

1 **SENATE FLOOR VERSION**

2 February 24, 2021

3 SENATE BILL NO. 940

By: Treat

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7 An Act relating to the Legislative Office of Fiscal
8 Transparency; amending Section 2, Chapter 451, O.S.L.
9 2019 (62 O.S. Supp. 2020, Section 8012), which
10 relates to duties of the Office; requiring the Office
11 to archive certain information for certain purposes;
12 and declaring an emergency.

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

14 SECTION 1. AMENDATORY Section 2, Chapter 451, O.S.L.
15 2019 (62 O.S. Supp. 2020, Section 8012), is amended to read as
16 follows:

17 Section 8012. A. The Legislative Office of Fiscal Transparency
18 shall:

19 1. Gather information regarding the proposed budgets of
20 executive branch agencies each fiscal year;

21 2. Analyze the information and evaluate the extent to which the
22 agency budget does or does not fulfill the agency's primary duties
23 and responsibilities under applicable provisions of federal, state
24 or other law;

1 3. Analyze and forecast all revenues available to the agency
2 from appropriations, fees, dedicated revenue or any other source;

3 4. Compare the agency budget information to the comparable
4 information contained in that agency's budget requests from prior
5 fiscal years; ~~and~~

6 5. Conduct such investigations regarding the operations of the
7 agency as required in order to fulfill the duties imposed upon the
8 Office by law or as otherwise directed by the oversight committee;
9 and

10 6. Archive all agency information submitted to the Office
11 pursuant to this subsection and Section 8014 of this title for the
12 purpose of carrying out the duties imposed pursuant to Section 8011
13 et seq. of this title.

14 The oversight committee, subject to the direction of the
15 President Pro Tempore of the Senate and the Speaker of the House of
16 Representatives, shall ensure that the functions performed by the
17 Office pursuant to the provisions of this subsection do not
18 duplicate those of the Senate Committee on Appropriations and the
19 House Committee on Appropriations and Budget and their respective
20 staffs.

21 B. The Office shall further conduct performance evaluations and
22 may conduct independent comprehensive performance audits. The
23 oversight committee created in Section ~~3 of this act~~ 8013 of this
24 title may periodically identify specific executive branch agencies,

1 or programs, activities or functions within executive branch
2 agencies, for which the Office shall conduct a performance
3 evaluation or independent comprehensive performance audit.

4 C. As used in ~~this act~~ Section 8011 et seq. of this title,
5 "performance evaluation" means an examination of a program, activity
6 or function of an executive branch agency, conducted in accordance
7 with applicable government auditing standards or auditing and
8 evaluation standards of other appropriate authoritative bodies. The
9 term includes, but is not limited to, an examination of issues
10 related to:

11 1. Economy, efficiency or effectiveness of the agency or
12 program, including any revenue sources used to fund or support the
13 agency or program;

14 2. Structure or design of the agency or program to accomplish
15 its goals and objectives;

16 3. Adequacy of the agency or program to meet the needs or
17 policy goals identified by the Legislature;

18 4. Alternative methods of providing agency or program services
19 or products;

20 5. Goals, objectives and performance measures used by the
21 agency to monitor and report agency or program accomplishments;

22 6. The accuracy or adequacy of public documents, reports or
23 requests prepared by or in relation to the agency or program;

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1 7. Compliance with appropriate policies, rules or laws related
2 to the agency or program; and

3 8. Any other issues related to such agencies or programs as
4 directed by the oversight committee.

5 D. As used in ~~this act~~ Section 8011 et seq. of this title,
6 "independent comprehensive performance audit (ICPA)" includes, but
7 is not limited to, a review and analysis of the economy, efficiency,
8 effectiveness and compliance of the policies, management, fiscal
9 affairs and operations of state agencies, divisions, programs and
10 accounts. The results of an ICPA may be used by the Legislature to
11 implement the best budgeting and policy-making practices for
12 government services to run in the most cost-effective way. The
13 Office may, at the direction of the oversight committee and subject
14 to the approval of the President Pro Tempore of the Senate and the
15 Speaker of the House of Representatives, contract with a private
16 company, nonprofit organization or academic institution to assist
17 with an independent comprehensive performance audit or for
18 professional consulting and administrative support services. The
19 Office may, but shall not be required to, contract with the Office
20 of the State Auditor and Inspector to conduct any ICPA. The Office
21 shall develop the scope of services for a request for proposals
22 issued, for professional services necessary to complete each ICPA.
23 Prior to entering into any contract, the Office shall obtain no less
24 than three separate bids for the auditing services, unless the

1 Office determines that fewer than three entities meet the
2 qualifications to bid to perform such services as set forth by the
3 Office. The cost of the contract shall be paid by the Legislative
4 Services Bureau.

5 An independent comprehensive performance audit shall address but
6 not be limited to the following topics:

7 1. Policies which shall include constitutional mandates, if
8 any, statutory mandates, statutory authorizations, administrative
9 rules or policies of the affected agency reflected in internal
10 agency documents or agency practices;

11 2. All sources of funding received by the agency, inclusive of
12 federal funds, state appropriations, state-dedicated revenues, fee
13 revenue sources, the use of agency revolving funds or any other fund
14 or revenue source which is used to pay the expenses of the agency;

15 3. Management of the agency which shall include, but not be
16 limited to, its governance, capacity, divisions, programs, accounts,
17 information technology systems and policies and agency operations
18 which include objective analysis of the roles and functions of the
19 department; and

20 4. A schedule for implementation of agency-specific
21 recommendations.

22 SECTION 2. It being immediately necessary for the preservation
23 of the public peace, health or safety, an emergency is hereby

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1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.

3 COMMITTEE REPORT BY: COMMITTEE ON RULES
4 February 24, 2021 - DO PASS
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