive bid, not to exceed the acquisition purchase amount requiring competitive bid, pursuant to Section 85.7 of this title.

G. 1. Pursuant to the requirements of The Oklahoma Central Purchasing Act, the State Purchasing Director shall have authority to enter into any statewide, multistate or multigovernmental contract. The state entity designated by law, as specified in Section 1010.3 of Title 56 of the Oklahoma Statutes, shall participate in the purchase of pharmaceuticals available through such multistate or multigovernmental contracts entered into by the State Purchasing Director.

2. The State Purchasing Director may utilize contracts awarded by other governmental agencies, including agencies of the United States of America.

3. The State Purchasing Director may designate contracts described in this subsection for use by state agencies.

4. In order to carry out the powers and duties established in Section 2 of this act, the Chief Information Officer shall have the authority to designate certain information technology and telecommunication contracts for state agencies as statewide contracts and mandatory statewide contracts.

H. The State Purchasing Director may develop and test new contracting policies and procedures that hold potential for making the Purchasing Division more effective and efficient.

I. The State Purchasing Director shall endeavor to satisfy state agencies in terms of cost, quality, and timeliness of the delivery of acquisitions by using bidders who have a record of successful past performance, promoting competition, minimizing administrative operating costs, and conducting business with integrity, fairness, and openness.

J. The State Purchasing Director shall undertake the following:

1. The use of electronic commerce pursuant to the Oklahoma Online Bidding Act for solicitation, notification, and other purchasing processes;

2. Monitoring rules promulgated pursuant to The Oklahoma Central Purchasing Act to ensure that the rules, satisfy the interests of the state, are clear and succinct, and encourage efficiency in purchasing processes;

3. A program to identify vendors with poor delivery and performance records;

4. Development of criteria for the use of sealed bid contracting procedures, negotiated contracting procedures, selection of types of contracts, postaward administration of purchase orders and contracts, contract modifications, termination of contracts, and contract pricing;

5. Continual improvement in the quality of the performance of the Purchasing Division through training programs, management seminars, development of benchmarks and key management indicators, and development of standard provisions, clauses and forms;

6. Development of electronic means of making state agencies aware of office furniture, equipment, machinery, tools, and hardware available for purchase from the surplus property programs;

7. Development of programs to improve customer relations through training, improved communications, and appointment of technical representatives; and

8. In cooperation with the Office of State Finance and the State Treasurer, develop an electronic payment mechanism for use in the settlement of accounts payable invoices, with no limit, to make payment for products or services acquired in accordance with The Oklahoma Central Purchasing Act and any rules promulgated pursuant thereto.

K. The State Purchasing Director shall, in cooperation with the Oklahoma Department of Agriculture, Food, and Forestry, identify the needs of state agencies and institutions for agricultural products grown and produced in Oklahoma.

L. The State Purchasing Director may authorize the use of a state purchase card for acquisitions within the following parameters:

1. No limit on the amount of the transaction for the following:

- a. purchases from statewide contracts issued by the State Purchasing Director, and
- b. regulated utilities; and

2. For any other transaction with a state purchase card, the transaction shall not exceed Two Thousand Five Hundred Dollars (\$2,500.00).

M. The State Purchasing Director may utilize and authorize state agencies to utilize reverse auctions to obtain acquisitions.

N. Prior to the award of a contract to a supplier, the State Purchasing Director shall verify, pursuant to applicable provisions of law, that the supplier is eligible to do business in the State of Oklahoma by confirming registration with the Secretary of State and franchise tax payment status pursuant to Sections 1203 and 1204 of Title 68 of the Oklahoma Statutes. The provisions of this subsection shall be applicable only if the contract amount is Twenty-five Thousand Dollars (\$25,000.00) or greater.

O. As a condition of awarding a contract pursuant to The Oklahoma Central Purchasing Act, the State Purchasing Director shall verify with the Oklahoma Tax Commission that the business entity to which the state contract is to be awarded, whether subject to the procedures required by Section 85.7 of this title or not, has obtained a sales tax permit pursuant to the provisions of Section 1364 of Title 68 of the Oklahoma Statutes if such entity is required to do so.

P. The State Purchasing Director is hereby authorized to explore and investigate cost savings in energy, resource usage, and maintenance contracts and to identify and negotiate contract solutions including, but not limited to, pilot projects to achieve cost savings for the State of Oklahoma.

Q. The Office of State Finance, with input from the State Purchasing Director, shall promulgate payment procedure rules for state agencies to adhere to regarding statewide contracts issued by the State Purchasing Director.

R. The Office of State Finance along with the Department of Central Services, Central Purchasing Division, shall promulgate payment procedure rules for agencies to adhere to regarding statewide contracts issued by the Division.

SECTION 24. RECODIFICATION Contingent upon the provisions of House Bill No. 2015 of the 1st Session of the 52nd Oklahoma Legislature becoming law, Section 2 of this act shall be recodified as Section 34.11.1 of Title 62 of the Oklahoma Statutes, unless there is created a duplication in numbering.

SECTION 25. REPEALER Section 5, Chapter 391, O.S.L. 2005 (62 O.S. Supp. 2008, Section 41.5a-2), is hereby repealed.

SECTION 26. The provisions of Sections 3 through 15, 17 through 20, 22 and 23 of this act shall be effective and shall become operative on the effective date of the appointment of the first Chief Information Officer by the Governor as provided for in Section 2 of this act.

Passed the House of Representatives the 22nd day of May, 2009.

Presiding Officer of the House of
Representatives

Passed the Senate the 26th day of May, 2009.

Presiding Officer of the Senate