

COMMITTEE AMENDMENT

HOUSE OF REPRESENTATIVES

State of Oklahoma

SPEAKER:

CHAIR:

I move to amend SB105 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by
inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Leslie Osborn

Adopted: _____

Reading Clerk

STATE OF OKLAHOMA

1st Session of the 56th Legislature (2017)

PROPOSED
COMMITTEE SUBSTITUTE
FOR ENGROSSED
SENATE BILL NO. 105

By: Thompson of the Senate

and

Osborn (Leslie) of the
House

PROPOSED COMMITTEE SUBSTITUTE

[state information technology - Chief Information

Officer - noncodification - effective date -

emergency]

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

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

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

1 SECTION 2. AMENDATORY 62 O.S. 2011, Section 34.11.1, as
2 last amended by Section 6, Chapter 358, O.S.L. 2013 (62 O.S. Supp.
3 2016, Section 34.11.1), is amended to read as follows:

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

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

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

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

- 1 3. Familiarity with local and wide-area network design,
2 implementation, and operation;
- 3 4. Experience with data and voice convergence service
4 offerings;
- 5 5. Experience in developing technology budgets;
- 6 6. Experience in developing requests for proposal and
7 administering the bid process;
- 8 7. Experience managing professional staff, teams, and
9 consultants;
- 10 8. Knowledge of telecommunications operations;
- 11 9. Ability to develop and set strategic direction for
12 information technology and telecommunications and to manage daily
13 development and operations functions;
- 14 10. An effective communicator who is able to build consensus;
- 15 11. Ability to analyze and resolve complex issues, both logical
16 and interpersonal;
- 17 12. Effective verbal and written communications skills and
18 effective presentation skills, geared toward coordination and
19 education;
- 20 13. Ability to negotiate and defuse conflict; and
- 21 14. A self-motivator, independent, cooperative, flexible and
22 creative.
- 23 C. The salary and any other expenses for the Chief Information
24 Officer shall be budgeted as a separate line item through the Office

1 of Management and Enterprise Services. The operating expenses of
2 the Information Services Division shall be set by the Chief
3 Information Officer and shall be budgeted as a separate line item
4 through the Office of Management and Enterprise Services. The
5 Office of Management and Enterprise Services shall provide adequate
6 office space, equipment and support necessary to enable the Chief
7 Information Officer to carry out the information technology and
8 telecommunications duties and responsibilities of the Chief
9 Information Officer and the Information Services Division.

10 D. 1. Within twelve (12) months of appointment, the first
11 Chief Information Officer shall complete an assessment, which shall
12 be modified annually pursuant to Section 35.5 of this title, of the
13 implementation of the transfer, coordination, and modernization of
14 all information technology and telecommunication systems of all
15 state agencies in the state as provided for in the Oklahoma
16 Information Services Act. The assessment shall include the
17 information technology and telecommunications systems of all
18 institutions within The Oklahoma State System of Higher Education,
19 the Oklahoma State Regents for Higher Education and the
20 telecommunications network known as OneNet as assembled and
21 submitted by the Oklahoma Higher Education Chief Information
22 Officer, as designated by the Oklahoma State Regents for Higher
23 Education.

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

- 4 a. define the shared service model organization structure
5 and the reporting relationship of the recommended
6 organization,
- 7 b. the implementation of an information technology and
8 telecommunications shared services model that defines
9 the statewide infrastructure environment needed by
10 most state agencies that is not specific to individual
11 agencies and the shared applications that are utilized
12 across multiple agencies,
- 13 c. define the services that shall be in the shared
14 services model under the control of the Information
15 Services Division of the Office of Management and
16 Enterprise Services,
- 17 d. define the roadmap to implement the proposed shared
18 services model. The roadmap shall include
19 recommendations on the transfer, coordination, and
20 modernization of all information technology and
21 telecommunication systems of all the state agencies in
22 the state,

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

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

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

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

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

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

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

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

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

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

- 1 6. Evaluate all technology and telecommunication investment
2 choices for all state agencies;
- 3 7. Create a plan to ensure alignment of current systems, tools,
4 and processes with the strategic information technology plan for all
5 state agencies;
- 6 8. Set direction and provide oversight for the support and
7 continuous upgrading of the current information technology and
8 telecommunication infrastructure in the state in support of enhanced
9 reliability, user service levels, and security;
- 10 9. Direct the development, implementation, and management of
11 appropriate standards, policies and procedures to ensure the success
12 of state information technology and telecommunication initiatives;
- 13 10. Recruit, hire and transfer the required technical staff in
14 the Information Services Division of the Office of Management and
15 Enterprise Services to support the services provided by the Division
16 and the execution of the strategic information technology plan;
- 17 11. Establish, maintain, and enforce information technology and
18 telecommunication standards;
- 19 12. Delegate, coordinate, and review all work to ensure quality
20 and efficient operation of the Information Services Division of the
21 Office of Management and Enterprise Services;
- 22 13. Create and implement a communication plan that disseminates
23 pertinent information to state agencies on standards, policies,
24 procedures, service levels, project status, and other important

1 information to customers of the Information Services Division of the
2 Office of Management and Enterprise Services and provide for agency
3 feedback and performance evaluation by customers of the Division;

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

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

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

18 a. a purchase less than or equal to Five Thousand Dollars
19 (\$5,000.00) if such product is purchased using a state
20 purchase card and the product is listed on either the
21 Approved Hardware or Approved Software list located on
22 the Office of Management and Enterprise Services
23 website, or
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b. a purchase over Five Thousand Dollars (\$5,000.00) and less than or equal to Twenty-five Thousand Dollars (\$25,000.00) if such product is purchased using a state purchase card, the product is listed on an information technology or telecommunications statewide contract, and the product is listed on either the Approved Hardware or Approved Software list located on the Office of Management and Enterprise Services website;

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

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

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

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

G. The State Governmental Technology Applications Review Board shall provide ongoing oversight of the implementation of the plan of

1 action required in subsection D of this section. Any proposed
2 amendments to the plan of action shall be approved by the Board
3 prior to adoption.

4 H. 1. The Chief Information Officer shall act as the
5 Information Technology and Telecommunications Purchasing Director
6 for all state agencies and shall be responsible for the procurement
7 of all information technology and telecommunication software,
8 hardware, equipment, peripheral devices, maintenance, consulting
9 services, high technology systems, and other related information
10 technology, data processing, telecommunication and related
11 peripherals and services for all state agencies. The Chief
12 Information Officer shall establish, implement, and enforce policies
13 and procedures for the procurement of information technology and
14 telecommunication software, hardware, equipment, peripheral devices,
15 maintenance, consulting services, high technology systems, and other
16 related information technology, data processing, telecommunication
17 and related peripherals and services by purchase, lease-purchase,
18 lease with option to purchase, lease and rental for all state
19 agencies. The procurement policies and procedures established by
20 the Chief Information Officer shall be consistent with The Oklahoma
21 Central Purchasing Act.

22 2. The Chief Information Officer, or any employee or agent of
23 the Chief Information Officer acting within the scope of delegated
24 authority, shall have the same power and authority regarding the

1 procurement of all information technology and telecommunication
2 products and services as outlined in paragraph 1 of this subsection
3 for all state agencies as the State Purchasing Director has for all
4 acquisitions used or consumed by state agencies as established in
5 The Oklahoma Central Purchasing Act. Such authority shall,
6 consistent with the authority granted to the State Purchasing
7 Director pursuant to Section 85.10 of Title 74 of the Oklahoma
8 Statutes, include the power to designate financial or proprietary
9 information submitted by a bidder confidential and reject all
10 requests to disclose the information so designated, if the Chief
11 Information Officer requires the bidder to submit the financial or
12 proprietary information with a bid, proposal, or quotation.

13 I. The Information Services Division of the Office of
14 Management and Enterprise Services and the Chief Information Officer
15 shall be subject to The Oklahoma Central Purchasing Act for the
16 approval and purchase of equipment and products not related to
17 information and telecommunications technology, equipment, software,
18 products and related peripherals and services and shall also be
19 subject to the requirements of the Public Competitive Bidding Act of
20 1974, the Oklahoma Lighting Energy Conservation Act and the Public
21 Building Construction and Planning Act when procuring data
22 processing, information technology, telecommunication, and related
23 peripherals and services and when constructing information
24 technology and telecommunication facilities, telecommunication

1 networks and supporting infrastructure. The Chief Information
2 Officer shall be authorized to delegate all or some of the
3 procurement of information technology and telecommunication products
4 and services and construction of facilities and telecommunication
5 networks to another state entity if the Chief Information Officer
6 determines it to be cost-effective and in the best interest of the
7 state. The Chief Information Officer shall have authority to
8 designate information technology and telecommunication contracts as
9 statewide contracts and mandatory statewide contracts pursuant to
10 Section 85.5 of Title 74 of the Oklahoma Statutes and to negotiate
11 consolidation contracts, enterprise agreements and high technology
12 systems contracts in accordance with the procedures outlined in
13 Section 85.9D of Title 74 of the Oklahoma Statutes. Any contract
14 entered into by a state agency for which the Chief Information
15 Officer has not acted as the Information Technology and
16 Telecommunications Purchasing Director as required in this
17 subsection or subsection H of this section, shall be deemed to be
18 unenforceable and the Office of Management and Enterprise Services
19 shall not process any claim associated with the provisions thereof.

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

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

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

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

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

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

4 O. As used in this section:

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

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

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

15 SECTION 3. AMENDATORY 62 O.S. 2011, Section 34.12, as
16 last amended by Section 11, Chapter 358, O.S.L. 2013 (62 O.S. Supp.
17 2016, Section 34.12), is amended to read as follows:

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

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

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

3 3. Establish and enforce minimum mandatory standards for:

- 4 a. information systems planning,
- 5 b. systems development methodology,
- 6 c. documentation,
- 7 d. hardware requirements and compatibility,
- 8 e. operating systems compatibility,
- 9 f. acquisition of software, hardware and technology-
10 related services,
- 11 g. information security and internal controls,
- 12 h. data base compatibility,
- 13 i. contingency planning and disaster recovery, and
- 14 j. imaging systems, copiers, facsimile systems, printers,
15 scanning systems and any associated supplies.

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

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

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

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

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

21 8. Coordinate for the executive branch of state government
22 agency information technology activities, encourage joint projects
23 and common systems, linking of agency systems through the review of
24 agency plans, review and approval of all statewide contracts for

1 software, hardware and information technology consulting services
2 and development of a statewide plan and its integration with the
3 budget process to ensure that developments or acquisitions are
4 consistent with statewide objectives and that proposed systems are
5 justified and cost effective;

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

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

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

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

17 13. In conjunction with the Oklahoma Office of Homeland
18 Security, enforce the minimum information security and internal
19 control standards established by the Information Services Division.
20 An enforcement team consisting of the Chief Information Officer of
21 the Information Services Division or a designee, a representative of
22 the Oklahoma Office of Homeland Security, and a representative of
23 the Oklahoma State Bureau of Investigation shall enforce the minimum
24 information security and internal control standards. If the

1 enforcement team determines that an agency is not in compliance with
2 the minimum information security and internal control standards, the
3 Chief Information Officer shall take immediate action to mitigate
4 the noncompliance, including the removal of the agency from the
5 infrastructure of the state until the agency becomes compliant,
6 taking control of the information technology function of the agency
7 until the agency is compliant, and transferring the administration
8 and management of the information technology function of the agency
9 to the Information Services Division or another state agency.

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

18 1. A purchase less than or equal to Five Thousand Dollars
19 (\$5,000.00) if such product is purchased using a state purchase card
20 and the product is listed on either the Approved Hardware or
21 Approved Software list located on the Office of Management and
22 Enterprise Services website; or

23 2. A purchase over Five Thousand Dollars (\$5,000.00) and less
24 than or equal to Twenty-five Thousand Dollars (\$25,000.00) if such

1 product is purchased using a state purchase card, the product is
2 listed on an information technology or telecommunications statewide
3 contract, and the product is listed on either the Approved Hardware
4 or Approved Software list located on the Office of Management and
5 Enterprise Services website.

6 If written authorization is not obtained prior to incurring an
7 expenditure or entering into any agreement as required in this
8 subsection or as required in Section 35.4 of this title, the Office
9 of Management and Enterprise Services may not process any claim
10 associated with the expenditure and the provisions of any agreement
11 shall not be enforceable. The provisions of this subsection shall
12 not be applicable to any member of The Oklahoma State System of
13 Higher Education, any public elementary or secondary schools of the
14 state, any technology center school district as defined in Section
15 14-108 of Title 70 of the Oklahoma Statutes, or CompSource Oklahoma.

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

1 personal security, personal identity, or physical security of state
2 assets.

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

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

11 1. A purchase less than or equal to Five Thousand Dollars
12 (\$5,000.00) if such product is purchased using a state purchase card
13 and the product is listed on either the Approved Hardware or
14 Approved Software list located on the Office of Management and
15 Enterprise Services website; or

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

23 SECTION 5. This act shall become effective July 1, 2017.
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1 SECTION 6. It being immediately necessary for the preservation
2 of the public peace, health or safety, an emergency is hereby
3 declared to exist, by reason whereof this act shall take effect and
4 be in full force from and after its passage and approval.

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6 56-1-7489 GRS 04/10/17

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