

1 STATE OF OKLAHOMA

2 2nd Session of the 60th Legislature (2026)

3 SENATE BILL 1356

By: Bullard

6 AS INTRODUCED

7 An Act relating to state government; amending 57 O.S.  
8 2021, Section 510.8c, which relates to the Criminal  
9 Justice Pay for Success Revolving Fund; transferring  
10 certain fund to the Department of Corrections;  
11 amending 62 O.S. 2021, Section 34.36, as amended by  
12 Section 2, Chapter 199, O.S.L. 2025 (62 O.S. Supp.  
13 2025, Section 34.36), which relates to estimate of  
14 funds; requiring the Office of Management and  
15 Enterprise Services to offer certain contract to  
16 state agencies; providing process for state agencies  
17 to decline certain contract; requiring publication of  
18 certain report; providing for state agencies to enter  
19 into certain contract in certain circumstance;  
20 amending 62 O.S. 2021, Section 34.301, as last  
21 amended by Section 1, Chapter 319, O.S.L. 2025 (62  
22 O.S. Supp. 2025, Section 34.301), which relates to  
23 the Civil Service and Human Capital Modernization  
24 Act; transferring the Civil Service Division to the  
Department of Labor; removing provision for the  
Office of Management and Enterprise Services;  
requiring Commissioner of Labor to establish certain  
procedures; amending 62 O.S. 2021, Sections 9010.4  
and 9010.5, which relate to the Pay for Success Act;  
removing option to use Pay for Success Innovation  
Fund for certain purpose; returning monies from the  
Pay for Success Innovation Fund to certain state  
agencies; requiring that no further monies be  
deposited in certain revolving fund; transferring the  
Office of Veterans Placement from the Human Capital  
Management Division of the Office of Management and  
Enterprise Services to the Oklahoma Department of  
Veterans Affairs; requiring the Office of Veterans  
Placement to offer certain services; authorizing  
promulgation of rules by certain Department; amending  
74 O.S. 2021, Sections 78, as amended by Section 1,

1 Chapter 351, O.S.L. 2023, 78a, as amended by Section  
2 8, Chapter 199, O.S.L. 2025, 78b, as amended by  
3 Section 9, Chapter 199, O.S.L. 2025, 78c, and 78d, as  
4 amended by Section 2, Chapter 351, O.S.L. 2023 (74  
5 O.S. Supp. 2025, Sections 78, 78a, 78b, and 78d),  
6 which relate to the Fleet Management Division of the  
7 Office of Management and Enterprise Services;  
8 changing name of Fleet Management Division to Fleet  
9 Oversight Division; requiring Director of the Office  
10 of Management and Enterprise Services to take certain  
11 actions; mandating the promulgation of certain rules;  
12 providing duties of Fleet Oversight Manager;  
13 requiring state agencies to submit certain report  
14 after acquisition of motor vehicle; providing for  
15 state agencies to submit certain report after  
16 disposal of motor vehicle; returning monies from the  
17 State Fleet Management Fund to certain state  
18 agencies; requiring that no further monies be  
19 deposited in certain fund; providing for Division to  
20 submit certain annual report; granting certain state  
21 agencies certain authority; requiring submission of  
22 certain report to Division; amending 74 O.S. 2021,  
23 Section 85.5a, which relates to state purchase card;  
24 removing reference to state fleet card; amending 74  
O.S. 2021, Section 85.42, as amended by Section 9,  
Chapter 336, O.S.L. 2025 (74 O.S. Supp. 2025, Section  
85.42), which relates to one-year limitation on  
entering into contracts; allowing for specified  
designee to make certain statement; amending 74 O.S.  
2021, Section 110.3, which relates to inventory  
records of state agency motor vehicles; requiring  
state agencies to submit certain report to Division;  
amending 74 O.S. 2021, Section 840-1.6A, as amended  
by Section 4, Chapter 243, O.S.L. 2022 (74 O.S. Supp.  
2025, Section 840-1.6A), which relates to the duties  
of the Director of the Office of Management and  
Enterprise Services; removing certain duty; amending  
74 O.S. 2021, Sections 3001, as amended by Section 1,  
Chapter 252, O.S.L. 2022, 2, Chapter 252, O.S.L.  
2022, 3003, as amended by Section 3, Chapter 252,  
O.S.L. 2022, 3004, as amended by Section 4, Chapter  
252, O.S.L. 2022, 3004.1, as amended by Section 5,  
Chapter 252, O.S.L. 2022, 3004.2, as amended by  
Section 6, Chapter 252, O.S.L. 2022, 3005, as amended  
by Section 7, Chapter 252, O.S.L. 2022, 3006, as  
amended by Section 8, Chapter 252, O.S.L. 2022, 3007,  
as amended by Section 9, Chapter 252, O.S.L. 2022,

3008, as amended by Section 10, Chapter 252, O.S.L. 2022, and 3009, as amended by Section 11, Chapter 252, O.S.L. 2022 (74 O.S. Supp. 2025, Sections 3001, 3001.1, 3003, 3004, 3004.1, 3004.2, 3005, 3006, 3007, 3008, and 3009), which relate to the State Use Advisory Council; transferring State Use Advisory Council to the State Department of Rehabilitation Services; transferring certain duties from the Office of Management and Enterprise Services to certain Department; transferring the State Use Advisory Council Revolving Fund to certain Department; allowing for electronic submission of reports; updating statutory language; updating statutory references; providing for codification; providing for recodification; repealing 74 O.S. 2021, Section 78e, which relates to alternative fueling infrastructure; repealing 74 O.S. 2021, Section 78f, which relates to compressed natural gas fueling infrastructure; repealing 74 O.S. 2021, Section 80.1, which relates to the Task Force to Study the Fleet Management Division; providing an effective date; and declaring an emergency.

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

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

Section 510.8c. A. There is hereby created in the State Treasury a revolving fund for the ~~Office of Management and Enterprise Services~~ Department of Corrections to be designated the "Criminal Justice Pay for Success Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies appropriated to the Criminal Justice Pay

1 for Success Revolving Fund and monies which may otherwise be  
2 available to the ~~Office of Management and Enterprise Services~~  
3 Department for use as provided for in this section.

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

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

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

21 3. Persons participating in the diversion or reentry programs  
22 offered by the service provider are not under the custody or control  
23 of the ~~Department of Corrections~~.

1       C. Expenditures from the fund shall be made upon verification  
2 by the ~~Office of Management and Enterprise Services Department~~ that  
3 successful completion of the diversion or reentry program was  
4 achieved by the participant pursuant to contract. Expenditures from  
5 the fund shall be made upon warrants issued by the State Treasurer  
6 against claims filed as prescribed by law with the Director of the  
7 Office of Management and Enterprise Services for approval and  
8 payment.

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

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

20                   B. The forms which must be used in making these reports shall  
21 be approved by the Director of the Office of Management and  
22 Enterprise Services and the Legislative Oversight Committee on State  
23 Budget Performance.

1       C. The forms shall be uniform, and shall clearly designate the  
2 information to be given.

3       D. The information provided shall include, but not be limited  
4 to:

5           1. A budget analysis of existing and proposed programs  
6 utilizing performance-informed budgeting techniques. Such analysis  
7 shall be included as a part of the estimate of funds needed;

8           2. A statement listing any other state, federal or local  
9 agencies which administer a similar or cooperating program and an  
10 outline of the interaction among such agencies;

11           3. A statement of the statutory authority for the missions and  
12 quantified objectives of each program;

13           4. A description of the groups of people served by each program  
14 in the agency;

15           5. A quantification of the need for the program;

16           6. A description of the tactics which are intended to  
17 accomplish each objective;

18           7. A list of quantifiable program outcomes which measure the  
19 efficiency and effectiveness of each program;

20           8. A ranking of these programs by priority;

21           9. Actual program expenditures for the current fiscal year and  
22 prior fiscal years and the number of personnel required to  
23 accomplish each program;

24           10. Revenues expected to be generated by each program, if any;

1       11. With respect to appropriated state agencies, a detailed  
2 listing of all employees and resources dedicated to the provision of  
3 financial services including, but not limited to, procurement,  
4 payroll, accounts receivable and accounts payable. The provisions  
5 of this paragraph shall not be applicable to the Oklahoma State  
6 Regents for Higher Education or to any institutions within The  
7 Oklahoma State System of Higher Education; and

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

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

21       F. The Director of the Office of Management and Enterprise  
22 Services shall submit electronically to the Governor and the  
23 Legislative Oversight Committee on State Budget Performance no later  
24

1 than the fifth day of October a complete list of all spending  
2 agencies which have failed to submit budgets by October 1.

3       G. The reports required by this section shall include an  
4 itemized listing of outstanding capital lease debt and estimated  
5 capital lease needs for the ensuing fiscal year and the following  
6 two (2) fiscal years, and shall be provided on forms prescribed by  
7 the Director of the Office of Management and Enterprise Services.

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

16       I. 1. Not later than January 1, the Director of the Office of  
17 Management and Enterprise Services shall publish a shared financial  
18 services cost-performance assessment report documenting the amount  
19 of each state agency's cost for providing shared financial services.  
20 The lowest ranking state agencies shall ~~enter into~~ be offered a  
21 contract with the Office of Management and Enterprise Services for  
22 the provision of shared financial services, provided that the  
23 Director of the Office of Management and Enterprise Services:  
24

1           a. determines that implementation of such a contract  
2            would be feasible, and  
3           b. documents that the contractual agreement will result  
4            in cost savings or efficiencies to the state.

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

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

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

1       4. On a yearly basis, a state agency that declined an offer to  
2 contract with the Office of Management and Enterprise Services for  
3 the provision of shared financial services shall compile and publish  
4 a report demonstrating that the agency provided such services at a  
5 lower cost to the state. If an agency fails to publish such report  
6 or demonstrate such lower cost, the agency shall enter into a  
7 contract with the Office of Management and Enterprise Services to  
8 provide shared financial services at the start of the next fiscal  
9 year.

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

13     SECTION 3.       AMENDATORY       62 O.S. 2021, Section 34.301, as  
14     last amended by Section 1, Chapter 319, O.S.L. 2025 (62 O.S. Supp.  
15     2025, Section 34.301), is amended to read as follows:

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

18     B. The ~~Human Capital Management Division and the Civil Service~~  
19 ~~Division of the Office of Management and Enterprise Services~~  
20 ~~Department of Labor~~ shall:

21      1. Establish and maintain a State Employee Dispute Resolution  
22     Program, which may include mediation, to provide dispute resolution  
23     services for state agencies and state employees. Actions agreed to  
24     through the State Employee Dispute Resolution Program shall be

1 consistent with applicable laws and rules and shall not alter,  
2 ~~reduce, or modify any existing right or authority as provided by~~  
3 statute or rule;

4 2. Establish rules pursuant to the Administrative Procedures  
5 Act as may be necessary to perform the duties and functions of ~~this~~  
6 ~~act, including creating an Office of Veterans Placement to offer~~  
7 ~~counseling, assessment and assistance to veterans seeking state~~  
8 ~~employment the Civil Service and Human Capital Modernization Act;~~

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

11 4. Use administrative law judges as independent contractors or  
12 administrative law judges provided by the Office of the Attorney  
13 General to exercise the provisions of ~~this act the Civil Service and~~  
14 Human Capital Modernization Act;

15 5. Submit Electronically submit quarterly reports on workload  
16 statistics to the Governor, the Speaker of the ~~Oklahoma~~ House of  
17 Representatives, and the President Pro Tempore of the ~~Oklahoma~~ State  
18 Senate containing the following information:

19 a. the number of cases, complaints, and requests for  
20 hearings filed, disposed of and pending with the  
21 ~~Divisions~~ Division for each month of the quarter, and  
22 b. a numerical breakdown of the methods of disposition of  
23 such cases, complaints, and requests for hearing.

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

3       6. Create a confidential whistleblower program and serve as the  
4 chief administrator of such program whereby a state employee may  
5 confidentially report claims of agency or employee mismanagement as  
6 well as criminal misuse of state funds or property. Mismanagement  
7 includes fraudulent activity or abuse or violation of a well-  
8 established, articulated, clear, and compelling public policy. The  
9 Office of the Attorney General shall have the authority to  
10 investigate and determine whether to prosecute such whistleblower  
11 claims. The Attorney General shall also have the power to refer  
12 such claims to the appropriate district attorney; and

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

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

1       D. Employees filing a complaint with the Civil Service Division  
2 shall prove that there was no reasonable basis for the disciplinary  
3 action by the state agency. The review of the merits of the  
4 complaint may be limited to the employee disciplinary file directly  
5 at issue. In the event documents needed are not maintained in the  
6 disciplinary file, or additional witnesses are requested by the  
7 parties, the administrative law judge shall have the discretion to  
8 allow additional documentation or witnesses regarding the  
9 disciplinary action taken. Complaints relating to punitive  
10 transfers shall be administrated through mediation first and shall  
11 only proceed to a hearing if mediation is unsuccessful. Employees  
12 who were offered a relocation incentive as set forth in  
13 administrative rule shall not be deemed as being subject to a  
14 punitive transfer. Complaints relating to written reprimands shall  
15 be administered through mediation exclusively, and state employees  
16 employed to perform duties as outlined in paragraph 6 of subsection  
17 E of Section 3311 of Title 70 and Section 2-105 of Title 47 of the  
18 Oklahoma Statutes shall be permitted to proceed to a hearing if  
19 mediation is unsuccessful. Mediation may also be available for  
20 other disciplinary actions.

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

23       F. The presiding officer of any proceeding before the Civil  
24 Service Division may require payment of reasonable attorney fees and

1 costs to the prevailing party if the position of the nonprevailing  
2 party was without reasonable basis or was frivolous.

3       G. For purposes of this section, "disciplinary actions" means  
4 termination, suspension without pay, involuntary demotion, punitive  
5 transfers, or written reprimand.

6       H. Nothing in this section shall apply to:

7       1. Persons employed by the Governor, the Lieutenant Governor,  
8 ~~Oklahoma~~ the House of Representatives, ~~Oklahoma~~ State the Senate,  
9 the Legislative Service Bureau, or the Legislative Office of Fiscal  
10 Transparency;

11       2. Elected officials;

12       3. Political appointees;

13       4. District attorneys, assistant district attorneys or other  
14 employees of the district attorney's office, and the District  
15 Attorneys Council;

16       5. The state judiciary or persons employed by the state  
17 judiciary;

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

1       7. Temporary employees employed to work less than one thousand  
2 (1,000) hours in any twelve-month period;

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

5       9. Employees in a trial period; or

6       10. State employees whose employment status is otherwise  
7 provided by law.

8       I. Except as provided by subsection H of this section,  
9 effective January 1, 2022, all state employee positions shall be  
10 administered by the ~~Human Capital Management~~ Civil Service Division  
11 of the ~~Office of Management and Enterprise Services~~ Department of  
12 Labor, without reference to prior classified or unclassified status.

13       J. In collaboration with executive branch agencies, and their  
14 human resources personnel, the ~~Human Capital Management~~  
15 Administrator Commissioner of Labor shall establish and define  
16 statewide minimum standards for human resource business processes,  
17 based on industry standards and statewide best practices, to be  
18 followed by all executive branch agencies. The ~~Human Capital~~  
19 ~~Management Administrator~~ Commissioner of Labor has the authority to  
20 grant exceptions to the statewide minimum standards. Additionally,  
21 the ~~Human Capital Management Administrator~~ Commissioner of Labor  
22 shall establish and maintain a statewide job catalog and pay  
23 structure for executive branch jobs and establish policies and  
24 procedures for a market-based pay system, pay-for-performance

1 system, and dispute resolution process for issues that do not rise  
2 to a disciplinary action as provided by the Civil Service and Human  
3 Capital Modernization Act. The ~~Human Capital Management~~  
4 ~~Administrator~~ Commissioner of Labor shall promulgate rules necessary  
5 to carry out the authority set forth in this section.

6 K. The Civil Service Division is authorized to employ attorneys  
7 or contract with private attorneys to serve as legal counsel to the  
8 Civil Service Division. The attorneys shall be authorized to appear  
9 for and represent the Civil Service Division in all litigation that  
10 may arise from the discharge of its duties, including the  
11 representation of the Civil Service Division when its decisions are  
12 appealed to higher courts. Attorneys employed by the ~~Office of~~  
13 ~~Management and Enterprise Services Department~~ to represent the Civil  
14 Service Division shall represent the Civil Service Division  
15 notwithstanding its representation of the ~~Office of Management and~~  
16 ~~Enterprise Services Department~~ in the same or related matters  
17 pending before the Civil Service Division or before any court. The  
18 ~~Office of Management and Enterprise Services Department~~ shall  
19 establish internal administrative procedures to ensure that all  
20 ~~departments divisions~~ within the ~~Office of Management and Enterprise~~  
21 ~~Services Department~~ are provided independent legal representation,  
22 and such simultaneous representation shall not, of itself, be deemed  
23 to constitute a conflict of interest.

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

5       M. On and after the effective date of this act, the Civil  
6 Service Division of the Office of Management and Enterprise Services  
7 is transferred to the Department of Labor. All personnel of the  
8 Civil Service Division are hereby transferred to the Department and  
9 shall become employees of the Department.

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

12       Section 9010.4. A. An agency or agencies may enter into a pay-  
13 for-success contract with a private entity or entities to receive  
14 up-front capital to fund a service or program. The agency or  
15 agencies may not enter into a pay-for-success contract until each  
16 state agency head entering into the contract determines with  
17 reasonable certainty that the contract will result in a public  
18 benefit to the state.

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

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

23       2. Identify the specific service or program to be funded under  
24 the contract;

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

5       4. Require and specify an independent third-party evaluator to  
6 review and issue reports annually at specific times during the  
7 contract term specifying the degree to which the service or program  
8 has met the identified performance targets and outcome measures  
9 specified in the contract;

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

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

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

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

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

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

9       Section 9010.5. ~~A.~~ There is hereby created in the State  
10 Treasury a revolving fund for the Office of Management and  
11 Enterprise Services to be designated the "Pay for Success Innovation  
12 Fund". ~~The fund shall be a continuing fund, not subject to fiscal~~  
13 ~~year limitations, and shall consist of all monies designated by~~  
14 ~~state agencies to the Pay for Success Innovation Fund and monies~~  
15 ~~which may otherwise be available to the Office of Management and~~  
16 ~~Enterprise Services for use as provided for in this section.~~

17       ~~B.~~ All monies appropriated to the fund shall be budgeted and  
18 expended by the Office of Management and Enterprise Services for the  
19 purpose of funding contracts as authorized by this act. Pursuant to  
20 contract, the Office of Management and Enterprise Services shall  
21 provide payment to private entities for the delivery of performance  
22 targets and outcome measures at the direction of the agency engaged  
23 in the contract and only in accordance with the terms of the pay  
24 for success contract.

1 C. To the extent that any money credited to this fund for a  
2 particular pay for success contract remains unpaid at the time the  
3 particular contract expires or is terminated, as soon after the  
4 contract expiration as is practicable, the Office of Management and  
5 Enterprise Services shall return the unpaid amount to the agency to  
6 which the money was originally appropriated.

7 D. The Office of Management and Enterprise Services may enter  
8 into memorandums of understanding with other agencies and promulgate  
9 rules as necessary to administer this section and pay for success  
10 contracts entered into under this section On the effective date of  
11 this act, all monies accrued to the credit of the fund shall be  
12 returned to the agencies to which the monies were originally  
13 appropriated for the purpose of funding contracts as authorized by  
14 the Pay for Success Act. No further monies shall be deposited in  
15 the fund after the effective date of this act.

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

19 A. On and after the effective date of this act, the Office of  
20 Veterans Placement in the Human Capital Management Division of the  
21 Office of Management and Enterprise Services is transferred to the  
22 Oklahoma Department of Veterans Affairs. All personnel of the  
23 Office of Veterans Placement are hereby transferred to the  
24 Department and shall become employees of the Department.

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

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

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

8       Section 78. A. There is hereby created and established within  
9 the Office of Management and Enterprise Services, the Fleet  
10 Management Oversight Division. The Division shall provide oversight  
11 of and ~~advice to~~ state agencies that own, operate, and utilize motor  
12 vehicles. All agencies shall be subject to Fleet ~~Management~~  
13 Oversight Division reporting requirements. ~~The following agencies~~  
14 ~~are exempt from Fleet Management Division oversight and advice, but~~  
15 ~~are still subject to required reporting from Fleet Management~~  
16 ~~Division to provide full transparency of the statewide fleet:~~  
17 ~~Department of Public Safety, the Department of Transportation, the~~  
18 ~~Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the~~  
19 ~~Military Department of the State of Oklahoma, the Oklahoma State~~  
20 ~~Bureau of Investigation, the Commissioners of the Land Office and~~  
21 ~~The Oklahoma State System of Higher Education.~~

22       B. The Director of the Office of Management and Enterprise  
23 Services shall:

1       1. Appoint and fix duties and compensation for a Fleet  
2       Oversight Manager who shall serve as the administrative head of the  
3       division Division;

4       2. Hire personnel as necessary to provide fleet oversight  
5       services;

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

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

10       5. 4. Report electronically to the Governor, the Speaker of the  
11       House of Representatives, and the President Pro Tempore of the  
12       Senate those agencies that fail to comply with the provisions of law  
13       and the rules of the Fleet Management Oversight Division regarding  
14       submission of reports, ~~vehicle use, and vehicle maintenance~~.

15       C. The rules shall include provisions to:

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

19       2. ~~Establish standards for routine vehicle inspection and~~  
20       ~~maintenance;~~

21       3. Provide standards and forms for recordkeeping of fleet  
22       acquisition, operation, maintenance, and repair costs for mandatory  
23       use by all state agencies to report the data to the Fleet Management

1      Oversight Division on a monthly basis as provided for in Section 12  
2      of this act;

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

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

9      ~~6. Require all agencies with in-house repair and service~~  
10     ~~facilities to assign a value to the preventive maintenance services,~~  
11     ~~track those services with a dollar value, and report costs to the~~  
12     ~~Fleet Manager for the prior month no later than the twentieth day~~  
13     ~~following the close of each month;~~

14     ~~7. 2. Promulgate rules requiring all state-owned motor vehicles~~  
15     ~~to be marked in a uniform, highly visible manner, except for certain~~  
16     ~~vehicles driven by law enforcement agencies or other agencies~~  
17     ~~requiring confidentiality; and~~

18     ~~8. 3. Require agencies to produce and maintain written~~  
19     ~~justification for any vehicle that travels fewer than twelve~~  
20     ~~thousand (12,000) miles annually and report to the Fleet Oversight~~  
21     ~~Manager such information by October 1 or before June 30 of each~~  
22     ~~year; and~~

1           9. Address any other matter or practice which relates to the  
2 responsibilities of the Director of the Office of Management and  
3 Enterprise Services.

4           D. The Fleet Oversight Manager shall:

5           1. Develop specifications for contracts for vehicle maintenance  
6 for state vehicles not serviced or maintained by state agencies;

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

10           3. Assess state agency needs for vehicles and types of  
11 vehicles;

12           4. Assign, transfer or lease vehicles to a state agency to meet  
13 the needs of the state agency;

14           5. Unless otherwise provided by law, determine whether a state  
15 agency may use or operate a vehicle without state identifying  
16 markings, bearing a license plate used by a privately owned vehicle  
17 to perform the duties of the state agency without hindrance;

18           6. 2. Report to the Director of the Office of Management and  
19 Enterprise Services occurrences of agencies failing to comply with  
20 the provisions of law and the rules of the Fleet Management  
21 Oversight Division regarding submission of reports, vehicle use, and  
22 vehicle maintenance;

23           7. Offer guidelines to agencies to assist in determining the  
24 most cost-effective and reasonable modes of travel for single trips

1 from the following options: state vehicle, private rental, or  
2 mileage reimbursement; and

3 8. 3. Provide, upon the request of the Governor, the President  
4 Pro Tempore of the Senate, or the Speaker of the House of  
5 Representatives, electronic reports from data the Fleet Oversight  
6 Manager collects.

7 E. The Director of the Office of Management and Enterprise  
8 Services may enter into agreements with any political subdivision of  
9 this state for the purpose of providing fleet services established  
10 by the Fleet Management Division pursuant to this section and rules  
11 promulgated pursuant to this section.

12 F. The Director of the Office of Management and Enterprise  
13 Services, through the Fleet Management Division, may enter into  
14 partnership agreements with political subdivisions and private  
15 entities for the purposes of applying for, participating in, and  
16 administering federal grant funds. The partnership agreements and  
17 activities authorized in this subsection are hereby declared to be a  
18 public purpose.

19 G. The Office may offer public access to alternative fueling  
20 infrastructure owned and operated by the Office in areas of the  
21 state in which access to an alternative fueling infrastructure is  
22 not readily available to the public. The Office shall cease  
23 allowing public access to an alternative fueling infrastructure  
24 operated by the Office if a privately owned alternative fueling

1 infrastructure locates within a five-mile radius of the  
2 infrastructure operated by the Department.

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

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

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

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

14 Section 78a. A. State agencies with authority to own motor  
15 vehicles shall, after the acquisition of a motor vehicle,  
16 electronically submit a requisition report to the Director Fleet  
17 Oversight Division of the Office of Management and Enterprise  
18 Services prior to acquisition of a motor vehicle. The requisition  
19 report shall state the type of vehicle, the intended purpose of the  
20 vehicle, a statement that the agency has actual need for the  
21 vehicle, the supplier of the vehicle, the amount that the state  
22 agency expended to acquire the vehicle, and that the state agency  
23 has sufficient funds to acquire and maintain the vehicle and cite  
24 the statutory authority of the state agency to acquire a vehicle.

1       B. The Director of the Office of Management and Enterprise  
2       Services shall review the requisition and approve or deny the  
3       request of the state agency within fifteen (15) days of receipt.

4       C. The provisions of subsections A and B of this section shall  
5       not apply to the Department of Public Safety, the Commissioners of  
6       the Land Office, the Oklahoma State Bureau of Narcotics and  
7       Dangerous Drugs Control or the Oklahoma Military Department.

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

11      Section 78b.    A. A state agency shall notify the Fleet  
12      Management Division of the Office of Management and Enterprise  
13      Services not less than thirty (30) days prior to any vehicle  
14      disposal by the state agency.

15      B. A state agency shall not dispose of a passenger car, truck,  
16      pickup, or other vehicle the state agency owns until it has been in  
17      use for sixty thousand (60,000) miles or at least twenty-four (24)  
18      months have elapsed since the day the claim was approved for the  
19      payment thereof, unless the vehicle has damage and repairs that will  
20      exceed Two Thousand Five Hundred Dollars (\$2,500.00), or the  
21      Director executive head of the Fleet Management Division of the  
22      Office of Management and Enterprise Services state agency provides  
23      written authorization for disposal. Such written authorization  
24      shall be attached to the motor vehicle inventory records submitted

1 to the Fleet Oversight Division of the Office of Management and  
2 Enterprise Services as provided for in Section 12 of this act.

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

5 Section 78c. A. There is hereby created a special fund to be  
6 designated the "State Fleet Management Fund". The fund may be  
7 appropriated for and used for the acquisition, leasing, operation,  
8 storage, maintenance, repair and replacement of motor vehicles under  
9 the control of the Fleet Management Division, the payment of  
10 insurance premiums, the payment of the administrative expenses of  
11 the Division in connection with the operation of the motor pool,  
12 expenses the Office of Management and Enterprise Services incurs to  
13 support Division operations, and for expenses associated with  
14 constructing, installing, acquiring, and operating alternative  
15 fueling infrastructure and acquiring alternative fuel vehicles for  
16 use by state agencies or for leasing and transferring to political  
17 subdivisions of the state as authorized pursuant to Section 78e of  
18 this title.

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

1 C. Proceeds from the disposition of motor vehicles or other  
2 property owned by the Division shall be deposited to the credit of  
3 the fund.

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

7 E. The Fleet Management Division is authorized to maintain a  
8 petty cash fund in such amount not exceeding Two Thousand Dollars  
9 (\$2,000.00) to make immediate cash payments as are required or  
10 necessary in the opinion of the Fleet Management Director. Any such  
11 cash disbursement shall be made only by the persons so designated by  
12 the Fleet Management Director, and only in the payment of claims  
13 authorized by law. Such proofs and receipts shall be presented by  
14 the person making a claim as is required by the Fleet Management  
15 Director. On the effective date of this act, all monies accrued to  
16 the credit of the fund shall be transferred to any state agency that  
17 would have been required prior to the effective date of this act to  
18 deposit monies in the fund. Such transfer of monies shall be made  
19 on the basis of the proportion of the state vehicle fleet maintained  
20 by such state agency. No further monies shall be deposited in this  
21 fund after the effective date of this act.

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

1       Section 78d. The Fleet Management Oversight Division of the  
2 Office of Management and Enterprise Services shall electronically  
3 furnish to the Governor, the President Pro Tempore of the Senate,  
4 and the Speaker of the House of Representatives, at the close of  
5 each fiscal year ~~a statement showing the financial condition of the~~  
6 ~~Division, an inventory of all motor vehicles regardless of exemption~~  
7 ~~or oversight status, the vehicle fleet of all state agencies; a~~  
8 statement showing the amount spent by each state agency on  
9 acquiring, maintaining, and utilizing motor vehicles; and such other  
10 ~~information regarding the state motor vehicle transportation system~~  
11 as is necessary for a proper understanding of the ~~operation of such~~  
12 ~~system and of the financial condition of the motor pool operations~~  
13 vehicle fleet of all state agencies.

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

17       A. On and after the effective date of this act, each state  
18 agency that is authorized to own, operate, and utilize motor  
19 vehicles in this state shall be responsible for the purchase,  
20 management, and maintenance of motor vehicles for the agency. Each  
21 agency shall promulgate rules, develop a plan for routine  
22 maintenance and inspection, and maintain accurate recordkeeping for  
23 all motor vehicles within the fleet for reporting as prescribed by  
24 law.

1       B. All state agencies that are authorized to own, operate, and  
2 utilize motor vehicles shall, on or before June 30 of each year,  
3 electronically submit a report regarding the amount spent to  
4 purchase, manage, and maintain motor vehicles for the agency to the  
5 Fleet Oversight Division of the Office of Management and Enterprise  
6 Services.

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

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

12       B. On a monthly basis the State Purchasing Director and  
13 institutions of higher education shall provide to the Director of  
14 the Office of Management and Enterprise Services (OMES) a complete  
15 listing in electronic format of all transactions paid by a state  
16 purchase card. The list shall contain the name of the purchaser and  
17 purchasing agency, amount of purchase and all available descriptions  
18 of items purchased.

19       C. Upon receipt of the list described in subsection B of this  
20 section, the Director of the OMES shall allow the public access to  
21 the list in searchable format through its website defined in Section  
22 46 of Title 62 of the Oklahoma Statutes.

1       D. The State Purchasing Director may authorize the use of a  
2 state purchase card for acquisitions within the following  
3 parameters:

4       1. No limit on the amount of the transaction for the following:

5           a. purchases from statewide contracts and from contracts  
6           awarded by the State Purchasing Director for the  
7           benefit of a state agency,  
8           b. utilities,  
9           c. interagency payments,  
10           d. emergency acquisitions; provided, requirements to  
11           establish an emergency pursuant to Section 5 85.41a of  
12           this ~~act~~ title or other applicable statute or rule  
13           have been met, and  
14           e. professional services as defined in Section 803 of  
15           Title 18 of the Oklahoma Statutes; and

16       2. For any other transaction with a state purchase card, the  
17 transaction shall not exceed the greater of Five Thousand Dollars  
18 (\$5,000.00) or the limit determined by the State Purchasing  
19 Director, not to exceed the fair and reasonable acquisition  
20 threshold amount.

21       E. The State Purchasing Director may authorize personnel of the  
22 Oklahoma Department of Commerce, upon a finding by the Secretary of  
23 Commerce that such personnel have a legitimate need therefore, to  
24 utilize a state purchase card for acquisitions for programs,

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

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

13       Section 85.42. A. 1. Except as otherwise provided for in this  
14       section or other applicable law, any agency, whether or not such  
15       agency is subject to the Oklahoma Central Purchasing Act, shall be  
16       prohibited from entering into a sole-source contract or agreement or  
17       a contract or agreement for professional services with or for the  
18       services of any person who has terminated employment with or who has  
19       been terminated by that agency for one (1) year after the  
20       termination date of the employee from the agency. Any contract or  
21       agreement entered into in violation of this subsection shall be  
22       void. Any person found to have violated this subsection shall be  
23       prohibited from entering into any state contract for a period of  
24       five (5) years from the date of the execution of the contract or

1 agreement. The provisions of this subsection shall not prohibit an  
2 agency from hiring or rehiring such person as a state employee.

3       2. Any chief administrative officer of an agency, whether or  
4 not such agency is subject to the Oklahoma Central Purchasing Act,  
5 shall not enter into any contract for nonprofessional or  
6 professional services for the purpose of or which would result in  
7 the circumvention of the full-time-equivalent employee limitation  
8 established by law for such agency.

9       B. Each contract, including change orders, extensions,  
10 renewals, or amendments, entered into by any person or firm with the  
11 State of Oklahoma shall include a statement certifying that no  
12 person who has been involved in any manner in the development,  
13 approval, or negotiation of such contract while employed by the  
14 state shall be employed or given anything of value to fulfill any of  
15 the services provided for under the contract. Each contract,  
16 including change orders, extensions, renewals, or amendments, shall  
17 include a statement from the chief executive officer or head of the  
18 contracting state agency, or specified designee of such, certifying  
19 that no known officer or employee of the contracting state agency  
20 who has any direct or indirect financial, pecuniary, or other  
21 personal interest in the contract has been involved in any manner in  
22 the development, approval, or negotiation of the contract through  
23 influence, decision, recommendation, or otherwise. This subsection  
24 shall not preclude faculty and staff of the institutions within The

1 Oklahoma State System of Higher Education from negotiating and  
2 participating in research grants and educational contracts. This  
3 subsection shall not apply to Oklahoma Department of Commerce  
4 personnel who contract to provide services to the Oklahoma Capital  
5 Investment Board.

6 C. As used in this section, "person" means any state official  
7 or employee of a department, board, bureau, commission, agency,  
8 trusteeship, authority, council, committee, trust, school district,  
9 fair board, court, executive office, advisory group, task force,  
10 study group, supported in whole or in part by public funds or  
11 entrusted with the expenditure of public funds or administering or  
12 operating public property, and all committees, or subcommittees  
13 thereof, judges, justices and state legislators.

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

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

19 2. A contract between a business entity that is a part-time  
20 certified court reporter and the Administrative Office of the  
21 Courts, on behalf of the district courts, or the Office of the  
22 Attorney General.

1       E. Provided the provisions specified in subsection B of this  
2 section are satisfied, the following professional services contracts  
3 are allowed:

4       1. The Department of Transportation, Oklahoma Water Resources  
5 Board, Department of Environmental Quality, Oklahoma Tourism and  
6 Recreation Department, the Oklahoma Turnpike Authority and the  
7 Oklahoma Department of Agriculture, Food, and Forestry may contract  
8 with a person who has retired from state service;

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

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

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

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

1       1. A detailed description of each vehicle, including its  
2 original cost;  
3       2. The vehicle identification number;  
4       3. The license tag number;  
5       4. The make, model, and year of the vehicle; and  
6       5. A designation of loaned or leased vehicles and the name of  
7 the vendor.

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

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

17       Section 840-1.6A. The Office of Personnel Management Division  
18 of the Office of State Finance was consolidated into and renamed the  
19 Office of Management and Enterprise Services. Where the term  
20 "Office of Personnel Management" is used within the Oklahoma  
21 Statutes, it shall mean the Office of Management and Enterprise  
22 Services (OMES). The chief administrative officer shall be the  
23 Director of the Office of Management and Enterprise Services. In  
24 addition to the other duties imposed by law, the Director shall:

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

4       2. Organize ~~the Office OMES~~ to provide both service and  
5 regulatory functions that are effective and efficient in meeting the  
6 management needs of various state agencies. The Director is  
7 directed to establish an agency service function to assist agencies  
8 with human resource needs based upon the administrative capacity and  
9 resources of the various agencies;

10      3. ~~Prepare, maintain, and revise a system of employment~~  
11 ~~designed to ensure the impartial consideration of applicants for~~  
12 ~~employment and to protect state employees from arbitrary dismissal~~  
13 ~~or unfair treatment;~~

14      4. Develop and maintain a classification and compensation  
15 system for all positions in the executive branch of state government  
16 including those established by the Oklahoma Constitution;

17      5. 4. Conduct an analysis of the rates of pay prevailing in the  
18 state in the public and private sectors for comparable jobs and  
19 report electronically the findings to the Governor, the President  
20 Pro Tempore of the Senate, and the Speaker of the House of  
21 Representatives no later than December 1 of each year. Such  
22 analysis shall include all forms of compensation including fringe  
23 benefits. Information solicited by the Office of Management and  
24 Enterprise Services from public and private sector employers for

1 such analysis, including, but not limited to, salaries, benefits,  
2 and compensation policies and procedures, shall be confidential and  
3 shall not be subject to disclosure under the Oklahoma Open Records  
4 Act;

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

7 7. 6. Develop, in cooperation with appointing authorities,  
8 employee training programs, management training programs, a  
9 certified public manager program, a recruiting program, and a system  
10 of performance appraisals, and assist appointing authorities in the  
11 setting of productivity goals. The Director may establish and  
12 collect fees for participation in training programs. The Director  
13 is authorized to purchase awards for presentation to state employees  
14 as part of employee recognition activities sponsored by the Office  
15 of Management and Enterprise Services;

16 8. 7. Establish rules for leave and pay including, but not  
17 limited to, rules for leave, furloughs, performance pay increases,  
18 rates for pay differentials, on-call pay, and other types of pay  
19 incentives and salary adjustments consistent with ~~this act~~ the Civil  
20 Service and Human Capital Modernization Act and reduction-in-force;

21 9. 8. Be responsible for the development and maintenance of a  
22 uniform occupation code system, grouped by job titles or duties, for  
23 all state positions. The responsibility shall include the  
24 establishment of rules governing the identification, tracking, and

1 reporting of all state positions as provided in Section 840-2.13 of  
2 this title;

3 10. 9. Be responsible for advising state agencies on personnel  
4 policy and administration;

5 11. 10. Establish standards for continuing training and  
6 certification of personnel professionals in the executive branch of  
7 state government, excluding institutions within The Oklahoma State  
8 System of Higher Education. Employees appointed to professional  
9 personnel positions shall complete an initial training program  
10 within one (1) year after assuming the professional personnel  
11 position. Thereafter, they shall complete annual training  
12 requirements. Each appointing authority shall ensure that all  
13 professional personnel employees are notified of, and scheduled to  
14 attend, required training programs and shall make time available for  
15 employees to complete the programs. The Director shall be  
16 authorized to bill agencies for the training of personnel  
17 professionals pursuant to this paragraph to recover reasonable costs  
18 associated with the training. Monies received for such training  
19 shall be deposited in the Human Capital Management Revolving Fund.  
20 Expenditure of such funds collected for the training shall be exempt  
21 from any expenditure limit on the Office of Management and  
22 Enterprise Services established by law;

23 12. 11. Not less than once during each two-year period, conduct  
24 a study identifying the following, by job family descriptors:

1           a. selected jobs with a turnover rate in excess of ten  
2           percent (10%),  
3           b. selected jobs identified by the Director of the Office  
4           of Management and Enterprise Services with salaries  
5           and benefits that are ten percent (10%) or more below  
6           the market for such positions, and  
7           c. selected jobs identified by the Director in which  
8           recruitment efforts have yielded a low number of  
9           qualified applicants;

10          13. 12. Establish a workforce planning function within the  
11 Office of Management and Enterprise Services to assist state  
12 agencies in analyzing the current workforce, determining future  
13 workforce needs, and implementing solutions so that agencies may  
14 accomplish their missions; and

15          14. 13. Establish a quality management function within the  
16 Office of Management and Enterprise Services and shall assist state  
17 agencies in fully integrating quality management concepts and models  
18 into their business practices for the purpose of improving the  
19 overall efficiency and effectiveness of state government.

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

23          Section 3001. A. There is hereby created in the ~~Office of~~  
24 ~~Management and Enterprise Services~~ State Department of

1      Rehabilitation Services an advisory council to be known as the  
2      "State State Use Advisory Council" Council. The Council shall  
3      consist of seven (7) members:

4            1. A private citizen conversant with the employment needs of  
5      people with significant disabilities who shall be appointed by and  
6      serve at the pleasure of the Governor to act as an advocate for the  
7      employment needs of people with significant disabilities;

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

10           3. The Director of the State Department of Rehabilitation  
11      Services, or a designee;

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

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

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

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

23           B. The private citizens on the Council shall serve for a period  
24      of two (2) years and may be reappointed by the appointing authority.

1 Any private citizen appointed pursuant to this section to fill a  
2 vacancy occurring prior to the expiration of the term for which the  
3 predecessor was appointed shall be appointed only for the remainder  
4 of the term.

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

8 SECTION 18. AMENDATORY Section 2, Chapter 252, O.S.L.  
9 2022 (74 O.S. Supp. 2025, Section 3001.1), is amended to read as  
10 follows:

11 Section 3001.1. ~~The State Purchasing Director, under the~~  
12 ~~supervision of the Director of the Office of Management and~~  
13 ~~Enterprise Services, Department of Rehabilitation Services~~ shall  
14 have the authority and responsibility to administer and oversee the  
15 State Use Program including, but not limited to:

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

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

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

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

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

11 3. "Qualified nonprofit agency for the employment of people  
12 with significant disabilities" means a nonprofit agency employing  
13 persons with significant disabilities who constitute at least  
14 seventy-five percent (75%) of the direct labor hours engaged in  
15 direct production, manufacturing, processing and/or or assembling of  
16 products or services offered by the agency for procurement by this  
17 state or who meet the definition of a blind person as provided for  
18 in paragraph 1 of this section, or which is certified as a sheltered  
19 workshop by the Wage and Hour Division of the United States  
20 Department of Labor;

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

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

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

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

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

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

15       10. "Central nonprofit ~~agency (CNA)~~ agency (CNA)" means a  
16 qualified ~~501(c)3~~ 501(c) (3) nonprofit entity meeting the  
17 qualifications in the Request for Procurement (RFP) issued by the  
18 ~~Office of Management and Enterprise Services State Department of~~  
19 Rehabilitation Services selected to administer and oversee the State  
20 Use Program; and

21       11. "Procurement schedule" means a designated schedule of  
22 products and services currently approved by the ~~Office of Management~~  
23 ~~and Enterprise Services Central Purchasing Division State Department~~

1      of Rehabilitation Services as suitable to procure from qualified  
2      organizations participating in the State Use Program.

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

6      Section 3004.      The ~~Office of Management and Enterprise Services~~  
7      ~~Central Purchasing Division State Department of Rehabilitation~~  
8      Services shall designate and distribute by regulation a schedule,  
9      hereinafter referred to as the procurement schedule, of the products  
10     directly manufactured, produced, processed, or assembled or services  
11     directly performed, offered, or provided by any person with  
12     significant disabilities or qualified nonprofit agency for the  
13     employment of people with significant disabilities, as defined in  
14     Section 3003 of this title, which the ~~State Purchasing Director~~  
15     Department determines are suitable for procurement by the state.

16     The products and services on contract will be published on the  
17     procurement schedule and will be designated as mandatory.   The  
18     ~~Office of Management and Enterprise Services Central Purchasing~~  
19     Division Department shall have the authority to qualify  
20     organizations for inclusion in the State Use Program, monitor  
21     qualified organizations for continued compliance to remain active in  
22     the program, and remove organizations from the program.   ~~Central~~  
23     ~~Purchasing~~ The Department shall have the authority to award and

1 manage contracts to the qualified organizations as well as to  
2 renegotiate or cancel contracts when appropriate.

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

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

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

22 Section 3004.2. There is hereby created in the State Treasury a  
23 revolving fund for the ~~Office of Management and Enterprise Services~~  
24 State Department of Rehabilitation Services to be designated the

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

22 SECTION 23. AMENDATORY 74 O.S. 2021, Section 3005, as  
23 amended by Section 7, Chapter 252, O.S.L. 2022 (74 O.S. Supp. 2025,  
24 Section 3005), is amended to read as follows:  
25

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

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

14       Section 3006. The ~~State Purchasing Director~~ State Department of  
15 Rehabilitation Services may contract with a central nonprofit agency  
16 to facilitate:

- 17       1. Management of the day-to-day operations of the program;
- 18       2. The facilitation, promotion, and ~~the~~ distribution of orders  
19 of the state for products or services on the procurement schedule  
20 among qualified nonprofit agencies for people with significant  
21 disabilities;
- 22       3. Scheduling and conducting annual training sessions;
- 23       4. Publishing the approved State Use Procurement Schedule;

1       5. Promotion of the State Use Program through development and  
2 distribution of program marketing material, promotion of program  
3 through continued contact with current and future customers; and

4       6. All other duties assigned by the RFP Request for Procurement  
5 (RFP) through the ~~Office of Management and Enterprise Services~~  
6 Department.

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

10       Section 3007. A. Whenever this state or any of its agencies  
11 intends to procure any product or service included in the  
12 procurement schedule, that entity shall secure the product or  
13 service from a qualified nonprofit agency providing employment to  
14 people with significant disabilities at the fair market price  
15 determined by the ~~Office of Management and Enterprise Services~~  
16 ~~Central Purchasing Division State Department of Rehabilitation~~  
17 Services, if the product or service is available within the period  
18 required by the entity and meets the specifications of the entity.

19       B. An agency of this state shall not evade the intent and  
20 meaning of this section by slight variations from standards adopted  
21 by the ~~Office of Management and Enterprise Services Central~~  
22 Purchasing Division Department.

23       C. Provided, the requirements of this section shall not apply  
24 to the procurement of janitorial services by the Oklahoma State

1 Bureau of Investigation. The Bureau shall conduct background  
2 investigations and national criminal history record checks on  
3 companies and individuals with which it contracts to provide  
4 janitorial services.

5 D. Any municipality or county agency of this state is  
6 authorized to purchase products and services from any qualified  
7 organization as defined in Section 3003 of this title. The  
8 qualified organization shall be able to meet the needs and  
9 specifications for the products or services required by the  
10 purchasing body at the fair market price. Procurements made  
11 pursuant to the provisions of this section shall not be subject to  
12 competitive bid requirements.

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

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

24  
25

1       B. The ~~Office of Management and Enterprise Services Central~~  
2 ~~Purchasing Division State Department of Rehabilitation Services~~  
3 shall require an annual qualified organization pricing review for  
4 all products and services approved and designated on the procurement  
5 schedule. The method of the pricing review shall be defined in the  
6 promulgated rules.

7       C. When the fair market price for a product or service approved  
8 by the ~~Office of Management and Enterprise Services Central~~  
9 ~~Purchasing Division Department~~ exceeds a current market price for  
10 the same product or service and such lower market price has been  
11 verified by the agency through compliance with the fair market  
12 analysis process approved by the ~~Office of Management and Enterprise~~  
13 ~~Services Central Purchasing Division Department~~, the State Use  
14 contracting officer may grant a temporary exception to a requesting  
15 agency so that the agency may purchase the product or service from  
16 the supplier offering the lower market price.

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

20       Section 3009. A. The ~~Office of Management and Enterprise~~  
21 ~~Services Central Purchasing Division State Department of~~  
22 ~~Rehabilitation Services~~ shall prescribe rules to carry out the  
23 purposes of the provisions of Sections 3001 through 3009 of this  
24 title.

1           B. The rules shall include requirements for:

2           1. Publishing a catalog listing goods and services and jobs

3 that qualified agencies employing people with significant

4 disabilities can provide the state, annually; and

5           2. Conducting a minimum of two meetings per year of the State

6 Use Advisory Council, in compliance with the Oklahoma Open Meeting

7 Act, Section 301 et seq. of Title 25 of the Oklahoma Statutes.

8           C. On an annual basis, the ~~Office of Management and Enterprise~~

9 ~~Services Department~~ shall, within sixty (60) days after the close of

10 the fiscal year, electronically transmit a strategic plan for the

11 State Use Program to the President Pro Tempore of the Senate, the

12 Speaker of the House of Representatives, and the Governor.

13           SECTION 28.       RECODIFICATION       62 O.S. 2021, Section 34.301,

14 as last amended by Section 1, Chapter 319, O.S.L. 2025 (62 O.S.

15 Supp. 2025, Section 34.301), and as amended by Section 3 of this

16 act, shall be recodified as Section 201 of Title 40 of the Oklahoma

17 Statutes, unless there is created a duplication in numbering.

18           SECTION 29.       REPEALER       74 O.S. 2021, Section 78e, is

19 hereby repealed.

20           SECTION 30.       REPEALER       74 O.S. 2021, Section 78f, is

21 hereby repealed.

22           SECTION 31.       REPEALER       74 O.S. 2021, Section 80.1, is

23 hereby repealed.

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

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

5  
6 60-2-2289

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