STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

SENATE BILL 1430 By: Hall

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AS INTRODUCED

An Act relating to central purchasing; creating the Oklahoma Central Purchasing Department; transferring Central Purchasing Division of the Office of Management and Enterprise Services into Oklahoma Central Purchasing Department; amending 74 O.S. 2021, Sections 85.2, 85.3, 85.5, 85.5.1, 85.5a, 85.7, as amended by Section 1, Chapter 339, O.S.L. 2023, 85.12, as amended by Section 2, Chapter 339, O.S.L. 2023, 85.17a, 85.33, 85.33A, 85.41A, 85.44D.1, and 85.44E (74 O.S. Supp. 2023, Sections 85.7 and 85.12), which relate to the Oklahoma Central Purchasing Act; changing references from certain officers to the State Purchasing Director; modifying appointing entity for State Purchasing Director; changing references from certain entities to Department; amending 74 O.S. 2021, Section 85.45j.11, which relates to the Oklahoma Minority Business Enterprise Assistance Act; changing references from certain entities to Department; changing references from certain officers to the State Purchasing Director; amending 74 O.S. 2021, Section 85.45k, which relates to the State Travel Office; changing controlling agency of Office; amending 74 O.S. 2021, Section 85.451, which relates to the Trip Optimizer system; changing references from certain entities to Department; amending 74 O.S. 2021, Section 85.45s, which relates to the Oklahoma Online Bidding Act; changing references from certain officers to the State Purchasing Director; amending 74 O.S. 2021, Sections 85.47a, 85.47b, 85.47c, 85.47d, 85.47f, 85.47g, and 85.47i, which relate to the Oklahoma Small Business Surety Bond Guaranty Program Act; changing references from certain entities to Department; changing references from certain officers to the State Purchasing Director; amending 74 O.S.

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2021, Sections 85.51, 85.52, 85.53, 85.54, 85.55, 85.55a, which relate to the Oklahoma State Recycling and Recycled Materials Procurement Act; changing references from certain entities to Department; changing references from certain officers to the State Purchasing Director; amending 74 O.S. 2021, Section 85.56, which relates to the State Recycling Revolving Fund; changing controlling entity of fund; amending 74 O.S. 2021, Section 85.58A, which relates to risk management; changing references from certain entities to Department; changing references from certain officers to the State Purchasing Director; amending 74 O.S. 2021, Section 85.58D, which relates to the Risk Management Fire Protection Revolving Fund; changing controlling entity of fund; amending 74 O.S. 2021, Section 85.58G, which relates to the Risk Management Elderly and Handicapped Transportation Revolving Fund; changing controlling entity of fund; amending 74 O.S. 2021, Section 85.58H, as amended by Section 240, Chapter 282, O.S.L. 2022 (74 O.S. Supp. 2023, Section 85.58H), which relates to indemnity coverage; changing references from certain entity to Department; changing references from certain officers to the State Purchasing Director; amending 74 O.S. 2021, Section 85.58J, which relates to insurance for foster family homes; changing references from certain entity to Department; changing references from certain officers to the State Purchasing Director; amending 74 O.S. 2021, Section 85.58K, which relates to the Risk Management Revolving Fund; changing controlling entity of fund; changing references from certain officers to the State Purchasing Director; amending 74 O.S. 2021, Section 85.58L, which relates to the Risk Management Political Subdivision Participation Revolving Fund; changing controlling entity of fund; amending 74 O.S. 2021, Section 85.58M, which relates to fees and premiums; changing references from certain entities to Department; amending 74 O.S. 2021, Section 85.58N, which relates to the Quick Settlement Account; changing controlling agency of account; amending 74 O.S. 2021, Section 85.58P, which relates to the Risk Management Public Transit Revolving Fund; changing controlling entity of fund; amending 74 O.S. 2021, Sections 85.58Q, 85.58T, and 85.58V, which relate to blanket bonds; changing references from certain entities to Department;

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1 adding amount of surety required for employees of Department; amending 74 O.S. 2021, Section 85.60, 2 which relates to copyrights and patents; changing references from certain entities to Department; 3 amending 74 O.S. 2021, Sections 3001, as amended by Section 1, Chapter 252, O.S.L. 2022, Section 2, 4 Chapter 252, O.S.L. 2022, 3003, as amended by Section 3, Chapter 252, O.S.L. 2022, 3004, as amended by 5 Section 4, Chapter 252, O.S.L. 2022, and 3004.1, as amended by Section 5, Chapter 252, O.S.L. 2022 (74 6 O.S. Supp 2023, Sections 3001, 3001.1, 3003, 3004, and 3004.1), which relate to the State Use Advisory 7 Council; adjusting membership on Council; changing references from certain entities to Department; 8 changing references from certain officers to the State Purchasing Director; amending 74 O.S. 2021, 9 Section 3004.2, as amended by Section 6, Chapter 252, O.S.L. 2022 (74 O.S. Supp 2023, Section 3004.2), 10 which relates to the State Use Advisory Council Revolving Fund; changing controlling entity of fund; 11 amending 74 O.S. 2021, Sections 3005 and 3007, as amended by Sections 7 and 9, Chapter 252, O.S.L. 2022 12 (74 O.S. Supp 2023, Sections 3005 and 3007), which relate to fair market prices; changing reference from 13 certain entity to Department; amending 74 O.S. 2021, Section 3008, as amended by Section 10, Chapter 252, 14 O.S.L. 2022 (74 O.S. Supp 2023, Section 3008), which relates to competitive bid pricing; changing 15 reference from certain entity to Department; amending 74 O.S. 2021, Section 3009, as amended by Section 11, 16 Chapter 252, O.S.L. 2022 (74 O.S. Supp 2023, Section 3009), which relates to an annual strategic plan for 17 the State Use Advisory Council; changing references from certain entity to Department; amending 74 O.S. 18 2021, Section 4191, which relates to state child care facilities; changing references from certain officers 19 to the State Purchasing Director; changing references from certain entities to Department; updating 20 statutory language; making language gender neutral; updating statutory references; repealing 74 O.S. 21 2021, Sections 85.45e, 85.45f, 85.45g, and 85.45h, which relate to central purchasing; providing for 22 codification; and providing an effective date.

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

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

- A. There is hereby created the Oklahoma Central Purchasing

 Department. The Central Purchasing Division of the Office of

 Management and Enterprise Services shall be transferred to the

 Oklahoma Central Purchasing Department. Any funds appropriated to,

 in the possession of, or allocated to the Central Purchasing

 Division of the Office of Management and Enterprise Services shall

 be deemed to be funds of the Oklahoma Central Purchasing Department.
- B. All functions, powers, duties, and obligations previously assigned to the Central Purchasing Division of the Office of Management and Enterprise Services are hereby transferred to the Oklahoma Central Purchasing Department.
- C. All rules, regulations, acts, orders, determinations, and decisions of the Central Purchasing Division of the Office of Management and Enterprise Services pertaining to the functions and powers as transferred and assigned to the Oklahoma Central Purchasing Department, in force at the time of such transfer, assignment, assumption, or devolution shall continue in force and effect as rules, regulations, acts, orders, determinations, and decisions of the consolidated agencies until duly modified or abrogated by the appropriate body or until otherwise provided by law.

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

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

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

- 1. "Acquisition" means items, products, materials, supplies, services, and equipment a state agency acquires by purchase, lease-purchase, lease with option to purchase, rental or value provided to the state pursuant to the Oklahoma Central Purchasing Act unless the items, products, supplies, services, or equipment are exempt pursuant to the Oklahoma Central Purchasing Act or authority exercised by the Chief Information Officer State Purchasing Director;
- 2. "Best value criteria" means evaluation criteria which may include, but is not limited to, the following:
 - a. the acquisition's operational cost a state agency would incur,
 - the quality of the acquisition, or its technical competency,
 - c. the reliability of the bidder's delivery and implementation schedules,

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- d. the acquisition's facilitation of data transfer and systems integration,
- e. the acquisition's warranties and guarantees and the bidder's return policy,
- f. the bidder's financial stability,
- g. the acquisition's adherence to the state agency's planning documents and announced strategic program direction,
- h. the bidder's industry and program experience and record of successful past performance with acquisitions of similar scope and complexity,
- 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 authorized, is in writing. In addition to bilateral instruments, contracts include, but are not limited to:
 - a. awards.
 - b. orders issued under basic ordering agreements,
 - c. letter agreements, and
 - d. orders under which the contract becomes effective by written acceptance or performance;
- 9. "Contracting" means obtaining acquisitions from private sources. Contracting includes description, but not determination, of acquisitions required, selection and solicitation of sources, preparation and award of contracts, and contract administration;
- 10. "Electronic commerce" means the use of electronic methods to enable solicitation, supplier response, contract award, state

agency acquisition processes, or any other function to make an acquisition;

- 11. "Electronic payment mechanism" means a method of electronic payment for authorized acquisitions;
- 12. "Environmentally preferable products and services (EPPS)"
 means acquisitions that best meet the requirements as defined in the
 solicitation for human health and the environment;
- 13. "Local governmental entity" means any unit of local government including, but not limited to, any school district, county or municipality of this state;
- 14. "Lowest and best" means an acquisition based on criteria which include, but are not limited to, the following:
 - a. the lowest total purchase price,
 - b. the quality and reliability of the product, and
 - c. the consistency of the proposed acquisition with the state agency's planning documents and announced strategic program direction;
- 15. "Multistate contract" or "multigovernmental contract" means an agreement entered into between two or more entities of government for acquisitions pursuant to a single contract;
- 16. "Nonprofessional services" means services which are predominantly physical or manual in character and may involve the supplying of products;

- 17. "Open market contract" means a contract for a one-time acquisition not exceeding the acquisition amount, requiring a competitive bid pursuant to Section 85.7 of this title;
- 18. "Political subdivision" means local governmental entities and such other entities specified as political subdivisions pursuant to The Governmental Tort Claims Act;
- 19. "Professional services" means services which are predominantly mental or intellectual in character rather than physical or manual and which do not involve the supplying of products. Professional services include services to support or improve state agency policy development, decision making, management, administration or the operation of management systems;
- 20. "Purchase order" means an offer by a state agency to make an acquisition utilizing simplified procedures;
- 21. "Purchasing cooperative" means an association of public entities working together to provide leverage in achieving best value and/or the best terms in contracts awarded through a competitive bidding process;
- 22. "Requisition" means a written request by a state agency for an acquisition;
- 23. "Sole brand acquisition" means an acquisition that by specification restricts the acquisition to one manufacturer or brand name;

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- 24. "Sole source acquisition" means an acquisition which, by specification, restricts the acquisition to one supplier;
- 25. "Solicitation" means a request or invitation by the State
 Purchasing Director or a state agency for a supplier to submit a
 priced offer to sell one or more acquisitions to the state. A
 solicitation may be an invitation to bid, request for proposal or a
 request for quotation;
- 26. "Split purchase" means dividing a known quantity or failing to consolidate a known quantity of an acquisition for the purpose of evading a competitive bidding requirement;
- 27. "State agency" includes any office, officer, bureau, board, counsel, court, commission, department, institution, unit, division, body or house of the executive or judicial branches of the state government, whether elected or appointed, excluding only political subdivisions of the state;
- 28. "State purchase card" means a type of commercial card that allows state agencies to take advantage of existing credit card infrastructure to make electronic payments for acquisitions;
- 29. "State Purchasing Director" includes any employee or agent of the State Purchasing Director, acting within the scope of delegated authority;
- 30. "Statewide contract" means a contract for specific acquisitions for a specified period with a provision allowing some or all state agencies and local governmental entities to place

orders as the acquisitions are needed for delivery during the period specified; and

- 31. "Supplier" or "vendor" means an individual or business entity that provides or desires to provide acquisitions to state agencies.
- SECTION 3. AMENDATORY 74 O.S. 2021, Section 85.3, is amended to read as follows:

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

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

- B. The Director of the Office of Management and Enterprise

 Services shall hire Governor shall appoint, with the advice and

 consent of the Senate, the State Purchasing Director, who shall hold

 office at the pleasure of the Governor and shall continue to serve

 until a successor is duly appointed and is qualified. The State

 Purchasing Director shall:
- Have a thorough knowledge of office practices and buying procedures in volume purchasing; and
- 2. Be a graduate of an accredited college or university with at least five (5) years' experience in commercial or governmental purchasing, or, in lieu of such education, have at least ten (10) years' experience in commercial or governmental purchasing.

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- C. The State Purchasing Director, with the approval of the Director of the Office of Management and Enterprise Services, may employ such personnel as may be necessary to exercise authority and perform duties under the Oklahoma Central Purchasing Act.
- D. All activities of any state agency, department, or institution relating to purchasing shall be under the direction of the Purchasing Division Oklahoma Central Purchasing Department unless otherwise provided by the Oklahoma Central Purchasing Act.
- E. The <u>Purchasing Division</u> Oklahoma Central Purchasing

 <u>Department</u> shall provide qualified personnel to assist the purchasing activities of state agencies, departments, and institutions, as required by the Oklahoma Central Purchasing Act.
- F. Each state agency, department, and institution shall designate personnel to coordinate its purchasing functions with the Purchasing Division Oklahoma Central Purchasing Department.
- G. The Purchasing Division Oklahoma Central Purchasing

 Department may, if the needs of a state agency, department, or institution are such as to so require, employ, and establish a buyer within a state agency. The state agency shall pay all expenses incurred for any buyer required to be placed within its agency.
- H. Except as provided in Section 34.36 of Title 62 of the Oklahoma Statutes, no state agency subject to the Oklahoma Central Purchasing Act shall have or maintain a purchasing section without the prior approval in writing of the <u>Purchasing Division</u> Oklahoma

Central Purchasing Department unless otherwise provided in the Oklahoma Central Purchasing Act nor shall such purchasing section perform purchasing functions for another state agency.

I. The <u>Purchasing Division</u> <u>Oklahoma Central Purchasing</u>

<u>Department</u> shall make acquisitions from industries operated by the Department of Corrections pursuant to the provisions of Section 549.1 of Title 57 of the Oklahoma Statutes.

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

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

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

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

4. Be employed in any of the positions authorized by this section if a relative within the third degree of consanguinity or affinity sells to or otherwise provides acquisitions to any state agency subject to the Oklahoma Central Purchasing Act or is interested in any business entity which does so, except that such relative, excluding a spouse or child, may own Twenty-five Thousand

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Dollars (\$25,000.00) worth or less, or one percent (1%) or less, whichever amount is the lesser amount, of the stock of a corporation or any business entity which sells to or otherwise provides acquisitions to any state agency subject to the Oklahoma Central Purchasing Act; or

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

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

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

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

 Services State Purchasing Director shall have authority and responsibility to promulgate rules in connection with provisions of the Oklahoma Central Purchasing Act for:
- 1. The time, manner, authentication and form of making requisitions for acquisitions;
- 2. Inspection, analysis and testing of acquisitions or samples bidders submit prior to contract award;
- 3. The form and manner of submission for bids or proposals a bidder submits and the manner of accepting and opening bids or proposals;
- 4. The conditions under which the Office of Management and Enterprise Services Oklahoma Central Purchasing Department shall require written contracts for acquisitions, the conditions under which acquisitions may be made on an open account basis, and the conditions and manner of negotiating such contracts;

- 5. Obtaining acquisitions produced by state institutions;
- 6. Conditions under which any of the rules herein authorized may be waived;
- 7. The amounts of and deposits on any bond or other surety required to be submitted with a bid or contract for the furnishing of acquisitions and the conditions under which such bond or other surety shall be required;
- 8. The manner and conditions of delivery, which shall include the designation of the common carrier of property to be used to transport acquisitions whenever a common carrier is used, and the acceptance, or rejection, including check of quantities, of any acquisitions;
- 9. The form of any estimate, order or other information required in connection with an acquisition;
- 10. State agency acquisitions not exceeding the acquisition threshold amount requiring competitive bid to ensure competitiveness, fairness, compliance with the Oklahoma Central Purchasing Act and Section 3001 et seq. of this title, which relates to the State Use Committee Advisory Council. The rules shall include separate provisions based on acquisition amounts as follows:
 - a. state agencies shall make acquisitions not exceeding

 Twenty-five Thousand Dollars (\$25,000.00), provided

 the acquisition process is fair and reasonable and is

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conducted pursuant to rules authorized pursuant to this section, and

- b. state agencies with certified procurement officers and internal purchasing procedures found compliant by the State Purchasing Director may make acquisitions in excess of the fair and reasonable acquisition threshold amount provided for in this section and not exceeding Two Hundred Fifty Thousand Dollars (\$250,000.00), pursuant to rules authorized by this section;
- 11. Training by the State Purchasing Director of state agency procurement officers;
- 12. Review and audit by the State Purchasing Director of state agency acquisitions;
- 13. The conditions for increasing acquisition limits for state agencies which have had a prior reduction in acquisition limit by the Director of the Office of Management and Enterprise Services

 State Purchasing Director;
 - 14. Use of a state purchase card to make acquisitions;
- 15. Any other matter or practice which relates to the responsibilities of the State Purchasing Director;
- 16. Conditions for determination and authorization of acquisition threshold amounts of state agencies;

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

- 18. Payment procedure rules for state agencies to adhere to regarding statewide contracts.
- D. The State Purchasing Director shall provide training for state agency procurement officials, and other procurement staff, and is authorized to require retraining of such procurement personnel found not to be in compliance with provisions of the Oklahoma Central Purchasing Act or associated rules. The training may include any matters related to state procurement practices. State agency purchasing officials that demonstrate proficiency shall be certified as "certified procurement officers" by the State Purchasing Director and shall be authorized to make acquisitions pursuant to provisions of the Oklahoma Central Purchasing Act and associated rules. The State Purchasing Director may assess a fee to state agencies for the training that does not exceed each state agency's pro rata share of the costs the State Purchasing Director incurs to provide the training.
- E. The State Purchasing Director shall review state agency acquisitions for the purposes of:
- Ensuring state agency compliance with provisions of the Oklahoma Central Purchasing Act;

- 2. Ensuring state agency compliance with rules promulgated by the Office of Management and Enterprise Services Oklahoma Central Purchasing Department pursuant to the Oklahoma Central Purchasing Act;
- 3. Ensuring state agency compliance with provisions of Section 3001 et seq. of this title pertaining to the State Use Committee Advisory Council;
- 4. Reporting any acquisition by any state agency found not to be in compliance with those sections or rules to the Director of the Office of Management and Enterprise Services;
- 5. A determination by the State Purchasing Director to reduce a state agency's acquisition authority amount when the state agency is found not to be in compliance with the Oklahoma Central Purchasing Act or associated rules or requirements of the State Purchasing Director pursuant to this section; and
- 6. A determination by the State Purchasing Director to increase a state agency's acquisition authority amount after the agency cures deficiencies in connection with a prior reduction in the authority amount by the State Purchasing Director.
- F. Based on written findings and when recommended by employees of the Oklahoma Central Purchasing Department, the State Purchasing Director, the Director of the Office of Management and Enterprise Services may:

1 1. Transmit written findings by the State Purchasing Director

2 Oklahoma Central Purchasing Department to the State Auditor and

3 Inspector for further investigation, indicating purchasing

4 procedures that do not conform to the Oklahoma Central Purchasing

5 Act or associated rules; or

- 2. Transmit electronically to the Attorney General or the State Auditor and Inspector for further investigation a report made by the State Purchasing Director Oklahoma Central Purchasing Department that the Director of the Office of Management and Enterprise Services State Purchasing Director reasonably believes indicates that an action that constitutes a criminal violation pursuant to the Oklahoma Central Purchasing Act or other laws has been taken by any state agency, state agency official, bidder or supplier.
- G. 1. Pursuant to the requirements of the Oklahoma Central Purchasing Act, the State Purchasing Director shall have authority to enter into any statewide, multistate or multigovernmental contract. The state entity designated by law, as specified in Section 1010.3 of Title 56 of the Oklahoma Statutes, shall participate in the purchase of pharmaceuticals available through such multistate or multigovernmental contracts entered into by the State Purchasing Director.
- 2. Whenever it appears advantageous to the state or to any state agency to purchase or otherwise acquire any acquisition which may be offered for sale by the United States government or any

agency thereof, the State Purchasing Director may execute a contract for the acquisition with the federal government or federal agency and may also utilize contracts awarded by other governmental agencies including, but not limited to, agencies of the United States of America.

- 3. The State Purchasing Director may designate, for use by state agencies, contracts described in this subsection and contracts awarded on behalf of one or more state agencies.
- 4. Prior to exercising the authority to cancel a contract, the State Purchasing Director may authorize renegotiation of an existing contract with an incumbent supplier for the purposes of obtaining more favorable terms for the state.
- 5. The State Purchasing Director shall have the authority to designate certain contracts for state agencies as statewide contracts and mandatory statewide contracts. In order to carry out the powers and duties of the Chief Information Officer and Information Services Division of the Office of Management and Enterprise Services, the Chief Information Officer shall have the authority to designate certain information technology and telecommunication contracts as statewide contracts and mandatory statewide contracts and may negotiate consolidation contracts, enterprise agreements and high technology system contracts in lieu of or in conjunction with competitive bidding procedures to reduce acquisition cost.

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- The State Purchasing Director may publish such specifications relating to materials, supplies, equipment and services to be acquired for the state as may best promote competition and apprise potential suppliers of the type of product desired.
- The State Purchasing Director may develop and test new contracting policies, procedures and innovations that hold potential for making state procurement more effective and efficient and identify, and make recommendations to the Legislature of, any appropriate changes in law. Such development and testing, proof of concept, pilot project or other similar test shall not be considered an acquisition subject to the Oklahoma Central Purchasing Act.
- 2. The State Purchasing Director is authorized to explore and investigate cost savings in energy, resource usage and maintenance contracts and to identify and negotiate contract solutions including, but not limited to, pilot projects to achieve cost savings for this state.
- The State Purchasing Director shall endeavor to satisfy state agencies in terms of cost, quality and timeliness of the delivery of acquisitions by using bidders who have a record of successful past performance, promoting competition, minimizing administrative operating costs and conducting business with integrity, fairness and openness.
 - The State Purchasing Director shall undertake the following:

- The use of electronic commerce pursuant to the Oklahoma
 Online Bidding Act for solicitation, notification and other
 purchasing processes;
- 2. Monitoring rules promulgated pursuant to the Oklahoma Central Purchasing Act to ensure that the rules satisfy the interests of the state, are clear and succinct and encourage efficiency in purchasing processes;
 - 3. A program to identify suppliers' performance records;
- 4. Development of criteria for the use of sealed bid contracting procedures, negotiated contracting procedures, selection of types of contracts, postaward administration of purchase orders and contracts, addendums, termination of contracts and contract pricing;
- 5. Continual improvement in the quality of the performance of the Purchasing Division Oklahoma Central Purchasing Department through training programs, management seminars, development of benchmarks and key management indicators, and development of standard provisions, clauses and forms;
- 6. The State Purchasing Director shall prescribe standardized contract forms and all other forms or certifications requisite or deemed necessary by the State Purchasing Director to effectuate the provisions of the Oklahoma Central Purchasing Act and associated rules;

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

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

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

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

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

M. On an annual basis, the State Purchasing Director shall electronically transmit to the Governor, Speaker of the House of Representatives and President Pro Tempore of the Senate a report documenting the savings realized by each agency through the application of best spend practices including the collection and

tracking of spend data, strategic sourcing programs and implementation of managed and mandatory statewide contracts and include in the report information regarding emergency acquisitions.

- N. The acquisition threshold amount applicable to an acquisition made pursuant to this act the Oklahoma Central

 Purchasing Act or associated rules shall not apply to state agency purchases; provided, the State Purchasing Director determines the agency has subject matter experts on staff having the specialized expertise to purchase goods or services, the agency possesses the necessary legal and procurement staff to procure and monitor the contracts, and provided the Director of the Office of Management and Enterprise Services shall certify the State Purchasing Director certifies that the proposed purchase does not conflict with consolidated statewide spend initiatives.
- 1. Nothing in this subsection shall give an agency authority to issue statewide, multistate or multigovernmental contracts.
 - 2. Agencies making purchases pursuant to this subsection shall:
 - a. be responsible for contracts awarded pursuant to this subsection, which includes, but may not be limited to, contract management, protest costs, all costs connected with or incurred as a result of the contract, including legal representation,

- b. comply with rules and policies of the Office of

 Management and Enterprise Services Oklahoma Central

 Purchasing Department, and
- c. report contracts issued pursuant to this subsection to the Office of Management and Enterprise Services,

 Central Purchasing Division, Oklahoma Central

 Purchasing Department on a quarterly basis.
- 3. Purchases made in accordance with this subsection shall be made pursuant to rules authorized by this section.
- O. The State Purchasing Director, with approval by the Director of the Office of Management and Enterprise Services, is authorized to make use of any state laboratories for the tests and analyses authorized in this section wherever practicable and to use private laboratories or the laboratories of another government agency if it is impracticable to use state laboratories. The State Purchasing Director is further authorized to cooperate in test and analysis programs or agreements with other states or the United States government and to accept federal funds and funds donated by private endowments or foundations for the purpose of participation in such testing programs.
- SECTION 5. AMENDATORY 74 O.S. 2021, Section 85.5.1, is amended to read as follows:
- Section 85.5.1. A. Privatization Projects. The Office of Management and Enterprise Services Oklahoma Central Purchasing

<u>Department</u> shall establish a repository of the best privatization practices, have expertise to select projects or services for privatization, be capable of rapid evaluation and response to privatization proposals and have the ability to oversee the contracting for privatization opportunities.

- B. The Director of the Office of Management and Enterprise

 Services State Purchasing Director shall report legislative recommendations as the Director deems he or she deems necessary to further implement the provisions of this section.
- SECTION 6. AMENDATORY 74 O.S. 2021, Section 85.5a, is amended to read as follows:
- Section 85.5a. A. Except for the state fleet card, the state purchase card program administered by the Purchasing Division

 Oklahoma Central Purchasing Department is the only card program authorized for use by state agencies.
- B. On a monthly basis the State Purchasing Director and institutions of higher education shall provide to the Director of the Office of Management and Enterprise Services (OMES) State

 Purchasing Director a complete listing in electronic format of all transactions paid by a state purchase card. The list shall contain the name of the purchaser and purchasing agency, amount of purchase and all available descriptions of items purchased.
- C. Upon receipt of the list described in subsection B of this section, the Director of the OMES State Purchasing Director shall

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allow the public access to the list in searchable format through its website defined in Section 46 of Title 62 of the Oklahoma Statutes.

- D. The State Purchasing Director may authorize the use of a state purchase card for acquisitions within the following parameters:
 - 1. No limit on the amount of the transaction for the following:
 - a. purchases from statewide contracts and from contracts awarded by the State Purchasing Director for the benefit of a state agency,
 - b. utilities,
 - c. interagency payments,
 - d. emergency acquisitions; provided, requirements to establish an emergency pursuant to Section 5 of this act or other <u>an</u> applicable statute or rule have been met, and
 - e. professional services as defined in Section 803 of Title 18 of the Oklahoma Statutes; and
- 2. For any other transaction with a state purchase card, the transaction shall not exceed the greater of Five Thousand Dollars (\$5,000.00) or the limit determined by the State Purchasing Director, not to exceed the fair and reasonable acquisition threshold amount.
- E. The State Purchasing Director may authorize personnel of the Oklahoma Department of Commerce, upon a finding by the Secretary of

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1 Commerce that such personnel have a legitimate need therefore, to 2 utilize a state purchase card for acquisitions for programs, 3 functions or services essential to the mission of the agency while 4 traveling on Oklahoma Department of Commerce business in foreign 5 locations with transaction limits not to exceed Thirty-five Thousand 6 Dollars (\$35,000.00). The purchase cardholders are required to sign 7 a purchase card agreement prior to becoming a cardholder and to 8 attend purchase card procedure training. The Oklahoma Department of 9 Commerce will conduct quarterly internal auditing on all purchase 10 card transactions associated with business and travel in foreign 11 locations.

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

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

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- a. every state agency shall initiate all acquisitions by the submission of a requisition to the Purchasing

 Division Oklahoma Central Purchasing Department, and
- b. no state agency shall make an acquisition for an amount exceeding Fifty Thousand Dollars (\$50,000.00) or the limit determined by the State Purchasing Director pursuant to rules authorized by Section 85.5 of this title, not to exceed Two Hundred Fifty

Thousand Dollars (\$250,000.00), without submission of a requisition to the Purchasing Division Oklahoma

Central Purchasing Department for issuance of a solicitation for the acquisition on behalf of the agency. Any exemption from competitive bid requirements of the Oklahoma Central Purchasing Act further exempts the acquisition from requisition requirements of the act.

- 2. The State Purchasing Director may request additional information necessary to adequately review a requisition to ensure compliance with the Oklahoma Central Purchasing Act and associated rules. If the State Purchasing Director determines that an acquisition is not necessary, excessive or not justified, the State Purchasing Director shall deny the requisition.
- 3. The provisions of the Oklahoma Central Purchasing Act shall not preclude a state agency from:
 - a. accepting gifts or donations in any manner authorized by law, or
 - b. making an acquisition for itself without submitting a requisition under this section when authorized in writing by the State Purchasing Director.
- 4. Any acquisition a state agency makes shall be made pursuant to the Oklahoma Central Purchasing Act and associated rules. No agency shall use split purchasing for the purpose of evading the

requirement of competitive bidding or other requirement of the Oklahoma Central Purchasing Act or associated rules. Violation of this provision shall be cause for discipline of a state employee up to and including termination.

- 5. The State Purchasing Director may waive or increase the limit authorized for a state agency acquisition made pursuant to its own competitive procedures. To perfect an otherwise valid acquisition inadvertently exceeding the limit due to administrative error by a state agency or unforeseeable circumstances, the state agency shall request a limited waiver or increase upon the discovery of the error or circumstance to the State Purchasing Director. The State Purchasing Director shall report electronically requests for waivers or increases, stating the amount and whether the request was granted or denied, upon request by the Governor, President Pro Tempore of the Senate or Speaker of the House of Representatives.
- 6. Competitive bidding requirements of this section shall not be required for the following:
 - a. contracts for master custodian banks or trust companies, investment managers, investment consultants, and actuaries for the state retirement systems, and Oklahoma Employees Insurance and Benefits Board, pension fund management consultants of the Oklahoma State Pension Commission and the Commissioners of the Land Office, examiners, experts,

or consultants for the Insurance Department whose job duties are tied to Market Conduct Exams market conduct exams, Financial Exams financial exams, and Insurance Business Transfers, financial institutions to act as depositories and managers of the Oklahoma College Savings Plan accounts and other professional services as defined in Section 803 of Title 18 of the Oklahoma Statutes. When requested by the Oklahoma Employees Insurance and Benefits Board or the governing board of a state retirement system authorized to hire investment managers, the Purchasing Division Oklahoma Central Purchasing Department shall assist in the process of selecting investment managers,

- b. a state agency making such an acquisition shall notify the State Purchasing Director within fifteen (15) days following completion of the acquisition. A list of the exempt contracts shall be provided, upon request, to a member of the Appropriations and Budget Committee of the House of Representatives or Appropriations Committee of the Senate,
- c. purchases of postage by state agencies made pursuant to Sections 90.1 through 90.4 of this title,
- d. a sole source acquisition made in compliance with Section 85.44D.1 of this title,

- e. an acquisition for design, development, communication or implementation of the state employees flexible benefits plan; provided, procedures used for the acquisition are consistent with competitive bid requirements of the Oklahoma Central Purchasing Act and associated rules,
- f. any acquisition of a service which the Office of

 Management and Enterprise Services Oklahoma Central

 Purchasing Department has approved as qualifying for a fixed and uniform rate, subject to the following:
 - (1) the Purchasing Division Oklahoma Central

 Purchasing Department shall establish criteria and guidelines for those services which may qualify for a fixed and uniform rate,
 - (2) fixed and uniform rate contracts authorized by this subsection shall be limited to contracts for those services furnished to persons directly benefiting from such services and shall not be used by a state agency to employ consultants or to make other acquisitions,
 - (3) any state agency desiring to have a service qualified for a fixed and uniform rate shall make a request for service qualification to the State Purchasing Director and submit documentation to

support the request. The State Purchasing Director shall approve or deny the request. approved, the state agency shall establish a fixed and uniform rate for the service. No contracts shall be entered into by the state agency until the rate has been approved by the state agency in a public hearing. The proposed rate shall be clearly and separately identified in the agenda of the state agency for the hearing and shall be openly and separately discussed during such hearing. The state agency shall notify the State Purchasing Director of its pending consideration of the proposed rate at least thirty (30) days before the state agency is to meet on the proposed rate and deliver a copy of the agenda items concerning the proposed rate with supporting documentation. The State Purchasing Director shall communicate any observation, reservation, criticism or recommendation to the agency, either in person at the time of the hearing or in writing delivered to the state agency before or at the time of the hearing. The State Purchasing Director shall specifically note in the written communications

whether the Director has determined the rate to be excessive. Any written communication presented in the absence of the State Purchasing Director shall be presented orally during the public hearing. Whether made in person or in writing, any comment made by the State Purchasing Director shall be made a part of the minutes of the hearing in full,

(4) within two (2) weeks after the convening of the Legislature, the administrative officer of the state agency shall electronically furnish to the Speaker of the House of Representatives, the President Pro Tempore of the Senate and to any member of the House or Senate, if requested by the member, a complete list of all of the types of services paid for by uniform fixed rates, the amount of the rate last approved by the agency for the service and the number of contracts then in existence for each type of service. Any rate which has been determined to be excessive by the State Purchasing Director shall be specifically identified in the list by the state agency, and (5) at any time, the State Purchasing Director may

review, suspend or terminate a contract entered

into pursuant to the provisions of this paragraph if the Director determines the contract is not necessary, is excessive or is not justified,

- g. an acquisition for a client of the State Department of Rehabilitation Services; provided, the agency develops and maintains standards for such an acquisition. The agency may elect to utilize the Purchasing Division

 Oklahoma Central Purchasing Department for an acquisition. The standards shall foster economy, provide a short response time, include appropriate safeguards, require written records, ensure appropriate competition for economical and efficient purchasing and shall be approved by the State Purchasing Director,
- h. structured settlement agreements entered into by the
 Attorney General's office in order to settle any
 lawsuit involving the state, the Legislature, any
 state agency or any employee or official of the state
 if:
 - (1) prior to entering into any contract for the services of an entity to administer a structured settlement agreement, the Attorney General receives proposals from at least three entities engaged in providing such services, and

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

- i. an acquisition by a state agency pursuant to a contract the State Purchasing Director enters into on behalf of a state agency or awards and designates for use by state agencies,
- j. an acquisition by the Committee for Sustaining Oklahoma's Energy Resources pursuant to a contract with a local supplier for the purpose of holding a special event or an exhibition throughout the state, and
- k. contracts for the study, analysis, and planning, as reasonably necessary, to aid in determining the feasibility of leasing, selling, or privately managing or developing the property or facilities under control of the Oklahoma Tourism and Recreation Commission.

 The Commission shall be exempt from the competitive bidding requirements of the Oklahoma Central Purchasing Act for the purpose of soliciting, negotiating, and effectuating such a contract or contracts; provided, that the State Purchasing

Director shall review and audit all uses of the exemptions provided in this subparagraph biannually.

- 7. Notwithstanding any other provision of law, an acquisition may be exempted from requirements of this section by the State Purchasing Director when in the State Purchasing Director's discretion unusual, time-sensitive, or unique circumstances exist which make such exemption in the best and immediate interest of the state. As used in this subsection, "State Purchasing Director" shall not mean a designee. Any such acquisitions shall be described in detail and publicly posted as a data feed. The description shall include the name of the supplier, cost of the acquisition, reason for exemption and, as applicable, detailed comparison of the acquisition with comparable items, any identified cost savings resulting from the acquisition and a description of benefits to the state. The State Purchasing Director shall take no action under the provisions of this subsection prior to such public posting.
- B. Competitively bid acquisitions shall be awarded to the lowest and best, or best value, bidder or bidders.
- C. Bids for an amount requiring submission of requisitions to the Purchasing Division Oklahoma Central Purchasing Department shall be evaluated by the Purchasing Division Oklahoma Central Purchasing Department and the state agency receiving the acquisition. At a minimum, cost and technical expertise shall be considered in determining the lowest and best, or best value, bid. Further, the

state agency shall present its evaluation and recommendation to the State Purchasing Director. A documented evaluation report containing the evaluations of the <u>Purchasing Division Oklahoma</u>

<u>Central Purchasing Department</u> or the state agency shall be completed prior to the contract award and such report shall be a matter of public record.

- D. Except as otherwise specifically provided by law, the acquisition of food items or food products by a state agency from a public trust created pursuant to Sections 176 through 180.56 of Title 60 of the Oklahoma Statutes shall comply with competitive bidding requirements of this section.
- E. Cooperative contracts shall not be utilized unless the purchasing cooperative and its affiliated suppliers have complied with competitive bid requirements of the Oklahoma Central Purchasing Act and associated rules.
- F. Notwithstanding any provision of the Oklahoma Central Purchasing Act, in all cases where federal granted funds are involved, the federal laws, rules and regulations thereto shall govern to the extent necessary to inure to the benefit of such funds to this state.
- G. A court order requiring an acquisition by a state agency, whether or not such state agency is subject to the Oklahoma Central Purchasing Act, shall not invalidate competitive bidding procedures required by this section if such court order does not specify a

specific supplier. Any such acquisition shall comply with competitive bid procedures.

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

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

- B. Except as otherwise provided by this section, the acquisitions specified in this subsection shall be made in compliance with Section 85.39 of this title and purchasing card program requirements but are not subject to other provisions of the Oklahoma Central Purchasing Act:
- 1. Food and other products produced by state institutions and agencies;
- 2. The printing or duplication of publications or forms of whatsoever kind or character by state agencies if the work is performed upon their own equipment by their own employees. Pursuant to this paragraph, the state agency may only use equipment owned or leased by the agency and may only utilize that equipment for printing services required by the agency in performing duties imposed upon the agency or functions authorized to be performed by

the agency. Any use of the equipment by the agency pursuant to an agreement or contract with any other entity resulting in delivery of intermediate or finished products to the entity purchasing or using the products shall be subject to the provisions of the Oklahoma

Central Purchasing Act and associated rules;

- 3. Department of Transportation and Transportation Commission contractual services or right-of-way acquisitions, contracts awarded pursuant to bids let by the Transportation Commission for the maintenance or construction of streets, roads, highways, bridges, underpasses or any other transportation facilities under the control of the Department of Transportation, equipment or material acquisitions accruing to the Department of Transportation required in federal aid contracts and acquisitions for public-service-type announcements initiated by the Department of Transportation, but not acquisitions for advertising, public relations or employment services;
- 4. Utility services regulated by a state or federal regulatory commission, municipal ordinance or an Indian Tribal Council;
- 5. Acquisitions by the University Hospitals Authority. The Authority shall develop standards for the acquisition of products and services and may elect to utilize the Purchasing Division

 Oklahoma Central Purchasing Department. The standards shall foster economy and short response time and shall include appropriate

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safeguards and record-keeping requirements to ensure appropriate competition and economical and efficient purchasing;

- 6. Custom harvesting by the Department of Corrections for the Department or its institutions;
- 7. Subject to prior approval of the State Purchasing Director, acquisitions from private prison suppliers which are subject to the contracting procedures of Section 561 of Title 57 of the Oklahoma Statutes;
 - 8. Acquisitions by the Oklahoma Municipal Power Authority;
 - 9. Acquisitions by the Grand River Dam Authority;
- 10. Acquisitions by rural water, sewer, gas or solid waste management districts created pursuant to the Rural Water, Sewer, Gas and Solid Waste Management Districts Act;
- 11. Acquisitions by the Oklahoma Ordnance Works Authority, the Northeast Oklahoma Public Facilities Authority or the Midwestern Oklahoma Development Authority;
- 12. Expenditure of monies appropriated to the State Board of Education for local and state-supported financial support of public schools, except monies allocated therefrom for the Administrative and Support Functions of the State Department of Education;
- 13. Expenditure of monies appropriated to the State Department of Rehabilitation Services for educational programs or educational materials for the Oklahoma School for the Blind and the Oklahoma School for the Deaf;

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- 14. Contracts entered into by the Oklahoma Department of Career and Technology Education for the development, revision or updating of vocational curriculum materials, and contracts entered into by the Oklahoma Department of Career and Technology Education for training and supportive services that address the needs of new or expanding industries;
- 15. Contracts entered into by the Oklahoma Center for the Advancement of Science and Technology for professional services;
- 16. Contracts entered into by the Oklahoma Department of Commerce pursuant to the provisions of Section 5066.4 of this title;
- 17. Acquisitions made by the Oklahoma Historical Society from monies used to administer the White Hair Memorial;
- 18. Purchases of pharmaceuticals available through a multistate or multigovernmental contract if such pharmaceuticals are or have been on state contract within the last fiscal year, and the terms of such contract are more favorable to the state or agency than the terms of a state contract for the same products, as determined by the State Purchasing Director. The state entity designated by law, as specified in Section 1010.3 of Title 56 of the Oklahoma Statutes, shall participate in the purchase of pharmaceuticals available through such contracts;
- 19. Contracts for managed health care services entered into by the state entity designated by law or the Department of Human

Services, as specified in paragraph 1 of subsection A of Section 1010.3 of Title 56 of the Oklahoma Statutes;

- 20. 19. Acquisitions by a state agency through a General Services Administration contract or other federal contract if the acquisitions are not on current statewide contract or the terms of the federal contract are more favorable to the agency than the terms of a statewide contract for the same products;
- 21. 20. Acquisitions of clothing for clients of the Department of Human Services and acquisitions of food for group homes operated by the Department of Human Services;
 - 22. 21. Acquisitions by the Oklahoma Energy Resources Board;
- 23. 22. Acquisitions of clothing for juveniles in the custody of the Office of Juvenile Affairs and acquisitions of food for group homes operated by the Office of Juvenile Affairs;
- 24. 23. State contracts for flexible benefits plans pursuant to the Oklahoma State Employees Benefits Act, Section 1361 et seq. of this title;
- 25. 24. Acquisitions by the Oklahoma Department of Securities to investigate, initiate, or pursue administrative, civil or criminal proceedings involving potential violations of the acts under the Department's jurisdiction and acquisitions by the Oklahoma Department of Securities for its investor education program;
- $\frac{26.}{25.}$ Acquisitions for resale in and through canteens operated pursuant to Section 537 of Title 57 of the Oklahoma

Statutes and canteens established at an institution or facility operated by the Office of Juvenile Affairs;

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

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

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

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

31. 30. Contracts negotiated by the Office of Juvenile Affairs with designated Youth Services Agencies and the Oklahoma Association of Youth Services, or another Oklahoma nonprofit corporation whose

membership consists solely of Youth Services Agencies and of whom at least a majority of Youth Services Agencies are members, pursuant to the provisions of Section 2-7-306 of Title 10A of the Oklahoma Statutes and contracts entered into by the Department of Human Services pursuant to Section 1-9-110 of Title 10A of the Oklahoma Statutes with designated Youth Services Agencies;

- 32. 31. Contracts for annuities for structured settlements provided for in Section 158 of Title 51 of the Oklahoma Statutes;
- 33. 32. Subject to subsection E of this section, purchases made from funds received by local offices administered by the Department of Human Services or administered by the Office of Juvenile Affairs for fund-raising activities and donations for the benefit of clients and potential clients at the local offices where such purchases may not otherwise be paid for from appropriated funds;
- 34. 33. Acquisitions by the Oklahoma Historical Society for restoration of historical sites and museums although the agency may elect to utilize the Purchasing Division Oklahoma Central Purchasing Department for an acquisition with supplier and bid selection being the prerogative of the agency, based on the supplier's documented qualifications and experience; and
- 35. 34. Acquisitions of clothing and food for patients in the care of the J.D. McCarty Center for Children with Developmental Disabilities.

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

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

E. With respect to the Department of Human Services or the Office of Juvenile Affairs, as applicable, monies received by fundraising activities or donations from the local office, vending operations administered by employees of the agency and all other nonrestricted cash and cash-equivalent items received by employees of the agency shall be deposited in the agency special account

established for this purpose. The deposits shall be made at local banking institutions approved by the State Treasurer.

F. With respect to the Oklahoma Tourism and Recreation

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

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

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

Section 85.17a. A. State agencies shall not discriminate against bidders from states or nations outside Oklahoma, except as provided by this section. State agencies shall reciprocate the bidding preference given by other states or nations to bidders domiciled in their jurisdictions for acquisitions pursuant to the Oklahoma Central Purchasing Act. The Purchasing Division Oklahoma

<u>Central Purchasing Department</u> shall provide to certified procurement officers information regarding the reciprocity provided by other states. This information shall be used by state agencies in evaluating bids.

- B. For purposes of awarding contracts state agencies shall:
- 1. Give preference to goods and services that have been manufactured or produced in this state if the price, fitness, availability and quality are otherwise equal;

- 2. Give preference to goods and services from another state over foreign goods or services if goods or services manufactured or produced in this state are not equal in price, fitness, availability or quality; and
- 3. Add a percent increase to the bid of a nonresident bidder equal to the percent, if any, of the preference given to the bidder in the state in which the bidder resides.
- SECTION 10. AMENDATORY 74 O.S. 2021, Section 85.33, is amended to read as follows:

Section 85.33. A. There is hereby created in the State

Treasury a revolving fund for the Office of Management and

Enterprise Services Oklahoma Central Purchasing Department to be designated the "Registration of State Vendors Revolving Fund". The fund shall consist of any monies received from fees collected in accordance with subsection B of this section. The revolving fund shall be a continuing fund, without legislative appropriation, not

subject to fiscal year limitations, and shall be under the control and management of the Office of Management and Enterprise Services

Oklahoma Central Purchasing Department. Expenditures from the Registration of State Vendors Revolving Fund shall be budgeted and expended pursuant to the laws of the state and the statutes relating to public finance. The fund shall be used to defray the costs of the Purchasing Division Oklahoma Central Purchasing Department.

Warrants for expenditures from the fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the Office Department, and approved for payment by the Director of the Office of Management and Enterprise Services.

B. The Office of Management and Enterprise Services Oklahoma

Central Purchasing Department may collect a fee of Twenty-five

Dollars (\$25.00) to register suppliers that desire to do business with this state through the Purchasing Division Department. The suppliers shall register separately for each commodity list. Each registration shall entitle the supplier to be on that list for one (1) year, to receive all bid notices in that classification for that period. All fees collected in accordance with this subsection shall be deposited in the revolving fund created in subsection A of this section.

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

Section 85.33A. A. There is hereby created in the State Treasury a revolving fund for the Office of Management and Enterprise Services Oklahoma Central Purchasing Department to be designated the "Contract Management Revolving Fund". The fund shall consist of any monies received from fees, levies or rebates the Office Department receives in accordance with subsection B of this The revolving fund shall be a continuing fund, without legislative appropriation, not subject to fiscal year limitations, and shall be under the control and management of the Office of Management and Enterprise Services Oklahoma Central Purchasing Department. Expenditures from the Contract Management Revolving Fund shall be budgeted and expended pursuant to the laws of the state and the statutes relating to public finance. The fund shall be used to defray the costs of the Purchasing Division Department. Warrants for expenditures from the fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the Office Department, and approved for payment by the Director of the Office of Management and Enterprise Services. The State Purchasing Director may enter into or award

B. The State Purchasing Director may enter into or award contracts that provide a contract management fee, levy or rebate to the Office of Management and Enterprise Services Oklahoma Central Purchasing Department. The State Purchasing Director shall ensure that a contract that provides a management fee, levy or rebate

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provides value to acquiring agencies exceeding open market acquisition costs.

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

Section 85.41A. A. Emergency acquisitions shall be made in compliance with Section 85.39 of Title 74 of the Oklahoma Statutes regarding internal purchasing procedures, Section 85.5a of Title 74 of the Oklahoma Statutes regarding the purchasing card program and applicable rules but are not subject to other provisions of the Oklahoma Central Purchasing Act. The following are emergency acquisitions:

- 1. An acquisition declared as an emergency by a state agency;
- 2. An acquisition to alleviate a serious environmental emergency if, upon receiving a request from the Chair of the Corporation Commission and after having examined the facts and circumstances of the case, the Governor certifies in writing the existence of a serious environmental emergency. For the purposes of this subsection, "serious environmental emergency" means a situation within the jurisdiction of the Commission:
 - a. in which serious damage to the environment will quickly occur if immediate action is not taken and the damage will be so significant that the urgent need for action outweighs the need for competitive bids, or

- b. a situation in which human life or safety is in imminent danger or significant property interests are threatened with imminent destruction;
- 3. An acquisition of livestock through a market agency, dealer, commission house or livestock auction market bonded or licensed under federal or state law for the acquisition or collection of semen or embryos, and for the placement of embryos into recipient livestock;
- 4. An acquisition by a state agency pursuant to a contract with the United States Army Corps of Engineers for emergency response or to protect the public health, safety or welfare;
- 5. An acquisition declared by the Office of Management and Enterprise Services (OMES) Risk Management Administrator pursuant to Section 85.58A of Title 74 of the Oklahoma Statutes; or
 - 6. A condition certified by the Governor as an emergency.
- B. Notwithstanding a state agency's exemption from requisition and competitive bidding requirements, a state agency making an emergency acquisition shall timely provide the Purchasing Division within OMES Oklahoma Central Purchasing Department all information required by the State Purchasing Director.
- SECTION 13. AMENDATORY 74 O.S. 2021, Section 85.44D.1, is amended to read as follows:
- Section 85.44D.1. A. 1. A sole source acquisition is exempt from competitive bidding procedures as a sole source or requirements

1	of this act the Oklahoma Central Purchasing Act, but a sole brand
2	acquisition is subject to such competitive bidding requirements.
3	2. For each sole source or sole brand acquisition, the state
4	agency shall retain in the state agency's acquisition file and
5	attach to the requisition, a certification signed by the chief
6	administrative officer of the state agency, in the following form:
7	SOLE SOURCE OR SOLE BRAND ACQUISITION
8	CERTIFICATION
9	STATE AGENCY
L O	SUPPLIER NAME
L1	SUPPLIER ADDRESS
L2	SUPPLIER CONTACT INFORMATION
L3	In connection with the attached requisition or contract, I
L 4	hereby affirm that
L5	(Name of Supplier)
L 6	is the only business entity singularly qualified to provide the
L7	acquisition, or is the only brand satisfying the acquisition
L8	requirements, for the following reasons:
L 9	
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1	The following is a brief description of all efforts made	de to
2	verify that the acquisition qualifies as a sole source or s	sole brand
3	acquisition:	
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I understand that the signing of this certification knowing such information to be false may result in forfeiture of my position and ineligibility for appointment to or employment in state service for a period of five (5) years following forfeiture of position.

(Chief administrative officer)

- 3. A court order requiring a particular acquisition, but which does not specify a brand or supplier shall not substitute for the certification required by this section or otherwise invalidate acquisition procedures required by the Oklahoma Central Purchasing Act.
- 4. Upon a determination by the Director of the Office of

 Management and Enterprise Services State Purchasing Director that
 there are reasonable grounds to believe that a violation of this
 section has occurred, the State Purchasing Director shall send
 findings to the Attorney General that support the determination.

The Attorney General shall review the findings and determine whether to investigate or prosecute the person.

- 5. Prior to approving a requisition for a sole source or sole brand acquisition, the Purchasing Division Oklahoma Central

 Purchasing Department shall require the signed certification documenting the need for a sole source or sole brand acquisition and shall retain the certification in accordance with state record retention requirements.
- 6. For a sole source or sole brand acquisitions exceeding the fair and reasonable acquisition threshold amount and not requiring submission of a requisition to the <u>Purchasing Division Oklahoma</u>

 Central Purchasing Department, the state agency's certified procurement officer shall retain, in the acquisition file, the signed certification documenting the need for the sole source or sole brand acquisition in accordance with state record retention requirements.
- B. By the fifteenth day of each month, or the first working day thereafter, the Office of Management and Enterprise Services

 Oklahoma Central Purchasing Department shall electronically provide a report to:
- 1. The Speaker of the House of Representatives and the President Pro Tempore of the Senate; and
 - 2. Any member of the Legislature requesting the report.

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The report shall detail sole source and sole brand acquisitions by state agencies for the month prior to the month preceding the submission of the report. The report shall be titled "Monthly Sole Source and Sole Brand Contracting Report of Oklahoma State Agencies" and indicate the time period of the report. The report shall be provided by the Director of the Office of Management and Enterprise Services State Purchasing Director of the Oklahoma Central Purchasing Department or the Director's designee. The report shall be in columnar database format and shall include at least the following fields of information: state agency number; state agency name; date created by the Office of Management and Enterprise Services Oklahoma Central Purchasing Department for the requisition; date of either approval or disapproval of the requisition; if disapproved, the reason why such contract requisition was disapproved; estimated amount of the requisition acquisition; purchase order amount; purchase order number; actual business name of supplier; supplier federal employer identification number; and the commodity classification listing at the appropriate level to distinguish between similar acquisitions. Information required by this subsection shall be reported and maintained on each report through the next reporting period after an acquisition is made. The applicable data in the fields of information specified in this subsection shall be listed even if the state agency requisition is disapproved.

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

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

- 1. "Service-disabled veteran" means any individual that is disabled as certified by the appropriate federal agency responsible for the administration of veterans' affairs; and
 - 2. "Service-disabled veteran business" means a business:
 - a. not less than fifty-one percent (51%) of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than fifty-one percent (51%) of the stock of which is owned by one or more service-disabled veterans, and
 - b. the management and daily business operations of which are controlled by one or more service-disabled veterans.
- B. In awarding contracts for the performance of any job or service, all agencies, departments, institutions and other entities of this state and of each political subdivision of this state shall give a three-percentage point bonus preference to service-disabled veteran businesses doing business as Oklahoma firms, corporations or individuals, or which maintain Oklahoma offices or places of business.

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

- 1. The <u>State Purchasing</u> Director of the Office of Management and Enterprise Services Oklahoma Central Purchasing Department shall have the goal of three percent (3%) of all such contracts described in subsection B of this section to be awarded to such veterans; and
- 2. If an insufficient number of such veterans doing business in this state submit a bid or proposal for a contract by an agency, department, institution or other entity of the state or a political subdivision, such goal shall not be required and the provisions of paragraph 1 of this subsection shall not apply.
- D. The <u>State Purchasing</u> Director of the Office of Management and Enterprise Services Oklahoma Central Purchasing Department may promulgate rules in order to implement the provisions of this section.
- SECTION 15. AMENDATORY 74 O.S. 2021, Section 85.45j.11, is amended to read as follows:

Section 85.45j.11. A. There is hereby created the "Oklahoma Supplier Diversity Initiative", which shall be a state-sponsored supplier diversity program to provide a resource for state agencies and private businesses to utilize diverse firms in procurement opportunities to encourage growth in the economy of the state. The program shall provide convenience for qualified and certified small

business enterprises and minority business enterprises in contracting projects in underserved areas.

- В. The program shall allow diverse business enterprises to register with the Office of Management and Enterprise Services Oklahoma Central Purchasing Department and allow registered vendors to be automatically notified of opportunities to do business with the state for specific commodities. The program shall provide for simplified vendor registration processes.
- The program shall authorize the Oklahoma Department of Commerce to develop a diversity certification program to qualify and certify diverse business enterprises for the state.
- To qualify for the program, businesses shall have less than five hundred total employees, an annual revenue equal to or less than Twenty-five Million Dollars (\$25,000,000.00) and be certified as one of the following:
- An Oklahoma A Department of Transportation Disadvantaged Business Enterprise;
- 2. Any of the following entities certified by the United States Small Business Administration:
 - Woman-Owned Small Business, a.
 - b. Minority-Business Enterprise,
 - Small Disadvantaged Business, C.
 - d. Service-disabled Veteran-Owned Small Business,

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e. HUBZone Small Business Concern, and

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f. 8(a) Business Development Program;

- 3. A Native American-owned Business; or
- 4. A Veteran-owned Business.

- E. The Oklahoma Central Purchasing Division of the Office of

 Management and Enterprise Services Department shall:
- 1. Amend the vendor registration process to require diversity certification check off and size standard information; and
- 2. Create a search tool for all state agencies and public or private entities to utilize to obtain contact information for diverse firms for the purpose of promoting procurement opportunities within the state.
- F. On or before September 1 of each year, the State Purchasing Director shall electronically submit a report to the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate on the status of the percentile of state funds expended on contracts awarded to a certified Oklahoma Department of Transportation Disadvantaged Business Enterprise and all of the entities certified by the United States Small Business Administration mentioned in subsection D of this section in the preceding fiscal year. The report may include related economic impacts when applicable. The report, statistics or other information concerning the participation in the program shall be retained by the Office of Management and Enterprise Services

amended to read as follows:

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The Oklahoma Department of Commerce shall promulgate rules to create and administer the Oklahoma Supplier Diversity Initiative. AMENDATORY 74 O.S. 2021, Section 85.45k, is SECTION 16.

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

- B. All state agencies and departments of this state may make arrangements for all air travel on scheduled commercial airlines for state employees required to travel in the course of their official duties and for all other persons traveling at state expense through the State Travel Office, except when the state agency determines that:
- The air travel services can be secured at a cost less than that which can be secured by the State Travel Office; or
- The air travel originates from a location outside the state and it would be impractical to arrange for the air travel through the State Travel Office; or
- The air travel is necessitated by an emergency and time does not permit utilization of the State Travel Office's services; or
- The air travel is part of a package arrangement made by the organization scheduling the meeting or conference.
- C. All claims made for reimbursement shall contain a statement showing the reason for the exemption.

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

E. At the end of each month the contract travel agencies shall furnish a statement, if requested, in a form approved by the State Travel Office, showing certain details of all travel arrangements handled to each state agency for which the contract travel agencies have furnished their services and shall also furnish copies of the statements to the State Travel Office.

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

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

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- The provisions of this section shall be used to determine the most cost-effective method of travel by motor vehicles, whether such vehicles are owned by the agency, leased by the agency or by the employee, and shall be applicable for purposes of determining the maximum authorized amount of any travel reimbursement for employees of such agencies related to vehicle usage.
- C. A nonappropriated state agency, that employs persons who use personal vehicles as part of their regular duties and who are reimbursed for travel expenses by the agency shall not be required to utilize the Trip Optimizer system with regard to the travel expenses of such employees. As used in this section, "nonappropriated state agency" means an entity within the executive branch of government that does not receive any of its funding through the annual legislative appropriations process.
- The maximum authorized amount of travel reimbursement related to vehicle usage shall be the lowest cost option as determined by the Trip Optimizer system. All travel claims submitted for reimbursement shall include the results of the Trip Optimizer system indicating the lowest cost option for travel by the state employee.
- State employees may be exempt from the reimbursement requirements of the Trip Optimizer system, provided the state employees utilize a personally owned vehicle and seek reimbursement

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according to the schedule referenced in subsection F of this section.

- F. The Office of Management and Enterprise Services Oklahoma

 Central Purchasing Department shall publish a schedule of reimbursement rates for state employee travel. The schedule may apply to exemptions claimed under subsection E of this section. The schedule may categorize reimbursement rates by type of vehicle and shall not exceed standard mileage reimbursement rates as established by the Internal Revenue Service.
- G. In providing a calculation of rates, the Trip Optimizer system shall account for the distance that an employee must travel to pick up a rental or state fleet vehicle.
- H. In providing a calculation of rates, the Trip Optimizer system shall account for the long-term rate discounts offered through the state's purchasing contract for vehicle rentals.
- SECTION 18. AMENDATORY 74 O.S. 2021, Section 85.45s, is amended to read as follows:
- Section 85.45s. The <u>State Purchasing</u> Director of the Office of Management and Enterprise Services <u>Oklahoma Central Purchasing</u>

 <u>Department</u> shall promulgate rules to implement the Oklahoma Online Bidding Act.
- SECTION 19. AMENDATORY 74 O.S. 2021, Section 85.47a, is amended to read as follows:

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

- 2. "Fund" means the Small Business Surety Bond Guaranty Fund;
- 3. "Indemnity fund" means a fund established through the Office

 of Management and Enterprise Services Oklahoma Central Purchasing

 Department to underwrite the Small Business Surety Bond Guaranty

 Program;
- 4. "Principal" means a small business entity as defined pursuant to Section 3 of the Small Business Act, 16 U.S.C. Section 632:
- 5. "Program" means the Small Business Surety Bond Guaranty Program; and
- 6. "Surety" means a corporation granted authority by the
 Insurance Commissioner to write bonds or insurance in this state
 guaranteeing the performance of contracts.
- SECTION 20. AMENDATORY 74 O.S. 2021, Section 85.47b, is amended to read as follows:

Section 85.47b. The Administrator shall be authorized to:

- 1. Use the services of other governmental agencies and public trusts which are necessary to carry out the provisions of this act the Oklahoma Small Business Surety Bond Guaranty Program Act;
- 2. Contract for and accept, for use in carrying out the provisions of this program, loans and grants from the federal

government and any of its agencies and instrumentalities and from public trusts;

- 3. Acquire, manage, operate, dispose of, or otherwise deal with property, take assignments of rentals and leases, and make contracts, leases, agreements and arrangements that are necessary or incidental to the performance of his duties;
- 4. Prescribe or approve the form of and terms and conditions in applications, guarantee agreements or any other documents entered into by the Administrator, principals or sureties in connection with the program;
- 5. Acquire or take assignments of documents executed, obtained or delivered in connection with any assistance provided under this program; and
- 6. Fix, determine, charge and collect any premiums and fees pursuant to rules promulgated by the <u>State Purchasing</u> Director of the <u>Office of Management and Enterprise Services</u> <u>Oklahoma Central Purchasing Department</u>.
- SECTION 21. AMENDATORY 74 O.S. 2021, Section 85.47c, is amended to read as follows:

Section 85.47c. A. There is hereby created in the State

Treasury a revolving fund for the Small Business Surety Bond

Guaranty Program to be designated the "Small Business Surety Bond

Guaranty Fund". The fund shall be a continuing fund, not subject to

fiscal year limitations and shall consist of:

- 1. Premiums, fees, and any other amounts received with respect to bonding assistance provided under this program;
- 2. Proceeds from the sale, lease, or other disposition of property or contracts held or acquired by the Office of Management and Enterprise Services Oklahoma Central Purchasing Department pursuant to this program;
- 3. Income from investments that the State Treasurer makes from monies in the fund; and
 - 4. Any other monies made available under this program.
 - B. The fund shall be used:
 - 1. For the purposes provided for in this program; and
- 2. To pay part or all of the expenses of administering the program.
- C. All monies accruing to the credit of the fund shall be deposited with the State Treasurer and invested and reinvested in the same manner as other state funds, and any investment earnings shall be paid into the fund. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended for the purposes provided in subsection B of this section.

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

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

Section 85.47d. A. Subject to the restrictions of the Oklahoma Small Business Surety Bond Guaranty Program Act, the Administrator, on application, may guarantee any surety which qualifies pursuant to this act the Oklahoma Small Business Surety Bond Guaranty Program Act for any losses incurred as a result of a principal's breach of a bid bond, a payment bond, a defect or maintenance bond, or a performance bond required for a public construction contract for the state, federal agencies and political subdivisions of the State of Oklahoma this state. Provided, the guaranty shall not be extended to any bond with a face value in excess of Two Hundred Fifty Thousand Dollars (\$250,000.00), nor shall the total face value of the bonds to which the guaranty is extended for any one principal exceed Five Hundred Thousand Dollars (\$500,000.00). Provided further, the guaranty shall not be granted to an issuer of a letter of credit used in lieu of said bonds.

- B. The terms of a guaranty under the Oklahoma Small Business Surety Bond Guaranty Program Act shall not exceed the terms of the contract for which bonding is obtained.
- C. The Office of Management and Enterprise Services Oklahoma

 Central Purchasing Department shall establish an indemnity fund for this program using a public trust or other entity capable of creating a fund which is not subject to the constitutional

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prohibitions of Sections 15 and 23 of Article X of the Oklahoma Constitution.
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SECTION 23. AMENDATORY 74 O.S. 2021, Section 85.47f, is amended to read as follows:

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

- B. The premiums and fees set by the Administrator shall be payable in the amounts, at the time and in the manner that the Administrator requires.
- C. The premiums and fees need not be uniform among transactions, and may vary in amount:
 - 1. Among transactions; and

- 2. At different stages during the terms of transactions.
- SECTION 24. AMENDATORY 74 O.S. 2021, Section 85.47g, is amended to read as follows:

Section 85.47g. The Small Business Surety Bond Guaranty Program shall be a program of the Office of Management and Enterprise

Services Oklahoma Central Purchasing Department. The State

Purchasing Director of the Office of Management and Enterprise

Services Oklahoma Central Purchasing Department is authorized to

1 hire a Small Business Surety Bond Guaranty Program Administrator to 2 administer the Small Business Surety Bond Guaranty Program. 3 Administrator shall hold a bachelor's degree or higher degree in 4 business, accounting, mathematics, economics or engineering and 5 shall have previous experience as a surety underwriter. 6 Administrator shall be in the unclassified service of this state. 7 74 O.S. 2021, Section 85.47i, is SECTION 25. AMENDATORY 8 amended to read as follows:

Section 85.47i. The <u>State Purchasing</u> Director of the Office of Management and Enterprise Services <u>Oklahoma Central Purchasing</u>

<u>Department</u> shall promulgate and adopt rules necessary to carry out the provisions of the <u>Okahoma</u> Small Business Surety Bond Guaranty Program Act.

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

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

- 1. "Office" "Department" means the Office of Management and Enterprise Services Oklahoma Central Purchasing Department;
- 2. "Paper recycling" means the processing of scrap paper or other such recoverable waste paper into reusable products. Such collection and recycling of recoverable waste paper shall be done in an environmentally acceptable manner;

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

- 4. "Recoverable waste paper" generated by businesses or consumers, which has served its intended use and has been separated from solid waste for purposes of collection and recycling, shall include, but is not limited to, such paper as computer cards, computer print-out papers, copy paper, white office papers, colored office papers, corrugated boxes, newspapers, envelope coatings, bindery trimmings, printing scrap and butt rolls. Mill broke repulped internally within a paper manufacturing facility shall not be considered recoverable waste paper;
- 5. "Director" means the <u>State Purchasing</u> Director of the Office of Management and Enterprise Services Oklahoma Central Purchasing Department;
- 6. "Division" means the Purchasing Division of the Office of

 Management and Enterprise Services;
- 7. "Recycled paper products" means all paper products manufactured from recoverable waste paper with not less than ten percent (10%) of their total weight consisting of waste paper.:
- 8.7. "Products manufactured with recycled materials" means products that contain at least a minimum percentage of specified

materials recovered from the recycling of post-consumer products as defined in rules and regulations promulgated by the Division
Department;

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

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

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

Section 85.52. A. It is the intent of the Legislature that all state public entities comply with the provisions of the Oklahoma State Recycling and Recycled Materials Procurement Act. All political subdivisions of this state are encouraged to collect and recycle recoverable waste paper and recyclable materials to the greatest extent possible. The Office of Management and Enterprise Services Oklahoma Central Purchasing Department shall coordinate recycling efforts among the state public entities. The State Purchasing Director of the Office of Management and Enterprise Services Oklahoma Central Purchasing Department shall adopt such rules, regulations, and orders as are necessary for the implementation of the Oklahoma State Recycling and Recycled

Materials Procurement Act. The rules and regulations at a minimum shall establish procedures for:

- The identification, handling, hauling, storing, safety
 factors, and disposition of recoverable waste paper and recyclable
 materials;
- 2. The separation of recoverable waste paper and recyclable materials from solid waste generated by state public entities;
- 3. A system for the collection of recoverable waste paper and recyclable materials from solid waste generated by state public entities;
- 4. Assuring that the recoverable waste paper and recyclable materials are made available to private industries for collection and recycling at the greatest economic value and to the greatest extent feasible. The Office Department may execute multiple contracts as necessary for purposes including but not limited to serving other government entities and different geographic areas of the state. In addition to the preference provisions of Section 85.53 of this title, rules and regulations governing availability of recyclable materials shall give preference to private recyclable materials industries that operate in Oklahoma, and that will employ residents of the state to handle, transport and sort such materials;
- 5. The purchase of uncoated office paper and printed paper whenever practicable; and

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- Separating for the purpose of recycling all recyclable materials including but not limited to lead acid batteries, waste oil and major appliances that are generated as solid waste by state public entities.
- All state public entities shall comply with the procedures В. and systems established pursuant to the Oklahoma State Recycling and Recycled Materials Procurement Act.
- The State Purchasing Director may exempt any single activity or facility of any state public entity from compliance with rules promulgated pursuant to the Oklahoma State Recycling and Recycled Materials Procurement Act if the State Purchasing Director determines there is a lack of market availability or that it is not economically feasible to follow and comply with the procedures and systems established by the State Purchasing Director.
- The exemption shall be for a period not in excess of one (1) year, but additional exemptions may be granted for periods not to exceed one (1) year.
- The State Purchasing Director shall make public all exemptions together with the reasons for granting such exemptions.
- SECTION 28. AMENDATORY 74 O.S. 2021, Section 85.53, is amended to read as follows:

Section 85.53. A. It is the intent of the Legislature that all state public entities procure products or materials with the recycled content levels required or specified by rules promulgated

pursuant to the provisions of this section when such products or materials are available.

- B. By July 1, 1993, the Division Oklahoma Central Purchasing

 Department when accepting bids for state purchases of supplies,

 equipment and materials shall give preference to the suppliers of

 paper products or products manufactured with recycled materials if:
- 1. The price for recycled products and materials is not substantially higher than the price for nonrecycled products and materials. The Office of Management and Enterprise Services

 Oklahoma Central Purchasing Department shall establish by rule the annual percentage over and above the price of nonrecycled products and materials which will be allowed for the purchase of recycled products and materials; and
 - 2. The quality and grade requirements are otherwise comparable.
- C. By July 1, 1993, any state public entity not subject to The the Oklahoma Central Purchasing Act when accepting bids for purchases of supplies, equipment and materials, shall give preference to the suppliers of recycled paper products and products manufactured from recycled materials if:
- 1. The price for recycled products and materials is not substantially higher than the price for nonrecycled products and materials. The price paid for recycled products and materials shall not exceed the percentage over the price for nonrecycled products and materials established by the Office Department; and

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2. The quality and grade requirements are otherwise comparable.

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- The Purchasing Division Department and any state public D. entity not subject to The the Oklahoma Central Purchasing Act shall ensure, to the greatest extent economically practical and possible, that the recycled or recovered content of all paper purchased by the Division Department or agency, measured as a proportion, by weight, of paper products purchased in a calendar year, is not less than the following:
 - 1. By 1995, ten percent (10%) of all purchased paper;
- 2. By 1997, twenty-five percent (25%) of all purchased paper; and
 - By 1999, forty percent (40%) of all purchased paper.
- By July 1, 1993, the Division Department shall Ε. promulgate rules and implement a program for extending state procurement specifications to products manufactured with recycled materials and identifying recycled products.
- 2. By July 1, 1993, any state public entity not subject to The the Oklahoma Central Purchasing Act shall implement a program for extending agency procurement specifications to products manufactured with recycled materials.
- In writing specifications under this section, the Office Department and any other state public entity shall incorporate requirements relating to the recyclability and ultimate disposition of products and, wherever possible, shall write the specifications

so as to minimize the amount of solid waste generated by the state. All specifications under this section shall discourage the purchase of single-use, disposable products and require, whenever practical, the purchase of multiple-use, durable products.

- G. For materials that are not otherwise recycled, the Division Department and each state public entity not subject to The the Oklahoma Central Purchasing Act shall, to the extent practicable, enter into agreements to purchase products made from recyclable materials from vendors who agree to purchase like materials separated from solid waste generated by the state for reuse or use as a raw material in manufacturing.
- SECTION 29. AMENDATORY 74 O.S. 2021, Section 85.54, is amended to read as follows:
- Section 85.54. A. The Purchasing Division Oklahoma Central Purchasing Department shall review the procurement specifications currently used by the Office of Management and Enterprise Services the Department in order to eliminate, wherever economically feasible, discrimination against the procurement of recycled paper and other products manufactured with recycled materials.
- B. The <u>Division Department</u> shall establish purchasing practices which, to the maximum extent economically feasible, assure purchase of recycled paper products.

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- C. The <u>State Purchasing</u> Director of the Office of Management and Enterprise Services shall review and incorporate, where appropriate, guidelines published in the Federal Register.
- D. The <u>State Purchasing</u> Director shall promulgate rules to encourage recycling and conservation of purchased products.
- SECTION 30. AMENDATORY 74 O.S. 2021, Section 85.55, is amended to read as follows:

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

- 1. Be subject to the rules promulgated by the Purchasing

 Division Oklahoma Central Purchasing Department regarding the purchase of recycled products;
- 2. Establish management practices in accordance with the provisions of the Oklahoma State Recycling and Recycled Materials Procurement Act; and
- 3. Report Electronically report by November 1 of each year to the State Purchasing Director of Central Services Oklahoma Central Purchasing Department the following:
 - a. the total amount of waste paper and other recyclable materials sold during the previous fiscal year,
 - b. the amount of procured recycled paper products and other products manufactured with recycled materials, and

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- c. the total amount of monies collected and expended to implement the Oklahoma State Recycling and Recycled Materials Procurement Act.
- B. It is the intention of the Legislature that all state public entities and other governmental subdivisions of this state aggressively pursue procurement practices that encourage solid waste reduction and development of markets for recyclable materials and compost and shall, whenever practical, procure products containing recycled materials.
- SECTION 31. AMENDATORY 74 O.S. 2021, Section 85.55a, is amended to read as follows:

Section 85.55a. A. The Offfice of Management and Enterprise

Services Oklahoma Central Purchasing Department shall maintain a clearinghouse of information regarding products made from recycled paper products and products manufactured with recycled materials for purchase by state public entities. The clearinghouse shall include information concerning the availability, price and quality of products made from recycled paper products and products manufactured with recycled materials. The clearinghouse shall also include information concerning vendors and other persons willing to purchase recyclable materials from state public entities. The Office

Department shall develop a mechanism to make this information available to all state public entities.

B. The Office Department may enter into agreements with

purchasing agents of any other state, local governments, or the

federal government under which any of the parties may agree to

participate in, administer, sponsor or conduct purchasing

transactions under a joint contract for the purchase of materials,

supplies, equipment, permanent personal property, miscellaneous

capital or contractual services consistent with this act Section

8 85.51 through 85.55a of this title.

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

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

Section 85.56. A. There is hereby created in the State

Treasury a revolving fund for the Office of Management and

Enterprise Services Oklahoma Central Purchasing Department, to be designated the "State Recycling Revolving Fund". The fund shall be administered in accordance with standard revolving fund procedures. The Office Department shall direct to the State Recycling Revolving Fund any federal or private grants which may qualify. The Office Department shall have the authority to expend monies from the fund for the purpose of implementing the Oklahoma State Recycling and

Recycled Materials Procurement Act and to defray expenses the Office
Department incurs to support recycling operations.

B. Revenues received from the sale of waste materials which can be recycled through any recycling programs operated by the Office

Department shall be used to implement the Oklahoma State Recycling and Recycled Materials Procurement Act and to defray expenses the Office Department incurs to support recycling operations.

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

Section 85.58A. A. The Office of Management and Enterprise

Services (OMES) Oklahoma Central Purchasing Department shall
establish for all state agencies, whether or not subject to the

Oklahoma Central Purchasing Act, and other entities as provided by
law a comprehensive professional risk management program which
shall:

- 1. Identify and evaluate risks of loss and exposures to loss to officers, employees and properties;
- 2. Minimize risks through loss-prevention and loss-control programs;
- 3. Transfer risks, if economically advantageous to the state, by acquiring commercial insurance, contractual pass through of liability, or by other means;

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- 4. Consolidate and administer risk management plans and programs including self-insurance programs, except State Employees Group Insurance the Oklahoma Employees Insurance Plan;
- 5. Determine feasibility of and, if feasible, establish self-insurance programs, considering whether a program may be self-supporting to remain financially and actuarially sound;
- 6. Provide a system to allocate insurance and program costs to determine payment for insurance coverage and program expenses provided by the Office of Management and Enterprise Services

 Oklahoma Central Purchasing Department;
- 7. When requested by a state retirement system or the State and Education Employees Group Insurance Board Oklahoma Employees

 Insurance and Benefits Board, assist in obtaining insurance authorized by law. If requested by the Oklahoma State Regents for Higher Education, assist trust funds for which the State Regents serve as trustees in obtaining insurance authorized by law;
- 8. Assist state agencies and officers, employees, and members thereof, charged with licensing authority, in obtaining insurance for liability for judgments, based on the licensing authority, rendered by any court pursuant to federal law;
- 9. When requested by a public trust established pursuant to Title 60 of the Oklahoma Statutes of which the State of Oklahoma is the beneficiary, obtain, provide or assist the public trust in obtaining insurance authorized by law or trust indenture covering

any board member, trustee, official, officer, employee or volunteer for errors and omissions or liability risks arising from the performance of official duties pursuant to law or trust indenture;

- 10. When requested by the Oklahoma State Regents for Higher Education, for the purpose of insuring real property required pursuant to Section 4018 of Title 70 of the Oklahoma Statutes, of which the Oklahoma State Regents for Higher Education is the beneficiary, obtain, provide or assist the Oklahoma State Regents for Higher Education in obtaining insurance for the real property pursuant to the provisions of this section; and
- 11. Authorize the Risk Management Administrator to declare an emergency for the purpose of mitigating damages to any state-owned property insured under the comprehensive professional risk management program administered by OMES the Oklahoma Central Purchasing Department.
- B. The <u>State Purchasing</u> Director of the <u>Office of Management</u> and <u>Enterprise Services</u> <u>Oklahoma Central Purchasing Department</u> may hire or contract for the services of a Risk Management Administrator to supervise the <u>Comprehensive Professional Risk Management Program comprehensive professional risk management program established pursuant to this section. If appointed by the <u>State Purchasing</u> Director as a state employee, the Risk Management Administrator shall be in the unclassified service.</u>

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

- D. The Risk Management Administrator in conjunction with the State Purchasing Director under the authority of the Director of the Office of Management and Enterprise Services may negotiate insurance coverage and insurance-related services including, but not limited to, insurance brokerage and consulting services. The State Purchasing Director shall ensure open processes for solicitation and qualification of insurance coverage and services providers. The State Purchasing Director shall award contracts for insurance coverage and services to the provider or providers which offer the best and final terms and conditions. The State Purchasing Director may authorize the Risk Management Administrator to bind for insurance coverage with providers.
- E. The school districts of this state may request the Risk Management Administrator to advise for the purchase of insurance coverage for the school districts.
- F. A state agency, whether or not subject to the Oklahoma

 Central Purchasing Act, that contemplates purchase of property and

 casualty insurance, shall provide details of the proposed purchase

to the Risk Management Administrator for approval or disapproval prior to the purchase.

- G. The <u>State Purchasing</u> Director of the <u>Office of Management</u> and <u>Enterprise Services</u> <u>Oklahoma Central Purchasing Department</u> shall promulgate rules to effect the provisions of the comprehensive professional risk management program.
 - H. 1. a. Any community action agency established pursuant to

 Sections 5035 through 5040 of this title may

 participate in the comprehensive professional risk

 management program established pursuant to this

 section for risks incurred as a result of operating a

 Head Start program or providing transportation

 services to the public. The Risk Management

 Administrator shall obtain or provide for insurance

 coverage for such community action agencies or bonding

 for employees of such community action agencies. Any

 liability insurance coverage obtained or provided

 shall include expenses for administrative and legal

 services obtained or provided by the Risk Management

 Administrator.
 - b. The Risk Management Administrator shall determine criteria for participation in the risk management program by such community action agencies. In

addition, the Risk Management Administrator may require each such community action agency to:

- (1) provide adequate qualified personnel and suitable facilities and equipment for operating a Head Start program or providing transportation services to the public, and
- (2) comply with such standards as are necessary for the protection of the clients it serves.
- 2. To receive coverage pursuant to this section, a community action agency shall make payments for any insurance coverage and shall otherwise comply with the provisions of this section and rules promulgated by the Office Department pursuant to the provisions of this section.
- 3. Requests for the insurance coverage provided pursuant to the provisions of this subsection shall be submitted in writing to the Risk Management Administrator by the community action agencies.
- I. The Risk Management Administrator may provide or obtain for any state agency, public trust with the state as a beneficiary and a director, officer, employee or member thereof, insurance for liability for loss, including judgments, awards, settlements, costs and legal expenses, resulting from violations of rights or privileges secured by the Constitution or laws of the United States of America which occur while a director, officer, employee or member is acting within the scope of service to the State of Oklahoma this

state. The insurance shall be for coverage in excess of the limits on liability established by The Governmental Tort Claims Act but shall not limit or waive any immunities now or hereafter available to the State of Oklahoma this state or any state agency, any public trust with the state as a beneficiary, or any director, officer, employee or member thereof including, but not limited to, any immunities under the Eleventh Amendment to the Constitution of the United States, state sovereign immunity, and any absolute or qualified immunity held by any director, officer, employee or member.

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

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

Oklahoma Central Purchasing Department, to be designated the "Risk Management Fire Protection Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by an act of the Legislature and any fees collected by the Office of Management and Enterprise Services Oklahoma Central Purchasing Department in accordance with the provisions of Section 85.58B of this title. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Office of Management and Enterprise Services Oklahoma Central Purchasing Department for the

purposes of the Comprehensive Professional Risk Management Program provided for in Section 85.58A of this title, including the salaries and administrative expenses of support staff responsible for administering the fund and expenses the Office Department incurs to support program operations. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment. SECTION 35. 74 O.S. 2021, Section 85.58G, is AMENDATORY amended to read as follows: Section 85.58G. There is hereby created in the State Treasury a

revolving fund for the Office of Management and Enterprise Services

Oklahoma Central Purchasing Department, to be designated the "Risk

Management Elderly and Handicapped Transportation Revolving Fund".

The fund shall be a continuing fund, not subject to fiscal year

limitations, and shall consist of any monies transferred thereto by

an act of the Legislature and any fees collected by the Office of

Management and Enterprise Services Oklahoma Central Purchasing

Department in accordance with the provisions of Section 85.58E of

this title. All monies accruing to the credit of said fund are

hereby appropriated and may be budgeted and expended by the Office

of Management and Enterprise Services Oklahoma Central Purchasing

Department for the purposes of the Comprehensive Professional Risk

Management Program provided for in Section 85.58A of this title,

including the salaries and administrative expenses of support staff responsible for administering said fund and expenses the Department incurs to support program operations. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment. SECTION 36. AMENDATORY 74 O.S. 2021, Section 85.58H, as amended by Section 240, Chapter 282, O.S.L. 2022 (74 O.S. Supp. 2023, Section 85.58H), is amended to read as follows: Section 85.58H. A. Upon written certification by the State Purchasing Director of the Office of Management and Enterprise

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Services Oklahoma Central Purchasing Department that errors and omissions liability insurance for licensed operators and their employees is not reasonably available in the private market at competitive rates, after taking into account the administrative costs associated with such insurance, the Risk Management Administrator pursuant to Section 85.58A of this title may obtain or provide limited indemnity coverage for licensed operators and the employees who are employed by such licensed operators for any errors and omissions liability risks arising from the performance of their official duties pursuant to law. Any such certification by the State Purchasing Director of the Office of Management and Enterprise Services Oklahoma Central Purchasing Department shall be effective for a period of two (2) years. Any such limited indemnity coverage

shall be obtained or provided solely from funds available in the shared risk pool authorized by this section and subject to the limitations set out herein. The Risk Management Administrator shall establish liability limits for such errors and omissions coverage on an annual basis. Any such limits shall be based on the liquidity of the shared risk pool resulting from the annual payments made pursuant to subsection C of this section and any interest accrued thereon, after deduction of such sums as may be necessary to pay all overhead and administrative expenses associated with administering the pool.

- B. The Risk Management Administrator is authorized to determine eligibility criteria for participation in the Risk Management Program for such licensed operators and employees of such licensed operators. Any limited indemnity coverage provided for errors and omissions pursuant to the provisions of this subsection shall only cover errors or omissions made by a licensed operator or any employee of such licensed operator occurring after July 1, 1990.
- C. Except as otherwise provided in subsection G of this section, licensed operators shall be required to make annual payments of Forty Dollars (\$40.00) per licensed operator and Forty Dollars (\$40.00) per employee of the licensed operator for such limited indemnity coverage. The Risk Management Administrator is authorized to assess an additional payment per year, not to exceed Forty Dollars (\$40.00) per licensed operator and per employee of

such licensed operator, if the shared risk pool resulting from the payment of the fees made pursuant to this subsection is not adequate to cover any liability incurred.

- D. Requests for the limited indemnity coverage provided pursuant to the provisions of this section shall be submitted in writing to the Risk Management Administrator by the licensed operators.
- E. All fees collected in accordance with the provisions of this section shall be deposited in the Oklahoma Licensed Operator Indemnity Fund.
- F. In providing risk management services for any licensed operator or employee of such licensed operator, it is the intention of the Legislature to provide limited indemnification of licensed operators or employees of such licensed operators for errors and omissions, solely to the extent of assets in the shared risk pool created by this section. The State of Oklahoma is not liable, directly or indirectly, for the errors and omissions of any licensed operator or any employee of such licensed operator in the performance of official duties pursuant to law. The Risk Management Administrator shall determine the extent of indemnification for losses incurred by any such licensed operator or employee of such licensed operator based upon the liquidity of the shared risk pool.
- G. The Risk Management Administrator is authorized to establish a system under which the extent of indemnity coverage may be

extended or reduced based upon an increase or decrease in the amount of the payment required in subsection C of this section. Said system shall only be established when the liquidity of the shared risk pool is such that the system is feasible in the judgment of the Risk Management Administrator. Upon establishment of such a system, a licensed operator may elect to increase or decrease the amount of the payment required in subsection C of this section and correspondingly extend or reduce coverage for losses incurred by the licensed operator or employee of such licensed operator.

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

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

2. Pursuant to the provisions of this section and Section 85.58A of this title, the Risk Management Administrator may obtain or otherwise provide for property and casualty insurance for injuries or damages arising from the foster care relationship and the provision of foster care services, property damage or bodily injury, as a result of the activities of the foster child, and

reasonable and necessary legal fees incurred in defense of civil claims filed pursuant to this section, the Oklahoma Foster Care and Out-of-Home Placement Act, the Oklahoma Children's Code or the Oklahoma Juvenile Justice Code, and any judgments awarded as a result of such claims. Any insurance coverage obtained or provided pursuant to the provisions of this section shall include expenses for legal services obtained or provided by the Risk Management Administrator.

- B. The Risk Management Administrator is authorized to establish qualifications for coverage and to determine eligibility criteria and other standards for participation in the Risk Management Program by the foster family homes. A foster family shall be approved for participation in the Risk Management Program by the Risk Management Administrator if the foster family meets the standards and eligibility requirements established by the Risk Management Administrator.
- C. 1. A request for the insurance coverage provided pursuant to this section shall be submitted in writing to the Department of Human Services and the Department of Juvenile Justice Office of Juvenile Affairs by a foster care family. The Department of Human Services and the Department of Juvenile Justice Office of Juvenile Affairs shall provide a list of the names of all foster family homes which wish to obtain insurance coverage specified by this section to the Risk Management Administrators.

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

D. The Risk Management Administrator shall establish liability limits for the insurance coverage authorized by this section on an annual basis based on the insurance carrier requirements or based on the liquidity of the shared risk pool in the Foster Families

Protection Account resulting from the annual payments made pursuant to Section 85.58M of this title and any interest accrued thereon, after deduction of such sums as may be necessary to pay all overhead and administrative expenses associated with administering the pool.

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

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

- 2. The State of Oklahoma is not liable, directly or indirectly, for any liability incurred by a foster family in the performance of foster care services.
- G. 1. There is hereby created in the State Treasury a revolving fund for the Office of Management and Enterprise Services

 Oklahoma Central Purchasing Department, to be designated the "Foster Families Protection Account". The account shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by the Department of Human Services, the Department of Juvenile Justice Office of Juvenile Affairs or any child-placing agency, and any fees collected by the Office of

 Management and Enterprise Services Oklahoma Central Purchasing

 Department and deposited pursuant to law.
- 2. All monies accruing to the credit of said fund shall be expended by the Office of Management and Enterprise Services

 Oklahoma Central Purchasing Department for the specific purposes

specified by this section and the salaries and administrative expenses of support staff responsible for administering the fund.

- 3. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the <u>State Purchasing</u> Director of the <u>Office of Management</u> and <u>Enterprise Services</u> Oklahoma Central Purchasing Department for approval and payment. The Foster Families Protection Account shall consist of:
 - a. all fees and other monies received pursuant to this section, and
 - b. interest attributable to investment of monies in the account.
- H. 1. The monies deposited in the account shall at no time become monies of the state and shall not become part of the general budget of the Office of Management and Enterprise Services Oklahoma Central Purchasing Department or any other state agency. Except as otherwise authorized by this subsection, no monies from the account shall be transferred for any purpose to any other state agency or any account of the Office of Management and Enterprise Services
 Oklahoma Central Purchasing Department or be used for the purpose of contracting with any other state agency or reimbursing any other state agency for any expense.
 - 2. Monies in the account shall only be expended for:
 - a. the purposes specified by this section, and

- b. costs incurred by the Comprehensive Professional Risk Management Program for the administration of this section.
- I. Any costs incurred by the Office of Management and Enterprise Services Oklahoma Central Purchasing Department pursuant to the provisions of this section shall not exceed the actual expenditures made by the Office of Management and Enterprise Services Oklahoma Central Purchasing Department to implement the provisions of this section.
- J. Payment of claims from the Foster Families Protection

 Account shall not become or be construed to be an obligation of this state. No claims submitted for reimbursement or payment from the account shall be paid with state monies.

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

Section 85.58K. A. There is hereby created in the State

Treasury a revolving fund for the Office of Management and

Enterprise Services Oklahoma Central Purchasing Department, to be designated the "Risk Management Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by act of the Legislature and any monies which may be deposited thereto by the Office of

Management and Enterprise Services Oklahoma Central Purchasing

Department as provided for by law. All interest earned by the State

Treasurer on monies deposited in the Risk Management Revolving Fund shall be deposited to the Risk Management Revolving Fund.

- B. Within the Risk Management Revolving Fund, there is hereby created the Property and Casualty Account, the Motor Vehicle
 Liability Account and the General Tort Liability Account. The State
 Purchasing Director of the Office of Management and Enterprise
 Services Oklahoma Central Purchasing Department is authorized to establish such additional accounts within the Risk Management
 Revolving Fund deemed necessary. The monies in each account shall be maintained actuarially separate to ensure that premiums or fees paid for specific insurance coverage are adequate to pay the expenses and claims for that coverage.
- C. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Office of Management and Enterprise Services Oklahoma Central Purchasing Department for the purposes of the Comprehensive Professional Risk Management Program provided for in Section 85.58A of this title, including but not limited to the salaries and administrative expenses of the Risk Management Administrator and support staff and expenses the Department incurs to support program operations. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

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

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Section 85.58L. A. There is hereby created in the State Treasury a revolving fund for the Office of Management and Enterprise Services Oklahoma Central Purchasing Department, to be designated the "Risk Management Political Subdivision Participation Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by an act of the Legislature and any fees collected by the Office of Management and Enterprise Services Oklahoma Central Purchasing Department and deposited pursuant to law. All monies accruing to the credit of said fund shall be expended by the Office of Management and Enterprise Services Oklahoma Central Purchasing Department for the purposes specified by this section and the salaries and administrative expenses of support staff responsible for administering the fund and expenses the Office Department incurs to support program operations. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

B. Within the Risk Management Political Subdivision

Participation Revolving Fund, there is hereby created the

Conservation District Protection Account. The account shall be set

apart as a separate, permanent and perpetual account not subject to fiscal year limitations and shall consist of:

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

- 2. Interest attributable to investment of monies in the account.
- C. 1. The monies deposited in the Risk Management Political Subdivision Participation Revolving Fund shall at no time become monies of any other state agency. Except as otherwise authorized by this subsection, no monies from the Risk Management Political Subdivision Participation Revolving Fund shall be transferred for any purpose to any other state agency or be used for the purpose of contracting with any other state agency or reimbursing any other state agency for any expense.
- 2. Monies in the Risk Management Political Subdivision Participation Revolving Fund shall only be expended for:
 - a. the purposes specified by this section, and
 - b. costs incurred by the Comprehensive Professional Risk Management Program for the administration of duties this section specifies and expenses the Department incurs to support program operations.
- D. Any costs incurred by the Office of Management and

 Enterprise Services Oklahoma Central Purchasing Department pursuant
 to the provisions of this section shall not exceed the actual

expenditures made by the Office of Management and Enterprise

Services Oklahoma Central Purchasing Department to implement the provisions of this section.

- E. Payment of claims from the Risk Management Political Subdivision Participation Revolving Fund shall not become or be construed to be an obligation of this state. No claims submitted for reimbursement or payment from the fund shall be paid with state monies.
- SECTION 40. AMENDATORY 74 O.S. 2021, Section 85.58M, is amended to read as follows:

Section 85.58M. A. The Office of Management and Enterprise

Services Oklahoma Central Purchasing Department shall levy and

collect reasonable fees and premiums from state agencies and other

entities as provided by law covered by the Comprehensive

Professional Risk Management Program for the purpose of providing insurance coverage.

- B. All fees and premiums shall be promptly paid when due. Fees and premiums collected in accordance with the provisions of this section shall be deposited in the appropriate risk management fund.
- C. If a state agency fails to pay the insurance fees and premiums within forty-five (45) days of due date, the Office of Management and Enterprise Services Oklahoma Central Purchasing Department shall consider the invoice delinquent. The Office of Management and Enterprise Services Oklahoma Central Purchasing

Department shall pay the invoice from monies available to the delinquent agency for the general operations of the agency which are not specifically prohibited for such use by federal or state law.

If funds of the delinquent agency are not available to pay the invoice in full, the Office of Management and Enterprise Services

Oklahoma Central Purchasing Department shall submit claims as necessary to pay the invoice as soon as funds are available from the funds of the delinquent agency.

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

Section 85.58N. The Special Agency Account Board shall create in the official depository of the State Treasury an agency special account for the Office of Management and Enterprise Services

Oklahoma Central Purchasing Department to be designated as the

"Quick Settlement Account". The purpose of the account shall be the payment of liability claims against the state after a determination by the Risk Management Administration that such payments are in the best interest of the state, are in accordance with the laws and regulations governing the Comprehensive Professional Risk Management Program, and are in an amount not exceeding Ten Thousand Dollars (\$10,000.00). No monies shall be expended from the Quick Settlement Account except as provided for in this section.

The Office of Management and Enterprise Services Oklahoma

Central Purchasing Department shall transfer funds as necessary from

the Risk Management Revolving Fund to the Quick Settlement Account, provided that the maximum sum held in the Quick Settlement Account shall not exceed Ten Thousand Dollars (\$10,000.00), excluding funds in transit. Expenditures from the Quick Settlement Account shall be exempt from the provisions of The the Oklahoma Central Purchasing Act.

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

Section 85.58P. There is hereby created in the State Treasury a revolving fund for the Office of Management and Enterprise Services Oklahoma Central Purchasing Department, to be designated the "Risk Management Public Transit Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by an act of the Legislature and any fees collected by the Office of Management and Enterprise Services Oklahoma Central Purchasing Department in accordance with the provisions of Section 85.580 of this title. monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Office of Management and Enterprise Services Oklahoma Central Purchasing Department for the purposes of the Comprehensive Professional Risk Management Program provided for in Section 85.58A of this title, including the salaries and administrative expenses of support staff responsible for administering the fund and expenses the Office Department incurs to

1 support program operations. Expenditures from said fund shall be 2 made upon warrants issued by the State Treasurer against claims 3 filed as prescribed by law with the Director of the Office of 4 Management and Enterprise Services for approval and payment. 5 SECTION 43. 74 O.S. 2021, Section 85.58Q, is AMENDATORY 6 amended to read as follows: 7 Section 85.58Q. The Purchasing Division of the Office of 8 Management and Enterprise Services Oklahoma Central Purchasing 9 Department is directed to purchase from the lowest bidder a surety 10 contract or contracts in the form known as a "blanket bond" to cover 11 all elective state officers, appointive officers, and employees in 12 the manner provided in this section. No other bond shall be 13 acceptable as surety for any elected or appointed officer or 14 employee of this state in lieu of said blanket bond. For purposes 15 of Sections 85.26 85.58Q through 85.31 85.58V of this title, a 16 "blanket bond" is defined as a public employees' blanket position 17 bond which covers all employees up to the penalty of the bond for 18 each employee and the full penalty of the bond is always in force 19 during its term and no restoration is necessary and there is no 20 additional premium after a loss is paid. 21 SECTION 44. 74 O.S. 2021, Section 85.58T, is AMENDATORY 22

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amended to read as follows:

1	Section 85.58T. The amount of surety requ	ired for each state
2	officer or employee pursuant to Sections 85.26	85.58Q through 85.31
3	85.58V of this title is as follows:	
4	DEPARTMENT	AMOUNT OF BOND
5	Office of the State Treasurer	\$300,000.00
6	Oklahoma Employment Security	
7	Commission	\$150,000.00
8	Central Services Division of the	
9	Office of Management and Enterprise	
10	Services	100,000.00
11	Oklahoma Central Purchasing Department	100,000.00
12	Insurance Commission	100,000.00
13	Office of the State Auditor and	
14	Inspector	50,000.00
15	Finance Division of the Office of	
16	Management and Enterprise Services	50,000.00
17	Bank Commissioner	50,000.00
18	Commissioners of the Land Office	50,000.00
19	Oklahoma Securities Commission	50,000.00
20	Oklahoma Tax Commission	50,000.00
21	Department of Human Services	50,000.00
22	Oklahoma Public Employees Retirement	
23	System	50,000.00
24	Corporation Commission	50,000.00

1	State Board of Education 50,000.00
2	Finance Division 150,000.00
3	All Others 25,000.00
4	Department of Transportation 25,000.00
5	Boards of Regents of Oklahoma
6	Universities and Colleges 50,000.00
7	Office of Attorney General 10,000.00
8	The University Hospitals 50,000.00
9	All Other State Departments, Agencies,
10	Institutions, Commissions,
11	Authorities, and other bodies of
12	state government 10,000.00
13	Provided, however, that nothing in $\frac{1}{2}$ the Oklahoma Central
14	Purchasing Act shall prohibit any head of a department, institution,
15	agency, commission, authority or other body of state government from
16	requiring the Central Purchasing Division Oklahoma Central
17	Purchasing Department to purchase increased amounts of blanket bond
18	coverage for his or her employees up to a total maximum coverage of
19	Fifty Thousand Dollars (\$50,000.00) when the listed amount is deemed
20	inadequate. The cost of increased coverage shall be borne by the
21	department, institution, agency, commission, authority or other body
22	of state government requesting the increased coverage.
23	SECTION 45. AMENDATORY 74 O.S. 2021, Section 85.58V, is
24	amended to read as follows:

1 Section 85.58V. A. Whenever any officer, statutory board, commission, committee, department, authority, or any state agent or agency by whatever name called, is authorized by any law of this state to purchase any official bond, surety bond, blanket bond, or surety contract upon any state officer or employee, the authority is hereby transferred and conferred upon the Purchasing Division of the Office of Management and Enterprise Services Oklahoma Central Purchasing Department. The authority shall be exercised by the Purchasing Division Oklahoma Central Purchasing Department in the manner pursuant to the provisions and requirements prescribed by Section 85.58A of this title.

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- The premium for a bond will be invoiced to the Purchasing Division Department and paid for by legislative appropriation set aside for that specific purpose.
- C. If the legislative appropriation is insufficient to meet the cost of a bond, the State Purchasing Director in conjunction with the State Risk Administrator shall assess each entity covered by the bond a pro rata share of the excess cost amount.
- A blanket bond shall be approved as to form and legal sufficiency by the general counsel of the Office of Management and Enterprise Services Oklahoma Central Purchasing Department and shall be filed with the State Purchasing Director of the Office of Management and Enterprise Services Oklahoma Central Purchasing Department.

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

Section 85.60. A. Except as otherwise provided by Section 3206.3 of Title 70 of the Oklahoma Statutes, the Office of Management and Enterprise Services Oklahoma Central Purchasing Department shall be the exclusive agency to negotiate and contract for the retention of patents and copyrights on material and property developed through state contracts subject to The the Central Purchasing Act, unless an agency has been given specific authority to make such agreements by statute.

- B. Except as otherwise provided by Section 3206.3 of Title 70 of the Oklahoma Statutes and Section 1365 of this title, any patented property or copyrighted material developed by contracts subject to The the Central Purchasing Act, shall be the property of the State of Oklahoma under the sole management of the Office of Management and Enterprise Services Oklahoma Central Purchasing

 Department. Such property or material may be licensed or sold by the Office of Management and Enterprise Services Oklahoma Central

 Purchasing Department using similar procedures governing the sale of other state property but without declaring such property to be surplus.
- C. Proceeds from the sale of such property or material under the jurisdiction of the Office of Management and Enterprise Services

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Oklahoma Central Purchasing Department shall be deposited to the General Revenue Fund of the State of Oklahoma.

D. The Office of Management and Enterprise Services Oklahoma

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

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

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

- 1. A private citizen conversant with the employment needs of people with significant disabilities who shall be appointed by and serve at the pleasure of the Governor to act as an advocate for the employment needs of people with significant disabilities;
- The Director of the Office of Management and Enterprise Services or designee;
- 3. The Director of the Department of Rehabilitation Services, or designee;

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

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

- 6. The Director of Human Services, or designee; and
- 7. A person employed by the Office of Management and Enterprise

 Services Central Purchasing Division Oklahoma Central Purchasing

 Department as a contracting officer, appointed by the State

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

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

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

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

- 1. Promulgating rules relating to the program;
- 2. Qualification of organizations participating in the program;
- 3. Contracting with qualified organizations for products and services to be included on the procurement schedule;
- 4. Determination of fair market price of all products and services to be included on the procurement schedule; and
 - 5. Designation and publication of a procurement schedule.

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

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

- 1. "Blind person" means a person having a visual acuity not to exceed 20/200 in the better eye, with correcting lenses, or visual acuity greater than 20/200 but with limitation in the field of vision such that the widest diameter of visual field subtends an angle no greater than twenty (20) degrees;
 - 2. "Council" means the State Use Advisory Council;
- 3. "Qualified nonprofit agency for the employment of people with significant disabilities" means a nonprofit agency employing

persons with significant disabilities who constitute at least seventy-five percent (75%) of the direct labor hours engaged in direct production, manufacturing, processing and/or assembling of products or services offered by the agency for procurement by this state or who meet the definition of blind person as provided for in paragraph 1 of this section, or which is certified as a sheltered 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;

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- 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 2022, 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 inclusion in the State Use Program, monitor qualified organizations for continued compliance to remain active in the program, and remove organizations from the program. Central Purchasing The Department shall have the authority to award and manage contracts to the qualified organizations as well as to renegotiate or cancel contracts when appropriate.

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

Section 3004.1. The State Purchasing Director may enter or award contracts for products or services to a qualified organization as defined in Section 3003 of this title and assess a contract management fee or levy. The contract management fee or levy shall be deposited in the State Use Advisory Council Revolving Fund, as created in Section 3004.2 of this title, for the salary, administrative costs, annual trainings, professional association memberships, qualified agency operational improvement grants, periodic economic advantage study, Annual Report annual report development, and other expenses incurred by the Central Purchasing

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Division of the Office of Management and Enterprise Services Oklahoma Central Purchasing Department for promoting goods and services provided by qualified organizations.

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

Section 3004.2. There is hereby created in the State Treasury a revolving fund for the Office of Management and Enterprise Services Oklahoma Central Purchasing Department to be designated the "State Use Advisory Council Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all proceeds from the management fee or levy on contracts for purchases of products or services of people with significant disabilities, as provided in Section 3004.1 of this title. The fund shall be invested in any of the types of instruments in which the State Treasurer is authorized by law to invest. Interest earned shall be retained by the fund. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Office of Management and Enterprise Services Oklahoma Central Purchasing Department for the salary and other administrative expenses of the buyer and clerical and technical support in the Central Purchasing Division of the Office of Management and Enterprise Services Oklahoma Central Purchasing Department responsible for contracts for the products and services of people

with significant disabilities and expenses the Office Department incurs to support State Use operations including services of the Centralized Non-Profit Agency (CNA). Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

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

Section 3005. The Office of Management and Enterprise Services

Central Purchasing Division Oklahoma Central Purchasing Department

shall determine the fair market price of all products and services

included in the procurement schedule and shall revise such prices in

accordance with changing market conditions; provided, however, a

change in price shall not be effective prior to the expiration of

thirty (30) days from the date on which such change is approved.

Approved fair market prices shall be reflected on State Use

contracts and procurement schedules within thirty (30) days of

approval and distribution.

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

Section 3007. A. Whenever this state or any of its agencies intends to procure any product or service included in the

procurement schedule, that entity shall secure the product or service from a qualified nonprofit agency providing employment to people with significant disabilities at the fair market price determined by the Office of Management and Enterprise Services

Central Purchasing Division Oklahoma Central Purchasing Department, if the product or service is available within the period required by the entity and meets the specifications of the entity.

- B. An agency of this state shall not evade the intent and meaning of this section by slight variations from standards adopted by the Office of Management and Enterprise Services Central Purchasing Division Oklahoma Central Purchasing Department.
- C. Provided, the requirements of this section shall not apply to the procurement of janitorial services by the Oklahoma State Bureau of Investigation. The Bureau shall conduct background investigations and national criminal history record checks on companies and individuals with which it contracts to provide janitorial services.
- D. Any municipality or county agency of this state is authorized to purchase products and services from any qualified organization as defined in Section 3003 of this title. The qualified organization shall be able to meet the needs and specifications for the products or services required by the purchasing body at the fair market price. Procurements made

pursuant to the provisions of this section shall not be subject to competitive bid requirements.

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

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

- B. The Office of Management and Enterprise Services Central

 Purchasing Division Oklahoma Central Purchasing Department shall
 require an annual qualified organization pricing review for all
 products and services approved and designated on the procurement
 schedule. The method of the pricing review shall be defined in the
 promulgated rules.
- C. When the fair market price for a product or service approved by the Office of Management and Enterprise Services Central

 Purchasing Division Oklahoma Central Purchasing Department exceeds a current market price for the same product or service and such lower market price has been verified by the agency through compliance with

the fair market analysis process approved by the Office of

Management and Enterprise Services Central Purchasing Division

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

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

Section 3009. A. The Office of Management and Enterprise

Services Central Purchasing Division Oklahoma Central Purchasing

Department shall prescribe rules to carry out the purposes of the provisions of Sections 3001 through 3009 of this title.

B. The rules shall include requirements for:

- 1. Publishing a catalog listing goods and services and jobs that qualified agencies employing people with significant disabilities can provide the state, annually; and
- 2. Conducting a minimum of two meetings per year of the State Use Advisory Council, in compliance with the Oklahoma Open Meeting Act, Section 301 et seq. of Title 25 of the Oklahoma Statutes.
- C. On an annual basis, the Office of Management and Enterprise

 Services Oklahoma Central Purchasing Department shall, within sixty

 (60) days after the close of the fiscal year, electronically

 transmit a strategic plan for the State Use Program to the President

Pro Tempore of the Senate, the Speaker of the House of Representatives and the Governor.

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

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

- B. The Director of the Office of Management and Enterprise

 Services may approve a consortium, partnership, cooperative or

 agreement to provide child care centers with other public or private
 employers.
- C. The child care centers shall be operated through a contract with child care providers. Specifications for a contract shall be developed with the assistance of, and subject to the approval of, the State Purchasing Director of the Office of Management and Enterprise Services Oklahoma Central Purchasing Department. Any such contract shall be made through the Central Purchasing Division of the Office of Management and Enterprise Services Oklahoma Central Purchasing Department. The low bid will not be the single qualifier. Any child care provider shall be required to carry sufficient liability insurance coverage which will pay damages incurred as a result of the negligent acts or omissions of an employee of the child care provider within the scope of the

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employment of such person. Any child care provider shall meet or exceed applicable state child care facilities licensure standards.

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

- E. Any parent utilizing the services of a child care center shall be responsible for the charges assessed by the child care provider for child care services.
- SECTION 58. REPEALER 74 O.S. 2021, Section 85.45e, is hereby repealed.
- SECTION 59. REPEALER 74 O.S. 2021, Section 85.45f, is hereby repealed.
- SECTION 60. REPEALER 74 O.S. 2021, Section 85.45g, is hereby repealed.
 - SECTION 61. REPEALER 74 O.S. 2021, Section 85.45h, is hereby repealed.
- SECTION 62. This act shall become effective November 1, 2024.

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