

BILL SUMMARY

2nd Session of the 53rd Legislature

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| Bill No.: | HB 2939 |
| Version: | CCRB |
| Request Number: | 10455 |
| Author: | Rep. Derby |
| Date: | 5/21/2012 |
| Impact: | Information Services Division |
| | Office of State Finance: |
| Estimated FY-13 Savings from Consolidation: | \$31.97 Million |

**Billing Rate Schedule for Services to be
Published by the Division
Prior Analysis for Fees Related
To Personnel:
Approximately \$3.6 Million (Interagency)**

Research Analysis

The CCS for HB 2939 grants the state Chief Information Officer (CIO) the power to designate financial or proprietary information submitted by a bidder confidential and reject all requests to disclose the information. It also states that no agency shall purchase IT equipment or machines with state funds without authorization from the CIO, regardless of the cost. If written authorization is not obtained prior to the purchase, the Office of State Finance may not process the claim.

Furthermore, the measure mandates that each agency must provide the CIO a list of IT assets of the agency which are integral to their functions as well as a list of IT positions which are directly associated with the assets no later than 30 days after August 26, 2011. The Information Services Division will bill agencies for services provided at a cost, which shall include the full cost of the services.

HB 2939 reiterates that each state agency shall continue to be responsible for its own records, even if the records have been transmitted to or stored by the Information Services Division of the Office of State Finance or to the CIO. The IT Division will publish a schedule of costs for each IT service provided and will enter into an agreement with each agency for the services that will be provided prior to providing the services. The total amount charged to the agency cannot exceed the amount appropriated to that agency for such services. If the agency disputes the provision of services per its agreement with the IT Division, no voucher will be processed until the dispute has been resolved.

Finally, HB 2939 States that state employees transferred to the IT Division who are members of the Teachers Retirement System (OTRS) may elect to continue their participation in OTRS in lieu of participating the Oklahoma Public Employees Retirement System (OPERS). Any employee wishing to remain in OTRS must do so in writing within 30 days of when this act becomes effective. If any transferred employee has already started participating in OPERS, they may elect to return to OTRS if the election is made in writing within 30 days of when this act becomes effective.

Employees who elect to return to OTRS will have their service credit and contributions to OPERS transferred to OTRS.

Prepared By: Colin Swearingen, Ph.D.

Fiscal Analysis

The amounts paid by agencies for services depends on the schedule of costs as developed by the Information Services Division (ISD) and the agencies that have or will be entering shared service contracts in FY-13 and beyond (all executive agencies will have information services provided by ISD over the next several years). Prior data indicated ISD anticipated approximately \$3.6 million in FY-13 from fees related to IT personnel, however the potential from billings is under development. Over time, as executive agencies shift to services by ISD, costs to the agencies are expected to be significantly reduced.

Prepared By: Mark Tygret

Other Considerations

ISD estimates indicate a projected savings for all IT activities related to executive agencies in the process of converting to shared services may reach nearly \$32.0 million in FY-13.