

STATE OF OKLAHOMA

1st Session of the 56th Legislature (2017)

HOUSE BILL 2311

By: McCall

AS INTRODUCED

An Act relating to public finance; creating the Agency Spending Review Act; creating the Agency Spending Review Commission; providing for appointments to the Commission; providing for staff support; requiring audit of spending by date certain; authorizing Commission to contract with private company; requiring certain report be prepared by date certain; waiving filing deadlines for certain bills; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 8001 of Title 62, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Agency Spending Review Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 8002 of Title 62, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created the Agency Spending Review Commission which shall consist of:

1 1. Three members appointed by the Governor:

2 a. at least one member shall be the president, owner,
3 chief executive officer or chief financial officer of
4 an Oklahoma-based company, and

5 b. at least one member shall be an auditor who is
6 employed as an internal auditor by a company or who is
7 employed by a private auditing firm;

8 2. Three members appointed by the President Pro Tempore of the
9 Oklahoma Senate, at least one of which shall be a business
10 efficiency expert;

11 3. Three members appointed by the Speaker of the Oklahoma House
12 of Representatives at least one of which shall be a business
13 efficiency expert; and

14 4. The Director of the Office of Management and Enterprise
15 Services or his or her designee who is an employee of the Office of
16 Management and Enterprise Services which shall be an ex officio and
17 nonvoting position.

18 B. No person shall be appointed to the Commission who at the
19 time of his or her appointment is an elected official. Any person
20 who is appointed to the Commission who subsequently becomes an
21 elected official during his or her term on the Commission shall be
22 required to vacate his or her position on the Commission.

23 C. The Legislative Services Bureau shall provide staff and
24 administrative support to the Commission.

1 SECTION 3. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 8003 of Title 62, unless there
3 is created a duplication in numbering, reads as follows:

4 A. By January 1, 2018, the Agency Spending Review Commission
5 shall conduct an audit of the spending of government agencies in
6 order to identify opportunities for savings.

7 B. The Commission shall ensure that each state agency is
8 individually evaluated at least once every four (4) years in order
9 to identify agency-specific efficiencies.

10 C. By December 31 of each succeeding year, the Commission shall
11 issue a report on the status of implementation of these
12 recommendations.

13 SECTION 4. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 8004 of Title 62, unless there
15 is created a duplication in numbering, reads as follows:

16 A. The Agency Spending Review Commission may contract with a
17 private company, nonprofit or academic institution to assist with
18 the spending audits. Prior to the formation of any contract, the
19 Commission shall obtain no less than three separate bids for the
20 auditing services. The Commission shall develop a scope of services
21 for a request for proposals issued pursuant to the Oklahoma Central
22 Purchasing Act, for professional services necessary to complete
23 audits pursuant to the Agency Spending Review Act. The cost of the
24 contract shall be paid by the Legislative Services Bureau.

1 B. By October 1, 2017, the Commission or the Commission's
2 chosen contractor shall begin conducting the audits authorized by
3 the act and shall prepare a report by January 15, 2018. The
4 Commission shall provide the results of each Agency Spending Review
5 in a written report to the Governor, President Pro Tempore of the
6 Senate and Speaker of the House of Representatives. The report
7 shall be made publicly available on the Oklahoma Department of
8 Commerce website and *documents.ok.gov*.

9 C. Each report shall include the following:

10 1. A comprehensive diagnostic analysis of the state's budget to
11 identify spending trends and outliers;

12 2. A set of recommendations that prioritizes target areas with
13 large and substantial expenditures of state general funds and where
14 the state can become more efficient and thereby provide cost savings
15 to the state's taxpayers, including but not limited to, cross agency
16 recommendations in the areas of Insurance, Procurement, Technology
17 and Human Resources as well as agency specific reviews;

18 3. A review of previous efficiency studies conducted by the
19 State of Oklahoma and an analysis of the implementation of the
20 recommendations from those studies;

21 4. An evaluation of the state's budgeting process and
22 recommendations for improvement opportunities based on leading
23 private sector and government sector practices; and
24

1 5. A schedule for implementation of agency specific
2 recommendations.

3 D. Bills and resolutions introduced to implement any specific
4 recommendation of this report shall not be subject to filing
5 deadlines set by the Legislature.

6 SECTION 5. This act shall become effective October 1, 2017.

7
8 56-1-5655 LRB 01/12/17