

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 SENATE BILL 540

By: Shortey

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5
6 AS INTRODUCED

7 An Act relating to public finance; amending 62 O.S.
8 2011, Sections 34.11.1 and 35.3, as last amended by
9 Sections 6 and 20, Chapter 358, O.S.L. 2013 (62 O.S.
10 Supp. 2016, Sections 34.11.1 and 35.3), which relate
11 to state agency information technology; exempting the
12 Oklahoma Department of Corrections from certain
13 requirements; creating Information Technology Master
14 Lease Revolving Fund; providing for deposits thereto
15 and expenditures therefrom; requiring Department of
16 Corrections to establish certain program; providing
17 for codification; and declaring an emergency.

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

19 SECTION 1. AMENDATORY 62 O.S. 2011, Section 34.11.1, as
20 last amended by Section 6, Chapter 358, O.S.L. 2013 (62 O.S. Supp.
21 2016, Section 34.11.1), is amended to read as follows:

22 Section 34.11.1. A. There is hereby created the position of
23 Chief Information Officer who shall be appointed by the Governor.
24 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

1 shall have jurisdictional areas of responsibility related to
2 information technology and telecommunications systems of all state
3 agencies as provided for in state law. The salary of the Chief
4 Information Officer shall not be less than One Hundred Thirty
5 Thousand Dollars (\$130,000.00) or more than One Hundred Sixty
6 Thousand Dollars (\$160,000.00).

7 B. Any person appointed to the position of Chief Information
8 Officer shall meet the following eligibility requirements:

9 1. A baccalaureate degree in Computer Information Systems,
10 Information Systems or Technology Management, Business
11 Administration, Finance, or other similar degree;

12 2. A minimum of ten (10) years of professional experience with
13 responsibilities for management and support of information systems
14 and information technology, including seven (7) years of direct
15 management of a major information technology operation;

16 3. Familiarity with local and wide-area network design,
17 implementation, and operation;

18 4. Experience with data and voice convergence service
19 offerings;

20 5. Experience in developing technology budgets;

21 6. Experience in developing requests for proposal and
22 administering the bid process;

23 7. Experience managing professional staff, teams, and
24 consultants;

1 8. Knowledge of telecommunications operations;

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

5 10. An effective communicator who is able to build consensus;

6 11. Ability to analyze and resolve complex issues, both logical
7 and interpersonal;

8 12. Effective verbal and written communications skills and
9 effective presentation skills, geared toward coordination and
10 education;

11 13. Ability to negotiate and defuse conflict; and

12 14. A self-motivator, independent, cooperative, flexible and
13 creative.

14 C. The salary and any other expenses for the Chief Information
15 Officer shall be budgeted as a separate line item through the Office
16 of Management and Enterprise Services. The operating expenses of
17 the Information Services Division shall be set by the Chief
18 Information Officer and shall be budgeted as a separate line item
19 through the Office of Management and Enterprise Services. The
20 Office of Management and Enterprise Services shall provide adequate
21 office space, equipment and support necessary to enable the Chief
22 Information Officer to carry out the information technology and
23 telecommunications duties and responsibilities of the Chief
24 Information Officer and the Information Services Division.

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

15 2. Within twelve (12) months of appointment, the first Chief
16 Information Officer shall issue a report setting out a plan of
17 action which will include the following:

18 a. define the shared service model organization structure
19 and the reporting relationship of the recommended
20 organization,

21 b. the implementation of an information technology and
22 telecommunications shared services model that defines
23 the statewide infrastructure environment needed by
24 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 House of Representatives, and the President
8 Pro Tempore of the 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 F. The Information Services Division of the Office of
20 Management and Enterprise Services shall be responsible for the
21 following duties:

22 1. Formulate and implement the information technology strategy
23 for all state agencies;

- 1 2. Define, design, and implement a shared services statewide
2 infrastructure and application environment for information
3 technology and telecommunications for all state agencies;
- 4 3. Direct the development and operation of a scalable
5 telecommunications infrastructure that supports data and voice
6 communications reliability, integrity, and security;
- 7 4. Supervise the applications development process for those
8 applications that are utilized across multiple agencies;
- 9 5. Provide direction for the professional development of
10 information technology staff of state agencies and oversee the
11 professional development of the staff of the Information Services
12 Division of the Office of Management and Enterprise Services;
- 13 6. Evaluate all technology and telecommunication investment
14 choices for all state agencies;
- 15 7. Create a plan to ensure alignment of current systems, tools,
16 and processes with the strategic information technology plan for all
17 state agencies;
- 18 8. Set direction and provide oversight for the support and
19 continuous upgrading of the current information technology and
20 telecommunication infrastructure in the state in support of enhanced
21 reliability, user service levels, and security;
- 22 9. Direct the development, implementation, and management of
23 appropriate standards, policies and procedures to ensure the success
24 of state information technology and telecommunication initiatives;

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

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

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

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

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

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

1 16. Approve the purchasing of all information technology and
2 telecommunication products and services for all state agencies;

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

6 18. Effectively manage the design, implementation and support
7 of complex, highly available infrastructure to ensure optimal
8 performance, on-time delivery of features, and new products, and
9 scalable growth;

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

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

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

21 H. 1. The Chief Information Officer shall act as the
22 Information Technology and Telecommunications Purchasing Director
23 for all state agencies and shall be responsible for the procurement
24 of all information technology and telecommunication software,

1 hardware, equipment, peripheral devices, maintenance, consulting
2 services, high technology systems, and other related information
3 technology, data processing, telecommunication and related
4 peripherals and services for all state agencies. The Chief
5 Information Officer shall establish, implement, and enforce policies
6 and procedures for the procurement of information technology and
7 telecommunication software, hardware, equipment, peripheral devices,
8 maintenance, consulting services, high technology systems, and other
9 related information technology, data processing, telecommunication
10 and related peripherals and services by purchase, lease-purchase,
11 lease with option to purchase, lease and rental for all state
12 agencies. The procurement policies and procedures established by
13 the Chief Information Officer shall be consistent with The Oklahoma
14 Central Purchasing Act.

15 2. The Chief Information Officer, or any employee or agent of
16 the Chief Information Officer acting within the scope of delegated
17 authority, shall have the same power and authority regarding the
18 procurement of all information technology and telecommunication
19 products and services as outlined in paragraph 1 of this subsection
20 for all state agencies as the State Purchasing Director has for all
21 acquisitions used or consumed by state agencies as established in
22 The Oklahoma Central Purchasing Act. Such authority shall,
23 consistent with the authority granted to the State Purchasing
24 Director pursuant to Section 85.10 of Title 74 of the Oklahoma

1 Statutes, include the power to designate financial or proprietary
2 information submitted by a bidder confidential and reject all
3 requests to disclose the information so designated, if the Chief
4 Information Officer requires the bidder to submit the financial or
5 proprietary information with a bid, proposal, or quotation.

6 I. The Information Services Division of the Office of
7 Management and Enterprise Services and the Chief Information Officer
8 shall be subject to The Oklahoma Central Purchasing Act for the
9 approval and purchase of equipment and products not related to
10 information and telecommunications technology, equipment, software,
11 products and related peripherals and services and shall also be
12 subject to the requirements of the Public Competitive Bidding Act of
13 1974, the Oklahoma Lighting Energy Conservation Act and the Public
14 Building Construction and Planning Act when procuring data
15 processing, information technology, telecommunication, and related
16 peripherals and services and when constructing information
17 technology and telecommunication facilities, telecommunication
18 networks and supporting infrastructure. The Chief Information
19 Officer shall be authorized to delegate all or some of the
20 procurement of information technology and telecommunication products
21 and services and construction of facilities and telecommunication
22 networks to another state entity if the Chief Information Officer
23 determines it to be cost-effective and in the best interest of the
24 state. The Chief Information Officer shall have authority to

1 designate information technology and telecommunication contracts as
2 statewide contracts and mandatory statewide contracts pursuant to
3 Section 85.5 of Title 74 of the Oklahoma Statutes and to negotiate
4 consolidation contracts, enterprise agreements and high technology
5 systems contracts in accordance with the procedures outlined in
6 Section 85.9D of Title 74 of the Oklahoma Statutes. Any contract
7 entered into by a state agency for which the Chief Information
8 Officer has not acted as the Information Technology and
9 Telecommunications Purchasing Director as required in this
10 subsection or subsection H of this section, shall be deemed to be
11 unenforceable and the Office of Management and Enterprise Services
12 shall not process any claim associated with the provisions thereof.

13 J. The Chief Information Officer shall establish, implement,
14 and enforce policies and procedure for the development and
15 procurement of an interoperable radio communications system for
16 state agencies. The Chief Information Officer shall work with local
17 governmental entities in developing the interoperable radio
18 communications system.

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

23 L. All state agencies and authorities of this state and all
24 officers and employees of those entities shall work and cooperate

1 with and lend assistance to the Chief Information Officer and the
2 Information Services Division of the Office of Management and
3 Enterprise Services and provide any and all information requested by
4 the Chief Information Officer.

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

11 N. For purposes of the Oklahoma Information Services Act,
12 unless otherwise provided for, "state agencies" shall include any
13 office, officer, bureau, board, commission, counsel, unit, division,
14 body, authority or institution of the executive branch of state
15 government, whether elected or appointed; provided, except with
16 respect to the provisions of subsection D of this section, the term
17 "state agencies" shall not include institutions within The Oklahoma
18 State System of Higher Education, the Oklahoma State Regents for
19 Higher Education ~~and~~, the telecommunications network known as OneNet
20 and the Oklahoma Department of Corrections.

21 O. As used in this section:

22 1. "High technology system" means advanced technological
23 equipment, software, communication lines, and services for the
24 processing, storing, and retrieval of information by a state agency;

1 2. "Consolidation contract" means a contract for several state
2 or public agencies for the purpose of purchasing information
3 technology and telecommunication goods and services; and

4 3. "Enterprise agreement" means an agreement for information
5 technology or telecommunication goods and services with a supplier
6 who manufactures, develops and designs products and provides
7 services that are used by one or more state agencies.

8 SECTION 2. AMENDATORY 62 O.S. 2011, Section 35.3, as
9 last amended by Section 20, Chapter 358, O.S.L. 2013 (62 O.S. Supp.
10 2016, Section 35.3), is amended to read as follows:

11 Section 35.3. As used in the Information Technology
12 Consolidation and Coordination Act:

13 1. "Appropriated state agency" means any state agency that
14 receives funding through the annual legislative appropriations
15 process;

16 2. "Information technology assets" means any equipment or
17 interconnected system or subsystem of equipment that is used in the
18 acquisition, storage, manipulation, management, movement, control,
19 display, switching, interchange, transmission, or reception of data
20 or information. The term shall include computers, ancillary
21 equipment, software, firmware and similar procedures, services,
22 including support services and consulting services, software
23 development, and related resources, and shall further include

24

1 telecommunications fiber networks used for conveying electronic
2 communication or information systems to multiple physical locations;

3 3. "Information technology position" means a classified or
4 unclassified position in the following functional areas:

- 5 a. applications programming,
- 6 b. EDP audit,
- 7 c. data examination,
- 8 d. computer applications,
- 9 e. computer data entry,
- 10 f. computer networking,
- 11 g. computer operations,
- 12 h. computer programming,
- 13 i. computer security,
- 14 j. computer software design,
- 15 k. web applications,
- 16 l. database analysis,
- 17 m. data management analysis,
- 18 n. database development,
- 19 o. database programming,
- 20 p. software design/development,
- 21 q. help desk,
- 22 r. imaging,
- 23 s. systems analysis,
- 24 t. systems application planning,

- 1 u. systems application,
- 2 v. systems administration,
- 3 w. systems coordination,
- 4 x. systems integration,
- 5 y. systems operation,
- 6 z. systems planning/development,
- 7 aa. systems programming,
- 8 bb. systems engineering,
- 9 cc. systems service specialist,
- 10 dd. systems support,
- 11 ee. network administration,
- 12 ff. network management,
- 13 gg. network technical,
- 14 hh. operating systems specialist,
- 15 ii. systems program manager,
- 16 jj. telecommunications, whether data or voice,
- 17 kk. software training, and
- 18 ll. technology development or support;

19 4. "Nonappropriated state agency" means any state agency that
20 does not receive funding through the annual legislative
21 appropriations process;

22 5. "Shared services" means those state agency functions which
23 are or could be provided through:
24

- 1 a. the services and systems specified in subsection A of
2 Section 35.6 of this title, and
3 b. the programs, services, software or processes
4 specified in subsection B of Section 35.6 of this
5 title; and

6 6. "State agency" means any office, elected or appointed
7 officer, bureau, board, commission, counsel, unit, division, body,
8 authority or institution of the executive branch of state
9 government, excluding institutions within The Oklahoma State System
10 of Higher Education, the Oklahoma State Regents for Higher Education
11 ~~and~~, the telecommunications network known as OneNet and the
12 Department of Corrections.

13 SECTION 3. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 557.3 of Title 57, unless there
15 is created a duplication in numbering, reads as follows:

16 There is hereby created in the State Treasury a revolving fund
17 for the Department of Corrections to be designated the "Information
18 Technology Master Lease Revolving Fund". The fund shall be a
19 continuing fund, not subject to fiscal year limitations, and shall
20 consist of all monies received by the Department as appropriated by
21 the Legislature or as provided by law. All monies accruing to the
22 credit of the fund are hereby appropriated and may be budgeted and
23 expended by the Department for the purpose of facilitating purchases
24 of information technology equipment and materials for institutions

1 of the Department. The Department shall establish a program under
2 which institutions may request disbursements from the Fund for such
3 purpose and shall reimburse the Fund in future fiscal years.
4 Expenditures from the fund shall be made upon warrants issued by the
5 State Treasurer against claims filed as prescribed by law with the
6 Director of the Office of Management and Enterprise Services for
7 approval and payment.

8 SECTION 4. It being immediately necessary for the preservation
9 of the public peace, health or safety, an emergency is hereby
10 declared to exist, by reason whereof this act shall take effect and
11 be in full force from and after its passage and approval.

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