

THE HOUSE OF REPRESENTATIVES  
Wednesday, February 25, 2009

Committee Substitute for  
House Bill No. 1755

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 1755 - By: MARTIN (SCOTT) of the House and JOLLEY of the Senate.

An Act relating to state government; designating certain state agency an enterprise agency; providing for duration of designation; stating purpose; providing for agreement to set certain goal; authorizing payment of certain bonuses; providing for certain proceeds; authorizing CompSource Oklahoma to waive certain rule concerning employees of the enterprise agency; authorizing CompSource Oklahoma to waive provisions of The Oklahoma Central Purchasing Act and any rule of the Department of Central Services; requiring certain waiver of rules to be filed with certain agency; authorizing CompSource Oklahoma to waive certain administrative rule regarding the acquisition and use of information technology; setting procedures for waiving certain provisions of certain rules; setting time frame for certain waiver or suspension; requiring report; establishing enterprise agency grant fund; stating purpose; providing for application; authorizing CompSource Oklahoma to keep certain funds in the enterprise agency grant fund; providing for codification; and providing an effective date.

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

1           SECTION 1.   NEW LAW   A new section of law to be codified in the Oklahoma  
2 Statutes as Section 3316 of Title 74, unless there is created a duplication in numbering,  
3 reads as follows:  
4           CompSource Oklahoma is hereby designated as an enterprise agency. The  
5 designation of CompSource Oklahoma as an enterprise agency shall be for a period of  
6 three (3) years. The purpose of designating CompSource Oklahoma an enterprise agency

1 is to grant the agency relief from certain statutory provisions or agency rules as provided  
2 by this act in order to realize projected savings resulting from such relief.

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

6 A. Prior to each fiscal year, or as soon thereafter as possible, the CompSource  
7 Oklahoma President and Chief Executive Officer shall submit an annual enterprise plan  
8 to the Governor, the Speaker of the House of Representatives and the President Pro  
9 Tempore of the Senate which shall set forth measurable organizational and budgetary  
10 goals for the director in key operational areas of the agency. The annual performance  
11 plan shall be made public, except those portions containing proprietary, privileged or  
12 confidential information protected by law or that would place the agency or its  
13 constituents at an unfair disadvantage relative to those similarly situated.

14 B. Except when contrary to the Oklahoma Constitution, the Board of Managers of  
15 CompSource Oklahoma board may set the salary and authorize the payment of a bonus  
16 to the CompSource Oklahoma President and Chief Executive Officer in an amount not in  
17 excess of fifteen percent (15%) of the annual rate of pay of the President and Chief  
18 Executive Officer, based upon the Board of Managers evaluation of the performance of  
19 the President and Chief Executive Officer in relation to the goals set forth in the annual  
20 performance plan and the efficacy of performance of the President and Chief Executive  
21 Officer, notwithstanding any statutory salary limitation.

1 C. The CompSource Oklahoma President and Chief Executive Officer may  
2 authorize the payment of bonuses to employees of CompSource Oklahoma in a total  
3 amount not in excess of fifteen percent (15%) of the individual employee's annual rate of  
4 pay, based upon evaluation of the employees' performance by the President and Chief  
5 Executive Officer.

6 SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma  
7 Statutes as Section 3318 of Title 74, unless there is created a duplication in numbering,  
8 reads as follows:

9 Except as otherwise provided by law, proceeds from the sale or lease of capital  
10 assets that are under the control of CompSource Oklahoma shall be retained by  
11 CompSource Oklahoma and used for purposes that are within the scope of the  
12 responsibilities of CompSource Oklahoma.

13 SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma  
14 Statutes as Section 3319 of Title 74, unless there is created a duplication in numbering,  
15 reads as follows:

16 A. Notwithstanding any provision of law to the contrary, CompSource Oklahoma  
17 shall not be subject to any limitation relating to the number of or pay grade assigned to  
18 its employees, including any limitation on the number of full-time-equivalent positions.

19 B. CompSource Oklahoma may waive any personnel rule or statute and may  
20 exercise the authority granted to the Office of Personnel Management concerning  
21 employees of the enterprise agency. The waiver of any statute or rule pursuant to this

UNDERLINED language denotes Amendments to present Statutes.  
**BOLD FACE CAPITALIZED** language denotes Committee Amendments.  
~~Strike thru~~ language denotes deletion from present Statutes.

1 subsection shall be filed with the Office of Personnel Management and shall be available  
2 for public inspection.

3 SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma  
4 Statutes as Section 3320 of Title 74, unless there is created a duplication in numbering,  
5 reads as follows:

6 CompSource Oklahoma may waive any provision of The Oklahoma Central  
7 Purchasing Act and any administrative rule of the Department of Central Services  
8 regarding procurement, fleet management, printing and copying, or maintenance of  
9 buildings and grounds, and may exercise the authority of the Department of Central  
10 Services as it relates to the physical resources of the state. A waiver of a statute or rule  
11 pursuant to this subsection shall be filed with the Department of Central Services and  
12 made available for public inspection.

13 SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma  
14 Statutes as Section 3321 of Title 74, unless there is created a duplication in numbering,  
15 reads as follows:

16 CompSource Oklahoma may waive any provision of The Oklahoma Central  
17 Purchasing Act, any provision of Section 41.5a et seq. of Title 62 of the Oklahoma  
18 Statutes, and any administrative rule regarding the acquisition and use of information  
19 technology and may exercise the powers of the Department of Central Services and the  
20 Information Services Division of the Office of State Finance as it relates to information  
21 technology. A waiver of any statute or rule pursuant to this subsection shall be filed with  
22 the Department of Central Services and made available for public inspection.

1 SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma  
2 Statutes as Section 3322 of Title 74, unless there is created a duplication in numbering,  
3 reads as follows:

4 A. CompSource Oklahoma may temporarily waive or suspend the provisions of any  
5 other administrative rule if strict compliance with the rule impacts the ability of the  
6 enterprise agency to perform its duties in a more cost-efficient manner and the  
7 requirements of this subsection are met.

8 B. The procedure for granting a temporary waiver or suspension of any  
9 administrative rule shall be as follows:

10 1. CompSource Oklahoma may waive or suspend a rule if the agency finds, based  
11 on clear and convincing evidence, all of the following:

- 12 a. the application of the rule poses an undue financial hardship on the  
13 agency,
- 14 b. the waiver or suspension from the requirements of a rule in the specific  
15 case would not prejudice the substantial legal rights of any person,
- 16 c. substantially equal protection of public health, safety, and welfare will  
17 be afforded by a means other than that prescribed in the particular  
18 rule for which the waiver or suspension is requested, and
- 19 d. the waiver or suspension would not result in a violation of due process,  
20 a violation of state or federal law, or a violation of the state or federal  
21 constitution;

1           2. If CompSource Oklahoma proposes to grant a waiver or suspension, CompSource  
2 Oklahoma shall draft the waiver or suspension so as to provide the narrowest exception  
3 possible to the provisions of the rule and may place any condition on the waiver or  
4 suspension that CompSource Oklahoma finds desirable to protect the public health,  
5 safety, and welfare. CompSource Oklahoma shall then submit the waiver or suspension  
6 to the Governor;

7           3. The Governor shall review the proposed waiver or suspension and may either  
8 take no action, affirmatively approve the waiver or suspension, delay the effective date of  
9 the waiver or suspension or reject the waiver or suspension.

10           a.       The waiver or suspension shall become effective within ninety (90)  
11                    days from the date of submission if the Governor approves or takes no  
12                    action concerning the proposed waiver or suspension.

13           b.       If the Governor delays the effective date of the waiver or suspension,  
14                    but takes no further action to rescind the waiver or suspension, the  
15                    proposed waiver or suspension shall become effective on the date to  
16                    which the waiver or suspension was delayed.

17           c.       The Governor shall notify CompSource Oklahoma in writing of the  
18                    action concerning the proposed waiver or suspension.

19           d.       Rejection of the waiver or suspension by the Governor shall require  
20                    that the enterprise agency fully comply with the rule; and

21           4. Copies of the grant or denial of a waiver or suspension under this subsection  
22 shall be filed and made available to the public by CompSource Oklahoma.

1 C. A waiver or suspension granted pursuant to this section shall be for a period of  
2 time not to exceed twelve (12) months, and as determined by the applicable enterprise  
3 agency. A renewal of a temporary waiver or suspension granted pursuant to this section  
4 shall be granted or denied in the same manner as the initial waiver or suspension.

5 SECTION 8. NEW LAW A new section of law to be codified in the Oklahoma  
6 Statutes as Section 3323 of Title 74, unless there is created a duplication in numbering,  
7 reads as follows:

8 CompSource Oklahoma shall submit a written report to the Governor and the  
9 Legislature by December 31 of each year summarizing the activities of CompSource  
10 Oklahoma for the preceding fiscal year. The report shall include information concerning  
11 the expenditures of CompSource Oklahoma and the number of filled full-time-equivalent  
12 positions during the preceding fiscal year. The report shall include information relating  
13 to the actions taken by CompSource Oklahoma pursuant to the authority granted by this  
14 act. Information that is privileged, proprietary or confidential by law or that would place  
15 CompSource Oklahoma or its constituents at an unfair disadvantage relative to others  
16 similarly situated shall not be publicly disclosed.

17 SECTION 9. NEW LAW A new section of law to be codified in the Oklahoma  
18 Statutes as Section 3324 of Title 74, unless there is created a duplication in numbering,  
19 reads as follows:

20 A. An enterprise agency grant fund is created in the State Treasury under the  
21 control of the State Treasurer for the purpose of providing funding to support innovation  
22 in accordance with this act. Innovation purposes shall include but are not limited to

1 training, development of outcome measurement systems, management system  
2 modifications, and other modifications associated with transition of operations to  
3 enterprise agency status. Monies in the fund are appropriated to the Office of State  
4 Finance for the purposes described in this subsection.

5 B. To receive a grant from the fund, CompSource Oklahoma shall complete an  
6 application process designated by the Director of State Finance.

7 C. Notwithstanding any provision of law to the contrary, interest or earnings on  
8 monies deposited in the enterprise agency grant fund shall be credited to the enterprise  
9 agency grant fund. Notwithstanding any provision of law to the contrary, monies  
10 credited to the enterprise agency grant fund shall not revert to the fund from which they  
11 were appropriated at the close of a fiscal year.

12 SECTION 10. This act shall become effective November 1, 2009.

13 COMMITTEE REPORT BY: COMMITTEE ON GOVERNMENT MODERNIZATION,  
14 dated 02-24-09 - DO PASS, As Amended and Coauthored.