

1 ENGROSSED SENATE
2 BILL NO. 1430

By: Hall of the Senate

3 and

4 Wallace of the House

5
6 [central purchasing - Oklahoma Central Purchasing
7 Department - State Purchasing Director - State Travel
8 Office - controlling entity of fund - controlling
9 agency of account - surety required - membership on
10 Council - repealer - codification - effective date]

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

12 SECTION 1. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 34.3.2 of Title 62, unless there
14 is created a duplication in numbering, reads as follows:

15 A. There is hereby created the Oklahoma Central Purchasing
16 Department. The Central Purchasing Division of the Office of
17 Management and Enterprise Services shall be transferred to the
18 Oklahoma Central Purchasing Department. Any funds appropriated to,
19 in the possession of, or allocated to the Central Purchasing
20 Division of the Office of Management and Enterprise Services shall
21 be deemed to be funds of the Oklahoma Central Purchasing Department.

22 B. All functions, powers, duties, and obligations previously
23 assigned to the Central Purchasing Division of the Office of
24

1 Management and Enterprise Services are hereby transferred to the
2 Oklahoma Central Purchasing Department.

3 C. All rules, regulations, acts, orders, determinations, and
4 decisions of the Central Purchasing Division of the Office of
5 Management and Enterprise Services pertaining to the functions and
6 powers as transferred and assigned to the Oklahoma Central
7 Purchasing Department, in force at the time of such transfer,
8 assignment, assumption, or devolution shall continue in force and
9 effect as rules, regulations, acts, orders, determinations, and
10 decisions of the consolidated agencies until duly modified or
11 abrogated by the appropriate body or until otherwise provided by
12 law.

13 D. Personnel employed by the Central Purchasing Division of the
14 Office of Management and Enterprise Services on the effective date
15 of this act shall be transferred to the Oklahoma Central Purchasing
16 Department.

17 SECTION 2. AMENDATORY 74 O.S. 2021, Section 85.2, is
18 amended to read as follows:

19 Section 85.2. As used in the Oklahoma Central Purchasing Act,
20 unless the context otherwise requires:

21 1. "Acquisition" means items, products, materials, supplies,
22 services, and equipment a state agency acquires by purchase, lease-
23 purchase, lease with option to purchase, rental or value provided to
24 the state pursuant to the Oklahoma Central Purchasing Act unless the

1 items, products, supplies, services, or equipment are exempt
2 pursuant to the Oklahoma Central Purchasing Act or authority
3 exercised by the ~~Chief Information Officer~~ State Purchasing
4 Director;

5 2. "Best value criteria" means evaluation criteria which may
6 include, but is not limited to, the following:

- 7 a. the acquisition's operational cost a state agency
8 would incur,
- 9 b. the quality of the acquisition, or its technical
10 competency,
- 11 c. the reliability of the bidder's delivery and
12 implementation schedules,
- 13 d. the acquisition's facilitation of data transfer and
14 systems integration,
- 15 e. the acquisition's warranties and guarantees and the
16 bidder's return policy,
- 17 f. the bidder's financial stability,
- 18 g. the acquisition's adherence to the state agency's
19 planning documents and announced strategic program
20 direction,
- 21 h. the bidder's industry and program experience and
22 record of successful past performance with
23 acquisitions of similar scope and complexity,
- 24 i. the anticipated acceptance by user groups, and

j. the acquisition's use of proven development methodology, and innovative use of current technologies that lead to quality results;

3. "Bid" or "proposal" means an offer a bidder submits in response to an invitation to bid or request for proposal;

4. "Bidder" means an individual or business entity that submits a bid or proposal in response to an invitation to bid or a request for proposal;

5. "Business entity" means individuals, partnerships, business trusts, cooperatives, associates, corporations, limited liability companies or any other firm, group or concern which functions as a separate entity for business purposes;

6. "Chief administrative officer" means an individual responsible for directing the administration of a state agency. The term does not mean one or all of the individuals that make policy for a state agency;

7. "Component" means any item supplied as part of an end item or of another component;

8. "Contract" means a mutually binding legal relationship obligating the seller to furnish an acquisition and the buyer to pay for it or provide a potential financial incentive in lieu of payment. It includes all types of commitments that obligate a state agency to an expenditure of funds or action that, unless otherwise

1 authorized, is in writing. In addition to bilateral instruments,
2 contracts include, but are not limited to:

- 3 a. awards,
- 4 b. orders issued under basic ordering agreements,
- 5 c. letter agreements, and
- 6 d. orders under which the contract becomes effective by
7 written acceptance or performance;

8 9. "Contracting" means obtaining acquisitions from private
9 sources. Contracting includes description, but not determination,
10 of acquisitions required, selection and solicitation of sources,
11 preparation and award of contracts, and contract administration;

12 10. "Electronic commerce" means the use of electronic methods
13 to enable solicitation, supplier response, contract award, state
14 agency acquisition processes, or any other function to make an
15 acquisition;

16 11. "Electronic payment mechanism" means a method of electronic
17 payment for authorized acquisitions;

18 12. "Environmentally preferable products and services (EPPS)"
19 means acquisitions that best meet the requirements as defined in the
20 solicitation for human health and the environment;

21 13. "Local governmental entity" means any unit of local
22 government including, but not limited to, any school district,
23 county or municipality of this state;

1 14. "Lowest and best" means an acquisition based on criteria
2 which include, but are not limited to, the following:

- 3 a. the lowest total purchase price,
- 4 b. the quality and reliability of the product, and
- 5 c. the consistency of the proposed acquisition with the
6 state agency's planning documents and announced
7 strategic program direction;

8 15. "Multistate contract" or "multigovernmental contract" means
9 an agreement entered into between two or more entities of government
10 for acquisitions pursuant to a single contract;

11 16. "Nonprofessional services" means services which are
12 predominantly physical or manual in character and may involve the
13 supplying of products;

14 17. "Open market contract" means a contract for a one-time
15 acquisition not exceeding the acquisition amount, requiring a
16 competitive bid pursuant to Section 85.7 of this title;

17 18. "Political subdivision" means local governmental entities
18 and such other entities specified as political subdivisions pursuant
19 to The Governmental Tort Claims Act;

20 19. "Professional services" means services which are
21 predominantly mental or intellectual in character rather than
22 physical or manual and which do not involve the supplying of
23 products. Professional services include services to support or
24

1 improve state agency policy development, decision making,
2 management, administration or the operation of management systems;

3 20. "Purchase order" means an offer by a state agency to make
4 an acquisition utilizing simplified procedures;

5 21. "Purchasing cooperative" means an association of public
6 entities working together to provide leverage in achieving best
7 value and/or the best terms in contracts awarded through a
8 competitive bidding process;

9 22. "Requisition" means a written request by a state agency for
10 an acquisition;

11 23. "Sole brand acquisition" means an acquisition that by
12 specification restricts the acquisition to one manufacturer or brand
13 name;

14 24. "Sole source acquisition" means an acquisition which, by
15 specification, restricts the acquisition to one supplier;

16 25. "Solicitation" means a request or invitation by the State
17 Purchasing Director or a state agency for a supplier to submit a
18 priced offer to sell one or more acquisitions to the state. A
19 solicitation may be an invitation to bid, request for proposal or a
20 request for quotation;

21 26. "Split purchase" means dividing a known quantity or failing
22 to consolidate a known quantity of an acquisition for the purpose of
23 evading a competitive bidding requirement;

24

1 27. "State agency" includes any office, officer, bureau, board,
2 counsel, court, commission, department, institution, unit, division,
3 body or house of the executive or judicial branches of the state
4 government, whether elected or appointed, excluding only political
5 subdivisions of the state;

6 28. "State purchase card" means a type of commercial card that
7 allows state agencies to take advantage of existing credit card
8 infrastructure to make electronic payments for acquisitions;

9 29. "State Purchasing Director" includes any employee or agent
10 of the State Purchasing Director, acting within the scope of
11 delegated authority;

12 30. "Statewide contract" means a contract for specific
13 acquisitions for a specified period with a provision allowing some
14 or all state agencies and local governmental entities to place
15 orders as the acquisitions are needed for delivery during the period
16 specified; and

17 31. "Supplier" or "vendor" means an individual or business
18 entity that provides or desires to provide acquisitions to state
19 agencies.

20 SECTION 3. AMENDATORY 74 O.S. 2021, Section 85.3, is
21 amended to read as follows:

22 Section 85.3. A. ~~There is hereby created and established in~~
23 ~~the Office of Management and Enterprise Services a Purchasing~~
24

1 ~~Division, the~~ The administrative head of ~~which~~ the Oklahoma Central
2 Purchasing Department shall be the State Purchasing Director.

3 B. ~~The Director of the Office of Management and Enterprise~~
4 ~~Services shall hire~~ Governor shall appoint, with the advice and
5 consent of the Senate, the State Purchasing Director, who shall hold
6 office at the pleasure of the Governor and shall continue to serve
7 until a successor is duly appointed and is qualified. The State
8 Purchasing Director shall:

9 1. Have a thorough knowledge of office practices and buying
10 procedures in volume purchasing; and

11 2. Be a graduate of an accredited college or university with at
12 least five (5) years' experience in commercial or governmental
13 purchasing, or, in lieu of such education, have at least ten (10)
14 years' experience in commercial or governmental purchasing.

15 C. The State Purchasing Director, ~~with the approval of the~~
16 ~~Director of the Office of Management and Enterprise Services,~~ may
17 employ such personnel as may be necessary to exercise authority and
18 perform duties under the Oklahoma Central Purchasing Act.

19 D. All activities of any state agency, department, or
20 institution relating to purchasing shall be under the direction of
21 the ~~Purchasing Division~~ Oklahoma Central Purchasing Department
22 unless otherwise provided by the Oklahoma Central Purchasing Act.

23 E. The ~~Purchasing Division~~ Oklahoma Central Purchasing
24 Department shall provide qualified personnel to assist the

1 purchasing activities of state agencies, departments, and
2 institutions, as required by the Oklahoma Central Purchasing Act.

3 F. Each state agency, department, and institution shall
4 designate personnel to coordinate its purchasing functions with the
5 ~~Purchasing Division~~ Oklahoma Central Purchasing Department.

6 G. The ~~Purchasing Division~~ Oklahoma Central Purchasing
7 Department may, if the needs of a state agency, department, or
8 institution are such as to so require, employ, and establish a buyer
9 within a state agency. The state agency shall pay all expenses
10 incurred for any buyer required to be placed within its agency.

11 H. Except as provided in Section 34.36 of Title 62 of the
12 Oklahoma Statutes, no state agency subject to the Oklahoma Central
13 Purchasing Act shall have or maintain a purchasing section without
14 the prior approval in writing of the ~~Purchasing Division~~ Oklahoma
15 Central Purchasing Department unless otherwise provided in the
16 Oklahoma Central Purchasing Act nor shall such purchasing section
17 perform purchasing functions for another state agency.

18 I. The ~~Purchasing Division~~ Oklahoma Central Purchasing
19 Department shall make acquisitions from industries operated by the
20 Department of Corrections pursuant to the provisions of Section
21 549.1 of Title 57 of the Oklahoma Statutes.

22 J. None of the personnel authorized by this section shall:

23 1. Sell to or otherwise provide acquisitions to any state
24 agency subject to the Oklahoma Central Purchasing Act;

1 2. Be employees, partners, associates, officers, or
2 stockholders in or with any business entity that sells to or
3 otherwise provides acquisitions to any state agency subject to the
4 Oklahoma Central Purchasing Act;

5 3. Be employed in any of the positions authorized by this
6 section if a spouse or child owns any stock in any business entity
7 which sells to or otherwise provides acquisitions to any agency
8 subject to the Oklahoma Central Purchasing Act;

9 4. Be employed in any of the positions authorized by this
10 section if a relative within the third degree of consanguinity or
11 affinity sells to or otherwise provides acquisitions to any state
12 agency subject to the Oklahoma Central Purchasing Act or is
13 interested in any business entity which does so, except that such
14 relative, excluding a spouse or child, may own Twenty-five Thousand
15 Dollars (\$25,000.00) worth or less, or one percent (1%) or less,
16 whichever amount is the lesser amount, of the stock of a corporation
17 or any business entity which sells to or otherwise provides
18 acquisitions to any state agency subject to the Oklahoma Central
19 Purchasing Act; or

20 5. Violate applicable rules of the Ethics Commission
21 promulgated pursuant to Article XXIX of the Oklahoma Constitution
22 that relate to accepting gifts from a vendor or a vendor's agent.

23 SECTION 4. AMENDATORY 74 O.S. 2021, Section 85.5, is
24 amended to read as follows:

1 Section 85.5. A. Except as otherwise provided in this section,
2 the State Purchasing Director, ~~under the supervision of the Director~~
3 ~~of the Office of Management and Enterprise Services~~, shall have sole
4 and exclusive authority and responsibility for all acquisitions by
5 state agencies. In order to carry out the powers and duties of the
6 Chief Information Officer and the Information Services Division of
7 the Office of Management and Enterprise Services, the Chief
8 Information Officer shall have sole and exclusive authority and
9 responsibility for all acquisitions of information and
10 telecommunications technology, equipment, software, products and
11 related peripherals and services by state agencies. Public
12 construction contracts are awarded pursuant to Title 61 of the
13 Oklahoma Statutes and are not subject to the Oklahoma Central
14 Purchasing Act.

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

23 C. ~~The Director of the Office of Management and Enterprise~~
24 ~~Services~~ State Purchasing Director shall have authority and

1 responsibility to promulgate rules in connection with provisions of
2 the Oklahoma Central Purchasing Act for:

3 1. The time, manner, authentication and form of making
4 requisitions for acquisitions;

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

7 3. The form and manner of submission for bids or proposals a
8 bidder submits and the manner of accepting and opening bids or
9 proposals;

10 4. The conditions under which the ~~Office of Management and~~
11 ~~Enterprise Services~~ Oklahoma Central Purchasing Department shall
12 require written contracts for acquisitions, the conditions under
13 which acquisitions may be made on an open account basis, and the
14 conditions and manner of negotiating such contracts;

15 5. Obtaining acquisitions produced by state institutions;

16 6. Conditions under which any of the rules herein authorized
17 may be waived;

18 7. The amounts of and deposits on any bond or other surety
19 required to be submitted with a bid or contract for the furnishing
20 of acquisitions and the conditions under which such bond or other
21 surety shall be required;

22 8. The manner and conditions of delivery, which shall include
23 the designation of the common carrier of property to be used to
24 transport acquisitions whenever a common carrier is used, and the

1 acceptance, or rejection, including check of quantities, of any
2 acquisitions;

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

5 10. State agency acquisitions not exceeding the acquisition
6 threshold amount requiring competitive bid to ensure
7 competitiveness, fairness, compliance with the Oklahoma Central
8 Purchasing Act and Section 3001 et seq. of this title, which relates
9 to the State Use ~~Committee~~ Advisory Council. The rules shall
10 include separate provisions based on acquisition amounts as follows:

11 a. state agencies shall make acquisitions not exceeding
12 Twenty-five Thousand Dollars (\$25,000.00), provided
13 the acquisition process is fair and reasonable and is
14 conducted pursuant to rules authorized pursuant to
15 this section, and

16 b. state agencies with certified procurement officers and
17 internal purchasing procedures found compliant by the
18 State Purchasing Director may make acquisitions in
19 excess of the fair and reasonable acquisition
20 threshold amount provided for in this section and not
21 exceeding Two Hundred Fifty Thousand Dollars
22 (\$250,000.00), pursuant to rules authorized by this
23 section;

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1 11. Training by the State Purchasing Director of state agency
2 procurement officers;

3 12. Review and audit by the State Purchasing Director of state
4 agency acquisitions;

5 13. The conditions for increasing acquisition limits for state
6 agencies which have had a prior reduction in acquisition limit by
7 the ~~Director of the Office of Management and Enterprise Services~~
8 State Purchasing Director;

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

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

12 16. Conditions for determination and authorization of
13 acquisition threshold amounts of state agencies;

14 17. The form and manner of verification by suppliers that the
15 supplier is eligible to do business in ~~the State of Oklahoma~~ this
16 state and has obtained all necessary permits and licenses, pursuant
17 to applicable provisions of law; and

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

20 D. The State Purchasing Director shall provide training for
21 state agency procurement officials, and other procurement staff, and
22 is authorized to require retraining of such procurement personnel
23 found not to be in compliance with provisions of the Oklahoma
24 Central Purchasing Act or associated rules. The training may

1 include any matters related to state procurement practices. State
2 agency purchasing officials that demonstrate proficiency shall be
3 certified as "certified procurement officers" by the State
4 Purchasing Director and shall be authorized to make acquisitions
5 pursuant to provisions of the Oklahoma Central Purchasing Act and
6 associated rules. The State Purchasing Director may assess a fee to
7 state agencies for the training that does not exceed each state
8 agency's pro rata share of the costs the State Purchasing Director
9 incurs to provide the training.

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

12 1. Ensuring state agency compliance with provisions of the
13 Oklahoma Central Purchasing Act;

14 2. Ensuring state agency compliance with rules promulgated by
15 the ~~Office of Management and Enterprise Services~~ Oklahoma Central
16 Purchasing Department pursuant to the Oklahoma Central Purchasing
17 Act;

18 3. Ensuring state agency compliance with provisions of Section
19 3001 et seq. of this title pertaining to the State Use ~~Committee~~
20 Advisory Council;

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

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

6 6. A determination by the State Purchasing Director to increase
7 a state agency's acquisition authority amount after the agency cures
8 deficiencies in connection with a prior reduction in the authority
9 amount by the State Purchasing Director.

10 F. Based on written findings ~~and when recommended by employees~~
11 of the Oklahoma Central Purchasing Department, the State Purchasing
12 Director, ~~the Director of the Office of Management and Enterprise~~
13 ~~Services~~ may:

14 1. Transmit written findings by the ~~State Purchasing Director~~
15 Oklahoma Central Purchasing Department to the State Auditor and
16 Inspector for further investigation, indicating purchasing
17 procedures that do not conform to the Oklahoma Central Purchasing
18 Act or associated rules; or

19 2. Transmit electronically to the Attorney General or the State
20 Auditor and Inspector for further investigation a report made by the
21 ~~State Purchasing Director~~ Oklahoma Central Purchasing Department
22 that the ~~Director of the Office of Management and Enterprise~~
23 ~~Services~~ State Purchasing Director reasonably believes indicates
24 that an action that constitutes a criminal violation pursuant to the

1 Oklahoma Central Purchasing Act or other laws has been taken by any
2 state agency, state agency official, bidder or supplier.

3 G. 1. Pursuant to the requirements of the Oklahoma Central
4 Purchasing Act, the State Purchasing Director shall have authority
5 to enter into any statewide, multistate or multigovernmental
6 contract. The state entity designated by law, ~~as specified in~~
7 ~~Section 1010.3 of Title 56 of the Oklahoma Statutes,~~ shall
8 participate in the purchase of pharmaceuticals available through
9 such multistate or multigovernmental contracts entered into by the
10 State Purchasing Director.

11 2. Whenever it appears advantageous to the state or to any
12 state agency to purchase or otherwise acquire any acquisition which
13 may be offered for sale by the United States government or any
14 agency thereof, the State Purchasing Director may execute a contract
15 for the acquisition with the federal government or federal agency
16 and may also utilize contracts awarded by other governmental
17 agencies including, but not limited to, agencies of the United
18 States of America.

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

22 4. Prior to exercising the authority to cancel a contract, the
23 State Purchasing Director may authorize renegotiation of an existing
24

1 contract with an incumbent supplier for the purposes of obtaining
2 more favorable terms for the state.

3 5. The State Purchasing Director shall have the authority to
4 designate certain contracts for state agencies as statewide
5 contracts and mandatory statewide contracts. In order to carry out
6 the powers and duties of the Chief Information Officer and
7 Information Services Division of the Office of Management and
8 Enterprise Services, the Chief Information Officer shall have the
9 authority to designate certain information technology and
10 telecommunication contracts as statewide contracts and mandatory
11 statewide contracts and may negotiate consolidation contracts,
12 enterprise agreements and high technology system contracts in lieu
13 of or in conjunction with competitive bidding procedures to reduce
14 acquisition cost.

15 6. The State Purchasing Director may publish such
16 specifications relating to materials, supplies, equipment and
17 services to be acquired for the state as may best promote
18 competition and apprise potential suppliers of the type of product
19 desired.

20 H. 1. The State Purchasing Director may develop and test new
21 contracting policies, procedures and innovations that hold potential
22 for making state procurement more effective and efficient and
23 identify, and make recommendations to the Legislature of, any
24 appropriate changes in law. Such development and testing, proof of

1 concept, pilot project or other similar test shall not be considered
2 an acquisition subject to the Oklahoma Central Purchasing Act.

3 2. The State Purchasing Director is authorized to explore and
4 investigate cost savings in energy, resource usage and maintenance
5 contracts and to identify and negotiate contract solutions
6 including, but not limited to, pilot projects to achieve cost
7 savings for this state.

8 I. The State Purchasing Director shall endeavor to satisfy
9 state agencies in terms of cost, quality and timeliness of the
10 delivery of acquisitions by using bidders who have a record of
11 successful past performance, promoting competition, minimizing
12 administrative operating costs and conducting business with
13 integrity, fairness and openness.

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

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

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

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

23 4. Development of criteria for the use of sealed bid
24 contracting procedures, negotiated contracting procedures, selection

1 of types of contracts, postaward administration of purchase orders
2 and contracts, addendums, termination of contracts and contract
3 pricing;

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

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

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

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

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

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

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

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

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

1 ~~Enterprise Services shall certify~~ the State Purchasing Director
2 certifies that the proposed purchase does not conflict with
3 consolidated statewide spend initiatives.

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

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

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

12 b. comply with rules and policies of the ~~Office of~~
13 ~~Management and Enterprise Services~~ Oklahoma Central
14 Purchasing Department, and

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

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

21 O. The State Purchasing Director, ~~with approval by the Director~~
22 ~~of the Office of Management and Enterprise Services,~~ is authorized
23 to make use of any state laboratories for the tests and analyses
24 authorized in this section wherever practicable and to use private

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

8 SECTION 5. AMENDATORY 74 O.S. 2021, Section 85.5.1, is
9 amended to read as follows:

10 Section 85.5.1. A. Privatization Projects. ~~The Office of~~
11 ~~Management and Enterprise Services~~ Oklahoma Central Purchasing
12 Department shall establish a repository of the best privatization
13 practices, have expertise to select projects or services for
14 privatization, be capable of rapid evaluation and response to
15 privatization proposals and have the ability to oversee the
16 contracting for privatization opportunities.

17 B. ~~The Director of the Office of Management and Enterprise~~
18 ~~Services~~ State Purchasing Director shall report legislative
19 recommendations as ~~the Director deems~~ he or she deems necessary to
20 further implement the provisions of this section.

21 SECTION 6. AMENDATORY 74 O.S. 2021, Section 85.5a, is
22 amended to read as follows:

23 Section 85.5a. A. Except for the state fleet card, the state
24 purchase card program administered by the ~~Purchasing Division~~

1 Oklahoma Central Purchasing Department is the only card program
2 authorized for use by state agencies.

3 B. On a monthly basis ~~the State Purchasing Director and~~
4 institutions of higher education shall provide to the ~~Director of~~
5 ~~the Office of Management and Enterprise Services (OMES)~~ State
6 Purchasing Director a complete listing in electronic format of all
7 transactions paid by a state purchase card. The list shall contain
8 the name of the purchaser and purchasing agency, amount of purchase
9 and all available descriptions of items purchased.

10 C. Upon receipt of the list described in subsection B of this
11 section, the ~~Director of the OMES~~ State Purchasing Director shall
12 allow the public access to the list in searchable format through its
13 website defined in Section 46 of Title 62 of the Oklahoma Statutes.

14 D. The State Purchasing Director may authorize the use of a
15 state purchase card for acquisitions within the following
16 parameters:

- 17 1. No limit on the amount of the transaction for the following:
- 18 a. purchases from statewide contracts and from contracts
19 awarded by the State Purchasing Director for the
20 benefit of a state agency,
 - 21 b. utilities,
 - 22 c. interagency payments,
 - 23 d. emergency acquisitions; provided, requirements to
24 establish an emergency pursuant to ~~Section 5 of this~~

1 ~~act or other~~ an applicable statute or rule have been
2 met, and

3 e. professional services as defined in Section 803 of
4 Title 18 of the Oklahoma Statutes; and

5 2. For any other transaction with a state purchase card, the
6 transaction shall not exceed the greater of Five Thousand Dollars
7 (\$5,000.00) or the limit determined by the State Purchasing
8 Director, not to exceed the fair and reasonable acquisition
9 threshold amount.

10 E. The State Purchasing Director may authorize personnel of the
11 Oklahoma Department of Commerce, upon a finding by the Secretary of
12 Commerce that such personnel have a legitimate need therefore, to
13 utilize a state purchase card for acquisitions for programs,
14 functions or services essential to the mission of the agency while
15 traveling on Oklahoma Department of Commerce business in foreign
16 locations with transaction limits not to exceed Thirty-five Thousand
17 Dollars (\$35,000.00). The purchase cardholders are required to sign
18 a purchase card agreement prior to becoming a cardholder and to
19 attend purchase card procedure training. The Oklahoma Department of
20 Commerce will conduct quarterly internal auditing on all purchase
21 card transactions associated with business and travel in foreign
22 locations.

1 SECTION 7. AMENDATORY 74 O.S. 2021, Section 85.7, as
2 amended by Section 1, Chapter 339, O.S.L. 2023 (74 O.S. Supp. 2023,
3 Section 85.7), is amended to read as follows:

4 Section 85.7. A. 1. Except as otherwise provided by the
5 Oklahoma Central Purchasing Act, or associated rules:

- 6 a. every state agency shall initiate all acquisitions by
7 the submission of a requisition to the ~~Purchasing~~
8 ~~Division~~ Oklahoma Central Purchasing Department, and
9 b. no state agency shall make an acquisition for an
10 amount exceeding Fifty Thousand Dollars (\$50,000.00)
11 or the limit determined by the State Purchasing
12 Director pursuant to rules authorized by Section 85.5
13 of this title, not to exceed Two Hundred Fifty
14 Thousand Dollars (\$250,000.00), without submission of
15 a requisition to the ~~Purchasing Division~~ Oklahoma
16 Central Purchasing Department for issuance of a
17 solicitation for the acquisition on behalf of the
18 agency. Any exemption from competitive bid
19 requirements of the Oklahoma Central Purchasing Act
20 further exempts the acquisition from requisition
21 requirements of the act.

22 2. The State Purchasing Director may request additional
23 information necessary to adequately review a requisition to ensure
24 compliance with the Oklahoma Central Purchasing Act and associated

1 rules. If the State Purchasing Director determines that an
2 acquisition is not necessary, excessive or not justified, the State
3 Purchasing Director shall deny the requisition.

4 3. The provisions of the Oklahoma Central Purchasing Act shall
5 not preclude a state agency from:

6 a. accepting gifts or donations in any manner authorized
7 by law, or

8 b. making an acquisition for itself without submitting a
9 requisition under this section when authorized in
10 writing by the State Purchasing Director.

11 4. Any acquisition a state agency makes shall be made pursuant
12 to the Oklahoma Central Purchasing Act and associated rules. No
13 agency shall use split purchasing for the purpose of evading the
14 requirement of competitive bidding or other requirement of the
15 Oklahoma Central Purchasing Act or associated rules. Violation of
16 this provision shall be cause for discipline of a state employee up
17 to and including termination.

18 5. The State Purchasing Director may waive or increase the
19 limit authorized for a state agency acquisition made pursuant to its
20 own competitive procedures. To perfect an otherwise valid
21 acquisition inadvertently exceeding the limit due to administrative
22 error by a state agency or unforeseeable circumstances, the state
23 agency shall request a limited waiver or increase upon the discovery
24 of the error or circumstance to the State Purchasing Director. The

1 State Purchasing Director shall report electronically requests for
2 waivers or increases, stating the amount and whether the request was
3 granted or denied, upon request by the Governor, President Pro
4 Tempore of the Senate or Speaker of the House of Representatives.

5 6. Competitive bidding requirements of this section shall not
6 be required for the following:

7 a. contracts for master custodian banks or trust
8 companies, investment managers, investment
9 consultants, and actuaries for the state retirement
10 systems, and Oklahoma Employees Insurance and Benefits
11 Board, pension fund management consultants of the
12 Oklahoma State Pension Commission and the
13 Commissioners of the Land Office, examiners, experts,
14 or consultants for the Insurance Department whose job
15 duties are tied to ~~Market Conduct Exams~~ market conduct
16 exams, ~~Financial Exams~~ financial exams, and Insurance
17 Business Transfers, financial institutions to act as
18 depositories and managers of the Oklahoma College
19 Savings Plan accounts and other professional services
20 as defined in Section 803 of Title 18 of the Oklahoma
21 Statutes. When requested by the Oklahoma Employees
22 Insurance and Benefits Board or the governing board of
23 a state retirement system authorized to hire
24 investment managers, the ~~Purchasing Division~~ Oklahoma

1 Central Purchasing Department shall assist in the
2 process of selecting investment managers,

3 b. a state agency making such an acquisition shall notify
4 the State Purchasing Director within fifteen (15) days
5 following completion of the acquisition. A list of
6 the exempt contracts shall be provided, upon request,
7 to a member of the Appropriations and Budget Committee
8 of the House of Representatives or Appropriations
9 Committee of the Senate,

10 c. purchases of postage by state agencies made pursuant
11 to Sections 90.1 through 90.4 of this title,

12 d. a sole source acquisition made in compliance with
13 Section 85.44D.1 of this title,

14 e. an acquisition for design, development, communication
15 or implementation of the state employees flexible
16 benefits plan; provided, procedures used for the
17 acquisition are consistent with competitive bid
18 requirements of the Oklahoma Central Purchasing Act
19 and associated rules,

20 f. any acquisition of a service which the ~~Office of~~
21 ~~Management and Enterprise Services~~ Oklahoma Central
22 Purchasing Department has approved as qualifying for a
23 fixed and uniform rate, subject to the following:

- 1 (1) the ~~Purchasing Division~~ Oklahoma Central
2 Purchasing Department shall establish criteria
3 and guidelines for those services which may
4 qualify for a fixed and uniform rate,
- 5 (2) fixed and uniform rate contracts authorized by
6 this subsection shall be limited to contracts for
7 those services furnished to persons directly
8 benefiting from such services and shall not be
9 used by a state agency to employ consultants or
10 to make other acquisitions,
- 11 (3) any state agency desiring to have a service
12 qualified for a fixed and uniform rate shall make
13 a request for service qualification to the State
14 Purchasing Director and submit documentation to
15 support the request. The State Purchasing
16 Director shall approve or deny the request. If
17 approved, the state agency shall establish a
18 fixed and uniform rate for the service. No
19 contracts shall be entered into by the state
20 agency until the rate has been approved by the
21 state agency in a public hearing. The proposed
22 rate shall be clearly and separately identified
23 in the agenda of the state agency for the hearing
24 and shall be openly and separately discussed

1 during such hearing. The state agency shall
2 notify the State Purchasing Director of its
3 pending consideration of the proposed rate at
4 least thirty (30) days before the state agency is
5 to meet on the proposed rate and deliver a copy
6 of the agenda items concerning the proposed rate
7 with supporting documentation. The State
8 Purchasing Director shall communicate any
9 observation, reservation, criticism or
10 recommendation to the agency, either in person at
11 the time of the hearing or in writing delivered
12 to the state agency before or at the time of the
13 hearing. The State Purchasing Director shall
14 specifically note in the written communications
15 whether the Director has determined the rate to
16 be excessive. Any written communication
17 presented in the absence of the State Purchasing
18 Director shall be presented orally during the
19 public hearing. Whether made in person or in
20 writing, any comment made by the State Purchasing
21 Director shall be made a part of the minutes of
22 the hearing in full,

23 (4) within two (2) weeks after the convening of the
24 Legislature, the administrative officer of the

1 state agency shall electronically furnish to the
2 Speaker of the House of Representatives, the
3 President Pro Tempore of the Senate and to any
4 member of the House or Senate, if requested by
5 the member, a complete list of all of the types
6 of services paid for by uniform fixed rates, the
7 amount of the rate last approved by the agency
8 for the service and the number of contracts then
9 in existence for each type of service. Any rate
10 which has been determined to be excessive by the
11 State Purchasing Director shall be specifically
12 identified in the list by the state agency, and
13 (5) at any time, the State Purchasing Director may
14 review, suspend or terminate a contract entered
15 into pursuant to the provisions of this paragraph
16 if the Director determines the contract is not
17 necessary, is excessive or is not justified,
18 g. an acquisition for a client of the State Department of
19 Rehabilitation Services; provided, the agency develops
20 and maintains standards for such an acquisition. The
21 agency may elect to utilize the ~~Purchasing Division~~
22 Oklahoma Central Purchasing Department for an
23 acquisition. The standards shall foster economy,
24 provide a short response time, include appropriate

1 safeguards, require written records, ensure
2 appropriate competition for economical and efficient
3 purchasing and shall be approved by the State
4 Purchasing Director,

5 h. structured settlement agreements entered into by the
6 Attorney General's office in order to settle any
7 lawsuit involving the state, the Legislature, any
8 state agency or any employee or official of the state
9 if:

10 (1) prior to entering into any contract for the
11 services of an entity to administer a structured
12 settlement agreement, the Attorney General
13 receives proposals from at least three entities
14 engaged in providing such services, and

15 (2) the selection of a particular entity is made on
16 the basis of the response to the request which is
17 the most economical and provides the most
18 competent service which furthers the best
19 interests of the state,

20 i. an acquisition by a state agency pursuant to a
21 contract the State Purchasing Director enters into on
22 behalf of a state agency or awards and designates for
23 use by state agencies,

1 j. an acquisition by the Committee for Sustaining
2 Oklahoma's Energy Resources pursuant to a contract
3 with a local supplier for the purpose of holding a
4 special event or an exhibition throughout the state,
5 and

6 k. contracts for the study, analysis, and planning, as
7 reasonably necessary, to aid in determining the
8 feasibility of leasing, selling, or privately managing
9 or developing the property or facilities under control
10 of the Oklahoma Tourism and Recreation Commission.
11 The Commission shall be exempt from the competitive
12 bidding requirements of the Oklahoma Central
13 Purchasing Act for the purpose of soliciting,
14 negotiating, and effectuating such a contract or
15 contracts; provided, that the State Purchasing
16 Director shall review and audit all uses of the
17 exemptions provided in this subparagraph biannually.

18 7. Notwithstanding any other provision of law, an acquisition
19 may be exempted from requirements of this section by the State
20 Purchasing Director when in the State Purchasing Director's
21 discretion unusual, time-sensitive, or unique circumstances exist
22 which make such exemption in the best and immediate interest of the
23 state. As used in this subsection, "State Purchasing Director"
24 shall not mean a designee. Any such acquisitions shall be described

1 in detail and publicly posted as a data feed. The description shall
2 include the name of the supplier, cost of the acquisition, reason
3 for exemption and, as applicable, detailed comparison of the
4 acquisition with comparable items, any identified cost savings
5 resulting from the acquisition and a description of benefits to the
6 state. The State Purchasing Director shall take no action under the
7 provisions of this subsection prior to such public posting.

8 B. Competitively bid acquisitions shall be awarded to the
9 lowest and best, or best value, bidder or bidders.

10 C. Bids for an amount requiring submission of requisitions to
11 the ~~Purchasing Division~~ Oklahoma Central Purchasing Department shall
12 be evaluated by the ~~Purchasing Division~~ Oklahoma Central Purchasing
13 Department and the state agency receiving the acquisition. At a
14 minimum, cost and technical expertise shall be considered in
15 determining the lowest and best, or best value, bid. Further, the
16 state agency shall present its evaluation and recommendation to the
17 State Purchasing Director. A documented evaluation report
18 containing the evaluations of the ~~Purchasing Division~~ Oklahoma
19 Central Purchasing Department or the state agency shall be completed
20 prior to the contract award and such report shall be a matter of
21 public record.

22 D. Except as otherwise specifically provided by law, the
23 acquisition of food items or food products by a state agency from a
24 public trust created pursuant to Sections 176 through 180.56 of

1 Title 60 of the Oklahoma Statutes shall comply with competitive
2 bidding requirements of this section.

3 E. Cooperative contracts shall not be utilized unless the
4 purchasing cooperative and its affiliated suppliers have complied
5 with competitive bid requirements of the Oklahoma Central Purchasing
6 Act and associated rules.

7 F. Notwithstanding any provision of the Oklahoma Central
8 Purchasing Act, in all cases where federal granted funds are
9 involved, the federal laws, rules and regulations thereto shall
10 govern to the extent necessary to inure to the benefit of such funds
11 to this state.

12 G. A court order requiring an acquisition by a state agency,
13 whether or not such state agency is subject to the Oklahoma Central
14 Purchasing Act, shall not invalidate competitive bidding procedures
15 required by this section if such court order does not specify a
16 specific supplier. Any such acquisition shall comply with
17 competitive bid procedures.

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

21 Section 85.12. A. The provisions of this section shall not be
22 construed to affect any law relating to fiscal or accounting
23 procedure except as they may be directly in conflict herewith; and
24

1 all claims, warrants, and bonds shall be examined, inspected, and
2 approved as now provided by law.

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

8 1. Food and other products produced by state institutions and
9 agencies;

10 2. The printing or duplication of publications or forms of
11 whatsoever kind or character by state agencies if the work is
12 performed upon their own equipment by their own employees. Pursuant
13 to this paragraph, the state agency may only use equipment owned or
14 leased by the agency and may only utilize that equipment for
15 printing services required by the agency in performing duties
16 imposed upon the agency or functions authorized to be performed by
17 the agency. Any use of the equipment by the agency pursuant to an
18 agreement or contract with any other entity resulting in delivery of
19 intermediate or finished products to the entity purchasing or using
20 the products shall be subject to the provisions of the Oklahoma
21 Central Purchasing Act and associated rules;

22 3. Department of Transportation and Transportation Commission
23 contractual services or right-of-way acquisitions, contracts awarded
24 pursuant to bids let by the Transportation Commission for the

1 maintenance or construction of streets, roads, highways, bridges,
2 underpasses or any other transportation facilities under the control
3 of the Department of Transportation, equipment or material
4 acquisitions accruing to the Department of Transportation required
5 in federal aid contracts and acquisitions for public-service-type
6 announcements initiated by the Department of Transportation, but not
7 acquisitions for advertising, public relations or employment
8 services;

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

11 5. Acquisitions by the University Hospitals Authority. The
12 Authority shall develop standards for the acquisition of products
13 and services and may elect to utilize the ~~Purchasing Division~~
14 Oklahoma Central Purchasing Department. The standards shall foster
15 economy and short response time and shall include appropriate
16 safeguards and record-keeping requirements to ensure appropriate
17 competition and economical and efficient purchasing;

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

20 7. Subject to prior approval of the State Purchasing Director,
21 acquisitions from private prison suppliers which are subject to the
22 contracting procedures of Section 561 of Title 57 of the Oklahoma
23 Statutes;

24 8. Acquisitions by the Oklahoma Municipal Power Authority;

1 9. Acquisitions by the Grand River Dam Authority;

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

5 11. Acquisitions by the Oklahoma Ordnance Works Authority, the
6 Northeast Oklahoma Public Facilities Authority or the Midwestern
7 Oklahoma Development Authority;

8 12. Expenditure of monies appropriated to the State Board of
9 Education for local and state-supported financial support of public
10 schools, except monies allocated therefrom for the Administrative
11 and Support Functions of the State Department of Education;

12 13. Expenditure of monies appropriated to the State Department
13 of Rehabilitation Services for educational programs or educational
14 materials for the Oklahoma School for the Blind and the Oklahoma
15 School for the Deaf;

16 14. Contracts entered into by the Oklahoma Department of Career
17 and Technology Education for the development, revision or updating
18 of vocational curriculum materials, and contracts entered into by
19 the Oklahoma Department of Career and Technology Education for
20 training and supportive services that address the needs of new or
21 expanding industries;

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

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

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

5 18. Purchases of pharmaceuticals available through a multistate
6 or multigovernmental contract if such pharmaceuticals are or have
7 been on state contract within the last fiscal year, and the terms of
8 such contract are more favorable to the state or agency than the
9 terms of a state contract for the same products, as determined by
10 the State Purchasing Director. ~~The state entity designated by law,~~
11 ~~as specified in Section 1010.3 of Title 56 of the Oklahoma Statutes,~~
12 ~~shall participate in the purchase of pharmaceuticals available~~
13 ~~through such contracts;~~

14 ~~19. Contracts for managed health care services entered into by~~
15 ~~the state entity designated by law or the Department of Human~~
16 ~~Services, as specified in paragraph 1 of subsection A of Section~~
17 ~~1010.3 of Title 56 of the Oklahoma Statutes;~~

18 ~~20.~~ 19. Acquisitions by a state agency through a General
19 Services Administration contract or other federal contract if the
20 acquisitions are not on current statewide contract or the terms of
21 the federal contract are more favorable to the agency than the terms
22 of a statewide contract for the same products;

1 ~~21.~~ 20. Acquisitions of clothing for clients of the Department
2 of Human Services and acquisitions of food for group homes operated
3 by the Department of Human Services;

4 ~~22.~~ 21. Acquisitions by the Oklahoma Energy Resources Board;

5 ~~23.~~ 22. Acquisitions of clothing for juveniles in the custody
6 of the Office of Juvenile Affairs and acquisitions of food for group
7 homes operated by the Office of Juvenile Affairs;

8 ~~24.~~ 23. State contracts for flexible benefits plans pursuant to
9 the Oklahoma State Employees Benefits Act, Section 1361 et seq. of
10 this title;

11 ~~25.~~ 24. Acquisitions by the Oklahoma Department of Securities
12 to investigate, initiate, or pursue administrative, civil or
13 criminal proceedings involving potential violations of the acts
14 under the Department's jurisdiction and acquisitions by the Oklahoma
15 Department of Securities for its investor education program;

16 ~~26.~~ 25. Acquisitions for resale in and through canteens
17 operated pursuant to Section 537 of Title 57 of the Oklahoma
18 Statutes and canteens established at an institution or facility
19 operated by the Office of Juvenile Affairs;

20 ~~27.~~ 26. Acquisitions by the Oklahoma Boll Weevil Eradication
21 Organization for employment and personnel services, and for
22 acquiring sprayers, blowers, traps and attractants related to the
23 eradication of boll weevils in this state or as part of a national
24 or regional boll weevil eradication program;

1 ~~28.~~ 27. Contracts entered into by the Oklahoma Indigent Defense
2 System for expert services pursuant to the provisions of subsection
3 D of Section 1355.4 of Title 22 of the Oklahoma Statutes;

4 ~~29.~~ 28. Acquisitions by the Oklahoma Correctional Industries
5 and the Agri-Services programs of the Department of Corrections of
6 raw materials, component parts and other products, any equipment
7 excluding vehicles, and any services excluding computer consultant
8 services used to produce goods or services for resale and for the
9 production of agricultural products;

10 ~~30.~~ 29. Contracts entered into by the Department of Human
11 Services for provision of supported living services to members of
12 the plaintiff class in Homeward Bound, Inc., et al. v. The Hissom
13 Memorial Center, et al., Case Number 85-C-437-E, United States
14 District Court for the Northern District of Oklahoma;

15 ~~31.~~ 30. Contracts negotiated by the Office of Juvenile Affairs
16 with designated Youth Services Agencies and the Oklahoma Association
17 of Youth Services, or another Oklahoma nonprofit corporation whose
18 membership consists solely of Youth Services Agencies and of whom at
19 least a majority of Youth Services Agencies are members, pursuant to
20 the provisions of Section 2-7-306 of Title 10A of the Oklahoma
21 Statutes and contracts entered into by the Department of Human
22 Services pursuant to Section 1-9-110 of Title 10A of the Oklahoma
23 Statutes with designated Youth Services Agencies;

1 ~~32.~~ 31. Contracts for annuities for structured settlements
2 provided for in Section 158 of Title 51 of the Oklahoma Statutes;

3 ~~33.~~ 32. Subject to subsection E of this section, purchases made
4 from funds received by local offices administered by the Department
5 of Human Services or administered by the Office of Juvenile Affairs
6 for fund-raising activities and donations for the benefit of clients
7 and potential clients at the local offices where such purchases may
8 not otherwise be paid for from appropriated funds;

9 ~~34.~~ 33. Acquisitions by the Oklahoma Historical Society for
10 restoration of historical sites and museums although the agency may
11 elect to utilize the ~~Purchasing Division~~ Oklahoma Central Purchasing
12 Department for an acquisition with supplier and bid selection being
13 the prerogative of the agency, based on the supplier's documented
14 qualifications and experience; and

15 ~~35.~~ 34. Acquisitions of clothing and food for patients in the
16 care of the J.D. McCarty Center for Children with Developmental
17 Disabilities.

18 C. Pursuant to the terms of a contract the State Purchasing
19 Director enters into or awards, a state agency, common school,
20 municipality, rural fire protection district, county officer or any
21 program contract, purchase, acquisition or expenditure that is not
22 subject to the provisions of the Oklahoma Central Purchasing Act,
23 may, unless acting pursuant to a contract with the state that
24 specifies otherwise, make use of statewide contracts and the

1 services of the ~~Purchasing Division~~ Oklahoma Central Purchasing
2 Department and the State Purchasing Director. Any political
3 subdivision or rural fire protection district may designate the
4 State Purchasing Director as its agent for any acquisition from a
5 statewide contract or otherwise available to the state.

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

11 E. With respect to the Department of Human Services or the
12 Office of Juvenile Affairs, as applicable, monies received by
13 fundraising activities or donations from the local office, vending
14 operations administered by employees of the agency and all other
15 nonrestricted cash and cash-equivalent items received by employees
16 of the agency shall be deposited in the agency special account
17 established for this purpose. The deposits shall be made at local
18 banking institutions approved by the State Treasurer.

19 F. With respect to the Oklahoma Tourism and Recreation
20 Department, no exemption provided in this section shall be construed
21 for the use of leasing or contracting for state-owned restaurants in
22 Oklahoma state parks. The Department shall not be required to
23 purchase furniture, fixtures, equipment, and soft goods associated
24

1 with decor of the state parks, lodges, golf courses, and tourism
2 information centers from Oklahoma prisons or reformatories.

3 Additionally, the Department shall not be required to make
4 purchases pursuant to a statewide contract for materials, supplies,
5 and services necessary for the efficient and economical operation of
6 revenue-generating, Department-operated facilities, including those
7 made to maintain or improve guest perception of quality and service;
8 provided, that the State Purchasing Director shall review and audit
9 all uses of the exemptions provided in this subsection biannually.

10 SECTION 9. AMENDATORY 74 O.S. 2021, Section 85.17a, is
11 amended to read as follows:

12 Section 85.17a. A. State agencies shall not discriminate
13 against bidders from states or nations outside Oklahoma, except as
14 provided by this section. State agencies shall reciprocate the
15 bidding preference given by other states or nations to bidders
16 domiciled in their jurisdictions for acquisitions pursuant to the
17 Oklahoma Central Purchasing Act. The ~~Purchasing Division~~ Oklahoma
18 Central Purchasing Department shall provide to certified procurement
19 officers information regarding the reciprocity provided by other
20 states. This information shall be used by state agencies in
21 evaluating bids.

22 B. For purposes of awarding contracts state agencies shall:
23
24

1 1. Give preference to goods and services that have been
2 manufactured or produced in this state if the price, fitness,
3 availability and quality are otherwise equal;

4 2. Give preference to goods and services from another state
5 over foreign goods or services if goods or services manufactured or
6 produced in this state are not equal in price, fitness, availability
7 or quality; and

8 3. Add a percent increase to the bid of a nonresident bidder
9 equal to the percent, if any, of the preference given to the bidder
10 in the state in which the bidder resides.

11 SECTION 10. AMENDATORY 74 O.S. 2021, Section 85.33, is
12 amended to read as follows:

13 Section 85.33. A. There is hereby created in the State
14 Treasury a revolving fund for the ~~Office of Management and~~
15 ~~Enterprise Services~~ Oklahoma Central Purchasing Department to be
16 designated the "Registration of State Vendors Revolving Fund". The
17 fund shall consist of any monies received from fees collected in
18 accordance with subsection B of this section. The revolving fund
19 shall be a continuing fund, without legislative appropriation, not
20 subject to fiscal year limitations, and shall be under the control
21 and management of the ~~Office of Management and Enterprise Services~~
22 Oklahoma Central Purchasing Department. Expenditures from the
23 Registration of State Vendors Revolving Fund shall be budgeted and
24 expended pursuant to the laws of the state and the statutes relating

1 to public finance. The fund shall be used to defray the costs of
2 the ~~Purchasing Division~~ Oklahoma Central Purchasing Department.
3 Warrants for expenditures from the fund shall be drawn by the State
4 Treasurer, based on claims signed by an authorized employee or
5 employees of the ~~Office~~ Department, and approved for payment by the
6 Director of the Office of Management and Enterprise Services.

7 B. The ~~Office of Management and Enterprise Services~~ Oklahoma
8 Central Purchasing Department may collect a fee of Twenty-five
9 Dollars (\$25.00) to register suppliers that desire to do business
10 with this state through the ~~Purchasing Division~~ Department. The
11 suppliers shall register separately for each commodity list. Each
12 registration shall entitle the supplier to be on that list for one
13 (1) year, to receive all bid notices in that classification for that
14 period. All fees collected in accordance with this subsection shall
15 be deposited in the revolving fund created in subsection A of this
16 section.

17 SECTION 11. AMENDATORY 74 O.S. 2021, Section 85.33A, is
18 amended to read as follows:

19 Section 85.33A. A. There is hereby created in the State
20 Treasury a revolving fund for the ~~Office of Management and~~
21 ~~Enterprise Services~~ Oklahoma Central Purchasing Department to be
22 designated the "Contract Management Revolving Fund". The fund shall
23 consist of any monies received from fees, levies or rebates the
24 ~~Office~~ Department receives in accordance with subsection B of this

1 section. The revolving fund shall be a continuing fund, without
2 legislative appropriation, not subject to fiscal year limitations,
3 and shall be under the control and management of the ~~Office of~~
4 ~~Management and Enterprise Services~~ Oklahoma Central Purchasing
5 Department. Expenditures from the Contract Management Revolving
6 Fund shall be budgeted and expended pursuant to the laws of the
7 state and the statutes relating to public finance. The fund shall
8 be used to defray the costs of the ~~Purchasing Division~~ Department.
9 Warrants for expenditures from the fund shall be drawn by the State
10 Treasurer, based on claims signed by an authorized employee or
11 employees of the ~~Office~~ Department, and approved for payment by the
12 Director of the Office of Management and Enterprise Services.

13 B. The State Purchasing Director may enter into or award
14 contracts that provide a contract management fee, levy or rebate to
15 the ~~Office of Management and Enterprise Services~~ Oklahoma Central
16 Purchasing Department. The State Purchasing Director shall ensure
17 that a contract that provides a management fee, levy or rebate
18 provides value to acquiring agencies exceeding open market
19 acquisition costs.

20 SECTION 12. AMENDATORY 74 O.S. 2021, Section 85.41A, is
21 amended to read as follows:

22 Section 85.41A. A. Emergency acquisitions shall be made in
23 compliance with Section 85.39 of Title 74 of the Oklahoma Statutes
24 regarding internal purchasing procedures, Section 85.5a of Title 74

1 of the Oklahoma Statutes regarding the purchasing card program and
2 applicable rules but are not subject to other provisions of the
3 Oklahoma Central Purchasing Act. The following are emergency
4 acquisitions:

5 1. An acquisition declared as an emergency by a state agency;

6 2. An acquisition to alleviate a serious environmental
7 emergency if, upon receiving a request from the Chair of the
8 Corporation Commission and after having examined the facts and
9 circumstances of the case, the Governor certifies in writing the
10 existence of a serious environmental emergency. For the purposes of
11 this subsection, "serious environmental emergency" means a situation
12 within the jurisdiction of the Commission:

13 a. in which serious damage to the environment will
14 quickly occur if immediate action is not taken and the
15 damage will be so significant that the urgent need for
16 action outweighs the need for competitive bids, or

17 b. a situation in which human life or safety is in
18 imminent danger or significant property interests are
19 threatened with imminent destruction;

20 3. An acquisition of livestock through a market agency, dealer,
21 commission house or livestock auction market bonded or licensed
22 under federal or state law for the acquisition or collection of
23 semen or embryos, and for the placement of embryos into recipient
24 livestock;

1 4. An acquisition by a state agency pursuant to a contract with
2 the United States Army Corps of Engineers for emergency response or
3 to protect the public health, safety or welfare;

4 5. An acquisition declared by the Office of Management and
5 Enterprise Services (OMES) Risk Management Administrator pursuant to
6 Section 85.58A of Title 74 of the Oklahoma Statutes; or

7 6. A condition certified by the Governor as an emergency.

8 B. Notwithstanding a state agency's exemption from requisition
9 and competitive bidding requirements, a state agency making an
10 emergency acquisition shall timely provide the ~~Purchasing Division~~
11 ~~within OMES~~ Oklahoma Central Purchasing Department all information
12 required by the State Purchasing Director.

13 SECTION 13. AMENDATORY 74 O.S. 2021, Section 85.44D.1,
14 is amended to read as follows:

15 Section 85.44D.1. A. 1. A sole source acquisition is exempt
16 from competitive bidding procedures as a sole source or requirements
17 of ~~this act~~ the Oklahoma Central Purchasing Act, but a sole brand
18 acquisition is subject to such competitive bidding requirements.

19 2. For each sole source or sole brand acquisition, the state
20 agency shall retain in the state agency's acquisition file and
21 attach to the requisition, a certification signed by the chief
22 administrative officer of the state agency, in the following form:

23 SOLE SOURCE OR SOLE BRAND ACQUISITION

24 CERTIFICATION

1 STATE AGENCY _____

2 SUPPLIER NAME _____

3 SUPPLIER ADDRESS _____

4 SUPPLIER CONTACT INFORMATION _____

5 In connection with the attached requisition or contract, I
6 hereby affirm that

7 (Name of Supplier)

8 is the only business entity singularly qualified to provide the
9 acquisition, or is the only brand satisfying the acquisition
10 requirements, for the following reasons:

11 _____
12 _____
13 _____
14 _____
15 _____

16 The following is a brief description of all efforts made to
17 verify that the acquisition qualifies as a sole source or sole brand
18 acquisition:

19 _____
20 _____
21 _____
22 _____
23 _____

1 I understand that the signing of this certification knowing such
2 information to be false may result in forfeiture of my position and
3 ineligibility for appointment to or employment in state service for
4 a period of five (5) years following forfeiture of position.

5 _____
6 (Chief administrative officer)

7 3. A court order requiring a particular acquisition, but which
8 does not specify a brand or supplier shall not substitute for the
9 certification required by this section or otherwise invalidate
10 acquisition procedures required by the Oklahoma Central Purchasing
11 Act.

12 4. Upon a determination by the ~~Director of the Office of~~
13 ~~Management and Enterprise Services~~ State Purchasing Director that
14 there are reasonable grounds to believe that a violation of this
15 section has occurred, the State Purchasing Director shall send
16 findings to the Attorney General that support the determination.
17 The Attorney General shall review the findings and determine whether
18 to investigate or prosecute the person.

19 5. Prior to approving a requisition for a sole source or sole
20 brand acquisition, the ~~Purchasing Division~~ Oklahoma Central
21 Purchasing Department shall require the signed certification
22 documenting the need for a sole source or sole brand acquisition and
23 shall retain the certification in accordance with state record
24 retention requirements.

1 6. For a sole source or sole brand acquisitions exceeding the
2 fair and reasonable acquisition threshold amount and not requiring
3 submission of a requisition to the ~~Purchasing Division~~ Oklahoma
4 Central Purchasing Department, the state agency's certified
5 procurement officer shall retain, in the acquisition file, the
6 signed certification documenting the need for the sole source or
7 sole brand acquisition in accordance with state record retention
8 requirements.

9 B. By the fifteenth day of each month, or the first working day
10 thereafter, the ~~Office of Management and Enterprise Services~~
11 Oklahoma Central Purchasing Department shall electronically provide
12 a report to:

13 1. The Speaker of the House of Representatives and the
14 President Pro Tempore of the Senate; and

15 2. Any member of the Legislature requesting the report.

16 The report shall detail sole source and sole brand acquisitions
17 by state agencies for the month prior to the month preceding the
18 submission of the report. The report shall be titled "Monthly Sole
19 Source and Sole Brand Contracting Report of Oklahoma State Agencies"
20 and indicate the time period of the report. The report shall be
21 provided by the ~~Director of the Office of Management and Enterprise~~
22 ~~Services~~ State Purchasing Director of the Oklahoma Central
23 Purchasing Department or the Director's designee. The report shall
24 be in columnar database format and shall include at least the

1 following fields of information: state agency number; state agency
2 name; date created by the ~~Office of Management and Enterprise~~
3 ~~Services~~ Oklahoma Central Purchasing Department for the requisition;
4 date of either approval or disapproval of the requisition; if
5 disapproved, the reason why such contract requisition was
6 disapproved; estimated amount of the requisition acquisition;
7 purchase order amount; purchase order number; actual business name
8 of supplier; supplier federal employer identification number; and
9 the commodity classification listing at the appropriate level to
10 distinguish between similar acquisitions. Information required by
11 this subsection shall be reported and maintained on each report
12 through the next reporting period after an acquisition is made. The
13 applicable data in the fields of information specified in this
14 subsection shall be listed even if the state agency requisition is
15 disapproved.

16 SECTION 14. AMENDATORY 74 O.S. 2021, Section 85.44E, is
17 amended to read as follows:

18 Section 85.44E. A. Disabled Veteran Businesses. As used in
19 this section:

20 1. "Service-disabled veteran" means any individual that is
21 disabled as certified by the appropriate federal agency responsible
22 for the administration of veterans' affairs; and

23 2. "Service-disabled veteran business" means a business:
24

- 1 a. not less than fifty-one percent (51%) of which is
2 owned by one or more service-disabled veterans or, in
3 the case of any publicly owned business, not less than
4 fifty-one percent (51%) of the stock of which is owned
5 by one or more service-disabled veterans, and
6 b. the management and daily business operations of which
7 are controlled by one or more service-disabled
8 veterans.

9 B. In awarding contracts for the performance of any job or
10 service, all agencies, departments, institutions and other entities
11 of this state and of each political subdivision of this state shall
12 give a three-percentage point bonus preference to service-disabled
13 veteran businesses doing business as Oklahoma firms, corporations or
14 individuals, or which maintain Oklahoma offices or places of
15 business.

16 C. In implementing the provisions of subsection B of this
17 section, the following shall apply:

- 18 1. The State Purchasing Director of the ~~Office of Management~~
19 ~~and Enterprise Services~~ Oklahoma Central Purchasing Department shall
20 have the goal of three percent (3%) of all such contracts described
21 in subsection B of this section to be awarded to such veterans; and
22 2. If an insufficient number of such veterans doing business in
23 this state submit a bid or proposal for a contract by an agency,
24 department, institution or other entity of the state or a political

1 subdivision, such goal shall not be required and the provisions of
2 paragraph 1 of this subsection shall not apply.

3 D. The State Purchasing Director of the ~~Office of Management~~
4 ~~and Enterprise Services~~ Oklahoma Central Purchasing Department may
5 promulgate rules in order to implement the provisions of this
6 section.

7 SECTION 15. AMENDATORY 74 O.S. 2021, Section 85.45j.11,
8 is amended to read as follows:

9 Section 85.45j.11. A. There is hereby created the "Oklahoma
10 Supplier Diversity Initiative", which shall be a state-sponsored
11 supplier diversity program to provide a resource for state agencies
12 and private businesses to utilize diverse firms in procurement
13 opportunities to encourage growth in the economy of the state. The
14 program shall provide convenience for qualified and certified small
15 business enterprises and minority business enterprises in
16 contracting projects in underserved areas.

17 B. The program shall allow diverse business enterprises to
18 register with the ~~Office of Management and Enterprise Services~~
19 Oklahoma Central Purchasing Department and allow registered vendors
20 to be automatically notified of opportunities to do business with
21 the state for specific commodities. The program shall provide for
22 simplified vendor registration processes.

1 C. The program shall authorize the Oklahoma Department of
2 Commerce to develop a diversity certification program to qualify and
3 certify diverse business enterprises for the state.

4 D. To qualify for the program, businesses shall have less than
5 five hundred total employees, an annual revenue equal to or less
6 than Twenty-five Million Dollars (\$25,000,000.00) and be certified
7 as one of the following:

8 1. ~~An Oklahoma~~ A Department of Transportation Disadvantaged
9 Business Enterprise;

10 2. Any of the following entities certified by the United States
11 Small Business Administration:

12 a. Woman-Owned Small Business,

13 b. Minority-Business Enterprise,

14 c. Small Disadvantaged Business,

15 d. Service-disabled Veteran-Owned Small Business,

16 e. HUBZone Small Business Concern, and

17 f. 8(a) Business Development Program;

18 3. A Native American-owned Business; or

19 4. A Veteran-owned Business.

20 E. The Oklahoma Central Purchasing ~~Division of the Office of~~
21 ~~Management and Enterprise Services~~ Department shall:

22 1. Amend the vendor registration process to require diversity
23 certification check off and size standard information; and
24

1 2. Create a search tool for all state agencies and public or
2 private entities to utilize to obtain contact information for
3 diverse firms for the purpose of promoting procurement opportunities
4 within the state.

5 F. On or before September 1 of each year, the State Purchasing
6 Director shall electronically submit a report to the Governor, the
7 Speaker of the House of Representatives and the President Pro
8 Tempore of the Senate on the status of the percentile of state funds
9 expended on contracts awarded to a certified ~~Oklahoma~~ Department of
10 Transportation Disadvantaged Business Enterprise and all of the
11 entities certified by the United States Small Business
12 Administration mentioned in subsection D of this section in the
13 preceding fiscal year. The report may include related economic
14 impacts when applicable. The report, statistics or other
15 information concerning the participation in the program shall be
16 retained by the ~~Office of Management and Enterprise Services~~
17 Oklahoma Central Purchasing Department.

18 G. The Oklahoma Department of Commerce shall promulgate rules
19 to create and administer the Oklahoma Supplier Diversity Initiative.

20 SECTION 16. AMENDATORY 74 O.S. 2021, Section 85.45k, is
21 amended to read as follows:

22 Section 85.45k. A. There is hereby created the State Travel
23 Office within the ~~Purchasing Division of the Office of Management~~
24 ~~and Enterprise Services~~ Oklahoma Central Purchasing Department.

1 B. All state agencies and departments of this state may make
2 arrangements for all air travel on scheduled commercial airlines for
3 state employees required to travel in the course of their official
4 duties and for all other persons traveling at state expense through
5 the State Travel Office, except when the state agency determines
6 that:

7 1. The air travel services can be secured at a cost less than
8 that which can be secured by the State Travel Office; ~~or~~

9 2. The air travel originates from a location outside the state
10 and it would be impractical to arrange for the air travel through
11 the State Travel Office; ~~or~~

12 3. The air travel is necessitated by an emergency and time does
13 not permit utilization of the State Travel Office's services; or

14 4. The air travel is part of a package arrangement made by the
15 organization scheduling the meeting or conference.

16 C. All claims made for reimbursement shall contain a statement
17 showing the reason for the exemption.

18 D. The State Travel Office shall promulgate rules and contract
19 specifications to which the contract travel agencies shall be
20 subject. The rules and specifications shall be drawn with the
21 intent of obtaining the lowest available fares for scheduled
22 commercial air travel.

23 E. At the end of each month the contract travel agencies shall
24 furnish a statement, if requested, in a form approved by the State

1 Travel Office, showing certain details of all travel arrangements
2 handled to each state agency for which the contract travel agencies
3 have furnished their services and shall also furnish copies of the
4 statements to the State Travel Office.

5 SECTION 17. AMENDATORY 74 O.S. 2021, Section 85.451, is
6 amended to read as follows:

7 Section 85.451. A. Each state agency, board, commission or
8 other entity organized within the executive department of state
9 government shall use the Trip Optimizer system of the ~~Office of~~
10 ~~Management and Enterprise Services~~ Oklahoma Central Purchasing
11 Department in computing the optimum method and cost for travel by
12 state employees using a motor vehicle where the travel will exceed
13 one hundred (100) miles per day and the employee is not driving a
14 state-owned or -leased dedicated vehicle. For purposes of this
15 section, "dedicated vehicle" means a vehicle that has been assigned
16 to the employee.

17 B. The provisions of this section shall be used to determine
18 the most cost-effective method of travel by motor vehicles, whether
19 such vehicles are owned by the agency, leased by the agency or by
20 the employee, and shall be applicable for purposes of determining
21 the maximum authorized amount of any travel reimbursement for
22 employees of such agencies related to vehicle usage.

23 C. A nonappropriated state agency, that employs persons who use
24 personal vehicles as part of their regular duties and who are

1 reimbursed for travel expenses by the agency shall not be required
2 to utilize the Trip Optimizer system with regard to the travel
3 expenses of such employees. As used in this section,
4 "nonappropriated state agency" means an entity within the executive
5 branch of government that does not receive any of its funding
6 through the annual legislative appropriations process.

7 D. The maximum authorized amount of travel reimbursement
8 related to vehicle usage shall be the lowest cost option as
9 determined by the Trip Optimizer system. All travel claims
10 submitted for reimbursement shall include the results of the Trip
11 Optimizer system indicating the lowest cost option for travel by the
12 state employee.

13 E. State employees may be exempt from the reimbursement
14 requirements of the Trip Optimizer system, provided the state
15 employees utilize a personally owned vehicle and seek reimbursement
16 according to the schedule referenced in subsection F of this
17 section.

18 F. ~~The Office of Management and Enterprise Services~~ Oklahoma
19 Central Purchasing Department shall publish a schedule of
20 reimbursement rates for state employee travel. The schedule may
21 apply to exemptions claimed under subsection E of this section. The
22 schedule may categorize reimbursement rates by type of vehicle and
23 shall not exceed standard mileage reimbursement rates as established
24 by the Internal Revenue Service.

1 G. In providing a calculation of rates, the Trip Optimizer
2 system shall account for the distance that an employee must travel
3 to pick up a rental or state fleet vehicle.

4 H. In providing a calculation of rates, the Trip Optimizer
5 system shall account for the long-term rate discounts offered
6 through the state's purchasing contract for vehicle rentals.

7 SECTION 18. AMENDATORY 74 O.S. 2021, Section 85.45s, is
8 amended to read as follows:

9 Section 85.45s. The State Purchasing Director of the ~~Office of~~
10 ~~Management and Enterprise Services~~ Oklahoma Central Purchasing
11 Department shall promulgate rules to implement the Oklahoma Online
12 Bidding Act.

13 SECTION 19. AMENDATORY 74 O.S. 2021, Section 85.47a, is
14 amended to read as follows:

15 Section 85.47a. 1. "Administrator" means the Small Business
16 Surety Bond Guaranty Program Administrator;

17 2. "Fund" means the Small Business Surety Bond Guaranty Fund;

18 3. "Indemnity fund" means a fund established through the ~~Office~~
19 ~~of Management and Enterprise Services~~ Oklahoma Central Purchasing
20 Department to underwrite the Small Business Surety Bond Guaranty
21 Program;

22 4. "Principal" means a small business entity as defined
23 pursuant to Section 3 of the Small Business Act, 16 U.S.C. Section
24 632;

1 5. "Program" means the Small Business Surety Bond Guaranty
2 Program; and

3 6. "Surety" means a corporation granted authority by the
4 Insurance Commissioner to write bonds or insurance in this state
5 guaranteeing the performance of contracts.

6 SECTION 20. AMENDATORY 74 O.S. 2021, Section 85.47b, is
7 amended to read as follows:

8 Section 85.47b. The Administrator shall be authorized to:

9 1. Use the services of other governmental agencies and public
10 trusts which are necessary to carry out the provisions of ~~this act~~
11 the Oklahoma Small Business Surety Bond Guaranty Program Act;

12 2. Contract for and accept, for use in carrying out the
13 provisions of this program, loans and grants from the federal
14 government and any of its agencies and instrumentalities and from
15 public trusts;

16 3. Acquire, manage, operate, dispose of, or otherwise deal with
17 property, take assignments of rentals and leases, and make
18 contracts, leases, agreements and arrangements that are necessary or
19 incidental to the performance of his duties;

20 4. Prescribe or approve the form of and terms and conditions in
21 applications, guarantee agreements or any other documents entered
22 into by the Administrator, principals or sureties in connection with
23 the program;

1 5. Acquire or take assignments of documents executed, obtained
2 or delivered in connection with any assistance provided under this
3 program; and

4 6. Fix, determine, charge and collect any premiums and fees
5 pursuant to rules promulgated by the State Purchasing Director of
6 the ~~Office of Management and Enterprise Services~~ Oklahoma Central
7 Purchasing Department.

8 SECTION 21. AMENDATORY 74 O.S. 2021, Section 85.47c, is
9 amended to read as follows:

10 Section 85.47c. A. There is hereby created in the State
11 Treasury a revolving fund for the Small Business Surety Bond
12 Guaranty Program to be designated the "Small Business Surety Bond
13 Guaranty Fund". The fund shall be a continuing fund, not subject to
14 fiscal year limitations and shall consist of:

15 1. Premiums, fees, and any other amounts received with respect
16 to bonding assistance provided under this program;

17 2. Proceeds from the sale, lease, or other disposition of
18 property or contracts held or acquired by the ~~Office of Management~~
19 ~~and Enterprise Services~~ Oklahoma Central Purchasing Department
20 pursuant to this program;

21 3. Income from investments that the State Treasurer makes from
22 monies in the fund; and

23 4. Any other monies made available under this program.

24 B. The fund shall be used:

1 1. For the purposes provided for in this program; and

2 2. To pay part or all of the expenses of administering the
3 program.

4 C. All monies accruing to the credit of the fund shall be
5 deposited with the State Treasurer and invested and reinvested in
6 the same manner as other state funds, and any investment earnings
7 shall be paid into the fund. All monies accruing to the credit of
8 the fund are hereby appropriated and may be budgeted and expended
9 for the purposes provided in subsection B of this section.

10 Expenditures from said fund shall be made upon warrants issued by
11 the State Treasurer against claims filed as prescribed by law with
12 the Director of the Office of Management and Enterprise Services for
13 approval and payment.

14 SECTION 22. AMENDATORY 74 O.S. 2021, Section 85.47d, is
15 amended to read as follows:

16 Section 85.47d. A. Subject to the restrictions of the Oklahoma
17 Small Business Surety Bond Guaranty Program Act, the Administrator,
18 on application, may guarantee any surety which qualifies pursuant to
19 ~~this act~~ the Oklahoma Small Business Surety Bond Guaranty Program
20 Act for any losses incurred as a result of a principal's breach of a
21 bid bond, a payment bond, a defect or maintenance bond, or a
22 performance bond required for a public construction contract for the
23 state, federal agencies and political subdivisions of ~~the State of~~
24 ~~Oklahoma~~ this state. Provided, the guaranty shall not be extended

1 to any bond with a face value in excess of Two Hundred Fifty
2 Thousand Dollars (\$250,000.00), nor shall the total face value of
3 the bonds to which the guaranty is extended for any one principal
4 exceed Five Hundred Thousand Dollars (\$500,000.00). Provided
5 further, the guaranty shall not be granted to an issuer of a letter
6 of credit used in lieu of said bonds.

7 B. The terms of a guaranty under the Oklahoma Small Business
8 Surety Bond Guaranty Program Act shall not exceed the terms of the
9 contract for which bonding is obtained.

10 C. ~~The Office of Management and Enterprise Services Oklahoma~~
11 Central Purchasing Department shall establish an indemnity fund for
12 this program using a public trust or other entity capable of
13 creating a fund which is not subject to the constitutional
14 prohibitions of Sections 15 and 23 of Article X of the Oklahoma
15 Constitution.

16 SECTION 23. AMENDATORY 74 O.S. 2021, Section 85.47f, is
17 amended to read as follows:

18 Section 85.47f. A. The Administrator may set reasonable
19 premiums and fees, not to exceed limits established by rules
20 promulgated by the State Purchasing Director of the ~~Office of~~
21 ~~Management and Enterprise Services Oklahoma Central Purchasing~~
22 Department, to be paid for the purpose of providing bonding
23 assistance under this program.

1 B. The premiums and fees set by the Administrator shall be
2 payable in the amounts, at the time and in the manner that the
3 Administrator requires.

4 C. The premiums and fees need not be uniform among
5 transactions, and may vary in amount:

6 1. Among transactions; and

7 2. At different stages during the terms of transactions.

8 SECTION 24. AMENDATORY 74 O.S. 2021, Section 85.47g, is
9 amended to read as follows:

10 Section 85.47g. The Small Business Surety Bond Guaranty Program
11 shall be a program of the ~~Office of Management and Enterprise~~
12 ~~Services~~ Oklahoma Central Purchasing Department. The State
13 Purchasing Director of the ~~Office of Management and Enterprise~~
14 ~~Services~~ Oklahoma Central Purchasing Department is authorized to
15 hire a Small Business Surety Bond Guaranty Program Administrator to
16 administer the Small Business Surety Bond Guaranty Program. The
17 Administrator shall hold a bachelor's degree or higher degree in
18 business, accounting, mathematics, economics or engineering and
19 shall have previous experience as a surety underwriter. The
20 Administrator shall be in the unclassified service of this state.

21 SECTION 25. AMENDATORY 74 O.S. 2021, Section 85.47i, is
22 amended to read as follows:

23 Section 85.47i. The State Purchasing Director of the ~~Office of~~
24 ~~Management and Enterprise Services~~ Oklahoma Central Purchasing

1 Department shall promulgate and adopt rules necessary to carry out
2 the provisions of the Oklahoma Small Business Surety Bond Guaranty
3 Program Act.

4 SECTION 26. AMENDATORY 74 O.S. 2021, Section 85.51, is
5 amended to read as follows:

6 Section 85.51. As used in the Oklahoma State Recycling and
7 Recycled Materials Procurement Act:

8 1. ~~"Office"~~ "Department" means the ~~Office of Management and~~
9 ~~Enterprise Services~~ Oklahoma Central Purchasing Department;

10 2. "Paper recycling" means the processing of scrap paper or
11 other such recoverable waste paper into reusable products. Such
12 collection and recycling of recoverable waste paper shall be done in
13 an environmentally acceptable manner;

14 3. "State public entity" means the State Legislature, any
15 bureau, agency, board, commission, or authority of the state, the
16 office of the Governor, the judiciary, or any state university,
17 school district, or county of the state which is supported in whole
18 or in part by state funds;

19 4. "Recoverable waste paper" generated by businesses or
20 consumers, which has served its intended use and has been separated
21 from solid waste for purposes of collection and recycling, shall
22 include, but is not limited to, such paper as computer cards,
23 computer print-out papers, copy paper, white office papers, colored
24 office papers, corrugated boxes, newspapers, envelope coatings,

1 bindery trimmings, printing scrap and butt rolls. Mill broke
2 repulped internally within a paper manufacturing facility shall not
3 be considered recoverable waste paper;

4 5. "Director" means the State Purchasing Director of the ~~Office~~
5 ~~of Management and Enterprise Services~~ Oklahoma Central Purchasing
6 Department;

7 ~~6. "Division" means the Purchasing Division of the Office of~~
8 ~~Management and Enterprise Services;~~

9 ~~7.~~ "Recycled paper products" means all paper products
10 manufactured from recoverable waste paper with not less than ten
11 percent (10%) of their total weight consisting of waste paper;

12 ~~8.~~ 7. "Products manufactured with recycled materials" means
13 products that contain at least a minimum percentage of specified
14 materials recovered from the recycling of post-consumer products as
15 defined in rules and regulations promulgated by the ~~Division~~
16 Department;

17 ~~9.~~ 8. "Recyclable materials" means materials or products which
18 are capable of being recycled, including but not limited to paper,
19 glass, plastics, metals, automobile oil, and batteries. Refuse-
20 derived fuel or other material that is destroyed by incineration is
21 not a recyclable material; and

22 ~~10.~~ 9. "Uncoated" means not coated with plastic, clay, or other
23 material used to create a glossy finish.

1 SECTION 27. AMENDATORY 74 O.S. 2021, Section 85.52, is
2 amended to read as follows:

3 Section 85.52. A. It is the intent of the Legislature that all
4 state public entities comply with the provisions of the Oklahoma
5 State Recycling and Recycled Materials Procurement Act. All
6 political subdivisions of this state are encouraged to collect and
7 recycle recoverable waste paper and recyclable materials to the
8 greatest extent possible. The ~~Office of Management and Enterprise~~
9 ~~Services~~ Oklahoma Central Purchasing Department shall coordinate
10 recycling efforts among the state public entities. The State
11 Purchasing Director of the ~~Office of Management and Enterprise~~
12 ~~Services~~ Oklahoma Central Purchasing Department shall adopt such
13 rules, regulations, and orders as are necessary for the
14 implementation of the Oklahoma State Recycling and Recycled
15 Materials Procurement Act. The rules and regulations at a minimum
16 shall establish procedures for:

17 1. The identification, handling, hauling, storing, safety
18 factors, and disposition of recoverable waste paper and recyclable
19 materials;

20 2. The separation of recoverable waste paper and recyclable
21 materials from solid waste generated by state public entities;

22 3. A system for the collection of recoverable waste paper and
23 recyclable materials from solid waste generated by state public
24 entities;

1 4. Assuring that the recoverable waste paper and recyclable
2 materials are made available to private industries for collection
3 and recycling at the greatest economic value and to the greatest
4 extent feasible. The ~~Office~~ Department may execute multiple
5 contracts as necessary for purposes including but not limited to
6 serving other government entities and different geographic areas of
7 the state. In addition to the preference provisions of Section
8 85.53 of this title, rules and regulations governing availability of
9 recyclable materials shall give preference to private recyclable
10 materials industries that operate in Oklahoma, and that will employ
11 residents of the state to handle, transport and sort such materials;

12 5. The purchase of uncoated office paper and printed paper
13 whenever practicable; and

14 6. Separating for the purpose of recycling all recyclable
15 materials including but not limited to lead acid batteries, waste
16 oil and major appliances that are generated as solid waste by state
17 public entities.

18 B. All state public entities shall comply with the procedures
19 and systems established pursuant to the Oklahoma State Recycling and
20 Recycled Materials Procurement Act.

21 C. 1. The State Purchasing Director may exempt any single
22 activity or facility of any state public entity from compliance with
23 rules promulgated pursuant to the Oklahoma State Recycling and
24 Recycled Materials Procurement Act if the State Purchasing Director

1 determines there is a lack of market availability or that it is not
2 economically feasible to follow and comply with the procedures and
3 systems established by the State Purchasing Director.

4 2. The exemption shall be for a period not in excess of one (1)
5 year, but additional exemptions may be granted for periods not to
6 exceed one (1) year.

7 3. The State Purchasing Director shall make public all
8 exemptions together with the reasons for granting such exemptions.

9 SECTION 28. AMENDATORY 74 O.S. 2021, Section 85.53, is
10 amended to read as follows:

11 Section 85.53. A. It is the intent of the Legislature that all
12 state public entities procure products or materials with the
13 recycled content levels required or specified by rules promulgated
14 pursuant to the provisions of this section when such products or
15 materials are available.

16 B. By July 1, 1993, the ~~Division~~ Oklahoma Central Purchasing
17 Department when accepting bids for state purchases of supplies,
18 equipment and materials shall give preference to the suppliers of
19 paper products or products manufactured with recycled materials if:

20 1. The price for recycled products and materials is not
21 substantially higher than the price for nonrecycled products and
22 materials. The ~~Office of Management and Enterprise Services~~
23 Oklahoma Central Purchasing Department shall establish by rule the
24 annual percentage over and above the price of nonrecycled products

1 and materials which will be allowed for the purchase of recycled
2 products and materials; and

3 2. The quality and grade requirements are otherwise comparable.

4 C. By July 1, 1993, any state public entity not subject to ~~The~~
5 the Oklahoma Central Purchasing Act when accepting bids for
6 purchases of supplies, equipment and materials, shall give
7 preference to the suppliers of recycled paper products and products
8 manufactured from recycled materials if:

9 1. The price for recycled products and materials is not
10 substantially higher than the price for nonrecycled products and
11 materials. The price paid for recycled products and materials shall
12 not exceed the percentage over the price for nonrecycled products
13 and materials established by the ~~Office~~ Department; and

14 2. The quality and grade requirements are otherwise comparable.

15 D. ~~The Purchasing Division~~ Department and any state public
16 entity not subject to ~~The~~ the Oklahoma Central Purchasing Act shall
17 ensure, to the greatest extent economically practical and possible,
18 that the recycled or recovered content of all paper purchased by the
19 ~~Division~~ Department or agency, measured as a proportion, by weight,
20 of paper products purchased in a calendar year, is not less than the
21 following:

22 1. By 1995, ten percent (10%) of all purchased paper;

23 2. By 1997, twenty-five percent (25%) of all purchased paper;

24 and

1 3. By 1999, forty percent (40%) of all purchased paper.

2 E. 1. By July 1, 1993, the ~~Division~~ Department shall
3 promulgate rules and implement a program for extending state
4 procurement specifications to products manufactured with recycled
5 materials and identifying recycled products.

6 2. By July 1, 1993, any state public entity not subject to ~~The~~
7 the Oklahoma Central Purchasing Act shall implement a program for
8 extending agency procurement specifications to products manufactured
9 with recycled materials.

10 F. In writing specifications under this section, the ~~Office~~
11 Department and any other state public entity shall incorporate
12 requirements relating to the recyclability and ultimate disposition
13 of products and, wherever possible, shall write the specifications
14 so as to minimize the amount of solid waste generated by the state.
15 All specifications under this section shall discourage the purchase
16 of single-use, disposable products and require, whenever practical,
17 the purchase of multiple-use, durable products.

18 G. For materials that are not otherwise recycled, the ~~Division~~
19 Department and each state public entity not subject to ~~The~~ the
20 Oklahoma Central Purchasing Act shall, to the extent practicable,
21 enter into agreements to purchase products made from recyclable
22 materials from vendors who agree to purchase like materials
23 separated from solid waste generated by the state for reuse or use
24 as a raw material in manufacturing.

1 SECTION 29. AMENDATORY 74 O.S. 2021, Section 85.54, is
2 amended to read as follows:

3 Section 85.54. A. The ~~Purchasing Division~~ Oklahoma Central
4 Purchasing Department shall review the procurement specifications
5 currently used by ~~the Office of Management and Enterprise Services~~
6 the Department in order to eliminate, wherever economically
7 feasible, discrimination against the procurement of recycled paper
8 and other products manufactured with recycled materials.

9 B. The ~~Division~~ Department shall establish purchasing practices
10 which, to the maximum extent economically feasible, assure purchase
11 of recycled paper products.

12 C. The State Purchasing Director ~~of the Office of Management~~
13 ~~and Enterprise Services~~ shall review and incorporate, where
14 appropriate, guidelines published in the Federal Register.

15 D. The State Purchasing Director shall promulgate rules to
16 encourage recycling and conservation of purchased products.

17 SECTION 30. AMENDATORY 74 O.S. 2021, Section 85.55, is
18 amended to read as follows:

19 Section 85.55. A. Each state public entity whether or not
20 subject to the Oklahoma Central Purchasing Act shall:

21 1. Be subject to the rules promulgated by the ~~Purchasing~~
22 ~~Division~~ Oklahoma Central Purchasing Department regarding the
23 purchase of recycled products;

1 2. Establish management practices in accordance with the
2 provisions of the Oklahoma State Recycling and Recycled Materials
3 Procurement Act; and

4 3. ~~Report~~ Electronically report by November 1 of each year to
5 the State Purchasing Director of ~~Central Services~~ Oklahoma Central
6 Purchasing Department the following:

- 7 a. the total amount of waste paper and other recyclable
8 materials sold during the previous fiscal year,
- 9 b. the amount of procured recycled paper products and
10 other products manufactured with recycled materials,
11 and
- 12 c. the total amount of monies collected and expended to
13 implement the Oklahoma State Recycling and Recycled
14 Materials Procurement Act.

15 B. It is the intention of the Legislature that all state public
16 entities and other governmental subdivisions of this state
17 aggressively pursue procurement practices that encourage solid waste
18 reduction and development of markets for recyclable materials and
19 compost and shall, whenever practical, procure products containing
20 recycled materials.

21 SECTION 31. AMENDATORY 74 O.S. 2021, Section 85.55a, is
22 amended to read as follows:

23 Section 85.55a. A. The ~~Office of Management and Enterprise~~
24 ~~Services~~ Oklahoma Central Purchasing Department shall maintain a

1 clearinghouse of information regarding products made from recycled
2 paper products and products manufactured with recycled materials for
3 purchase by state public entities. The clearinghouse shall include
4 information concerning the availability, price and quality of
5 products made from recycled paper products and products manufactured
6 with recycled materials. The clearinghouse shall also include
7 information concerning vendors and other persons willing to purchase
8 recyclable materials from state public entities. The ~~Office~~
9 Department shall develop a mechanism to make this information
10 available to all state public entities.

11 B. The ~~Office~~ Department may enter into agreements with
12 purchasing agents of any other state, local governments, or the
13 federal government under which any of the parties may agree to
14 participate in, administer, sponsor or conduct purchasing
15 transactions under a joint contract for the purchase of materials,
16 supplies, equipment, permanent personal property, miscellaneous
17 capital or contractual services consistent with ~~this act~~ Section
18 85.51 through 85.55a of this title.

19 C. The ~~Office~~ Department may cooperate with purchasing agents
20 and other interested parties of any other state, local governments,
21 or the federal government to develop uniform purchasing
22 specifications on a regional or national level to facilitate
23 cooperative interstate purchasing transactions.

1 SECTION 32. AMENDATORY 74 O.S. 2021, Section 85.56, is
2 amended to read as follows:

3 Section 85.56. A. There is hereby created in the State
4 Treasury a revolving fund for the ~~Office of Management and~~
5 ~~Enterprise Services~~ Oklahoma Central Purchasing Department, to be
6 designated the "State Recycling Revolving Fund". The fund shall be
7 administered in accordance with standard revolving fund procedures.
8 The ~~Office~~ Department shall direct to the State Recycling Revolving
9 Fund any federal or private grants which may qualify. The ~~Office~~
10 Department shall have the authority to expend monies from the fund
11 for the purpose of implementing the Oklahoma State Recycling and
12 Recycled Materials Procurement Act and to defray expenses the ~~Office~~
13 Department incurs to support recycling operations.

14 B. Revenues received from the sale of waste materials which can
15 be recycled through any recycling programs operated by the ~~Office~~
16 Department shall be used to implement the Oklahoma State Recycling
17 and Recycled Materials Procurement Act and to defray expenses the
18 ~~Office~~ Department incurs to support recycling operations.

19 SECTION 33. AMENDATORY 74 O.S. 2021, Section 85.58A, is
20 amended to read as follows:

21 Section 85.58A. A. The ~~Office of Management and Enterprise~~
22 ~~Services (OMES)~~ Oklahoma Central Purchasing Department shall
23 establish for all state agencies, whether or not subject to the
24 Oklahoma Central Purchasing Act, and other entities as provided by

1 law a comprehensive professional risk management program which
2 shall:

3 1. Identify and evaluate risks of loss and exposures to loss to
4 officers, employees and properties;

5 2. Minimize risks through loss-prevention and loss-control
6 programs;

7 3. Transfer risks, if economically advantageous to the state,
8 by acquiring commercial insurance, contractual pass through of
9 liability, or by other means;

10 4. Consolidate and administer risk management plans and
11 programs including self-insurance programs, except ~~State Employees~~
12 ~~Group Insurance~~ the Oklahoma Employees Insurance Plan;

13 5. Determine feasibility of and, if feasible, establish self-
14 insurance programs, considering whether a program may be self-
15 supporting to remain financially and actuarially sound;

16 6. Provide a system to allocate insurance and program costs to
17 determine payment for insurance coverage and program expenses
18 provided by the ~~Office of Management and Enterprise Services~~
19 Oklahoma Central Purchasing Department;

20 7. When requested by a state retirement system or the ~~State and~~
21 ~~Education Employees Group Insurance Board~~ Oklahoma Employees
22 Insurance and Benefits Board, assist in obtaining insurance
23 authorized by law. If requested by the Oklahoma State Regents for
24

1 Higher Education, assist trust funds for which the State Regents
2 serve as trustees in obtaining insurance authorized by law;

3 8. Assist state agencies and officers, employees, and members
4 thereof, charged with licensing authority, in obtaining insurance
5 for liability for judgments, based on the licensing authority,
6 rendered by any court pursuant to federal law;

7 9. When requested by a public trust established pursuant to
8 Title 60 of the Oklahoma Statutes of which the State of Oklahoma is
9 the beneficiary, obtain, provide or assist the public trust in
10 obtaining insurance authorized by law or trust indenture covering
11 any board member, trustee, official, officer, employee or volunteer
12 for errors and omissions or liability risks arising from the
13 performance of official duties pursuant to law or trust indenture;

14 10. When requested by the Oklahoma State Regents for Higher
15 Education, for the purpose of insuring real property required
16 pursuant to Section 4018 of Title 70 of the Oklahoma Statutes, of
17 which the Oklahoma State Regents for Higher Education is the
18 beneficiary, obtain, provide or assist the Oklahoma State Regents
19 for Higher Education in obtaining insurance for the real property
20 pursuant to the provisions of this section; and

21 11. Authorize the Risk Management Administrator to declare an
22 emergency for the purpose of mitigating damages to any state-owned
23 property insured under the comprehensive professional risk
24

1 management program administered by ~~OMES~~ the Oklahoma Central
2 Purchasing Department.

3 B. The State Purchasing Director of the ~~Office of Management~~
4 ~~and Enterprise Services~~ Oklahoma Central Purchasing Department may
5 hire or contract for the services of a Risk Management Administrator
6 to supervise the ~~Comprehensive Professional Risk Management Program~~
7 comprehensive professional risk management program established
8 pursuant to this section. If appointed by the State Purchasing
9 Director as a state employee, the Risk Management Administrator
10 shall be in the unclassified service.

11 C. The Risk Management Administrator shall evaluate insurance
12 coverage needs and in force for state agencies, whether or not
13 subject to the Oklahoma Central Purchasing Act, and other entities
14 as provided by law. All entities shall submit to the Risk
15 Management Administrator all information which the Risk Management
16 Administrator deems necessary to perform this duty.

17 D. The Risk Management Administrator in conjunction with the
18 State Purchasing Director ~~under the authority of the Director of the~~
19 ~~Office of Management and Enterprise Services~~ may negotiate insurance
20 coverage and insurance-related services including, but not limited
21 to, insurance brokerage and consulting services. The State
22 Purchasing Director shall ensure open processes for solicitation and
23 qualification of insurance coverage and services providers. The
24 State Purchasing Director shall award contracts for insurance

1 coverage and services to the provider or providers which offer the
2 best and final terms and conditions. The State Purchasing Director
3 may authorize the Risk Management Administrator to bind for
4 insurance coverage with providers.

5 E. The school districts of this state may request the Risk
6 Management Administrator to advise for the purchase of insurance
7 coverage for the school districts.

8 F. A state agency, whether or not subject to the Oklahoma
9 Central Purchasing Act, that contemplates purchase of property and
10 casualty insurance, shall provide details of the proposed purchase
11 to the Risk Management Administrator for approval or disapproval
12 prior to the purchase.

13 G. The State Purchasing Director of the ~~Office of Management~~
14 ~~and Enterprise Services~~ Oklahoma Central Purchasing Department shall
15 promulgate rules to effect the provisions of the comprehensive
16 professional risk management program.

17 H. 1. a. Any community action agency established pursuant to
18 Sections 5035 through 5040 of this title may
19 participate in the comprehensive professional risk
20 management program established pursuant to this
21 section for risks incurred as a result of operating a
22 Head Start program or providing transportation
23 services to the public. The Risk Management
24 Administrator shall obtain or provide for insurance

1 coverage for such community action agencies or bonding
2 for employees of such community action agencies. Any
3 liability insurance coverage obtained or provided
4 shall include expenses for administrative and legal
5 services obtained or provided by the Risk Management
6 Administrator.

7 b. The Risk Management Administrator shall determine
8 criteria for participation in the risk management
9 program by such community action agencies. In
10 addition, the Risk Management Administrator may
11 require each such community action agency to:

- 12 (1) provide adequate qualified personnel and suitable
13 facilities and equipment for operating a Head
14 Start program or providing transportation
15 services to the public, and
- 16 (2) comply with such standards as are necessary for
17 the protection of the clients it serves.

18 2. To receive coverage pursuant to this section, a community
19 action agency shall make payments for any insurance coverage and
20 shall otherwise comply with the provisions of this section and rules
21 promulgated by the ~~Office~~ Department pursuant to the provisions of
22 this section.
23
24

1 3. Requests for the insurance coverage provided pursuant to the
2 provisions of this subsection shall be submitted in writing to the
3 Risk Management Administrator by the community action agencies.

4 I. The Risk Management Administrator may provide or obtain for
5 any state agency, public trust with the state as a beneficiary and a
6 director, officer, employee or member thereof, insurance for
7 liability for loss, including judgments, awards, settlements, costs
8 and legal expenses, resulting from violations of rights or
9 privileges secured by the Constitution or laws of the United States
10 of America which occur while a director, officer, employee or member
11 is acting within the scope of service to ~~the State of Oklahoma~~ this
12 state. The insurance shall be for coverage in excess of the limits
13 on liability established by The Governmental Tort Claims Act but
14 shall not limit or waive any immunities now or hereafter available
15 to ~~the State of Oklahoma~~ this state or any state agency, any public
16 trust with the state as a beneficiary, or any director, officer,
17 employee or member thereof including, but not limited to, any
18 immunities under the Eleventh Amendment to the Constitution of the
19 United States, state sovereign immunity, and any absolute or
20 qualified immunity held by any director, officer, employee or
21 member.

22 SECTION 34. AMENDATORY 74 O.S. 2021, Section 85.58D, is
23 amended to read as follows:
24

1 Section 85.58D. There is hereby created in the State Treasury a
2 revolving fund for the ~~Office of Management and Enterprise Services~~
3 Oklahoma Central Purchasing Department, to be designated the "Risk
4 Management Fire Protection Revolving Fund". The fund shall be a
5 continuing fund, not subject to fiscal year limitations, and shall
6 consist of any monies transferred thereto by an act of the
7 Legislature and any fees collected by the ~~Office of Management and~~
8 ~~Enterprise Services~~ Oklahoma Central Purchasing Department in
9 accordance with the provisions of Section 85.58B of this title. All
10 monies accruing to the credit of the fund are hereby appropriated
11 and may be budgeted and expended by the ~~Office of Management and~~
12 ~~Enterprise Services~~ Oklahoma Central Purchasing Department for the
13 purposes of the Comprehensive Professional Risk Management Program
14 provided for in Section 85.58A of this title, including the salaries
15 and administrative expenses of support staff responsible for
16 administering the fund and expenses the ~~Office~~ Department incurs to
17 support program operations. Expenditures from said fund shall be
18 made upon warrants issued by the State Treasurer against claims
19 filed as prescribed by law with the Director of the Office of
20 Management and Enterprise Services for approval and payment.

21 SECTION 35. AMENDATORY 74 O.S. 2021, Section 85.58G, is
22 amended to read as follows:

23 Section 85.58G. There is hereby created in the State Treasury a
24 revolving fund for the ~~Office of Management and Enterprise Services~~

1 Oklahoma Central Purchasing Department, to be designated the "Risk
2 Management Elderly and Handicapped Transportation Revolving Fund".
3 The fund shall be a continuing fund, not subject to fiscal year
4 limitations, and shall consist of any monies transferred thereto by
5 an act of the Legislature and any fees collected by the ~~Office of~~
6 ~~Management and Enterprise Services~~ Oklahoma Central Purchasing
7 Department in accordance with the provisions of Section 85.58E of
8 this title. All monies accruing to the credit of said fund are
9 hereby appropriated and may be budgeted and expended by the ~~Office~~
10 ~~of Management and Enterprise Services~~ Oklahoma Central Purchasing
11 Department for the purposes of the Comprehensive Professional Risk
12 Management Program provided for in Section 85.58A of this title,
13 including the salaries and administrative expenses of support staff
14 responsible for administering said fund and expenses the Department
15 incurs to support program operations. Expenditures from said fund
16 shall be made upon warrants issued by the State Treasurer against
17 claims filed as prescribed by law with the Director of the Office of
18 Management and Enterprise Services for approval and payment.

19 SECTION 36. AMENDATORY 74 O.S. 2021, Section 85.58H, as
20 amended by Section 240, Chapter 282, O.S.L. 2022 (74 O.S. Supp.
21 2023, Section 85.58H), is amended to read as follows:

22 Section 85.58H. A. Upon written certification by the State
23 Purchasing Director of the ~~Office of Management and Enterprise~~
24 ~~Services~~ Oklahoma Central Purchasing Department that errors and

1 omissions liability insurance for licensed operators and their
2 employees is not reasonably available in the private market at
3 competitive rates, after taking into account the administrative
4 costs associated with such insurance, the Risk Management
5 Administrator pursuant to Section 85.58A of this title may obtain or
6 provide limited indemnity coverage for licensed operators and the
7 employees who are employed by such licensed operators for any errors
8 and omissions liability risks arising from the performance of their
9 official duties pursuant to law. Any such certification by the
10 State Purchasing Director of the ~~Office of Management and Enterprise~~
11 ~~Services~~ Oklahoma Central Purchasing Department shall be effective
12 for a period of two (2) years. Any such limited indemnity coverage
13 shall be obtained or provided solely from funds available in the
14 shared risk pool authorized by this section and subject to the
15 limitations set out herein. The Risk Management Administrator shall
16 establish liability limits for such errors and omissions coverage on
17 an annual basis. Any such limits shall be based on the liquidity of
18 the shared risk pool resulting from the annual payments made
19 pursuant to subsection C of this section and any interest accrued
20 thereon, after deduction of such sums as may be necessary to pay all
21 overhead and administrative expenses associated with administering
22 the pool.

23 B. The Risk Management Administrator is authorized to determine
24 eligibility criteria for participation in the Risk Management

1 Program for such licensed operators and employees of such licensed
2 operators. Any limited indemnity coverage provided for errors and
3 omissions pursuant to the provisions of this subsection shall only
4 cover errors or omissions made by a licensed operator or any
5 employee of such licensed operator occurring after July 1, 1990.

6 C. Except as otherwise provided in subsection G of this
7 section, licensed operators shall be required to make annual
8 payments of Forty Dollars (\$40.00) per licensed operator and Forty
9 Dollars (\$40.00) per employee of the licensed operator for such
10 limited indemnity coverage. The Risk Management Administrator is
11 authorized to assess an additional payment per year, not to exceed
12 Forty Dollars (\$40.00) per licensed operator and per employee of
13 such licensed operator, if the shared risk pool resulting from the
14 payment of the fees made pursuant to this subsection is not adequate
15 to cover any liability incurred.

16 D. Requests for the limited indemnity coverage provided
17 pursuant to the provisions of this section shall be submitted in
18 writing to the Risk Management Administrator by the licensed
19 operators.

20 E. All fees collected in accordance with the provisions of this
21 section shall be deposited in the Oklahoma Licensed Operator
22 Indemnity Fund.

23 F. In providing risk management services for any licensed
24 operator or employee of such licensed operator, it is the intention

1 of the Legislature to provide limited indemnification of licensed
2 operators or employees of such licensed operators for errors and
3 omissions, solely to the extent of assets in the shared risk pool
4 created by this section. The State of Oklahoma is not liable,
5 directly or indirectly, for the errors and omissions of any licensed
6 operator or any employee of such licensed operator in the
7 performance of official duties pursuant to law. The Risk Management
8 Administrator shall determine the extent of indemnification for
9 losses incurred by any such licensed operator or employee of such
10 licensed operator based upon the liquidity of the shared risk pool.

11 G. The Risk Management Administrator is authorized to establish
12 a system under which the extent of indemnity coverage may be
13 extended or reduced based upon an increase or decrease in the amount
14 of the payment required in subsection C of this section. Said
15 system shall only be established when the liquidity of the shared
16 risk pool is such that the system is feasible in the judgment of the
17 Risk Management Administrator. Upon establishment of such a system,
18 a licensed operator may elect to increase or decrease the amount of
19 the payment required in subsection C of this section and
20 correspondingly extend or reduce coverage for losses incurred by the
21 licensed operator or employee of such licensed operator.

22 SECTION 37. AMENDATORY 74 O.S. 2021, Section 85.58J, is
23 amended to read as follows:

24

1 Section 85.58J. A. 1. The Risk Management Administrator may
2 obtain or otherwise provide for the insurance coverage specified by
3 this section for a foster family home providing foster care services
4 for children in the custody of the Department of Human Services
5 pursuant to the Oklahoma Children's Code or the ~~Department of~~
6 ~~Juvenile Justice~~ Office of Juvenile Affairs pursuant to the Oklahoma
7 Juvenile ~~Justice~~ Code.

8 2. Pursuant to the provisions of this section and Section
9 85.58A of this title, the Risk Management Administrator may obtain
10 or otherwise provide for property and casualty insurance for
11 injuries or damages arising from the foster care relationship and
12 the provision of foster care services, property damage or bodily
13 injury, as a result of the activities of the foster child, and
14 reasonable and necessary legal fees incurred in defense of civil
15 claims filed pursuant to this section, ~~the Oklahoma Foster Care and~~
16 ~~Out-of-Home Placement Act,~~ the Oklahoma Children's Code or the
17 Oklahoma Juvenile ~~Justice~~ Code, and any judgments awarded as a
18 result of such claims. Any insurance coverage obtained or provided
19 pursuant to the provisions of this section shall include expenses
20 for legal services obtained or provided by the Risk Management
21 Administrator.

22 B. The Risk Management Administrator is authorized to establish
23 qualifications for coverage and to determine eligibility criteria
24 and other standards for participation in the Risk Management Program

1 by the foster family homes. A foster family shall be approved for
2 participation in the Risk Management Program by the Risk Management
3 Administrator if the foster family meets the standards and
4 eligibility requirements established by the Risk Management
5 Administrator.

6 C. 1. A request for the insurance coverage provided pursuant
7 to this section shall be submitted in writing to the Department of
8 Human Services and the ~~Department of Juvenile Justice~~ Office of
9 Juvenile Affairs by a foster care family. The Department of Human
10 Services and the ~~Department of Juvenile Justice~~ Office of Juvenile
11 Affairs shall provide a list of the names of all foster family homes
12 which wish to obtain insurance coverage specified by this section to
13 the Risk Management Administrators.

14 2. Upon obtaining insurance coverage as provided by this
15 section, the Department of Human Services and the ~~Department of~~
16 ~~Juvenile Justice~~ Office of Juvenile Affairs shall provide notice to
17 all foster family homes with whom the state agencies contract for
18 foster care services.

19 D. The Risk Management Administrator shall establish liability
20 limits for the insurance coverage authorized by this section on an
21 annual basis based on the insurance carrier requirements or based on
22 the liquidity of the shared risk pool in the Foster Families
23 Protection Account resulting from the annual payments made pursuant
24 to Section 85.58M of this title and any interest accrued thereon,

1 after deduction of such sums as may be necessary to pay all overhead
2 and administrative expenses associated with administering the pool.

3 E. A foster family shall be required to make payments for such
4 insurance coverage or payments may be made from funds deposited on
5 behalf of foster families by the Department of Human Services or the
6 ~~Department of Juvenile Justice~~ Office of Juvenile Affairs if such
7 funds are available. All fees collected in accordance with the
8 provisions of this section shall be deposited in the Foster Families
9 Protection Account. Claims against the insurance carrier or the
10 pool shall be filed with either the Department of Human Services or
11 the ~~Department of Juvenile Justice~~ Office of Juvenile Affairs, as
12 appropriate, and shall be forwarded to the Risk Management
13 Administrator.

14 F. 1. Any insurance or indemnity coverage shall be provided
15 solely from funds in the Foster Families Protection Account and to
16 the extent of assets available in the shared risk pool established
17 pursuant to the provisions of this section. The Risk Management
18 Administrator shall determine the extent of indemnification for
19 losses incurred by any foster families based upon the liquidity of
20 the shared risk pool in the Foster Families Protection Account.

21 2. The State of Oklahoma is not liable, directly or indirectly,
22 for any liability incurred by a foster family in the performance of
23 foster care services.
24

1 G. 1. There is hereby created in the State Treasury a
2 revolving fund for the ~~Office of Management and Enterprise Services~~
3 Oklahoma Central Purchasing Department, to be designated the "Foster
4 Families Protection Account". The account shall be a continuing
5 fund, not subject to fiscal year limitations, and shall consist of
6 any monies transferred thereto by the Department of Human Services,
7 the ~~Department of Juvenile Justice~~ Office of Juvenile Affairs or any
8 child-placing agency, and any fees collected by the ~~Office of~~
9 ~~Management and Enterprise Services~~ Oklahoma Central Purchasing
10 Department and deposited pursuant to law.

11 2. All monies accruing to the credit of said fund shall be
12 expended by the ~~Office of Management and Enterprise Services~~
13 Oklahoma Central Purchasing Department for the specific purposes
14 specified by this section and the salaries and administrative
15 expenses of support staff responsible for administering the fund.

16 3. Expenditures from the fund shall be made upon warrants
17 issued by the State Treasurer against claims filed as prescribed by
18 law with the State Purchasing Director of the ~~Office of Management~~
19 ~~and Enterprise Services~~ Oklahoma Central Purchasing Department for
20 approval and payment. The Foster Families Protection Account shall
21 consist of:

22 a. all fees and other monies received pursuant to this
23 section, and
24

1 b. interest attributable to investment of monies in the
2 account.

3 H. 1. The monies deposited in the account shall at no time
4 become monies of the state and shall not become part of the general
5 budget of the ~~Office of Management and Enterprise Services~~ Oklahoma
6 Central Purchasing Department or any other state agency. Except as
7 otherwise authorized by this subsection, no monies from the account
8 shall be transferred for any purpose to any other state agency or
9 any account of the ~~Office of Management and Enterprise Services~~
10 Oklahoma Central Purchasing Department or be used for the purpose of
11 contracting with any other state agency or reimbursing any other
12 state agency for any expense.

13 2. Monies in the account shall only be expended for:

14 a. the purposes specified by this section, and

15 b. costs incurred by the Comprehensive Professional Risk
16 Management Program for the administration of this
17 section.

18 I. Any costs incurred by the ~~Office of Management and~~
19 ~~Enterprise Services~~ Oklahoma Central Purchasing Department pursuant
20 to the provisions of this section shall not exceed the actual
21 expenditures made by the ~~Office of Management and Enterprise~~
22 ~~Services~~ Oklahoma Central Purchasing Department to implement the
23 provisions of this section.

1 J. Payment of claims from the Foster Families Protection
2 Account shall not become or be construed to be an obligation of this
3 state. No claims submitted for reimbursement or payment from the
4 account shall be paid with state monies.

5 SECTION 38. AMENDATORY 74 O.S. 2021, Section 85.58K, is
6 amended to read as follows:

7 Section 85.58K. A. There is hereby created in the State
8 Treasury a revolving fund for the ~~Office of Management and~~
9 ~~Enterprise Services~~ Oklahoma Central Purchasing Department, to be
10 designated the "Risk Management Revolving Fund". The fund shall be
11 a continuing fund, not subject to fiscal year limitations, and shall
12 consist of any monies transferred thereto by act of the Legislature
13 and any monies which may be deposited thereto by the ~~Office of~~
14 ~~Management and Enterprise Services~~ Oklahoma Central Purchasing
15 Department as provided for by law. All interest earned by the State
16 Treasurer on monies deposited in the Risk Management Revolving Fund
17 shall be deposited to the Risk Management Revolving Fund.

18 B. Within the Risk Management Revolving Fund, there is hereby
19 created the Property and Casualty Account, the Motor Vehicle
20 Liability Account and the General Tort Liability Account. The State
21 Purchasing Director of the ~~Office of Management and Enterprise~~
22 ~~Services~~ Oklahoma Central Purchasing Department is authorized to
23 establish such additional accounts within the Risk Management
24 Revolving Fund deemed necessary. The monies in each account shall

1 be maintained actuarially separate to ensure that premiums or fees
2 paid for specific insurance coverage are adequate to pay the
3 expenses and claims for that coverage.

4 C. All monies accruing to the credit of said fund are hereby
5 appropriated and may be budgeted and expended by the ~~Office of~~
6 ~~Management and Enterprise Services~~ Oklahoma Central Purchasing
7 Department for the purposes of the Comprehensive Professional Risk
8 Management Program provided for in Section 85.58A of this title,
9 including but not limited to the salaries and administrative
10 expenses of the Risk Management Administrator and support staff and
11 expenses the Department incurs to support program operations.
12 Expenditures from said fund shall be made upon warrants issued by
13 the State Treasurer against claims filed as prescribed by law with
14 the Director of the Office of Management and Enterprise Services for
15 approval and payment.

16 SECTION 39. AMENDATORY 74 O.S. 2021, Section 85.58L, is
17 amended to read as follows:

18 Section 85.58L. A. There is hereby created in the State
19 Treasury a revolving fund for the ~~Office of Management and~~
20 ~~Enterprise Services~~ Oklahoma Central Purchasing Department, to be
21 designated the "Risk Management Political Subdivision Participation
22 Revolving Fund". The fund shall be a continuing fund, not subject
23 to fiscal year limitations, and shall consist of any monies
24 transferred thereto by an act of the Legislature and any fees

1 collected by the ~~Office of Management and Enterprise Services~~
2 Oklahoma Central Purchasing Department and deposited pursuant to
3 law. All monies accruing to the credit of said fund shall be
4 expended by the ~~Office of Management and Enterprise Services~~
5 Oklahoma Central Purchasing Department for the purposes specified by
6 this section and the salaries and administrative expenses of support
7 staff responsible for administering the fund and expenses the ~~Office~~
8 Department incurs to support program operations. Expenditures from
9 the fund shall be made upon warrants issued by the State Treasurer
10 against claims filed as prescribed by law with the Director of the
11 Office of Management and Enterprise Services for approval and
12 payment.

13 B. Within the Risk Management Political Subdivision
14 Participation Revolving Fund, there is hereby created the
15 Conservation District Protection Account. The account shall be set
16 apart as a separate, permanent and perpetual account not subject to
17 fiscal year limitations and shall consist of:

18 1. All fees and other monies received pursuant to Section
19 85.58I of this title; and

20 2. Interest attributable to investment of monies in the
21 account.

22 C. 1. The monies deposited in the Risk Management Political
23 Subdivision Participation Revolving Fund shall at no time become
24 monies of any other state agency. Except as otherwise authorized by

1 this subsection, no monies from the Risk Management Political
2 Subdivision Participation Revolving Fund shall be transferred for
3 any purpose to any other state agency or be used for the purpose of
4 contracting with any other state agency or reimbursing any other
5 state agency for any expense.

6 2. Monies in the Risk Management Political Subdivision
7 Participation Revolving Fund shall only be expended for:

- 8 a. the purposes specified by this section, and
- 9 b. costs incurred by the Comprehensive Professional Risk
10 Management Program for the administration of duties
11 this section specifies and expenses the Department
12 incurs to support program operations.

13 D. Any costs incurred by the ~~Office of Management and~~
14 ~~Enterprise Services~~ Oklahoma Central Purchasing Department pursuant
15 to the provisions of this section shall not exceed the actual
16 expenditures made by the ~~Office of Management and Enterprise~~
17 ~~Services~~ Oklahoma Central Purchasing Department to implement the
18 provisions of this section.

19 E. Payment of claims from the Risk Management Political
20 Subdivision Participation Revolving Fund shall not become or be
21 construed to be an obligation of this state. No claims submitted
22 for reimbursement or payment from the fund shall be paid with state
23 monies.

1 SECTION 40. AMENDATORY 74 O.S. 2021, Section 85.58M, is
2 amended to read as follows:

3 Section 85.58M. A. ~~The Office of Management and Enterprise~~
4 ~~Services~~ Oklahoma Central Purchasing Department shall levy and
5 collect reasonable fees and premiums from state agencies and other
6 entities as provided by law covered by the Comprehensive
7 Professional Risk Management Program for the purpose of providing
8 insurance coverage.

9 B. All fees and premiums shall be promptly paid when due. Fees
10 and premiums collected in accordance with the provisions of this
11 section shall be deposited in the appropriate risk management fund.

12 C. If a state agency fails to pay the insurance fees and
13 premiums within forty-five (45) days of due date, the ~~Office of~~
14 ~~Management and Enterprise Services~~ Oklahoma Central Purchasing
15 Department shall consider the invoice delinquent. The ~~Office of~~
16 ~~Management and Enterprise Services~~ Oklahoma Central Purchasing
17 Department shall pay the invoice from monies available to the
18 delinquent agency for the general operations of the agency which are
19 not specifically prohibited for such use by federal or state law.
20 If funds of the delinquent agency are not available to pay the
21 invoice in full, the ~~Office of Management and Enterprise Services~~
22 Oklahoma Central Purchasing Department shall submit claims as
23 necessary to pay the invoice as soon as funds are available from the
24 funds of the delinquent agency.

1 SECTION 41. AMENDATORY 74 O.S. 2021, Section 85.58N, is
2 amended to read as follows:

3 Section 85.58N. The Special Agency Account Board shall create
4 in the official depository of the State Treasury an agency special
5 account for the ~~Office of Management and Enterprise Services~~
6 Oklahoma Central Purchasing Department to be designated as the
7 "Quick Settlement Account". The purpose of the account shall be the
8 payment of liability claims against the state after a determination
9 by the Risk Management Administration that such payments are in the
10 best interest of the state, are in accordance with the laws and
11 regulations governing the Comprehensive Professional Risk Management
12 Program, and are in an amount not exceeding Ten Thousand Dollars
13 (\$10,000.00). No monies shall be expended from the Quick Settlement
14 Account except as provided for in this section.

15 The ~~Office of Management and Enterprise Services~~ Oklahoma
16 Central Purchasing Department shall transfer funds as necessary from
17 the Risk Management Revolving Fund to the Quick Settlement Account,
18 provided that the maximum sum held in the Quick Settlement Account
19 shall not exceed Ten Thousand Dollars (\$10,000.00), excluding funds
20 in transit. Expenditures from the Quick Settlement Account shall be
21 exempt from the provisions of ~~The~~ the Oklahoma Central Purchasing
22 Act.

23 SECTION 42. AMENDATORY 74 O.S. 2021, Section 85.58P, is
24 amended to read as follows:

1 Section 85.58P. There is hereby created in the State Treasury a
2 revolving fund for the ~~Office of Management and Enterprise Services~~
3 Oklahoma Central Purchasing Department, to be designated the "Risk
4 Management Public Transit Revolving Fund". The fund shall be a
5 continuing fund, not subject to fiscal year limitations, and shall
6 consist of any monies transferred thereto by an act of the
7 Legislature and any fees collected by the ~~Office of Management and~~
8 ~~Enterprise Services~~ Oklahoma Central Purchasing Department in
9 accordance with the provisions of Section 85.580 of this title. All
10 monies accruing to the credit of the fund are hereby appropriated
11 and may be budgeted and expended by the ~~Office of Management and~~
12 ~~Enterprise Services~~ Oklahoma Central Purchasing Department for the
13 purposes of the Comprehensive Professional Risk Management Program
14 provided for in Section 85.58A of this title, including the salaries
15 and administrative expenses of support staff responsible for
16 administering the fund and expenses the ~~Office~~ Department incurs to
17 support program operations. Expenditures from said fund shall be
18 made upon warrants issued by the State Treasurer against claims
19 filed as prescribed by law with the Director of the Office of
20 Management and Enterprise Services for approval and payment.

21 SECTION 43. AMENDATORY 74 O.S. 2021, Section 85.58Q, is
22 amended to read as follows:

23 Section 85.58Q. The ~~Purchasing Division of the Office of~~
24 ~~Management and Enterprise Services~~ Oklahoma Central Purchasing

1 Department is directed to purchase from the lowest bidder a surety
2 contract or contracts in the form known as a "blanket bond" to cover
3 all elective state officers, appointive officers, and employees in
4 the manner provided in this section. No other bond shall be
5 acceptable as surety for any elected or appointed officer or
6 employee of this state in lieu of said blanket bond. For purposes
7 of Sections ~~85.26~~ 85.58Q through ~~85.31~~ 85.58V of this title, a
8 "blanket bond" is defined as a public employees' blanket position
9 bond which covers all employees up to the penalty of the bond for
10 each employee and the full penalty of the bond is always in force
11 during its term and no restoration is necessary and there is no
12 additional premium after a loss is paid.

13 SECTION 44. AMENDATORY 74 O.S. 2021, Section 85.58T, is
14 amended to read as follows:

15 Section 85.58T. The amount of surety required for each state
16 officer or employee pursuant to Sections ~~85.26~~ 85.58Q through ~~85.31~~
17 85.58V of this title is as follows:

18 DEPARTMENT	AMOUNT OF BOND
19 Office of the State Treasurer	\$300,000.00
20 Oklahoma Employment Security	
21 Commission	\$150,000.00
22 Central Services Division of the	
23 Office of Management and Enterprise	
24 Services	100,000.00

1	<u>Oklahoma Central Purchasing Department</u>	<u>100,000.00</u>
2	Insurance Commission	100,000.00
3	Office of the State Auditor and	
4	Inspector	50,000.00
5	Finance Division of the Office of	
6	Management and Enterprise Services	50,000.00
7	Bank Commissioner	50,000.00
8	Commissioners of the Land Office	50,000.00
9	Oklahoma Securities Commission	50,000.00
10	Oklahoma Tax Commission	50,000.00
11	Department of Human Services	50,000.00
12	Oklahoma Public Employees Retirement	
13	System	50,000.00
14	Corporation Commission	50,000.00
15	State Board of Education	50,000.00
16	Finance Division	150,000.00
17	All Others	25,000.00
18	Department of Transportation	25,000.00
19	Boards of Regents of Oklahoma	
20	Universities and Colleges	50,000.00
21	Office of Attorney General	10,000.00
22	The University Hospitals	50,000.00
23	All Other State Departments, Agencies,	
24	Institutions, Commissions,	

1 Authorities, and other bodies of

2 state government 10,000.00

3 Provided, however, that nothing in ~~The~~ the Oklahoma Central
4 Purchasing Act shall prohibit any head of a department, institution,
5 agency, commission, authority or other body of state government from
6 requiring the ~~Central Purchasing Division~~ Oklahoma Central
7 Purchasing Department to purchase increased amounts of blanket bond
8 coverage for his or her employees up to a total maximum coverage of
9 Fifty Thousand Dollars (\$50,000.00) when the listed amount is deemed
10 inadequate. The cost of increased coverage shall be borne by the
11 department, institution, agency, commission, authority or other body
12 of state government requesting the increased coverage.

13 SECTION 45. AMENDATORY 74 O.S. 2021, Section 85.58V, is
14 amended to read as follows:

15 Section 85.58V. A. Whenever any officer, statutory board,
16 commission, committee, department, authority, or any state agent or
17 agency by whatever name called, is authorized by any law of this
18 state to purchase any official bond, surety bond, blanket bond, or
19 surety contract upon any state officer or employee, the authority is
20 hereby transferred and conferred upon the ~~Purchasing Division of the~~
21 ~~Office of Management and Enterprise Services~~ Oklahoma Central
22 Purchasing Department. The authority shall be exercised by the
23 ~~Purchasing Division~~ Oklahoma Central Purchasing Department in the
24

1 manner pursuant to the provisions and requirements prescribed by
2 Section 85.58A of this title.

3 B. The premium for a bond will be invoiced to the ~~Purchasing~~
4 ~~Division~~ Department and paid for by legislative appropriation set
5 aside for that specific purpose.

6 C. If the legislative appropriation is insufficient to meet the
7 cost of a bond, the State Purchasing Director in conjunction with
8 the State Risk Administrator shall assess each entity covered by the
9 bond a pro rata share of the excess cost amount.

10 D. A blanket bond shall be approved as to form and legal
11 sufficiency by the general counsel of the ~~Office of Management and~~
12 ~~Enterprise Services~~ Oklahoma Central Purchasing Department and shall
13 be filed with the State Purchasing Director of the ~~Office of~~
14 ~~Management and Enterprise Services~~ Oklahoma Central Purchasing
15 Department.

16 SECTION 46. AMENDATORY 74 O.S. 2021, Section 85.60, is
17 amended to read as follows:

18 Section 85.60. A. Except as otherwise provided by Section
19 3206.3 of Title 70 of the Oklahoma Statutes, the ~~Office of~~
20 ~~Management and Enterprise Services~~ Oklahoma Central Purchasing
21 Department shall be the exclusive agency to negotiate and contract
22 for the retention of patents and copyrights on material and property
23 developed through state contracts subject to ~~The~~ the Central
24

1 Purchasing Act, unless an agency has been given specific authority
2 to make such agreements by statute.

3 B. Except as otherwise provided by Section 3206.3 of Title 70
4 of the Oklahoma Statutes ~~and Section 1365 of this title~~, any
5 patented property or copyrighted material developed by contracts
6 subject to ~~The~~ the Central Purchasing Act, shall be the property of
7 the State of Oklahoma under the sole management of the ~~Office of~~
8 ~~Management and Enterprise Services~~ Oklahoma Central Purchasing
9 Department. Such property or material may be licensed or sold by
10 the ~~Office of Management and Enterprise Services~~ Oklahoma Central
11 Purchasing Department using similar procedures governing the sale of
12 other state property but without declaring such property to be
13 surplus.

14 C. Proceeds from the sale of such property or material under
15 the jurisdiction of the ~~Office of Management and Enterprise Services~~
16 Oklahoma Central Purchasing Department shall be deposited to the
17 General Revenue Fund of the State of Oklahoma.

18 D. The ~~Office of Management and Enterprise Services~~ Oklahoma
19 Central Purchasing Department may contract with legal counsel
20 experienced in the field of patent and copyright law to advise and
21 assist that agency in carrying out its duties and responsibilities
22 under this section for intellectual property under the jurisdiction
23 of the ~~Office of Management and Enterprise Services~~ Oklahoma Central
24 Purchasing Department.

1 SECTION 47. AMENDATORY 74 O.S. 2021, Section 3001, as
2 amended by Section 1, Chapter 252, O.S.L. 2022 (74 O.S. Supp 2023,
3 Section 3001) is amended to read as follows:

4 Section 3001. A. There is hereby created in the Office of
5 Management and Enterprise Services an advisory council to be known
6 as the "State Use Advisory Council". The Council shall consist of
7 seven (7) members:

8 1. A private citizen conversant with the employment needs of
9 people with significant disabilities who shall be appointed by and
10 serve at the pleasure of the Governor to act as an advocate for the
11 employment needs of people with significant disabilities;

12 2. The Director of the Office of Management and Enterprise
13 Services or designee;

14 3. The Director of the Department of Rehabilitation Services,
15 or designee;

16 4. One member who shall be a state use provider who shall be
17 appointed by the President Pro Tempore of the Senate;

18 5. An individual or a parent or guardian of an individual with
19 significant disabilities who participates in vocational programming
20 through a qualified nonprofit agency for individuals with
21 disabilities, to be appointed by the Speaker of the House of
22 Representatives;

23 6. The Director of Human Services, or designee; and
24

1 7. A person employed by the ~~Office of Management and Enterprise~~
2 ~~Services Central Purchasing Division~~ Oklahoma Central Purchasing
3 Department as a contracting officer, appointed by the State
4 Purchasing Director.

5 B. The private citizens on the Council shall serve for a period
6 of two (2) years and may be reappointed by the appointing authority.
7 Any private citizen appointed pursuant to this section to fill a
8 vacancy occurring prior to the expiration of the term for which the
9 predecessor was appointed shall be appointed only for the remainder
10 of the term.

11 The State Use Advisory Council shall meet a minimum of twice a
12 year for the purpose of exchanging ideas to market and improve the
13 State Use Program.

14 SECTION 48. AMENDATORY Section 2, Chapter 252, O.S.L.
15 2022 (74 O.S. Supp. 2023, Section 3001.1), is amended to read as
16 follows:

17 Section 3001.1. The State Purchasing Director, ~~under the~~
18 ~~supervision of the Director of the Office of Management and~~
19 ~~Enterprise Services,~~ shall have authority and responsibility to
20 administer and oversee the State Use Program including but not
21 limited to:

- 22 1. Promulgating rules relating to the program;
- 23 2. Qualification of organizations participating in the program;

1 3. Contracting with qualified organizations for products and
2 services to be included on the procurement schedule;

3 4. Determination of fair market price of all products and
4 services to be included on the procurement schedule; and

5 5. Designation and publication of a procurement schedule.

6 SECTION 49. AMENDATORY 74 O.S. 2021, Section 3003, as
7 amended by Section 3, Chapter 252, O.S.L. 2022 (74 O.S. Supp 2023,
8 Section 3003) is amended to read as follows:

9 Section 3003. As used in Section 3001 et seq. of this title:

10 1. "Blind person" means a person having a visual acuity not to
11 exceed 20/200 in the better eye, with correcting lenses, or visual
12 acuity greater than 20/200 but with limitation in the field of
13 vision such that the widest diameter of visual field subtends an
14 angle no greater than twenty (20) degrees;

15 2. "Council" means the State Use Advisory Council;

16 3. "Qualified nonprofit agency for the employment of people
17 with significant disabilities" means a nonprofit agency employing
18 persons with significant disabilities who constitute at least
19 seventy-five percent (75%) of the direct labor hours engaged in
20 direct production, manufacturing, processing and/or assembling of
21 products or services offered by the agency for procurement by this
22 state or who meet the definition of blind person as provided for in
23 paragraph 1 of this section, or which is certified as a sheltered
24

workshop by the Wage and Hour Division of the United States
Department of Labor;

4. "Person with significant disabilities" means an individual
with a physical or mental disability constituting a substantial
handicap to employment and preventing the person from engaging in
normal competitive employment and/or includes any blind person;

5. "Qualified organization" means a blind person or qualified
nonprofit agency for the employment of people with significant
disabilities contracting to supply goods or services;

6. "Manufactured" means goods made by manual labor;

7. "Produced" means to have brought into existence or created
from raw materials;

8. "Processed" means the action of taking something through an
established and mostly routine set of procedures or steps to
substantially convert a potential product from one form to another.
This action involves a sequence of multiple steps each requiring a
distinct decision-making process to evolve a potential product to
the next step;

9. "Assemble" means to put or fit together or put together the
parts of a potential product;

10. "Central nonprofit agency (CNA)" means a qualified 501(c)3
nonprofit entity meeting the qualifications in the Request for
Procurement (RFP) issued by the Office of Management and Enterprise

Services selected to administer and oversee the State Use Program;
and

11. "Procurement schedule" means a designated schedule of
products and services currently approved by the ~~Office of Management
and Enterprise Services Central Purchasing Division~~ Oklahoma Central
Purchasing Department as suitable to procure from qualified
organizations participating in the State Use Program.

SECTION 50. AMENDATORY 74 O.S. 2021, Section 3004, as
amended by Section 4, Chapter 252, O.S.L. 2022 (74 O.S. Supp 2023,
Section 3004) is amended to read as follows:

Section 3004. The ~~Office of Management and Enterprise Services
Central Purchasing Division~~ Oklahoma Central Purchasing Department
shall designate and distribute by regulation a schedule, hereinafter
referred to as the procurement schedule, of the products directly
manufactured, produced, processed or assembled or services directly
performed, offered or provided by any person with significant
disabilities or qualified nonprofit agency for the employment of
people with significant disabilities, as defined in Section 3003 of
this title, which the State Purchasing Director determines are
suitable for procurement by the state. The products and services on
contract will be published on the procurement schedule and will be
designated as mandatory. The ~~Office of Management and Enterprise
Services Central Purchasing Division~~ Oklahoma Central Purchasing
Department shall have the authority to qualify organizations for

1 inclusion in the State Use Program, monitor qualified organizations
2 for continued compliance to remain active in the program, and remove
3 organizations from the program. ~~Central Purchasing~~ The Department
4 shall have the authority to award and manage contracts to the
5 qualified organizations as well as to renegotiate or cancel
6 contracts when appropriate.

7 SECTION 51. AMENDATORY 74 O.S. 2021, Section 3004.1, as
8 amended by Section 5, Chapter 252, O.S.L. 2022 (74 O.S. Supp 2023,
9 Section 3004.1) is amended to read as follows:

10 Section 3004.1. The State Purchasing Director may enter or
11 award contracts for products or services to a qualified organization
12 as defined in Section 3003 of this title and assess a contract
13 management fee or levy. The contract management fee or levy shall
14 be deposited in the State Use Advisory Council Revolving Fund, as
15 created in Section 3004.2 of this title, for the salary,
16 administrative costs, annual trainings, professional association
17 memberships, qualified agency operational improvement grants,
18 periodic economic advantage study, ~~Annual Report~~ annual report
19 development, and other expenses incurred by the ~~Central Purchasing~~
20 ~~Division of the Office of Management and Enterprise Services~~
21 Oklahoma Central Purchasing Department for promoting goods and
22 services provided by qualified organizations.

1 SECTION 52. AMENDATORY 74 O.S. 2021, Section 3004.2, as
2 amended by Section 6, Chapter 252, O.S.L. 2022 (74 O.S. Supp 2023,
3 Section 3004.2) is amended to read as follows:

4 Section 3004.2. There is hereby created in the State Treasury a
5 revolving fund for the ~~Office of Management and Enterprise Services~~
6 Oklahoma Central Purchasing Department to be designated the "State
7 Use Advisory Council Revolving Fund". The fund shall be a
8 continuing fund, not subject to fiscal year limitations, and shall
9 consist of all proceeds from the management fee or levy on contracts
10 for purchases of products or services of people with significant
11 disabilities, as provided in Section 3004.1 of this title. The fund
12 shall be invested in any of the types of instruments in which the
13 State Treasurer is authorized by law to invest. Interest earned
14 shall be retained by the fund. All monies accruing to the credit of
15 the fund are hereby appropriated and may be budgeted and expended by
16 the ~~Office of Management and Enterprise Services~~ Oklahoma Central
17 Purchasing Department for the salary and other administrative
18 expenses of the buyer and clerical and technical support in the
19 ~~Central Purchasing Division of the Office of Management and~~
20 ~~Enterprise Services~~ Oklahoma Central Purchasing Department
21 responsible for contracts for the products and services of people
22 with significant disabilities and expenses the ~~Office~~ Department
23 incurs to support State Use operations including services of the
24 Centralized Non-Profit Agency (CNA). Expenditures from the fund

1 shall be made upon warrants issued by the State Treasurer against
2 claims filed as prescribed by law with the Director of the Office of
3 Management and Enterprise Services for approval and payment.

4 SECTION 53. AMENDATORY 74 O.S. 2021, Section 3005, as
5 amended by Section 7, Chapter 252, O.S.L. 2022 (74 O.S. Supp 2023,
6 Section 3005) is amended to read as follows:

7 Section 3005. ~~The Office of Management and Enterprise Services~~
8 ~~Central Purchasing Division~~ Oklahoma Central Purchasing Department
9 shall determine the fair market price of all products and services
10 included in the procurement schedule and shall revise such prices in
11 accordance with changing market conditions; provided, however, a
12 change in price shall not be effective prior to the expiration of
13 thirty (30) days from the date on which such change is approved.
14 Approved fair market prices shall be reflected on State Use
15 contracts and procurement schedules within thirty (30) days of
16 approval and distribution.

17 SECTION 54. AMENDATORY 74 O.S. 2021, Section 3007, as
18 amended by Section 9, Chapter 252, O.S.L. 2022 (74 O.S. Supp. 2023,
19 Section 3007) is amended to read as follows:

20 Section 3007. A. Whenever this state or any of its agencies
21 intends to procure any product or service included in the
22 procurement schedule, that entity shall secure the product or
23 service from a qualified nonprofit agency providing employment to
24 people with significant disabilities at the fair market price

1 determined by the ~~Office of Management and Enterprise Services~~
2 ~~Central Purchasing Division~~ Oklahoma Central Purchasing Department,
3 if the product or service is available within the period required by
4 the entity and meets the specifications of the entity.

5 B. An agency of this state shall not evade the intent and
6 meaning of this section by slight variations from standards adopted
7 by the ~~Office of Management and Enterprise Services Central~~
8 ~~Purchasing Division~~ Oklahoma Central Purchasing Department.

9 C. Provided, the requirements of this section shall not apply
10 to the procurement of janitorial services by the Oklahoma State
11 Bureau of Investigation. The Bureau shall conduct background
12 investigations and national criminal history record checks on
13 companies and individuals with which it contracts to provide
14 janitorial services.

15 D. Any municipality or county agency of this state is
16 authorized to purchase products and services from any qualified
17 organization as defined in Section 3003 of this title. The
18 qualified organization shall be able to meet the needs and
19 specifications for the products or services required by the
20 purchasing body at the fair market price. Procurements made
21 pursuant to the provisions of this section shall not be subject to
22 competitive bid requirements.

1 SECTION 55. AMENDATORY 74 O.S. 2021, Section 3008, as
2 amended by Section 10, Chapter 252, O.S.L. 2022 (74 O.S. Supp 2023,
3 Section 3008) is amended to read as follows:

4 Section 3008. A. Nothing in Section 3001 et seq. of this title
5 pursuant to purchases of products and services from people with
6 significant disabilities shall be construed to prohibit any
7 department or agency of the state from manufacturing or supplying
8 its own products or services for its own use. Procurements made
9 pursuant to Section 3001 et seq. of this title shall not be subject
10 to the competitive bid requirements of the Oklahoma Central
11 Purchasing Act, Section 85.1 et seq. of this title.

12 B. ~~The Office of Management and Enterprise Services Central~~
13 ~~Purchasing Division~~ Oklahoma Central Purchasing Department shall
14 require an annual qualified organization pricing review for all
15 products and services approved and designated on the procurement
16 schedule. The method of the pricing review shall be defined in the
17 promulgated rules.

18 C. When the fair market price for a product or service approved
19 by the ~~Office of Management and Enterprise Services Central~~
20 ~~Purchasing Division~~ Oklahoma Central Purchasing Department exceeds a
21 current market price for the same product or service and such lower
22 market price has been verified by the agency through compliance with
23 the fair market analysis process approved by the ~~Office of~~
24 ~~Management and Enterprise Services Central Purchasing Division~~

1 Oklahoma Central Purchasing Department, the State Use contracting
2 officer may grant a temporary exception to a requesting agency so
3 that the agency may purchase the product or service from the
4 supplier offering the lower market price.

5 SECTION 56. AMENDATORY 74 O.S. 2021, Section 3009, as
6 amended by Section 11, Chapter 252, O.S.L. 2022 (74 O.S. Supp 2023,
7 Section 3009) is amended to read as follows:

8 Section 3009. A. ~~The Office of Management and Enterprise~~
9 ~~Services Central Purchasing Division~~ Oklahoma Central Purchasing
10 Department shall prescribe rules to carry out the purposes of the
11 provisions of Sections 3001 through 3009 of this title.

12 B. The rules shall include requirements for:

13 1. Publishing a catalog listing goods and services and jobs
14 that qualified agencies employing people with significant
15 disabilities can provide the state, annually; and

16 2. Conducting a minimum of two meetings per year of the State
17 Use Advisory Council, in compliance with the Oklahoma Open Meeting
18 Act, Section 301 et seq. of Title 25 of the Oklahoma Statutes.

19 C. On an annual basis, the ~~Office of Management and Enterprise~~
20 ~~Services~~ Oklahoma Central Purchasing Department shall, within sixty
21 (60) days after the close of the fiscal year, electronically
22 transmit a strategic plan for the State Use Program to the President
23 Pro Tempore of the Senate, the Speaker of the House of
24 Representatives and the Governor.

1 SECTION 57. AMENDATORY 74 O.S. 2021, Section 4191, is
2 amended to read as follows:

3 Section 4191. A. The Director of the Office of Management and
4 Enterprise Services shall establish and administer child care
5 centers with funds available for that purpose.

6 B. The Director of the Office of Management and Enterprise
7 Services may approve a consortium, partnership, cooperative or
8 agreement to provide child care centers with other public or private
9 employers.

10 C. The child care centers shall be operated through a contract
11 with child care providers. Specifications for a contract shall be
12 developed with the assistance of, and subject to the approval of,
13 the State Purchasing Director of the ~~Office of Management and~~
14 ~~Enterprise Services~~ Oklahoma Central Purchasing Department. Any
15 such contract shall be made through the ~~Central Purchasing Division~~
16 ~~of the Office of Management and Enterprise Services~~ Oklahoma Central
17 Purchasing Department. The low bid will not be the single
18 qualifier. Any child care provider shall be required to carry
19 sufficient liability insurance coverage which will pay damages
20 incurred as a result of the negligent acts or omissions of an
21 employee of the child care provider within the scope of the
22 employment of such person. Any child care provider shall meet or
23 exceed applicable state child care facilities licensure standards.
24

1 D. Nothing in this section shall prevent the Director from
2 utilizing paragraph ~~13~~ 12 of Section 85.5 of this title and
3 paragraph 3 of subsection A of Section 85.7 of this title to
4 continue the operation of a child care center with emergency
5 contracts when the service provider's contract is canceled or
6 terminated before another qualified service provider is procured.
7 The employees of the Office of Management and Enterprise Services
8 shall not be employed to operate the centers.

9 E. Any parent utilizing the services of a child care center
10 shall be responsible for the charges assessed by the child care
11 provider for child care services.

12 SECTION 58. REPEALER 74 O.S. 2021, Section 85.45e, is
13 hereby repealed.

14 SECTION 59. REPEALER 74 O.S. 2021, Section 85.45f, is
15 hereby repealed.

16 SECTION 60. REPEALER 74 O.S. 2021, Section 85.45g, is
17 hereby repealed.

18 SECTION 61. REPEALER 74 O.S. 2021, Section 85.45h, is
19 hereby repealed.

20 SECTION 62. This act shall become effective November 1, 2024.
21
22
23
24

1 Passed the Senate the 12th day of March, 2024.

2
3 _____
4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2024.

7
8 _____
9 Presiding Officer of the House
10 of Representatives