

<DateSubmitted>

HOUSE OF REPRESENTATIVES  
CONFERENCE COMMITTEE REPORT

Mr. President:  
Mr. Speaker:

The Conference Committee, to which was referred

**HB2330**

By: Burns of the House and Simpson of the Senate

Title: Purchasing procedures; modifying exempt agencies; providing for certain preference to honorably discharged veterans or business entity.

Together with Engrossed Senate Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. That the Senate recede from its amendment; and
2. That the attached Conference Committee Substitute be adopted.

Respectfully submitted,

House Action \_\_\_\_\_ Date \_\_\_\_\_ Senate Action \_\_\_\_\_ Date \_\_\_\_\_

**SENATE CONFEREES**

Standridge \_\_\_\_\_

Simpson \_\_\_\_\_

Haste \_\_\_\_\_

Kidd \_\_\_\_\_

Dossett \_\_\_\_\_

Kirt \_\_\_\_\_

STATE OF OKLAHOMA

1st Session of the 57th Legislature (2019)

CONFERENCE COMMITTEE  
SUBSTITUTE  
FOR ENGROSSED  
HOUSE BILL NO. 2330

By: Burns of the House

and

Simpson of the Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to state purchasing procedures; amending 74 O.S. 2011, Section 85.3A, as last amended by Section 9, Chapter 269, O.S.L. 2016 (74 O.S. Supp. 2018, Section 85.3A), which relates to The Oklahoma Central Purchasing Act; modifying exempt agencies; providing for certain preference to honorably discharged veterans or certain business entity based upon ownership interest; defining term; authorizing the Oklahoma Department of Veterans Affairs to promulgate rules; requiring state agencies awarding contracts to list location of company's headquarters; providing for determination of headquarters; requiring certain approval; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 74 O.S. 2011, Section 85.3A, as last amended by Section 9, Chapter 269, O.S.L. 2016 (74 O.S. Supp. 2018, Section 85.3A), is amended to read as follows:

Section 85.3A A. Compliance with the provisions of The Oklahoma Central Purchasing Act shall not be required of:

1. County government;

2. The Oklahoma State Regents for Higher Education, the institutions, centers, or other constituent agencies of The Oklahoma State System of Higher Education;

3. The telecommunications network known as OneNet;

4. The Department of Public Safety gun range;

5. The State Treasurer for the following purchases:

a. services, including, but not limited to, legal services to assist in the administration of the Uniform Unclaimed Property Act, as provided in Section 668 of Title 60 of the Oklahoma Statutes, and

b. software, hardware and associated services to assist in the administration of funds and securities held by the state, as provided in Section 71.2 of Title 62 of the Oklahoma Statutes; ~~or~~

6. CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 3316 and 3317 of this title; or

7. The Oklahoma Department of Veterans Affairs, in accordance with Section 2 of this act.

B. The State Purchasing Director may form an advisory committee consisting of representatives from entities exempted from the provisions of The Oklahoma Central Purchasing Act. The purpose of the committee shall be to allow committee members to provide input

1 into the development of shared state purchasing contracts,  
2 collaboratively participate in the integration of their purchasing  
3 platforms or electronic purchasing catalogs, analyze solutions that  
4 may be used by state government to meet the purchasing needs of the  
5 entities, explore joint purchases of general use items that result  
6 in mutual procurement of quality goods and services at the lowest  
7 reasonable cost and explore flexibility, administrative relief, and  
8 transformation changes through utilization of procurement  
9 technology.

10 C. At the invitation of the State Purchasing Director entities  
11 exempted from the provisions of The Oklahoma Central Purchasing Act  
12 shall participate in the advisory committee referenced in subsection  
13 B of this section.

14 D. The State Purchasing Director may invite representatives of  
15 local government and local common education entities to participate  
16 as members of the advisory committee.

17 SECTION 2. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 63.22 of Title 74, unless there  
19 is created a duplication in numbering, reads as follows:

20 A. The Oklahoma Department of Veterans Affairs may grant a  
21 preference, for purposes of the expenditure of funds for tangible or  
22 intangible personal property or services to be acquired by the  
23 agency, to an honorably discharged veteran or to a lawfully  
24 recognized business entity having a majority ownership of fifty-one

1 percent (51%) or more of the business that is held by an honorably  
2 discharged veteran at the time the contract is awarded.

3 B. No individual veteran or veteran-owned business entity, as  
4 defined in subsection A of this section, shall be eligible for  
5 consideration as a veteran vendor pursuant to this section unless  
6 the individual veteran or veteran-owned business entity has  
7 registered with the federal System for Award Management (*SAM.gov*) in  
8 the same manner as required to do business with the federal  
9 government or has met alternative requirements for qualification or  
10 substantiation as established by the Oklahoma Department of Veterans  
11 Affairs.

12 C. As used in this section, the term "veteran" shall be defined  
13 in accordance with Section 2 of Title 72 of the Oklahoma Statutes.

14 D. The Oklahoma Department of Veterans Affairs may promulgate  
15 rules for implementing the provisions of this section.

16 SECTION 3. NEW LAW A new section of law to be codified  
17 in the Oklahoma Statutes as Section 103.8 of Title 61, unless there  
18 is created a duplication in numbering, reads as follows:

19 When a state agency accepts any type of contract, whether bid or  
20 no-bid, it shall list the city, state and country in which the  
21 company that is seeking or awarded work is headquartered. If the  
22 company is an Oklahoma entity of which over fifty percent (50%) is  
23 owned by an out-of-state entity or individual, then, for the  
24 purposes of this section, the location of the company's headquarters

1 shall be considered to be in the city, state and country of the  
2 majority owner. Any work the state awards that is not strictly  
3 awarded by the lowest price and that is awarded to a company not  
4 headquartered in Oklahoma shall require the awarding agency's  
5 director to provide reasons why the out-of-state company was chosen  
6 over an Oklahoma company.

7 SECTION 4. This act shall become effective July 1, 2019.

8 SECTION 5. It being immediately necessary for the preservation  
9 of the public peace, health or safety, an emergency is hereby  
10 declared to exist, by reason whereof this act shall take effect and  
11 be in full force from and after its passage and approval.

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13 57-1-8897 JBH 05/07/19  
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