

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 SENATE BILL 458

By: Thompson

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6 AS INTRODUCED

7 An Act relating to public finance; amending 62 O.S.
8 2011, Sections 34.11.1 and 35.3, as last amended by
9 Sections 6 and 20, Chapter 358, O.S.L. 2013 (62 O.S.
10 Supp. 2016, Sections 34.11.1 and 35.3), which relate
11 to state agency information technology; exempting
12 certain public safety agencies from certain
13 requirements; granting certain authority to cabinet
14 secretary; requiring State Auditor and Inspector to
perform special independent audit of application of
Act to specified state agencies; stating purpose of
audit; specifying powers and duties of State Auditor
and Inspector and certain state agencies and
officers; requiring audit report be prepared and
filed with certain persons; providing for
noncodification; and declaring an emergency.

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

18 SECTION 1. AMENDATORY 62 O.S. 2011, Section 34.11.1, as
19 last amended by Section 6, Chapter 358, O.S.L. 2013 (62 O.S. Supp.
20 2016, Section 34.11.1), is amended to read as follows:

21 Section 34.11.1. A. There is hereby created the position of
22 Chief Information Officer who shall be appointed by the Governor.
23 The Chief Information Officer, in addition to having authority over
24 the Information Services Division of the Office of Management and

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

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

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

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

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

20 4. Experience with data and voice convergence service
21 offerings;

22 5. Experience in developing technology budgets;

23 6. Experience in developing requests for proposal and
24 administering the bid process;

1 7. Experience managing professional staff, teams, and
2 consultants;

3 8. Knowledge of telecommunications operations;

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

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

8 11. Ability to analyze and resolve complex issues, both logical
9 and interpersonal;

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

13 13. Ability to negotiate and defuse conflict; and

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

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

1 telecommunications duties and responsibilities of the Chief
2 Information Officer and the Information Services Division.

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

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

- 20 a. define the shared service model organization structure
21 and the reporting relationship of the recommended
22 organization,
- 23 b. the implementation of an information technology and
24 telecommunications shared services model that defines

1 the statewide infrastructure environment needed by
2 most state agencies that is not specific to individual
3 agencies and the shared applications that are utilized
4 across multiple agencies,

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

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

15 e. recommendations on the reallocation of information
16 technology and telecommunication resources and
17 personnel,

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

21 g. a calculation of the net savings realized through the
22 reallocation and consolidation of information
23 technology and telecommunication resources and
24 personnel after compensating for the cost of

1 contracting with a private consultant as authorized in
2 paragraph 4 of this subsection, implementing the plan
3 of action, and ongoing costs of the Information
4 Services Division of the Office of Management and
5 Enterprise Services, and

6 h. the information required in subsection B of Section
7 35.5 of this title.

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

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

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

21 F. The Information Services Division of the Office of
22 Management and Enterprise Services shall be responsible for the
23 following duties:
24

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

24

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

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

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

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

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

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

24

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

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

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

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

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

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

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

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

19 2. The Chief Information Officer, or any employee or agent of
20 the Chief Information Officer acting within the scope of delegated
21 authority, shall have the same power and authority regarding the
22 procurement of all information technology and telecommunication
23 products and services as outlined in paragraph 1 of this subsection
24 for all state agencies as the State Purchasing Director has for all

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

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

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

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

23 K. The Chief Information Officer shall develop and implement a
24 plan to utilize open source technology and products for the

1 information technology and telecommunication systems of all state
2 agencies.

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

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

15 N. For purposes of the Oklahoma Information Services Act,
16 unless otherwise provided for, "state agencies" shall include any
17 office, officer, bureau, board, commission, counsel, unit, division,
18 body, authority or institution of the executive branch of state
19 government, whether elected or appointed; provided, except with
20 respect to the provisions of subsection D of this section, the term
21 "state agencies" shall not include institutions within The Oklahoma
22 State System of Higher Education, the Oklahoma State Regents for
23 Higher Education ~~and~~, the telecommunications network known as
24 OneNet, the Department of Mental Health and Substance Abuse

1 Services, the Department of Environmental Quality, the Oklahoma
2 Historical Society, the Board of Dentistry, the Department of
3 Corrections and the District Attorneys Council.

4 0. 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 2. AMENDATORY 62 O.S. 2011, Section 35.3, as
16 last amended by Section 20, Chapter 358, O.S.L. 2013 (62 O.S. Supp.
17 2016, Section 35.3), is amended to read as follows:

18 Section 35.3. As used in the Information Technology
19 Consolidation and Coordination Act:

20 1. "Appropriated state agency" means any state agency that
21 receives funding through the annual legislative appropriations
22 process;

23 2. "Information technology assets" means any equipment or
24 interconnected system or subsystem of equipment that is used in the

1 acquisition, storage, manipulation, management, movement, control,
2 display, switching, interchange, transmission, or reception of data
3 or information. The term shall include computers, ancillary
4 equipment, software, firmware and similar procedures, services,
5 including support services and consulting services, software
6 development, and related resources, and shall further include
7 telecommunications fiber networks used for conveying electronic
8 communication or information systems to multiple physical locations;

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

- 11 a. applications programming,
- 12 b. EDP audit,
- 13 c. data examination,
- 14 d. computer applications,
- 15 e. computer data entry,
- 16 f. computer networking,
- 17 g. computer operations,
- 18 h. computer programming,
- 19 i. computer security,
- 20 j. computer software design,
- 21 k. web applications,
- 22 l. database analysis,
- 23 m. data management analysis,
- 24 n. database development,

- 1 o. database programming,
- 2 p. software design/development,
- 3 q. help desk,
- 4 r. imaging,
- 5 s. systems analysis,
- 6 t. systems application planning,
- 7 u. systems application,
- 8 v. systems administration,
- 9 w. systems coordination,
- 10 x. systems integration,
- 11 y. systems operation,
- 12 z. systems planning/development,
- 13 aa. systems programming,
- 14 bb. systems engineering,
- 15 cc. systems service specialist,
- 16 dd. systems support,
- 17 ee. network administration,
- 18 ff. network management,
- 19 gg. network technical,
- 20 hh. operating systems specialist,
- 21 ii. systems program manager,
- 22 jj. telecommunications, whether data or voice,
- 23 kk. software training, and
- 24 ll. technology development or support;

1 4. "Nonappropriated state agency" means any state agency that
2 does not receive funding through the annual legislative
3 appropriations process;

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

6 a. the services and systems specified in subsection A of
7 Section 35.6 of this title, and

8 b. the programs, services, software or processes
9 specified in subsection B of Section 35.6 of this
10 title; and

11 6. "State agency" means any office, elected or appointed
12 officer, bureau, board, commission, counsel, unit, division, body,
13 authority or institution of the executive branch of state
14 government, excluding institutions within The Oklahoma State System
15 of Higher Education, the Oklahoma State Regents for Higher Education
16 ~~and~~, the telecommunications network known as OneNet, the Department
17 of Mental Health and Substance Abuse Services, the Department of
18 Environmental Quality, the Oklahoma Historical Society, the Board of
19 Dentistry, the Department of Corrections and the District Attorneys
20 Council.

21 SECTION 3. NEW LAW A new section of law not to be
22 codified in the Oklahoma Statutes reads as follows:

23 The State Auditor and Inspector shall perform a special
24 independent audit of the application of the Information Technology

1 Consolidation and Coordination Act to agencies within the cabinet
2 department of safety and security as constituted on the effective
3 date of this act, other than the Department of Corrections and the
4 District Attorneys Council.

5 The audit shall occur during the fiscal year beginning July 1,
6 2017. The purpose of the audit shall be to determine if the
7 transfer of information technology assets or personnel from the
8 specified agencies has resulted in cost savings to the state, the
9 amount of any such savings and whether the goals for such transfers
10 as set forth in the Information Technology Consolidation and
11 Coordination Act have been realized. The State Auditor and
12 Inspector shall have the power to take custody of any records
13 necessary to the performance of the audit but shall minimize actual
14 physical removal of or denial of access to such records. Each
15 agency specified in this section, as well as the Chief Information
16 Officer and the Office of Management and Enterprise Services, shall
17 cooperate with and provide such assistance to the State Auditor and
18 Inspector as may be necessary to ensure compliance with the
19 provisions of this section. At the conclusion of the audit, the
20 State Auditor and Inspector shall meet with the chief executive
21 officer of each agency specified in this section, and with the Chief
22 Information Officer and the Director of the Office of Management and
23 Enterprise Services, to review the audit report to be issued. The
24 report shall include any responses to the audit which any of the

1 reviewers wish to have included. The State Auditor and Inspector
2 shall file the report with the Governor, the President Pro Tempore
3 of the Senate and the Speaker of the House of Representatives. The
4 costs of the audit shall be borne by the Office of Management and
5 Enterprise Services.

6 SECTION 4. It being immediately necessary for the preservation
7 of the public peace, health or safety, an emergency is hereby
8 declared to exist, by reason whereof this act shall take effect and
9 be in full force from and after its passage and approval.

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