

1 STATE OF OKLAHOMA

2 1st Session of the 52nd Legislature (2009)

3 CONFERENCE COMMITTEE  
4 SUBSTITUTE  
5 FOR ENGROSSED  
6 HOUSE BILL NO. 1704

By: Derby, Murphey, Pittman and  
Nelson of the House

and

Coffee of the Senate

7  
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9  
10 CONFERENCE COMMITTEE SUBSTITUTE

11 An Act relating to technology; creating the Oklahoma  
12 Information Services Act; creating the position of  
13 Chief Information Officer; providing for the  
14 appointment of the Chief Information Officer; making  
15 the Chief Information Officer the Secretary of  
16 Information Technology and Telecommunications;  
17 establishing jurisdictional areas of  
18 responsibilities; establishing salary of the Chief  
19 Information Officer; establishing qualifications of  
20 the Chief Information Officer; providing for salary  
21 and expenses of the Chief Information Officer to be  
22 budgeted through the Office of State Finance;  
23 requiring the Chief Information Officer to complete  
24 an assessment within certain time frame; directing  
the Chief Information Officer to issue a report  
setting out a plan of action; specifying certain  
content; requiring presentation of the report;  
authorizing the Chief Information Officer to contract  
for certain assistance; granting the Chief  
Information Officer with authority over the functions  
and personnel of the Information Services Division of  
the Office of State Finance; specifying duties of the  
Information Services Division; requiring the Chief  
Information Officer to implement the plan of action  
upon certain approval; providing for oversight of  
implementation of the plan of action; requiring

1 certain amount of net savings to be realized within  
2 certain time period; stating certain procurement  
3 duties of the Chief Information Officer; making the  
4 Information Services Division and Chief Information  
5 Officer subject to certain laws for certain purposes;  
6 authorizing the Chief Information Officer to delegate  
7 certain duties; authorizing the Chief Information  
8 Officer to designate certain statewide contracts;  
9 requiring the Chief Information Officer to implement  
10 certain charges upon certain approval; establishing  
11 certain duties related to an interoperable radio  
12 communications system for state agencies; requiring  
13 the Chief Information Officer to implement a plan on  
14 open source technology and products; directing all  
15 state agencies and employees to cooperate and assist  
16 the Chief Information Officer; requiring the Chief  
17 Information Officer to prepare and submit an annual  
18 report on certain cost savings; providing definition  
19 of certain term; amending 62 O.S. 2001, Section 41.3,  
20 which relates to the Office of State Finance;  
21 changing administrative control of the Information  
22 Services Division; deleting obsolete division;  
23 amending 62 O.S. 2001, Sections 41.5a, as last  
24 amended by Section 1, Chapter 266, O.S.L. 2006,  
41.5a-1, as amended by Section 2, Chapter 266, O.S.L.  
2006, Section 1, Chapter 340, O.S.L. 2008, 41.5e, as  
last amended by Section 3, Chapter 266, O.S.L. 2006,  
41.5f, as amended by Section 1, Chapter 148, O.S.L.  
2007, 41.5h, as amended by Section 4, Chapter 266,  
O.S.L. 2006, 41.5i, as last amended by Section 5,  
Chapter 266, O.S.L. 2006, 41.5j, as amended by  
Section 6, Chapter 266, O.S.L. 2006, 41.5m, as  
amended by Section 9, Chapter 266, O.S.L. 2006,  
41.5p, as amended by Section 10, Chapter 266, O.S.L.  
2006, 41.5q, as amended by Section 11, Chapter 266,  
O.S.L. 2006, 41.5r, 41.5s, as amended by Section 12,  
Chapter 266, O.S.L. 2006, Section 2, Chapter 128,  
O.S.L. 2004, as amended by Section 3, Chapter 391,  
O.S.L. 2005, Section 4, Chapter 128, O.S.L. 2004, as  
last amended by Section 1 of Enrolled Senate Bill No.  
871 of the 1st Session of the 52nd Oklahoma  
Legislature, Section 4, Chapter 391, O.S.L. 2005, as  
amended by Section 1, Chapter 310, O.S.L. 2006 and  
Section 15, Chapter 266, O.S.L. 2006 (62 O.S. Supp.  
2008, Sections 41.5a, 41.5a-1, 41.5a-4, 41.5e, 41.5f,  
41.5h, 41.5i, 41.5j, 41.5m, 41.5p, 41.5q, 41.5s,  
41.5t, 41.5t.2, 41.5u and 41.5v), which relate to the

1 duties and responsibilities of the Information  
2 Services Division of the Office of State Finance;  
3 changing references to the Director of the Office of  
4 State Finance and the Office of State Finance;  
5 updating statutory language and citations; deleting  
6 obsolete language; modifying and adding certain  
7 duties of the Information Services Division;  
8 modifying enforcement and agency compliance  
9 requirements of minimum information security and  
10 internal control standards; changing maximum amount  
11 for prior approval of certain acquisitions; expanding  
12 technology and applications to be included in agency  
13 plan; modifying means for submission of plans; adding  
14 certain locations and structures to communications  
15 system; expanding technology and applications to be  
16 included in the coordinated statewide planning;  
17 adding dollar amount limit on certain communications,  
18 telecommunications and equipment acquisitions; adding  
19 certain equipment to certain purchasing restriction;  
20 clarifying application of certain provisions;  
21 requiring the Information Services Division to manage  
22 the state portal system; requiring state entities to  
23 file certain records; prohibiting state agencies from  
24 developing an electronic portal system with certain  
authorization; changing name of the State  
Governmental Internet Application Review Board;  
modifying membership; adding certain duties; updating  
name of certain project and position; modifying  
membership of the Electronic and Information  
Technology Accessibility Advisory Council; deleting  
certain limitation; limiting the expenditure of state  
funds for certain technology during certain time  
period; prohibiting the creation or replacement of  
certain technology positions during certain time  
period; amending 74 O.S. 2001, Section 10.3, as last  
amended by Section 1, Chapter 428, O.S.L. 2005 (74  
O.S. Supp. 2008, Section 10.3), which relates to the  
cabinet system of the Governor; designating certain  
cabinet area; making the Chief Information Officer  
the Secretary of certain cabinet area; amending 74  
O.S. 2001, Section 85.5, as last amended by Section  
3, Chapter 96, O.S.L 2008 (74 O.S. Supp. 2008,  
Section 85.5), which relates to the powers and duties  
of the State Purchasing Director; authorizing the  
Chief Information Officer to make certain  
acquisitions; authorizing the Chief Information  
Officer to designate certain statewide and mandatory

1 statewide contracts; repealing Section 5, Chapter  
2 391, O.S.L. 2005 (62 O.S. Supp. 2008, Section 41.5a-  
3 2), which relates to the Task Force for the Study of  
4 Computer Information Officers; providing for  
5 codification; providing for noncodification;  
6 providing for recodification; and making certain  
7 sections effective upon certain appointment.

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

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

11 This act shall be known and may be cited as the "Oklahoma  
12 Information Services Act".

13 SECTION 2. NEW LAW A new section of law to be codified  
14 in the Oklahoma Statutes as Section 41.5.1 of Title 62, unless there  
15 is created a duplication in numbering, reads as follows:

16 A. There is hereby created the position of Chief Information  
17 Officer who shall be appointed by the Governor. The Chief  
18 Information Officer, in addition to having authority over the  
19 Information Services Division of the Office of State Finance, shall  
20 also serve as Secretary of Information Technology and  
21 Telecommunications or successor cabinet position and shall have  
22 jurisdictional areas of responsibility related to information  
23 technology and telecommunications systems of all state agencies as  
24 provided for in the Oklahoma Information Services Act. The salary  
of the Chief Information Officer shall not be less than One Hundred

1 Thirty Thousand Dollars (\$130,000.00) or more than One Hundred Sixty  
2 Thousand Dollars (\$160,000.00). The first Chief Information Officer  
3 shall be appointed no later than January 1, 2010.

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

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

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

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

15 4. Experience with data and voice convergence service  
16 offerings;

17 5. Experience in developing technology budgets;

18 6. Experience in developing request for proposals and  
19 administering the bid process;

20 7. Experience managing professional staff, teams, and  
21 consultants;

22 8. Knowledge of telecommunications operations;  
23  
24

1        9. Ability to develop and set strategic direction for  
2 information technology and telecommunications and to manage daily  
3 development and operations functions;

4        10. An effective communicator who is able to build consensus;

5        11. Ability to analyze and resolve complex issues, both logical  
6 and interpersonal;

7        12. Effective verbal and written communications skills and  
8 effective presentation skills, geared toward coordination and  
9 education;

10       13. Ability to negotiate and defuse conflict; and

11       14. A self-motivator, independent, cooperative, flexible and  
12 creative.

13       C. The salary and any other expenses for the Chief Information  
14 Officer shall be budgeted as a separate line item through the Office  
15 of State Finance. The operating expenses of the Information  
16 Services Division shall be set by the Chief Information Officer and  
17 shall be budgeted as a separate line item through the Office of  
18 State Finance. The Office of State Finance shall provide adequate  
19 office space, equipment and support necessary to enable the Chief  
20 Information Officer to carry out the information technology and  
21 telecommunications duties and responsibilities of the Officer and  
22 the Information Services Division.

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

1 implementation of the transfer, coordination, and modernization of  
2 all information technology and telecommunication systems of all  
3 state agencies in the state as provided for in the Oklahoma  
4 Information Services Act. The assessment shall include the  
5 information technology and telecommunications systems of all  
6 institutions within The Oklahoma State System of Higher Education,  
7 the Oklahoma State Regents for Higher Education, the  
8 telecommunications network known as OneNet, and the Department of  
9 Human Services, but the plan of action for these entities shall not  
10 be implemented until July 1, 2011.

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

- 14 a. define the shared service model organization structure  
15 and the reporting relationship of the recommended  
16 organization,
- 17 b. the implementation of an information technology and  
18 telecommunications shared services model that defines  
19 the statewide infrastructure environment needed by  
20 most state agencies that is not specific to individual  
21 agencies and the shared applications that are utilized  
22 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 State Finance,
- 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. recommendations on maximizing the benefits to the state by the alignment and operation of the communications and data transfer network assets known as OneNet,
- g. a cost benefit analysis to support the recommendations on the reallocation of information technology and telecommunication resources and personnel, and
- h. 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



1 paragraph 4 of this subsection, implementing the plan  
2 of action, and ongoing costs of the Information  
3 Services Division of the Office of State Finance.

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

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

11 E. Beginning on the effective date of appointment, the Chief  
12 Information Officer shall be authorized to employ personnel, fix the  
13 duties and compensation of the personnel, not otherwise prescribed  
14 by law, and otherwise direct the work of the personnel in performing  
15 the function and accomplishing the purposes of the Information  
16 Services Division of the Office of State Finance.

17 F. Beginning on the effective date of the appointment of the  
18 first Chief Information Officer, the Information Services Division  
19 of the Office of State Finance shall be responsible for the  
20 following duties:

21 1. Formulate and implement the information technology strategy  
22 for all state agencies;  
23  
24

- 1        2. Define, design, and implement a shared services statewide  
2 infrastructure and application environment for information  
3 technology and telecommunications for all state agencies;
- 4        3. Direct the development and operation of a scalable  
5 telecommunications infrastructure that supports data and voice  
6 communications reliability, integrity, and security;
- 7        4. Supervise the applications development process for those  
8 applications that are utilized across multiple agencies;
- 9        5. Provide direction for the professional development of  
10 information technology staff of state agencies and oversee the  
11 professional development of the staff of the Information Services  
12 Division of the Office of State Finance;
- 13        6. Evaluate all technology and telecommunication investment  
14 choices for all state agencies;
- 15        7. Create a plan to ensure alignment of current systems, tools,  
16 and processes with the strategic information technology plan for all  
17 state agencies;
- 18        8. Set direction and provide oversight for the support and  
19 continuous upgrading of the current information technology and  
20 telecommunication infrastructure in the state in support of enhanced  
21 reliability, user service levels, and security;
- 22        9. Direct the development, implementation, and management of  
23 appropriate standards, policies and procedures to ensure the success  
24 of state information technology and telecommunication initiatives;

1        10. Recruit, hire and transfer the required technical staff in  
2 the Information Services Division of the Office of State Finance to  
3 support the services provided by the Division and the execution of  
4 the strategic information technology plan;

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

7        12. Delegate, coordinate, and review all work to ensure quality  
8 and efficient operation of the Information Services Division of the  
9 Office of State Finance;

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

16       14. Develop and implement training programs for state agencies  
17 using the shared services of the Information Services Division of  
18 the Office of State Finance and recommend training programs to state  
19 agencies on information technology and telecommunication systems,  
20 products and procedures;

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

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

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

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

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

13       20. Create the budget for the Information Services Division of  
14 the Office of State Finance to be submitted to the Legislature each  
15 year.

16       G. Upon receiving approval of the State Governmental Technology  
17 Applications Review Board, the Chief Information Officer shall  
18 implement the plan of action as set forth in subsection D of this  
19 section. The State Governmental Technology Applications Review  
20 Board shall provide ongoing oversight of the implementation of the  
21 plan of action. Any proposed amendments to the plan of action shall  
22 be approved by the Board prior to adoption. The net savings  
23 realized through the reallocation and consolidation of information  
24 technology and telecommunication resources and personnel after

1 compensating for the up-front costs and ongoing costs of the  
2 Information Services Division of the Office of State Finance which  
3 are identified and reported in the plan of action shall be realized  
4 no later than two (2) years from the appointment date of the Chief  
5 Information Officer and shall at a minimum be not less than fifteen  
6 percent (15%) of the overall statewide information technology and  
7 telecommunications expenditures made by all state agencies during  
8 the fiscal year ending June 30, 2009.

9 H. Beginning on the effective date of appointment, the Chief  
10 Information Officer shall act as the Information Technology and  
11 Telecommunications Purchasing Director for all state agencies and  
12 shall be responsible for the procurement of all information  
13 technology and telecommunication software, hardware, equipment,  
14 peripheral devices, maintenance, consulting services, high  
15 technology systems, and other related information technology, data  
16 processing, telecommunication and related peripherals and services  
17 for all state agencies. The Chief Information Officer shall  
18 establish, implement, and enforce policies and procedures for the  
19 procurement of information technology and telecommunication  
20 software, hardware, equipment, peripheral devices, maintenance,  
21 consulting services, high technology systems, and other related  
22 information technology, data processing, telecommunication and  
23 related peripherals and services by purchase, lease-purchase, lease  
24 with option to purchase, lease and rental for all state agencies.

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

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

24

1 and mandatory statewide contracts pursuant to Section 85.5 of Title  
2 74 of the Oklahoma Statutes.

3 J. The Chief Information Officer shall establish and implement  
4 charges and a system to assess the charges to state agencies for  
5 their use of shared information technology and telecommunication  
6 services subject to the approval of the State Governmental  
7 Technology Applications Review Board.

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

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

18 M. All state agencies and authorities of this state and all  
19 officers and employees of those entities shall work and cooperate  
20 with and lend assistance to the Chief Information Officer and the  
21 Information Services Division of the Office of State Finance and  
22 provide any and all information requested by the Chief Information  
23 Officer.

24

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

7 O. For purposes of the Oklahoma Information Services Act,  
8 unless otherwise provided for, "state agencies" shall include any  
9 office, officer, bureau, board, commission, counsel, unit, division,  
10 body, authority or institution of the executive branch of state  
11 government, whether elected or appointed.

12 SECTION 3. AMENDATORY 62 O.S. 2001, Section 41.3, is  
13 amended to read as follows:

14 Section 41.3 There is hereby created in the Executive  
15 Department, the Office of State Finance which shall consist of a  
16 Division of the Budget, and a Division of Central Accounting and  
17 Reporting, ~~an Information Services Division, and an Oklahoma~~  
18 ~~Financial Information System Management Division~~ all under the  
19 administrative control of the Director of the Office of State  
20 Finance and directly responsible to ~~him~~ the Director and an  
21 Information Services Division under the administrative control of  
22 the Chief Information Officer and directly responsible to the  
23 Officer.  
24



1 The terms "State Budget Director" or "Budget Director" appearing  
2 in the Oklahoma Statutes shall mean "Director of State Finance".

3 The terms "State Budget Office", "Division of the Budget", or  
4 "Division of Central Accounting and Reporting", or "Information  
5 Services Division", ~~or "Oklahoma Financial Information System~~  
6 ~~Management Division"~~ appearing in the Oklahoma Statutes shall mean  
7 the Office of State Finance or the divisions thereof.

8 SECTION 4. AMENDATORY 62 O.S. 2001, Section 41.5a, as  
9 last amended by Section 1, Chapter 266, O.S.L. 2006 (62 O.S. Supp.  
10 2008, Section 41.5a), is amended to read as follows:

11 Section 41.5a A. The Information Services Division of the  
12 Office of State Finance shall:

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

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

19 3. Establish and enforce minimum mandatory standards for:

- 20 a. information systems planning,
- 21 b. systems development methodology,
- 22 c. documentation,
- 23 d. hardware requirements and compatibility,
- 24 e. operating systems compatibility,

- f. acquisition of software and, hardware acquisition and technology-related services,
- g. information security and internal controls,
- h. data base compatibility, ~~and~~
- 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 ~~created in Section 41.5m of this title.~~ 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 an information technology 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,

1 systems software, hardware, internal and external information  
2 technology, communication or telecommunication equipment owned,  
3 leased, or rented for use in communication services for state  
4 government, including communication services provided as part of any  
5 other total system to be used by the state or any of its agencies,  
6 and studies and training courses in use by all agencies of the  
7 state; and facilitate the utilization of the resources by any agency  
8 having requirements which are found to be available within any  
9 agency of the state;

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

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

23

24

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

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

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

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

12       13. In conjunction with the Oklahoma Office of Homeland  
13 Security, enforce the minimum information security and internal  
14 control standards established by the Information Services Division.

15 An enforcement team consisting of the ~~Director~~ Chief Information  
16 Officer of the Information Services Division or a designee, a

17 representative of the Oklahoma Office of Homeland Security, and a  
18 representative of the Oklahoma State Bureau of Investigation shall  
19 enforce the minimum information security and internal control

20 standards. ~~An~~ If the enforcement team determines that an agency

21 ~~that~~ is not in compliance with the minimum information security and  
22 internal control standards ~~shall be notified. The agency will be~~

23 ~~required to submit a plan for becoming compliant within a specified~~  
24 ~~time period, based on the severity of the noncompliance. If the~~

1 ~~agency does not become compliant with the minimum information~~  
2 ~~security and internal control standards within the specified time~~  
3 ~~period, the enforcement team shall institute progressive actions as~~  
4 ~~follows:~~

5 a. ~~if possible, extend the time period for becoming~~  
6 ~~compliant,~~

7 b. ~~work with the agency, the Chief Information Officer~~  
8 ~~shall take immediate action to mitigate the~~  
9 ~~noncompliance,~~

10 c. ~~notify the agency director, the Governor, the Speaker~~  
11 ~~of the House of Representatives, and the President Pro~~  
12 ~~Tempore of the Senate that the agency will be removed~~  
13 ~~from including the removal of the agency from the~~  
14 ~~infrastructure of the state until the agency becomes~~  
15 ~~compliant,~~

16 d. ~~notify the agency director, the Governor, the Speaker~~  
17 ~~of the House of Representatives, and the President Pro~~  
18 ~~Tempore of the Senate that the enforcement team will~~  
19 ~~take taking control of the information technology~~  
20 ~~function of the agency until the agency is compliant,~~  
21 ~~and~~

22 e. ~~recommend to the Governor and the Legislature that~~  
23 ~~transferring the administration and management of the~~  
24 ~~information technology function of the agency be~~

1                   ~~transferred~~ to the Information Services Division or  
2                   another state agency.

3           B. No agency of the executive branch of the state shall use  
4 state funds for or enter into any agreement for the acquisition of  
5 any category of computer hardware, software or any contract for  
6 information technology services and equipment exceeding ~~Twenty-five~~  
7 ~~Thousand Dollars (\$25,000.00)~~ Ten Thousand Dollars (\$10,000.00) in  
8 value, which shall include the acquisition amount, service costs,  
9 maintenance costs, or any other costs or fees associated with the  
10 acquisition of the services or equipment, without written  
11 authorization of the ~~Director of State Finance~~ Chief Information  
12 Officer. The provisions of this subsection shall not be applicable  
13 to any member of The Oklahoma State System of Higher Education, any  
14 public elementary or secondary schools of the state, or any  
15 technology center school district as defined in Section 14-108 of  
16 Title 70 of the Oklahoma 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 5. AMENDATORY 62 O.S. 2001, Section 41.5a-1, as  
4 amended by Section 2, Chapter 266, O.S.L. 2006 (62 O.S. Supp. 2008,  
5 Section 41.5a-1), is amended to read as follows:

6 Section 41.5a-1 The Information Services Division of the Office  
7 of State Finance shall, at the end of each month, render a statement  
8 of charges to all state agencies to which it has furnished  
9 processing services for the direct costs of the Data Service Center  
10 of the Division. In total, the charges shall not exceed the direct  
11 costs of the Data Service Center of the Division. Systems analysts  
12 and programming services costs shall be recovered directly from the  
13 agency for which the service was rendered, as agreed to by that  
14 agency, and shall not be prorated to agencies not receiving such  
15 services. All amounts so collected shall be deposited in the State  
16 Treasury to the credit of the General Revenue Fund.

17 SECTION 6. AMENDATORY Section 1, Chapter 340, O.S.L.  
18 2008 (62 O.S. Supp. 2008, Section 41.5a-4), is amended to read as  
19 follows:

20 Section 41.5a-4 A. The Information Services Division of the  
21 Office of State Finance is authorized to:

22 1. Develop and publish a state policy and procedures for the  
23 destruction or disposal of all electronic storage media to ensure  
24

1 that all confidential information stored on such electronic media  
2 devices is destroyed or disposed of in a secure and safe manner;

3 2. Define the requirements for the secure destruction or  
4 disposal of electronic storage media; and

5 3. Assist the Department of Central Services in implementing  
6 the policy and procedures for the destruction or disposal of state  
7 electronic storage media.

8 B. The Information Services Division of the Office of State  
9 Finance shall notify all agencies, boards, commissions and  
10 authorities of the policy and procedures for the secure and safe  
11 destruction or disposal of electronic storage media.

12 C. The Department of Central Services shall remove all  
13 electronic storage media from all surplus information technology and  
14 telecommunication equipment before it is sold, donated, stored or  
15 destroyed. A state agency may remove electronic storage media from  
16 their surplus information technology and telecommunication equipment  
17 prior to sending the surplus to the Department of Central Services,  
18 so long as the agency has the technical expertise for removal and  
19 that the electronic storage media is sent for destruction or  
20 disposal pursuant to this subsection.

21 D. The Department of Central Services shall use existing and  
22 future funds from the sale of state surplus equipment and  
23 appropriations, as necessary, to pay for the destruction of  
24 electronic storage media.



SECTION 7. AMENDATORY 62 O.S. 2001, Section 41.5e, as last amended by Section 3, Chapter 266, O.S.L. 2006 (62 O.S. Supp. 2008, Section 41.5e), is amended to read as follows:

Section 41.5e A. No later than July 1 of each year, all agencies of the executive branch of this state presently using or contemplating the use of telecommunications and electronic information technology applications, including, but not limited to, the use of mainframe computers, minicomputers or microcomputers, word processing equipment, office automation systems, Internet, eGovernment, broadband, Wi-Fi or wireless networking, radio, including the interoperable radio communications system for state agencies, Global Positioning Systems (GPS), or contracts for information technology services and equipment, shall annually submit to the Information Services Division of the Office of State Finance a one-year operations plan, which shall include as a minimum:

1. An overview of major projects and objectives;
2. Cost per defined category of hardware, software, services and personnel;
3. An assurance of compliance with state standards on accessibility of information technology for individuals with disabilities developed in accordance with Section 41.5t of this title; and

1        4. Such other information as the Information Services Division  
2 may require for analysis and consolidation into a statewide  
3 telecommunications and electronic information technology plan.

4        B. No agency of the executive branch of this state shall enter  
5 into any agreement for the acquisition, development, or enhancement  
6 of application systems software or for the acquisition of electronic  
7 information technology equipment or peripheral devices, including  
8 Internet and eGovernment, broadband, Wi-Fi or wireless networking,  
9 radio, including the interoperable radio communications system for  
10 state agencies, Global Positioning Systems (GPS), whether or not  
11 connected to such equipment, unless the cost of such acquisition,  
12 development, or enhancement has been included in the plan for the  
13 agency. The Information Services Division upon review of an  
14 information technology and telecommunication plan for the agency,  
15 shall submit in ~~writing~~ either printed or electronic form to the  
16 Governor, the Speaker of the House of Representatives, and the  
17 President Pro Tempore of the Senate its findings and recommendations  
18 on all proposed new and expanded programs and expenditures for  
19 personnel and the purchase or acquisition of equipment, hardware,  
20 software, accessories, or services thereto, including but not  
21 limited to leases, rentals or lease-purchase, indicating that the  
22 associated cost meet or comply with Section 41.5a of this title.

23        C. The provisions of this section shall not apply to the  
24 telecommunications network known as OneNet whether said network is

governed or operated by the Oklahoma State Regents for Higher Education or any other state entity assigned responsibility for OneNet.

SECTION 8. AMENDATORY 62 O.S. 2001, Section 41.5f, as amended by Section 1, Chapter 148, O.S.L. 2007 (62 O.S. Supp. 2008, Section 41.5f), is amended to read as follows:

Section 41.5f A. The Office of State Finance shall:

1. Develop and/or acquire hardware and application software, including such modifications as may be required, to implement modern automated systems in the Department of Central Services, the Office of Personnel Management, and the Office of State Finance. Such systems include applications for accounting, budgeting, payroll/personnel, and purchasing;

2. Coordinate the initial implementation of the application systems with the three central service agencies of the state and coordinate the phased implementation of the application systems with all branches of state government;

3. Develop procedures manuals and the related training necessary to implement the application systems;

4. Maintain and enhance, as necessary, the application systems of the Integrated Central Systems; and

5. Ensure the integrity of information in the Integrated Central Systems through data security measures, internal controls, and appropriate data base management.

1       B. The Director of State Finance shall make all policy  
2 decisions required to implement the Integrated Central Systems in  
3 accordance with this section after consultation with other affected  
4 agencies.

5       C. The Director of State Finance may enter into contracts for  
6 services, equipment, software, or supplies needed to carry out the  
7 provisions of this section.

8       SECTION 9.       AMENDATORY       62 O.S. 2001, Section 41.5h, as  
9 amended by Section 4, Chapter 266, O.S.L. 2006 (62 O.S. Supp. 2008,  
10 Section 41.5h), is amended to read as follows:

11       Section 41.5h A. The Information Services Division of the  
12 Office of State Finance is directed, authorized and empowered to  
13 enter into contracts for, to establish criteria for and manage the  
14 installation, maintenance and administration of a central  
15 communication or intercommunication system for and upon behalf of  
16 this state. The installation shall fulfill communication or  
17 intercommunications requirements of this state and its agencies  
18 located in the Capitol and those buildings situated on the Capitol  
19 grounds, known as the "Capitol Complex" in Oklahoma City, Oklahoma,  
20 ~~and~~ the state-owned building known as the "Tulsa Capitol Building"  
21 in Tulsa, Oklahoma, buildings which house state agencies located  
22 within four (4) miles of the Capitol Complex, and any location used  
23 for the administration of the information technology and  
24 telecommunication infrastructure and security for the state.

1       B. The Information Services Division shall render a statement  
2 of charges at the end of each month to all state agencies to which  
3 it has furnished communications services for the direct cost  
4 sustained, provided that:

5       1. A pro rata formula is to be established in writing after  
6 giving consideration to the type of service furnished, the number  
7 and kinds of instruments used, the cost of operation and special  
8 installations required in each such agency in relation to the total  
9 cost of local service. The formula, once determined, is not to be  
10 redetermined more often than once every six (6) months nor to be  
11 changed after any such redetermination before the expiration of six  
12 (6) months; and

13       2. The Information Services Division is to be reimbursed by the  
14 state or any of its agencies for actual cost incurred for equipment  
15 installation or modification or for toll charges for use of  
16 telephone, telegraph, teletype, data communications, Internet,  
17 eGovernment, as referenced in Sections 41.5p and 41.5q of this  
18 title, or other form or forms of communication or intercommunication  
19 incurred by the state or by any agency.

20       C. No telephone, teletype, switchboard, line, cable system,  
21 data communication system, Internet, eGovernment, or systems of  
22 communication or intercommunication are to be installed in any  
23 building or buildings owned, rented, leased or otherwise held by  
24 this state or its agencies at locations described in subsection A of

1 this section without written order of the ~~Director of State Finance~~  
2 Chief Information Officer or a designee. Provided, however, that  
3 acquisition and installation of such equipment in the Legislature  
4 shall be subject to the final approval of the Speaker of the House  
5 of Representatives or the President Pro Tempore of the Senate as  
6 appropriate.

7 SECTION 10. AMENDATORY 62 O.S. 2001, Section 41.5i, as  
8 last amended by Section 5, Chapter 266, O.S.L. 2006 (62 O.S. Supp.  
9 2008, Section 41.5i), is amended to read as follows:

10 Section 41.5i In addition to the powers and duties as defined  
11 elsewhere in this title, the Information Services Division of the  
12 Office of State Finance shall:

13 1. Coordinate statewide planning and approve statewide  
14 contracts for communication and telecommunications needs of state  
15 ~~government~~ agencies, including, but not limited to, voice, data,  
16 radio including the interoperable radio communications system for  
17 state agencies, video, broadband, Wi-Fi or wireless networking,  
18 Global Positioning Systems (GPS), Internet, eGovernment, as  
19 referenced in Sections 41.5p and 41.5q of this title, and facsimile  
20 transmissions through analysis of the telecommunications and  
21 information technology plan of each agency;

22 2. Establish minimum mandatory standards and protocols for:

- 23 a. communication networks and equipment,  
24 b. wide area and local area systems,

- c. integration of equipment, systems and joint usage,
- d. Internet and eGovernment,
- e. operating systems or methods to be used to meet communications requirements efficiently, effectively, and securely,
- f. rendering of aid between state government and its political subdivisions with respect to organizing of communications systems, and
- g. an economical and cost-effective utilization of communication services.

The standards and protocols shall be compatible with the standards and protocols established for the Oklahoma Government Telecommunications Network ~~created in Section 41.5m of this title;~~

3. Serve as a focal point for all statewide projects and approve all statewide contracts for state agencies involving current communications vendors where the focus of such authority can substantially enhance the state communications plan or the savings which can be achieved thereunder;

4. Provide, when requested by political subdivisions of the state, for the organizing of communications or telecommunications systems and service between the state and its political subdivisions and enter into agreements to effect the purposes of this section;

1        5. Cooperate with any federal, state or local emergency  
2 management agency in providing for emergency communications and  
3 telecommunication services;

4        6. Apply for, receive, and hold, or assist agencies in applying  
5 for, receiving or holding such authorizations, licenses and  
6 allocations of channels and frequencies to carry out the purposes of  
7 this section;

8        7. Accomplish such other purposes as may be necessary or  
9 incidental to the administration of its authority or functions  
10 pursuant to law; and

11       8. Provide support for telecommunication networks of state  
12 agencies through analysis of the telecommunications needs and  
13 requirements of each agency and promotion of the use of the Oklahoma  
14 Government Telecommunications Network ~~created in Section 41.5m of~~  
15 ~~this title.~~

16       SECTION 11.        AMENDATORY        62 O.S. 2001, Section 41.5j, as  
17 amended by Section 6, Chapter 266, O.S.L. 2006 (62 O.S. Supp. 2008,  
18 Section 41.5j), is amended to read as follows:

19       Section 41.5j    A. No agency of the executive branch of the  
20 state shall use state funds for or enter into any agreement for the  
21 acquisition, development or enhancement of a communication or  
22 telecommunication system including voice, data, radio, video,  
23 Internet, eGovernment, as referenced in Sections 41.5p and 41.5q of  
24 this title, ~~and~~ printers, scanners, copiers, facsimile systems and



1 associated supplies exceeding Ten Thousand Dollars (\$10,000.00) in  
2 value, which shall include the acquisition amount, service costs,  
3 maintenance costs, or any other costs or fees associated with the  
4 acquisition of the system or equipment, without written  
5 authorization of the ~~Director of State Finance~~ Chief Information  
6 Officer or a designee. The ~~Director of State Finance~~ Chief  
7 Information Officer or a designee shall verify that any acquisition,  
8 development or enhancement is compatible with the operation of the  
9 Oklahoma Government Telecommunications Network ~~created in Section~~  
10 ~~41.5m of this title.~~

11 B. No agency of the executive branch of the state shall enter  
12 into any agreement for the acquisition, development or enhancement  
13 of a communication or telecommunication system or service including  
14 voice, data, radio, video, Internet, eGovernment, printers,  
15 scanners, copiers, and facsimile systems, unless the cost of such  
16 addition, change, improvement or development has been included in  
17 the statewide communications plan of the Information Services  
18 Division of the Office of State Finance, as said plan may have been  
19 amended or revised.

20 C. State agencies may enter into interagency contracts to share  
21 communications and telecommunications resources for mutually  
22 beneficial purposes. The contract shall clearly state how its  
23 purpose contributes to the development or enhancement or cost  
24 reduction of a state network which includes voice, data, radio,

1 video, Internet, eGovernment, or facsimile systems. The contract  
2 shall be approved by the Information Services Division before any  
3 payments are made.

4 D. The provisions of this section shall not apply to the  
5 telecommunications network known as OneNet whether said network is  
6 governed or operated by the Oklahoma State Regents for Higher  
7 Education or any other state entity assigned responsibility for  
8 OneNet.

9 SECTION 12. AMENDATORY 62 O.S. 2001, Section 41.5m, as  
10 amended by Section 9, Chapter 266, O.S.L. 2006 (62 O.S. Supp. 2008,  
11 Section 41.5m), is amended to read as follows:

12 Section 41.5m A. There is hereby created a wide area  
13 telecommunications network to be known and referred to as the  
14 "Oklahoma Government Telecommunications Network (OGTN)". The OGTN  
15 shall consist of the telecommunications systems and networks of  
16 educational entities and agencies of state government.

17 B. Notwithstanding the provisions of subsection A of this  
18 section:

19 1. The Oklahoma State Regents for Higher Education may continue  
20 to operate, maintain and enhance the State Regents Educational  
21 Telecommunications Network, subject to the provisions of the  
22 Oklahoma Information Services Act. The Oklahoma State Regents for  
23 Higher Education shall submit all plans for the enhancement of the  
24 State Regents Educational Telecommunications Network to the

1 Information Services Division of the Office of State Finance for  
2 review and approval within the context of the statewide  
3 telecommunications network provided for in subsection C of this  
4 section and shall participate with the ~~Office of State Finance~~  
5 Information Services Division in joint efforts to provide services  
6 for the OGTN; and

7 2. The Department of Public Safety may continue to operate,  
8 maintain and enhance the statewide law enforcement data  
9 communications network provided for in Section 2-124 of Title 47 of  
10 the Oklahoma Statutes, subject to the provisions of the Oklahoma  
11 Information Services Act. The Department of Public Safety shall  
12 submit all plans for the enhancement of the statewide law  
13 enforcement data communications network to the Information Services  
14 Division of the Office of State Finance for review and approval and  
15 shall participate with the ~~Office of State Finance~~ Information  
16 Services Division in joint efforts to provide services for the OGTN.

17 C. The ~~Office of State Finance~~ Information Services Division  
18 shall be responsible for developing, operating and maintaining the  
19 OGTN. The purposes of the OGTN shall include the following:

20 1. Development of a comprehensive, unified statewide  
21 telecommunications network to effectively, efficiently, and securely  
22 meet the communication needs of educational entities and agencies of  
23 state government;

24

1        2. Effective and efficient utilization of existing  
2 telecommunications systems operated by educational entities and  
3 agencies of state government; and

4        3. Elimination and prevention of unnecessarily duplicative  
5 telecommunications systems operated by educational entities and  
6 agencies of state government.

7        D. In developing, operating and maintaining the OGTN, the  
8 ~~Office of State Finance~~ Information Services Division shall:

9        1. Develop a statewide master plan for meeting the  
10 communications needs of educational entities and of agencies of  
11 state government. To facilitate the development of a statewide  
12 master plan as provided for in this paragraph:

13            a. the Oklahoma State Regents for Higher Education shall  
14 submit a report annually to the ~~Director of State~~  
15 ~~Finance~~ Chief Information Officer identifying the  
16 telecommunications plans of each member of The  
17 Oklahoma State System of Higher Education. For  
18 purposes of developing such report, each member shall  
19 cooperate with and submit to the State Regents a plan  
20 of its telecommunications needs, including, but not  
21 limited to, Internet, eGovernment, as referenced in  
22 Sections 41.5p and 41.5q of this title, any  
23 interactive video plans, the purchase of informational  
24 data bases, software for manipulation of bibliographic

1 records, and the use of telecommunications equipment  
2 or services,

3 b. the State Superintendent of Public Instruction shall  
4 submit a report annually to the ~~Director of State~~  
5 ~~Finance~~ Chief Information Officer identifying the  
6 telecommunications plans of the public common school  
7 system of the state. For purposes of developing such  
8 report, the respective public elementary and secondary  
9 schools shall cooperate with and submit to the State  
10 Superintendent a plan of their telecommunications  
11 needs, including, but not limited to, Internet,  
12 eGovernment, any interactive video plans, the purchase  
13 of informational data bases, software for manipulation  
14 of bibliographic records, and the use of  
15 telecommunications equipment or services,

16 c. the ~~State~~ Director of the Oklahoma Department of  
17 Career and Technology Education shall submit a report  
18 annually to the ~~Director of State Finance~~ Chief  
19 Information Officer identifying the telecommunications  
20 plans of technology center school districts. For  
21 purposes of developing such report, each technology  
22 center school district as defined in Section 14-108 of  
23 Title 70 of the Oklahoma Statutes shall cooperate with  
24 and submit to the ~~State~~ Director of the Oklahoma

1 Department of Career and Technology Education a plan  
2 of its telecommunications needs, including, but not  
3 limited to, Internet, eGovernment, any interactive  
4 video plans, the purchase of informational data bases,  
5 software for manipulation of bibliographic records,  
6 and the use of telecommunications equipment or  
7 services,

8 d. the chief administrative officer of each state agency  
9 of the executive branch shall submit a plan annually  
10 to the ~~Director of State Finance~~ Chief Information  
11 Officer identifying the telecommunications needs of  
12 the state agency, including, but not limited to,  
13 Internet, eGovernment, any interactive video plans,  
14 the purchase of informational data bases, software for  
15 manipulation of bibliographic records, and the use of  
16 telecommunications equipment or services, and

17 e. the Director of the Oklahoma Department of Libraries  
18 shall submit a report annually to the ~~Director of~~  
19 ~~State Finance~~ Chief Information Officer identifying  
20 the telecommunications plans of public libraries and  
21 public library systems. For purposes of developing  
22 such report, the chief administrative officer of any  
23 public library or public library system not otherwise  
24 required to submit a plan of its telecommunications

1 needs pursuant to the provisions of this paragraph  
2 shall cooperate with and submit annually to the  
3 Director of the Oklahoma Department of Libraries a  
4 plan of its telecommunications needs, including, but  
5 not limited to, Internet, eGovernment, any interactive  
6 video plans, the purchase of informational data bases,  
7 software for manipulation of bibliographic records and  
8 the use of telecommunications equipment or services.  
9 To assure inclusion in the report of the plans of the  
10 telecommunications needs of any library that is a part  
11 of any member of The Oklahoma State System of Higher  
12 Education, a public elementary or secondary school, or  
13 technology center school district, all such plans  
14 relating to libraries received by the Oklahoma State  
15 Regents for Higher Education, the State Superintendent  
16 of Higher Education, and the State Director of the  
17 Oklahoma Department of Career and Technology Education  
18 shall be submitted to the Director of the Oklahoma  
19 Department of Libraries by the respective recipients  
20 thereof as soon as practicable after receipt. The  
21 Director of the Oklahoma Department of Libraries shall  
22 certify to the ~~Office of State Finance~~ Information  
23 Services Division that such plans are consistent with  
24

1 the plan developed by the Oklahoma Library Technology  
2 Network or explain any inconsistencies therewith;

3 2. Identify the most cost-effective means of meeting the  
4 telecommunications needs of educational entities and of agencies of  
5 state government;

6 3. Develop minimum mandatory standards and protocols for  
7 equipment, facilities and services of the OGTN;

8 4. Evaluate the advantages and disadvantages of utilizing  
9 equipment, facilities, and services of both private entities and  
10 those owned and operated by the state; and

11 5. Recommend a fee structure to provide for the operation and  
12 maintenance of the OGTN.

13 SECTION 13. AMENDATORY 62 O.S. 2001, Section 41.5p, as  
14 amended by Section 10, Chapter 266, O.S.L. 2006 (62 O.S. Supp. 2008,  
15 Section 41.5p), is amended to read as follows:

16 Section 41.5p A. In order to be at the forefront of electronic  
17 commerce and provide constituents, agencies and out-of-state users  
18 with state-of-the-art electronic commerce and Internet tools, the  
19 State of Oklahoma recognizes the need for a state portal system  
20 connecting state agency websites and information systems.

21 B. The Information Services Division of the Office of State  
22 Finance shall manage the installation, maintenance and  
23 administration of the state portal system.  
24



1        C. For purposes of this section and Section 41.5s of this  
2 title, a "portal system" shall mean a system that hosts and connects  
3 to a collection of ~~on-line~~ online government and public services and  
4 serves as the single point of access to state government services,  
5 information, and transaction processing with a common enterprise  
6 wide user interface allowing navigation among the services.

7        SECTION 14.        AMENDATORY        62 O.S. 2001, Section 41.5q, as  
8 amended by Section 11, Chapter 266, O.S.L. 2006 (62 O.S. Supp. 2008,  
9 Section 41.5q), is amended to read as follows:

10        Section 41.5q A. Subject to review and adoption as outlined in  
11 Section 41.5s of this title, a state agency, board, commission, or  
12 authority is hereby authorized to charge a convenience fee for any  
13 electronic or ~~on-line~~ online transaction. A convenience fee shall  
14 apply to electronic or ~~on-line~~ online transactions only and shall  
15 not apply when accessing information provided through state  
16 government websites. If a state entity sets a convenience fee for  
17 electronic or ~~on-line~~ online transactions, the fee shall be reviewed  
18 by the State Governmental Internet Applications Review Board as  
19 provided for in Section 41.5s of this title. Each state entity  
20 shall keep a record of how the convenience fee has been determined  
21 and shall file the record with the Information Services Division of  
22 the Office of State Finance. A state agency, board, commission, or  
23 authority may periodically adjust a convenience fee as needed upon  
24 review and adoption as provided for in Section 41.5s of this title.

1 B. For purposes of this section, "convenience fee" shall mean  
2 any charge that is necessary to process an electronic or ~~on-line~~  
3 online transaction with a state agency, board, commission or  
4 authority. The fee may be in excess of any fee charged for the  
5 service or product being provided by such state entity. This may  
6 include reasonable charges for the cost of the electronic or ~~on-line~~  
7 online service including recovery of costs incurred in the  
8 development and implementation of the service or system, cost of  
9 sustaining and upgrading the electronic or ~~on-line~~ online service,  
10 and future expansion of the electronic or ~~on-line~~ online services.

11 SECTION 15. AMENDATORY 62 O.S. 2001, Section 41.5r, is  
12 amended to read as follows:

13 Section 41.5r A. Any state agency, board, commission, or  
14 authority which establishes an electronic portal system shall use an  
15 open-systems concept for the portal system which has been approved  
16 by the Information Service Division of the Office of State Finance.

17 B. No state agency, board, commission, or authority shall enter  
18 into an agreement for development of, enhancement to, or  
19 maintenance of an electronic portal system without the written  
20 authorization of the Information Services Division.

21 C. For purposes of this section, an "open-systems concept"  
22 shall mean a system that implements sufficient open specifications  
23 for interfaces, services, and supporting formats to enable properly  
24 engineered components to be utilized across a wide range of systems

1 with minimal changes, to interoperate with other components on local  
2 and remote systems, and to interact with users in a style that  
3 facilitates portability. An open-systems concept is characterized  
4 by the following:

5 1. Well-defined, widely used, and nonproprietary interfaces or  
6 protocols;

7 2. Use of standards which are developed and adopted by industry  
8 recognized standards-making bodies;

9 3. A definition of all aspects of system interfaces to  
10 facilitate new or additional system capabilities for a wide range of  
11 applications; and

12 4. An explicit provision for expansion or upgrading through the  
13 incorporation of additional or higher performance elements with  
14 minimal impact on the system.

15 SECTION 16. AMENDATORY 62 O.S. 2001, Section 41.5s, as  
16 amended by Section 12, Chapter 266, O.S.L. 2006 (62 O.S. Supp. 2008,  
17 Section 41.5s), is amended to read as follows:

18 Section 41.5s A. There is hereby established the State  
19 Governmental ~~Internet~~ Technology Applications Review Board. The  
20 Board shall review and make recommendations to the Information  
21 Services Division of the Office of State Finance concerning state  
22 governmental Internet-based electronic or ~~on-line~~ online  
23 transactions or applications being provided by state agencies,  
24 boards, commissions, or authorities for use by the public, provide

oversight for implementation of the plan of action developed by the  
Chief Information Officer and advise the Chief Information Officer.

B. The State Governmental ~~Internet~~ Technology Applications  
Review Board shall be composed of the following members:

1. The Director of ~~the Office of~~ State Finance or a designee;

2. Four representatives from different state agencies, boards,  
commissions, or authorities to be appointed by the Governor;

3. ~~One member~~ Two members who ~~is~~ are not a ~~member of the~~  
~~Legislature or a~~ state government ~~employee~~ employees to be appointed  
by the Speaker of the House of Representatives; and

4. ~~One member~~ Two members who ~~is~~ are not a ~~member of the~~  
~~Legislature or a~~ state government ~~employee~~ employees to be appointed  
by the President Pro Tempore of the Senate.

C. Members of the Board shall serve for terms of two (2) years.  
The Board shall select a chair from among its members.

D. Members of the Board shall not receive compensation for  
serving on the Board, but shall be reimbursed for travel expenses  
incurred in the performance of their duties by their respective  
agencies or appointing authority in accordance with the State Travel  
Reimbursement Act.

E. The Board shall have the duty and responsibility of:

1. Reviewing a schedule of convenience fees, as is defined in  
Section 41.5q of this title, and all convenience fees and changes in  
fees charged by state agencies, boards, commissions, or authorities

1 for electronic or ~~on-line~~ online transactions, and making  
2 recommendations pertaining to convenience fees to the ~~Office of~~  
3 ~~State Finance~~ Information Services Division prior to its adoption by  
4 rule of such fees, changes to fees, or fee schedule; and

5 2. Monitoring all portal systems and applications for portal  
6 systems created by state agencies, boards, commissions, or  
7 authorities, reviewing portal systems applications approved or  
8 denied by the Information Service Division of the Office of State  
9 Finance, and making recommendations to the Legislature and Governor  
10 to encourage greater use of the open-systems concept as is defined  
11 in Section 41.5r of this title;

12 3. Approving the plan of action developed by the Chief  
13 Information Officer as provided for in Section 2 of this act,  
14 providing ongoing oversight of implementation of the plan of action  
15 by the Chief Information Officer and approving any amendments to the  
16 plan of action;

17 4. Approving charges to state agencies established by the Chief  
18 Information Officer pursuant to Section 2 of this act for their use  
19 of shared information technology and telecommunications services;

20 5. Functioning in an advisory capacity to the Chief Information  
21 Officer; and

22 6. Developing performance metrics for quantifying the value of  
23 goods or services provided by state agencies and for considering if  
24 goods and services provided by a state agency could be modernized

1 through the implementation of new technology to provide better  
2 quality goods or services that would result in cost savings or best  
3 value.

4 SECTION 17. AMENDATORY Section 2, Chapter 128, O.S.L.  
5 2004, as amended by Section 3, Chapter 391, O.S.L. 2005 (62 O.S.  
6 Supp. 2008, Section 41.5t), is amended to read as follows:

7 Section 41.5t A. The Information Services Division of the  
8 Office of State Finance shall work in conjunction with the  
9 Department of Central Services to assure state compliance regarding  
10 accessibility of information technology for individuals with  
11 disabilities based on the provisions of Section 508 of the Workforce  
12 Investment Act of 1998.

13 B. When developing, procuring, maintaining or using information  
14 technology, or when administering contracts or grants that include  
15 the procurement, development, upgrading, or replacement of  
16 information technology each state agency shall ensure, unless an  
17 undue burden would be imposed on the agency, that the information  
18 technology allows employees, program participants, and members of  
19 the general public access to use of information and data that is  
20 comparable to the access by individuals without disabilities.

21 C. To assure accessibility, the Information Services Division  
22 and the Department of Central Services shall:

23 1. Adopt accessibility standards that address all technical  
24 standard categories of Section 508 of the Workforce Investment Act

1 of 1998 to be used by each state agency in the procurement of  
2 information technology, and in the development and implementation of  
3 custom-designed information technology systems, Web sites, and other  
4 emerging information technology systems;

5 2. Establish and implement a review procedure to be used to  
6 evaluate the accessibility of custom-designed information technology  
7 systems proposed by a state agency prior to expenditure of state  
8 funds;

9 3. Review and evaluate accessibility of information technology  
10 commonly purchased by state agencies, and provide accessibility  
11 reports on such products to those responsible for purchasing  
12 decisions;

13 4. Provide in partnership with Oklahoma Able Tech, the state  
14 assistive technology ~~project~~ program located at Oklahoma State  
15 University, training and technical assistance for state agencies to  
16 assure procurement of information technology that meets adopted  
17 accessibility standards;

18 5. Consult with the ~~Oklahoma~~ Oklahoma State Department of Rehabilitation  
19 Services and individuals with disabilities in accessibility reviews  
20 of information technology and in the delivery of training and  
21 technical assistance;

22 6. Establish complaint procedures, consistent with Section 508  
23 of the Workforce Development Act of 1998, to be used by an  
24

1 individual who alleges that a state agency fails to comply with the  
2 provisions of this section;

3 7. Work with and seek advice from the Electronic and  
4 Information Technology Accessibility Advisory Council, created in  
5 Section 41.5t.2 of this title in developing accessibility standards  
6 and complaint procedures as required in this section; and

7 8. Require state agencies to submit evidence of assurance of  
8 compliance with state standards on accessibility of information  
9 technology for individuals with disabilities developed in accordance  
10 with this section. For executive branch state agencies that are  
11 required to submit an annual ~~long-range~~ operating plan pursuant to  
12 Section 41.5e of this title evidence of compliance shall be included  
13 in that report.

14 D. The ~~Director of State Finance~~ Chief Information Officer and  
15 the Director of the Department of Central Services shall promulgate  
16 rules, as necessary, to implement the provisions of this section.

17 SECTION 18. AMENDATORY Section 4, Chapter 128, O.S.L.  
18 2004 (62 O.S. Supp. 2008, Section 41.5t.2), as last amended by  
19 Section 1 of Enrolled Senate Bill No. 871 of the 1st Session of the  
20 52nd Oklahoma Legislature, is amended to read as follows:

21 Section 41.5t.2 A. There is hereby created, to continue until  
22 July 1, 2010, the Electronic and Information Technology  
23 Accessibility Advisory Council. The Advisory Council shall study  
24 and make recommendations concerning the accessibility for the



1 disabled to publicly produced and provided electronic and  
2 information technology and to provide advice and assistance to the  
3 Information Services Division of the Office of State Finance on the  
4 development of accessibility standards and complaint procedures as  
5 provided for in Section 41.5t of this title.

6 B. The Advisory Council shall be composed of the following  
7 members:

8 1. Two members of the House of Representatives, appointed by  
9 the Speaker of the House of Representatives;

10 2. Two members of the Senate, appointed by the President Pro  
11 Tempore of the Senate;

12 3. ~~The Director of the Office of State Finance~~ Chief  
13 Information Officer, or a designee;

14 4. The Director of the Department of Central Services, or a  
15 designee;

16 5. The Director of the State Department of Rehabilitation  
17 Services, or a designee;

18 6. The Superintendent of Public Instruction, or a designee;

19 7. The ~~State~~ Director of the Oklahoma ~~State~~ Department of  
20 Career and Technology Education, or a designee;

21 8. The Director of the Library for the Blind and Physically  
22 Handicapped with the State Department of Rehabilitation Services, or  
23 a designee;

1        9. The Director of the Office of Disability Concerns, or a  
2 designee;

3        10. A representative of OneNet, the state telecommunications  
4 network within the Oklahoma State Regents for Higher Education;

5        11. The ~~Project Manager~~ Director for Oklahoma Able Tech, the  
6 state assistive technology ~~project~~ program located at Oklahoma State  
7 University;

8        12. A representative of state agency web managers appointed by  
9 the Governor from a list submitted by a state agency web manager  
10 group;

11       13. A representative of an association representing education  
12 technology administrators appointed by the Speaker of the House of  
13 Representatives;

14       14. A representative of an association of distance learning  
15 education professionals appointed by the President Pro Tempore of  
16 the Senate;

17       15. Two representatives of corporations or vendors of  
18 information or electronic technology hardware or software who are  
19 knowledgeable or have experience in the field of assistive  
20 technology appointed by the Governor;

21       16. A representative of a corporation or vendor specializing in  
22 assistive technology appointed by the Governor; and

23       17. Four representatives who are individuals with a disability,  
24 one who is blind or visually impaired, one who is deaf or hard of

1 hearing, one with a mobility disability, and one with a cognitive  
2 disability and all of whom are users of information or electronic  
3 technology appointed by the Governor.

4 C. Members who were serving on the Electronic and Information  
5 Technology Accessibility Task Force as of July 1, 2004, shall  
6 automatically be appointed to serve on the Electronic and  
7 Information Technology Accessibility Advisory Council after July 1,  
8 2004.

9 D. The Advisory Council shall:

10 1. Make recommendation on action, including legislative action,  
11 needed to ensure that all electronic and information technology  
12 produced, procured, or developed by state agencies are accessible to  
13 the disabled;

14 2. Identify disability accessibility standards that are  
15 emerging or fully adopted by national standard organizations;

16 3. Review and make recommendations on disability accessibility  
17 initiatives and legislation undertaken in other states; and

18 4. Provide advice and assistance to the Information Services  
19 Division of the Office of State Finance and the Department of  
20 Central Services on the development of accessibility standards and  
21 complaint procedures as provided for in Section 41.5t of this title.

22 E. The Speaker of the House of Representatives and the  
23 President Pro Tempore of the Senate shall each designate a cochair  
24 from among the members of the Advisory Council.

1 F. A majority of the members of the Advisory Council shall  
2 constitute a quorum. A majority of the members present at a meeting  
3 may act for the Advisory Council.

4 G. Meetings of the Advisory Council shall be called by either  
5 cochair.

6 H. Proceedings of all meetings of the Advisory Council shall  
7 comply with the provisions of the Oklahoma Open Meeting Act.

8 I. The Advisory Council may divide into subcommittees in  
9 furtherance of its purpose.

10 J. Staff of the Oklahoma Able Tech, the state assistive  
11 technology ~~project~~ program located at Oklahoma State University,  
12 shall serve as primary staff for the Advisory Council. Appropriate  
13 personnel from the ~~Office of State Finance~~ Information Services  
14 Division and the Department of Central Services shall also assist  
15 with the work of the Advisory Council.

16 K. The Advisory Council may use the expertise and services of  
17 the staffs of the Oklahoma House of Representatives and State Senate  
18 and may, as necessary, seek the advice and services of experts in  
19 the field as well as other necessary professional and clerical  
20 staff.

21 L. All departments, officers, agencies, and employees of this  
22 state shall cooperate with the Advisory Council in fulfilling its  
23 duties and responsibilities including, but not limited to, providing  
24

1 any information, records, or reports requested by the Advisory  
2 Council.

3 M. Members of the Advisory Council shall receive no  
4 compensation for their service, but shall receive travel  
5 reimbursement as follows:

6 1. Legislative members of the Advisory Council shall be  
7 reimbursed for necessary travel expenses incurred in the performance  
8 of their duties in accordance with the provisions of Section 456 of  
9 Title 74 of the Oklahoma Statutes; and

10 2. Nonlegislative members of the Advisory Council shall be  
11 reimbursed by their appointing authorities or respective agencies  
12 for necessary travel expenses incurred in the performance of their  
13 duties in accordance with the State Travel Reimbursement Act.

14 SECTION 19. AMENDATORY Section 4, Chapter 391, O.S.L.  
15 2005, as amended by Section 1, Chapter 310, O.S.L. 2006 (62 O.S.  
16 Supp. 2008, Section 41.5u), is amended to read as follows:

17 Section 41.5u A. No state agency, as defined by Section 250.3  
18 of Title 75 of the Oklahoma Statutes, ~~nor~~ the Purchasing Division of  
19 the Department of Central Services nor the Information Services  
20 Division of the Office of State Finance, unless otherwise provided  
21 by federal law, shall enter into a contract for the acquisition of  
22 customized computer software developed or modified exclusively for  
23 the agency or the state, unless the vendor agrees to place into  
24

1 escrow with an independent third party the source code for the  
2 software and/or modifications.

3 B. The vendor must agree to place the source code for the  
4 software and any upgrades supplied to an agency in escrow with a  
5 third party acceptable to the agency and to enter into a customary  
6 source code escrow agreement which includes a provision that  
7 entitles the agency to receive everything held in escrow upon the  
8 occurrence of any of the following:

9 1. A bona fide material default of the obligations of the  
10 vendor under the agreement with the agency;

11 2. An assignment by the vendor for the benefit of its  
12 creditors;

13 3. A failure by the vendor to pay, or an admission by the  
14 vendor of its inability to pay, its debts as they mature;

15 4. The filing of a petition in bankruptcy by or against the  
16 vendor when such petition is not dismissed within sixty (60) days of  
17 the filing date;

18 5. The appointment of a receiver, liquidator or trustee  
19 appointed for any substantial part of the vendor's property;

20 6. The inability or unwillingness of the vendor to provide the  
21 maintenance and support services in accordance with the agreement  
22 with the agency; or

23 7. The ceasing of a vendor of maintenance and support of the  
24 software.

1 The fees of any third-party escrow agent subject to this section  
2 shall be borne by the vendor.

3 C. The State Purchasing Director or a procurement officer of a  
4 state agency ~~not subject to the Oklahoma Central Purchasing Act~~  
5 shall not process any state agency request for the customization,  
6 modernization, or development of computer software unless the  
7 proposed vendor provides documentation that complies with  
8 subsections A and B of this section.

9 D. The State Purchasing Director shall provide advice and  
10 assistance, as may be required, in order for state agencies to  
11 comply with the provisions of this section.

12 E. As used in this section:

13 1. "State agency" shall include all state agencies, whether  
14 subject to the Central Purchasing Act or not, except the Oklahoma  
15 Lottery Commission; and

16 2. "Source code" means the programming instruction for a  
17 computer program in its original form, created by a programmer with  
18 a text editor or a visual programming tool and saved in a file.

19 SECTION 20. AMENDATORY Section 15, Chapter 266, O.S.L.  
20 2006 (62 O.S. Supp. 2008, Section 41.5v), is amended to read as  
21 follows:

22 Section 41.5v A. The Information Services Division of the  
23 Office of State Finance shall create a standard security risk  
24 assessment for state agency information technology systems that

1 complies with the International Organization for Standardization  
2 (ISO) and the International Electrotechnical Commission (IEC)  
3 Information Technology - Code of Practice for Security Management  
4 (ISO/IEC 17799).

5 B. Each state agency that has an information technology system  
6 shall annually conduct an information security risk assessment to  
7 identify vulnerabilities associated with the information system. A  
8 final report of the information security risk assessment shall be  
9 submitted by each state agency to the ~~Office of State Finance~~  
10 Information Services Division by the first day of December of each  
11 year. The final information security risk assessment report shall  
12 identify, prioritize, and document information security  
13 vulnerabilities for each of the state agencies assessed. Failure to  
14 comply with the requirements of this subsection may result in  
15 funding being withheld from the agency. State agencies shall use  
16 either the standard security risk assessment created by the ~~Office~~  
17 ~~of State Finance~~ Information Services Division or a third-party risk  
18 assessment meeting the ISO/IEC 17799 standards and using the  
19 National Institute of Standards and Technology Special Publication  
20 800-30 (NIST SP800-30) process and approved by the ~~Office of State~~  
21 ~~Finance~~ Information Services Division. The ~~Office of State Finance~~  
22 Information Services Division shall approve not less than two firms  
23 which state agencies may choose from to conduct the information  
24 security risk assessment.



1        C.    ~~The Office of State Finance~~ Information Services Division

2 shall report the results of the state agency assessments required  
3 pursuant to this section to the Governor, the Speaker of the House  
4 of Representatives, and the President Pro Tempore of the Senate by  
5 the first day of January of each year.

6        SECTION 21.        NEW LAW        A new section of law not to be  
7 codified in the Oklahoma Statutes reads as follows:

8        A.    No agency of the executive branch of the state shall use  
9 state funds for or enter into any agreement for the acquisition,  
10 development, or enhancement of a communication or telecommunication  
11 system including voice, data, radio, video, Internet, eGovernment,  
12 printers, scanners, copiers, facsimile systems, computer hardware,  
13 software, or any contract for information technology services and  
14 equipment exceeding Ten Thousand Dollars (\$10,000.00) in value prior  
15 to appointment of the first Chief Information Officer without  
16 written authorization of the Director of the Office of State  
17 Finance.

18        B.    No agency of the executive branch of the state shall create  
19 new full-time-equivalent administrative-level information technology  
20 positions or replace or fill an existing vacant full-time-equivalent  
21 administrative-level information technology position until the plan  
22 of action developed by the Chief Information Officer is approved as  
23 set forth in Section 2 of this act unless the Chief Information  
24 Officer grants written authorization.    Prior to appointment of the

1 first Chief Information Officer, the Director of the Office of State  
2 Finance may grant written authorization.

3 SECTION 22. AMENDATORY 74 O.S. 2001, Section 10.3, as  
4 last amended by Section 1, Chapter 428, O.S.L. 2005 (74 O.S. Supp.  
5 2008, Section 10.3), is amended to read as follows:

6 Section 10.3 A. Within forty-five (45) days of assuming  
7 office, each Governor may create a cabinet system for the executive  
8 branch of state government. The cabinet system may be an  
9 organizational framework created by executive order which includes  
10 all executive agencies, boards, commissions, or institutions and  
11 their assignments to specific cabinet areas. The cabinet system  
12 shall consist of no more than fifteen cabinet areas and each cabinet  
13 area shall consist of executive agencies, boards, commissions, or  
14 institutions with similar programmatic or administrative objectives,  
15 ~~provided, one.~~ One cabinet area shall consist of the Oklahoma  
16 Department of Veterans Affairs, its institutions and other executive  
17 agencies, boards, commissions and institutions which are related to  
18 veterans. One cabinet area shall consist of the Information  
19 Services Division of the Office of State Finance and all the  
20 functions of all executive agencies, boards, commissions and  
21 institutions related to information technology and  
22 telecommunications. The Governor's cabinet shall be in effect until  
23 the Legislature supersedes each cabinet area by providing by law for  
24

1 specific cabinet areas or departments, or removes by law the  
2 authority of the Governor to create a cabinet area.

3 B. The Governor shall appoint, with the advice and consent of  
4 the Senate, a Secretary to head each cabinet area. The Secretary  
5 appointee for the cabinet area consisting of the Oklahoma Department  
6 of Veterans Affairs and other related veterans entities shall be an  
7 honorably discharged veteran and be eligible to receive benefits  
8 from the United States Department of Veterans Affairs. The  
9 Secretary for the cabinet area consisting of the Information  
10 Services Division of the Office of State Finance and all related  
11 information technology and telecommunications functions of state  
12 government shall be the Chief Information Officer who shall be  
13 appointed pursuant to Section 2 of this act. A cabinet Secretary  
14 may be appointed as a position funded by the Office of the Governor  
15 from funds available to that office, or appointed as a cabinet  
16 Secretary from among the agency heads within the cabinet area. The  
17 cabinet Secretaries shall:

18 1. Advise the Governor of any policy changes or problems within  
19 the area they represent;

20 2. Advise the entities represented of any policy changes or  
21 problems as directed by the Governor; and

22 3. Coordinate information gathering for the Legislature as  
23 requested.  
24

1 C. The cabinet Secretaries shall serve at the pleasure of the  
2 Governor, however, the appointment or removal of a cabinet Secretary  
3 who is also an agency head shall not otherwise affect the status of  
4 the other duties of the agency head. Whenever a Secretary position  
5 becomes vacant, the Governor shall appoint a successor within thirty  
6 (30) calendar days pursuant to the provisions of subsection B of  
7 this section. If the Legislature is not in session at the time of  
8 appointment it shall be subject to the advice and consent of the  
9 Senate upon convening of the next regular session of the  
10 Legislature.

11 SECTION 23. AMENDATORY 74 O.S. 2001, Section 85.5, as  
12 last amended by Section 3, Chapter 96, O.S.L. 2008 (74 O.S. Supp.  
13 2008, Section 85.5), is amended to read as follows:

14 Section 85.5 A. ~~Pursuant~~ Except as otherwise provided in this  
15 section, pursuant to the provisions of Section 85.4 of this title,  
16 the State Purchasing Director, under the supervision of the Director  
17 of the Department of Central Services, shall have sole and exclusive  
18 authority and responsibility for all acquisitions used or consumed  
19 by state agencies. In order to carry out the powers and duties  
20 established in Section 2 of this act, the Chief Information Officer  
21 shall have sole and exclusive authority and responsibility for all  
22 acquisitions of information and telecommunications technology,  
23 equipment, software, products and related peripherals and services  
24 used or consumed by state agencies.

1       B. The State Purchasing Director, after consultation with the  
2 requisitioning state agency, shall have authority to determine the  
3 particular brand, model, or other specific classification of each  
4 acquisition and to draft or invoke pursuant to The Oklahoma Central  
5 Purchasing Act specifications establishing the requirements for all  
6 necessary contracts or purchase orders.

7       C. The Director of the Department of Central Services shall  
8 have authority and responsibility to promulgate rules pursuant to  
9 provisions of The Oklahoma Central Purchasing Act governing,  
10 providing for, prescribing, or authorizing any act, practice, or  
11 requirement for which regulatory power is delegated for:

12       1. The time, manner, authentication, and form of making  
13 requisitions for acquisitions;

14       2. Inspection, analysis, and testing of acquisitions or samples  
15 suppliers submit prior to contract award;

16       3. The form and manner of submission for bids or proposals a  
17 supplier submits and the manner of accepting and opening bids or  
18 proposals;

19       4. The conditions under which the Department of Central  
20 Services shall require written contracts for acquisitions, the  
21 conditions under which acquisitions may be made on an open account  
22 basis, and the conditions and manner of negotiating such contracts;

23       5. Obtaining acquisitions produced by state institutions;  
24

1       6. Conditions under which any of the rules herein authorized  
2 may be waived;

3       7. The amounts of and deposits on any bond or other surety  
4 required to be submitted with a bid or contract for the furnishing  
5 of acquisitions and the conditions under which such bond or other  
6 surety shall be required;

7       8. Storage and storage facilities necessary to accomplish  
8 responsibilities of the Director of the Department of Central  
9 Services;

10      9. The manner and conditions of delivery, which shall include  
11 the designation of the common carrier of property to be used to  
12 transport acquisitions whenever a common carrier is used, and the  
13 acceptance, or rejection, including check of quantities, of any  
14 acquisitions;

15      10. The form of any estimate, order, or other document the  
16 Director of the Department of Central Services requires;

17      11. State agency acquisitions not exceeding the acquisition  
18 purchase amount requiring competitive bid pursuant to Section 85.7  
19 of this title to ensure competitiveness, fairness, compliance with  
20 provisions of all sections of The Oklahoma Central Purchasing Act,  
21 and compliance with provisions of Section 3001 et seq. of this  
22 title, which relate to the State Use Committee. The rules shall  
23 include separate provisions based on acquisition purchase price as  
24 follows:

- 1           a.    state agencies shall make acquisitions not exceeding  
2                   Two Thousand Five Hundred Dollars (\$2,500.00),  
3                   provided the acquisition process is fair and  
4                   reasonable and is conducted pursuant to rules  
5                   authorized pursuant to this section, and
- 6           b.    state agencies with certified procurement officers and  
7                   internal purchasing procedures found compliant by the  
8                   Director of the Department of Central Services  
9                   pursuant to this section may make acquisitions in  
10                  excess of Two Thousand Five Hundred Dollars  
11                  (\$2,500.00) as provided below:
- 12                (1)   acquisitions with a price exceeding Two Thousand  
13                       Five Hundred Dollars (\$2,500.00) and not  
14                       exceeding Ten Thousand Dollars (\$10,000.00),  
15                       pursuant to rules authorized by this section, and
- 16                (2)   acquisitions with a price exceeding Ten Thousand  
17                       Dollars (\$10,000.00) and not exceeding the amount  
18                       requiring a requisition to the State Purchasing  
19                       Director, pursuant to Section 85.7 of this title,  
20                       by telephone, facsimile, invitation to bid, or  
21                       solicitation by means of electronic commerce,  
22                       receipt of bids and bid award by the state  
23                       agency;
- 24

1        12. Training by the State Purchasing Director of state agency  
2 procurement officers;

3        13. Review and audit by the State Purchasing Director of state  
4 agency acquisitions;

5        14. The conditions for increasing acquisition limits for state  
6 agencies which have had a prior reduction in acquisition limit by  
7 the Director of the Department of Central Services;

8        15. Use of a state purchase card to make acquisitions; and

9        16. Any other matter or practice which relates to the  
10 responsibilities of the Director of the Department of Central  
11 Services.

12        D. The State Purchasing Director shall provide training for  
13 state agency purchasing officials and other purchasing staff. The  
14 training shall include principles of state procurement practices,  
15 basic contracting, provisions of The Oklahoma Central Purchasing  
16 Act, rules promulgated pursuant to The Oklahoma Central Purchasing  
17 Act, provisions of Section 3001 et seq. of this title, which relate  
18 to the State Use Committee, and any other matters related to state  
19 procurement practices. State agency purchasing officials that  
20 demonstrate proficiency shall be certified as "certified procurement  
21 officers" by the State Purchasing Director and shall be authorized  
22 to make acquisitions pursuant to provisions of The Oklahoma Central  
23 Purchasing Act and rules authorized by this section. The State  
24 Purchasing Director shall assess a fee to state agencies for the



1 training that does not exceed each state agency's pro rata share of  
2 the costs the State Purchasing Director incurs to provide the  
3 training.

4 E. The State Purchasing Director shall review state agency  
5 acquisitions for the purposes of:

6 1. Ensuring state agency compliance with provisions of The  
7 Oklahoma Central Purchasing Act;

8 2. Ensuring state agency compliance with rules promulgated by  
9 the Department of Central Services pursuant to The Oklahoma Central  
10 Purchasing Act;

11 3. Ensuring state agency compliance with provisions of Section  
12 3001 et seq. of this title pertaining to the State Use Committee;

13 4. Reporting any acquisition by any state agency found not to  
14 be in compliance with those sections or rules to the Director of the  
15 Department of Central Services; and

16 5. Recommending that the Director of the Department of Central  
17 Services reduce the acquisition competitive bid limit amount for any  
18 state agency found not to be in compliance with The Oklahoma Central  
19 Purchasing Act or rules promulgated thereto.

20 F. When recommended by the State Purchasing Director, based on  
21 written findings by the State Purchasing Director, the Director of  
22 the Department of Central Services may:

23 1. Require retraining of state agency procurement officials and  
24 other purchasing staff found not to be in compliance with provisions

1 of The Oklahoma Central Purchasing Act, or rules promulgated  
2 pursuant to The Oklahoma Central Purchasing Act;

3 2. Reduce the acquisition competitive bid limit for any state  
4 agency found not to be in compliance with provisions of The Oklahoma  
5 Central Purchasing Act or rules promulgated pursuant to The Oklahoma  
6 Central Purchasing Act;

7 3. Transmit written findings by the State Purchasing Director  
8 to the State Auditor and Inspector for further investigation,  
9 indicating purchasing procedures that do not conform to provisions  
10 pursuant to The Oklahoma Central Purchasing Act or rules promulgated  
11 pursuant to The Oklahoma Central Purchasing Act;

12 4. Transmit to the Attorney General or the State Auditor and  
13 Inspector for further investigation a report made by the State  
14 Purchasing Director that the Director of the Department of Central  
15 Services reasonably believes indicates that an action that  
16 constitutes a criminal violation pursuant to The Oklahoma Central  
17 Purchasing Act or other laws has been taken by any state agency,  
18 state agency official, bidder, or supplier; or

19 5. Increase the state agency acquisition purchase amount  
20 requiring competitive bid, not to exceed the acquisition purchase  
21 amount requiring competitive bid, pursuant to Section 85.7 of this  
22 title.

23 G. 1. Pursuant to the requirements of The Oklahoma Central  
24 Purchasing Act, the State Purchasing Director shall have authority

1 to enter into any statewide, multistate or multigovernmental  
2 contract. The state entity designated by law, as specified in  
3 Section 1010.3 of Title 56 of the Oklahoma Statutes, shall  
4 participate in the purchase of pharmaceuticals available through  
5 such multistate or multigovernmental contracts entered into by the  
6 State Purchasing Director.

7 2. The State Purchasing Director may utilize contracts awarded  
8 by other governmental agencies, including agencies of the United  
9 States of America.

10 3. The State Purchasing Director may designate contracts  
11 described in this subsection for use by state agencies.

12 4. In order to carry out the powers and duties established in  
13 Section 2 of this act, the Chief Information Officer shall have the  
14 authority to designate certain information technology and  
15 telecommunication contracts for state agencies as statewide  
16 contracts and mandatory statewide contracts.

17 H. The State Purchasing Director may develop and test new  
18 contracting policies and procedures that hold potential for making  
19 the Purchasing Division more effective and efficient.

20 I. The State Purchasing Director shall endeavor to satisfy state  
21 agencies in terms of cost, quality, and timeliness of the delivery  
22 of acquisitions by using bidders who have a record of successful  
23 past performance, promoting competition, minimizing administrative  
24

1 operating costs, and conducting business with integrity, fairness,  
2 and openness.

3 J. The State Purchasing Director shall undertake the following:

4 1. The use of electronic commerce pursuant to the Oklahoma  
5 Online Bidding Act for solicitation, notification, and other  
6 purchasing processes;

7 2. Monitoring rules promulgated pursuant to The Oklahoma  
8 Central Purchasing Act to ensure that the rules, satisfy the  
9 interests of the state, are clear and succinct, and encourage  
10 efficiency in purchasing processes;

11 3. A program to identify vendors with poor delivery and  
12 performance records;

13 4. Development of criteria for the use of sealed bid  
14 contracting procedures, negotiated contracting procedures, selection  
15 of types of contracts, postaward administration of purchase orders  
16 and contracts, contract modifications, termination of contracts, and  
17 contract pricing;

18 5. Continual improvement in the quality of the performance of  
19 the Purchasing Division through training programs, management  
20 seminars, development of benchmarks and key management indicators,  
21 and development of standard provisions, clauses and forms;

22 6. Development of electronic means of making state agencies  
23 aware of office furniture, equipment, machinery, tools, and hardware  
24 available for purchase from the surplus property programs;

1        7. Development of programs to improve customer relations  
2 through training, improved communications, and appointment of  
3 technical representatives; and

4        8. In cooperation with the Office of State Finance and the  
5 State Treasurer, develop an electronic payment mechanism for use in  
6 the settlement of accounts payable invoices, with no limit, to make  
7 payment for products or services acquired in accordance with The  
8 Oklahoma Central Purchasing Act and any rules promulgated pursuant  
9 thereto.

10       K. The State Purchasing Director shall, in cooperation with the  
11 Oklahoma Department of Agriculture, Food, and Forestry, identify the  
12 needs of state agencies and institutions for agricultural products  
13 grown and produced in Oklahoma.

14       L. The State Purchasing Director may authorize the use of a  
15 state purchase card for acquisitions within the following  
16 parameters:

17       1. No limit on the amount of the transaction for the following:

- 18           a. purchases from statewide contracts issued by the State  
19           Purchasing Director, and  
20           b. regulated utilities; and

21       2. For any other transaction with a state purchase card, the  
22 transaction shall not exceed Two Thousand Five Hundred Dollars  
23 (\$2,500.00).  
24

1 M. The State Purchasing Director may utilize and authorize  
2 state agencies to utilize reverse auctions to obtain acquisitions.

3 N. Prior to the award of a contract to a supplier, the State  
4 Purchasing Director shall verify, pursuant to applicable provisions  
5 of law, that the supplier is eligible to do business in the State of  
6 Oklahoma by confirming registration with the Secretary of State and  
7 franchise tax payment status pursuant to Sections 1203 and 1204 of  
8 Title 68 of the Oklahoma Statutes. The provisions of this  
9 subsection shall be applicable only if the contract amount is  
10 Twenty-five Thousand Dollars (\$25,000.00) or greater.

11 O. As a condition of awarding a contract pursuant to The  
12 Oklahoma Central Purchasing Act, the State Purchasing Director shall  
13 verify with the Oklahoma Tax Commission that the business entity to  
14 which the state contract is to be awarded, whether subject to the  
15 procedures required by Section 85.7 of this title or not, has  
16 obtained a sales tax permit pursuant to the provisions of Section  
17 1364 of Title 68 of the Oklahoma Statutes if such entity is required  
18 to do so.

19 P. The State Purchasing Director is hereby authorized to  
20 explore and investigate cost savings in energy, resource usage, and  
21 maintenance contracts and to identify and negotiate contract  
22 solutions including, but not limited to, pilot projects to achieve  
23 cost savings for the State of Oklahoma.

1 Q. The Office of State Finance, with input from the State  
2 Purchasing Director, shall promulgate payment procedure rules for  
3 state agencies to adhere to regarding statewide contracts issued by  
4 the State Purchasing Director.

5 R. The Office of State Finance along with the Department of  
6 Central Services, Central Purchasing Division, shall promulgate  
7 payment procedure rules for agencies to adhere to regarding  
8 statewide contracts issued by the Division.

9 SECTION 24. RECODIFICATION Contingent upon the  
10 provisions of House Bill No. 2015 of the 1st Session of the 52nd  
11 Oklahoma Legislature becoming law, Section 2 of this act shall be  
12 recodified as Section 34.11.1 of Title 62 of the Oklahoma Statutes,  
13 unless there is created a duplication in numbering.

14 SECTION 25. REPEALER Section 5, Chapter 391, O.S.L. 2005  
15 (62 O.S. Supp. 2008, Section 41.5a-2), is hereby repealed.

16 SECTION 26. The provisions of Sections 3 through 15, 17 through  
17 20, 22 and 23 of this act shall be effective and shall become  
18 operative on the effective date of the appointment of the first  
19 Chief Information Officer by the Governor as provided for in Section  
20 2 of this act.

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