

1 ENGROSSED SENATE
2 BILL NO. 435

By: Sparks of the Senate

3 and

4 Virgin of the House

5
6 [public finance - budget estimates - effective date]
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8 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

9 SECTION 1. AMENDATORY 62 O.S. 2011, Section 34.36, as
10 last amended by Section 3, Chapter 304, O.S.L. 2016 (62 O.S. Supp.
11 2016, Section 34.36), is amended to read as follows:

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

20 B. The forms which must be used in making these reports shall
21 be approved by the Director of the Office of Management and
22 Enterprise Services and the Legislative Oversight Committee on State
23 Budget Performance.
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1 C. The forms shall be uniform, and shall clearly designate the
2 information to be given.

3 D. The information provided shall include, but not be limited
4 to:

5 1. A budget analysis of existing and proposed programs
6 utilizing performance-informed budgeting techniques. Such analysis
7 shall be included as a part of the estimate of funds needed;

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

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

13 4. A description of the groups of people served by each program
14 in the agency;

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

16 6. A description of the tactics which are intended to
17 accomplish each objective;

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

20 8. A ranking of these programs by priority;

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

24 10. Revenues expected to be generated by each program, if any;

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

8 12. A certification that following ~~the effective date of this~~
9 ~~act~~ May 16, 2011, and prior to July 1, 2011, no expenditure shall
10 have been made or funds encumbered for the purchase, lease, lease-
11 purchase or rental of any computers, software, telecom, information
12 technology hardware, firmware or information technology services,
13 including support services without the prior written approval of the
14 State Comptroller or his or her designee.

15 E. These appropriated agencies shall make an itemized estimate
16 of needs for the ensuing fiscal year and the following two (2)
17 fiscal years and request for funds for the ensuing fiscal year and
18 an estimate of the revenues from all sources to be received by the
19 agency during the ensuing fiscal year and the following two (2)
20 fiscal years.

21 F. The Director of the Office of Management and Enterprise
22 Services shall submit to the Governor and the Legislative Oversight
23 Committee on State Budget Performance no later than the fifth day of
24

1 October a complete list of all spending agencies which have failed
2 to submit budgets by October 1.

3 G. The reports required by this section shall include an
4 itemized listing of outstanding capital lease debt and estimated
5 capital lease needs for the ensuing fiscal year and the following
6 two (2) fiscal years, and shall be provided on forms prescribed by
7 the Director of the Office of Management and Enterprise Services.

8 H. For the purposes of this section, "capital lease" means a
9 lease-purchase agreement which provides an option for the State of
10 Oklahoma or its agencies to purchase property, including personal
11 and real property, which is the subject thereof and/or a lease
12 agreement that provides an option for the State of Oklahoma or its
13 agencies to lease such property, which is the subject thereof, at a
14 nominal annual amount, after a period in which leased property is
15 rented at fair market value.

16 I. The provisions of this section shall not apply to CompSource
17 Oklahoma if CompSource Oklahoma is operating pursuant to a pilot
18 program authorized by Sections 3316 and 3317 of Title 74 of the
19 Oklahoma Statutes.

20 J. Not later than January 1, the Director of the Office of
21 Management and Enterprise Services shall publish a shared services
22 cost-performance assessment report documenting the amount of each
23 state agency's cost for providing shared services. The lowest
24 ranking state agencies shall enter into a contract with the Office

1 of Management and Enterprise Services for the provision of shared
2 financial services, provided that the Director of the Office of
3 Management and Enterprise Services determines that implementation of
4 such a contract would be feasible and documents that the contractual
5 agreement will result in cost savings or efficiencies to the state.
6 Contracts required by this subsection shall be entered into at the
7 start of the next fiscal year. When a state agency is contracted
8 with the Office of Management and Enterprise Services for the
9 provision of shared financial services, the agency may discontinue
10 using shared services when documentation showing that the agency can
11 provide the services at a lower cost to the state is provided to and
12 approved by the Director of the Office of Management and Enterprise
13 Services. As used in this subsection, "shared services" means
14 process, resource utilization or action as defined by administrative
15 rule. On a yearly basis the Director of the Office of Management
16 and Enterprise Services shall compile and publish a report
17 documenting the cost savings resulting from shared services
18 contracts. The provisions of this subsection shall not be
19 applicable to the Oklahoma State Regents for Higher Education or to
20 any institutions within The Oklahoma State System of Higher
21 Education.

22 K. In addition to the requirements of subsection A of this
23 section, for the fiscal year which begins on July 1, 2018, and for
24 each fiscal year thereafter, each appropriated agency shall develop

1 and annually update an eight-year plan of action. The plan shall
2 reflect any known changes in state, federal or local policy. The
3 plan shall provide detailed estimates of the expenditures required
4 to accomplish the agency mission over the following eight-year
5 period, including but not limited to expenditures for administration
6 and staffing, equipment and supplies and other relevant program
7 costs. In addition, the plan shall provide an estimate of changes
8 in the number of clients, individuals or entities to be served over
9 the eight-year time period.

10 SECTION 2. This act shall become effective November 1, 2017.

11 Passed the Senate the 22nd day of March, 2017.

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13 _____
14 Presiding Officer of the Senate

15 Passed the House of Representatives the ____ day of _____,
16 2017.

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18 _____
19 Presiding Officer of the House
20 of Representatives
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