

1 ENGROSSED HOUSE  
2 BILL NO. 1304

By: Derby of the House

3 and

4 Jolley and Brinkley of the  
5 Senate

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7  
8 An Act relating to technology; providing for the  
9 transfer of all state agency information technology  
10 assets to the Information Services Division of the  
11 Office of State Finance; describing types of assets;  
12 providing for the transfer of certain state agency  
13 information technology employees to the Information  
14 Services Division of the Office of State Finance;  
15 including certain liabilities; stating legislative  
16 intent to retain certain pay and benefits; requiring  
17 certain conveyances and documents to be executed by a  
18 certain date; providing for the transfer of certain  
19 monies; requiring the State Auditor and Inspector to  
20 determine amount of certain funds to be transferred;  
21 providing for the succession of certain rights to the  
22 Information Services Division of the Office of State  
23 Finance; providing for nonapplicability of transfer  
24 requirements to nonappropriated agencies; defining  
certain terms; requiring state agencies to use  
certain information technology services and systems,  
programs, services, software and processes; providing  
for enforcement; prohibiting the expenditure or  
encumbrance of any funds by state agencies for the  
procurement of certain technologies and services for  
certain time period; allowing exceptions by the Chief  
Information Officer; prohibiting state agencies from  
initiating or implementing certain information  
technology planned projects; allowing exceptions by  
the Chief Information Officer; specifying planned  
projects; defining term; providing for codification;  
and providing for noncodification.

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

2 SECTION 1. NEW LAW A new section of law to be codified  
3 in the Oklahoma Statutes as Section 34.11.3 of Title 62, unless  
4 there is created a duplication in numbering, reads as follows:

5 A. On the effective date of this act, all information  
6 technology assets of all appropriated state agencies shall be  
7 transferred to the Information Services Division of the Office of  
8 State Finance and the Chief Information Officer, including all  
9 furniture, equipment, vehicles, supplies, records, current and  
10 future liabilities, fund balances, encumbrances, obligations, and  
11 indebtedness associated with the information technology assets.

12 B. All employees of each appropriated state agency with job  
13 titles and duties that fall within the information technology  
14 occupational group on the effective date of this act, including  
15 related liabilities for sick leave, annual leave, holidays,  
16 unemployment benefits, and workers' compensation benefits accruing  
17 prior to the effective date of this act, to these personnel shall be  
18 transferred to the Information Services Division of the Office of  
19 State Finance as of the effective date of this act. It is the  
20 intent of the Legislature that, to the extent possible, the  
21 Information Services Division of the Office of State Finance ensures  
22 that the employees retain pay and benefits, as much as possible,  
23 including longevity, dependent insurance benefits, seniority,  
24 rights, and other privileges or benefits.

1 C. Appropriate conveyances and other documents shall be  
2 executed by January 1, 2012, to effectuate the transfer of the  
3 information technology assets owned by each appropriated state  
4 agency to the Information Services Division of the Office of State  
5 Finance.

6 D. Any monies from appropriations, fees, licenses, or other  
7 similar types of monies that are for the operations and maintenance  
8 of information technology assets that are transferred as provided  
9 for in subsection A of this section and accrue in any funds or  
10 accounts before the effective date of this act, in the name of or  
11 maintained for the benefit of any appropriated state agency are  
12 transferred to the Information Services Division of the Office of  
13 State Finance.

14 E. The State Auditor and Inspector shall determine the amount  
15 of funds from available budgetary resources from each appropriated  
16 state agency, including any appropriated funds, revolving funds, or  
17 sinking funds, that should be transferred by the effective date of  
18 this act, to the Information Services Division of the Office of  
19 State Finance pursuant to this section for continued operation of  
20 transferred assets and for management of the transferred employees,  
21 and shall determine the amount of funds that should be reserved to  
22 each appropriated state agency for payment of obligations incurred  
23 prior to the effective date of this act. The State Auditor shall  
24 consider relevant funding and expenditure history, projected

1 expenditures and expenses and available budgetary resources in  
2 determining the amount to be transferred. The Director of the  
3 Office of State Finance is authorized and directed to coordinate and  
4 administer the funds transfer. From the effective date of this act,  
5 each appropriated state agency shall not spend or encumber more than  
6 the funds budgeted for information technology assets and employees  
7 without approval of the State Auditor and Inspector. Any  
8 extraordinary costs incurred by the State Auditor in performing the  
9 review may be subtracted from the amounts transferred on the  
10 effective date of this act, to the Information Services Division of  
11 the Office of State Finance.

12 F. The Information Services Division of the Office of State  
13 Finance shall succeed to any contractual rights, easement rights,  
14 lease rights, and responsibilities related to the information  
15 technology assets that are transferred as provided for in subsection  
16 A of this section and incurred by an appropriated state agency.

17 G. The provisions of this section shall not apply to  
18 nonappropriated state agencies.

19 H. For purposes of this section:

20 1. "Appropriated state agency" means any office, officer,  
21 bureau, board, commission, counsel, unit, division, body, authority  
22 or institution of the executive branch of state government, whether  
23 elected or appointed, that receives funding through the annual  
24 legislative appropriations process. The term appropriated state

1 agency shall not include institutions within The Oklahoma State  
2 System of Higher Education, the Oklahoma State Regents for Higher  
3 Education, and the telecommunications network known as OneNet;

4 2. "Nonappropriated state agency" means any office, officer,  
5 bureau, board, commission, counsel, unit, division, body, authority  
6 or institution of the executive branch of state government, whether  
7 elected or appointed, that does not receive funding through the  
8 annual legislative appropriations process; and

9 3. "Information technology assets" means any equipment or  
10 interconnected system or subsystem of equipment that is used in the  
11 acquisition, storage, manipulation, management, movement, control,  
12 display, switching, interchange, transmission, or reception of data  
13 or information. The term shall include computers, ancillary  
14 equipment, software, firmware and similar procedures, services,  
15 including support services and consulting services, software  
16 development, and related resources.

17 SECTION 2. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 34.11.4 of Title 62, unless  
19 there is created a duplication in numbering, reads as follows:

20 A. On the effective date of this act, all appropriated and  
21 nonappropriated state agencies shall be required to use the  
22 following information technology services and systems operated and  
23 maintained by the Office of State Finance for all agency functions:

24 1. Data Service Center of the Divisions;

- 1        2. Networking services;
- 2        3. Communication or intercommunication systems;
- 3        4. Electronic mail systems; and
- 4        5. Data and network security systems.

5        B. On the effective date of this act, all appropriated and  
6 nonappropriated state agencies shall be required to exclusively use  
7 the following programs, services, software and processes provided  
8 through the Integrated Central Financial System known as CORE and as  
9 implemented by the Office of State Finance and shall not utilize any  
10 programs, services, software or processes that are duplicative of  
11 the following:

- 12        1. Payroll;
- 13        2. Employee leave system;
- 14        3. Human resources;
- 15        4. Accounts receivable;
- 16        5. Accounts payable;
- 17        6. Purchasing system;
- 18        7. Budgeting system;
- 19        8. Enterprise Learning Management (ELM);
- 20        9. Budget request system;
- 21        10. Asset management; and
- 22        11. Project grants and contracts, which includes federal  
23 billing.

1 C. The Chief Information Officer shall have the authority to  
2 enforce the provisions of this section.

3 D. For purposes of this section, "appropriated state agency"  
4 and "nonappropriated state agency" shall be defined the same as  
5 provided for in Section 1 of this act.

6 SECTION 3. NEW LAW A new section of law not to be  
7 codified in the Oklahoma Statutes reads as follows:

8 A. Beginning on the effective date of this act and until July  
9 1, 2011, no state agency shall expend or encumber any funds for the  
10 purchase, lease, lease-purchase, lease with option to purchase,  
11 rental or to otherwise procure any information technology assets,  
12 without the prior written approval of the Chief Information Officer.

13 B. Beginning on the effective date of this act and until July  
14 1, 2011, no state agency shall initiate or implement an information  
15 technology planned project without the prior written approval of the  
16 Chief Information Officer. A planned project shall include any  
17 major project or objective included in the operations plan submitted  
18 by the agency to the Information Services Division of the Office of  
19 State Finance as required pursuant to Section 34.16 of Title 62 of  
20 the Oklahoma Statutes.

21 C. "Information technology assets" means any equipment or  
22 interconnected system or subsystem of equipment that is used in the  
23 acquisition, storage, manipulation, management, movement, control,  
24 display, switching, interchange, transmission, or reception of data

1 or information. The term shall include computers, ancillary  
2 equipment, software, firmware and similar procedures, services,  
3 including support services and consulting services, software  
4 development, and related resources.

5 Passed the House of Representatives the 16th day of March, 2011.

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Presiding Officer of the House of  
Representatives

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10 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2011.

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Presiding Officer of the Senate

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