

<DateSubmitted>

HOUSE OF REPRESENTATIVES
CONFERENCE COMMITTEE REPORT

Mr. President:
Mr. Speaker:

The Conference Committee, to which was referred

HB1207

By: Murphey of the House and Sykes of the Senate

Title: State government; Oklahoma Innovation, Efficiency and Accountability Act of 2011; effective date.

Together with Engrossed Senate Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. That the Senate recede from its Amendments No. 1 and 2 and that the attached Conference Committee Substitute be adopted.

Respectfully submitted,

HOUSE CONFEREES

Banz Gary W. Banz

Brumbaugh David Brumbaugh

Cockroft [Signature]

Dorman Joe Dorman

Faught George Faught

Hamilton _____

Hilliard _____

Moore J. H. Moore

Murphey Joan W. Murphey

Quinn Marty Quinn

Stiles Alan Stiles

Walker Henry D. Walker

Watson [Signature]

SENATE CONFEREES

Ballenger _____
Branan _____
Brinkley _____
Burrage _____
Crain _____
Ford _____
Halligan _____
Ivester _____
Jolley _____
Justice _____
Marlatt _____
Mazzei _____
Myers _____
Newberry _____
Nichols _____
Paddack _____
Rice _____
Stanislowski _____
Sykes _____
Wilson _____
Wyrick _____

1 STATE OF OKLAHOMA

2 1st Session of the 53rd Legislature (2011)

3 CONFERENCE COMMITTEE
4 SUBSTITUTE
5 FOR ENGROSSED
6 HOUSE BILL NO. 1207

By: Murphey, Cockroft and
Cooksey of the House

7 and

8 Sykes of the Senate

9
10 CONFERENCE COMMITTEE SUBSTITUTE

11 An Act relating to state government; enacting the
12 Oklahoma Innovation, Efficiency and Accountability
13 Act of 2011; amending Section 5, Chapter 322, O.S.L.
14 2009 (62 O.S. Supp. 2010, Section 41.5p-1), which
15 relates to certain licenses and permits; authorizing
16 electronic signatures under certain circumstances;
17 providing exception; imposing requirement on Office
18 of State Finance with respect to federal funds
19 disbursed pursuant to the American Recovery and
20 Reinvestment Act of 2009; prescribing formats for
21 information; prescribing list of expenditures and
22 search functionality; prescribing required
23 information; amending 62 O.S. 2001, Section 41.29, as
24 renumbered by Section 64, Chapter 441, O.S.L. 2009,
and as last amended by Section 44, Chapter 2, O.S.L.
2010 (62 O.S. Supp. 2010, Section 34.36), which
relates to certain itemized requests; modifying
required content with respect to employee engaged in
financial services; requiring publication of report;
specifying content of report; providing exemption
from certain requirements to the Oklahoma State
Regents for Higher Education and to institutions
within The Oklahoma State System of Higher Education;
amending 62 O.S. 2001, Section 7.6, as renumbered by
Section 64, Chapter 441, O.S.L. 2009, and as last
amended by Section 48, Chapter 2, O.S.L. 2010 (62

1 O.S. Supp. 2010, Section 34.69), which relates to the
2 Payroll Fund; modifying provisions related to
3 employee payroll conversion banks; requiring
4 submission of certain audits and reports in
5 electronic format; requiring website availability;
6 establishing the State Government Conferences Web-
7 based Transparency pilot program; requiring State
8 Superintendent of Public Instruction to publish
9 certain information on website; providing for certain
10 contracts and agreements related to certain food,
11 lodging and other expenses; imposing maximum on daily
12 rate; providing for e-commerce practices; requiring
13 report of savings; providing for codification;
14 providing for noncodification; and providing for
15 recodification.

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

17 SECTION 1. NEW LAW A new section of law not to be
18 codified in the Oklahoma Statutes reads as follows:

19 This act shall be known and may be cited as the "Oklahoma
20 Innovation, Efficiency and Accountability Act of 2011".

21 SECTION 2. AMENDATORY Section 5, Chapter 322, O.S.L.
22 2009 (62 O.S. Supp. 2010, Section 41.5p-1), is amended to read as
23 follows:

24 Section 41.5p-1 A. Except as otherwise provided by this
section, as of July 1, 2010, each state agency, board, commission or
other entity organized within the executive department of state
government responsible for licensing or permitting shall utilize the
portal system to allow for ~~the~~ a link to a web-based application and
renewal application for any license or permit issued by that agency.

1 Access to the online renewal systems shall be featured prominently
2 on the portal system.

3 B. Each entity responsible for licensing or permitting shall
4 make available to the Office of State Finance on a yearly basis a
5 report describing the number of licenses issued, license renewals
6 and permits issued as well as an estimate of the amount of savings
7 incurred by the entity as a result of the online licensing and
8 permitting process.

9 C. The Office of State Finance shall make available to the
10 public a copy of each report submitted in accordance with the
11 requirements of subsection B of this section by placing the report
12 on the website defined in Section 46 of ~~Title 62 of the Oklahoma~~
13 ~~Statutes~~ this title.

14 D. The Director of the Office of State Finance may exempt a
15 specific license or permit from the requirements of this section
16 should he find compelling evidence that the issuance of the license
17 or permit requires the provision of information that cannot be
18 provided through an online licensing or permitting process and when
19 the failure of the applicant to provide the information would create
20 a significant risk to the integrity of the license or permit. The
21 Director of the Office of State Finance shall document any
22 exemptions issued pursuant to the provisions of this subsection and
23 describe the compelling evidence justifying the need for the
24 exemptions in a report to be provided to the Governor, Speaker of

1 the Oklahoma House of Representatives and Speaker Pro Tempore of the
2 State Senate. The exception provided for in this subsection shall
3 not apply to license renewals pursuant to the Oklahoma Vehicle
4 License and Registration Act of Title 47 of the Oklahoma Statutes.

5 E. The state agencies may accept an electronic signature in the
6 application process for any license or permit; provided, the use of
7 an electronic signature shall not create a significant risk to the
8 integrity of the license or permit.

9 F. Nothing in this section shall apply to driver license
10 renewal applications.

11 SECTION 3. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 34.100 of Title 62, unless there
13 is created a duplication in numbering, reads as follows:

14 The Office of State Finance shall maintain a website providing
15 public access to the documentation of the disbursement by state
16 agencies of federal funds received pursuant to the federal American
17 Recovery and Reinvestment Act of 2009. The website shall provide a
18 list of all stimulus fund expenditures regardless of amount. The
19 entire list of stimulus fund expenditures shall be available for
20 export in standardized formats including but not limited to
21 eXtensible Markup Language (XML) and Comma Separated Value (CSV)
22 formats. The list of expenditures shall include searchable
23 functionality including but not limited to the ability to search the
24 expenditures by the name of the entity receiving funding, name of

1 entity processing funding and name of entity benefiting from
2 funding. This site shall include the name and principal location of
3 the entity and/or recipients of the funds regardless of amount, the
4 amount of funds expended, the funding or expending agency, and a
5 descriptive purpose of the funding action or expenditure. The State
6 Auditor and Inspector shall not be responsible for maintaining the
7 website described in this section.

8 SECTION 4. AMENDATORY 62 O.S. 2001, Section 41.29, as
9 renumbered by Section 64, Chapter 441, O.S.L. 2009, and as last
10 amended by Section 44, Chapter 2, O.S.L. 2010 (62 O.S. Supp. 2010,
11 Section 34.36), is amended to read as follows:

12 Section 34.36 A. On the first day of October preceding each
13 regular session of the Legislature, each state agency, including
14 those created or established pursuant to constitutional provisions,
15 shall report to the Director of the Office of State Finance and the
16 Chair and Vice Chair of the Legislative Oversight Committee on State
17 Budget Performance an itemized request showing the amount needed for
18 the ensuing fiscal year beginning with the first day of July.

19 B. The forms which must be used in making these reports shall
20 be approved by the Director of the Office of State Finance and the
21 Legislative Oversight Committee on State Budget Performance.

22 C. The forms shall be uniform, and shall clearly designate the
23 information to be given.

24

1 D. The information provided shall include, but not be limited
2 to:

3 1. A budget analysis of existing and proposed programs
4 utilizing zero-based budgeting techniques. Such analysis shall be
5 included as a part of the estimate of funds needed;

6 2. A statement listing any other state, federal or local
7 agencies which administer a similar or cooperating program and an
8 outline of the interaction among such agencies;

9 3. A statement of the statutory authority for the missions and
10 quantified objectives of each program;

11 4. A description of the groups of people served by each program
12 in the agency;

13 5. A quantification of the need for the program;

14 6. A description of the tactics which are intended to
15 accomplish each objective;

16 7. A list of quantifiable program outcomes which measure the
17 efficiency and effectiveness of each program;

18 8. A ranking of these programs by priority;

19 9. Actual program expenditures for the current fiscal year and
20 prior fiscal years and the number of personnel required to
21 accomplish each program; ~~and~~

22 10. Revenues expected to be generated by each program, if any;
23 and

24

1 11. With respect to appropriated state agencies, a detailed
2 listing of all employees and resources dedicated to the provision of
3 financial services including but not limited to procurement,
4 payroll, accounts receivable and accounts payable. The provisions
5 of this paragraph shall not be applicable to the Oklahoma State
6 Regents for Higher Education or to any institutions within The
7 Oklahoma State System of Higher Education.

8 E. These appropriated agencies shall make an itemized estimate
9 of needs and request for funds for the ensuing fiscal year and an
10 estimate of the revenues from all sources to be received by the
11 agency during the ensuing fiscal year.

12 F. The Director of the Office of State Finance shall submit to
13 the Governor and the Legislative Oversight Committee on State Budget
14 Performance no later than the fifth day of October a complete list
15 of all spending agencies which have failed to submit budgets by
16 October 1.

17 G. The reports required by this section shall include an
18 itemized listing of outstanding capital lease debt and estimated
19 capital lease needs for the ensuing fiscal year, and shall be
20 provided on forms prescribed by the Director of the Office of State
21 Finance.

22 H. For the purposes of this section, "capital lease" means a
23 lease-purchase agreement which provides an option for the State of
24 Oklahoma or its agencies to purchase property, including personal

1 and real property, which is the subject thereof and/or a lease
2 agreement that provides an option for the State of Oklahoma or its
3 agencies to lease such property, which is the subject thereof, at a
4 nominal annual amount, after a period in which leased property is
5 rented at fair market value.

6 I. The provisions of this section shall not apply to CompSource
7 Oklahoma if CompSource Oklahoma is operating pursuant to a pilot
8 program authorized by Sections 3316 and 3317 of Title 74 of the
9 Oklahoma Statutes.

10 J. Not later than January 1, the Director of the Office of
11 State Finance shall publish a financial services cost performance
12 assessment which shall document each appropriated state agency's
13 cost for providing financial services including but not limited to
14 procurement, payroll, accounts receivable and accounts payable.
15 Appropriated state agencies ranking in the bottom ten percent (10%)
16 of the cost performance assessment shall enter into a contract with
17 the Office of State Finance for the provision of shared financial
18 services provided that the Director of the Office of State Finance
19 determines and documents that the contractual agreement will result
20 in cost savings to the appropriated state agency. Contracts
21 required by this subsection shall be entered into at the start of
22 the next fiscal year. On a yearly basis the Director of the Office
23 of State Finance shall compile and publish a report documenting the
24 cost savings resulting from shared services contracts. The

1 provisions of this subsection shall not be applicable to the
2 Oklahoma State Regents for Higher Education or to any institutions
3 within The Oklahoma State System of Higher Education.

4 SECTION 5. AMENDATORY 62 O.S. 2001, Section 7.6, as
5 renumbered by Section 64, Chapter 441, O.S.L. 2009, and as last
6 amended by Section 48, Chapter 2, O.S.L. 2010 (62 O.S. Supp. 2010,
7 Section 34.69), is amended to read as follows:

8 Section 34.69 A. There is hereby created in the State Treasury
9 a Payroll Fund which shall be used by the Director of the Office of
10 State Finance and the State Treasurer to issue a consolidated
11 payroll for each agency of the state. Payrolls of state agencies
12 shall be charged against the Payroll Fund created herein. Each
13 state agency shall prepare summary distributions of the amounts of
14 payrolls to be charged against each fund within the State Treasury
15 and the Director shall transfer monies from each fund in the State
16 Treasury to the Payroll Fund amounts as shown on payroll
17 distribution summaries, and shall charge such amounts to the account
18 affected thereby.

19 B. As of July 1, 2010, the Office of State Finance shall make
20 available and each executive state agency shall make available to
21 all state employees a centralized web-based system to access their
22 personal employment and compensation-related information. The
23 provisions of this subsection as it pertains to executive agencies
24 may be waived by the Director of State Finance in the event that

1 lack of timely access prevents employees from utilizing the
2 centralized system. As used in subsections B, C and D of this
3 section, "executive state agency" shall mean any state agency,
4 authority, board, commission or other entity organized within the
5 executive department of state government. Executive state agency
6 shall not mean any government entity organized or created within the
7 legislative or judicial departments of state government.

8 C. Except for institutions within The Oklahoma State System for
9 Higher Education, executive state agencies converting to a multi-
10 monthly payroll system shall consult with the Office of State
11 Finance on the timing of the agency's conversion.

12 1. All state employees hired during the six (6) months prior to
13 an executive state agency's conversion to a multi-monthly payroll
14 shall be placed on either the biweekly payroll system or
15 supplemental payroll upon the date of hire.

16 2. In the six (6) months prior to an executive state agency's
17 conversion to multi-monthly payroll, the executive state agency
18 shall offer either multi-monthly or supplemental payroll to any
19 employee who chooses to participate. The provisions of this
20 paragraph shall not apply to employees placed on the multi-monthly
21 payroll pursuant to paragraph 1 of this subsection.

22 D. Six (6) months prior to an executive state agency converting
23 to the multi-monthly payroll system, it shall create employee
24 payroll conversion banks for the purpose of providing a one-time

1 payroll payment to an employee for the gap in payroll payments
2 created by the conversion to the multi-monthly system.

3 1. Each executive state agency shall allow its employees to
4 accumulate funds up to a maximum of eighty (80) hours for the
5 conversion bank from the following sources:

6 a. earned compensatory time, if the agency normally
7 provides its employees compensatory time,

8 b. earned annual leave, ~~and~~

9 c. earned sick leave up to a maximum of forty (40) hours,
10 and

11 d. shared leave as approved by the appointing authority.

12 2. During the six-month period leading up to an executive state
13 agency's conversion to the multi-monthly payroll system, all
14 executive state agencies shall inform, in writing or by electronic
15 means, all their employees of their leave and compensatory time
16 balances on a monthly basis.

17 E. The Office of State Finance in coordination with the Office
18 of Personnel Management shall establish procedures concerning the
19 conversion.

20 SECTION 6. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 212B of Title 74, unless there
22 is created a duplication in numbering, reads as follows:

23 Copies of any audit, performance audit, agreed-upon procedure
24 report, or other attestation engagement report produced by a person

1 other than the State Auditor and Inspector that is required to be
2 filed with the State Auditor and Inspector pursuant to Section 212A
3 of Title 74 of the Oklahoma Statutes, shall be submitted in
4 electronic, read-only format. The State Auditor and Inspector shall
5 make such reports available to the public at no charge on the State
6 Auditor and Inspector's website.

7 SECTION 7. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 85.7g of Title 74, unless there
9 is created a duplication in numbering, reads as follows:

10 A. There is hereby established the "State Government
11 Conferences Web-based Transparency pilot program".

12 B. The Superintendent of Public Instruction of the State
13 Department of Education is directed to publish on a website a
14 listing of all expenses paid by the Department of Education for the
15 payment of food, lodging, and other authorized expenses as may be
16 necessary to host, conduct, sponsor, or participate in conferences,
17 meetings, or training sessions.

18 C. The Superintendent of Public Instruction is authorized to
19 directly enter into contracts and agreements for the payment of
20 food, lodging, and other authorized expenses as may be necessary to
21 host, conduct, sponsor, or participate in conferences, meetings, or
22 training sessions. The Superintendent may establish accounts as
23 necessary for the collection and distribution of funds, including
24 funds of sponsors and registration fees, related to such

1 conferences, meetings, and training sessions. Any expenses incurred
2 may be paid directly to the contracting agency or business
3 establishment.

4 D. The cost of food for persons attending any conferences,
5 meetings, and training sessions that do not require overnight travel
6 shall not exceed the total daily rate as provided in the State
7 Travel Reimbursement Act.

8 E. The Superintendent of Public Instruction shall allow for
9 reimbursements and deposits occurring under the provisions of this
10 act to take place through commonly accepted e-commerce practices.

11 F. On a regular basis the Superintendent of Public Instruction
12 shall publish a report stating savings realized as a result of the
13 State Government Conferences Web-based Transparency pilot program.

14 SECTION 8. RECODIFICATION Section 5, Chapter 322, O.S.L.
15 2009 (62 O.S. Supp. 2010, Section 41.5p-1), as amended by Section 2
16 of this act, shall be recodified as Section 34.24.1 of Title 62 of
17 the Oklahoma Statutes, unless there is created a duplication in
18 numbering.

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