

An Act

ENROLLED SENATE
BILL NO. 105

By: Thompson of the Senate

and

Osborn (Leslie) of the
House

An Act relating to state information technology; stating intent; amending 62 O.S. 2011, Section 34.11.1, as last amended by Section 6, Chapter 358, O.S.L. 2013 (62 O.S. Supp. 2016, Section 34.11.1), which relates to the Chief Information Officer; modifying certain duties; amending 62 O.S. 2011, Section 34.12, as last amended by Section 11, Chapter 358, O.S.L. 2013 (62 O.S. Supp. 2016, Section 34.12), which relates to the Information Services Division of the Office of Management and Enterprise Services; modifying certain purchasing procedures; amending 62 O.S. 2011, Section 35.4, as amended by Section 21, Chapter 358, O.S.L. 2013 (62 O.S. Supp. 2016, Section 35.4), which relates to the purchasing of information technology assets; modifying certain purchasing procedures; providing for noncodification; providing an effective date; and declaring an emergency.

SUBJECT: State information technology

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

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

It is the intent of the Legislature to streamline the acquisition of certain information technology and telecommunication products by state agencies while maintaining adherence to state architectural and data security standards and while ensuring supportable information technology and telecommunication solutions are acquired by state agencies.

SECTION 2. AMENDATORY 62 O.S. 2011, Section 34.11.1, as last amended by Section 6, Chapter 358, O.S.L. 2013 (62 O.S. Supp. 2016, Section 34.11.1), is amended to read as follows:

Section 34.11.1. A. There is hereby created the position of Chief Information Officer who shall be appointed by the Governor. The Chief Information Officer, in addition to having authority over the Information Services Division of the Office of Management and Enterprise Services, shall also serve as Secretary of Information Technology and Telecommunications or successor cabinet position and shall have jurisdictional areas of responsibility related to information technology and telecommunications systems of all state agencies as provided for in state law. The salary of the Chief Information Officer shall not be less than One Hundred Thirty Thousand Dollars (\$130,000.00) or more than One Hundred Sixty Thousand Dollars (\$160,000.00).

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

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

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

3. Familiarity with local and wide-area network design, implementation, and operation;

4. Experience with data and voice convergence service offerings;

5. Experience in developing technology budgets;
6. Experience in developing requests for proposal and administering the bid process;
7. Experience managing professional staff, teams, and consultants;
8. Knowledge of telecommunications operations;
9. Ability to develop and set strategic direction for information technology and telecommunications and to manage daily development and operations functions;
10. An effective communicator who is able to build consensus;
11. Ability to analyze and resolve complex issues, both logical and interpersonal;
12. Effective verbal and written communications skills and effective presentation skills, geared toward coordination and education;
13. Ability to negotiate and defuse conflict; and
14. A self-motivator, independent, cooperative, flexible and creative.

C. The salary and any other expenses for the Chief Information Officer shall be budgeted as a separate line item through the Office of Management and Enterprise Services. The operating expenses of the Information Services Division shall be set by the Chief Information Officer and shall be budgeted as a separate line item through the Office of Management and Enterprise Services. The Office of Management and Enterprise Services shall provide adequate office space, equipment and support necessary to enable the Chief Information Officer to carry out the information technology and telecommunications duties and responsibilities of the Chief Information Officer and the Information Services Division.

D. 1. Within twelve (12) months of appointment, the first Chief Information Officer shall complete an assessment, which shall

be modified annually pursuant to Section 35.5 of this title, of the implementation of the transfer, coordination, and modernization of all information technology and telecommunication systems of all state agencies in the state as provided for in the Oklahoma Information Services Act. The assessment shall include the information technology and telecommunications systems of all institutions within The Oklahoma State System of Higher Education, the Oklahoma State Regents for Higher Education and the telecommunications network known as OneNet as assembled and submitted by the Oklahoma Higher Education Chief Information Officer, as designated by the Oklahoma State Regents for Higher Education.

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

- a. define the shared service model organization structure and the reporting relationship of the recommended organization,
- b. the implementation of an information technology and telecommunications shared services model that defines the statewide infrastructure environment needed by most state agencies that is not specific to individual agencies and the shared applications that are utilized across multiple agencies,
- c. define the services that shall be in the shared services model under the control of the Information Services Division of the Office of Management and Enterprise Services,
- d. define the roadmap to implement the proposed shared services model. The roadmap shall include recommendations on the transfer, coordination, and modernization of all information technology and telecommunication systems of all the state agencies in the state,

- e. recommendations on the reallocation of information technology and telecommunication resources and personnel,
- f. a cost benefit analysis to support the recommendations on the reallocation of information technology and telecommunication resources and personnel,
- g. a calculation of the net savings realized through the reallocation and consolidation of information technology and telecommunication resources and personnel after compensating for the cost of contracting with a private consultant as authorized in paragraph 4 of this subsection, implementing the plan of action, and ongoing costs of the Information Services Division of the Office of Management and Enterprise Services, and
- h. the information required in subsection B of Section 35.5 of this title.

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

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

E. The Chief Information Officer shall be authorized to employ personnel, fix the duties and compensation of the personnel, not otherwise prescribed by law, and otherwise direct the work of the personnel in performing the function and accomplishing the purposes of the Information Services Division of the Office of Management and Enterprise Services.

F. The Information Services Division of the Office of Management and Enterprise Services shall be responsible for the following duties:

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

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

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

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

5. Provide direction for the professional development of information technology staff of state agencies and oversee the professional development of the staff of the Information Services Division of the Office of Management and Enterprise Services;

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

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

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

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

10. Recruit, hire and transfer the required technical staff in the Information Services Division of the Office of Management and Enterprise Services to support the services provided by the Division and the execution of the strategic information technology plan;

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

12. Delegate, coordinate, and review all work to ensure quality and efficient operation of the Information Services Division of the Office of Management and Enterprise Services;

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

14. Develop and implement training programs for state agencies using the shared services of the Information Services Division of the Office of Management and Enterprise Services and recommend training programs to state agencies on information technology and telecommunication systems, products and procedures;

15. Provide counseling, performance evaluation, training, motivation, discipline, and assign duties for employees of the Information Services Division of the Office of Management and Enterprise Services;

16. ~~Approve~~ For all state agencies, approve the purchasing of all information technology and telecommunication services and approve the purchase of any information technology and telecommunication products and services for all state agencies product except the following:

- a. a purchase less than or equal to Five Thousand Dollars (\$5,000.00) if such product is purchased using a state purchase card and the product is listed on either the Approved Hardware or Approved Software list located on the Office of Management and Enterprise Services website, or
- b. a purchase over Five Thousand Dollars (\$5,000.00) and less than or equal to Twenty-five Thousand Dollars (\$25,000.00) if such product is purchased using a state purchase card, the product is listed on an information technology or telecommunications statewide contract, and the product is listed on either the

Approved Hardware or Approved Software list located on the Office of Management and Enterprise Services website;

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

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

19. Define and implement a governance model for requesting services and monitoring service level metrics for all shared services; and

20. Create the budget for the Information Services Division of the Office of Management and Enterprise Services to be submitted to the Legislature each year.

G. The State Governmental Technology Applications Review Board shall provide ongoing oversight of the implementation of the plan of action required in subsection D of this section. Any proposed amendments to the plan of action shall be approved by the Board prior to adoption.

H. 1. The Chief Information Officer shall act as the Information Technology and Telecommunications Purchasing Director for all state agencies and shall be responsible for the procurement of all information technology and telecommunication software, hardware, equipment, peripheral devices, maintenance, consulting services, high technology systems, and other related information technology, data processing, telecommunication and related peripherals and services for all state agencies. The Chief Information Officer shall establish, implement, and enforce policies and procedures for the procurement of information technology and telecommunication software, hardware, equipment, peripheral devices, maintenance, consulting services, high technology systems, and other related information technology, data processing, telecommunication and related peripherals and services by purchase, lease-purchase, lease with option to purchase, lease and rental for all state

agencies. The procurement policies and procedures established by the Chief Information Officer shall be consistent with The Oklahoma Central Purchasing Act.

2. The Chief Information Officer, or any employee or agent of the Chief Information Officer acting within the scope of delegated authority, shall have the same power and authority regarding the procurement of all information technology and telecommunication products and services as outlined in paragraph 1 of this subsection for all state agencies as the State Purchasing Director has for all acquisitions used or consumed by state agencies as established in The Oklahoma Central Purchasing Act. Such authority shall, consistent with the authority granted to the State Purchasing Director pursuant to Section 85.10 of Title 74 of the Oklahoma Statutes, include the power to designate financial or proprietary information submitted by a bidder confidential and reject all requests to disclose the information so designated, if the Chief Information Officer requires the bidder to submit the financial or proprietary information with a bid, proposal, or quotation.

I. The Information Services Division of the Office of Management and Enterprise Services and the Chief Information Officer shall be subject to The Oklahoma Central Purchasing Act for the approval and purchase of equipment and products not related to information and telecommunications technology, equipment, software, products and related peripherals and services and shall also be subject to the requirements of the Public Competitive Bidding Act of 1974, the Oklahoma Lighting Energy Conservation Act and the Public Building Construction and Planning Act when procuring data processing, information technology, telecommunication, and related peripherals and services and when constructing information technology and telecommunication facilities, telecommunication networks and supporting infrastructure. The Chief Information Officer shall be authorized to delegate all or some of the procurement of information technology and telecommunication products and services and construction of facilities and telecommunication networks to another state entity if the Chief Information Officer determines it to be cost-effective and in the best interest of the state. The Chief Information Officer shall have authority to designate information technology and telecommunication contracts as statewide contracts and mandatory statewide contracts pursuant to Section 85.5 of Title 74 of the Oklahoma Statutes and to negotiate

consolidation contracts, enterprise agreements and high technology systems contracts in accordance with the procedures outlined in Section 85.9D of Title 74 of the Oklahoma Statutes. Any contract entered into by a state agency for which the Chief Information Officer has not acted as the Information Technology and Telecommunications Purchasing Director as required in this subsection or subsection H of this section, shall be deemed to be unenforceable and the Office of Management and Enterprise Services shall not process any claim associated with the provisions thereof.

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

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

L. All state agencies and authorities of this state and all officers and employees of those entities shall work and cooperate with and lend assistance to the Chief Information Officer and the Information Services Division of the Office of Management and Enterprise Services and provide any and all information requested by the Chief Information Officer.

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

N. For purposes of the Oklahoma Information Services Act, unless otherwise provided for, "state agencies" shall include any office, officer, bureau, board, commission, counsel, unit, division, body, authority or institution of the executive branch of state government, whether elected or appointed; provided, except with respect to the provisions of subsection D of this section, the term

"state agencies" shall not include institutions within The Oklahoma State System of Higher Education, the Oklahoma State Regents for Higher Education and the telecommunications network known as OneNet.

0. As used in this section:

1. "High technology system" means advanced technological equipment, software, communication lines, and services for the processing, storing, and retrieval of information by a state agency;

2. "Consolidation contract" means a contract for several state or public agencies for the purpose of purchasing information technology and telecommunication goods and services; and

3. "Enterprise agreement" means an agreement for information technology or telecommunication goods and services with a supplier who manufactures, develops and designs products and provides services that are used by one or more state agencies.

SECTION 3. AMENDATORY 62 O.S. 2011, Section 34.12, as last amended by Section 11, Chapter 358, O.S.L. 2013 (62 O.S. Supp. 2016, Section 34.12), is amended to read as follows:

Section 34.12. A. The Information Services Division of the Office of Management and Enterprise Services shall:

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

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

3. Establish and enforce minimum mandatory standards for:

- a. information systems planning,
- b. systems development methodology,
- c. documentation,

- d. hardware requirements and compatibility,
- e. operating systems compatibility,
- f. acquisition of software, hardware and technology-related services,
- g. information security and internal controls,
- h. data base compatibility,
- i. contingency planning and disaster recovery, and
- j. imaging systems, copiers, facsimile systems, printers, scanning systems and any associated supplies.

The standards shall, upon adoption, be the minimum requirements applicable to all agencies. These standards shall be compatible with the standards established for the Oklahoma Government Telecommunications Network. Individual agency standards may be more specific than statewide requirements but shall in no case be less than the minimum mandatory standards. Where standards required of an individual agency of the state by agencies of the federal government are more strict than the state minimum standards, such federal requirements shall be applicable;

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

5. Operate a data service center to provide operations and hardware support for agencies requiring such services and for statewide systems;

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

requirements which are found to be available within any agency of the state;

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

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

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

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

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

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

13. In conjunction with the Oklahoma Office of Homeland Security, enforce the minimum information security and internal control standards established by the Information Services Division. An enforcement team consisting of the Chief Information Officer of the Information Services Division or a designee, a representative of the Oklahoma Office of Homeland Security, and a representative of the Oklahoma State Bureau of Investigation shall enforce the minimum information security and internal control standards. If the enforcement team determines that an agency is not in compliance with

the minimum information security and internal control standards, the Chief Information Officer shall take immediate action to mitigate the noncompliance, including the removal of the agency from the infrastructure of the state until the agency becomes compliant, taking control of the information technology function of the agency until the agency is compliant, and transferring the administration and management of the information technology function of the agency to the Information Services Division or another state agency.

B. No agency of the executive branch of the state shall use state funds for or enter into any agreement for the acquisition of any category of computer hardware, software or any contract for information technology or telecommunication services and equipment, service costs, maintenance costs, or any other costs or fees associated with the acquisition of the services or equipment, without written authorization of the Chief Information Officer or a designee except the following:

1. A purchase less than or equal to Five Thousand Dollars (\$5,000.00) if such product is purchased using a state purchase card and the product is listed on either the Approved Hardware or Approved Software list located on the Office of Management and Enterprise Services website; or

2. A purchase over Five Thousand Dollars (\$5,000.00) and less than or equal to Twenty-five Thousand Dollars (\$25,000.00) if such product is purchased using a state purchase card, the product is listed on an information technology or telecommunications statewide contract, and the product is listed on either the Approved Hardware or Approved Software list located on the Office of Management and Enterprise Services website.

If written authorization is not obtained prior to incurring an expenditure or entering into any agreement as required in this subsection or as required in Section 35.4 of this title, the Office of Management and Enterprise Services may not process any claim associated with the expenditure and the provisions of any agreement shall not be enforceable. The provisions of this subsection shall not be applicable to any member of The Oklahoma State System of Higher Education, any public elementary or secondary schools of the state, any technology center school district as defined in Section 14-108 of Title 70 of the Oklahoma Statutes, or CompSource Oklahoma.

C. The Chief Information Officer and Information Services Division of the Office of Management and Enterprise Services and all agencies of the executive branch of the state shall not be required to disclose, directly or indirectly, any information of a state agency which is declared to be confidential or privileged by state or federal statute or the disclosure of which is restricted by agreement with the United States or one of its agencies, nor disclose information technology system details that may permit the access to confidential information or any information affecting personal security, personal identity, or physical security of state assets.

SECTION 4. AMENDATORY 62 O.S. 2011, Section 35.4, as amended by Section 21, Chapter 358, O.S.L. 2013 (62 O.S. Supp. 2016, Section 35.4), is amended to read as follows:

Section 35.4. No state agency shall expend or encumber any funds for the purchase, lease, lease-purchase, lease with option to purchase, rental or other procurement of any information technology assets without the prior written approval of the Chief Information Officer except the following:

1. A purchase less than or equal to Five Thousand Dollars (\$5,000.00) if such product is purchased using a state purchase card and the product is listed on either the Approved Hardware or Approved Software list located on the Office of Management and Enterprise Services website; or

2. A purchase over Five Thousand Dollars (\$5,000.00) and less than or equal to Twenty-five Thousand Dollars (\$25,000.00) if such product is purchased using a state purchase card, the product is listed on an information technology or telecommunications statewide contract, and the product is listed on either the Approved Hardware or Approved Software list located on the Office of Management and Enterprise Services website.

SECTION 5. This act shall become effective July 1, 2017.

SECTION 6. It being immediately necessary for the preservation of the public peace, health or safety, an emergency is hereby

declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 25th day of May, 2017.

Presiding Officer of the Senate

Passed the House of Representatives the 26th day of May, 2017.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____