

1 **SENATE FLOOR VERSION**

2 February 17, 2026

3 **AS AMENDED**

4 SENATE BILL NO. 1356

5 By: Bullard

6 [state government - fund - contract - report - Civil
7 Service Division - procedures - Pay for Success
8 Innovation Fund - Office of Veterans Placement -
9 promulgation of rules - Fleet Management Division -
10 Fleet Oversight Manager - monies - authority -
11 statement - duties - State Use Advisory Council -
12 codification - recodification - repealers - effective
13 date -
14 **emergency]**

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

16 SECTION 1. AMENDATORY 57 O.S. 2021, Section 510.8c, is
17 amended to read as follows:

18 Section 510.8c. A. There is hereby created in the State
19 Treasury a revolving fund for the ~~Office of Management and~~
20 ~~Enterprise Services~~ Department of Corrections to be designated the
21 "Criminal Justice Pay for Success Revolving Fund". The fund shall
22 be a continuing fund, not subject to fiscal year limitations, and
23 shall consist of all monies appropriated to the Criminal Justice Pay
24 for Success Revolving Fund and monies which may otherwise be
available to the ~~Office of Management and Enterprise Services~~
Department for use as provided for in this section.

1 B. All monies appropriated to the fund shall be budgeted and
2 expended by the ~~Office of Management and Enterprise Services~~
3 Department for the purpose of funding contracts for those criminal
4 justice programs that have outcomes associated with reducing public
5 sector costs. Pursuant to contract, the ~~Office of Management and~~
6 ~~Enterprise Services~~ Department shall provide payment to social
7 service providers for the delivery of predefined criminal justice
8 outcomes. The ~~Office of Management and Enterprise Services~~
9 Department shall approve only those contracts that meet the
10 following requirements:

11 1. The social service provider can provide not less than Two
12 Million Dollars (\$2,000,000.00) in capital to fund the delivery of
13 services necessary to achieve the predefined criminal justice
14 outcomes;

15 2. The social service provider can provide verifiable evidence
16 of successful completion rates of persons who participated in the
17 diversion or reentry program offered by the service provider; and

18 3. Persons participating in the diversion or reentry programs
19 offered by the service provider are not under the custody or control
20 of the Department ~~of Corrections~~.

21 C. Expenditures from the fund shall be made upon verification
22 by the ~~Office of Management and Enterprise Services~~ Department that
23 successful completion of the diversion or reentry program was
24 achieved by the participant pursuant to contract. Expenditures from

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

5 SECTION 2. AMENDATORY 62 O.S. 2021, Section 34.36, as
6 amended by Section 2, Chapter 199, O.S.L. 2025 (62 O.S. Supp. 2025,
7 Section 34.36), is amended to read as follows:

8 Section 34.36. A. On the first day of October preceding each
9 regular session of the Legislature, each state agency, including
10 those created or established pursuant to constitutional provisions,
11 shall report to the Director of the Office of Management and
12 Enterprise Services and the Chair and Vice Chair of the Legislative
13 Oversight Committee on State Budget Performance an itemized request
14 showing the amount needed for the ensuing fiscal year beginning with
15 the first day of July.

16 B. The forms which must be used in making these reports shall
17 be approved by the Director of the Office of Management and
18 Enterprise Services and the Legislative Oversight Committee on State
19 Budget Performance.

20 C. The forms shall be uniform, and shall clearly designate the
21 information to be given.

22 D. The information provided shall include, but not be limited
23 to:

24

- 1 1. A budget analysis of existing and proposed programs
2 utilizing performance-informed budgeting techniques. Such analysis
3 shall be included as a part of the estimate of funds needed;
- 4 2. A statement listing any other state, federal or local
5 agencies which administer a similar or cooperating program and an
6 outline of the interaction among such agencies;
- 7 3. A statement of the statutory authority for the missions and
8 quantified objectives of each program;
- 9 4. A description of the groups of people served by each program
10 in the agency;
- 11 5. A quantification of the need for the program;
- 12 6. A description of the tactics which are intended to
13 accomplish each objective;
- 14 7. A list of quantifiable program outcomes which measure the
15 efficiency and effectiveness of each program;
- 16 8. A ranking of these programs by priority;
- 17 9. Actual program expenditures for the current fiscal year and
18 prior fiscal years and the number of personnel required to
19 accomplish each program;
- 20 10. Revenues expected to be generated by each program, if any;
- 21 11. With respect to appropriated state agencies, a detailed
22 listing of all employees and resources dedicated to the provision of
23 financial services including, but not limited to, procurement,
24 payroll, accounts receivable and accounts payable. The provisions

1 of this paragraph shall not be applicable to the Oklahoma State
2 Regents for Higher Education or to any institutions within The
3 Oklahoma State System of Higher Education; and

4 12. A certification that following the effective date of this
5 act and prior to July 1, 2011, no expenditure shall have been made
6 or funds encumbered for the purchase, lease, lease-purchase or
7 rental of any computers, software, telecom, information technology
8 hardware, firmware or information technology services, including
9 support services without the prior written approval of the State
10 Comptroller or his or her designee.

11 E. These appropriated agencies shall make an itemized estimate
12 of needs for the ensuing fiscal year and the following two (2)
13 fiscal years and request for funds for the ensuing fiscal year and
14 an estimate of the revenues from all sources to be received by the
15 agency during the ensuing fiscal year and the following two (2)
16 fiscal years.

17 F. The Director of the Office of Management and Enterprise
18 Services shall submit electronically to the Governor and the
19 Legislative Oversight Committee on State Budget Performance no later
20 than the fifth day of October a complete list of all spending
21 agencies which have failed to submit budgets by October 1.

22 G. The reports required by this section shall include an
23 itemized listing of outstanding capital lease debt and estimated
24 capital lease needs for the ensuing fiscal year and the following

1 two (2) fiscal years, and shall be provided on forms prescribed by
2 the Director of the Office of Management and Enterprise Services.

3 H. For the purposes of this section, "capital lease" means a
4 lease-purchase agreement which provides an option for the State of
5 Oklahoma or its agencies to purchase property, including personal
6 and real property, which is the subject thereof ~~and/or~~ or a lease
7 agreement that provides an option for the State of Oklahoma or its
8 agencies to lease such property, which is the subject thereof, at a
9 nominal annual amount, after a period in which leased property is
10 rented at fair market value.

11 I. 1. Not later than January 1, the Director of the Office of
12 Management and Enterprise Services shall publish a shared financial
13 services cost-performance assessment report documenting the amount
14 of each state agency's cost for providing shared financial services.
15 The lowest ranking state agencies shall ~~enter into~~ be offered a
16 contract with the Office of Management and Enterprise Services for
17 the provision of shared financial services, provided that the
18 Director of the Office of Management and Enterprise Services:

19 a. determines that implementation of such a contract
20 would be feasible, and

21 b. documents that the contractual agreement will result
22 in cost savings or efficiencies to the state.

23 Contracts ~~required~~ provided for by this subsection shall be
24 entered into at the start of the next fiscal year.

1 2. When a state agency ~~is contracted~~ receives an offer to
2 contract with the Office of Management and Enterprise Services for
3 the provision of shared financial services, the agency may
4 ~~discontinue using~~ decline such shared financial services ~~when by~~
5 providing to the Director of the Office of Management and Enterprise
6 Services documentation showing that the agency can provide the
7 financial services at a lower cost to the state ~~is provided to and~~
8 ~~approved by the Director of the Office of Management and Enterprise~~
9 ~~Services. As used in this subsection, "shared services" means~~
10 ~~process, resource utilization or action as defined by administrative~~
11 ~~rule.~~

12 3. On a yearly basis, the Director of the Office of Management
13 and Enterprise Services shall compile and publish a report
14 documenting the cost savings resulting from shared financial
15 services contracts. The provisions of this subsection shall not be
16 applicable to the Oklahoma State Regents for Higher Education or to
17 any institutions within The Oklahoma State System of Higher
18 Education.

19 4. On a yearly basis, a state agency that declined an offer to
20 contract with the Office of Management and Enterprise Services for
21 the provision of shared financial services shall compile and publish
22 a report demonstrating that the agency provided such services at a
23 lower cost to the state. If an agency fails to publish such report
24 or demonstrate such lower cost, the agency shall enter into a

1 contract with the Office of Management and Enterprise Services to
2 provide shared financial services at the start of the next fiscal
3 year.

4 5. As used in this subsection, "financial services" means
5 purchasing, billing, financial reporting, budget support, and other
6 related processes.

7 SECTION 3. AMENDATORY 62 O.S. 2021, Section 34.301, as
8 last amended by Section 1, Chapter 319, O.S.L. 2025 (62 O.S. Supp.
9 2025, Section 34.301), is amended to read as follows:

10 Section 34.301. A. This act shall be known and may be cited as
11 the "Civil Service and Human Capital Modernization Act".

12 B. ~~The Human Capital Management Division and the Civil Service~~
13 ~~Division of the Office of Management and Enterprise Services~~
14 Department of Labor shall:

15 1. Establish and maintain a State Employee Dispute Resolution
16 Program, which may include mediation, to provide dispute resolution
17 services for state agencies and state employees. Actions agreed to
18 through the State Employee Dispute Resolution Program shall be
19 consistent with applicable laws and rules and shall not alter,
20 reduce, or modify any existing right or authority as provided by
21 statute or rule;

22 2. Establish rules pursuant to the Administrative Procedures
23 Act as may be necessary to perform the duties and functions of ~~this~~
24 ~~act, including creating an Office of Veterans Placement to offer~~

1 ~~counseling, assessment and assistance to veterans seeking state~~
2 ~~employment~~ the Civil Service and Human Capital Modernization Act;

3 3. Receive and only act on complaints by state employees
4 arising from disciplinary action;

5 4. Use administrative law judges as independent contractors or
6 administrative law judges provided by the Office of the Attorney
7 General to exercise the provisions of ~~this act~~ the Civil Service and
8 Human Capital Modernization Act;

9 5. ~~Submit~~ Electronically submit quarterly reports on workload
10 statistics to the Governor, the Speaker of the ~~Oklahoma~~ House of
11 Representatives, and the President Pro Tempore of the ~~Oklahoma State~~
12 Senate containing the following information:

13 a. the number of cases, complaints, and requests for
14 hearings filed, disposed of and pending with the
15 ~~Divisions~~ Division for each month of the quarter, and

16 b. a numerical breakdown of the methods of disposition of
17 such cases, complaints, and requests for hearing.

18 Quarterly reports shall be submitted within thirty (30) days
19 following the last day of the month of the appropriate quarter;

20 6. Create a confidential whistleblower program and serve as the
21 chief administrator of such program whereby a state employee may
22 confidentially report claims of agency or employee mismanagement as
23 well as criminal misuse of state funds or property. Mismanagement
24 includes fraudulent activity or abuse or violation of a well-

1 established, articulated, clear, and compelling public policy. The
2 Office of the Attorney General shall have the authority to
3 investigate and determine whether to prosecute such whistleblower
4 claims. The Attorney General shall also have the power to refer
5 such claims to the appropriate district attorney; and

6 7. Receive and act upon complaints from disciplinary action and
7 grievances filed by state employees employed to perform duties as
8 outlined in paragraph 6 of subsection E of Section 3311 of Title 70
9 and Section 2-105 of Title 47 of the Oklahoma Statutes and to
10 establish rules pursuant to the Administrative Procedures Act as may
11 be necessary to carry out this objective and the right to be heard.

12 C. Complaints shall be filed with the Civil Service Division
13 within ten (10) business days of the date of when such action
14 occurred and hearings shall take place within thirty (30) business
15 days from the filing of the complaint, with the exception of actions
16 filed pursuant to paragraph 7 of subsection B of this section.

17 D. Employees filing a complaint with the Civil Service Division
18 shall prove that there was no reasonable basis for the disciplinary
19 action by the state agency. The review of the merits of the
20 complaint may be limited to the employee disciplinary file directly
21 at issue. In the event documents needed are not maintained in the
22 disciplinary file, or additional witnesses are requested by the
23 parties, the administrative law judge shall have the discretion to
24 allow additional documentation or witnesses regarding the

1 disciplinary action taken. Complaints relating to punitive
2 transfers shall be administrated through mediation first and shall
3 only proceed to a hearing if mediation is unsuccessful. Employees
4 who were offered a relocation incentive as set forth in
5 administrative rule shall not be deemed as being subject to a
6 punitive transfer. Complaints relating to written reprimands shall
7 be administered through mediation exclusively, and state employees
8 employed to perform duties as outlined in paragraph 6 of subsection
9 E of Section 3311 of Title 70 and Section 2-105 of Title 47 of the
10 Oklahoma Statutes shall be permitted to proceed to a hearing if
11 mediation is unsuccessful. Mediation may also be available for
12 other disciplinary actions.

13 E. Claimants shall be permitted to secure and utilize
14 representation during the adverse action process.

15 F. The presiding officer of any proceeding before the Civil
16 Service Division may require payment of reasonable attorney fees and
17 costs to the prevailing party if the position of the nonprevailing
18 party was without reasonable basis or was frivolous.

19 G. For purposes of this section, "disciplinary actions" means
20 termination, suspension without pay, involuntary demotion, punitive
21 transfers, or written reprimand.

22 H. Nothing in this section shall apply to:

23 1. Persons employed by the Governor, the Lieutenant Governor,
24 ~~Oklahoma~~ the House of Representatives, ~~Oklahoma State~~ the Senate,

1 the Legislative Service Bureau, or the Legislative Office of Fiscal
2 Transparency;

3 2. Elected officials;

4 3. Political appointees;

5 4. District attorneys, assistant district attorneys or other
6 employees of the district attorney's office, and the District
7 Attorneys Council;

8 5. The state judiciary or persons employed by the state
9 judiciary;

10 6. Not more than five percent (5%) of an agency's employees
11 designated as executive management as determined by the agency
12 director and the agency shall designate the status of the employee
13 as state employee or executive management in the State of Oklahoma's
14 ~~Human Resources Information System~~ human resources information
15 system, maintained by the Human Capital Management Division;

16 7. Temporary employees employed to work less than one thousand
17 (1,000) hours in any twelve-month period;

18 8. Seasonal employees employed to work less than one thousand
19 six hundred (1,600) hours in any twelve-month period;

20 9. Employees in a trial period; or

21 10. State employees whose employment status is otherwise
22 provided by law.

23 I. Except as provided by subsection H of this section,
24 effective January 1, 2022, all state employee positions shall be

1 administered by the ~~Human Capital Management~~ Civil Service Division
2 of the ~~Office of Management and Enterprise Services~~ Department of
3 Labor, without reference to prior classified or unclassified status.

4 J. In collaboration with executive branch agencies, and their
5 human resources personnel, the ~~Human Capital Management~~
6 ~~Administrator~~ Commissioner of Labor shall establish and define
7 statewide minimum standards for human resource business processes,
8 based on industry standards and statewide best practices, to be
9 followed by all executive branch agencies. The ~~Human Capital~~
10 ~~Management Administrator~~ Commissioner of Labor has the authority to
11 grant exceptions to the statewide minimum standards. Additionally,
12 the ~~Human Capital Management Administrator~~ Commissioner of Labor
13 shall establish and maintain a statewide job catalog and pay
14 structure for executive branch jobs and establish policies and
15 procedures for a market-based pay system, pay-for-performance
16 system, and dispute resolution process for issues that do not rise
17 to a disciplinary action as provided by the Civil Service and Human
18 Capital Modernization Act. The ~~Human Capital Management~~
19 ~~Administrator~~ Commissioner of Labor shall promulgate rules necessary
20 to carry out the authority set forth in this section.

21 K. The Civil Service Division is authorized to employ attorneys
22 or contract with private attorneys to serve as legal counsel to the
23 Civil Service Division. The attorneys shall be authorized to appear
24 for and represent the Civil Service Division in all litigation that

1 may arise from the discharge of its duties, including the
2 representation of the Civil Service Division when its decisions are
3 appealed to higher courts. Attorneys employed by the ~~Office of~~
4 ~~Management and Enterprise Services~~ Department to represent the Civil
5 Service Division shall represent the Civil Service Division
6 notwithstanding its representation of the ~~Office of Management and~~
7 ~~Enterprise Services~~ Department in the same or related matters
8 pending before the Civil Service Division or before any court. The
9 ~~Office of Management and Enterprise Services~~ Department shall
10 establish internal administrative procedures to ensure that all
11 ~~departments~~ divisions within the ~~Office of Management and Enterprise~~
12 ~~Services~~ Department are provided independent legal representation,
13 and such simultaneous representation shall not, of itself, be deemed
14 to constitute a conflict of interest.

15 L. The Civil Service Division shall be exempt from the
16 requirements set forth in Section 20i of Title 74 of the Oklahoma
17 Statutes when carrying out the duties and functions of ~~this act~~ the
18 Civil Service and Human Capital Modernization Act.

19 M. On and after the effective date of this act, the Civil
20 Service Division of the Office of Management and Enterprise Services
21 is transferred to the Department of Labor. All personnel of the
22 Civil Service Division are hereby transferred to the Department and
23 shall become employees of the Department.

24

1 SECTION 4. AMENDATORY 62 O.S. 2021, Section 9010.4, is
2 amended to read as follows:

3 Section 9010.4. A. An agency or agencies may enter into a pay-
4 for-success contract with a private entity or entities to receive
5 up-front capital to fund a service or program. The agency or
6 agencies may not enter into a pay-for-success contract until each
7 state agency head entering into the contract determines with
8 reasonable certainty that the contract will result in a public
9 benefit to the state.

10 B. Each pay-for-success contract shall:

11 1. Require a private entity to underwrite or secure up-front
12 capital from private funding sources, including foundations,
13 financial institutions, businesses or individuals;

14 2. Identify the specific service or program to be funded under
15 the contract;

16 3. Identify performance targets and outcome measures against
17 which the service or program's success can be measured to determine
18 whether the service or program has achieved quantifiable public
19 benefits or monetary savings;

20 4. Require and specify an independent third-party evaluator to
21 review and issue reports annually at specific times during the
22 contract term specifying the degree to which the service or program
23 has met the identified performance targets and outcome measures
24 specified in the contract;

1 5. Identify the calculation or algorithm to be used by the
2 agency or agencies in determining the amount and timing of
3 reimbursable success payments to the private entity;

4 6. Contain a statement that the independent third-party
5 evaluator will annually provide a report to the agency or agencies
6 that includes data deemed relevant by the agency or agencies; and

7 7. State that the amount of funds to be reimbursed to the
8 private entity is contingent upon the degree to which the service or
9 program has met the performance targets and outcome measures as
10 evaluated by the independent third-party evaluator.

11 C. No later than April 1 annually, the agency or agencies shall
12 provide a report to the chairs of the legislative appropriations
13 committees that contains the evaluation from the independent third-
14 party evaluator.

15 D. Payments to private entities for the delivery of performance
16 targets and outcome measures as authorized in this section shall be
17 made only in accordance with the terms of the pay-for-success
18 contract. Payments may be made utilizing ~~the Pay for Success~~
19 ~~Innovation Fund created in Section 5 of this act or utilizing other~~
20 appropriated agency funds in accordance with Oklahoma law.

21 SECTION 5. AMENDATORY 62 O.S. 2021, Section 9010.5, is
22 amended to read as follows:

23 Section 9010.5. ~~A.~~ There is hereby created in the State
24 Treasury a revolving fund for the Office of Management and

1 Enterprise Services to be designated the "Pay for Success Innovation
2 Fund". ~~The fund shall be a continuing fund, not subject to fiscal
3 year limitations, and shall consist of all monies designated by
4 state agencies to the Pay for Success Innovation Fund and monies
5 which may otherwise be available to the Office of Management and
6 Enterprise Services for use as provided for in this section.~~

7 B. ~~All monies appropriated to the fund shall be budgeted and
8 expended by the Office of Management and Enterprise Services for the
9 purpose of funding contracts as authorized by this act. Pursuant to
10 contract, the Office of Management and Enterprise Services shall
11 provide payment to private entities for the delivery of performance
12 targets and outcome measures at the direction of the agency engaged
13 in the contract and only in accordance with the terms of the pay-
14 for-success contract.~~

15 C. ~~To the extent that any money credited to this fund for a
16 particular pay-for-success contract remains unpaid at the time the
17 particular contract expires or is terminated, as soon after the
18 contract expiration as is practicable, the Office of Management and
19 Enterprise Services shall return the unpaid amount to the agency to
20 which the money was originally appropriated.~~

21 D. ~~The Office of Management and Enterprise Services may enter
22 into memorandums of understanding with other agencies and promulgate
23 rules as necessary to administer this section and pay-for-success
24 contracts entered into under this section On the effective date of~~

1 this act, all monies accrued to the credit of the fund shall be
2 returned to the agencies to which the monies were originally
3 appropriated for the purpose of funding contracts as authorized by
4 the Pay for Success Act. No further monies shall be deposited in
5 the fund after the effective date of this act.

6 SECTION 6. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 63.23 of Title 72, unless there
8 is created a duplication in numbering, reads as follows:

9 A. On and after the effective date of this act, the Office of
10 Veterans Placement in the Human Capital Management Division of the
11 Office of Management and Enterprise Services is transferred to the
12 Oklahoma Department of Veterans Affairs. All personnel of the
13 Office of Veterans Placement are hereby transferred to the
14 Department and shall become employees of the Department.

15 B. The Office of Veterans Placement shall offer counseling,
16 assessment, and assistance to veterans seeking state employment.

17 C. The Department is authorized to promulgate rules necessary
18 to effectuate the provisions of this section.

19 SECTION 7. AMENDATORY 74 O.S. 2021, Section 78, as
20 amended by Section 1, Chapter 351, O.S.L. 2023 (74 O.S. Supp. 2025,
21 Section 78), is amended to read as follows:

22 Section 78. A. There is hereby created and established within
23 the Office of Management and Enterprise Services, the Fleet
24 ~~Management~~ Oversight Division. The Division shall provide oversight

1 of ~~and advice to~~ state agencies that own, operate, and utilize motor
2 vehicles. All agencies shall be subject to Fleet Management
3 Oversight Division reporting requirements. ~~The following agencies~~
4 ~~are exempt from Fleet Management Division oversight and advice, but~~
5 ~~are still subject to required reporting from Fleet Management~~
6 ~~Division to provide full transparency of the statewide fleet:~~
7 ~~Department of Public Safety, the Department of Transportation, the~~
8 ~~Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the~~
9 ~~Military Department of the State of Oklahoma, the Oklahoma State~~
10 ~~Bureau of Investigation, the Commissioners of the Land Office and~~
11 ~~The Oklahoma State System of Higher Education.~~

12 B. The Director of the Office of Management and Enterprise
13 Services shall:

14 1. Appoint and fix duties and compensation for a Fleet
15 Oversight Manager who shall serve as the administrative head of the
16 ~~division~~ Division;

17 2. Hire personnel as necessary to provide fleet oversight
18 services;

19 3. ~~Acquire facilities to maintain vehicles;~~

20 4. Promulgate rules ~~for efficient and economical operations to~~
21 ~~provide fleet services~~ to ensure a uniform system of marking
22 vehicles, recordkeeping, and reporting; and

23 ~~5.~~ 4. Report electronically to the Governor, the Speaker of the
24 House of Representatives, and the President Pro Tempore of the

1 Senate those agencies that fail to comply with the provisions of law
2 and the rules of the Fleet Management Oversight Division regarding
3 submission of reports, ~~vehicle use, and vehicle maintenance.~~

4 C. The rules shall include provisions to:

5 1. ~~Establish uniform written vehicle acquisition, leasing,~~
6 ~~maintenance, repairs, and disposal standards for use by all state~~
7 ~~agencies to justify actual need for vehicles;~~

8 2. ~~Establish standards for routine vehicle inspection and~~
9 ~~maintenance;~~

10 3. ~~Provide standards and forms for recordkeeping of fleet~~
11 ~~acquisition, operation, maintenance, and repair costs for mandatory~~
12 ~~use by all state agencies to report the data to the Fleet Management~~
13 ~~Oversight Division ~~on a monthly basis~~ as provided for in Section 12~~
14 ~~of this act;~~

15 4. ~~Provide standards and utilize methods for disposal of~~
16 ~~vehicles pursuant to the Oklahoma Surplus Property Act and any other~~
17 ~~applicable state laws;~~

18 5. ~~Establish mandatory maintenance contracts throughout the~~
19 ~~state for all agencies to access for vehicle repairs and service at~~
20 ~~discounted rates and parts;~~

21 6. ~~Require all agencies with in-house repair and service~~
22 ~~facilities to assign a value to the preventive maintenance services,~~
23 ~~track those services with a dollar value, and report costs to the~~

24

1 ~~Fleet Manager for the prior month no later than the twentieth day~~
2 ~~following the close of each month;~~

3 ~~7.~~ 2. Promulgate rules requiring all state-owned motor vehicles
4 to be marked in a uniform, highly visible manner, except for certain
5 vehicles driven by law enforcement agencies or other agencies
6 requiring confidentiality; and

7 ~~8.~~ 3. Require agencies to produce and maintain written
8 justification for any vehicle that travels fewer than twelve
9 thousand (12,000) miles annually and report to the Fleet Oversight
10 Manager such information by ~~October 1~~ or before June 30 of each
11 year; ~~and~~

12 ~~9. Address any other matter or practice which relates to the~~
13 ~~responsibilities of the Director of the Office of Management and~~
14 ~~Enterprise Services.~~

15 D. The Fleet Oversight Manager shall:

16 1. ~~Develop specifications for contracts for vehicle maintenance~~
17 ~~for state vehicles not serviced or maintained by state agencies;~~

18 ~~2.~~ Conduct on-site inspections to verify the inventory of motor
19 vehicles for each state agency ~~or supplier compliance with Division~~
20 ~~standards for inspections, maintenance and recordkeeping;~~

21 ~~3. Assess state agency needs for vehicles and types of~~
22 ~~vehicles;~~

23 ~~4. Assign, transfer or lease vehicles to a state agency to meet~~
24 ~~the needs of the state agency;~~

1 ~~5. Unless otherwise provided by law, determine whether a state~~
2 ~~agency may use or operate a vehicle without state identifying~~
3 ~~markings, bearing a license plate used by a privately owned vehicle~~
4 ~~to perform the duties of the state agency without hindrance;~~

5 ~~6. 2. Report to the Director of the Office of Management and~~
6 ~~Enterprise Services occurrences of agencies failing to comply with~~
7 ~~the provisions of law and the rules of the Fleet Management~~
8 ~~Oversight Division regarding submission of reports, vehicle use, and~~
9 ~~vehicle maintenance;~~

10 ~~7. Offer guidelines to agencies to assist in determining the~~
11 ~~most cost-effective and reasonable modes of travel for single trips~~
12 ~~from the following options: state vehicle, private rental, or~~
13 ~~mileage reimbursement; and~~

14 ~~8. 3. Provide, upon the request of the Governor, the President~~
15 ~~Pro Tempore of the Senate, or the Speaker of the House of~~
16 ~~Representatives, electronic reports from data the Fleet Oversight~~
17 ~~Manager collects.~~

18 ~~E. The Director of the Office of Management and Enterprise~~
19 ~~Services may enter into agreements with any political subdivision of~~
20 ~~this state for the purpose of providing fleet services established~~
21 ~~by the Fleet Management Division pursuant to this section and rules~~
22 ~~promulgated pursuant to this section.~~

23 ~~F. The Director of the Office of Management and Enterprise~~
24 ~~Services, through the Fleet Management Division, may enter into~~

1 ~~partnership agreements with political subdivisions and private~~
2 ~~entities for the purposes of applying for, participating in, and~~
3 ~~administering federal grant funds. The partnership agreements and~~
4 ~~activities authorized in this subsection are hereby declared to be a~~
5 ~~public purpose.~~

6 ~~G. The Office may offer public access to alternative fueling~~
7 ~~infrastructure owned and operated by the Office in areas of the~~
8 ~~state in which access to an alternative fueling infrastructure is~~
9 ~~not readily available to the public. The Office shall cease~~
10 ~~allowing public access to an alternative fueling infrastructure~~
11 ~~operated by the Office if a privately owned alternative fueling~~
12 ~~infrastructure locates within a five-mile radius of the~~
13 ~~infrastructure operated by the Department.~~

14 ~~H. When used in relation to the Fleet Management Division:~~

15 ~~1. "Alternative fueling infrastructure" shall mean a fill~~
16 ~~station or charge station used to deliver or provide alternative~~
17 ~~fuels as defined in Section 130.2 of this title; and~~

18 ~~2. "Alternative fuel vehicle" shall mean a motor vehicle~~
19 ~~originally designed by the manufacturer to operate lawfully and~~
20 ~~principally on streets and highways which is propelled by an~~
21 ~~alternative fuel as defined in Section 130.2 of this title.~~

22 SECTION 8. AMENDATORY 74 O.S. 2021, Section 78a, as
23 amended by Section 8, Chapter 199, O.S.L. 2025 (74 O.S. Supp. 2025,
24 Section 78a), is amended to read as follows:

1 Section 78a. ~~A.~~ State agencies with authority to own motor
2 vehicles shall, after the acquisition of a motor vehicle,
3 electronically submit a ~~requisition~~ report to the ~~Director~~ Fleet
4 Oversight Division of the Office of Management and Enterprise
5 Services ~~prior to acquisition of a motor vehicle.~~ The ~~requisition~~
6 report shall state the type of vehicle, the intended purpose of the
7 vehicle, a statement that the agency has actual need for the
8 vehicle, the supplier of the vehicle, the amount that the state
9 agency expended to acquire the vehicle, and that the state agency
10 has sufficient funds to ~~acquire and maintain the vehicle and cite~~
11 ~~the statutory authority of the state agency to acquire a vehicle.~~

12 ~~B.~~ ~~The Director of the Office of Management and Enterprise~~
13 ~~Services shall review the requisition and approve or deny the~~
14 ~~request of the state agency within fifteen (15) days of receipt.~~

15 ~~C.~~ ~~The provisions of subsections A and B of this section shall~~
16 ~~not apply to the Department of Public Safety, the Commissioners of~~
17 ~~the Land Office, the Oklahoma State Bureau of Narcotics and~~
18 ~~Dangerous Drugs Control or the Oklahoma Military Department.~~

19 SECTION 9. AMENDATORY 74 O.S. 2021, Section 78b, as
20 amended by Section 9, Chapter 199, O.S.L. 2025 (74 O.S. Supp. 2025,
21 Section 78b), is amended to read as follows:

22 Section 78b. ~~A.~~ ~~A state agency shall notify the Fleet~~
23 ~~Management Division of the Office of Management and Enterprise~~

24

1 ~~Services not less than thirty (30) days prior to any vehicle~~
2 ~~disposal by the state agency.~~

3 ~~B.~~ A state agency shall not dispose of a passenger car, truck,
4 pickup, or other vehicle the state agency owns until it has been in
5 use for sixty thousand (60,000) miles or at least twenty-four (24)
6 months have elapsed since the day the claim was approved for the
7 payment thereof, unless the vehicle has damage and repairs that will
8 exceed Two Thousand Five Hundred Dollars (\$2,500.00), or the
9 ~~Director~~ executive head of the Fleet Management Division of the
10 Office of Management and Enterprise Services state agency provides
11 written authorization for disposal. Such written authorization
12 shall be attached to the motor vehicle inventory records submitted
13 to the Fleet Oversight Division of the Office of Management and
14 Enterprise Services as provided for in Section 12 of this act.

15 SECTION 10. AMENDATORY 74 O.S. 2021, Section 78c, is
16 amended to read as follows:

17 Section 78c. ~~A.~~ There is hereby created a special fund to be
18 designated the "State Fleet Management Fund". ~~The fund may be~~
19 ~~appropriated for and used for the acquisition, leasing, operation,~~
20 ~~storage, maintenance, repair and replacement of motor vehicles under~~
21 ~~the control of the Fleet Management Division, the payment of~~
22 ~~insurance premiums, the payment of the administrative expenses of~~
23 ~~the Division in connection with the operation of the motor pool,~~
24 ~~expenses the Office of Management and Enterprise Services incurs to~~

1 ~~support Division operations, and for expenses associated with~~
2 ~~constructing, installing, acquiring, and operating alternative~~
3 ~~fueling infrastructure and acquiring alternative fuel vehicles for~~
4 ~~use by state agencies or for leasing and transferring to political~~
5 ~~subdivisions of the state as authorized pursuant to Section 78e of~~
6 ~~this title.~~

7 ~~B. At the end of each month the Division shall render a~~
8 ~~statement, on such reasonable basis of mileage or rental as shall be~~
9 ~~established by the Division, to all state agencies to which~~
10 ~~transportation has been furnished, and all amounts collected shall~~
11 ~~be deposited to the credit of the "State Fleet Management Fund".~~

12 ~~C. Proceeds from the disposition of motor vehicles or other~~
13 ~~property owned by the Division shall be deposited to the credit of~~
14 ~~the fund.~~

15 ~~D. Payments received by the Office for the lease of alternative~~
16 ~~fueling infrastructure and vehicles as provided for in Section 78e~~
17 ~~of this title shall be deposited to the credit of the fund.~~

18 ~~E. The Fleet Management Division is authorized to maintain a~~
19 ~~petty cash fund in such amount not exceeding Two Thousand Dollars~~
20 ~~(\$2,000.00) to make immediate cash payments as are required or~~
21 ~~necessary in the opinion of the Fleet Management Director. Any such~~
22 ~~cash disbursement shall be made only by the persons so designated by~~
23 ~~the Fleet Management Director, and only in the payment of claims~~
24 ~~authorized by law. Such proofs and receipts shall be presented by~~

1 ~~the person making a claim as is required by the Fleet Management~~
2 ~~Director~~ On the effective date of this act, all monies accrued to
3 the credit of the fund shall be transferred to any state agency that
4 would have been required prior to the effective date of this act to
5 deposit monies in the fund. Such transfer of monies shall be made
6 on the basis of the proportion of the state vehicle fleet maintained
7 by such state agency. No further monies shall be deposited in this
8 fund after the effective date of this act.

9 SECTION 11. AMENDATORY 74 O.S. 2021, Section 78d, as
10 amended by Section 2, Chapter 351, O.S.L. 2023 (74 O.S. Supp. 2025,
11 Section 78d), is amended to read as follows:

12 Section 78d. The Fleet ~~Management~~ Oversight Division of the
13 Office of Management and Enterprise Services shall electronically
14 furnish to the Governor, the President Pro Tempore of the Senate,
15 and the Speaker of the House of Representatives, at the close of
16 each fiscal year ~~a statement showing the financial condition of the~~
17 ~~Division, an inventory of all motor vehicles regardless of exemption~~
18 ~~or oversight status,~~ the vehicle fleet of all state agencies; a
19 statement showing the amount spent by each state agency on
20 acquiring, maintaining, and utilizing motor vehicles; and such other
21 information regarding the state motor vehicle transportation system
22 as is necessary for a proper understanding of the operation of such
23 system and of the financial condition of the motor pool operations
24 vehicle fleet of all state agencies.

1 SECTION 12. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 80 of Title 74, unless there is
3 created a duplication in numbering, reads as follows:

4 A. On and after the effective date of this act, each state
5 agency that is authorized to own, operate, and utilize motor
6 vehicles in this state shall be responsible for the purchase,
7 management, and maintenance of motor vehicles for the agency. Each
8 agency shall promulgate rules, develop a plan for routine
9 maintenance and inspection, and maintain accurate recordkeeping for
10 all motor vehicles within the fleet for reporting as prescribed by
11 law.

12 B. All state agencies that are authorized to own, operate, and
13 utilize motor vehicles shall, on or before June 30 of each year,
14 electronically submit a report regarding the amount spent to
15 purchase, manage, and maintain motor vehicles for the agency to the
16 Fleet Oversight Division of the Office of Management and Enterprise
17 Services.

18 SECTION 13. AMENDATORY 74 O.S. 2021, Section 85.5a, is
19 amended to read as follows:

20 Section 85.5a. A. ~~Except for the state fleet card, the~~ The
21 state purchase card program administered by the Purchasing Division
22 is the only card program authorized for use by state agencies.

23 B. On a monthly basis the State Purchasing Director and
24 institutions of higher education shall provide to the Director of

1 the Office of Management and Enterprise Services (OMES) a complete
2 listing in electronic format of all transactions paid by a state
3 purchase card. The list shall contain the name of the purchaser and
4 purchasing agency, amount of purchase and all available descriptions
5 of items purchased.

6 C. Upon receipt of the list described in subsection B of this
7 section, the Director of ~~the~~ OMES shall allow the public access to
8 the list in searchable format through its website defined in Section
9 46 of Title 62 of the Oklahoma Statutes.

10 D. The State Purchasing Director may authorize the use of a
11 state purchase card for acquisitions within the following
12 parameters:

- 13 1. No limit on the amount of the transaction for the following:
 - 14 a. purchases from statewide contracts and from contracts
15 awarded by the State Purchasing Director for the
16 benefit of a state agency,
 - 17 b. utilities,
 - 18 c. interagency payments,
 - 19 d. emergency acquisitions; provided, requirements to
20 establish an emergency pursuant to Section ~~5~~ 85.41a of
21 this ~~act~~ title or other applicable statute or rule
22 have been met, and
 - 23 e. professional services as defined in Section 803 of
24 Title 18 of the Oklahoma Statutes; and

1 2. For any other transaction with a state purchase card, the
2 transaction shall not exceed the greater of Five Thousand Dollars
3 (\$5,000.00) or the limit determined by the State Purchasing
4 Director, not to exceed the fair and reasonable acquisition
5 threshold amount.

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

19 SECTION 14. AMENDATORY 74 O.S. 2021, Section 85.42, as
20 amended by Section 9, Chapter 336, O.S.L. 2025 (74 O.S. Supp. 2025,
21 Section 85.42), is amended to read as follows:

22 Section 85.42. A. 1. Except as otherwise provided for in this
23 section or other applicable law, any agency, whether or not such
24 agency is subject to the Oklahoma Central Purchasing Act, shall be

1 prohibited from entering into a sole-source contract or agreement or
2 a contract or agreement for professional services with or for the
3 services of any person who has terminated employment with or who has
4 been terminated by that agency for one (1) year after the
5 termination date of the employee from the agency. Any contract or
6 agreement entered into in violation of this subsection shall be
7 void. Any person found to have violated this subsection shall be
8 prohibited from entering into any state contract for a period of
9 five (5) years from the date of the execution of the contract or
10 agreement. The provisions of this subsection shall not prohibit an
11 agency from hiring or rehiring such person as a state employee.

12 2. Any chief administrative officer of an agency, whether or
13 not such agency is subject to the Oklahoma Central Purchasing Act,
14 shall not enter into any contract for nonprofessional or
15 professional services for the purpose of or which would result in
16 the circumvention of the full-time-equivalent employee limitation
17 established by law for such agency.

18 B. Each contract, including change orders, extensions,
19 renewals, or amendments, entered into by any person or firm with the
20 State of Oklahoma shall include a statement certifying that no
21 person who has been involved in any manner in the development,
22 approval, or negotiation of such contract while employed by the
23 state shall be employed or given anything of value to fulfill any of
24 the services provided for under the contract. Each contract,

1 including change orders, extensions, renewals, or amendments, shall
2 include a statement from the chief executive officer or head of the
3 contracting state agency, or specified designee of such, certifying
4 that no known officer or employee of the contracting state agency
5 who has any direct or indirect financial, pecuniary, or other
6 personal interest in the contract has been involved in any manner in
7 the development, approval, or negotiation of the contract through
8 influence, decision, recommendation, or otherwise. This subsection
9 shall not preclude faculty and staff of the institutions within The
10 Oklahoma State System of Higher Education from negotiating and
11 participating in research grants and educational contracts. This
12 subsection shall not apply to Oklahoma Department of Commerce
13 personnel who contract to provide services to the Oklahoma Capital
14 Investment Board.

15 C. As used in this section, "person" means any state official
16 or employee of a department, board, bureau, commission, agency,
17 trusteeship, authority, council, committee, trust, school district,
18 fair board, court, executive office, advisory group, task force,
19 study group, supported in whole or in part by public funds or
20 entrusted with the expenditure of public funds or administering or
21 operating public property, and all committees, or subcommittees
22 thereof, judges, justices and state legislators.

23

24

1 D. Notwithstanding anything to the contrary in this section,
2 the following sole-source or professional services contracts are
3 allowed at any time:

4 1. A contract for professional services at any time with a
5 person who is a qualified interpreter for the deaf; and

6 2. A contract between a business entity that is a part-time
7 certified court reporter and the Administrative Office of the
8 Courts, on behalf of the district courts, or the Office of the
9 Attorney General.

10 E. Provided the provisions specified in subsection B of this
11 section are satisfied, the following professional services contracts
12 are allowed:

13 1. The Department of Transportation, Oklahoma Water Resources
14 Board, Department of Environmental Quality, Oklahoma Tourism and
15 Recreation Department, the Oklahoma Turnpike Authority and the
16 Oklahoma Department of Agriculture, Food, and Forestry may contract
17 with a person who has retired from state service;

18 2. To maintain public health infrastructure and preparedness,
19 the State Department of Health and city-county health departments
20 may contract with a physician assistant, Registered Nurse, ~~advanced~~
21 ~~practice nurse~~ Advanced Practice Registered Nurse, Nurse-Midwife,
22 registered dietician, occupational therapist, physical therapist or
23 speech-language pathologist who has retired from state service; and

1 3. The Department of Mental Health and Substance Abuse Services
2 may contract with a physician, Registered Nurse, registered
3 pharmacist or person meeting the definition of a licensed mental
4 health professional, as defined in Title 43A of the Oklahoma
5 Statutes, who has separated ~~and/or~~ or retired from state service.

6 SECTION 15. AMENDATORY 74 O.S. 2021, Section 110.3, is
7 amended to read as follows:

8 Section 110.3. A. All state agencies shall maintain inventory
9 records of ~~its~~ their motor vehicles. The records shall include:

10 1. A detailed description of each vehicle, including its
11 original cost;

12 2. The vehicle identification number;

13 3. The license tag number;

14 4. The make, model, and year of the vehicle; and

15 5. A designation of loaned or leased vehicles and the name of
16 the vendor.

17 B. Each state agency ~~regardless of the exceptions granted in~~
18 ~~Section 78 of this title shall,~~ on or before June 30 of each year,
19 provide motor vehicle inventory records to the ~~Office of Management~~
20 ~~and Enterprise Services at such times as may be requested by the~~
21 ~~Fleet Management~~ Oversight Division of the Office of Management and
22 Enterprise Services, as provided for in Section 12 of this act.

1 SECTION 16. AMENDATORY 74 O.S. 2021, Section 840-1.6A,
2 as amended by Section 4, Chapter 243, O.S.L. 2022 (74 O.S. Supp.
3 2025, Section 840-1.6A), is amended to read as follows:

4 Section 840-1.6A. The Office of Personnel Management Division
5 of the Office of State Finance was consolidated into and renamed the
6 Office of Management and Enterprise Services. Where the term
7 "Office of Personnel Management" is used within the Oklahoma
8 Statutes, it shall mean the Office of Management and Enterprise
9 Services (OMES). The chief administrative officer shall be the
10 Director of the Office of Management and Enterprise Services. In
11 addition to the other duties imposed by law, the Director shall:

12 1. Be responsible for the development of an efficient and
13 effective system of personnel administration that meets the
14 management needs of the various agencies;

15 2. Organize ~~the Office~~ OMES to provide both service and
16 regulatory functions that are effective and efficient in meeting the
17 management needs of various state agencies. The Director is
18 directed to establish an agency service function to assist agencies
19 with human resource needs based upon the administrative capacity and
20 resources of the various agencies;

21 3. ~~Prepare, maintain, and revise a system of employment~~
22 ~~designed to ensure the impartial consideration of applicants for~~
23 ~~employment and to protect state employees from arbitrary dismissal~~
24 ~~or unfair treatment;~~

1 ~~4.~~ Develop and maintain a classification and compensation
2 system for all positions in the executive branch of state government
3 including those established by the Oklahoma Constitution;

4 ~~5.~~ 4. Conduct an analysis of the rates of pay prevailing in the
5 state in the public and private sectors for comparable jobs and
6 report electronically the findings to the Governor, the President
7 Pro Tempore of the Senate, and the Speaker of the House of
8 Representatives no later than December 1 of each year. Such
9 analysis shall include all forms of compensation including fringe
10 benefits. Information solicited by the Office of Management and
11 Enterprise Services from public and private sector employers for
12 such analysis, including, but not limited to, salaries, benefits,
13 and compensation policies and procedures, shall be confidential and
14 shall not be subject to disclosure under the Oklahoma Open Records
15 Act;

16 ~~6.~~ 5. Assist state agencies in implementing their duties and
17 obligations and provide standard forms to the agencies if necessary;

18 ~~7.~~ 6. Develop, in cooperation with appointing authorities,
19 employee training programs, management training programs, a
20 certified public manager program, a recruiting program, and a system
21 of performance appraisals, and assist appointing authorities in the
22 setting of productivity goals. The Director may establish and
23 collect fees for participation in training programs. The Director
24 is authorized to purchase awards for presentation to state employees

1 as part of employee recognition activities sponsored by the Office
2 of Management and Enterprise Services;

3 ~~8.~~ 7. Establish rules for leave and pay including, but not
4 limited to, rules for leave, furloughs, performance pay increases,
5 rates for pay differentials, on-call pay, and other types of pay
6 incentives and salary adjustments consistent with ~~this act~~ the Civil
7 Service and Human Capital Modernization Act and reduction-in-force;

8 ~~9.~~ 8. Be responsible for the development and maintenance of a
9 uniform occupation code system, grouped by job titles or duties, for
10 all state positions. The responsibility shall include the
11 establishment of rules governing the identification, tracking, and
12 reporting of all state positions as provided in Section 840-2.13 of
13 this title;

14 ~~10.~~ 9. Be responsible for advising state agencies on personnel
15 policy and administration;

16 ~~11.~~ 10. Establish standards for continuing training and
17 certification of personnel professionals in the executive branch of
18 state government, excluding institutions within The Oklahoma State
19 System of Higher Education. Employees appointed to professional
20 personnel positions shall complete an initial training program
21 within one (1) year after assuming the professional personnel
22 position. Thereafter, they shall complete annual training
23 requirements. Each appointing authority shall ensure that all
24 professional personnel employees are notified of, and scheduled to

1 attend, required training programs and shall make time available for
2 employees to complete the programs. The Director shall be
3 authorized to bill agencies for the training of personnel
4 professionals pursuant to this paragraph to recover reasonable costs
5 associated with the training. Monies received for such training
6 shall be deposited in the Human Capital Management Revolving Fund.
7 Expenditure of such funds collected for the training shall be exempt
8 from any expenditure limit on the Office of Management and
9 Enterprise Services established by law;

10 ~~12.~~ 11. Not less than once during each two-year period, conduct
11 a study identifying the following, by job family descriptors:

- 12 a. selected jobs with a turnover rate in excess of ten
13 percent (10%),
- 14 b. selected jobs identified by the Director of the Office
15 of Management and Enterprise Services with salaries
16 and benefits that are ten percent (10%) or more below
17 the market for such positions, and
- 18 c. selected jobs identified by the Director in which
19 recruitment efforts have yielded a low number of
20 qualified applicants;

21 ~~13.~~ 12. Establish a workforce planning function within the
22 Office of Management and Enterprise Services to assist state
23 agencies in analyzing the current workforce, determining future
24

1 workforce needs, and implementing solutions so that agencies may
2 accomplish their missions; and

3 ~~14.~~ 13. Establish a quality management function within the
4 Office of Management and Enterprise Services and shall assist state
5 agencies in fully integrating quality management concepts and models
6 into their business practices for the purpose of improving the
7 overall efficiency and effectiveness of state government.

8 SECTION 17. AMENDATORY 74 O.S. 2021, Section 3001, as
9 amended by Section 1, Chapter 252, O.S.L. 2022 (74 O.S. Supp. 2025,
10 Section 3001), is amended to read as follows:

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

16 1. A private citizen conversant with the employment needs of
17 people with significant disabilities who shall be appointed by and
18 serve at the pleasure of the Governor to act as an advocate for the
19 employment needs of people with significant disabilities;

20 2. The Director of the Office of Management and Enterprise
21 Services, or a designee;

22 3. The Director of the State Department of Rehabilitation
23 Services, or a designee;

24

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

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

8 6. The Director of Human Services, or a designee; and

9 7. A person employed by the Office of Management and Enterprise
10 Services ~~Central~~ Purchasing Division as a contracting officer,
11 appointed by the State Purchasing Director.

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

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

21 SECTION 18. AMENDATORY Section 2, Chapter 252, O.S.L.
22 2022 (74 O.S. Supp. 2025, Section 3001.1), is amended to read as
23 follows:
24

1 Section 3001.1. The State ~~Purchasing Director, under the~~
2 ~~supervision of the Director of the Office of Management and~~
3 ~~Enterprise Services, Department of Rehabilitation Services~~ shall
4 have the authority and responsibility to administer and oversee the
5 State Use Program including, but not limited to:

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

13 SECTION 19. AMENDATORY 74 O.S. 2021, Section 3003, as
14 amended by Section 3, Chapter 252, O.S.L. 2022 (74 O.S. Supp. 2025,
15 Section 3003), is amended to read as follows:

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

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

1 persons with significant disabilities who constitute at least
2 seventy-five percent (75%) of the direct labor hours engaged in
3 direct production, manufacturing, processing ~~and/or~~ or assembling of
4 products or services offered by the agency for procurement by this
5 state or who meet the definition of a blind person as provided for
6 in paragraph 1 of this section, or which is certified as a sheltered
7 workshop by the Wage and Hour Division of the United States
8 Department of Labor;

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

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

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

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

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

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

3 10. "Central nonprofit ~~agency (CNA)~~ agency" (CNA) means a
4 qualified ~~501(e)3~~ 501(c)(3) nonprofit entity meeting the
5 qualifications in the Request for Procurement (RFP) issued by the
6 ~~Office of Management and Enterprise Services~~ State Department of
7 Rehabilitation Services selected to administer and oversee the State
8 Use Program; and

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

14 SECTION 20. AMENDATORY 74 O.S. 2021, Section 3004, as
15 amended by Section 4, Chapter 252, O.S.L. 2022 (74 O.S. Supp. 2025,
16 Section 3004), is amended to read as follows:

17 Section 3004. The ~~Office of Management and Enterprise Services~~
18 ~~Central Purchasing Division~~ State Department of Rehabilitation
19 Services shall designate and distribute by regulation a schedule,
20 hereinafter referred to as the procurement schedule, of the products
21 directly manufactured, produced, processed, or assembled or services
22 directly performed, offered, or provided by any person with
23 significant disabilities or qualified nonprofit agency for the
24 employment of people with significant disabilities, as defined in

1 Section 3003 of this title, which the ~~State Purchasing Director~~
2 Department determines are suitable for procurement by the state.
3 The products and services on contract will be published on the
4 procurement schedule and will be designated as mandatory. The
5 ~~Office of Management and Enterprise Services Central Purchasing~~
6 ~~Division~~ Department shall have the authority to qualify
7 organizations for inclusion in the State Use Program, monitor
8 qualified organizations for continued compliance to remain active in
9 the program, and remove organizations from the program. ~~Central~~
10 ~~Purchasing~~ The Department shall have the authority to award and
11 manage contracts to the qualified organizations as well as to
12 renegotiate or cancel contracts when appropriate.

13 SECTION 21. AMENDATORY 74 O.S. 2021, Section 3004.1, as
14 amended by Section 5, Chapter 252, O.S.L. 2022 (74 O.S. Supp. 2025,
15 Section 3004.1), is amended to read as follows:

16 Section 3004.1. The ~~State Purchasing Director~~ State Department
17 of Rehabilitation Services may enter or award contracts for products
18 or services to a qualified organization as defined in Section 3003
19 of this title and assess a contract management fee or levy. The
20 contract management fee or levy shall be deposited in the State Use
21 Advisory Council Revolving Fund, as created in Section 3004.2 of
22 this title, for the salary, administrative costs, annual trainings,
23 professional association memberships, qualified agency operational
24 improvement grants, periodic economic advantage study, ~~Annual Report~~

1 annual report development, and other expenses incurred by the
2 ~~Central Purchasing Division of the Office of Management and~~
3 ~~Enterprise Services Department~~ for promoting goods and services
4 provided by qualified organizations.

5 SECTION 22. AMENDATORY 74 O.S. 2021, Section 3004.2, as
6 amended by Section 6, Chapter 252, O.S.L. 2022 (74 O.S. Supp. 2025,
7 Section 3004.2), is amended to read as follows:

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

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

8 SECTION 23. AMENDATORY 74 O.S. 2021, Section 3005, as
9 amended by Section 7, Chapter 252, O.S.L. 2022 (74 O.S. Supp. 2025,
10 Section 3005), is amended to read as follows:

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

21 SECTION 24. AMENDATORY 74 O.S. 2021, Section 3006, as
22 amended by Section 8, Chapter 252, O.S.L. 2022 (74 O.S. Supp. 2025,
23 Section 3006), is amended to read as follows:

24

1 Section 3006. The ~~State Purchasing Director~~ State Department of
2 Rehabilitation Services may contract with a central nonprofit agency
3 to facilitate:

- 4 1. Management of the day-to-day operations of the program;
- 5 2. The facilitation, promotion, and ~~the~~ distribution of orders
6 of the state for products or services on the procurement schedule
7 among qualified nonprofit agencies for people with significant
8 disabilities;
- 9 3. Scheduling and conducting annual training sessions;
- 10 4. Publishing the approved State Use Procurement Schedule;
- 11 5. Promotion of the State Use Program through development and
12 distribution of program marketing material, promotion of program
13 through continued contact with current and future customers; and
- 14 6. All other duties assigned by the ~~RFP~~ Request for Procurement
15 (RFP) through the ~~Office of Management and Enterprise Services~~
16 Department.

17 SECTION 25. AMENDATORY 74 O.S. 2021, Section 3007, as
18 amended by Section 9, Chapter 252, O.S.L. 2022 (74 O.S. Supp. 2025,
19 Section 3007), is amended to read as follows:

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

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

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

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

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

23

24

1 SECTION 26. AMENDATORY 74 O.S. 2021, Section 3008, as
2 amended by Section 10, Chapter 252, O.S.L. 2022 (74 O.S. Supp. 2025,
3 Section 3008), is amended to read as follows:

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

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

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

1 contracting officer may grant a temporary exception to a requesting
2 agency so that the agency may purchase the product or service from
3 the supplier offering the lower market price.

4 SECTION 27. AMENDATORY 74 O.S. 2021, Section 3009, as
5 amended by Section 11, Chapter 252, O.S.L. 2022 (74 O.S. Supp. 2025,
6 Section 3009), is amended to read as follows:

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

12 B. The rules shall include requirements for:

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

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

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

24

1 SECTION 28. RECODIFICATION 62 O.S. 2021, Section 34.301,
2 as last amended by Section 1, Chapter 319, O.S.L. 2025 (62 O.S.
3 Supp. 2025, Section 34.301), and as amended by Section 3 of this
4 act, shall be recodified as Section 201 of Title 40 of the Oklahoma
5 Statutes, unless there is created a duplication in numbering.

6 SECTION 29. REPEALER 74 O.S. 2021, Section 78e, is
7 hereby repealed.

8 SECTION 30. REPEALER 74 O.S. 2021, Section 78f, is
9 hereby repealed.

10 SECTION 31. REPEALER 74 O.S. 2021, Section 80.1, is
11 hereby repealed.

12 SECTION 32. This act shall become effective July 1, 2026.

13 SECTION 33. It being immediately necessary for the preservation
14 of the public peace, health or safety, an emergency is hereby
15 declared to exist, by reason whereof this act shall take effect and
16 be in full force from and after its passage and approval.

17 COMMITTEE REPORT BY: COMMITTEE ON RETIREMENT AND GOVERNMENT
18 RESOURCES

19 February 17, 2026 - DO PASS AS AMENDED
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