

**BILL SUMMARY**  
1<sup>st</sup> Session of the 52<sup>nd</sup> Legislature

<b>Bill No.:</b>	<b>HB 1755</b>
<b>Version:</b>	<b>CCS (8073)</b>
<b>Author:</b>	<b>Representative Martin (Scott)/ Senator Jolley</b>
<b>Date:</b>	<b>May 19, 2009</b>
<b>Impact:</b>	<b>Potential Savings From Efficiencies; DCS - Minimal Income Loss</b>

**Bill Summary**

Research Analyst: Jonathan S. Small II

The CCR version of the measure contains a CCS authorizing CompSource Oklahoma to develop a pilot program. The pilot program will capture cost savings and improve services, through exemption from certain purchasing and acquisition provisions. The pilot program will last 3 years.

CompSource Oklahoma will provide a report annually to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the Governor describing the following:

- the methods and innovations utilized in its procurement processes, and
- the improved services and savings accrued as a result of the program.

CompSource Oklahoma is also exempted from the requirements of the Office of State Finance to file an annual budget work program, budget request, information systems plan and telecommunications plan. The CCS requires CompSource Oklahoma to continue to file an annual audited financial statement in accordance with governmental accounting standards. CompSource is also exempted from conversion to CORE Phase II requirements of the Office of State Finance.

CompSource Oklahoma is exempted from the following (as agency activities relate to operation of the pilot program):

- Central Purchasing Act
- Public Competitive Bidding Act of 1974, Public Building Construction and Planning Act, and Consulting Services
- Oklahoma Surplus Property Act
- Fleet Management Provisions through the Department of Central Services (DCS)
- Construction Manager, Consultant and Construction Contract Forms that the State Construction Administrator of the Construction and Properties Division of DCS requires
- Architect, Engineer, and Land Surveyor provisions through DCS

CompSource pilot program activities will be subject to audit by the DCS, in certain areas where it receives exemptions.

The measure is effective July 1, 2009.

### **Fiscal Summary**

Fiscal Analyst: Terry McKenna

The Conference Committee Substitute for HB 1755 permits CompSource Oklahoma to develop a pilot program for a period of three years to capture cost savings and improve services through exemptions from certain purchasing and acquisition statutory provisions and rules. Specifically, the agency would be exempt from compliance with the provision of the Oklahoma Central Purchasing Act, the Public Competitive Bidding Act of 1974, the Oklahoma Surplus Purchasing Act and certain statutory provisions concerning Fleet Management and the State Construction Administrator of the Construction and Properties Division within the Department of Central Services (DCS). The measure also exempts CompSource Oklahoma from the requirements of the Office of State Finance related to budgetary reporting, information system plans and telecommunication plans. The Pilot program shall become permanent if it remains in existence and written authorization for continuation from the Governor is provided during the 2012 legislative session.

### **Fiscal Analysis**

Authorizing CompSource Oklahoma to act, effectively, as an enterprise agency tests the following hypothesis: Given greater flexibility an agency will be able to produce better outcomes for customers at less cost than under the standard bureaucratic system. Also, an enterprise agency wastes less time and money on paperwork and low-valued added rule compliance..

CompSource currently leases two state vehicles for approximately \$15,000 per year, an amount which the Fleet Management Division would no longer receive.

### **Long Term Fiscal Considerations**

As Stated Above

Fiscal Analysis Reviewed By:

*Janice Buchanan*

House Fiscal Director