

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 SENATE BILL 1516

By: Sparks

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5
6 AS INTRODUCED

7 An Act relating to public finance; amending 62 O.S.
8 2011, Section 34.36, as last amended by Section 2,
9 Chapter 168, O.S.L. 2015 (62 O.S. Supp. 2015, Section
10 34.36), which relates to budget estimates; requiring
11 appropriated agencies to provide estimate of needs;
12 and providing an effective date.

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

14 SECTION 1. AMENDATORY 62 O.S. 2011, Section 34.36, as
15 last amended by Section 2, Chapter 168, O.S.L. 2015 (62 O.S. Supp.
16 2015, Section 34.36), is amended to read as follows:

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

1 B. The forms which must be used in making these reports shall
2 be approved by the Director of the Office of Management and
3 Enterprise Services and the Legislative Oversight Committee on State
4 Budget Performance.

5 C. The forms shall be uniform, and shall clearly designate the
6 information to be given.

7 D. The information provided shall include, but not be limited
8 to:

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

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

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

17 4. A description of the groups of people served by each program
18 in the agency;

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

20 6. A description of the tactics which are intended to
21 accomplish each objective;

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

24 8. A ranking of these programs by priority;

1 9. Actual program expenditures for the current fiscal year and
2 prior fiscal years and the number of personnel required to
3 accomplish each program;

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

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

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

19 E. These appropriated agencies shall make an itemized estimate
20 of needs and request for funds for the ensuing fiscal year and an
21 estimate of the revenues from all sources to be received by the
22 agency during the ensuing fiscal year.

23 F. The Director of the Office of Management and Enterprise
24 Services shall submit to the Governor and the Legislative Oversight

1 Committee on State Budget Performance no later than the fifth day of
2 October a complete list of all spending agencies which have failed
3 to submit budgets by October 1.

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

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

17 I. The provisions of this section shall not apply to CompSource
18 Oklahoma if CompSource Oklahoma is operating pursuant to a pilot
19 program authorized by Sections 3316 and 3317 of Title 74 of the
20 Oklahoma Statutes.

21 J. Not later than January 1, the Director of the Office of
22 Management and Enterprise Services shall publish a shared services
23 cost-performance assessment report documenting the amount of each
24 state agency's cost for providing shared services. The lowest

1 ranking state agencies shall enter into a contract with the Office
2 of Management and Enterprise Services for the provision of shared
3 financial services, provided that the Director of the Office of
4 Management and Enterprise Services determines that implementation of
5 such a contract would be feasible and documents that the contractual
6 agreement will result in cost savings or efficiencies to the state.
7 Contracts required by this subsection shall be entered into at the
8 start of the next fiscal year. When a state agency is contracted
9 with the Office of Management and Enterprise Services for the
10 provision of shared financial services, the agency may discontinue
11 using shared services when documentation showing that the agency can
12 provide the services at a lower cost to the state is provided to and
13 approved by the Director of the Office of Management and Enterprise
14 Services. As used in this subsection, "shared services" means
15 process, resource utilization or action as defined by administrative
16 rule. On a yearly basis the Director of the Office of Management
17 and Enterprise Services shall compile and publish a report
18 documenting the cost savings resulting from shared services
19 contracts. The provisions of this subsection shall not be
20 applicable to the Oklahoma State Regents for Higher Education or to
21 any institutions within The Oklahoma State System of Higher
22 Education.

23 K. In addition to the requirements of subsection A of this
24 section, for the fiscal year which begins on July 1, 2017, and for

1 each fiscal year thereafter, each appropriated agency shall develop
2 and annually update an eight-year plan of action. The plan shall
3 reflect any known changes in state, federal or local policy. The
4 plan shall provide detailed estimates of the expenditures required
5 to accomplish the agency mission over the following eight-year
6 period, including but not limited to expenditures for administration
7 and staffing, equipment and supplies and other relevant program
8 costs. In addition, the plan shall provide an estimate of changes
9 in the number of clients, individuals or entities to be served over
10 the eight-year time period.

11 SECTION 2. This act shall become effective November 1, 2016.

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