

**BILL SUMMARY**  
1<sup>st</sup> Session of the 57<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 227</b>
<b>Version:</b>	<b>Engrossed</b>
<b>Request Number:</b>	
<b>Author:</b>	<b>Rep. Fetgatter and Sen. Thompson</b>
<b>Date:</b>	<b>3/25/2019</b>
<b>Impact:</b>	<b>see below</b>

**Research Analysis**

SB 227 creates a new Oklahoma Information Services Department and transfers the Information Services Division of the Office of Management and Enterprise Services into the new department, along with all assets, funds, and responsibilities of the division. The measure authorizes the Governor to appoint a Chief Information Officer, who would be the chief executive of the department. The measure sets out duties of the department, which include: formulating and implementing an information technology (IT) strategy for all state agencies; defining, designing and implementing a shared services infrastructure for IT and telecommunications; directing development and operation of a scalable telecommunications infrastructure; and supervising the applications development process for applications which are used across multiple agencies. Every state agency would be permitted an information services employee familiar with that agency's systems, and would have the right to decline services from the new department that go beyond its core functions. The measure repeals a section of law relating to the current position of Chief Information Officer.

Prepared By: Sean Webster

**Fiscal Analysis**

SB 227 in its current form would spin-off the Information Services Division of the Office of Management and Enterprise Services (OMES-ISD) to form a new agency known as the Oklahoma Information Services Department (OISD).

The measure specifies a pay range of \$130,000-160,000 for the Chief Information Officer (CIO) who shall be the Chief Executive Officer of OISD. This pay range is in-line with the pay range of the current CIO. For this reason, the executive pay element of SB 227 should have no direct fiscal impact.

OISD like OMES-ISD would provide information services to state agencies, and be reimbursed at rates established by the State Governmental Technology Applications Review Board (SGTARB). The fiscal impact of SB 227 will be predicated on whether SGTARB will need to increase rates paid by state agencies in order to support OISD as a free standing agency.

Creating OISD as a free standing agency will likely result in increased overhead costs related to basic agency administration, currently being performed in-house by OMES. OMES is currently unable to provide an estimate of such potential costs. SB 227 does not specifically address how these additional costs will be absorbed by OISD. One option would be for SGTARB to increase rates on state agencies, in such case the cost impact of SB 227 will be absorbed by state agencies, who will likely request additional appropriations to cover the cost of increased rates. Another option for funding increased costs associated with the creation of OISD would be through a

direct appropriation to OISD from the Legislature, however SB 227 in its current form makes no reference of this possibility. Either option has the potential to result in increased demand for legislative appropriations.

Prepared By: John McPhetridge

**Other Considerations**

None.

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