

ENROLLED HOUSE
BILL NO. 1755

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

and

Jolley of the Senate

An Act relating to state government; authorizing CompSource Oklahoma to develop a pilot program; stating purpose; providing duration of pilot program; providing that program will become permanent under certain circumstances; requiring annual reports; exempting CompSource Oklahoma from compliance with certain laws and requirements; requiring CompSource Oklahoma to comply with certain procedures; requiring CompSource Oklahoma to keep certain records and documentation; making certain transactions subject to audit; amending 61 O.S. 2001, Section 60, as last amended by Section 5, Chapter 271, O.S.L. 2006 (61 O.S. Supp. 2008, Section 60), which relates to consultant and construction contract forms; providing exception to mandatory use; amending 61 O.S. 2001, Section 65, as last amended by Section 12, Chapter 271, O.S.L. 2006 (61 O.S. Supp. 2008, Section 65), which relates to consultant and construction contracts; providing exception from certain requirements; amending 61 O.S. 2001, Section 129, which relates to the Public Competitive Bidding Act of 1974; exempting certain contracts from the Public Competitive Bidding Act of 1974; amending 61 O.S. 2001, Section 207.2, as last amended by Section 6, Chapter 319, O.S.L. 2008 (61 O.S. Supp. 2008, Section 207.2), which relates to contracts with architects, engineers and land surveyors; expanding exceptions; amending 62 O.S. 2001, Sections 41.5a and 41.5e, as last amended by Sections 1 and 3, Chapter 266, O.S.L. 2006, 41.5f, as amended by Section 1, Chapter 148, O.S.L. 2007, 41.5j, as last amended by Section 3 of Enrolled Senate Bill No. 1153 of the 1st Session of

the 52nd Oklahoma Legislature, 41.7c, 41.29, as last amended by Section 2, Chapter 311, O.S.L. 2008 and 45.2 (62 O.S. Supp. 2008, Sections 41.5a, 41.5e, 41.5f and 41.29), which relate to budget law; providing exemptions from certain restrictions and requirements; amending 74 O.S. 2001, Section 62.3, as last amended by Section 1, Chapter 234, O.S.L. 2005 (74 O.S. Supp. 2008, Section 62.3), which relates to the Oklahoma Surplus Property Act; providing an exemption; amending 74 O.S. 2001, Section 63, as amended by Section 7, Chapter 319, O.S.L. 2008 (74 O.S. Supp. 2008, Section 63), which relates to the general powers and authority of the Department of Central Services; providing that the Department of Central Services shall not have authority or responsibility for certain property; amending 74 O.S. 2001, Sections 78a and 78b, which relate to requisition and disposal of state vehicles; excluding CompSource Oklahoma from requisition and disposal requirements under certain circumstances; amending 74 O.S. 2001, Section 85.3A, as amended by Section 8, Chapter 319, O.S.L. 2008 (74 O.S. Supp. 2008, Section 85.3A), which relates to The Oklahoma Central Purchasing Act; expanding exempted entities; and providing for codification.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3316 of Title 74, unless there is created a duplication in numbering, reads as follows:

CompSource Oklahoma is hereby permitted to develop a pilot program. The purpose of the pilot program is to capture cost savings and improve services through exemption from certain purchasing and acquisition statutory provisions and rules and from certain budget filings and information systems conversions. The pilot program shall continue for a period of three (3) years and shall become permanent if the program remains in existence and written authorization for continuation from the Governor is provided during the 2012 legislative session. CompSource Oklahoma shall

further be accountable to provide a report annually to the President Pro Tempore of the Senate, Speaker of the House of Representatives and Governor describing the methods and innovations utilized in its procurement processes, and the improved services and savings accrued as a result of the program.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3317 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. Compliance with the provisions of The Oklahoma Central Purchasing Act shall not be required of CompSource Oklahoma. CompSource Oklahoma shall observe internal purchasing procedures approved by the Purchasing Director of the Department of Central Services and keep records of acquisitions which shall be subject to audit by the Department of Central Services.

B. Compliance with the provisions of the Public Competitive Bidding Act of 1974, Public Building Construction and Planning Act, and Consulting Services through the Construction and Properties Division of the Department of Central Services shall not be required of CompSource Oklahoma. CompSource Oklahoma shall observe internal procurement and bidding procedures and keep records of contracts and acquisitions which shall be subject to audit by the Department of Central Services.

C. Compliance with the provisions of the Oklahoma Surplus Property Act shall not be required of CompSource Oklahoma. CompSource Oklahoma shall observe internal property disposition procedures and keep records of property dispositions which shall be subject to audit by the Department of Central Services.

D. CompSource Oklahoma shall additionally be exempted from compliance with Sections 78 through 78b of Title 74 of the Oklahoma Statutes concerning Fleet Management within the Department of Central Services and shall keep records and documentation of its motor-vehicle-related transactions which shall be subject to audit by the Department of Central Services.

E. CompSource Oklahoma shall be exempted from the requirements of the Office of State Finance to file the annual budget work program, budget request, information systems plan and telecommunications plan. CompSource Oklahoma shall continue to file an annual audited financial statement in accordance with governmental accounting standards.

F. CompSource Oklahoma shall further be exempted from conversion to CORE Phase II requirements of the Office of State Finance.

SECTION 3. AMENDATORY 61 O.S. 2001, Section 60, as last amended by Section 5, Chapter 271, O.S.L. 2006 (61 O.S. Supp. 2008, Section 60), is amended to read as follows:

Section 60. All state agencies, boards, commissions, offices, institutions, and other governmental bodies of this state, and all individuals representing such entities, except the Department of Transportation ~~and~~, the Oklahoma Turnpike Authority, and CompSource Oklahoma provided CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 1 and 2 of this act, shall use construction manager, consultant and construction contract forms that the State Construction Administrator of the Construction and Properties Division of the Department of Central Services requires to award and execute contracts for designs to construct, renovate, alter, repair, maintain, or improve real property or fixtures of real property of the state. The Administrator may authorize, in writing, exceptions to the use of construction manager, consultant and construction contract forms for specific projects.

SECTION 4. AMENDATORY 61 O.S. 2001, Section 65, as last amended by Section 12, Chapter 271, O.S.L. 2006 (61 O.S. Supp. 2008, Section 65), is amended to read as follows:

Section 65. A. In addition to the conditions prescribed pursuant to ~~subsection~~ subsections C and D of this section, the provisions of Section 62 of this title shall not apply whenever the Construction and Properties Division of the Department of Central Services with concurrence of the chief administrative officer of the public agency affected declares that an emergency exists. The construction manager or consultant shall be selected by the State Construction Administrator of the Construction and Properties Division of the Department of Central Services. The resulting construction manager or consultant contract shall not exceed Fifteen Thousand Dollars (\$15,000.00). The reasons for the emergency shall be recorded in the official records of the Division.

B. Emergency as used in this section shall be limited to conditions resulting from any of the following:

1. A sudden unexpected happening or unforeseen occurrence if it is impossible for the provisions of Section 62 of this title to be observed because of the time factor and if the public health or safety is endangered; and

2. A condition or situation which, if allowed to continue, would lead to economic loss to the state or to further damage of state property.

C. The provisions of Section 62 of this title shall not apply to the process for construction of a correctional facility whenever the State Board of Corrections informs the Division that an emergency condition threatens the security of the state correctional system, including inmate population growth, and the condition requires expeditious treatment for the review, approval and bid process as it relates to construction or expansion of correctional facilities. The Division and the Department of Corrections are authorized to implement an expedited competitive bid process for the contracting of construction managers or consultants and construction of new or expanded correctional facilities that adequately respond to the emergency. The State Board of Corrections shall provide written notification to the Governor, the Speaker of the House of Representatives and to the President Pro Tempore of the Senate of the emergency conditions.

D. The provisions of Section 62 of this title shall not apply to CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 1 and 2 of this act.

SECTION 5. AMENDATORY 61 O.S. 2001, Section 129, is amended to read as follows:

Section 129. ~~This act~~ A. The Public Competitive Bidding Act of 1974 shall not apply to contracts awarded or contracts for which bids have been solicited on or before the effective date of this act August 1, 1974.

B. The Public Competitive Bidding Act of 1974 shall not apply to contracts awarded or contracts for which bids are solicited by CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 1 and 2 of this act.

SECTION 6. AMENDATORY 61 O.S. 2001, Section 207.2, as last amended by Section 6, Chapter 319, O.S.L. 2008 (61 O.S. Supp. 2008, Section 207.2), is amended to read as follows:

Section 207.2 A. Except as provided by subsection B of this section, no state agency shall employ, either temporary or full-time, any person engaged in the practice of architecture, engineering or land surveying for the purpose of planning or performing any construction upon any real property belonging to the agency or to the state, or upon any real property of which this state will assume possession or ownership by contract, option to purchase agreement, lease, or otherwise. The term "practice of architecture" shall be defined as those activities of an architect as provided for in Section 46.3 of Title 59 of the Oklahoma Statutes. The terms "practice of engineering" or the "practice of land surveying" shall be defined as such terms are defined by Section 475.2 of Title 59 of the Oklahoma Statutes.

B. The provisions of subsection A of this section shall not apply to:

1. The Department of Human Services;
2. The Oklahoma Tourism and Recreation Department;
3. The State Department of Health insofar as the monitoring of permitted health care facility construction for licensing purposes;
4. The Oklahoma Historical Society insofar as the monitoring of historical site preservation and authenticity;
5. The Department of Central Services;
6. The State Department of Education and the public schools subject to its jurisdiction;
7. The Department of Transportation;
8. The Oklahoma State System of Higher Education;
9. The Military Department of the State of Oklahoma;
10. The Oklahoma Municipal Power Authority; ~~and~~
11. The Department of Public Safety gun range; and

12. CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 1 and 2 of this act.

SECTION 7. 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 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. software and hardware acquisition,
- g. information security and internal controls,
- h. data base compatibility, and
- i. contingency planning and disaster recovery.

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, 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 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 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 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 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 control of the information technology function of the agency until the agency is compliant, and
- e. recommend to the Governor and the Legislature that the administration and management of the information technology function of the agency be transferred to 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 computer hardware, software or any contract for information technology services and equipment exceeding Twenty-five Thousand Dollars (\$25,000.00) in value without written authorization of the Director of State Finance. 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, or CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 1 and 2 of this act.

C. 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 8. 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, or contracts for information technology services and equipment, shall annually submit to the Information Services Division 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, 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 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.

D. The provisions of this section shall not apply to CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 1 and 2 of this act.

SECTION 9. 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 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.

D. With respect to Phase II CORE, the provisions of this section shall not apply to CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 1 and 2 of this act.

SECTION 10. 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 facsimile systems, without written authorization of the Director of State Finance. The Director of State Finance 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, and facsimile systems, unless the cost of such addition, change, improvement or development has been included in the statewide communications plan of the Information Services Division, as said plan may have been amended or revised.

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. The provisions of this section shall not apply to CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 1 and 2 of this act.

F. 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.

SECTION 11. AMENDATORY 62 O.S. 2001, Section 41.7c, is amended to read as follows:

Section 41.7c A. On or before the first day of June in each year, or as soon thereafter as possible, all agencies shall be required to file budget work programs with the Director of the Office of State Finance. Copies of all agency budget work programs shall also be made available electronically to the staff of the Joint Legislative Committee on Budget and Program Oversight.

B. The required instructions, content and format of budget work programs shall be developed by the staff of the Budget Division of the Office of State Finance. The work programs shall include a description of all funds available to the agency for expenditure and setting out allotments requested by the agency by quarter and the entire fiscal year. The work program shall be accompanied by an organizational chart of the agency, a statement of agency mission and program objectives. The work program shall show budgeted spending by major program category at the activity level and may identify budgeted spending by subprogram category at the subactivity level. Major program categories identified in the budget work program shall conform to the major program categories as provided by law. Budget work programs shall be signed by the executive officer of each agency. Such program and allotment requests may be made by the "request officer" who shall be designated by each agency for that purpose. Executive officers of agencies shall cooperate with the Office of State Finance staff and Joint Committee staff in developing program budgeting categories. All funds available or expected to be made available to any agency, including nonfiscal appropriations, shall not be available for expenditure until the request officer of the agency has complied with the applicable provisions of Sections 41.1 through 41.41 of this title and has received approval of such request for funds from the Director of State Finance.

C. The provisions of this section shall not apply to CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 1 and 2 of this act.

SECTION 12. AMENDATORY 62 O.S. 2001, Section 41.29, as last amended by Section 2, Chapter 311, O.S.L. 2008 (62 O.S. Supp. 2008, Section 41.29), is amended to read as follows:

Section 41.29 A. Except as provided for in subsection B of this section, on the first day of October preceding each regular

session of the Legislature, each of the several state departments, bureaus, divisions, officers, commissions, and institutions, including those created or established pursuant to constitutional provisions, and other spending agencies shall report to the Director of State Finance and the Chair and Vice Chair of the Legislative Oversight Committee on State Budget Performance, in an electronic format for such purpose, an itemized request showing the amount needed for the ensuing fiscal year beginning with the first day of July. The electronic format which must be used in making these reports shall be approved by the Director of State Finance and the Legislative Oversight Committee on State Budget Performance, shall be uniform, and shall clearly designate the kind of information to be given on the reports. Information provided shall include, but not be limited to:

1. A budget analysis of existing and proposed programs utilizing zero-based budgeting techniques. Such analysis shall be included as a part of the estimate of funds needed;
2. A statement listing any other state, federal or local agencies which administer a similar or cooperating program and an outline of the interaction among such agencies;
3. A statement of the statutory authority for the missions and quantified objectives of each program;
4. A description of the groups of people served by each program in the agency;
5. A quantification of the need for the program;
6. A description of the tactics which are intended to accomplish each objective;
7. A list of quantifiable program outcomes which measure the efficiency and effectiveness of each program;
8. A ranking of these programs by priority;
9. Actual program expenditures for the current fiscal year and prior fiscal years and the number of personnel required to accomplish each program; and
10. Revenues expected to be generated by each program, if any.

Spending agencies shall make an itemized estimate of needs and request for funds for the ensuing fiscal year and an estimate of the revenues from all sources to be received by the agency during the ensuing fiscal year. The Director of State Finance shall submit to the Governor and the Legislative Oversight Committee on State Budget Performance no later than the fifth day of October a complete list of all spending agencies which fail to submit budgets by October 1, pursuant to the provisions of this section.

B. 1. The reports required by this section shall include an itemized listing of outstanding capital lease debt and estimated capital lease needs for the ensuing fiscal year, and shall be provided on official forms furnished by the Director of State Finance for this purpose.

2. For the purposes of this section "capital lease" means a lease-purchase agreement which provides an option for the State of Oklahoma or its agencies to purchase property, including personal and real property, which is the subject thereof and/or a lease agreement that provides an option for the State of Oklahoma or its agencies to lease such property, which is the subject thereof, at a nominal annual amount, after a period in which leased property is rented at fair market value.

C. The provisions of this section shall not apply to CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 1 and 2 of this act.

SECTION 13. AMENDATORY 62 O.S. 2001, Section 45.2, is amended to read as follows:

Section 45.2 In this act, "state agency" means a department, board, commission, or other entity of state government within the Executive Department of the State of Oklahoma, including institutions of higher education, that:

1. Was created by the Constitution or a state statute with an ongoing mission and responsibilities;
2. Is not the Office of the Governor or Lieutenant Governor;
and
3. Is not a committee created under state law whose primary function is to advise an agency; and

4. Is not CompSource Oklahoma, provided CompSource Oklahoma is operating pursuant to a pilot program authorized pursuant to Sections 1 and 2 of this act.

SECTION 14. AMENDATORY 74 O.S. 2001, Section 62.3, as last amended by Section 1, Chapter 234, O.S.L. 2005 (74 O.S. Supp. 2008, Section 62.3), is amended to read as follows:

Section 62.3 A. The Director of the Department of Central Services shall promulgate rules for use by state agencies and the Department of Central Services to dispose of surplus property. The rules shall include standards for recordkeeping, methods for removal or disposal of surplus property, and acquisition by state agencies and authorized entities of surplus property, and for Department management of surplus property programs.

B. A state agency selling, trading, redistributing or otherwise disposing of surplus property shall comply with the rules promulgated by the Director.

C. The Department shall make surplus property available to state agencies and authorized entities, which shall include political subdivisions, school districts, and nonprofit entities of this state.

D. The provisions of ~~this act~~ the Oklahoma Surplus Property Act shall not apply to institutions of higher education in this state, or the Northeast Oklahoma Public Facilities Authority. The Grand River Dam Authority shall be exempt from the provisions of ~~this act~~ the Oklahoma Surplus Property Act for any surplus property disposed of prior to November 1, 2006. CompSource Oklahoma shall be exempt from the provisions of the Oklahoma Surplus Property Act if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 1 and 2 of this act.

E. Notwithstanding the provisions of ~~this act~~ the Oklahoma Surplus Property Act, the Oklahoma State Bureau of Investigation may, pursuant to rules promulgated by the Oklahoma State Bureau of Investigation Commission for that purpose, donate any surplus property, as defined in Section 62.2 of this title, to any law enforcement agency of any political subdivision of the State of Oklahoma. The use of such donated equipment shall be limited to valid and authorized law enforcement efforts by the receiving agency.

SECTION 15. AMENDATORY 74 O.S. 2001, Section 63, as amended by Section 7, Chapter 319, O.S.L. 2008 (74 O.S. Supp. 2008, Section 63), is amended to read as follows:

Section 63. A. The Department of Central Services shall have power to promulgate rules not inconsistent with the laws of this state.

B. The Department of Central Services shall have charge of the construction, repair, maintenance, insurance, and operation of all buildings owned, used, or occupied by or on behalf of the state including buildings owned by the Oklahoma Capitol Improvement Authority where such services are carried out by contract with the Authority, except as otherwise provided by law. Whenever feasible, the Department of Central Services may utilize the Construction Division of the Department of Corrections for the construction and repair of buildings for the Department of Corrections.

C. The Director of the Department of Central Services shall have authority to purchase all material and perform all other duties necessary in the construction, repair, and maintenance of all buildings under its management or control, shall make all necessary contracts by or on behalf of the state for any buildings or rooms rented for the use of the state or any of the officers thereof, and shall have charge of the arrangement and allotment of space in such buildings among the different state officers except as otherwise provided by law.

D. The Department of Central Services shall not have any authority or responsibility for buildings, rooms or space under the management or control of the University Hospitals Authority.

E. The Department of Central Services shall have the custody and control of all state property, and all other property managed or used by the state, except military stores and such property under the control of the State Banking Department and the two houses of the State Legislature, shall procure all necessary insurance thereon against loss and shall allot the use of the property to the several offices of the state, and prescribe where the property shall be kept for public use.

F. The Department of Central Services shall keep an accurate account of all property purchased for the state or any of the departments or officers thereof, except that purchased for and by the two houses of the State Legislature. The two houses shall have

the exclusive use, care, and custody of their respective chambers, committee rooms, furniture, and property, and shall keep their respective records of said furniture and property.

G. The Department of Central Services shall not have any authority or responsibility for property purchased for or under the management or control of the University Hospitals Authority except as expressly provided by law.

H. The Department of Central Services shall not have any authority or responsibility for property purchased for or under the management or control of CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 1 and 2 of this act.

SECTION 16. AMENDATORY 74 O.S. 2001, Section 78a, is amended to read as follows:

Section 78a. A. State agencies with authority to own motor vehicles shall submit a requisition to the Director of Central Services prior to acquisition of a motor vehicle. The requisition shall state the type of vehicle, the intended purpose of the vehicle, a statement that the agency has actual need for the vehicle, the supplier of the vehicle, that the state agency has sufficient funds to acquire and maintain the vehicle and cite the statutory authority of the state agency to acquire a vehicle.

B. The Director of Central Services shall review the requisition and approve or deny the request of the state agency within fifteen (15) days of receipt by the Director of Central Services. The Director of State Finance shall not approve a purchase order or claim for a motor vehicle unless the acquisition of the motor vehicle was approved by the Director of Central Services.

C. The provisions of subsections A and B of this section shall not apply to the Department of Public Safety.

D. The provisions of subsections A and B of this section shall not apply to CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 1 and 2 of this act.

SECTION 17. AMENDATORY 74 O.S. 2001, Section 78b, is amended to read as follows:

Section 78b. A. A state agency shall notify the Fleet Management Division of the Department of Central Services not less than thirty (30) days prior to any vehicle disposal by the state agency.

B. A state agency shall not dispose of a passenger car, truck, pickup, or other vehicle the state agency owns until it has been in use for sixty thousand (60,000) miles or at least twenty-four (24) months have elapsed since the day the claim was approved for the payment thereof, unless the vehicle has damage and repairs that will exceed Two Thousand Five Hundred Dollars (\$2,500.00), or the Director of the Fleet Management Division of the Department of Central Services provides written authorization for disposal.

C. The provisions of subsections A and B of this section shall not apply to CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 1 and 2 of this act.

SECTION 18. AMENDATORY 74 O.S. 2001, Section 85.3A, as amended by Section 8, Chapter 319, O.S.L. 2008 (74 O.S. Supp. 2008, Section 85.3A), is amended to read as follows:

Section 85.3A Compliance with the provisions of The Oklahoma Central Purchasing Act shall not be required of:

1. County government;
2. The Oklahoma State Regents for Higher Education, the institutions, centers, or other constituent agencies of The Oklahoma State System of Higher Education;
3. The telecommunications network known as OneNet; ~~or~~
4. The Department of Public Safety gun range; or
5. CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 1 and 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