

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 56th Legislature (2018)

4 HOUSE BILL 3054

 By: Hilbert

7 AS INTRODUCED

8 An Act relating to public finance; amending 62 O.S.
9 2011, Sections 34.11.1, as last amended by Section 2,
10 Chapter 384, O.S.L. 2017 and 35.3, as last amended by
11 Section 20, Chapter 358, O.S.L. 2013 (62 O.S. Supp.
12 2017, Sections 34.11.1 and 35.3), which relate to the
 Information Technology Consolidation and Coordination
 Act; modifying definitions; exempting certain
 agencies from consolidation; and providing an
 effective date.

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

16 SECTION 1. AMENDATORY 62 O.S. 2011, Section 34.11.1, as
17 last amended by Section 2, Chapter 384, O.S.L. 2017 (62 O.S. Supp.
18 2017, Section 34.11.1), is amended to read as follows:

19 Section 34.11.1 A. There is hereby created the position of
20 Chief Information Officer who shall be appointed by the Governor.
21 The Chief Information Officer, in addition to having authority over
22 the Information Services Division of the Office of Management and
23 Enterprise Services, shall also serve as Secretary of Information
24 Technology and Telecommunications or successor cabinet position and

1 shall have jurisdictional areas of responsibility related to
2 information technology and telecommunications systems of all state
3 agencies as provided for in state law. The salary of the Chief
4 Information Officer shall not be less than One Hundred Thirty
5 Thousand Dollars (\$130,000.00) or more than One Hundred Sixty
6 Thousand Dollars (\$160,000.00).

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

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

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

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

18 4. Experience with data and voice convergence service
19 offerings;

20 5. Experience in developing technology budgets;

21 6. Experience in developing requests for proposal and
22 administering the bid process;

23 7. Experience managing professional staff, teams, and
24 consultants;

1 8. Knowledge of telecommunications operations;

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

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

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

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

11 13. Ability to negotiate and defuse conflict; and

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

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

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

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

- 18 a. define the shared service model organization structure
19 and the reporting relationship of the recommended
20 organization,
- 21 b. the implementation of an information technology and
22 telecommunications shared services model that defines
23 the statewide infrastructure environment needed by
24 most state agencies that is not specific to individual

1 agencies and the shared applications that are utilized
2 across multiple agencies,

3 c. define the services that shall be in the shared
4 services model under the control of the Information
5 Services Division of the Office of Management and
6 Enterprise Services,

7 d. define the roadmap to implement the proposed shared
8 services model. The roadmap shall include
9 recommendations on the transfer, coordination, and
10 modernization of all information technology and
11 telecommunication systems of all the state agencies in
12 the state,

13 e. recommendations on the reallocation of information
14 technology and telecommunication resources and
15 personnel,

16 f. a cost benefit analysis to support the recommendations
17 on the reallocation of information technology and
18 telecommunication resources and personnel,

19 g. a calculation of the net savings realized through the
20 reallocation and consolidation of information
21 technology and telecommunication resources and
22 personnel after compensating for the cost of
23 contracting with a private consultant as authorized in
24 paragraph 4 of this subsection, implementing the plan

1 of action, and ongoing costs of the Information
2 Services Division of the Office of Management and
3 Enterprise Services, and

4 h. the information required in subsection B of Section
5 35.5 of this title.

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

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

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

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

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

- 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 Management and Enterprise Services;
- 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 Management and
3 Enterprise Services to support the services provided by the Division
4 and the execution of 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 Management and Enterprise Services;

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 Management and Enterprise Services and provide for agency
15 feedback and 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 Management and Enterprise Services and recommend
19 training programs to state agencies on information technology and
20 telecommunication systems, 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 Management and
24 Enterprise Services;

1 16. For all state agencies, approve the purchasing of all
2 information technology and telecommunication services and approve
3 the purchase of any information technology and telecommunication
4 product except the following:

5 a. a purchase less than or equal to Five Thousand Dollars
6 (\$5,000.00) if such product is purchased using a state
7 purchase card and the product is listed on either the
8 Approved Hardware or Approved Software list located on
9 the Office of Management and Enterprise Services
10 website, or

11 b. a purchase over Five Thousand Dollars (\$5,000.00) and
12 less than or equal to Twenty-five Thousand Dollars
13 (\$25,000.00) if such product is purchased using a
14 state purchase card, the product is listed on an
15 information technology or telecommunications statewide
16 contract, and the product is listed on either the
17 Approved Hardware or Approved Software list located on
18 the Office of Management and Enterprise Services
19 website;

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

23 18. Effectively manage the design, implementation and support
24 of complex, highly available infrastructure to ensure optimal

1 performance, on-time delivery of features, and new products, and
2 scalable growth;

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

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

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

14 H. 1. The Chief Information Officer shall act as the
15 Information Technology and Telecommunications Purchasing Director
16 for all state agencies and shall be responsible for the procurement
17 of all information technology and telecommunication software,
18 hardware, equipment, peripheral devices, maintenance, consulting
19 services, high technology systems, and other related information
20 technology, data processing, telecommunication and related
21 peripherals and services for all state agencies. The Chief
22 Information Officer shall establish, implement, and enforce policies
23 and procedures for the procurement of information technology and
24 telecommunication software, hardware, equipment, peripheral devices,

1 maintenance, consulting services, high technology systems, and other
2 related information technology, data processing, telecommunication
3 and related peripherals and services by purchase, lease-purchase,
4 lease with option to purchase, lease and rental for all state
5 agencies. The procurement policies and procedures established by
6 the Chief Information Officer shall be consistent with The Oklahoma
7 Central Purchasing Act.

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

23 I. The Information Services Division of the Office of
24 Management and Enterprise Services and the Chief Information Officer

1 shall be subject to The Oklahoma Central Purchasing Act for the
2 approval and purchase of equipment and products not related to
3 information and telecommunications technology, equipment, software,
4 products and related peripherals and services and shall also be
5 subject to the requirements of the Public Competitive Bidding Act of
6 1974, the Oklahoma Lighting Energy Conservation Act and the Public
7 Building Construction and Planning Act when procuring data
8 processing, information technology, telecommunication, and related
9 peripherals and services and when constructing information
10 technology and telecommunication facilities, telecommunication
11 networks and supporting infrastructure. The Chief Information
12 Officer shall be authorized to delegate all or some of the
13 procurement of information technology and telecommunication products
14 and services and construction of facilities and telecommunication
15 networks to another state entity if the Chief Information Officer
16 determines it to be cost-effective and in the best interest of the
17 state. The Chief Information Officer shall have authority to
18 designate information technology and telecommunication contracts as
19 statewide contracts and mandatory statewide contracts pursuant to
20 Section 85.5 of Title 74 of the Oklahoma Statutes and to negotiate
21 consolidation contracts, enterprise agreements and high technology
22 systems contracts in accordance with the procedures outlined in
23 Section 85.9D of Title 74 of the Oklahoma Statutes. Any contract
24 entered into by a state agency for which the Chief Information

1 Officer has not acted as the Information Technology and
2 Telecommunications Purchasing Director as required in this
3 subsection or subsection H of this section, shall be deemed to be
4 unenforceable and the Office of Management and Enterprise Services
5 shall not process any claim associated with the provisions thereof.

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

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

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

22 M. The Chief Information Officer shall prepare an annual report
23 detailing the ongoing net saving attributable to the reallocation
24 and consolidation of information technology and telecommunication

1 resources and personnel and shall submit the report to the Governor,
2 the Speaker of the House of Representatives, and the President Pro
3 Tempore of the Senate.

4 N. For purposes of the Oklahoma Information Services Act,
5 unless otherwise provided for, "state agencies" shall include any
6 office, officer, bureau, board, commission, counsel, unit, division,
7 body, authority or institution of the executive branch of state
8 government, whether elected or appointed; provided, except with
9 respect to the provisions of subsection D of this section, the term
10 "state agencies" shall not include institutions within The Oklahoma
11 State System of Higher Education, the Oklahoma State Regents for
12 Higher Education, the State Department of Education, the State Board
13 of Education, the Oklahoma Department of Career and Technology
14 Education, and the telecommunications network known as OneNet.

15 O. As used in this section:

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

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

22 3. "Enterprise agreement" means an agreement for information
23 technology or telecommunication goods and services with a supplier
24

1 who manufactures, develops and designs products and provides
2 services that are used by one or more state agencies.

3 SECTION 2. AMENDATORY 62 O.S. 2011, Section 35.3, as
4 last amended by Section 20, Chapter 358, O.S.L. 2013 (62 O.S. Supp.
5 2017, Section 35.3), is amended to read as follows:

6 Section 35.3 As used in the Information Technology
7 Consolidation and Coordination Act:

8 1. "Appropriated state agency" means any state agency that
9 receives funding through the annual legislative appropriations
10 process;

11 2. "Information technology assets" means any equipment or
12 interconnected system or subsystem of equipment that is used in the
13 acquisition, storage, manipulation, management, movement, control,
14 display, switching, interchange, transmission, or reception of data
15 or information. The term shall include computers, ancillary
16 equipment, software, firmware and similar procedures, services,
17 including support services and consulting services, software
18 development, and related resources, and shall further include
19 telecommunications fiber networks used for conveying electronic
20 communication or information systems to multiple physical locations;

21 3. "Information technology position" means a classified or
22 unclassified position in the following functional areas:

- 23 a. applications programming,
24 b. EDP audit,

- 1 c. data examination,
- 2 d. computer applications,
- 3 e. computer data entry,
- 4 f. computer networking,
- 5 g. computer operations,
- 6 h. computer programming,
- 7 i. computer security,
- 8 j. computer software design,
- 9 k. web applications,
- 10 l. database analysis,
- 11 m. data management analysis,
- 12 n. database development,
- 13 o. database programming,
- 14 p. software design/development,
- 15 q. help desk,
- 16 r. imaging,
- 17 s. systems analysis,
- 18 t. systems application planning,
- 19 u. systems application,
- 20 v. systems administration,
- 21 w. systems coordination,
- 22 x. systems integration,
- 23 y. systems operation,
- 24 z. systems planning/development,

- 1 aa. systems programming,
- 2 bb. systems engineering,
- 3 cc. systems service specialist,
- 4 dd. systems support,
- 5 ee. network administration,
- 6 ff. network management,
- 7 gg. network technical,
- 8 hh. operating systems specialist,
- 9 ii. systems program manager,
- 10 jj. telecommunications, whether data or voice,
- 11 kk. software training, and
- 12 ll. technology development or support;

13 4. "Nonappropriated state agency" means any state agency that
14 does not receive funding through the annual legislative
15 appropriations process;

16 5. "Shared services" means those state agency functions which
17 are or could be provided through:

- 18 a. the services and systems specified in subsection A of
- 19 Section 35.6 of this title, and
- 20 b. the programs, services, software or processes
- 21 specified in subsection B of Section 35.6 of this
- 22 title; and

23 6. "State agency" means any office, elected or appointed
24 officer, bureau, board, commission, counsel, unit, division, body,

1 authority or institution of the executive branch of state
2 government, excluding institutions within The Oklahoma State System
3 of Higher Education, the Oklahoma State Regents for Higher
4 Education, the State Department of Education, the State Board of
5 Education, the Oklahoma Department of Career and Technology
6 Education, and the telecommunications network known as OneNet.

7 SECTION 3. This act shall become effective November 1, 2018.

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9 COMMITTEE REPORT BY: COMMITTEE ON HIGHER EDUCATION AND CAREER TECH,
10 dated 02/14/2018 - DO PASS.
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