

1 STATE OF OKLAHOMA

2 1st Session of the 54th Legislature (2013)

3 COMMITTEE SUBSTITUTE

4 FOR

HOUSE BILL NO. 1002

By: Murphey

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7 COMMITTEE SUBSTITUTE

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9 An Act relating to state government; creating the
10 Cost Reduction and Savings Act of 2013; amending 62
11 O.S. 2011, Section 34.36, as amended by Section 368,
12 Chapter 304, O.S.L. 2012 (62 O.S. Supp. 2012, Section
13 34.36), which relates to the Oklahoma State Finance
14 Act; modifying the publishing of financial services
15 cost-performance assessment; authorizing Office of
16 Management and Enterprise Services to evaluate the
17 agencies with the lowest rankings; prohibiting
18 discontinuation of shared services for certain
19 agencies; amending 74 O.S. 2011, Section 840-2.10, as
20 amended by Section 873, Chapter 304, O.S.L. 2012 (74
21 O.S. Supp. 2012, Section 840-2.10), which relates to
22 the State Employee Assistance Program; authorizing
23 Office of Management and Enterprise Services to enter
24 into certain contracts; amending 74 O.S. 2011,
Sections 840-3.4 and 840.3-5, as amended by Sections
894 and 895, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
2012, Sections 840-3.4 and 840.3-5), which relate to
the Carl Albert Public Internship Program; modifying
internship program; including certain degrees and
certifications; modifying eligibility requirements;
providing that certain employees count against
limitation of full-time-equivalent positions;
providing for codification; providing for
noncodification; and providing an effective date.

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

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

3 This act shall be known and may be cited as the "Cost Reduction
4 and Savings Act of 2013".

5 SECTION 2. AMENDATORY 62 O.S. 2011, Section 34.36, as
6 amended by Section 368, Chapter 304, O.S.L. 2012 (62 O.S. Supp.
7 2012, Section 34.36), is amended to read as follows:

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

16 B. The forms which must be used in making these reports shall
17 be approved by the Director of the Office of Management and
18 Enterprise Services and the Legislative Oversight Committee on State
19 Budget Performance.

20 C. The forms shall be uniform, and shall clearly designate the
21 information to be given.

22 D. The information provided shall include, but not be limited
23 to:

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- 1 1. A budget analysis of existing and proposed programs
2 utilizing zero-based budgeting techniques. Such analysis shall be
3 included as a part of the estimate of funds needed;
- 4 2. A statement listing any other state, federal or local
5 agencies which administer a similar or cooperating program and an
6 outline of the interaction among such agencies;
- 7 3. A statement of the statutory authority for the missions and
8 quantified objectives of each program;
- 9 4. A description of the groups of people served by each program
10 in the agency;
- 11 5. A quantification of the need for the program;
- 12 6. A description of the tactics which are intended to
13 accomplish each objective;
- 14 7. A list of quantifiable program outcomes which measure the
15 efficiency and effectiveness of each program;
- 16 8. A ranking of these programs by priority;
- 17 9. Actual program expenditures for the current fiscal year and
18 prior fiscal years and the number of personnel required to
19 accomplish each program;
- 20 10. Revenues expected to be generated by each program, if any;
- 21 11. With respect to appropriated state agencies, a detailed
22 listing of all employees and resources dedicated to the provision of
23 financial services including but not limited to procurement,
24 payroll, accounts receivable and accounts payable. The provisions

1 of this paragraph shall not be applicable to the Oklahoma State
2 Regents for Higher Education or to any institutions within The
3 Oklahoma State System of Higher Education; and

4 12. A certification that following the effective date of this
5 act and prior to July 1, 2011, no expenditure shall have been made
6 or funds encumbered for the purchase, lease, lease-purchase or
7 rental of any computers, software, telecom, information technology
8 hardware, firmware or information technology services, including
9 support services without the prior written approval of the State
10 Comptroller or his or her designee.

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

15 F. The Director of the Office of Management and Enterprise
16 Services shall submit to the Governor and the Legislative Oversight
17 Committee on State Budget Performance no later than the fifth day of
18 October a complete list of all spending agencies which have failed
19 to submit budgets by October 1.

20 G. The reports required by this section shall include an
21 itemized listing of outstanding capital lease debt and estimated
22 capital lease needs for the ensuing fiscal year, and shall be
23 provided on forms prescribed by the Director of the Office of
24 Management and Enterprise Services.

1 H. For the purposes of this section, "capital lease" means a
2 lease-purchase agreement which provides an option for the State of
3 Oklahoma or its agencies to purchase property, including personal
4 and real property, which is the subject thereof and/or a lease
5 agreement that provides an option for the State of Oklahoma or its
6 agencies to lease such property, which is the subject thereof, at a
7 nominal annual amount, after a period in which leased property is
8 rented at fair market value.

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

13 J. Not later than January 1, the Director of the Office of
14 Management and Enterprise Services shall publish a financial
15 services cost-performance assessment which shall document the cost
16 for each appropriated state agency's cost for providing financial
17 services including but not limited to procurement, payroll, accounts
18 receivable and accounts payable. ~~Appropriated~~ The Office of
19 Management and Enterprise Services shall evaluate the ten agencies
20 with the lowest rankings. The lowest ranking state agencies ranking
21 in the bottom ten percent (10%) of the cost-performance assessment
22 shall enter into a contract with the Office of Management and
23 Enterprise Services for the provision of shared financial services,
24 provided that the Director of the Office of Management and

1 Enterprise Services determines and documents that the contractual
2 agreement will result in cost savings or efficiencies to the
3 ~~appropriated state agency~~ State. Contracts required by this
4 subsection shall be entered into at the start of the next fiscal
5 year. When a state agency is contracted with the Office of
6 Management and Enterprise Services for the provision of shared
7 financial services, the agency shall not discontinue using shared
8 services unless documentation showing that the agency can provide
9 the services at a lower cost to the State is provided to and
10 approved by the Director of Office of Management and Enterprise
11 Services. On a yearly basis the Director of the Office of
12 Management and Enterprise Services shall compile and publish a
13 report documenting the cost savings resulting from shared services
14 contracts. The provisions of this subsection shall not be
15 applicable to the Oklahoma State Regents for Higher Education or to
16 any institutions within The Oklahoma State System of Higher
17 Education.

18 SECTION 3. AMENDATORY 74 O.S. 2011, Section 840-2.10, as
19 amended by Section 873, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
20 2012, Section 840-2.10), is amended to read as follows:

21 Section 840-2.10 A. There is hereby created a State Employee
22 Assistance Program within the Office of Management and Enterprise
23 Services. The program may provide assistance to state agencies in
24 their management of employees whose personal problems may have a

1 negative impact on job performance. The program may also provide
2 for assessment, referral, consultation, and problem resolution
3 assistance to state employees and their family members seeking
4 corrective help with medical or mental health problems, including
5 alcohol or drug abuse and emotional, marital, familial, financial or
6 other personal problems. Participation in the State Employee
7 Assistance Program shall be on a voluntary basis.

8 B. The Office of Management and Enterprise Services may enter
9 into contracts which are necessary and proper to carry out the
10 purposes and functions of the State Employee Assistance Program and
11 establish standards and criteria which shall be met by entities to
12 be eligible to contract with the Office of Management and Enterprise
13 Services.

14 C. The Director of the Office of Management and Enterprise
15 Services is hereby directed to:

16 1. Promulgate rules necessary for the administration of the
17 State Employee Assistance Program and the maintenance and release of
18 participant records;

19 2. Conduct training specific to the State Employee Assistance
20 Program; and

21 3. Establish evaluation methods to assess the effectiveness of
22 the State Employee Assistance Program.

23 ~~C.~~ D. Nothing in this act is intended to nullify any agency's
24 existing employee assistance program or to prohibit any state agency

1 from establishing its own employee assistance program; provided,
2 however, such programs established by state agencies shall be
3 subject to compliance with rules promulgated by the Director of the
4 Office of Management and Enterprise Services to ensure equitable
5 treatment of employees.

6 ~~D.~~ E. Records that relate to participation by an individual in
7 the State Employee Assistance Program or an employee assistance
8 program established by a state agency shall be maintained separate
9 and apart from regular personnel records and shall not become part
10 of an employee's personnel file. Such records relating to an
11 individual's participation in an employee assistance program shall
12 be confidential and neither the records nor the testimony of an
13 Employee Assistance Program professional shall be subject to
14 subpoena unless a participant poses a threat to deliberately harm
15 the participant or others. Such determination shall be made by an
16 Employee Assistance Program Professional. A participant in an
17 employee assistance program shall have a right of access to his or
18 her own employee assistance program records.

19 ~~E.~~ F. No provision of this section or the rules promulgated
20 pursuant to this section shall be construed to conflict with an
21 appointing authority's responsibility and authority to maintain
22 discipline or to take disciplinary measures against employees for
23 misconduct or unacceptable performance. Further, participation or
24 nonparticipation in any state employee assistance program shall not

1 excuse an employee from discipline or otherwise affect the terms and
2 conditions of such employee's employment status or opportunities for
3 advancement with the state.

4 ~~F.~~ G. 1. There is hereby created the Employee Assistance
5 Program Advisory Council to assist in the implementation of the
6 state's employee assistance program. The Council shall advise the
7 Director on policy issues and provide support to expand and improve
8 program services that are available to state employees and their
9 families.

10 2. The Employee Assistance Program Advisory Council shall
11 consist of the current nine (9) members who shall continue to hold
12 their current positions through June 30, 1995. Effective July 1,
13 1995, three members shall be appointed by the Governor, three
14 members shall be appointed by the Speaker of the House of
15 Representatives, and three members shall be appointed by the
16 President Pro Tempore of the Senate. All members shall serve two-
17 year terms, unless removed prior to the expiration of a term by the
18 respective individual making the appointment. Any vacancy in office
19 shall be filled by the individual who made the initial appointment.
20 The Council shall select a chair and vice-chair from among its
21 membership. A majority of the members of the Council shall
22 constitute a quorum to transact business, but no vacancy shall
23 impair the right of the remaining members to exercise all of the
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1 powers of the Council and every act of a majority of the members
2 present shall be deemed the act of the Council.

3 3. Members of the Council shall receive no compensation for
4 serving on the Council, but shall receive necessary travel
5 reimbursement by the employing agency for members who are state
6 employees or appointing authorities of agencies pursuant to the
7 State Travel Reimbursement Act. Any member employed in state
8 government shall receive the reimbursement from their employing
9 entity. Members who are not employed in state government shall
10 receive travel reimbursement from the Office of Management and
11 Enterprise Services.

12 4. The Council shall not have authority to adopt rules pursuant
13 to the Administrative Procedures Act.

14 ~~G.~~ H. The Legislature and the judicial branch of state
15 government may utilize the services of the State Employee Assistance
16 Program at their discretion.

17 SECTION 4. AMENDATORY 74 O.S. 2011, Section 840-3.4, as
18 amended by Section 894, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
19 2012, Section 840-3.4), is amended to read as follows:

20 Section 840-3.4 A. The Carl Albert Public Internship Program
21 shall consist of three individual internship programs:

22 1. An Undergraduate Internship Program consisting of a
23 temporary position for students enrolled in an institution of higher
24 education and working toward an undergraduate degree, which shall

1 include associate's degrees or certifications by the Oklahoma
2 Department of Career and Technology Education;

3 2. A Senior Undergraduate Internship Program consisting of a
4 job placement of up to twenty-four (24) months for students enrolled
5 in an institution of higher education with ninety (90) semester
6 hours or more of completed coursework towards a bachelor's degree.
7 To remain in the Senior Internship a student must continue to be
8 working toward an undergraduate degree at an institution of higher
9 education with at least a two point five (2.5) grade point average
10 calculated on a four point zero (4.0) scale in all undergraduate
11 coursework. The intern occupying this position shall not be
12 converted to the classified service upon graduation or completion of
13 the internship; and

14 3. An Executive Fellows Program consisting of six-month to two-
15 year placements in professional or managerial level positions for
16 students who have:

- 17 a. successfully completed a baccalaureate degree and at
18 least six (6) semester hours of approved graduate
19 level work with at least a three point zero (3.0)
20 grade point average calculated on a four point zero
21 (4.0) scale in all graduate coursework,
22 b. demonstrated a substantial interest in public sector
23 management,

1 c. been recommended by the institution of higher
2 education at which they are enrolled, and

3 d. such additional requirements as determined by the
4 Office of Management and Enterprise Services.

5 B. Employing agencies shall rate the performance of
6 participants in the Executive Fellows Program in accordance with
7 Section 840-4.17 of this title.

8 C. State employees, who otherwise meet the qualifications of
9 the program, shall be eligible to participate in the Carl Albert
10 Public Internship Program upon the written recommendation of the
11 chief administrative officer of the applicant's agency.

12 SECTION 5. AMENDATORY 74 O.S. 2011, Section 840-3.5, as
13 amended by Section 895, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
14 2012, Section 840-3.5), is amended to read as follows:

15 Section 840-3.5 The Office of Management and Enterprise
16 Services shall promulgate rules to provide that:

17 1. Upon successful completion of ~~a two-year~~ an internship in
18 the Undergraduate or Senior Undergraduate Internship Program or
19 Executive Fellows Program, a participant who has met all
20 requirements of education and experience shall be eligible for
21 appointment to a position in the classified or unclassified service
22 of the state and shall be deemed as meeting all other statutory
23 requirements;

1 2. Persons leaving classified or unclassified positions in
2 state government in order to take an internship shall:

3 a. have the right to return to the previous position at
4 any time during the internship or upon completion of
5 the internship, and

6 b. continue to receive all fringe benefits they would
7 have received in their previous classified or
8 unclassified positions;

9 3. Participants in the Undergraduate Internship Program who
10 were not public employees prior to accepting a position in the
11 program shall be employed in accordance with paragraph 8 of
12 subsection A of Section 840-5.5 of this title;

13 4. Participants in the Senior Undergraduate Internship Program
14 who were not public employees prior to accepting a position in the
15 program shall be employed in accordance with paragraph 10 of
16 subsection A of Section ~~840-5.5~~ 840-5.5 of this title, except that
17 they shall be granted leave benefits commensurate with regular state
18 employees;

19 5. Participants in the Executive Fellows Program who were not
20 public employees prior to accepting a position in the program shall
21 be appointed in accordance with paragraph 10 of subsection A of
22 Section 840-5.5 of this title, except that they shall be granted
23 leave benefits commensurate with regular state employees;

1 6. Selection of interns shall be coordinated by the Office of
2 Management and Enterprise Services, but shall permit appropriate
3 involvement by institutions of higher education and state agencies
4 in order to ensure the integrity of the program, permit the
5 appropriate match between interns and agency assignments, and to
6 benefit the employing agency;

7 7. The Director of the Office of Management and Enterprise
8 Services may waive the completion of six (6) semester hours of
9 approved graduate level work required by Section 840-3.4 of this
10 title for participation in the Executive Fellows Program for an
11 undergraduate intern enrolled in six (6) semester hours of approved
12 graduate level work and currently employed by a state agency;

13 8. Establish compensation plans for interns; and

14 9. Empower the Office of Management and Enterprise Services to
15 intercede in an internship when the Office determines, at the
16 request of the intern, the agency, or the institution of higher
17 education at which the intern is enrolled, that an internship is not
18 functioning in accordance with guidelines established for the
19 program and that are necessary for the efficiency and integrity of
20 the program.

21 SECTION 6. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 840-3.17 of Title 74, unless
23 there is created a duplication in numbering, reads as follows:

24 Employees who share position identification numbers for a time

1 period of one hundred eighty (180) days or more shall count in the
2 cumulative total against the statutory limitation of full-time-
3 equivalent employee positions for any agency.

4 SECTION 7. This act shall become effective November 1, 2013.

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