

An Act relating to information technology; directing state agencies to maintain information technology services; requiring reporting; amending 19 O.S. 2021, Section 1505, as amended by Section 3, Chapter 94, O.S.L. 2022 (19 O.S. Supp. 2024, Section 1505), which relates to county purchasing; conforming language; amending 62 O.S. 2021, Sections 34.11.1, as amended by Section 1, Chapter 193, O.S.L. 2024, 34.20.1, 34.23, 34.24, 34.27, 34.31, and 34.32, as amended by Section 25, Chapter 228, O.S.L. 2022 (62 O.S. Supp. 2024, Sections 34.11.1 and 34.32), which relate to the Oklahoma State Finance Act; conforming language; amending 74 O.S. 2021, Section 85.5, as amended by Section 1, Chapter 102, O.S.L. 2024 (74 O.S. Supp. 2024, Section 85.5), which relates to state purchasing; conforming language; updating statutory language; updating statutory references; providing for codification; repealing 62 O.S. 2021, Sections 34.11.8, 34.12, as amended by Section 2, Chapter 74, O.S.L. 2022, 34.13, 34.15, 34.19, 34.20, 34.21, 34.22, 34.26, 34.28, 34.30, 34.33, 35.1, 35.2, 35.3, 35.4, 35.5, 35.6, 35.6.1, 35.6.2, 35.7, 35.8, and 35.9 (62 O.S. Supp. 2024, Section 34.12), which relate to the Oklahoma State Finance Act and the Information Technology Consolidation and Coordination Act; providing an effective date; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 35.10 of Title 62, unless there is created a duplication in numbering, reads as follows:

- A. 1. On and after the effective date of this act, all state agencies shall be responsible for their information technology services. Provided, however, all cybersecurity duties shall be maintained by the Information Services Division of the Office of Management and Enterprise Services.
- 2. The Information Services Division of the Office of Management and Enterprise Services shall transfer to each state agency all data, records, and other information regarding the agency's information technology services rendered prior to the effective date of this act. The Chief Information Officer of this state and the Information Services Division shall advise agencies as needed regarding the requisition of information technology services, and any other services as requested by the agency.
- B. Each state agency shall submit an electronic report to the Governor and the Chief Information Officer annually, not later than December 31 of each calendar year, detailing the status of the information technology services rendered to the agency and any other information as deemed necessary by the Governor and the Chief Information Officer.

SECTION 2. AMENDATORY 19 O.S. 2021, Section 1505, as amended by Section 3, Chapter 94, O.S.L. 2022 (19 O.S. Supp. 2024, Section 1505), is amended to read as follows:

Section 1505. The following procedures shall be used by counties for the requisition, purchase, lease-purchase, rental, and receipt of supplies, materials, road and bridge construction services, equipment, and information technology and telecommunication goods and services for the maintenance, operation, and capital expenditures of county government unless otherwise provided for by law.

- A. The procedure for requisitioning items for county offices shall be as follows:
- 1. The requesting department shall prepare a requisition form in triplicate. The requisition shall contain any specifications for an item as deemed necessary by the requesting department. The form shall be prescribed by the State Auditor and Inspector;
- 2. The requesting department shall retain a copy of the requisition and forward the original requisition and a copy to the county purchasing agent; and
- 3. Upon receipt of the requisition, the county purchasing agent, within two (2) working days, shall begin the bidding and purchasing process as provided for in this section. Nothing in this section shall prohibit the transfer of supplies, materials, or

equipment between county departments upon a written agreement between county officers.

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- B. The bid procedure for selecting a vendor for the purchase, lease-purchase, or rental of supplies, materials, equipment, and information technology and telecommunication goods and services used by a county shall be as follows:
- The county purchasing agent shall request written 7 1. recommendations from all county officers pertaining to needed or 9 commonly used supplies, materials, road and bridge construction 10 services, equipment, and information technology and telecommunication goods and services. From such recommendations and 11 available requisition, purchase, or inventory records, the county 12 purchasing agent shall prepare a list of items needed or commonly 13 used by county officers. The county purchasing agent shall request 14 from the Purchasing Division or from the Information Services 15 Division in the case of information technology and telecommunication 16 goods and services of the Office of Management and Enterprise 17 Services all contracts quoting the price the state is paying for the 18 items. The county purchasing agent shall either request the 19 Purchasing Division or the Information Services Division of the 20 Office of Management and Enterprise Services, as applicable, to make 21 the purchase for the county or the county purchasing agent shall 22 solicit bids for unit prices on the items for periods of not to 23 exceed twelve (12) months in the manner described in paragraph 2 of 24

this subsection. If the county purchasing agent receives a requisition for an item for which the county purchasing agent does not have a current bid, the county purchasing agent shall request from the Purchasing Division or the Information Services Division of the Office of Management and Enterprise Services, as applicable, all contracts quoting the price the state is paying for the item. county purchasing agent shall either request the Purchasing Division or the Information Services Division of the Office of Management and Enterprise Services, as applicable, to make the purchase for the county or the county purchasing agent shall solicit bids in the manner described in paragraph 2 of this subsection. Nothing in this paragraph shall prohibit bids from being taken on an item currently on a twelve-month bid list, at any time deemed necessary by the county purchasing agent. Whenever the county purchasing agent deems it necessary to take a bid on an item currently on a twelve-month bid list, the reason for the bid shall be entered into the minutes of the board of county commissioners;

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2. Bids shall be solicited by mailing or emailing a notice to all persons or firms who have made a written request of the county purchasing agent that they be notified of such bid solicitation and to all other persons or firms who might reasonably be expected to submit bids. Notice of solicitation of bids shall also be published one time in a newspaper of general circulation in the county.

Notices shall be mailed and published at least ten (10) days prior

1 to the date on which the bids are opened. Proof of the mailing or emailing shall be made by the affidavit of the person mailing or 2 emailing the request for bids and shall be made a part of the 3 official records of the county purchasing agent. The notice shall 4 5 specify whether the county will consider written bids, electronic bids, or both; the decision to exclusively consider either written 6 bids or electronic bids shall be determined pursuant to an 7 affirmative vote of the board of county commissioners. Whenever any 9 prospective supplier or vendor dealing in or listing for sale any 10 particular item or article required to be purchased or acquired by sealed bids fails to enter or offer a sealed bid for three 11 12 successive bid solicitations, the name of the supplier or vendor may 13 be dropped from the mailing lists of the board of county commissioners; 14

3. The sealed bids received from vendors and the state contract price received from the applicable <u>Purchasing</u> Division of the Office of Management and Enterprise Services shall be given to the county clerk by the county purchasing agent. The county clerk shall forward the sealed bids and state contract price, if any, to the board of county commissioners;

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4. The board of county commissioners, in an open meeting, shall open the sealed bids and compare them to the state contract price.

The board of county commissioners shall select the lowest and best bid based upon, if applicable, the availability of material and

transportation cost to the job site within thirty (30) days of the meeting. For any special item not included on the list of needed or commonly used items, the requisitioning official shall review the bids and submit a written recommendation to the board before final approval. The board of county commissioners shall keep a written record of the meeting as required by law, and any time the lowest bid was not considered to be the lowest and best bid, the reason for such conclusion shall be recorded. Whenever the board of county commissioners rejects the written recommendation of the requisitioning official pertaining to a special item, the reasons for the rejection shall be entered in their minutes and stated in a letter to the requisitioning official and county purchasing agent;

5. The county purchasing agent shall notify the successful bidders and shall maintain a copy of the notification. The county purchasing agent shall prepare and maintain a vendors list specifying the successful bidders and shall notify each county officer of the list. The county purchasing agent may remove any vendor from such list who refuses to provide goods or services as provided by contract if the removal is authorized by the board of county commissioners. The county purchasing agent may make purchases from the successful bidders for a price at or below the bid price. If a vendor who is the low bidder cannot or will not sell goods or services as required by a county bid contract, the county purchasing agent may make a one-time purchase from the next

lowest or best quote or take quotations as provided in paragraph 6 of this subsection; provided, however, such purchase does not exceed Twenty-five Thousand Dollars (\$25,000.00) as the amount specified in subparagraph a of paragraph 3 of subsection A of Section 1501 of this title; and

- 6. When bids have been solicited as provided for by law and no bids have been received, the procedure shall be as follows:
 - a. the county purchasing agent shall determine if potential vendors are willing to commit to a firm price for a reduced period of time, and, if such is the case, the bid procedure described in this subsection shall be followed,
 - b. if vendors are not willing to commit to a firm price for a reduced period, the purchasing agent shall solicit and record at least three quotes of current prices available to the county and authorize the purchase of goods or services based on the lowest and best quote as it becomes necessary to acquire such goods or services. The quotes shall be recorded on a form prescribed by the State Auditor and Inspector and shall be attached to the purchase order and filed with the county clerk's copy of the purchase order. Any time the lowest quote was not considered to be the lowest and best quote, the reason for this conclusion

shall be recorded by the county purchasing agent and transmitted to the county clerk, or

- c. if three quotes are not available, a memorandum to the county clerk from the county purchasing agent shall describe the basis upon which a purchase is authorized. The memorandum shall state the reasons why the price for such a purchase is the lowest and best under the circumstances. The county clerk shall then attach the memorandum to the county clerk's copy of the purchase order and file both in the office of the county clerk.
- C. After selection of a vendor, the procedure for the purchase, lease-purchase, or rental of supplies, materials, road and bridge construction services, equipment, and information technology and telecommunication goods and services used by a county shall be as follows:
- 1. The county purchasing agent shall prepare a purchase order in quadruplicate and submit it with a copy of the requisition to the county clerk;
- 2. The county clerk shall then encumber the amount stated on the purchase order and assign a sequential number to the purchase order;

3. If there is an unencumbered balance in the appropriation made for that purpose by the county excise board, the county clerk shall so certify in the following form:

"I hereby certify that the amount of this encumbrance has been entered against the designated appropriation accounts and that this encumbrance is within the authorized available balance of the appropriation.

Dated	this day of	, 20
	County Clerk/Depu	ty
	of	County . ".

In instances where it is impossible to ascertain the exact amount of the indebtedness sought to be incurred at the time of recording the encumbrance, an estimated amount may be used. No purchase order shall be valid unless signed by the county purchasing agent and certified by the county clerk; and

4. The county clerk shall file the original purchase order and return three copies to the county purchasing agent who shall file a copy, retain a copy for the county road and bridge inventory officer if the purchase order is for the purchase of equipment, supplies, or materials for the construction or maintenance of roads and bridges, and submit the other copy to the receiving officer of the requesting department.

1	D. 1. The procedure for the purchase of supplies, materials,
2	equipment, and information technology and telecommunication goods
3	and services at public auction or by sealed bid to be used by a
4	county shall be as follows:
5	a. the county purchasing agent shall prepare a purchase
6	order in quadruplicate and submit it with a copy of
7	the requisition to the county clerk,
8	b. the county clerk shall then encumber the amount stated
9	on the purchase order and assign a sequential number
10	to the purchase order,
11	c. if there is an unencumbered balance in the
12	appropriation made for that purpose by the county
13	excise board, the county clerk shall so certify in the
14	following form:
15	"I hereby certify that the amount of this encumbrance
16	has been entered against the designated appropriation
17	accounts and that this encumbrance is within the
18	authorized available balance of the appropriation.
19	Dated this day of, 20
20	
21	County Clerk/Deputy
22	of County . ".
23	In instances where it is impossible to ascertain the
24	exact amount of the indebtedness sought to be incurred

at the time of recording the encumbrance, an estimated
amount may be used. No purchase order shall be valid
unless signed by the county purchasing agent and
certified by the county clerk, and

- d. the county clerk shall file the original purchase order and return three copies to the county purchasing agent who shall file a copy, retain a copy for the county road and bridge inventory officer if the purchase order is for the purchase of equipment, supplies, or materials for the construction or maintenance of roads and bridges, and submit the other copy to the receiving officer of the requesting department.
- 2. The procedure for the purchase of supplies, materials, and equipment at a public auction when the purchase will be made with the proceeds from the sale of county property at the same public auction are is as follows:
 - a. the purchasing agent shall cause such items being sold to be appraised in the manner determined in Section 421.1 of this title,
 - b. the county purchasing agent shall prepare a purchase order in quadruplicate and submit it with a copy of the requisition to the county clerk,

c. the county clerk shall then encumber the amount of the appraised value and any additional funds obligated by the county on the purchase order and assign a sequential number to the purchase order,

- d. the county clerk shall certify that the amount of the encumbrance is equal to the appraised value of the item being sold plus any additional funds obligated by the county. In effect, the recording of the encumbrance is an estimate that is authorized by law.

 No purchase order shall be valid unless signed by the county purchasing agent and certified by the county clerk,
- e. the county clerk shall file the original purchase order and return three copies to the county purchasing agent who shall file a copy, retain a copy for the county road and bridge inventory officer if the purchase order is for the purchase of equipment, supplies, or materials for the construction or maintenance of roads and bridges, and submit the other copy to the receiving officer of the requesting department, and
- f. a purchase shall not be bid until such time that the appraised item or items are sold. Any item or items purchased shall not exceed the appraised value plus

any additional funds obligated by the county or the actual selling price of the item or items, whichever is the lesser amount.

- E. The procedure for the receipt of items shall be as follows:
- 1. A receiving officer for the requesting department shall be responsible for receiving all items delivered to that department;

- 2. Upon the delivery of an item, the receiving officer shall determine if a purchase order exists for the item being delivered;
- 3. If no such purchase order has been provided, the receiving officer shall refuse delivery of the item;
- 4. If a purchase order is on file, the receiving officer shall obtain a delivery ticket, bill of lading, or other delivery document and compare it with the purchase order. If any item is back-ordered, the back order and estimated date of delivery shall be noted in the receiving report;
- 5. The receiving officer shall complete a receiving report in quadruplicate which shall state the quantity and quality of goods delivered. The receiving report form shall be prescribed by the State Auditor and Inspector. The person delivering the goods shall acknowledge the delivery by signature, noting the date and time;
- 6. The receiving officer shall file the original receiving report and submit:
 - a. a copy of the purchase order and a copy of the receiving report to the county purchasing agent, and

b. a copy of the receiving report with the deliverydocumentation to the county clerk;

- 7. The county purchasing agent shall file a copy of the purchase order and a copy of the receiving report;
- 8. Upon receipt of the original receiving report and the delivery documentation, the county clerk shall maintain a file until such time as an invoice is received from the vendor;
- 9. The invoice shall state the name and address of the vendor and must be sufficiently itemized to clearly describe each item purchased, the unit price when applicable, the number or volume of each item purchased, the total price, the total purchase price, and the date of the purchase;
- 10. Upon receipt of an invoice, the county clerk shall compare the following documents:
 - a. requisition,
 - b. purchase order,
 - c. invoice with noncollusion affidavit as required by law,
 - d. receiving report, and
 - e. delivery document.
- The documents shall be available for public inspection during regular business hours; and

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11. If the documents conform as to the quantity and quality of the items, the county clerk shall prepare a warrant for payment according to procedures provided for by law.

- F. The following procedures are for the processing of purchase orders:
- 1. The purchasing agent shall be allowed up to three (3) days to process purchase orders to be presented to the board of county commissioners for consideration and payment. Nothing herein shall prevent the purchasing agent from processing or the board of county commissioners from consideration and payment of utilities, travel claims, and payroll claims;
- 2. The board of county commissioners shall consider the purchase orders so presented and act upon the purchase orders, by allowing in full or in part or by holding for further information or disallowing the same. The disposition of purchase orders shall be indicated by the board of county commissioners, showing the amounts allowed or disallowed, and shall be signed by at least two members of the board of county commissioners. Any claim held over for further information shall be acted upon by allowing or disallowing same at any future meeting of the board held within seventy-five (75) days from the date of filing of the purchase order. Any purchase order not acted upon within the seventy-five (75) days from the date of filing shall be deemed to have been disallowed, but such

disallowance shall not prevent the refiling of the purchase order at the proper time; and

- 3. Whenever any allowance, either in whole or in part, is made upon any purchase order presented to the board of county commissioners and is accepted by the person making the claim, such allowance shall be a full settlement of the entire purchase order and provided that the cashing of warrant shall be considered as acceptance by the claimant.
- G. The procedure upon consumption or disposal of supplies, materials, or equipment shall be as follows:
- 1. For consumable road or bridge items or materials, a quarterly report of the road and bridge projects completed during such period shall be prepared and kept on file by the consuming department. The quarterly report may be prepared and kept electronically by the consuming department. The report shall contain a record of the date, the place, and the purpose for the use of the road or bridge items or materials. For purposes of identifying county bridges, the board of county commissioners shall number each bridge subject to its jurisdiction; and
- 2. For disposal of all equipment and information technology and telecommunication goods which originally cost more than Five Hundred Dollars (\$500.00), resolution of disposal shall be submitted by the officer on a form prescribed by the Office of the State Auditor and Inspector's Office Inspector to the board of county commissioners.

The approval of the resolution of disposal shall be entered into the minutes of the board.

- H. Inventory forms and reports shall be retained for not less than two (2) years after all audit requirements for the state and federal government have been fulfilled and after any pending litigation involving the forms and reports has been resolved.
- I. The procedures provided for in this section shall not apply when a county officer certifies that an emergency exists requiring an immediate expenditure of funds. Such an expenditure of funds shall not exceed Five Thousand Dollars (\$5,000.00). The county officer shall give the county purchasing agent a written explanation of the emergency. The county purchasing agent shall attach the written explanation to the purchase order. The purchases shall be paid by attaching a properly itemized invoice, as described in this section, to a purchase order which has been prepared by the county purchasing agent and submitting them to the county clerk for filing, encumbering, and consideration for payment by the board of county commissioners.
- J. The county purchasing agent may authorize county purchasing officers to make acquisitions through the state purchase card program as authorized by the State Purchasing Director in accordance with Section 85.5 of Title 74 of the Oklahoma Statutes and defined in Section 85.2 of Title 74 of the Oklahoma Statutes. Purchase cardholders A purchase cardholder shall sign a purchase card

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agreement prior to becoming a cardholder and attend purchase card
procedure training as required by the State Purchasing Director.

Complete descriptions of purchases made by county government
entities shall be published through the state transparency portal
pursuant to Section 85.33B of Title 74 of the Oklahoma Statutes, and
as warrants required to be published pursuant to Sections 444 and
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445 of this title.

- K. Nothing in this section shall prohibit counties from providing material and/or services bids on the twelve-month bid list to all road and bridge projects and contracts. All non-road and bridge related construction contracts shall refer to subsection A of Section 103 of Title 61 of the Oklahoma Statutes.
- SECTION 3. AMENDATORY 62 O.S. 2021, Section 34.11.1, as amended by Section 1, Chapter 193, O.S.L. 2024 (62 O.S. Supp. 2024, Section 34.11.1), is amended to read as follows:

Section 34.11.1. A. There is hereby created the position of Chief Information Officer who shall be appointed by the Governor. The Chief Information Officer, in addition to having authority over the Information Services Division of the Office of Management and Enterprise Services, shall also serve as Secretary of Information Technology and Telecommunications or successor cabinet position and shall have jurisdictional areas of responsibility related to information technology and telecommunications systems of all state agencies as provided for in state law. The salary of the Chief

- 1 | Information Officer shall not be less than One Hundred Thirty
- 2 | Thousand Dollars (\$130,000.00) or more than One Hundred Sixty
- 3 | Thousand Dollars (\$160,000.00).
- B. Any person appointed to the position of Chief Information
- 5 Officer shall meet the following eligibility requirements:
- 6 1. A baccalaureate degree in Computer Information Systems,
- 7 | Information Systems or Technology Management, Business
- 8 Administration, Finance, or other similar degree;
- 9 2. A minimum of ten (10) years of professional experience with
- 10 responsibilities for management and support of information systems
- 11 and information technology, including seven (7) years of direct
- 12 | management of a major information technology operation;
- 3. Familiarity with local and wide-area wide area network
- 14 design, implementation, and operation;
- 4. Experience with data and voice convergence service
- 16 offerings;
 - 5. Experience in developing technology budgets;
- 18 6. Experience in developing requests for proposal and
- 19 administering the bid process;
- 7. Experience managing professional staff, teams, and
- 21 | consultants;
- 8. Knowledge of telecommunications operations;

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9. Ability to develop and set strategic direction for information technology and telecommunications and to manage daily development and operations functions;

- 10. An effective communicator who is able to build consensus;
- 11. Ability to analyze and resolve complex issues, both logical and interpersonal;
- 12. Effective verbal and written communications skills and effective presentation skills, geared toward coordination and education;
 - 13. Ability to negotiate and defuse conflict; and
- 14. A self-motivator, independent, cooperative, flexible and creative.
- C. The salary and any other expenses for the Chief Information Officer shall be budgeted as a separate line item through the Office of Management and Enterprise Services. The operating expenses of the Information Services Division shall be set by the Chief Information Officer and shall be budgeted as a separate line item through the Office of Management and Enterprise Services. The Office of Management and Enterprise Services shall provide adequate office space, equipment and support necessary to enable the Chief Information Officer to carry out the information technology and telecommunications duties and responsibilities of the Chief Information Officer and the Information Services Division.

D. 1. Within twelve (12) months of appointment, the first
Chief Information Officer shall complete an assessment, which shall
be modified annually pursuant to Section 35.5 of this title, of the
implementation of the transfer, coordination, and modernization of
all information technology and telecommunication systems of all
state agencies in the state as provided for in the Oklahoma
Information Services Act. The assessment shall include the
information technology and telecommunications systems of all
institutions within The Oklahoma State System of Higher Education,
the Oklahoma State Regents for Higher Education and the
telecommunications network known as OneNet as assembled and
submitted by the Oklahoma Higher Education Chief Information
Officer, as designated by the Oklahoma State Regents for Higher
Education.

- 2. Within twelve (12) months of appointment, the first Chief
 Information Officer shall issue a report setting out a plan of
 action which will include the following:
 - a. define the shared service model organization structure

 and the reporting relationship of the recommended

 organization,
 - b. the implementation of an information technology and telecommunications shared services model that defines the statewide infrastructure environment needed by most state agencies that is not specific to individual

1		agencies and the shared applications that are utilized
2		across multiple agencies,
3	c.	define the services that shall be in the shared
4		services model under the control of the Information
5		Services Division of the Office of Management and
6		Enterprise Services,
7	d.	define the roadmap to implement the proposed shared
8		services model. The roadmap shall include
9		recommendations on the transfer, coordination, and
10		modernization of all information technology and
11		telecommunication systems of all the state agencies in
12		the state,
13	e.	recommendations on the reallocation of information
14		technology and telecommunication resources and
15		personnel,
16	f.	a cost benefit analysis to support the recommendations
17		on the reallocation of information technology and
18		telecommunication resources and personnel,
19	g.	a calculation of the net savings realized through the
20		reallocation and consolidation of information
21		technology and telecommunication resources and
22		personnel after compensating for the cost of
23		contracting with a private consultant as authorized in
24		paragraph 4 of this subsection, implementing the plan

1	of action, and ongoing costs of the Information
2	Services Division of the Office of Management and
3	Enterprise Services, and
4	h. the information required in subsection B of Section
5	35.5 of this title.
6	3. The plan of action report shall be presented to the
7	Governor, Speaker of the Oklahoma House of Representatives, and the
8	President Pro Tempore of the Oklahoma State Senate.
9	4. The Chief Information Officer may contract with a private
10	consultant or consultants to assist in the assessment and
11	development of the plan of action report as required in this
12	subsection.
13	E. The Chief Information Officer shall be authorized to employ
14	personnel, fix the duties and compensation of the personnel, not
15	otherwise prescribed by law, and otherwise direct the work of the
16	personnel in performing the function and accomplishing the purposes
17	of the Information Services Division of the Office of Management and
18	Enterprise Services.
19	$rac{ extsf{F.}}{ extsf{E.}}$ The Information Services Division of the Office of
20	Management and Enterprise Services shall be responsible for the
21	following duties: cybersecurity duties and services to state
22	agencies and political subdivisions.
23	1. Formulate and implement the information technology strategy

2. Define, design, and implement a shared services statewide infrastructure and application environment for information technology and telecommunications for all state agencies;

- 3. Direct the development and operation of a scalable telecommunications infrastructure that supports data and voice communications reliability, integrity, and security;
- 4. Supervise the applications development process for those applications that are utilized across multiple agencies;
- 5. Provide direction for the professional development of information technology staff of state agencies and oversee the professional development of the staff of the Information Services Division of the Office of Management and Enterprise Services;
- 6. Evaluate all technology and telecommunication investment choices for all state agencies;
- 7. Create a plan to ensure alignment of current systems, tools, and processes with the strategic information technology plan for all state agencies;
- 8. Set direction and provide oversight for the support and continuous upgrading of the current information technology and telecommunication infrastructure in the state in support of enhanced reliability, user service levels, and security;
- 9. Direct the development, implementation, and management of appropriate standards, policies and procedures to ensure the success of state information technology and telecommunication initiatives;

10. Recruit, hire and transfer the required technical staff in the Information Services Division of the Office of Management and Enterprise Services to support the services provided by the Division and the execution of the strategic information technology plan;

11. Establish, maintain, and enforce information technology and

11. Establish, maintain, and enforce information technology and telecommunication standards;

12. Delegate, coordinate, and review all work to ensure quality and efficient operation of the Information Services Division of the Office of Management and Enterprise Services;

13. Create and implement a communication plan that disseminates pertinent information to state agencies on standards, policies, procedures, service levels, project status, and other important information to customers of the Information Services Division of the Office of Management and Enterprise Services and provide for agency feedback and performance evaluation by customers of the Division;

14. Develop and implement training programs for state agencies using the shared services of the Information Services Division of the Office of Management and Enterprise Services and recommend training programs to state agencies on information technology and telecommunication systems, products and procedures;

15. Provide counseling, performance evaluation, training, motivation, discipline, and assign duties for employees of the Information Services Division of the Office of Management and Enterprise Services;

16. For all state agencies, approve the purchasing of all information technology and telecommunication services and approve the purchase of any information technology and telecommunication product except the following:

- a. a purchase less than or equal to Five Thousand Dollars

 (\$5,000.00) if such product is purchased using a state

 purchase card and the product is listed on either the

 Approved Hardware or Approved Software list located on

 the Office of Management and Enterprise Services

 website, or
- b. a purchase over Five Thousand Dollars (\$5,000.00) and

 less than or equal to Twenty-five Thousand Dollars

 (\$25,000.00) if such product is purchased using a

 state purchase card, the product is listed on an

 information technology or telecommunications statewide

 contract, and the product is listed on either the

 Approved Hardware or Approved Software list located on

 the Office of Management and Enterprise Services

 website;
- 17. Develop and enforce an overall infrastructure architecture strategy and associated roadmaps for desktop, network, server, storage, and statewide management systems for state agencies;

 18. Effectively manage the design, implementation and support
- of complex, highly available infrastructure to ensure optimal

performance, on-time delivery of features, and new products, and scalable growth;

19. Define and implement a governance model for requesting services and monitoring service level metrics for all shared services; and

20. Create the budget for the Information Services Division of the Office of Management and Enterprise Services to be submitted to the Legislature each year.

G. The State Governmental Technology Applications Review Board shall provide ongoing oversight of the implementation of the plan of action required in subsection D of this section. Any proposed amendments to the plan of action shall be approved by the Board prior to adoption.

H. 1. The Chief Information Officer shall act as the
Information Technology and Telecommunications Purchasing Director
for all state agencies and shall be responsible for the procurement
of all information technology and telecommunication software,
hardware, equipment, peripheral devices, maintenance, consulting
services, high technology systems, and other related information
technology, data processing, telecommunication and related
peripherals and services for all state agencies. The Chief
Information Officer shall establish, implement, and enforce policies
and procedures for the procurement of information technology and
telecommunication software, hardware, equipment, peripheral devices,

maintenance, consulting services, high technology systems, and other related information technology, data processing, telecommunication and related peripherals and services by purchase, lease-purchase, lease with option to purchase, lease and rental for all state agencies. The procurement policies and procedures established by the Chief Information Officer shall be consistent with The Oklahoma Central Purchasing Act.

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2. The Chief Information Officer, or any employee or agent of the Chief Information Officer acting within the scope of delegated authority, shall have the same power and authority regarding the procurement of all information technology and telecommunication products and services as outlined in paragraph 1 of this subsection for all state agencies as the State Purchasing Director has for all acquisitions used or consumed by state agencies as established in The Oklahoma Central Purchasing Act. Such authority shall, consistent with the authority granted to the State Purchasing Director pursuant to Section 85.10 of Title 74 of the Oklahoma Statutes, include the power to designate financial or proprietary information submitted by a bidder confidential and reject all requests to disclose the information so designated, if the Chief Information Officer requires the bidder to submit the financial or proprietary information with a bid, proposal, or quotation.

I. The Information Services Division of the Office of

Management and Enterprise Services and the Chief Information Officer

shall be subject to the Oklahoma Central Purchasing Act for the approval and purchase of all equipment, products, and services and shall also be subject to the requirements of the Public Competitive Bidding Act of 1974, the Oklahoma Lighting Energy Conservation Act and the Public Building Construction and Planning Act. The Chief Information Officer shall be authorized to delegate all or some of the procurement of information technology and telecommunication products and services and construction of facilities and telecommunication networks to another state entity if the Chief Information Officer determines it to be cost-effective and in the best interest of the state. The Chief Information Officer shall have authority to designate information technology and telecommunication contracts as statewide contracts and mandatory statewide contracts pursuant to Section 85.5 of Title 74 of the Oklahoma Statutes and to negotiate consolidation contracts, enterprise agreements and high technology systems contracts. Any contract entered into by a state agency for which the Chief Information Officer has not acted as the Information Technology and Telecommunications Purchasing Director as required in this subsection or subsection H of this section, shall be deemed to be unenforceable and the Office of Management and Enterprise Services shall not process any claim associated with the provisions thereof. J. F. The Chief Information Officer shall establish, implement, and enforce policies and procedure for the development and

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procurement of an interoperable radio communications system for state agencies. The Chief Information Officer shall work with local governmental entities in developing the interoperable radio communications system.

K. G. The Chief Information Officer shall develop and implement a plan to utilize open source technology and products for the information technology and telecommunication systems of all state agencies.

H. H. All state agencies and authorities of this state and all officers and employees of those entities shall work and cooperate with and lend assistance to the Chief Information Officer and the Information Services Division of the Office of Management and Enterprise Services and provide any and all information requested by the Chief Information Officer.

M. The Chief Information Officer shall prepare an annual report detailing the ongoing net saving attributable to the reallocation and consolidation of information technology and telecommunication resources and personnel and shall submit the report to the Governor, the Speaker of the Oklahoma House of Representatives, and the President Pro Tempore of the Oklahoma State Senate.

N. For purposes of the Oklahoma Information Services Act,
unless otherwise provided for, "state agencies" shall include any
office, officer, bureau, board, commission, counsel, unit, division,
body, authority or institution of the executive branch of state

government, whether elected or appointed; provided, except with respect to the provisions of subsection D of this section, the term "state agencies" shall not include institutions within The Oklahoma State System of Higher Education, the Oklahoma State Regents for Higher Education and the telecommunications network known as OneNet. O. As used in this section: 1. "High technology system" means advanced technological equipment, software, communication lines, and services for the processing, storing, and retrieval of information by a state agency; 2. "Consolidation contract" means a contract for several state or public agencies for the purpose of purchasing information technology and telecommunication goods and services; and 3. "Enterprise agreement" means an agreement for information technology or telecommunication goods and services with a supplier who manufactures, develops and designs products and provides services that are used by one or more state agencies. 62 O.S. 2021, Section 34.20.1, is SECTION 4. AMENDATORY amended to read as follows: Section 34.20.1. A. The Office of Management and Enterprise Services shall recognize as a statewide contract an unencumbered contract consummated in on behalf of the telecommunications network

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known as OneNet by the Oklahoma State Regents for Higher Education

or any other state entity assigned responsibility for OneNet÷

provided, said recognition shall require recommendation by the

1 Information Services Division of the Office of Management and
2 Enterprise Services. The Office of Management and Enterprise
3 Services shall not subject purchases pursuant to said such contracts
4 to any quantity limit.

- B. For purchases that require review of the purchase requisition by the Information Services Division of the Office of Management and Enterprise Services and that are not available on a statewide contract but are available from a General Services Administration (GSA) schedule or contract, or are available from a GSA schedule or contract at a lesser price than from a state contract, state agencies may, with the approval of the Information Services Division, purchase from the vendor or vendors on the GSA schedule or contract.
- C. The Oklahoma State Regents for Higher Education and any other state entity assigned responsibility for OneNet are authorized to negotiate for education or government discounts from published price listings and to make contracts at such prices subject to adjustment for price increases nationally published.
- 19 SECTION 5. AMENDATORY 62 O.S. 2021, Section 34.23, is 20 amended to read as follows:
 - Section 34.23. A. There is hereby created a wide area telecommunications network to be known and referred to as the "Oklahoma Government Telecommunications Network (OGTN)". The OGTN

shall consist of the telecommunications systems and networks of educational entities and agencies of state government.

- B. Notwithstanding the provisions of subsection A of this section:
- 1. The Oklahoma State Regents for Higher Education may continue to operate, maintain and enhance the State Regents Educational Telecommunications Network, subject to the provisions of the Oklahoma Information Services Act known as OneNet. The Oklahoma State Regents for Higher Education shall submit all plans for the enhancement of the State Regents Educational Telecommunications

 Network OneNet to the Information Services Division of the Office of Management and Enterprise Services (OMES) for review and approval within the context of the statewide telecommunications network provided for in subsection C of this section and shall participate with the Information Services Division in joint efforts to provide services for the OGTN; and
- 2. The Department of Public Safety may continue to operate, maintain and enhance the statewide law enforcement data communications network provided for in Section 2-124 of Title 47 of the Oklahoma Statutes, subject to the provisions of the Oklahoma Information Services Act. The Department of Public Safety shall submit all plans for the enhancement of the statewide law enforcement data communications network to the Information Services Division of the Office of Management and Enterprise Services for

review and approval and shall participate with the Information

Services Division in joint efforts to provide services for the OGTN.

- C. The Information Services Division Office of Management and Enterprise Services shall be responsible for developing, operating and maintaining the OGTN. The purposes of the OGTN shall include the following:
- 1. Development of a comprehensive, unified statewide telecommunications network to effectively, efficiently, and securely meet the communication needs of educational entities and agencies of state government;
- 2. Effective and efficient utilization of existing telecommunications systems operated by educational entities and agencies of state government; and
- 3. Elimination and prevention of unnecessarily duplicative telecommunications systems operated by educational entities and agencies of state government.
- D. In developing, operating and maintaining the OGTN, the Information Services Division OMES shall:
- 1. Develop a statewide master plan for meeting the communications needs of educational entities and of agencies of state government. To facilitate the development of a statewide master plan as provided for in this paragraph:
 - a. the Oklahoma State Regents for Higher Education shall submit a report annually to the Chief Information

Officer identifying the telecommunications plans of each member of The Oklahoma State System of Higher Education. For purposes of developing such report, each member shall cooperate with and submit to the State Regents a plan of its telecommunications needs, including, but not limited to, Internet, eGovernment, as referenced in Sections 34.24 and 34.25 of this title, any interactive video plans, the purchase of informational data bases, software for manipulation of bibliographic records, and the use of telecommunications equipment or services,

b. the State Superintendent of Public Instruction shall submit a report annually to the Chief Information Officer identifying the telecommunications plans of the public common school system of the state. For purposes of developing such report, the respective public elementary and secondary schools shall cooperate with and submit to the State Superintendent a plan of their telecommunications needs, including, but not limited to, Internet, eGovernment, any interactive video plans, the purchase of informational data bases, software for manipulation of bibliographic records, and the use of telecommunications equipment or services,

the Director of the Oklahoma Department of Career and Technology Education shall submit a report annually to the Chief Information Officer identifying the telecommunications plans of technology center school districts. For purposes of developing such report, each technology center school district as defined in Section 14-108 of Title 70 of the Oklahoma Statutes shall cooperate with and submit to the Director of the Oklahoma Department of Career and Technology Education a plan of its telecommunications needs, including, but not limited to, Internet, eGovernment, any interactive video plans, the purchase of informational data bases, software for manipulation of bibliographic records, and the use of telecommunications equipment or services.

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d. the chief administrative officer of each state agency of the executive branch shall submit a plan annually to the Chief Information Officer identifying the telecommunications needs of the state agency, including, but not limited to, Internet, eGovernment, any interactive video plans, the purchase of informational data bases, software for manipulation of bibliographic records, and the use of telecommunications equipment or services, and

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the Director of the Oklahoma Department of Libraries shall submit a report annually to the Chief Information Officer identifying the telecommunications plans of public libraries and public library systems. For purposes of developing such report, the chief administrative officer of any public library or public library system not otherwise required to submit a plan of its telecommunications needs pursuant to the provisions of this paragraph shall cooperate with and submit annually to the Director of the Oklahoma Department of Libraries a plan of its telecommunications needs, including, but not limited to, Internet, eGovernment, any interactive video plans, the purchase of informational data bases, software for manipulation of bibliographic records, and the use of telecommunications equipment or services. To assure inclusion in the report of the plans of the telecommunications needs of any library that is a part of any member of The Oklahoma State System of Higher Education, a public elementary or secondary school, or technology center school district, all such plans relating to libraries received by the Oklahoma State Regents for Higher Education, the State Superintendent of Higher

Education Public Instruction, and the State Director of the Oklahoma Department of Career and Technology Education shall be submitted to the Director of the Oklahoma Department of Libraries by the respective recipients thereof as soon as practicable after receipt. The Director of the Oklahoma Department of Libraries shall certify to the Information Services Division that such plans are consistent with the plan developed by the Oklahoma Library Technology Network or explain any inconsistencies therewith;

- 2. Identify the most cost-effective means of meeting the telecommunications needs of educational entities and of agencies of state government;
- 3. Develop minimum mandatory standards and protocols for equipment, facilities and services of the OGTN;

- 4. Evaluate the advantages and disadvantages of utilizing equipment, facilities, and services of both private entities and those owned and operated by the state; and
- 5. Recommend a fee structure to provide for the operation and maintenance of the OGTN.
- 21 SECTION 6. AMENDATORY 62 O.S. 2021, Section 34.24, is 22 amended to read as follows:
- Section 34.24. A. In order to be at the forefront of electronic commerce and provide constituents, agencies and out-of-

- state users with state-of-the-art electronic commerce and Internet tools, the State of Oklahoma state recognizes the need for a state portal system connecting state agency websites and information systems.
 - B. The Information Services Division of the Office of Management and Enterprise Services shall manage the installation, maintenance and administration of the state portal system.

- C. For purposes of this section and Section 34.27 of this title, a "portal system" shall mean a system that hosts and connects to a collection of online government and public services and serves as the single point of access to state government services, information, and transaction processing with a common enterprise wide user interface allowing navigation among the services.
- 14 SECTION 7. AMENDATORY 62 O.S. 2021, Section 34.27, is
 15 amended to read as follows:
 - Section 34.27. A. There is hereby established the State

 Governmental Technology Applications Review Board. The Board shall

 be composed of the following members:
 - 1. The Director of the Office of Management and Enterprise Services or a designee;
 - 2. Four representatives from different state agencies, boards, commissions, or authorities to be appointed by the Governor, at least one of which shall be employed by a law enforcement agency;

3. Two members who are not state government employees to be appointed by the Speaker of the House of Representatives; and

- 4. Two members who are not state government employees to be appointed by the President Pro Tempore of the Senate.
- B. Members of the Board shall serve for terms of two (2) years. The Board shall select a chair from among its members.
- C. Members of the Board shall not receive compensation for serving on the Board, but shall be reimbursed for travel expenses incurred in the performance of their duties by their respective agencies or appointing authority in accordance with the State Travel Reimbursement Act.
- D. Notwithstanding any other section of law, any member of the Board attending a meeting via teleconference shall be counted as being present in person and shall count toward the determination of whether a quorum of the Board is present at the meeting.
 - E. The Board shall have the duty and responsibility of:
- 1. Reviewing for approval all convenience fees and merchant fees as defined in Section 34.25 of this title and changes in convenience fees and merchant fees charged by state agencies, boards, commissions, or authorities;
- 2. Monitoring all portal systems and applications for portal systems created by state agencies, boards, commissions, or authorities, reviewing portal systems applications approved or denied by the Information Services Division of the Office of

1 Management and Enterprise Services, and making recommendations to
2 the Legislature and Governor to encourage greater use of the open3 systems concept as is defined in Section 34.26 of this title;

- 3. Granting an exemption for a specific license or permit to a state agency from the requirements of Section 34.24.1 of this title. The exemption shall be limited in time as warranted by the circumstances. The Board shall grant the exemption only if presented compelling evidence that the issuance of the license or permit requires the provision of information that cannot be provided through an online licensing or permitting process and that the failure of the applicant to provide the information would create a significant risk to the integrity of the license or permit. The exemption provided for in this paragraph shall not apply to license renewals pursuant to the Oklahoma Vehicle License and Registration Act:
- 4. Providing ongoing oversight of implementation of the plan of action developed by the Chief Information Officer pursuant to Section 34.11.1 of this title and approving any amendments to the plan of action;
- 5. Approving charges to state agencies established by the

 Information Services Division pursuant to Section 35.5 of this title

 for shared services as defined in Section 35.3 of this title;
- 6. Functioning in an advisory capacity to the Chief Information Officer; and

7. 5. Approving a plan by which public elementary and secondary schools of the state may recover the cost of instructional technology resources issued by the schools.

SECTION 8. AMENDATORY 62 O.S. 2021, Section 34.31, is amended to read as follows:

Section 34.31. A. No state agency, as defined by Section 250.3 of Title 75 of the Oklahoma Statutes in subsection E of this section, nor the Purchasing Division of the Office of Management and Enterprise Services nor the Information Services Division of the Office of Management and Enterprise Services, unless otherwise provided by federal law, shall enter into a contract for the acquisition of customized computer software developed or modified exclusively for the agency or the state, unless the vendor agrees to place into escrow with an independent third party the source code for the software and/or modifications.

- B. The vendor must agree to place the source code for the software and any upgrades supplied to an agency in escrow with a third party acceptable to the agency and to enter into a customary source code escrow agreement which includes a provision that entitles the agency to receive everything held in escrow upon the occurrence of any of the following:
- 1. A bona fide material default of the obligations of the vendor under the agreement with the agency;

2. An assignment by the vendor for the benefit of its creditors;

- 3. A failure by the vendor to pay, or an admission by the vendor of its inability to pay, its debts as they mature;
- 4. The filing of a petition in bankruptcy by or against the vendor when such petition is not dismissed within sixty (60) days of the filing date;
- 5. The appointment of a receiver, liquidator or trustee appointed for any substantial part of the vendor's property;
- 6. The inability or unwillingness of the vendor to provide the maintenance and support services in accordance with the agreement with the agency; or
- 7. The ceasing of a vendor of maintenance and support of the software.
- The fees of any third-party escrow agent subject to this section shall be borne by the vendor.
- C. The State Purchasing Director or a procurement officer of a state agency shall not process any state agency request for the customization, modernization, or development of computer software unless the proposed vendor provides documentation that complies with subsections A and B of this section.
- D. The State Purchasing Director shall provide advice and assistance, as may be required, in order for state agencies to comply with the provisions of this section.

E. As used in this section:

- 1. "State agency" shall include all state agencies, whether subject to The the Oklahoma Central Purchasing Act or not, except the Oklahoma Lottery Commission; and
- 2. "Source code" means the programming instruction for a computer program in its original form, created by a programmer with a text editor or a visual programming tool and saved in a file.
- SECTION 9. AMENDATORY 62 O.S. 2021, Section 34.32, as amended by Section 25, Chapter 228, O.S.L. 2022 (62 O.S. Supp. 2024, Section 34.32), is amended to read as follows:
- Section 34.32. A. The Information Services Division of the

 Office of Management and Enterprise Services shall create a standard security risk assessment for state agency information technology systems that complies with the International Organization for Standardization (ISO) and the International Electrotechnical

 Commission (IEC) Information Technology Code of Practice for Security Management Information security, cybersecurity and privacy protection Information security controls (ISO/IEC 27002).
- B. Each state agency that has an information technology system shall obtain an information security risk assessment to identify vulnerabilities associated with the information system. The Information Services Division of the Office of Management and Enterprise Services shall approve not less than two firms which

state agencies may choose from to conduct the information security risk assessment.

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- C. A state agency with an information technology system that is not consolidated under the Information Technology Consolidation and Coordination Act or that is otherwise retained by the agency shall additionally be required to have an information security audit conducted by a firm approved by the Information Services Division that is based upon the most current version of the NIST Cyber-Security Cybersecurity Framework, and shall submit a final report of the information security risk assessment and information security audit findings to the Information Services Division each year on a schedule set by the Information Services Division. Agencies shall also submit a list of remedies and a timeline for the repair of any deficiencies to the Information Services Division within ten (10) days of the completion of the audit. The final information security risk assessment report shall identify, prioritize, and document information security vulnerabilities for each of the state agencies The Information Services Division may assist agencies in repairing any vulnerabilities to ensure compliance in a timely manner.
- D. Subject to the provisions of subsection C of Section 34.12 of this title, the Information Services Division shall report the results of the state agency assessments and information security audit findings required pursuant to this section to the Governor,

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the Speaker of the House of Representatives, and the President Pro
Tempore of the Senate by the first day of January of each year. Any
state agency with an information technology system that is not
consolidated under the Information Technology Consolidation and
Coordination Act that cannot comply with the provisions of this
section shall consolidate under the Information Technology
Consolidation and Coordination Act.
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E. This section shall not apply to state agencies subject to mandatory North American Electric Reliability Corporation (NERC) cybersecurity standards and institutions within The Oklahoma State System of Higher Education, the Social Security Disability Determination Services Division of the State Department of Rehabilitation Services, and the Oklahoma State Regents for Higher Education and the telecommunications network known as OneNet that follow the International Organization for Standardization (ISO), the Oklahoma Military Department (OMD) of the State of Oklahoma, and the International Electrotechnical Commission (IEC) - Security techniques -Code of Practice for Information Security Controls Information security, cybersecurity and privacy protection - Information security controls or National Institute of Standards and Technology. SECTION 10. AMENDATORY 74 O.S. 2021, Section 85.5, as amended by Section 1, Chapter 102, O.S.L. 2024 (74 O.S. Supp. 2024, Section 85.5), is amended to read as follows:

Section 85.5. A. Except as otherwise provided in this section, the State Purchasing Director, under the supervision of the Director of the Office of Management and Enterprise Services, shall have sole and exclusive authority and responsibility for all acquisitions by state agencies. In order to carry out the powers and duties of the Chief Information Officer and the Information Services Division, the Chief Information Officer shall have sole and exclusive authority and responsibility for all acquisitions of information and telecommunications technology, equipment, software, products and related peripherals and services by state agencies. Public construction contracts are awarded pursuant to Title 61 of the Oklahoma Statutes and are not subject to the Oklahoma Central Purchasing Act.

- B. Every state agency shall determine its own quantitative needs for acquisitions and the general class or nature of the acquisitions. The State Purchasing Director, after consultation with the requisitioning state agency, shall have authority to determine the particular brand, model or other specific classification of each acquisition and to draft or invoke pursuant to the Oklahoma Central Purchasing Act specifications establishing the requirements for all necessary contracts or purchase orders.
- C. The Director of the Office of Management and Enterprise
 Services shall have authority and responsibility to promulgate rules

1 in connection with provisions of the Oklahoma Central Purchasing Act 2 for:

1. The time, manner, authentication and form of making requisitions for acquisitions;

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- 2. Inspection, analysis and testing of acquisitions or samples bidders submit prior to contract award;
- 3. The form and manner of submission for bids or proposals a bidder submits and the manner of accepting and opening bids or proposals;
- 4. The conditions under which the Office of Management and Enterprise Services shall require written contracts for acquisitions, the conditions under which acquisitions may be made on an open account basis, and the conditions and manner of negotiating such contracts;
 - 5. Obtaining acquisitions produced by state institutions;
- 6. Conditions under which any of the rules herein authorized may be waived;
- 7. The amounts of and deposits on any bond or other surety required to be submitted with a bid or contract for the furnishing of acquisitions and the conditions under which such bond or other surety shall be required;
- 22 8. The manner and conditions of delivery, which shall include 23 the designation of the common carrier of property to be used to 24 transport acquisitions whenever a common carrier is used, and the

acceptance, or rejection, including check of quantities, of any acquisitions;

- 9. The form of any estimate, order or other information required in connection with an acquisition;
- 10. State agency acquisitions not exceeding the acquisition threshold amount requiring competitive bid to ensure competitiveness, fairness, compliance with the Oklahoma Central Purchasing Act and Section 3001 et seq. of this title, which relates to the State Use Committee Advisory Council. The rules shall include separate provisions based on acquisition amounts as follows:
 - Twenty-five Thousand Dollars (\$25,000.00), provided the acquisition process is fair and reasonable and is conducted pursuant to rules authorized pursuant to this section, and
 - b. state agencies with certified procurement officers and internal purchasing procedures found compliant by the State Purchasing Director may make acquisitions in excess of the fair and reasonable acquisition threshold amount provided for in this section and not exceeding Two Hundred Fifty Thousand Dollars (\$250,000.00), pursuant to rules authorized by this section;

11. Training by the State Purchasing Director of state agency procurement officers;

- 12. Review and audit by the State Purchasing Director of state agency acquisitions;
- 13. The conditions for increasing acquisition limits for state agencies which have had a prior reduction in acquisition limit by the Director of the Office of Management and Enterprise Services;
 - 14. Use of a state purchase card to make acquisitions;
- 15. Any other matter or practice which relates to the responsibilities of the State Purchasing Director;
- 16. Conditions for determination and authorization of acquisition threshold amounts of state agencies;
- 17. The form and manner of verification by suppliers that the supplier is eligible to do business in the State of Oklahoma this state and has obtained all necessary permits and licenses, pursuant to applicable provisions of law; and
- 18. Payment procedure rules for state agencies to adhere to regarding statewide contracts.
- D. The State Purchasing Director shall provide training for state agency procurement officials, and other procurement staff, and is authorized to require retraining of such procurement personnel found not to be in compliance with provisions of the Oklahoma

 Central Purchasing Act or associated rules. The training may include any matters related to state procurement practices. State

- agency purchasing officials that demonstrate proficiency shall be
 certified as "certified procurement officers" by the State

 Purchasing Director and shall be authorized to make acquisitions

 pursuant to provisions of the Oklahoma Central Purchasing Act and
 associated rules. The State Purchasing Director may assess a fee to
 state agencies for the training that does not exceed each state
 agency's pro rata share of the costs the State Purchasing Director
 incurs to provide the training.
 - E. The State Purchasing Director shall review state agency acquisitions for the purposes of:

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- Ensuring state agency compliance with provisions of the Oklahoma Central Purchasing Act;
- 2. Ensuring state agency compliance with rules promulgated by the Office of Management and Enterprise Services pursuant to the Oklahoma Central Purchasing Act;
- 3. Ensuring state agency compliance with provisions of Section 3001 et seq. of this title pertaining to the State Use Committee Advisory Council;
- 4. Reporting any acquisition by any state agency found not to be in compliance with those sections or rules to the Director of the Office of Management and Enterprise Services;
- 5. A determination by the State Purchasing Director to reduce a state agency's acquisition authority amount when the state agency is found not to be in compliance with the Oklahoma Central Purchasing

Act or associated rules or requirements of the State Purchasing
Director pursuant to this section; and

- 6. A determination by the State Purchasing Director to increase a state agency's acquisition authority amount after the agency cures deficiencies in connection with a prior reduction in the authority amount by the State Purchasing Director.
- F. Based on written findings and when recommended by the State Purchasing Director, the Director of the Office of Management and Enterprise Services may:
- 1. Transmit written findings by the State Purchasing Director to the State Auditor and Inspector for further investigation, indicating purchasing procedures that do not conform to the Oklahoma Central Purchasing Act or associated rules; or
- 2. Transmit to the Attorney General or the State Auditor and Inspector for further investigation a report made by the State Purchasing Director that the Director of the Office of Management and Enterprise Services reasonably believes indicates that an action that constitutes a criminal violation pursuant to the Oklahoma Central Purchasing Act or other laws has been taken by any state agency, state agency official, bidder or supplier.
- G. 1. Pursuant to the requirements of the Oklahoma Central Purchasing Act, the State Purchasing Director shall have authority to enter into any statewide, multistate or multigovernmental contract. The state entity designated by law, as specified in

Section 1010.3 of Title 56 of the Oklahoma Statutes, shall participate in the purchase of pharmaceuticals available through such multistate or multigovernmental contracts entered into by the State Purchasing Director.

- 2. Whenever it appears advantageous to the state or to any state agency to purchase or otherwise acquire any acquisition which may be offered for sale by the United States government or any agency thereof, the State Purchasing Director may execute a contract for the acquisition with the federal government or federal agency and may also utilize contracts awarded by other governmental agencies including, but not limited to, agencies of the United States of America.
- 3. The State Purchasing Director may designate, for use by state agencies, contracts described in this subsection and contracts awarded on behalf of one or more state agencies.
- 4. Prior to exercising the authority to cancel a contract, the State Purchasing Director may authorize renegotiation of an existing contract with an incumbent supplier for the purposes of obtaining more favorable terms for the state.
- 5. The State Purchasing Director shall have the authority to designate certain contracts for state agencies as statewide contracts and mandatory statewide contracts. In order to carry out the powers and duties of the Chief Information Officer and Information Services Division, the Chief Information Officer shall

have the authority to designate certain information technology and telecommunication contracts as statewide contracts and mandatory statewide contracts and may negotiate consolidation contracts, enterprise agreements and high technology system contracts in lieu of or in conjunction with competitive bidding procedures to reduce acquisition cost.

- 6. The State Purchasing Director may publish such specifications relating to materials, supplies, equipment and services to be acquired for the state as may best promote competition and apprise potential suppliers of the type of product desired.
- H. 1. The State Purchasing Director may develop and test new contracting policies, procedures and innovations that hold potential for making state procurement more effective and efficient and identify, and make recommendations to the Legislature of, any appropriate changes in law. Such development and testing, proof of concept, pilot project or other similar test shall not be considered an acquisition subject to the Oklahoma Central Purchasing Act.
- 2. The State Purchasing Director is authorized to explore and investigate cost savings in energy, resource usage and maintenance contracts and to identify and negotiate contract solutions including, but not limited to, pilot projects to achieve cost savings for this state.

I. The State Purchasing Director shall endeavor to satisfy state agencies in terms of cost, quality and timeliness of the delivery of acquisitions by using bidders who have a record of successful past performance, promoting competition, minimizing administrative operating costs and conducting business with integrity, fairness and openness.

- J. The State Purchasing Director shall undertake the following:
- The use of electronic commerce pursuant to the Oklahoma
 Online Bidding Act for solicitation, notification and other
 purchasing processes;
- 2. Monitoring rules promulgated pursuant to the Oklahoma Central Purchasing Act to ensure that the rules satisfy the interests of the state, are clear and succinct and encourage efficiency in purchasing processes;
 - 3. A program to identify suppliers' performance records;
- 4. Development of criteria for the use of sealed bid contracting procedures, negotiated contracting procedures, selection of types of contracts, postaward administration of purchase orders and contracts, addendums, termination of contracts and contract pricing;
- 5. Continual improvement in the quality of the performance of the Purchasing Division through training programs, management seminars, development of benchmarks and key management indicators, and development of standard provisions, clauses and forms;

6. The State Purchasing Director shall prescribe standardized contract forms and all other forms or certifications requisite or deemed necessary by the State Purchasing Director to effectuate the provisions of the Oklahoma Central Purchasing Act and associated rules;

- 7. Development of programs to improve customer relations through training, improved communications and appointment of technical representatives;
- 8. Provide for public two-way communication between procurement officers and potential bidders who have questions regarding a request for proposal or invitation to bid; and
- 9. Determine whether and to what extent information included in a bid or similar offer is confidential and reject all requests to disclose the information so designated.
- K. The State Purchasing Director may utilize and authorize state agencies to utilize reverse auctions to obtain acquisitions.
- L. Prior to the award of a contract to a supplier, the State Purchasing Director shall verify, pursuant to applicable provisions of law, that the supplier is eligible to do business in this state by confirming registration with the Secretary of State and franchise tax payment status pursuant to Sections 1203 and 1204 of Title 68 of the Oklahoma Statutes. The provisions of this subsection shall be applicable only if the contract amount is Two Hundred Fifty Thousand Dollars (\$250,000.00) or greater.

M. On an annual basis, the State Purchasing Director shall transmit to the Governor, Speaker of the House of Representatives and President Pro Tempore of the Senate a report documenting the savings realized by each agency through the application of best spend practices including the collection and tracking of spend data, strategic sourcing programs and implementation of managed and mandatory statewide contracts and include in the report information regarding emergency acquisitions.

- N. The acquisition threshold amount applicable to an acquisition made pursuant to this act the Oklahoma Central

 Purchasing Act or associated rules shall not apply to state agency purchases; provided, the State Purchasing Director determines the agency has subject matter experts on staff having the specialized expertise to purchase goods or services, the agency possesses the necessary legal and procurement staff to procure and monitor the contracts and provided the Director of the Office of Management and Enterprise Services shall certify that the proposed purchase does not conflict with consolidated statewide spend initiatives.
- 1. Nothing in this subsection shall give an agency authority to issue statewide, multistate or multigovernmental contracts.
 - 2. Agencies making purchases pursuant to this subsection shall:
 - a. be responsible for contracts awarded pursuant to this subsection, which includes, but may not be limited to, contract management, protest costs, all costs

connected with or incurred as a result of the contract, including legal representation,

- b. comply with rules and policies of the Office of Management and Enterprise Services, and
- c. report contracts issued pursuant to this subsection to the Office of Management and Enterprise Services,

 Central Purchasing Division, on a quarterly basis.
- 3. Purchases made in accordance with this subsection shall be made pursuant to rules authorized by this section.
- O. The State Purchasing Director, with approval by the Director of the Office of Management and Enterprise Services, is authorized to make use of any state laboratories for the tests and analyses authorized in this section wherever practicable and to use private laboratories or the laboratories of another government agency if it is impracticable to use state laboratories. The State Purchasing Director is further authorized to cooperate in test and analysis programs or agreements with other states or the United States government and to accept federal funds and funds donated by private endowments or foundations for the purpose of participation in such testing programs.
- P. The State Purchasing Director shall require all contractors or subcontractors who have entered into a contract with a public employer to submit an affidavit that the contractor or subcontractor is in compliance with the provisions of Section 1313 of Title 25 of

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1
    the Oklahoma Statutes. If the State Purchasing Director determines
 2
    that a contractor or subcontractor has knowingly submitted a false
    affidavit:
 3
            The contractor or subcontractor shall be liable for an
 4
 5
    administrative penalty of Five Thousand Dollars ($5,000.00) for the
    first offense, which shall increase by Two Thousand Dollars
 6
    ($2,000.00) for each subsequent offense; and
 7
            The public employer or the Office of Management and
 8
 9
    Enterprise Services may terminate the contract with the contractor
    or subcontractor.
10
                                      62 O.S. 2021, Sections 34.11.8,
11
        SECTION 11.
                        REPEALER
    34.12, as amended by Section 2, Chapter 74, O.S.L. 2022, 34.13,
12
    34.15, 34.19, 34.20, 34.21, 34.22, 34.26, 34.28, 34.30, 34.33, 35.1,
13
    35.2, 35.3, 35.4, 35.5, 35.6, 35.6.1, 35.6.2, 35.7, 35.8, and 35.9
14
    (62 O.S. Supp. 2024, Section 34.12), are hereby repealed.
15
        SECTION 12.
                     This act shall become effective July 1, 2025.
16
        SECTION 13. It being immediately necessary for the preservation
17
    of the public peace, health or safety, an emergency is hereby
18
    declared to exist, by reason whereof this act shall take effect and
19
    be in full force from and after its passage and approval.
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