

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB4042 _____
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

Adopted: _____

Amendment submitted by: Tammy Townley

Reading Clerk

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

PROPOSED COMMITTEE
SUBSTITUTE
FOR
HOUSE BILL NO. 4042

By: Townley

PROPOSED COMMITTEE SUBSTITUTE

An Act relating to state government; amending 74 O.S. 2021, Sections 85.5 and 85.12, as amended by Section 2, Chapter 339, O.S.L. 2023 (74 O.S. Supp. 2023, Section 85.12), which relates to the Oklahoma Central Purchasing Act; requiring State Purchasing Director to publish certain quarterly reports; modifying exemption; authorizing Oklahoma Tourism and Recreation Department to promote state facilities; authorizing Department to enter into certain contracts; providing certain exemptions to the Oklahoma Central Purchasing Act; defining term; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 74 O.S. 2021, Section 85.5, is amended to read as follows:

Section 85.5. A. Except as otherwise provided in this section, the State Purchasing Director, under the supervision of the Director of the Office of Management and Enterprise Services, shall have sole and exclusive authority and responsibility for all acquisitions by state agencies. In order to carry out the powers and duties of the

1 Chief Information Officer and the Information Services Division, the
2 Chief Information Officer shall have sole and exclusive authority
3 and responsibility for all acquisitions of information and
4 telecommunications technology, equipment, software, products and
5 related peripherals and services by state agencies. Public
6 construction contracts are awarded pursuant to Title 61 of the
7 Oklahoma Statutes and are not subject to the Oklahoma Central
8 Purchasing Act.

9 B. Every state agency shall determine its own quantitative
10 needs for acquisitions and the general class or nature of the
11 acquisitions. The State Purchasing Director, after consultation
12 with the requisitioning state agency, shall have authority to
13 determine the particular brand, model or other specific
14 classification of each acquisition and to draft or invoke pursuant
15 to the Oklahoma Central Purchasing Act specifications establishing
16 the requirements for all necessary contracts or purchase orders.

17 C. The Director of the Office of Management and Enterprise
18 Services shall have authority and responsibility to promulgate rules
19 in connection with provisions of the Oklahoma Central Purchasing Act
20 for:

21 1. The time, manner, authentication and form of making
22 requisitions for acquisitions;

23 2. Inspection, analysis and testing of acquisitions or samples
24 bidders submit prior to contract award;

1 3. The form and manner of submission for bids or proposals a
2 bidder submits and the manner of accepting and opening bids or
3 proposals;

4 4. The conditions under which the Office of Management and
5 Enterprise Services shall require written contracts for
6 acquisitions, the conditions under which acquisitions may be made on
7 an open account basis, and the conditions and manner of negotiating
8 such contracts;

9 5. Obtaining acquisitions produced by state institutions;

10 6. Conditions under which any of the rules herein authorized
11 may be waived;

12 7. The amounts of and deposits on any bond or other surety
13 required to be submitted with a bid or contract for the furnishing
14 of acquisitions and the conditions under which such bond or other
15 surety shall be required;

16 8. The manner and conditions of delivery, which shall include
17 the designation of the common carrier of property to be used to
18 transport acquisitions whenever a common carrier is used, and the
19 acceptance, or rejection, including check of quantities, of any
20 acquisitions;

21 9. The form of any estimate, order or other information
22 required in connection with an acquisition;

23 10. State agency acquisitions not exceeding the acquisition
24 threshold amount requiring competitive bid to ensure

1 competitiveness, fairness, compliance with the Oklahoma Central
2 Purchasing Act and Section 3001 et seq. of this title, which relates
3 to the State Use Committee. The rules shall include separate
4 provisions based on acquisition amounts as follows:

5 a. state agencies shall make acquisitions not exceeding
6 Twenty-five Thousand Dollars (\$25,000.00), provided
7 the acquisition process is fair and reasonable and is
8 conducted pursuant to rules authorized pursuant to
9 this section, and

10 b. state agencies with certified procurement officers and
11 internal purchasing procedures found compliant by the
12 State Purchasing Director may make acquisitions in
13 excess of the fair and reasonable acquisition
14 threshold amount provided for in this section and not
15 exceeding Two Hundred Fifty Thousand Dollars
16 (\$250,000.00), pursuant to rules authorized by this
17 section;

18 11. Training by the State Purchasing Director of state agency
19 procurement officers;

20 12. Review and audit by the State Purchasing Director of state
21 agency acquisitions;

22 13. The conditions for increasing acquisition limits for state
23 agencies which have had a prior reduction in acquisition limit by
24 the Director of the Office of Management and Enterprise Services;

1 14. Use of a state purchase card to make acquisitions;

2 15. Any other matter or practice which relates to the
3 responsibilities of the State Purchasing Director;

4 16. Conditions for determination and authorization of
5 acquisition threshold amounts of state agencies;

6 17. The form and manner of verification by suppliers that the
7 supplier is eligible to do business in the State of Oklahoma and has
8 obtained all necessary permits and licenses, pursuant to applicable
9 provisions of law; and

10 18. Payment procedure rules for state agencies to adhere to
11 regarding statewide contracts.

12 D. The State Purchasing Director shall provide training for
13 state agency procurement officials, and other procurement staff, and
14 is authorized to require retraining of such procurement personnel
15 found not to be in compliance with provisions of the Oklahoma
16 Central Purchasing Act or associated rules. The training may
17 include any matters related to state procurement practices. State
18 agency purchasing officials that demonstrate proficiency shall be
19 certified as "certified procurement officers" by the State
20 Purchasing Director and shall be authorized to make acquisitions
21 pursuant to provisions of the Oklahoma Central Purchasing Act and
22 associated rules. The State Purchasing Director may assess a fee to
23 state agencies for the training that does not exceed each state
24

1 agency's pro rata share of the costs the State Purchasing Director
2 incurs to provide the training.

3 E. The State Purchasing Director shall review state agency
4 acquisitions for the purposes of:

5 1. Ensuring state agency compliance with provisions of the
6 Oklahoma Central Purchasing Act;

7 2. Ensuring state agency compliance with rules promulgated by
8 the Office of Management and Enterprise Services pursuant to the
9 Oklahoma Central Purchasing Act;

10 3. Ensuring state agency compliance with provisions of Section
11 3001 et seq. of this title pertaining to the State Use Committee;

12 4. Reporting any acquisition by any state agency found not to
13 be in compliance with those sections or rules to the Director of the
14 Office of Management and Enterprise Services;

15 5. A determination by the State Purchasing Director to reduce a
16 state agency's acquisition authority amount when the state agency is
17 found not to be in compliance with the Oklahoma Central Purchasing
18 Act or associated rules or requirements of the State Purchasing
19 Director pursuant to this section; and

20 6. A determination by the State Purchasing Director to increase
21 a state agency's acquisition authority amount after the agency cures
22 deficiencies in connection with a prior reduction in the authority
23 amount by the State Purchasing Director.

1 F. Based on written findings and when recommended by the State
2 Purchasing Director, the Director of the Office of Management and
3 Enterprise Services may:

4 1. Transmit written findings by the State Purchasing Director
5 to the State Auditor and Inspector for further investigation,
6 indicating purchasing procedures that do not conform to the Oklahoma
7 Central Purchasing Act or associated rules; or

8 2. Transmit to the Attorney General or the State Auditor and
9 Inspector for further investigation a report made by the State
10 Purchasing Director that the Director of the Office of Management
11 and Enterprise Services reasonably believes indicates that an action
12 that constitutes a criminal violation pursuant to the Oklahoma
13 Central Purchasing Act or other laws has been taken by any state
14 agency, state agency official, bidder or supplier.

15 G. 1. Pursuant to the requirements of the Oklahoma Central
16 Purchasing Act, the State Purchasing Director shall have authority
17 to enter into any statewide, multistate or multigovernmental
18 contract. The state entity designated by law, as specified in
19 Section 1010.3 of Title 56 of the Oklahoma Statutes, shall
20 participate in the purchase of pharmaceuticals available through
21 such multistate or multigovernmental contracts entered into by the
22 State Purchasing Director.

23 2. Whenever it appears advantageous to the state or to any
24 state agency to purchase or otherwise acquire any acquisition which

1 may be offered for sale by the United States government or any
2 agency thereof, the State Purchasing Director may execute a contract
3 for the acquisition with the federal government or federal agency
4 and may also utilize contracts awarded by other governmental
5 agencies including, but not limited to, agencies of the United
6 States of America.

7 3. The State Purchasing Director may designate, for use by
8 state agencies, contracts described in this subsection and contracts
9 awarded on behalf of one or more state agencies.

10 4. Prior to exercising the authority to cancel a contract, the
11 State Purchasing Director may authorize renegotiation of an existing
12 contract with an incumbent supplier for the purposes of obtaining
13 more favorable terms for the state.

14 5. The State Purchasing Director shall have the authority to
15 designate certain contracts for state agencies as statewide
16 contracts and mandatory statewide contracts. In order to carry out
17 the powers and duties of the Chief Information Officer and
18 Information Services Division, the Chief Information Officer shall
19 have the authority to designate certain information technology and
20 telecommunication contracts as statewide contracts and mandatory
21 statewide contracts and may negotiate consolidation contracts,
22 enterprise agreements and high technology system contracts in lieu
23 of or in conjunction with competitive bidding procedures to reduce
24 acquisition cost.

1 6. The State Purchasing Director may publish such
2 specifications relating to materials, supplies, equipment and
3 services to be acquired for the state as may best promote
4 competition and apprise potential suppliers of the type of product
5 desired.

6 H. 1. The State Purchasing Director may develop and test new
7 contracting policies, procedures and innovations that hold potential
8 for making state procurement more effective and efficient and
9 identify, and make recommendations to the Legislature of, any
10 appropriate changes in law. Such development and testing, proof of
11 concept, pilot project or other similar test shall not be considered
12 an acquisition subject to the Oklahoma Central Purchasing Act.

13 2. The State Purchasing Director is authorized to explore and
14 investigate cost savings in energy, resource usage and maintenance
15 contracts and to identify and negotiate contract solutions
16 including, but not limited to, pilot projects to achieve cost
17 savings for this state.

18 I. The State Purchasing Director shall endeavor to satisfy
19 state agencies in terms of cost, quality and timeliness of the
20 delivery of acquisitions by using bidders who have a record of
21 successful past performance, promoting competition, minimizing
22 administrative operating costs and conducting business with
23 integrity, fairness and openness. The State Purchasing Director
24 shall publish quarterly reports identifying the timeliness of the

1 delivery of all acquisitions, which shall include, but not be
2 limited to:

3 1. The date the Office of Management and Enterprise Services
4 received the agency requisition;

5 2. The date the solicitation was opened and closed;

6 3. The date an award recommendation was received or made, and

7 4. The date a contract was routed to bidder for signature and
8 the date a contract was signed.

9 If more than ten (10) business days shall toll between agency
10 award recommendation and the Office of Management and Enterprise
11 Services routing a contract to a bidder for signature, Central
12 Purchasing shall allow the requisitioning agency to assume the
13 responsibility of negotiating and executing a contract with the
14 awarded supplier upon written notice communicated to Central
15 Purchasing by the requisitioning agency.

16 J. The State Purchasing Director shall undertake the following:

17 1. The use of electronic commerce pursuant to the Oklahoma
18 Online Bidding Act for solicitation, notification and other
19 purchasing processes;

20 2. Monitoring rules promulgated pursuant to the Oklahoma
21 Central Purchasing Act to ensure that the rules satisfy the
22 interests of the state, are clear and succinct and encourage
23 efficiency in purchasing processes;

24 3. A program to identify suppliers' performance records;

1 4. Development of criteria for the use of sealed bid
2 contracting procedures, negotiated contracting procedures, selection
3 of types of contracts, postaward administration of purchase orders
4 and contracts, addendums, termination of contracts and contract
5 pricing;

6 5. Continual improvement in the quality of the performance of
7 the Purchasing Division through training programs, management
8 seminars, development of benchmarks and key management indicators,
9 and development of standard provisions, clauses and forms;

10 6. The State Purchasing Director shall prescribe standardized
11 contract forms and all other forms or certifications requisite or
12 deemed necessary by the State Purchasing Director to effectuate the
13 provisions of the Oklahoma Central Purchasing Act and associated
14 rules;

15 7. Development of programs to improve customer relations
16 through training, improved communications and appointment of
17 technical representatives;

18 8. Provide for public two-way communication between procurement
19 officers and potential bidders who have questions regarding a
20 request for proposal or invitation to bid; and

21 9. Determine whether and to what extent information included in
22 a bid or similar offer is confidential and reject all requests to
23 disclose the information so designated.

1 K. The State Purchasing Director may utilize and authorize
2 state agencies to utilize reverse auctions to obtain acquisitions.

3 L. Prior to the award of a contract to a supplier, the State
4 Purchasing Director shall verify, pursuant to applicable provisions
5 of law, that the supplier is eligible to do business in this state
6 by confirming registration with the Secretary of State and franchise
7 tax payment status pursuant to Sections 1203 and 1204 of Title 68 of
8 the Oklahoma Statutes. The provisions of this subsection shall be
9 applicable only if the contract amount is Two Hundred Fifty Thousand
10 Dollars (\$250,000.00) or greater.

11 M. On an annual basis, the State Purchasing Director shall
12 transmit to the Governor, Speaker of the House of Representatives
13 and President Pro Tempore of the Senate a report documenting the
14 savings realized by each agency through the application of best
15 spend practices including the collection and tracking of spend data,
16 strategic sourcing programs and implementation of managed and
17 mandatory statewide contracts and include in the report information
18 regarding emergency acquisitions.

19 N. The acquisition threshold amount applicable to an
20 acquisition made pursuant to this act or associated rules shall not
21 apply to state agency purchases; provided, the State Purchasing
22 Director determines the agency has subject matter experts on staff
23 having the specialized expertise to purchase goods or services, the
24 agency possesses the necessary legal and procurement staff to

1 procure and monitor the contracts and provided the Director of the
2 Office of Management and Enterprise Services shall certify that the
3 proposed purchase does not conflict with consolidated statewide
4 spend initiatives.

5 1. Nothing in this subsection shall give an agency authority to
6 issue statewide, multistate or multigovernmental contracts.

7 2. Agencies making purchases pursuant to this subsection shall:

8 a. be responsible for contracts awarded pursuant to this
9 subsection, which includes, but may not be limited to,
10 contract management, protest costs, all costs
11 connected with or incurred as a result of the
12 contract, including legal representation,

13 b. comply with rules and policies of the Office of
14 Management and Enterprise Services, and

15 c. report contracts issued pursuant to this subsection to
16 the Office of Management and Enterprise Services,
17 Central Purchasing Division, on a quarterly basis.

18 3. Purchases made in accordance with this subsection shall be
19 made pursuant to rules authorized by this section.

20 0. The State Purchasing Director, with approval by the Director
21 of the Office of Management and Enterprise Services, is authorized
22 to make use of any state laboratories for the tests and analyses
23 authorized in this section wherever practicable and to use private
24 laboratories or the laboratories of another government agency if it

1 is impracticable to use state laboratories. The State Purchasing
2 Director is further authorized to cooperate in test and analysis
3 programs or agreements with other states or the United States
4 government and to accept federal funds and funds donated by private
5 endowments or foundations for the purpose of participation in such
6 testing programs.

7 SECTION 2. AMENDATORY 74 O.S. 2021, Section 85.12, as
8 amended by Section 2, Chapter 339, O.S.L. 2023 (74 O.S. Supp. 2023,
9 Section 85.12), is amended to read as follows:

10 Section 85.12. A. The provisions of this section shall not be
11 construed to affect any law relating to fiscal or accounting
12 procedure except as they may be directly in conflict herewith; and
13 all claims, warrants, and bonds shall be examined, inspected, and
14 approved as now provided by law.

15 B. Except as otherwise provided by this section, the
16 acquisitions specified in this subsection shall be made in
17 compliance with Section 85.39 of this title and purchasing card
18 program requirements but are not subject to other provisions of the
19 Oklahoma Central Purchasing Act:

20 1. Food and other products produced by state institutions and
21 agencies;

22 2. The printing or duplication of publications or forms of
23 whatsoever kind or character by state agencies if the work is
24 performed upon their own equipment by their own employees. Pursuant

1 to this paragraph, the state agency may only use equipment owned or
2 leased by the agency and may only utilize that equipment for
3 printing services required by the agency in performing duties
4 imposed upon the agency or functions authorized to be performed by
5 the agency. Any use of the equipment by the agency pursuant to an
6 agreement or contract with any other entity resulting in delivery of
7 intermediate or finished products to the entity purchasing or using
8 the products shall be subject to the provisions of the Oklahoma
9 Central Purchasing Act and associated rules;

10 3. Department of Transportation and Transportation Commission
11 contractual services or right-of-way acquisitions, contracts awarded
12 pursuant to bids let by the Transportation Commission for the
13 maintenance or construction of streets, roads, highways, bridges,
14 underpasses or any other transportation facilities under the control
15 of the Department of Transportation, equipment or material
16 acquisitions accruing to the Department of Transportation required
17 in federal aid contracts and acquisitions for public-service-type
18 announcements initiated by the Department of Transportation, but not
19 acquisitions for advertising, public relations or employment
20 services;

21 4. Utility services regulated by a state or federal regulatory
22 commission, municipal ordinance or an Indian Tribal Council;

23 5. Acquisitions by the University Hospitals Authority. The
24 Authority shall develop standards for the acquisition of products

1 and services and may elect to utilize the Purchasing Division. The
2 standards shall foster economy and short response time and shall
3 include appropriate safeguards and record-keeping requirements to
4 ensure appropriate competition and economical and efficient
5 purchasing;

6 6. Custom harvesting by the Department of Corrections for the
7 Department or its institutions;

8 7. Subject to prior approval of the State Purchasing Director,
9 acquisitions from private prison suppliers which are subject to the
10 contracting procedures of Section 561 of Title 57 of the Oklahoma
11 Statutes;

12 8. Acquisitions by the Oklahoma Municipal Power Authority;

13 9. Acquisitions by the Grand River Dam Authority;

14 10. Acquisitions by rural water, sewer, gas or solid waste
15 management districts created pursuant to the Rural Water, Sewer, Gas
16 and Solid Waste Management Districts Act;

17 11. Acquisitions by the Oklahoma Ordnance Works Authority, the
18 Northeast Oklahoma Public Facilities Authority or the Midwestern
19 Oklahoma Development Authority;

20 12. Expenditure of monies appropriated to the State Board of
21 Education for local and state-supported financial support of public
22 schools, except monies allocated therefrom for the Administrative
23 and Support Functions of the State Department of Education;

1 13. Expenditure of monies appropriated to the State Department
2 of Rehabilitation Services for educational programs or educational
3 materials for the Oklahoma School for the Blind and the Oklahoma
4 School for the Deaf;

5 14. Contracts entered into by the Oklahoma Department of Career
6 and Technology Education for the development, revision or updating
7 of vocational curriculum materials, and contracts entered into by
8 the Oklahoma Department of Career and Technology Education for
9 training and supportive services that address the needs of new or
10 expanding industries;

11 15. Contracts entered into by the Oklahoma Center for the
12 Advancement of Science and Technology for professional services;

13 16. Contracts entered into by the Oklahoma Department of
14 Commerce pursuant to the provisions of Section 5066.4 of this title;

15 17. Acquisitions made by the Oklahoma Historical Society from
16 monies used to administer the White Hair Memorial;

17 18. Purchases of pharmaceuticals available through a multistate
18 or multigovernmental contract if such pharmaceuticals are or have
19 been on state contract within the last fiscal year, and the terms of
20 such contract are more favorable to the state or agency than the
21 terms of a state contract for the same products, as determined by
22 the State Purchasing Director. The state entity designated by law,
23 as specified in Section 1010.3 of Title 56 of the Oklahoma Statutes,
24

1 shall participate in the purchase of pharmaceuticals available
2 through such contracts;

3 19. Contracts for managed health care services entered into by
4 the state entity designated by law or the Department of Human
5 Services, as specified in paragraph 1 of subsection A of Section
6 1010.3 of Title 56 of the Oklahoma Statutes;

7 20. Acquisitions by a state agency through a General Services
8 Administration contract or other federal contract if the
9 acquisitions are not on current statewide contract or the terms of
10 the federal contract are more favorable to the agency than the terms
11 of a statewide contract for the same products;

12 21. Acquisitions of clothing for clients of the Department of
13 Human Services and acquisitions of food for group homes operated by
14 the Department of Human Services;

15 22. Acquisitions by the Oklahoma Energy Resources Board;

16 23. Acquisitions of clothing for juveniles in the custody of
17 the Office of Juvenile Affairs and acquisitions of food for group
18 homes operated by the Office of Juvenile Affairs;

19 24. State contracts for flexible benefits plans pursuant to the
20 Oklahoma State Employees Benefits Act, Section 1361 et seq. of this
21 title;

22 25. Acquisitions by the Oklahoma Department of Securities to
23 investigate, initiate, or pursue administrative, civil or criminal
24 proceedings involving potential violations of the acts under the

1 Department's jurisdiction and acquisitions by the Oklahoma
2 Department of Securities for its investor education program;

3 26. Acquisitions for resale in and through canteens operated
4 pursuant to Section 537 of Title 57 of the Oklahoma Statutes and
5 canteens established at an institution or facility operated by the
6 Office of Juvenile Affairs;

7 27. Acquisitions by the Oklahoma Boll Weevil Eradication
8 Organization for employment and personnel services, and for
9 acquiring sprayers, blowers, traps and attractants related to the
10 eradication of boll weevils in this state or as part of a national
11 or regional boll weevil eradication program;

12 28. Contracts entered into by the Oklahoma Indigent Defense
13 System for expert services pursuant to the provisions of subsection
14 D of Section 1355.4 of Title 22 of the Oklahoma Statutes;

15 29. Acquisitions by the Oklahoma Correctional Industries and
16 the Agri-Services programs of the Department of Corrections of raw
17 materials, component parts and other products, any equipment
18 excluding vehicles, and any services excluding computer consultant
19 services used to produce goods or services for resale and for the
20 production of agricultural products;

21 30. Contracts entered into by the Department of Human Services
22 for provision of supported living services to members of the
23 plaintiff class in Homeward Bound, Inc., et al. v. The Hisson
24

Memorial Center, et al., Case Number 85-C-437-E, United States
District Court for the Northern District of Oklahoma;

31. Contracts negotiated by the Office of Juvenile Affairs with
designated Youth Services Agencies and the Oklahoma Association of
Youth Services, or another Oklahoma nonprofit corporation whose
membership consists solely of Youth Services Agencies and of whom at
least a majority of Youth Services Agencies are members, pursuant to
the provisions of Section 2-7-306 of Title 10A of the Oklahoma
Statutes and contracts entered into by the Department of Human
Services pursuant to Section 1-9-110 of Title 10A of the Oklahoma
Statutes with designated Youth Services Agencies;

32. Contracts for annuities for structured settlements provided
for in Section 158 of Title 51 of the Oklahoma Statutes;

33. Subject to subsection E of this section, purchases made
from funds received by local offices administered by the Department
of Human Services or administered by the Office of Juvenile Affairs
for fund-raising activities and donations for the benefit of clients
and potential clients at the local offices where such purchases may
not otherwise be paid for from appropriated funds;

34. Acquisitions by the Oklahoma Historical Society for
restoration of historical sites and museums although the agency may
elect to utilize the Purchasing Division for an acquisition with
supplier and bid selection being the prerogative of the agency,

1 based on the supplier's documented qualifications and experience;
2 and

3 35. Acquisitions of clothing and food for patients in the care
4 of the J.D. McCarty Center for Children with Developmental
5 Disabilities.

6 C. Pursuant to the terms of a contract the State Purchasing
7 Director enters into or awards, a state agency, common school,
8 municipality, rural fire protection district, county officer or any
9 program contract, purchase, acquisition or expenditure that is not
10 subject to the provisions of the Oklahoma Central Purchasing Act,
11 may, unless acting pursuant to a contract with the state that
12 specifies otherwise, make use of statewide contracts and the
13 services of the Purchasing Division and the State Purchasing
14 Director. Any political subdivision or rural fire protection
15 district may designate the State Purchasing Director as its agent
16 for any acquisition from a statewide contract or otherwise available
17 to the state.

18 D. The State Purchasing Director shall review and audit all the
19 purchasing procedures of acquisitions listed in subsection B of this
20 section to ensure that the procedures are being followed. Nothing
21 in this section shall be construed to authorize bid splitting as
22 prohibited by the Oklahoma Central Purchasing Act.

23 E. With respect to the Department of Human Services or the
24 Office of Juvenile Affairs, as applicable, monies received by

1 fundraising activities or donations from the local office, vending
2 operations administered by employees of the agency and all other
3 nonrestricted cash and cash-equivalent items received by employees
4 of the agency shall be deposited in the agency special account
5 established for this purpose. The deposits shall be made at local
6 banking institutions approved by the State Treasurer.

7 F. With respect to the Oklahoma Tourism and Recreation
8 Department, no exemption provided in this section shall be construed
9 for the use of leasing or contracting for state-owned restaurants in
10 Oklahoma state parks. The Department shall not be required to
11 purchase furniture, fixtures, equipment, and soft goods associated
12 with decor of the state parks, lodges, golf courses, and tourism
13 information centers from Oklahoma prisons or reformatories.

14 Additionally, the Department shall not be required to make
15 purchases pursuant to ~~a statewide contract~~ the provisions of the
16 Oklahoma Central Purchasing Act for materials, supplies, and
17 services necessary for the efficient and economical operation of
18 revenue-generating, Department-operated facilities, including those
19 made to maintain or improve guest perception of quality and service;
20 provided, that the State Purchasing Director shall review and audit
21 all uses of the exemptions provided in this subsection biannually.

22 SECTION 3. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 2221.1 of Title 74, unless there
24 is created a duplication in numbering, reads as follows:

1 A. The Oklahoma Tourism and Recreation Department is authorized
2 to promote state-owned, leased, or operated facilities. The
3 Department may utilize specific promotion programs such as the
4 provision of complimentary rooms, package-rate plans, group rates,
5 guest incentive sales programs, entertainment of prospective guests,
6 employee-information programs, golf promotional programs as well as
7 other sales and promotion programs considered acceptable in the
8 hospitality industry, in the travel industry, or the regional
9 magazine industry are approved as necessary advertising and
10 promotion expenses.

11 B. In order to best carry out the duties and responsibilities of
12 the Department and to serve the people of the state in the promotion
13 of tourism and tourism economic development, the Department may
14 enter into partnerships for promotional programs and projects with a
15 private person, firm, corporation, organization or association. The
16 Department may enter into contracts or agreements under terms to be
17 mutually agreed upon to carry out the promotional programs and
18 projects, excluding the advertising contract by the Department which
19 utilizes the Tourism Promotion Tax or acquisition of land or
20 buildings. The contracts or agreements may be negotiated and shall
21 not be subject to the provisions of the Oklahoma Central Purchasing
22 Act or the Public Competitive Bidding Act of 1974.

SECTION 4. NEW LAW A new section of law to be codified

in the Oklahoma Statutes as Section 2239.1 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. The following purchases by the Oklahoma Tourism and Recreation Department shall be exempt from The Oklahoma Central Purchasing Act:

1. Merchandise for resale purchased for and sold over the Internet, in publications or through Department retail outlets, such as lodges, gift shops, golf course pro shops, restaurants and other purchases made for the production of such merchandise;

2. Materials, supplies and services necessary for the efficient and economical operation of revenue-generating, Department-operated facilities and programs including those made to maintain or improve guest perception of quality and service including, but not limited to, mattresses, pillows, bed-skirts, drapery, small appliances customary in hospitality spaces such as hotel or lodge rooms and cabins, pool equipment and pool maintenance costs; and

3. The services of writers, artists, photographers, designers, programmers, prepress houses, printers, shippers and other professionals and firms involved in the artistic department publications, television shows, websites or other revenue-generating or public-facing media.

B. For purposes of this section, "revenue-generating" means a purchase that would affect the ability to generate revenue at a

1 Department-operated facility or program. Revenue generated by the
2 agency is built into the Department's budget to fund operational
3 expenses and salaries. Loss of revenue will require the agency to
4 reduce staff or seek additional funding to cover the loss created by
5 delays in acquiring goods and services fundamental to generating
6 this revenue.

7 C. No exemption provided in this section shall be construed for
8 the use of leasing or contracting for state-owned restaurants in
9 Oklahoma state parks.

10 SECTION 5. This act shall become effective July 1, 2024.

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

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16 59-2-10062 LRB 02/08/24

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