

1 ENGROSSED HOUSE  
2 BILL NO. 2939

By: Derby of the House

and

Brinkley of the Senate

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6  
7 An Act relating to technology; amending 62 O.S. 2011,  
8 Section 34.11.1, which relates to the Chief  
9 Information Officer; providing for certain powers and  
10 duties related to procurement of information and  
11 telecommunication technology; allowing the Chief  
12 Information Officer to designate certain bidder  
13 information confidential; amending 62 O.S. 2011,  
14 Section 34.12, which relates to the powers and duties  
15 of the Information Services Division; deleting  
16 certain value limitation on acquisitions; allowing  
17 for a designee; modifying the requirement of the  
18 Office of State Finance to not process certain  
19 claims; amending 62 O.S. 2011, Section 34.21, which  
20 relates to authorization and requirements for  
21 communication or telecommunication systems; deleting  
22 certain value limitations on acquisitions; amending  
23 62 O.S. 2011, Sections 35.5 and 35.8, which relate to  
24 the Information Technology Consolidation and  
Coordination Act; changing requirement to provide  
certain services at no cost; allowing the Information  
Services Division to bill for certain services at  
certain estimated costs; listing certain included  
costs; providing for the processing of payments;  
prohibiting the transfer of certain duties under the  
Oklahoma Open Records Act; requiring state agencies  
to continue to be responsible for certain records and  
record keeping duties; and providing for state  
employees participation in certain retirement  
program.

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

1 SECTION 1. AMENDATORY 62 O.S. 2011, Section 34.11.1, is  
2 amended to read as follows:

3 Section 34.11.1 A. There is hereby created the position of  
4 Chief Information Officer who shall be appointed by the Governor.  
5 The Chief Information Officer, in addition to having authority over  
6 the Information Services Division of the Office of State Finance,  
7 shall also serve as Secretary of Information Technology and  
8 Telecommunications or successor cabinet position and shall have  
9 jurisdictional areas of responsibility related to information  
10 technology and telecommunications systems of all state agencies as  
11 provided for in the Oklahoma Information Services Act. The salary  
12 of the Chief Information Officer shall not be less than One Hundred  
13 Thirty Thousand Dollars (\$130,000.00) or more than One Hundred Sixty  
14 Thousand Dollars (\$160,000.00). The first Chief Information Officer  
15 shall be appointed no later than January 1, 2010.

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

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

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

- 1 3. Familiarity with local and wide-area network design,  
2 implementation, and operation;
- 3 4. Experience with data and voice convergence service  
4 offerings;
- 5 5. Experience in developing technology budgets;
- 6 6. Experience in developing requests for proposal and  
7 administering the bid process;
- 8 7. Experience managing professional staff, teams, and  
9 consultants;
- 10 8. Knowledge of telecommunications operations;
- 11 9. Ability to develop and set strategic direction for  
12 information technology and telecommunications and to manage daily  
13 development and operations functions;
- 14 10. An effective communicator who is able to build consensus;
- 15 11. Ability to analyze and resolve complex issues, both logical  
16 and interpersonal;
- 17 12. Effective verbal and written communications skills and  
18 effective presentation skills, geared toward coordination and  
19 education;
- 20 13. Ability to negotiate and defuse conflict; and
- 21 14. A self-motivator, independent, cooperative, flexible and  
22 creative.
- 23 C. The salary and any other expenses for the Chief Information  
24 Officer shall be budgeted as a separate line item through the Office

1 of State Finance. The operating expenses of the Information  
2 Services Division shall be set by the Chief Information Officer and  
3 shall be budgeted as a separate line item through the Office of  
4 State Finance. The Office of State Finance shall provide adequate  
5 office space, equipment and support necessary to enable the Chief  
6 Information Officer to carry out the information technology and  
7 telecommunications duties and responsibilities of the Officer and  
8 the Information Services Division.

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

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

- 22 a. define the shared service model organization structure  
23 and the reporting relationship of the recommended  
24 organization,

- 1           b.    the implementation of an information technology and  
2                    telecommunications shared services model that defines  
3                    the statewide infrastructure environment needed by  
4                    most state agencies that is not specific to individual  
5                    agencies and the shared applications that are utilized  
6                    across multiple agencies,
- 7           c.    define the services that shall be in the shared  
8                    services model under the control of the Information  
9                    Services Division of the Office of State Finance,
- 10          d.    define the roadmap to implement the proposed shared  
11                    services model. The roadmap shall include  
12                    recommendations on the transfer, coordination, and  
13                    modernization of all information technology and  
14                    telecommunication systems of all the state agencies in  
15                    the state,
- 16          e.    recommendations on the reallocation of information  
17                    technology and telecommunication resources and  
18                    personnel,
- 19          f.    recommendations on maximizing the benefits to the  
20                    state by the alignment and operation of the  
21                    communications and data transfer network assets known  
22                    as OneNet,
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- 1           g. a cost benefit analysis to support the recommendations  
2           on the reallocation of information technology and  
3           telecommunication resources and personnel,  
4           h. a calculation of the net savings realized through the  
5           reallocation and consolidation of information  
6           technology and telecommunication resources and  
7           personnel after compensating for the cost of  
8           contracting with a private consultant as authorized in  
9           paragraph 4 of this subsection, implementing the plan  
10          of action, and ongoing costs of the Information  
11          Services Division of the Office of State Finance, and  
12          i. the information required in subsection B of Section ~~5~~  
13          35.5 of this ~~act~~ title.

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

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

21           E. Beginning on the effective date of appointment, the Chief  
22   Information Officer shall be authorized to employ personnel, fix the  
23   duties and compensation of the personnel, not otherwise prescribed  
24   by law, and otherwise direct the work of the personnel in performing

1 the function and accomplishing the purposes of the Information  
2 Services Division of the Office of State Finance.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

20 19. Define and implement a governance model for requesting  
21 services and monitoring service level metrics for all shared  
22 services; and  
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1           20. Create the budget for the Information Services Division of  
2 the Office of State Finance to be submitted to the Legislature each  
3 year.

4           G. Upon receiving approval of the State Governmental Technology  
5 Applications Review Board, the Chief Information Officer shall  
6 implement the plan of action as set forth in subsection D of this  
7 section; provided, the plan of action for the Department of Human  
8 Services shall not be implemented until July 1, 2011. The State  
9 Governmental Technology Applications Review Board shall provide  
10 ongoing oversight of the implementation of the plan of action. Any  
11 proposed amendments to the plan of action shall be approved by the  
12 Board prior to adoption. The net savings realized through the  
13 reallocation and consolidation of information technology and  
14 telecommunication resources and personnel after compensating for the  
15 up-front costs and ongoing costs of the Information Services  
16 Division of the Office of State Finance which are identified and  
17 reported in the plan of action shall be realized no later than July  
18 1, 2012, and shall at a minimum be not less than fifteen percent  
19 (15%) of the overall statewide information technology and  
20 telecommunications expenditures made by all state agencies during  
21 the fiscal year ending June 30, 2009.

22           H. 1. Beginning on the effective date of appointment, the  
23 Chief Information Officer shall act as the Information Technology  
24 and Telecommunications Purchasing Director for all state agencies

1 and shall be responsible for the procurement of all information  
2 technology and telecommunication software, hardware, equipment,  
3 peripheral devices, maintenance, consulting services, high  
4 technology systems, and other related information technology, data  
5 processing, telecommunication and related peripherals and services  
6 for all state agencies. The Chief Information Officer shall  
7 establish, implement, and enforce policies and procedures for the  
8 procurement of information technology and telecommunication  
9 software, hardware, equipment, peripheral devices, maintenance,  
10 consulting services, high technology systems, and other related  
11 information technology, data processing, telecommunication and  
12 related peripherals and services by purchase, lease-purchase, lease  
13 with option to purchase, lease and rental for all state agencies.  
14 The procurement policies and procedures established by the Chief  
15 Information Officer shall be consistent with The Oklahoma Central  
16 Purchasing Act.

17 2. The Chief Information Officer, or any employee or agent of  
18 the Chief Information Officer acting within the scope of delegated  
19 authority, shall have the same power and authority regarding the  
20 procurement of all information and telecommunication technology,  
21 equipment, software, products and related peripherals and services  
22 for all state agencies as the State Purchasing Director has for all  
23 acquisitions used or consumed by state agencies as established in  
24 The Oklahoma Central Purchasing Act. Such authority shall,

1 consistent with the authority granted to the State Purchasing  
2 Director pursuant to Section 85.10 of Title 74 of the Oklahoma  
3 Statutes, include the power to designate financial or proprietary  
4 information submitted by a bidder confidential and reject all  
5 requests to disclose the information so designated, if the Chief  
6 Information Officer requires the bidder to submit the financial or  
7 proprietary information with a bid, proposal, or quotation.

8 I. The Information Services Division of the Office of State  
9 Finance and the Chief Information Officer shall be subject to The  
10 Oklahoma Central Purchasing Act for the approval and purchase of  
11 equipment and products not related to information and  
12 telecommunications technology, equipment, software, products and  
13 related peripherals and services and shall also be subject to the  
14 requirements of the Public Competitive Bidding Act of 1974, the  
15 Oklahoma Lighting Energy Conservation Act and the Public Building  
16 Construction and Planning Act when procuring data processing,  
17 information technology, telecommunication, and related peripherals  
18 and services and when constructing information technology and  
19 telecommunication facilities, telecommunication networks and  
20 supporting infrastructure. The Chief Information Officer shall be  
21 authorized to delegate all or some of the procurement of information  
22 technology and telecommunication products and services and  
23 construction of facilities and telecommunication networks to another  
24 state entity if the Chief Information Officer determines it to be

1 cost-effective and in the best interest of the state. The Chief  
2 Information Officer shall have authority to designate information  
3 technology and telecommunication contracts as statewide contracts  
4 and mandatory statewide contracts pursuant to Section 85.5 of Title  
5 74 of the Oklahoma Statutes. Any contract entered into by a state  
6 agency for which the Chief Information Officer has not acted as the  
7 Information Technology and Telecommunications Purchasing Director as  
8 required in this subsection or subsection H of this section, shall  
9 be deemed to be unenforceable and the Office of State Finance shall  
10 not process any claim associated with the provisions thereof.

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

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

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

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

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

15 O. For purposes of the Oklahoma Information Services Act,  
16 unless otherwise provided for, "state agencies" shall include any  
17 office, officer, bureau, board, commission, counsel, unit, division,  
18 body, authority or institution of the executive branch of state  
19 government, whether elected or appointed; provided, except with  
20 respect to the provisions of subsection D of this section, the term  
21 "state agencies" shall not include institutions within The Oklahoma  
22 State System of Higher Education, the Oklahoma State Regents for  
23 Higher Education and the telecommunications network known as OneNet.  
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1 SECTION 2. AMENDATORY 62 O.S. 2011, Section 34.12, is  
2 amended to read as follows:

3 Section 34.12 A. The Information Services Division of the  
4 Office of State Finance shall:

5 1. Coordinate information technology planning through analysis  
6 of the long-term information technology plans for each agency;

7 2. Develop a statewide information technology plan with annual  
8 modifications to include, but not be limited to, individual agency  
9 plans and information systems plans for the statewide electronic  
10 information technology function;

11 3. Establish and enforce minimum mandatory standards for:

- 12 a. information systems planning,
  - 13 b. systems development methodology,
  - 14 c. documentation,
  - 15 d. hardware requirements and compatibility,
  - 16 e. operating systems compatibility,
  - 17 f. acquisition of software, hardware and technology-  
18 related services,
  - 19 g. information security and internal controls,
  - 20 h. data base compatibility,
  - 21 i. contingency planning and disaster recovery, and
  - 22 j. imaging systems, copiers, facsimile systems, printers,  
23 scanning systems and any associated supplies.
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1       The standards shall, upon adoption, be the minimum requirements  
2 applicable to all agencies. These standards shall be compatible  
3 with the standards established for the Oklahoma Government  
4 Telecommunications Network. Individual agency standards may be more  
5 specific than statewide requirements but shall in no case be less  
6 than the minimum mandatory standards. Where standards required of  
7 an individual agency of the state by agencies of the federal  
8 government are more strict than the state minimum standards, such  
9 federal requirements shall be applicable;

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

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

15       6. Maintain a directory of the following which have a value of  
16 Five Hundred Dollars (\$500.00) or more: application systems, systems  
17 software, hardware, internal and external information technology,  
18 communication or telecommunication equipment owned, leased, or  
19 rented for use in communication services for state government,  
20 including communication services provided as part of any other total  
21 system to be used by the state or any of its agencies, and studies  
22 and training courses in use by all agencies of the state; and  
23 facilitate the utilization of the resources by any agency having  
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1 requirements which are found to be available within any agency of  
2 the state;

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

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

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

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

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

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

3 13. In conjunction with the Oklahoma Office of Homeland  
4 Security, enforce the minimum information security and internal  
5 control standards established by the Information Services Division.  
6 An enforcement team consisting of the Chief Information Officer of  
7 the Information Services Division or a designee, a representative of  
8 the Oklahoma Office of Homeland Security, and a representative of  
9 the Oklahoma State Bureau of Investigation shall enforce the minimum  
10 information security and internal control standards. If the  
11 enforcement team determines that an agency is not in compliance with  
12 the minimum information security and internal control standards, the  
13 Chief Information Officer shall take immediate action to mitigate  
14 the noncompliance, including the removal of the agency from the  
15 infrastructure of the state until the agency becomes compliant,  
16 taking control of the information technology function of the agency  
17 until the agency is compliant, and transferring the administration  
18 and management of the information technology function of the agency  
19 to the Information Services Division or another state agency.

20 B. No agency of the executive branch of the state shall use  
21 state funds for or enter into any agreement for the acquisition of  
22 any category of computer hardware, software or any contract for  
23 information technology services and equipment ~~exceeding Ten Thousand~~  
24 ~~Dollars (\$10,000.00) in value, which shall include the acquisition~~

1 ~~amount,~~ service costs, maintenance costs, or any other costs or fees  
2 associated with the acquisition of the services or equipment,  
3 without written authorization of the Chief Information Officer or a  
4 designee. If written authorization is not obtained prior to  
5 incurring an expenditure or entering into any agreement as required  
6 in this subsection or as required in Section 4 35.4 of this ~~act~~  
7 title, the Office of State Finance ~~shall~~ may not process any claim  
8 associated with the expenditure and the provisions of any agreement  
9 shall not be enforceable. The provisions of this subsection shall  
10 not be applicable to any member of The Oklahoma State System of  
11 Higher Education, any public elementary or secondary schools of the  
12 state, any technology center school district as defined in Section  
13 14-108 of Title 70 of the Oklahoma Statutes, or CompSource Oklahoma  
14 if CompSource Oklahoma is operating pursuant to a pilot program  
15 authorized by Sections 3316 and 3317 of Title 74 of the Oklahoma  
16 Statutes.

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

1 information or any information affecting personal security, personal  
2 identity, or physical security of state assets.

3 SECTION 3. AMENDATORY 62 O.S. 2011, Section 34.21, is  
4 amended to read as follows:

5 Section 34.21 A. No agency of the executive branch of the  
6 state shall use state funds for or enter into any agreement for the  
7 acquisition, development or enhancement of a communication or  
8 telecommunication system including voice, data, radio, video,  
9 Internet, eGovernment, as referenced in Sections ~~41.5p~~ 34.24 and  
10 ~~41.5q~~ 34.25 of this title, printers, scanners, copiers, facsimile  
11 systems and associated supplies ~~exceeding Ten Thousand Dollars~~  
12 ~~(\$10,000.00) in value, which shall include the acquisition amount,~~  
13 service costs, maintenance costs, or any other costs or fees  
14 associated with the acquisition of the system or equipment, without  
15 written authorization of the Chief Information Officer or a  
16 designee. The Chief Information Officer or a designee shall verify  
17 that any acquisition, development or enhancement is compatible with  
18 the operation of the Oklahoma Government Telecommunications Network.

19 B. No agency of the executive branch of the state shall enter  
20 into any agreement for the acquisition, development or enhancement  
21 of a communication or telecommunication system or service including  
22 voice, data, radio, video, Internet, eGovernment, printers,  
23 scanners, copiers, and facsimile systems, unless the cost of such  
24 addition, change, improvement or development has been included in

1 the statewide communications plan of the Information Services  
2 Division of the Office of State Finance, as said plan may have been  
3 amended or revised.

4 C. State agencies may enter into interagency contracts to share  
5 communications and telecommunications resources for mutually  
6 beneficial purposes. The contract shall clearly state how its  
7 purpose contributes to the development or enhancement or cost  
8 reduction of a state network which includes voice, data, radio,  
9 video, Internet, eGovernment, or facsimile systems. The contract  
10 shall be approved by the Information Services Division before any  
11 payments are made.

12 D. The provisions of subsections A, B and C of this section  
13 shall not apply to the telecommunications network known as OneNet  
14 whether said network is governed or operated by the Oklahoma State  
15 Regents for Higher Education or any other state entity assigned  
16 responsibility for OneNet.

17 E. The provisions of this section shall not apply to CompSource  
18 Oklahoma if CompSource Oklahoma is operating pursuant to a pilot  
19 program authorized by Sections 3316 and 3317 of Title 74 of the  
20 Oklahoma Statutes.

21 F. No state agency shall use state funds or enter into any  
22 agreement for the acquisition, development or enhancement of a  
23 public safety communication system unless the request is consistent  
24 with the Statewide Communications Interoperability Plan and the

1 public safety communications standards issued by the Oklahoma Office  
2 of Homeland Security. Agencies interested in acquiring, developing  
3 or enhancing a public safety communications system shall submit a  
4 proposal to the Oklahoma Office of Homeland Security. The Oklahoma  
5 Office of Homeland Security shall issue a proposal review which  
6 summarizes whether the proposal is consistent with the Statewide  
7 Communications Interoperability Plan and the technology standards  
8 issued. The proposal review shall be submitted to the requesting  
9 agency and to the Chief Information Officer.

10 SECTION 4. AMENDATORY 62 O.S. 2011, Section 35.5, is  
11 amended to read as follows:

12 Section 35.5 A. 1. Not later than thirty (30) days after the  
13 effective date of this act, all state agencies shall provide to the  
14 Chief Information Officer a list of information technology assets of  
15 the agency which are integral to agency-specific applications or  
16 functions and a list of information technology positions which are  
17 directly associated with the assets. The agency shall further  
18 provide the reference to federal or state statutory or  
19 constitutional provisions which require it to perform the  
20 applications or functions.

21 2. If the Chief Information Officer disputes the identification  
22 of assets or positions provided by a state agency as being integral  
23 to agency-specific applications or functions, the Director of State  
24 Finance shall make the final determination.

1 B. Not later than December 1, 2011, and not later than December  
2 1 of each year thereafter, the Chief Information Officer shall  
3 modify the assessment required by subsection D of Section 34.11.1 of  
4 ~~Title 62 of the Oklahoma Statutes~~ this title to include  
5 identification of:

6 1. All information technology assets of all state agencies,  
7 which are not integral to agency-specific applications or functions,  
8 and the transfer of which to the Information Services Division of  
9 the Office of State Finance and the Chief Information Officer would  
10 result in a cost savings to the taxpayers of this state or improved  
11 efficiency of state government operations, including all furniture,  
12 equipment, vehicles, supplies, records, current and future  
13 liabilities, fund balances, encumbrances, obligations, and  
14 indebtedness associated with the information technology assets; and

15 2. All information technology positions associated with the  
16 information technology assets identified pursuant to paragraph 1 of  
17 this subsection. The assessment shall identify the amount of  
18 compensation and related liabilities for accrued sick leave, annual  
19 leave, holidays, unemployment benefits, and workers' compensation  
20 benefits for the positions.

21 C. The information technology assets and positions identified  
22 in the assessment pursuant to subsection B of this section of  
23 appropriated state agencies shall be transferred to the Information  
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1 Services Division of the Office of State Finance subject to the  
2 following provisions:

3 1. Information technology assets identified in the assessment  
4 pursuant to the provisions of paragraph 1 of subsection B of this  
5 section of appropriated state agencies shall be transferred  
6 effective January 1, 2012. The costs of operation, maintenance,  
7 licensing and service of the assets shall remain the responsibility  
8 of the state agency from which they are transferred until July 1,  
9 2012, unless otherwise agreed to by the state agency and the  
10 Division. Appropriate conveyances and other documents shall be  
11 executed to effectuate the transfer of the information technology  
12 assets and positions to the Information Services Division of the  
13 Office of State Finance; and

14 2. Information technology positions identified in the  
15 assessment pursuant to the provisions of paragraph 2 of subsection B  
16 of this section of appropriated state agencies shall be transferred  
17 effective February 1, 2012. Each state agency shall enter into an  
18 agreement with the Division not later than January 1, 2012, for the  
19 remainder of fiscal year 2012, specifying the terms of the  
20 transfers, including provisions for the Division to provide  
21 information technology services to the agency and for the agency to  
22 reimburse the Division for the cost of the services. If an  
23 agreement cannot be reached, the Director of the Office of State  
24 Finance shall be authorized to negotiate the terms of the agreement,

1 which shall then be entered into by the state agency and the  
2 Division.

3 D. 1. For modifications of the assessment required by  
4 subsection D of Section 34.11.1 of ~~Title 62 of the Oklahoma Statutes~~  
5 this title made in fiscal year 2013 and subsequent fiscal years, the  
6 Chief Information Officer shall identify:

- 7 a. the amount of savings to the taxpayers of this state  
8 resulting from the provisions of the Information  
9 Technology Consolidation and Coordination Act, and  
10 b. any changes in law required or any changes to the  
11 amount of state appropriations or other state funds  
12 associated with the transfer of the information  
13 technology assets or positions.

14 2. The Chief Information Officer shall recommend changes to the  
15 Director of the Office of State Finance and the Governor for  
16 inclusion in the next executive budget to be submitted to the  
17 Legislature.

18 E. For fiscal year 2013 and subsequent fiscal years, the  
19 Information Services Division shall provide information technology  
20 services to each state agency for shared services ~~at no~~ and shall  
21 bill agencies for those services at an estimated cost to ~~the agency.~~  
22 ~~The Legislature shall appropriate sufficient funds to the Office of~~  
23 ~~State Finance for the Division to provide the services. The amount~~  
24 ~~of appropriations shall not exceed the amount appropriated to other~~

1 ~~state agencies for such services prior to the effective date of this~~  
2 act provide the services. The estimated cost shall include the full  
3 cost of the services, including materials, depreciation related to  
4 capital costs, labor, and administrative expenses of the Information  
5 Services Division of the Office of State Finance in connection with  
6 the operation of the data center and Division operations and shall  
7 include expenses associated with acquiring, installing, and  
8 operating information technology infrastructure, hardware and  
9 software for use by state agencies. State agencies shall process  
10 payments to the Division in a timely manner and when payments are  
11 deemed to be delinquent, the Division may request the Division of  
12 Central Accounting and Reporting of the Office of State Finance to  
13 create vouchers and process payments to the Division against the  
14 funds of the delinquent agency.

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

20 SECTION 5. AMENDATORY 62 O.S. 2011, Section 35.8, is  
21 amended to read as follows:

22 Section 35.8 A. Notwithstanding any other provision of law,  
23 the provisions of the Information Technology Consolidation and  
24 Coordination Act shall operate to maintain or increase security

1 standards and shall not jeopardize confidentiality or compliance  
2 with state or federal laws or regulations. The State Governmental  
3 Technology Applications Review Board, with the advice of the  
4 Oklahoma Integrated Justice Information Systems Steering Committee,  
5 shall consider and approve security protocols which shall be  
6 followed by the Information Services Division of the Office of State  
7 Finance. The Board, in conjunction with the Committee, shall make  
8 recommendations to state officers and employees related to  
9 continuity of criminal justice information system security  
10 protocols.

11 B. Notwithstanding the provisions of Section ~~5~~ 35.5 of this ~~act~~  
12 title, the transfer of information technology assets and positions  
13 of the Department of Public Safety shall occur prior to the transfer  
14 of assets and positions of other public safety agencies.

15 C. Unless otherwise provided for in law, the transfer of  
16 information technology assets and positions of any state agency  
17 pursuant to the Information Technology Consolidation and  
18 Coordination Act shall not act to transfer to the Information  
19 Services Division of the Office of State Finance or to the Chief  
20 Information Officer the duties of a state agency to keep, maintain  
21 and open to any person all records of the agency in compliance with  
22 the Oklahoma Open Records Act. Each state agency shall continue to  
23 be responsible for records created by, received by, under the  
24 authority of, or coming into the custody, control or possession of

1 the agency including the duty to organize and categorize the records  
2 in a retrievable form and responding to requests for records, even  
3 if the records have been transmitted to or stored by the Information  
4 Services Division of the Office of State Finance or to the Chief  
5 Information Officer.

6 D. State employees who are participating in the Teachers'  
7 Retirement System of Oklahoma and are transferred pursuant to the  
8 Information Technology Consolidation and Coordination Act may, at  
9 the election of the employee filed with the Oklahoma Public  
10 Employees Retirement System not later than thirty (30) days after  
11 the employee is transferred, transfer retirement service credit from  
12 the Teachers' Retirement System of Oklahoma to the Oklahoma Public  
13 Employees Retirement System pursuant to the provisions of subsection  
14 G of Section 913 of Title 74 of the Oklahoma Statutes. The employee  
15 shall be subject to the requirements of subparagraph d of paragraph  
16 2 of subsection G of Section 913 of Title 74 of the Oklahoma  
17 Statutes regarding either payment for service credit, if required,  
18 or prorated service credit. If the employee elects to remain a  
19 member of the Teachers' Retirement System of Oklahoma, the member  
20 shall continue to be a participating member of such retirement  
21 system and shall be subject to the requirements of the Teachers'  
22 Retirement System with regard to contribution rates, the computation  
23 of retirement benefits and any other provisions applicable to  
24 members of the Teachers' Retirement System.

1 Passed the House of Representatives the 8th day of March, 2012.

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4 Presiding Officer of the House of  
Representatives

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6 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2012.

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9 Presiding Officer of the Senate

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March 5, 2012

Representative David Derby  
Room 337

Re: Committee Substitute for House Bill No. 2939

Committee Substitute for House Bill No. 2939 allows OTRS participants who are transferred pursuant to the Information Technology Consolidation Act to become participants in OPERS or to elect to continue participating in OTRS.

Committee Substitute for House Bill No. 2939 is a nonfiscal retirement bill as defined by the Oklahoma Pension Legislation Actuarial Analysis Act.

*Thomas E. Cummins*

Thomas E. Cummins, MAAA