

track those services with a dollar value, and report costs to the Fleet Manager for the prior month no later than the twentieth day following the close of each month;

7. Promulgate rules requiring all state-owned motor vehicles to be marked in a uniform, highly visible manner, except for certain vehicles driven by law enforcement agencies or other agencies requiring confidentiality;

8. Require agencies to produce and maintain written justification for any vehicle that travels fewer than twelve thousand (12,000) miles annually and report to the Fleet Manager such information by October 1 of each year; and

9. Address any other matter or practice which relates to the responsibilities of the Director of ~~Central Services~~ the Office of Management and Enterprise Services.

D. The Fleet Manager shall:

1. Develop specifications for contracts for vehicle maintenance for state vehicles not serviced or maintained by state agencies;

2. Conduct on-site inspections to verify state agency or supplier compliance with Division standards for inspections, maintenance and recordkeeping;

3. Assess state agency needs for vehicles and types of vehicles;

4. Assign, transfer or lease vehicles to a state agency to meet the needs of the state agency;

5. Unless otherwise provided by law, determine whether a state agency may use or operate a vehicle without state identifying markings, bearing a license plate used by a privately owned vehicle to perform the duties of the state agency without hindrance;

6. Report to the Director of ~~Central Services~~ the Office of Management and Enterprise Services occurrences of agencies failing to comply with the provisions of law and the rules of the Fleet Management Division regarding submission of reports, vehicle use, and vehicle maintenance;

7. Offer guidelines to agencies to assist in determining the most cost-effective and reasonable modes of travel for single trips from the following options: state vehicle, private rental, or mileage reimbursement; and

8. Provide, upon the request of the Governor, the President Pro Tempore of the Senate or the Speaker of the House of Representatives, reports from data the Fleet Manager collects.

E. The Director of ~~Central Services~~ the Office of Management and Enterprise Services may enter into agreements with any political subdivision of this state for the purpose of providing fleet services established by the Fleet Management Division pursuant to this section and rules promulgated pursuant to this section.

F. The Director of ~~Central Services~~ the Office of Management and Enterprise Services, through the Fleet Management Division, may enter into partnership agreements with political subdivisions and private entities for the purposes of applying for, participating in, and administering federal grant funds. The partnership agreements and activities authorized in this subsection are hereby declared to be a public purpose.

G. The ~~Department Office~~ may offer public access to alternative fueling infrastructure owned and operated by the ~~Department Office~~ Department Office in areas of the state in which access to an alternative fueling infrastructure is not readily available to the public. The ~~Department Office~~ Department Office shall cease allowing public access to an alternative fueling infrastructure operated by the ~~Department Office~~ Department Office if a privately owned alternative fueling infrastructure locates within a five-mile radius of the infrastructure operated by the Department.

H. When used in relation to the Fleet Management Division:

1. "Alternative fueling infrastructure" shall mean a fill station or charge station used to deliver or provide alternative fuels as defined in Section 130.2 of this title; and

2. "Alternative fuel vehicle" shall mean a motor vehicle originally designed by the manufacturer to operate lawfully and principally on streets and highways which is propelled by an alternative fuel as defined in Section 130.2 of this title.

SECTION 729. AMENDATORY 74 O.S. 2011, Section 78a, is amended to read as follows:

Section 78a. A. State agencies with authority to own motor vehicles shall submit a requisition to the Director of the Office of Central Services Management and Enterprise Services prior to acquisition of a motor vehicle. The requisition shall state the type of vehicle, the intended purpose of the vehicle, a statement that the agency has actual need for the vehicle, the supplier of the vehicle, that the state agency has sufficient funds to acquire and maintain the vehicle and cite the statutory authority of the state agency to acquire a vehicle.

B. The Director of ~~Central Services~~ the Office of Management and Enterprise Services shall review the requisition and approve or deny the request of the state agency within fifteen (15) days of receipt ~~by the Director of Central Services. The Director of State Finance shall not approve a purchase order or claim for a motor vehicle unless the acquisition of the motor vehicle was approved by the Director of Central Services.~~

C. The provisions of subsections A and B of this section shall not apply to the Department of Public Safety or the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control.

D. The provisions of subsections A and B of this section shall not apply to CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections ~~1~~ 3316 and ~~2~~ 3317 of this ~~act~~ title.

SECTION 730. AMENDATORY 74 O.S. 2011, Section 78b, is amended to read as follows:

Section 78b. A. A state agency shall notify the Fleet Management Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services not less than thirty (30) days prior to any vehicle disposal by the state agency.

B. A state agency shall not dispose of a passenger car, truck, pickup, or other vehicle the state agency owns until it has been in use for sixty thousand (60,000) miles or at least twenty-four (24) months have elapsed since the day the claim was approved for the payment thereof, unless the vehicle has damage and repairs that will exceed Two Thousand Five Hundred Dollars (\$2,500.00), or the Director of the Fleet Management Division of the ~~Department of~~

Central Services Office of Management and Enterprise Services provides written authorization for disposal.

C. The provisions of subsections A and B of this section shall not apply to CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 1 3316 and 2 3317 of this ~~act~~ title.

SECTION 731. AMENDATORY 74 O.S. 2011, Section 78c, is amended to read as follows:

Section 78c. A. There is hereby created a special fund to be designated the "State Fleet Management Fund". The fund may be appropriated for and used for the acquisition, leasing, operation, storage, maintenance, repair and replacement of motor vehicles under the control of the Fleet Management Division, the payment of insurance premiums, the payment of the administrative expenses of the Division in connection with the operation of the motor pool, expenses the Department of Central Services Office of Management and Enterprise Services incurs to support Division operations, and for expenses associated with constructing, installing, acquiring, and operating alternative fueling infrastructure and acquiring alternative fuel vehicles for use by state agencies or for leasing and transferring to political subdivisions of the state as authorized pursuant to Section 3 78e of this ~~act~~ title.

B. At the end of each month the Division shall render a statement, on such reasonable basis of mileage or rental as shall be established by the Division, to all state agencies to which transportation has been furnished, and all amounts collected shall be deposited to the credit of the "State Fleet Management Fund".

C. Proceeds from the disposition of motor vehicles or other property owned by the Division shall be deposited to the credit of the fund.

D. Payments received by the Department Office for the lease of alternative fueling infrastructure and vehicles as provided for in Section 3 78e of this ~~act~~ title shall be deposited to the credit of the fund.

E. The Fleet Management Division is authorized to maintain a petty cash fund in such amount not exceeding Two Thousand Dollars (\$2,000.00) to make immediate cash payments as are required or necessary in the opinion of the Fleet Management Director. Any such

cash disbursement shall be made only by the persons so designated by the Fleet Management Director, and only in the payment of claims authorized by law. Such proofs and receipts shall be presented by the person making a claim as is required by the Fleet Management Director.

SECTION 732. AMENDATORY 74 O.S. 2011, Section 78e, is amended to read as follows:

Section 78e. A. ~~The Department of Central Services~~ Office of Management and Enterprise Services through the Fleet Management Division may enter into agreements with political subdivisions of the state to lease alternative fuel vehicles and alternative fueling infrastructure constructed, installed or acquired by the ~~Department Office~~ and to transfer title to the vehicles and infrastructure and any associated real property to the political subdivision upon final payment of the obligations contained in the agreement.

B. The maximum amount the ~~Department Office~~ may expend for the construction, installation or acquisition of an alternative fueling infrastructure to be leased to a political subdivision of the state shall be the actual cost of the infrastructure or Five Hundred Thousand Dollars (\$500,000.00), whichever is less.

C. Payments received by the ~~Department Office~~ for the leasing of alternative fuel vehicles and alternative fueling infrastructure as provided for in this section shall be deposited in the State Fleet Management Fund created in Section 78c of ~~Title 74 of the Oklahoma Statutes~~ this title.

SECTION 733. AMENDATORY 74 O.S. 2011, Section 78f, is amended to read as follows:

Section 78f. A. The Legislature declares that it is in the public interest to promote public access to compressed natural gas (CNG) fueling stations in the state.

B. It is the intent of the Legislature to increase the number of public access CNG fueling stations located along the interstate highway system in the state.

C. It shall be the goal to have at least one public CNG fueling station located approximately every one hundred (100) miles along the entire interstate highway system in the state by the year 2015.

The goal shall increase to at least one public CNG fueling station approximately every fifty (50) miles by the year 2025.

D. ~~The Department of Central Services~~ Office of Management and Enterprise Services through the Fleet Management Division may take steps to meet the goal set forth in this section by cooperating with or entering into partnership agreements with private entities to construct the necessary CNG fueling stations for use by the public, state agencies and political subdivisions of the state. Any agreement to construct a CNG fueling station pursuant to this section shall be subject to the public bidding requirements as set forth in The Oklahoma Central Purchasing Act.

SECTION 734. AMENDATORY 74 O.S. 2011, Section 80.1, is amended to read as follows:

Section 80.1 A. Prior to October 1, 2005, each state agency that uses state vehicles shall submit to the Fleet Management Division, upon forms developed by the Division, a report that contains the following information:

1. The number of vehicles purchased or leased by the state agency with the VIN, mileage, and make, model, and year of each vehicle;
2. The maintenance plans and records for the vehicles;
3. The amount of use of each vehicle;
4. The state agency policy for use of vehicles by employees for travel to and from the residences of the employees;
5. The type of markings on the vehicles and justifications for any exemptions from requirement that vehicles have markings;
6. Fuel purchasing practices;
7. Rotation of vehicles based on mileage; and
8. Justification for any exemptions the state agency may have in the law relating to the purchase or lease of vehicles.

B. Prior to December 1, 2005, the Fleet Management Division shall submit a report to the Task Force to Study the Fleet Management Division of the ~~Department of Central Services~~ Office of

Management and Enterprise Services that contains the following information:

1. A summarization of the data collected pursuant to subsection A of this section;
2. Recommendations for legislation that would be beneficial to the Division in implementing the Fleet Management Reform Act; and
3. The status of a web-based statewide fleet management information system.

SECTION 735. AMENDATORY 74 O.S. 2011, Section 85.3, is amended to read as follows:

Section 85.3 A. There is hereby created and established in the ~~Department of Central Services~~ Office of Management and Enterprise Services a Purchasing Division, the administrative head of which shall be the State Purchasing Director.

B. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall hire the State Purchasing Director. The State Purchasing Director shall:

1. Be at least twenty-eight (28) years of age;
2. Have a thorough knowledge of office practices and buying procedures in volume purchasing; and
3. Be a graduate of an accredited college or university with at least five (5) years' experience in commercial or governmental purchasing, or, in lieu of such education, have at least ten (10) years' experience in commercial or governmental purchasing.

C. The Purchasing Division may include the following employees, and employment of such employees is hereby authorized:

1. One assistant director;
2. One qualified specifications engineer;
3. Buyers who have at least three (3) years' procurement experience for:
  - a. food,

- b. hardware,
- c. textiles,
- d. petroleum,
- e. office supplies,
- f. building materials,
- g. pharmaceutical supplies,
- h. automotive equipment, parts, and accessories, and
- i. any other commodity group found by the Director of the Department of Central Services Office of Management and Enterprise Services to justify special purchasing attention;

4. One buyer for products and services of the severely disabled as provided in Section 3001 et seq. of this title;

5. One dietitian, who shall have the qualifications required by the State Department of Health; and

6. Such other technical and clerical personnel as shall be assigned to the Purchasing Division by the Director of the Department of Central Services Office of Management and Enterprise Services.

D. All activities of any state agency, department, or institution relating to purchasing shall be under the direction of the Purchasing Division unless otherwise provided by The Oklahoma Central Purchasing Act.

E. The Purchasing Division shall provide qualified personnel to assist the purchasing activities of state agencies, departments, and institutions.

F. Each state agency, department, and institution shall designate personnel to coordinate its purchasing functions with the Purchasing Division.

G. The Purchasing Division may, if the needs of a state agency, department, or institution are such as to so require, employ, and establish a buyer within a state agency, department, or institution.

H. No state agency, department, or institution subject to The Oklahoma Central Purchasing Act shall have or maintain a purchasing section without the prior approval in writing of the Purchasing Division unless otherwise provided in The Oklahoma Central Purchasing Act.

I. The Purchasing Division shall make acquisitions from industries operated by the Department of Corrections pursuant to the provisions of Section 549.1 of Title 57 of the Oklahoma Statutes.

J. None of the personnel authorized by this section shall:

1. Sell to or otherwise provide acquisitions to any state agency subject to The Oklahoma Central Purchasing Act;

2. Be employees, partners, associates, officers, or stockholders in or with any business entity that sells to or otherwise provides acquisitions to any agency subject to The Oklahoma Central Purchasing Act;

3. Be employed in any of the positions authorized by this section if a spouse or child owns any stock in any business entity which sells to or otherwise provides acquisitions to any agency subject to The Oklahoma Central Purchasing Act; or

4. Be employed in any of the positions authorized by this section if a relative within the third degree of consanguinity or affinity sells to or otherwise provides acquisitions to any agency subject to The Oklahoma Central Purchasing Act or is interested in any business entity which does so, except that such relative, excluding a spouse or child, may own Five Thousand Dollars (\$5,000.00) worth or less, or one percent (1%) or less, whichever amount is the lesser amount, of the stock of a corporation or any business entity which sells to or otherwise provides acquisitions to any state agency subject to The Oklahoma Central Purchasing Act.

SECTION 736. AMENDATORY 74 O.S. 2011, Section 85.4, is amended to read as follows:

Section 85.4 A. Except as otherwise provided by The Oklahoma Central Purchasing Act, every state agency shall make all

acquisitions used, consumed or spent by the state agency in the performance of its official functions by the presentation of requisitions to the Purchasing Division.

B. The provisions of The Oklahoma Central Purchasing Act shall not preclude a state agency from:

1. Accepting gifts or donations in any manner authorized by law; or

2. Making an acquisition for itself without presentation of a requisition when an acquisition without requisition is authorized in writing by the State Purchasing Director.

C. Subject to the provisions of this section, every state agency shall determine its own quantitative needs for acquisitions and the general class or nature of the acquisitions.

D. The Director of ~~Central Services~~ the Office of Management and Enterprise Services shall prescribe standardized contract forms and all other forms requisite or deemed necessary by the Director of ~~Central Services~~ the Office of Management and Enterprise Services to effectuate the provisions of this section and The Oklahoma Central Purchasing Act.

E. 1. A contract that results from a requisition required by this section for nonprofessional services or professional services whether or not such services are exempt from the competitive bidding requirements of this section or pursuant to Section 85.7 of this title shall be signed by the chief administrative officer of the state agency or the chief administrative officer of the requisitioning unit of the state agency certifying that:

- a. no employee of the state agency is able and available to perform the services to be provided pursuant to the contract,
- b. the state agency shall receive, review and accept a detailed work plan from the supplier for performance pursuant to the contract if requested by the State Purchasing Director,
- c. the state agency has developed, and fully intends to implement, a written plan providing for the assignment of specific state agency personnel to:

- (1) monitoring and auditing supplier performance,
  - (2) the periodic review of interim reports, or other indications of performance, and
  - (3) if requested by the State Purchasing Director, the ultimate utilization of the final product of the nonprofessional or professional services,
- d. the work to be performed under the contract is necessary to the state agency's responsibilities, and there is statutory authority to enter into the contract,
  - e. the contract will not establish an employment relationship between the state or the state agency and any persons performing under the contract,
  - f. no current state employee will engage in the performance of the contract, unless specifically approved by the State Purchasing Director,
  - g. the purchase of the nonprofessional or professional services is justified, and
  - h. the contract contains provisions that are required by Section 85.41 of this title.
2.
    - a. When a state agency requisition indicates that a supplier will provide acquisitions in components or phases, the requisition shall list each component or phase, and the State Purchasing Director shall include the list in the Invitation to Bid.
    - b. The determination of the lowest and best bid or best value bid, as required by The Oklahoma Central Purchasing Act, shall include all component or phase deliveries and shall not be based solely on the first component or phase delivery.
    - c. For a purchase order or contract that includes separate component deliveries, the Purchasing Director or a state agency may issue change orders to increase

a purchase order or contract for the acquisition that do not exceed an increase of ten percent (10%) of the original purchase order or contract total price.

F. Any person certifying the information required by subsection E of this section who knows such information to be false, shall upon conviction be guilty of a misdemeanor and shall be punished by fine or imprisonment or both fine and imprisonment pursuant to the provisions of Section 85.15 of this title and shall be civilly liable for the amount of the contract.

G. The State Purchasing Director may request additional information necessary to adequately review the requisitions to ensure compliance with The Oklahoma Central Purchasing Act.

H. If the Purchasing Director determines that an acquisition is not necessary, excessive or not justified, the State Purchasing Director shall deny the requisition.

I. 1. No state agency shall enter into a lease-purchase agreement if title is acquired to tangible property of any class or nature by making lease, rental, or any other type payments, except as specifically authorized by law and except insofar as data processing equipment or other equipment is concerned; provided, however, the lease-purchase of data processing or other equipment by any state agency shall be processed by competitive bids through the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services.

2. The Council of Legislative Bond Oversight shall have the authority to determine the most cost-effective method for obtaining financing for lease-purchase agreements, which may be financed by either negotiated sale or competitive bid. If the Council of Legislative Bond Oversight determines that the lease-purchase of personal or real property should be financed through negotiated sale, the financing shall be subject to the provisions of the Oklahoma Bond Oversight and Reform Act. Unless the Council determines that the sale should be executed on a negotiated basis, such financing shall be processed by competitive bids through the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services.

3. Regardless of the method of financing, the acquisition price of personal property subject to a lease-purchase agreement shall be processed by competitive bids through the Purchasing

Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services.

4. The State Purchasing Director may permit lease-purchasing of equipment by the Oklahoma Tourism and Recreation Commission if such leasing is determined by the State Purchasing Director to be in the best interest of the state; provided, that such leasing must be processed by competitive bids through the State Purchasing Director except as to those acquisitions exempt under Section 85.12 of this title.

J. No state agency shall enter into a lease-purchase contract between the state agency as lessee and a private party as lessor if the contract is not capable of complete performance within the current fiscal year in which the contract was entered into unless a valid nonappropriation clause is included in the contract. Such contracts shall contain the following or substantially similar language:

Lessee shall have the right to terminate the lease, in whole but not in part, at the end of any fiscal year of lessee, if the Legislature fails to allocate sufficient funds to lessee for the rental payments required under the lease.

K. 1. No change order or addendum shall be made to a lease-purchase agreement which extends the term or life of the original bid contract. Any lease-purchase agreement requiring such extensions or refinancing shall be readvertised and processed in accordance with the provisions of The Oklahoma Central Purchasing Act.

2. Every state agency, whether or not subject to the provisions of The Oklahoma Central Purchasing Act, shall maintain a list of all tangible personal property which it is acquiring by a lease-purchase method and, prior to the renewal of a lease-purchase agreement, shall evaluate the rate being paid under the current lease-purchase agreement against rates currently being received by the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services on a competitive bid basis to determine whether or not refinancing of the property will benefit the state. Any state agency which elects not to submit a requisition for a possible refinancing when the existing rates are at least one percent (1%) above rates being currently bid, and when the total sum to be paid for the property including principal and interest will be reduced, shall submit a

written justification to the State Purchasing Director stating the reasons for not attempting to refinance the property. The State Purchasing Director shall forward all such justifications to the Chair of the Appropriations Committee of the Senate and the Chair of the Committee on Appropriations and Budget of the House of Representatives no later than February 1 of each year.

3. Unless otherwise provided by law, no state agency shall enter into a lease-purchase agreement for real or personal property costing less than Fifty Thousand Dollars (\$50,000.00).

4. a. Unless otherwise provided by law, the maximum term of a state agency lease-purchase agreement shall be the lesser of the useful life of real or personal property subject to a lease-purchase agreement as determined by the State Purchasing Director, or three (3) years for personal property and ten (10) years for real property, respectively.

b. The Council of Legislative Bond Oversight shall have the authority to extend the term of a lease-purchase agreement beyond three (3) years for personal property and ten (10) years for real property if the State Purchasing Director determines that the useful life of the property exceeds the terms and the Oklahoma State Bond Advisor recommends the extension as being in the best interests of this state.

5. Unless otherwise provided by law, state agency real property acquisitions subject to lease-purchase agreements shall be explicitly authorized by the Legislature. Acquisitions of real property authorized by the Legislature, unless otherwise exempted by the Legislature, shall be subject to the competitive bid provisions of The Oklahoma Central Purchasing Act. If a state agency is authorized to enter into a lease-purchase agreement for real property, the financing of the acquisition, including acquisitions deemed desirable for executing a lease-purchase, certificate of participation, or similar agreement or obligation, shall be obtained in accordance with the provisions of The Oklahoma Central Purchasing Act. The State Purchasing Director shall consult with the Oklahoma State Bond Advisor on the preparation, evaluation, and negotiation of such financing. Legislative authorization shall constitute legal authorization for this state or state agencies to enter into such lease-purchase agreements.

L. The State Purchasing Director may permit leasing of products by state agencies if such leasing is determined by the State Purchasing Director to be in the best interest of the state, provided that such leasing must be processed by competitive bids through the State Purchasing Director except as to those acquisitions exempt pursuant to Section 85.12 of this title.

M. 1. Before reoffering or remarketing an obligation, a state agency shall obtain written approval from the Oklahoma State Bond Advisor. Should a remarketing of a lease-purchase agreement be proposed that includes the remarketing of securities or obligations to more than a single investor, any disclosure language prepared in connection with such remarketing that describes the state's liability under the lease-purchase agreement shall be approved in advance and in writing by the Oklahoma State Bond Advisor.

2. In no event shall a state agency enter into a lease-purchase agreement unless that agreement states that the State of Oklahoma reserves the right to approve any reoffering of this obligation to another investor either through private placement, issuance of certificates of participation, or any other mechanism.

N. 1. 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 government of the United States of America or any agency thereof, the State Purchasing Director may execute a contract for the acquisition with the federal government or federal agency.

2. If the State Purchasing Director approves an acquisition from the federal government or agency and determines that the regulations of the federal government, or agency handling the disposition and sale require that partial or full payment be made at the time sale is effected and before the acquisition will be delivered, the State Purchasing Director, upon requisition by the requesting party, shall have a state warrant drawn against the funds of the acquiring state agency payable to the United States of America or its proper agency. The warrant shall be in such amount as may be necessary to meet the terms and conditions of sale without requiring a certificate showing that the acquisition has actually been delivered to the state agency in whose behalf the purchase is being negotiated.

SECTION 737. AMENDATORY 74 O.S. 2011, Section 85.5, is amended to read as follows:

Section 85.5 A. Except as otherwise provided in this section, pursuant to the provisions of Section 85.4 of this title, the State Purchasing Director, under the supervision of the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services, shall have sole and exclusive authority and responsibility for all acquisitions used or consumed by state agencies. In order to carry out the powers and duties established in Section 34.11.1 of Title 62 of the Oklahoma Statutes, 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 used or consumed by state agencies.

B. 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 State Finance~~ Office of Management and Enterprise Services shall have authority and responsibility to promulgate rules pursuant to provisions of The Oklahoma Central Purchasing Act governing, providing for, prescribing, or authorizing any act, practice, or requirement for which regulatory power is delegated for:

1. The time, manner, authentication, and form of making requisitions for acquisitions;
2. Inspection, analysis, and testing of acquisitions or samples suppliers submit prior to contract award;
3. The form and manner of submission for bids or proposals a supplier submits and the manner of accepting and opening bids or proposals;
4. The conditions under which the ~~Department of Central Services~~ 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;

8. Storage and storage facilities necessary to accomplish responsibilities of the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services;

9. The manner and conditions of delivery, which shall include the designation of the common carrier of property to be used to transport acquisitions whenever a common carrier is used, and the acceptance, or rejection, including check of quantities, of any acquisitions;

10. The form of any estimate, order, or other document the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services requires;

11. State agency acquisitions not exceeding the acquisition purchase amount requiring competitive bid pursuant to Section 85.7 of this title to ensure competitiveness, fairness, compliance with provisions of all sections of The Oklahoma Central Purchasing Act, and compliance with provisions of Section 3001 et seq. of this title, which relate to the State Use Committee. The rules shall include separate provisions based on acquisition purchase price as follows:

a. state agencies shall make acquisitions not exceeding Five Thousand Dollars (\$5,000.00), 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 Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services pursuant to this section may make acquisitions in excess of Five

Thousand Dollars (\$5,000.00) and not exceeding One Hundred Thousand Dollars (\$100,000.00), pursuant to rules authorized by this section;

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

13. Review and audit by the State Purchasing Director of state agency acquisitions;

14. The conditions for increasing acquisition limits for state agencies which have had a prior reduction in acquisition limit by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services;

15. Use of a state purchase card to make acquisitions;

16. Any other matter or practice which relates to the responsibilities of the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services;

17. Conditions for determination and authorization of acquisition limits of state agencies pursuant to Section 85.7 of this title; and

18. The form and manner of verification by suppliers that the supplier is eligible to do business in the State of Oklahoma and has obtained all necessary permits and licenses, pursuant to applicable provisions of law.

D. The State Purchasing Director shall provide training for state agency purchasing officials and other purchasing staff. The training shall include principles of state procurement practices, basic contracting, provisions of The Oklahoma Central Purchasing Act, rules promulgated pursuant to The Oklahoma Central Purchasing Act, provisions of Section 3001 et seq. of this title, which relate to the State Use Committee, and any other 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 rules authorized by this section. The State Purchasing Director shall 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:

1. Ensuring state agency compliance with provisions of The Oklahoma Central Purchasing Act;
2. Ensuring state agency compliance with rules promulgated by the ~~Department of Central Services~~ 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;
4. Reporting any acquisition by any state agency found not to be in compliance with those sections or rules to the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services; and
5. Recommending that the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services reduce the acquisition competitive bid limit amount for any state agency found not to be in compliance with The Oklahoma Central Purchasing Act or rules promulgated pursuant thereto.

F. When recommended by the State Purchasing Director, based on written findings by the State Purchasing Director, the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services may:

1. Require retraining of state agency procurement officials and other purchasing staff found not to be in compliance with provisions of The Oklahoma Central Purchasing Act, or rules promulgated pursuant to The Oklahoma Central Purchasing Act;
2. Reduce the acquisition competitive bid limit for any state agency found not to be in compliance with provisions of The Oklahoma Central Purchasing Act or rules promulgated pursuant to The Oklahoma Central Purchasing Act;
3. 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 provisions

pursuant to The Oklahoma Central Purchasing Act or rules promulgated pursuant to The Oklahoma Central Purchasing Act;

4. 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 ~~Department of Central Services~~ 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; or

5. Increase the state agency acquisition purchase amount requiring competitive bid, not to exceed the acquisition purchase amount requiring competitive bid, pursuant to Section 85.7 of this title.

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. The State Purchasing Director may utilize contracts awarded by other governmental agencies, including agencies of the United States of America.

3. The State Purchasing Director may designate contracts described in this subsection for use by 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 provided the State Purchasing Director shall not renegotiate the term of the contract.

5. In order to carry out the powers and duties established in Section 34.11.1 of Title 62 of the Oklahoma Statutes, the Chief Information Officer shall have the authority to designate certain information technology and telecommunication contracts for state agencies as statewide contracts and mandatory statewide contracts.

H. The State Purchasing Director may develop and test new contracting policies and procedures that hold potential for making the Purchasing Division more effective and efficient.

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:

1. 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 vendors with poor delivery and 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, contract modifications, 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. Development of electronic means of making state agencies aware of office furniture, equipment, machinery, tools, and hardware available for purchase from the surplus property programs;

7. Development of programs to improve customer relations through training, improved communications, and appointment of technical representatives;

8. In cooperation with the ~~Office of State Finance~~ Office of Management and Enterprise Services and the State Treasurer, develop an electronic payment mechanism for use in the settlement of accounts payable invoices, with no limit, to make payment for products or services acquired in accordance with The Oklahoma Central Purchasing Act and any rules promulgated pursuant thereto; and

9. Implement a policy to approve the ability of the department, agencies, boards, commissions and trusts to accept the terms of service for usage of social media services and contract for technology products and services provided the terms of service or contract contains standard language including a liability agreement which is considered customary or largely similar to terms of service agreed to or contracts entered into by other government entities and private sector enterprises.

K. The State Purchasing Director shall, in cooperation with the Oklahoma Department of Agriculture, Food, and Forestry, identify the needs of state agencies and institutions for agricultural products grown and produced in Oklahoma.

L. The State Purchasing Director may authorize the use of a state purchase card for acquisitions within the following parameters:

1. No limit on the amount of the transaction for the following:
  - a. purchases from statewide contracts issued by the State Purchasing Director,
  - b. regulated utilities,
  - c. interagency payments, and
  - d. professional services as defined in Section 803 of Title 18 of the Oklahoma Statutes; and

2. For any other transaction with a state purchase card, the transaction shall not exceed Five Thousand Dollars (\$5,000.00).

M. The State Purchasing Director may utilize and authorize state agencies to utilize reverse auctions to obtain acquisitions.

N. 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 the State of Oklahoma 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 Twenty-five Thousand Dollars (\$25,000.00) or greater.

O. As a condition of awarding a contract in excess of the dollar amount prescribed by subparagraph 11 of subsection C of this section pursuant to The Oklahoma Central Purchasing Act, the State Purchasing Director shall verify with the Oklahoma Tax Commission that the business entity to which the state contract is to be awarded, whether subject to the procedures required by Section 85.7 of this title or not, has obtained a sales tax permit pursuant to the provisions of Section 1364 of Title 68 of the Oklahoma Statutes if such entity is required to do so.

P. The State Purchasing Director is hereby 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 the State of Oklahoma.

Q. ~~The Office of State Finance~~ Office of Management and Enterprise Services, with input from the State Purchasing Director, shall promulgate payment procedure rules for state agencies to adhere to regarding statewide contracts issued by the State Purchasing Director.

R. ~~The Office of State Finance along with the Department of Central Services~~ Office of Management and Enterprise Services, Central Purchasing Division, shall promulgate payment procedure rules for agencies to adhere to regarding statewide contracts issued by the Division.

S. 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 State 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. The report shall document the reasons for the failure to issue a mandatory statewide contract for

any items comprising total statewide spend in the amount of Five Million Dollars (\$5,000,000.00) or greater.

T. The acquisition limitations provided for in subparagraph b of paragraph 11 of subsection C of this section and paragraph 1 of subsection A of Section 85.7 of this title shall not apply to agency purchases provided the agency has subject matter experts on staff having the specialized expertise to purchase said goods or services, the agency possesses the necessary legal and procurement staff to procure and monitor the contracts and provided the Director of ~~Central Services~~ 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, all costs connected with or incurred as a result of the contract, including legal representation,
- b. comply with rules and policies of the ~~Department of Central Services~~ Office of Management and Enterprise Services, and
- c. report contracts issued pursuant to this subsection to the ~~Department of Central Services~~ 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.

SECTION 738. AMENDATORY 74 O.S. 2011, Section 85.7, is amended to read as follows:

Section 85.7 A. 1. Except as otherwise provided by The Oklahoma Central Purchasing Act, no state agency shall make an acquisition for an amount exceeding Fifty Thousand Dollars (\$50,000.00) or the limit determined by the State Purchasing Director pursuant to rules authorized by Section 85.5 of this title,

not to exceed One Hundred Thousand Dollars (\$100,000.00), without submission of a requisition to the State Purchasing Director and submission of suppliers' competitive bids or proposals to the State Purchasing Director.

2. Any acquisition a state agency makes shall be made pursuant to The Oklahoma Central Purchasing Act and rules promulgated pursuant thereto.

- a. Split purchasing for the purpose of evading the requirement of competitive bidding shall be a felony.
- b. The State Purchasing Director may waive or increase the limit authorized for a state agency acquisition by not more than ten percent (10%) to perfect an otherwise valid acquisition inadvertently exceeding the limit due to administrative error by the state agency or unforeseeable circumstances. The state agency shall request a waiver upon the discovery of the error or circumstance to the State Purchasing Director on a form the Director requires.
- c. The State Purchasing Director shall report all requests for waivers or increases, stating the amount and whether the request was granted or denied, monthly to the Governor, President Pro Tempore of the Senate, and Speaker of the House of Representatives.

3. a. Contracts for master custodian banks or trust companies, investment managers, investment consultants, and actuaries for the state retirement systems, CompSource Oklahoma, ~~State and Education Employees Group Insurance Board~~ Oklahoma Employees Insurance and Benefits Board, pension fund management consultants of the Oklahoma State Pension Commission and the Commissioners of the Land Office, and other professional services as defined in Section 803 of Title 18 of the Oklahoma Statutes shall be exempt from competitive bidding procedures of this section and requisition requirements of Section 85.4 of this title.
- b. Contracts with financial institutions to act as depositories and managers of the Oklahoma College

Savings Plan accounts shall be exempt from competitive bidding procedures.

- c. A state agency that makes an acquisition pursuant to this paragraph shall notify the State Purchasing Director within fifteen (15) days following completion of the acquisition. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall compile a list of the exempt contracts and send the list to a member of the Appropriations and Budget Committee of the House of Representatives or Appropriations Committee of the Senate, if the member requests.

4. Requisitions pursuant to this section shall not be required prior to emergency acquisitions by a state agency not exceeding One Hundred Thousand Dollars (\$100,000.00). The state agency shall submit a requisition to the State Purchasing Director within five (5) days following the acquisition together with a statement of the emergency. The State Purchasing Director shall send the requisition and a written analysis to the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives specifying the facts and circumstances giving rise to the emergency requisition.

5. Requisitions pursuant to this section for acquisitions to alleviate a serious environmental emergency shall not be required if, upon receiving a request from the Chair of the Corporation Commission and after having examined the facts and circumstances of the case, the Governor certifies in writing the existence of a serious environmental emergency. For the purposes of this section, "serious environmental emergency" means a situation within the jurisdiction of the Commission:

- a. in which serious damage to the environment will quickly occur if immediate action is not taken and the damage will be so significant that the urgent need for action outweighs the need for competitive bids, or
- b. a situation in which human life or safety is in imminent danger or significant property interests are threatened with imminent destruction.

6. Acquisitions for repairs of equipment in emergencies, of livestock through a market agency, dealer, commission house, or

livestock auction market bonded or licensed under federal or state law, the purchase or collection of semen or embryos, and the placement of embryos into recipient livestock shall not require requisitions pursuant to this section or any other provisions of The Oklahoma Central Purchasing Act.

7. The Board of Directors of the Oklahoma Historical Society shall select suppliers for the restoration of historical sites and museums and shall not be subject to the requisition requirements of this section or any other provision of The Oklahoma Central Purchasing Act. The Board may send a requisition to the State Purchasing Director and request supplier bid or proposal submission procedures, but supplier and bid selection will be the prerogative of the Board and will be based on contractors' documented qualifications and experience.

8. Purchases of postage by state agencies shall be made pursuant to Sections 90.1 through 90.4 of this title.

9. Sole source or sole brand acquisitions by a state agency or the State Purchasing Director shall comply with Section 85.45j of this title.

10. Acquisitions for the design, development, communication, or implementation of the state employees flexible benefits plan shall not be subject to the requirements of this section; provided, that the Flexible Benefits Advisory Council shall use procedures consistent with the competitive bid requirements of The Oklahoma Central Purchasing Act.

11. a. Any acquisition of a service which the ~~Department of Central Services~~ Office of Management and Enterprise Services has approved as qualifying for a fixed and uniform rate shall be made pursuant to provisions of this paragraph.
- b. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall establish criteria and guidelines for those services which may qualify for a fixed and uniform rate.
- c. Fixed and uniform rate contracts authorized by this paragraph shall be limited to contracts for those services furnished to persons directly benefiting from

such services and shall not be used by a state agency to employ consultants or to make other acquisitions.

- d. Any state agency desiring to have a service qualified for a fixed and uniform rate shall make a request for service qualification to the ~~Department of Central Services~~ Office of Management and Enterprise Services and submit documentation to support the request. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall approve or deny the request. If the ~~Department of Central Services~~ Office of Management and Enterprise Services approves the request, the state agency shall establish a fixed and uniform rate for the service. No contracts shall be entered into by the state agency until the rate has been approved by the state agency in a public hearing. The proposed rate shall be clearly and separately identified in the agenda of the state agency for the hearing and shall be openly and separately discussed during such hearing. The state agency shall notify the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services of its pending consideration of the proposed rate at least thirty (30) days before the state agency is to meet on the proposed rate. The state agency shall deliver to the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services a copy of the agenda items concerning the proposed rate with supporting documentation. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall communicate any observation, reservation, criticism, or recommendation to the agency, either in person at the time of the hearing or in writing delivered to the state agency before or at the time of the hearing. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall specifically note in the written communications whether the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services has determined the rate to be excessive. Any written communication presented in the absence of the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall be presented orally during the public hearing. Whether made in person or

in writing, any comment made by the Director of the Department of Central Services Office of Management and Enterprise Services shall be made a part of the minutes of the hearing in full.

- e. Within two (2) weeks after the convening of the Legislature, the administrative officer of the state agency shall furnish to the Speaker of the House of Representatives, the President Pro Tempore of the Senate and to any member of the House or Senate, if requested by the member, a complete list of all of the types of services paid for by uniform fixed rates, the amount of the rate last approved by the agency for the service, and the number of contracts then in existence for each type of service. Any rate which has been determined to be excessive by the Director of the Department of Central Services Office of Management and Enterprise Services shall be specifically identified in the list by the state agency.
  
- f. At any time, the Director of the Department of Central Services Office of Management and Enterprise Services may review, suspend, or terminate a contract entered into pursuant to the provisions of this paragraph if the Director of the Department of Central Services Office of Management and Enterprise Services determines the contract is not necessary, is excessive, or is not justified.

12. Specifically prescribed nonmedical adaptive technology-related acquisitions for individuals with disabilities who are clients of the State Department of Rehabilitation Services and which are prescribed by a physician, rehabilitation engineer, qualified rehabilitation technician, speech therapist, speech pathologist, occupational therapist, physical therapist, or qualified sensory aids specialist, and other client acquisitions, shall not be subject to the requisition requirements of this section. The Commission for Rehabilitation Services shall develop standards for the purchase of such acquisitions and may elect to utilize the Purchasing Division for an acquisition. The standards shall foster economy, provide a short response time, include appropriate safeguards, require written records, ensure appropriate competition for economical and efficient purchasing, and shall be approved by the State Purchasing Director.

13. The Department of Human Services shall develop procedures for acquisitions of specifically prescribed nonmedical assistive technology-related items not exceeding the acquisition purchase amount requiring a requisition pursuant to this section for individuals under sixteen (16) years of age who are recipients of Supplemental Security Income which are prescribed by a physician, qualified sensory aids specialist or qualified special education instructor. The procedures shall reflect standards for the acquisition of such nonmedical assistive technology-related items, may provide for utilization of the Purchasing Division when appropriate, shall foster economy, provide a short response time, shall include appropriate safeguards and written records to ensure appropriate competition and economical and efficient purchasing, and shall be approved by the State Purchasing Director.

14. a. Structured settlement agreements entered into by the Attorney General's office in order to settle any lawsuit involving the state, the Legislature, any state agency or any employee or official of the state shall not be subject to the competitive bidding requirements of this section if:

(1) prior to entering into any contract for the services of an entity to administer a structured settlement agreement, the Attorney General receives proposals from at least three entities engaged in providing such services, and

(2) the selection of a particular entity is made on the basis of the response to the request which is the most economical and provides the most competent service which furthers the best interests of the state.

b. A list of any such structured settlement agreements entered into by the Attorney General with summary thereon for the previous calendar year shall be submitted to the Speaker of the House of Representatives and the President Pro Tempore of the Senate on January 31 of each year.

15. Acquisitions a state agency makes pursuant to a contract the State Purchasing Director enters into or awards and designates for use by state agencies shall be exempt from competitive bidding procedures.

16. The Commission on Marginally Producing Oil and Gas Wells shall be exempt from the competitive bid requirements of this section for contracts with local vendors for the purpose of holding special events and exhibitions throughout the state.

17. Agreements entered into by any state agency with the United States Army Corps of Engineers in order to provide emergency response or to protect the public health, safety, or welfare shall not require requisitions and shall not be subject to competitive bidding requirements of this section.

B. Acquisitions shall be awarded to the lowest and best, or best value, bidder at a specified time and place, which shall be open to the public.

C. Bids for professional service contracts for an amount requiring submission of requisitions to the State Purchasing Director shall be evaluated by the State Purchasing Director and the state agency contracting for such service. Both cost and technical expertise shall be considered in determining the lowest and best, or best value, bid. Further, the state agency shall present its evaluation and recommendation to the State Purchasing Director. A documented evaluation report containing the evaluations of the State Purchasing Director and the state agency contracting for such service shall be completed prior to the awarding of a professional service contract and such report shall be a matter of public record.

D. When requested by CompSource Oklahoma, the ~~State and Education Employees Group Insurance~~ Oklahoma Employees Insurance and Benefits Board, or the governing board of a state retirement system authorized to hire investment managers, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall assist the requesting body in the process of selecting investment managers. When requested by the Flexible Benefits Advisory Council, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall assist the Council in the process of selecting contracts for the design, development, communication, or implementation of the state employees flexible benefits plan.

E. Except as otherwise specifically provided by law, the acquisition of food items or food products by a state agency from a public trust created pursuant to Sections 176 through 180.56 of Title 60 of the Oklahoma Statutes shall comply with competitive bidding procedures pursuant to the provisions of this section.

SECTION 739. AMENDATORY 74 O.S. 2011, Section 85.7a, is amended to read as follows:

Section 85.7a A. ~~The Department of Central Services~~ Office of Management and Enterprise Services may require each bidder for an open market contract or a statewide contract for supplies, equipment or materials to provide information as to the manufacturer and country of origin of any such supplies, equipment or materials as specified by labels attached to the supplies, equipment or materials where such identification is required by federal or state law. If an item has more than one component part or accessory which may have been manufactured in more than one country, the bidder may specify the countries of origin for only the major component parts or accessories as determined by the ~~Department~~ Office where such identification is required by federal or state law.

B. Any open market contract or statewide contract may require the contractor to obtain from all of his subcontractors information as to the manufacturer and country or countries of origin of any supplies, equipment or materials provided to the state where such identification is required by federal or state law.

SECTION 740. AMENDATORY 74 O.S. 2011, Section 85.7d, is amended to read as follows:

Section 85.7d The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall promulgate rules prescribing an information technology access clause which shall require compliance with the accessibility to information technology standards of Section 508 of the Workforce Investment Act of 1998 and as developed pursuant to Section ~~2~~ 34.28 of ~~this act~~ Title 62 of the Oklahoma Statutes. The clause shall be included in all contracts for the procurement of information technology by, or for the use of, state agencies, as defined in Section ~~3~~ 34.29 of ~~this act~~ Title 62 of the Oklahoma Statutes, on or after January 1, 2005.

SECTION 741. AMENDATORY 74 O.S. 2011, Section 85.7e, is amended to read as follows:

Section 85.7e A. ~~The Department of Central Services~~ Office of Management and Enterprise Services or its successor agency shall utilize a wiki venue to provide for the public two-way communication between procurement officers and potential vendors who have

questions regarding a request for proposal or invitation to bid. The ~~Department Office~~ shall provide editing access to all interested potential bidders and viewing access to all members of the public.

B. ~~The Department of Central Services Office of Management and Enterprise Services~~ or its successor agency shall provide agency-level procurement officers with a wiki platform for reporting the availability of items for purchase at a cost which is less than comparable products on a mandatory statewide purchase contract. The ~~Department Office~~ shall provide wiki editing access to all state agency procurement officers and viewing access to all members of the public.

C. State agency procurement officers shall utilize the wiki described in subsection B of this section to report all findings of products which can be purchased for less than comparable products which are on a mandatory statewide purchasing schedule.

D. For the purposes of this section, the term "wiki" shall mean a collaborative website which can be directly edited by anyone with editing access and viewed by all members of the public.

E. Access to the wikis described in this section shall be featured prominently on the ~~Department's Office's~~ website.

SECTION 742. AMENDATORY 74 O.S. 2011, Section 85.8, is amended to read as follows:

Section 85.8 The State Purchasing Director, on approval by the Director of ~~Public Affairs~~ the Office of Management and Enterprise Services, is hereby authorized to make use of any state laboratories for the tests and analyses authorized in Section 85.5 of this title wherever practicable and to use private laboratories or the laboratories of another government agency if it is impracticable to use state laboratories; and he 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.

SECTION 743. AMENDATORY 74 O.S. 2011, Section 85.9B, is amended to read as follows:

Section 85.9B Each chief administrative officer of any state agency is encouraged to make needed purchases of office furniture or

equipment, of other equipment or machinery, and of tools and hardware from the surplus property program operated by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services.

SECTION 744. AMENDATORY 74 O.S. 2011, Section 85.9D, is amended to read as follows:

Section 85.9D A. Except as otherwise provided in subsection B of this section, agencies within the executive branch shall coordinate acquisition of computer software maintenance and hardware maintenance contracts through the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services. The Purchasing Division may establish consolidation contracts and enterprise agreements for state agencies. The State Purchasing Director may negotiate consolidation contracts, enterprise agreements and high technology system contracts in lieu of or in conjunction with bidding procedures to reduce acquisition cost.

B. The provisions of this section shall not apply to the Northeast Oklahoma Public Facilities Authority.

SECTION 745. AMENDATORY 74 O.S. 2011, Section 85.9E, is amended to read as follows:

Section 85.9E A. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall recognize as a statewide contract an unencumbered contract consummated in behalf of the telecommunications network 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 Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall not subject purchases pursuant to said contracts to any quantity limit.

B. For purchases that require review of the purchase requisition by the Information Services Division of the ~~Office of State Finance~~ 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.

SECTION 746. AMENDATORY 74 O.S. 2011, Section 85.12a, is amended to read as follows:

Section 85.12a Any state agency that purchases insurance through the ~~Purchasing Division of the Office of Public Affairs~~ Office of Management and Enterprise Services shall submit a requisition form to acquire or maintain insurance to the Purchasing Division not less than forty-five (45) days prior to the expiration date of the existing insurance policy held by the agency. The time requirement for the submission of a requisition form, as provided for in this section, shall not apply to any state agency that:

1. Has no existing insurance policy covering the property sought to be insured; or
2. Must acquire insurance expediently due to some exigent circumstance as determined by the ~~Purchasing Director of the Purchasing Division of the Office of Public Affairs~~ Office of Management and Enterprise Services.

SECTION 747. AMENDATORY 74 O.S. 2011, Section 85.12b, is amended to read as follows:

Section 85.12b All agencies or departments of this state shall lease, charter or contract for the use of any aircraft pursuant to the provisions of The Oklahoma Central Purchasing Act, except aircraft owned and operated by another agency or department of this state. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall develop and implement guidelines for the use of such aircraft.

SECTION 748. AMENDATORY 74 O.S. 2011, Section 85.13, is amended to read as follows:

Section 85.13 It shall be unlawful for the State Purchasing Director or any buyer or any officer of the ~~Department of Central~~

~~Services~~ Office of Management and Enterprise Services, or any member of their immediate family, under The Oklahoma Central Purchasing Act to accept any gift, donation, or gratuity for himself or any member of his immediate family from any seller or prospective seller of any property covered by The Oklahoma Central Purchasing Act; and it shall further be unlawful for any seller or any prospective seller to give or donate anything of value to the State Purchasing Director or any buyer or officer of the ~~Department of Central Services~~ Office of Management and Enterprise Services or any buyer under The Oklahoma Central Purchasing Act or any member of the immediate family of the State Purchasing Director or buyer or officer of the ~~Department of Central Services~~ Office of Management and Enterprise Services. This provision shall not apply to exceptions to the definition of "anything of value" in the Rules of the Ethics Commission promulgated pursuant to Article XXIX of the Oklahoma Constitution.

The violation of any provision of this section shall constitute a misdemeanor and in the event the State Purchasing Director or any buyer or any officer of the ~~Department of Central Services~~ Office of Management and Enterprise Services is convicted for the violation of this section he shall forfeit his position immediately in addition to the penalty provided in this section.

SECTION 749. AMENDATORY 74 O.S. 2011, Section 85.26, is amended to read as follows:

Section 85.26 The Purchasing Division of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services is directed to purchase from the lowest bidder a surety contract or contracts in the form known as a "blanket bond" to cover all elective state officers, appointive officers, and employees in the manner provided in this section. No other bond shall be acceptable as surety for any elected or appointed officer or employee of this state in lieu of said blanket bond. For purposes of Sections 85.26 through 85.31 of this title, a "blanket bond" is defined as a public employees' blanket position bond which covers all employees up to the penalty of the bond for each employee and the full penalty of the bond is always in force during its term and no restoration is necessary and there is no additional premium after a loss is paid.

SECTION 750. AMENDATORY 74 O.S. 2011, Section 85.29, is amended to read as follows:

Section 85.29 The amount of surety required for each state officer or employee pursuant to Sections 85.26 through 85.31 of this title is as follows:

DEPARTMENT	AMOUNT OF BOND
Office of the State Treasurer	\$300,000.00
Oklahoma Employment Security Commission	\$150,000.00
<del>Office of Public Affairs Central</del> <u>Services Division of the Office of</u> <u>Management and Enterprise Services</u>	100,000.00
Insurance Commission	100,000.00
Office of the State Auditor and Inspector	50,000.00
<del>Office of State Finance Division of the</del> <u>Office of Management and Enterprise</u> <u>Services</u>	50,000.00
Bank Commissioner	50,000.00
CompSource Oklahoma President and Chief Executive Officer	50,000.00
Commissioners of the Land Office	50,000.00
Oklahoma Securities Commission	50,000.00
Oklahoma Tax Commission	50,000.00
Department of Human Services	50,000.00
Oklahoma Public Employees Retirement System	50,000.00
<del>Oklahoma</del> Corporation Commission	50,000.00
State Board of Education	50,000.00
Finance Division	150,000.00
All Others	25,000.00

Department of Transportation	25,000.00
Boards of Regents of Oklahoma Universities and Colleges	50,000.00
Office of Attorney General	10,000.00
The University Hospitals	50,000.00
All Other State Departments, Agencies, Institutions, Commissions, Authorities, and other bodies of state government	10,000.00

Provided, however, that nothing in The Oklahoma Central Purchasing Act shall prohibit any head of a department, institution, agency, commission, authority or other body of state government from requiring the Central Purchasing Division to purchase increased amounts of blanket bond coverage for his or her employees up to a total maximum coverage of Fifty Thousand Dollars (\$50,000.00) when the listed amount is deemed inadequate. The cost of increased coverage shall be borne by the department, institution, agency, commission, authority or other body of state government requesting the increased coverage.

SECTION 751. AMENDATORY 74 O.S. 2011, Section 85.31, is amended to read as follows:

Section 85.31 A. Whenever any officer, statutory board, commission, committee, department, authority, or any state agent or agency by whatever name called, is authorized by any law of this state to purchase any official bond, surety bond, blanket bond, or surety contract upon any state officer or employee, the authority is hereby transferred and conferred upon the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services. The authority shall be exercised by the Purchasing Division in the manner pursuant to the provisions and requirements prescribed by Section 85.58A of this title.

B. The premium for a bond will be invoiced to the Purchasing Division and paid for by legislative appropriation set aside for that specific purpose.

C. If the legislative appropriation is insufficient to meet the cost of a bond, the State Purchasing Director in conjunction with

the State Risk Administrator shall assess each entity covered by the bond a pro rata share of the excess cost amount.

D. A blanket bond shall be approved as to form and legal sufficiency by the general counsel of the ~~Department of Central Services~~ Office of Management and Enterprise Services and shall be filed with the Director of ~~Central Services~~ the Office of Management and Enterprise Services.

SECTION 752. AMENDATORY 74 O.S. 2011, Section 85.33, is amended to read as follows:

Section 85.33 There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services to be designated the "Registration of State Vendors Revolving Fund". The fund shall consist of any monies received from fees collected in accordance with subsection B of this section. The revolving fund shall be a continuing fund, without legislative appropriation, not subject to fiscal year limitations, and shall be under the control and management of the ~~Department of Central Services~~ Office of Management and Enterprise Services. Expenditures from the Registration of State Vendors Revolving Fund shall be budgeted and expended pursuant to the laws of the state and the statutes relating to public finance. The fund shall be used to defray the costs of the Purchasing Division for commodity research, classification, and analysis and expenses the ~~Department Office~~ incurs to support Purchasing Division operations. Warrants for expenditures from said fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the ~~Department Office~~, and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

B. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall collect a fee of Twenty-five Dollars (\$25.00) to register suppliers that desire to do business with this state through the Purchasing Division. The suppliers shall register separately for each commodity list. Each registration shall entitle the supplier to be on that list for one (1) year, to receive all bid notices in that classification for that period, and to receive one copy of the State's Commodity Classification Manual when published. All fees collected in accordance with this section shall be deposited in the revolving fund created in subsection A of this section.

SECTION 753. AMENDATORY 74 O.S. 2011, Section 85.33A, is amended to read as follows:

Section 85.33A A. There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services Office of Management and Enterprise Services~~ to be designated the "Contract Management Revolving Fund". The fund shall consist of any monies received from fees, levies or rebates the ~~Department Office~~ receives in accordance with subsection B of this section. The revolving fund shall be a continuing fund, without legislative appropriation, not subject to fiscal year limitations, and shall be under the control and management of the ~~Department of Central Services Office of Management and Enterprise Services~~. Expenditures from the Contract Management Revolving Fund shall be budgeted and expended pursuant to the laws of the state and the statutes relating to public finance. The fund shall be used to defray the costs of the Purchasing Division for operations of the Purchasing Division and expenses the ~~Department of Central Services Office of Management and Enterprise Services~~ incurs to support operation of the Purchasing Division. Warrants for expenditures from the fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the ~~Department Office~~, and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

B. The State Purchasing Director may enter into or award contracts that provide a contract management fee, levy or rebate to the ~~Department of Central Services Office of Management and Enterprise Services~~. The State Purchasing Director shall ensure that a contract that provides a management fee, levy or rebate provides value to acquiring agencies exceeding open market acquisition costs.

SECTION 754. AMENDATORY 74 O.S. 2011, Section 85.33B, is amended to read as follows:

Section 85.33B A. On a monthly basis the Director of Central Purchasing and institutions of higher education shall provide to the ~~Office of State Finance~~ Director of the Office of Management and Enterprise Services a complete listing in electronic format of all transactions occurring with the aid of a state purchase card. The list shall contain the name of the purchaser and purchasing agency, amount of purchase, and all available descriptions of items purchased.

B. Upon receipt of the list described in subsection A of this section, the ~~Office of State Finance~~ Director of the Office of Management and Enterprise Services shall allow the public access to the list in searchable format through its website defined in Section 46 of Title 62 of the Oklahoma Statutes.

SECTION 755. AMENDATORY 74 O.S. 2011, Section 85.39, is amended to read as follows:

Section 85.39 A. 1. Each state agency shall develop internal purchasing procedures for acquisitions by the state agency. Procedures shall, at a minimum, include provisions for the state agency's needs assessment, funding, routing, review, audits, monitoring, and evaluations. Following development, the state agency shall submit the procedures to the State Purchasing Director.

2. The State Purchasing Director shall review the procedures submitted pursuant to paragraph 1 of this subsection to determine compliance with The Oklahoma Central Purchasing Act, rules promulgated pursuant thereto, Sections 3001 through 3010 of this title, and provisions of paragraph 1 of this subsection. The State Purchasing Director shall provide written findings, including details of noncompliance, if any, to the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services.

3. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall, within fifteen (15) days after the procedures are submitted, notify the state agency that the procedures are in compliance or indicate revisions necessary to bring the procedures into compliance.

B. A state agency shall not make acquisitions exceeding Five Thousand Dollars (\$5,000.00) pursuant to Section 85.5 of this title, unless the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services provides notice of compliance.

C. Each state agency shall maintain a document file for each acquisition the state agency makes which shall include, at a minimum, justification for the acquisition, supporting documentation, copies of all contracts, if any, pertaining to the acquisition, evaluations, written reports if required by contract, and any other information the State Purchasing Director requires be kept.

SECTION 756. AMENDATORY 74 O.S. 2011, Section 85.43, is amended to read as follows:

Section 85.43 A. Each chief administrative officer of a state agency shall submit to the State Purchasing Director by November 1 of each year a report listing all acquisitions exceeding Fifty Thousand Dollars (\$50,000.00) but not exceeding One Hundred Thousand Dollars (\$100,000.00) of the state agency for the preceding fiscal year which will include the following information:

1. Professional services contracts;
2. Nonprofessional services contracts; and
3. Contracts for the leasing of property including real property contracts and any lease agreements for products or equipment.

B. The report shall contain:

1. The name of the supplier;
2. A description of each acquisition;
3. The purchase price of the acquisition; and
4. The total amount expended to date for the preceding fiscal year for the acquisition.

C. The report shall specifically identify sole source and sole brand acquisitions.

D. The state agency shall submit the report to the State Auditor and Inspector and to the ~~Department of Central Services~~ Office of Management and Enterprise Services. The state agency shall submit the report to any member of the Appropriations and Budget Committee of the House of Representatives or Appropriations Committee of the Senate if a member so requests.

E. The State Auditor and Inspector shall review the report for compliance with statutes and rules or other provisions of law applicable to sole source and sole brand acquisitions.

SECTION 757. AMENDATORY 74 O.S. 2011, Section 85.44D, is amended to read as follows:

Section 85.44D A. It is the intent of the Legislature that all state agencies procure and use products or materials made from or utilizing materials from trees harvested in Oklahoma when such products or materials are available.

B. By July 1, 2011, the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services when accepting bids for state purchases of products and materials shall give preference to the suppliers of wood products made from or products manufactured utilizing materials from trees harvested in Oklahoma if the price for the products and materials is not substantially higher than the price for other wood products and materials and the quality and grade requirements are otherwise comparable.

C. By July 1, 2011, the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall promulgate rules and implement a program for extending state procurement specifications to products made from or manufactured utilizing materials from trees harvested in Oklahoma and identifying the products.

SECTION 758. AMENDATORY 74 O.S. 2011, Section 85.45b, is amended to read as follows:

Section 85.45b For purposes of the Oklahoma Minority Business Enterprise Assistance Act:

1. "Minority" means a person who is a lawful resident of the State of Oklahoma and who is:
  - a. Black (a person having origins in any of the black racial groups of Africa),
  - b. Hispanic (a person of Mexican, Puerto Rican, Cuban, Central or South American descent),
  - c. Asian American (a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands), or
  - d. American Indian and Alaskan Native (a person having origins in any of the original peoples of North America);

2. "Minority business enterprise" means a small business concern, as defined pursuant to Section 3 of the Small Business Act and implementing regulations, which is owned and controlled by one or more minorities and is authorized to do and is doing business under the laws of this state, paying all taxes duly assessed, and domiciled within this state. "Owned and controlled" means a business:

- a. which is at least fifty-one percent (51%) owned by one or more minorities or, in the case of a publicly owned business, at least fifty-one percent (51%) of all classes or types of the stock is owned by one or more minorities, and
- b. whose management and daily business operations are controlled by one or more such individuals;

3. "Office" means the ~~Office of Public Affairs~~ Office of Management and Enterprise Services; and

4. "Person" means an individual, sole proprietorship, partnership, association, or corporation.

SECTION 759. AMENDATORY 74 O.S. 2011, Section 85.45e, is amended to read as follows:

Section 85.45e A. Any minority business enterprise that desires to participate in the minority bid preference program and to bid upon any state contract within the purview of the State Purchasing Director of the Office of Management and Enterprise Services or any other state contract to be let by any state agency not subject to The Oklahoma Central Purchasing Act shall first apply to the State Purchasing Director of the Office of Management and Enterprise Services for certification.

B. The State Purchasing Director of the Office of Management and Enterprise Services shall certify a business which meets the eligibility requirement of this section to qualify as a minority business enterprise. To qualify as a minority business enterprise, the business shall:

1. Be a minority business enterprise;

2. Submit any documentary evidence required by the rules and regulations of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services to support its status as a minority business enterprise;

3. Sign an affidavit stating that it is a minority business enterprise;

4. Be qualified to bid pursuant to the provisions of The Oklahoma Central Purchasing Act; and

5. Present:

- a. an application including the entire business history of the operation,
- b. birth certificates for all minority principals,
- c. if Native American, tribal registration card/certificate,
- d. current resumes on all principals, key managers and other key personnel,
- e. a current financial statement,
- f. proof of investment by principals,
- g. loan agreements,
- h. lease/rental agreement for space, equipment,
- i. evidence of latest bond,
- j. if the applicant is a sole proprietor, he shall also include: a copy of a bank signature card,
- k. if the applicant is a partnership a copy of the partnership agreement shall also be included, and
- l. if the applicant is a corporation it shall also include: articles of organization, corporation bylaws, copies of all stock certificates, minutes of the first corporate organizational meeting, bank resolution on

all company accounts, and a copy of the latest U.S. corporate tax return.

C. The State Purchasing Director of the Office of Management and Enterprise Services shall prepare and maintain a list of certified minority business enterprises.

D. The ~~purchasing director~~ State Purchasing Director of the Office of Management and Enterprise Services may deny certification to any minority business enterprise in accordance with the provisions of this act and the rules and regulations of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services. Any person adversely affected by an order of the State Purchasing Director of the Office of Management and Enterprise Services denying certification as a minority business enterprise may appeal as provided in the Administrative Procedures Act.

SECTION 760. AMENDATORY 74 O.S. 2011, Section 85.45f, is amended to read as follows:

Section 85.45f On or before July 15 of each year, the State Purchasing Director shall submit a report to the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate on the status of the percentile of state funds expended on contracts awarded to minority business in the preceding fiscal year and provide any report, statistic or information concerning the compliance of the ~~Department of Central Services~~ Office of Management and Enterprise Services with the Oklahoma Minority Business Enterprise Assistance Act.

SECTION 761. AMENDATORY 74 O.S. 2011, Section 85.45g, is amended to read as follows:

Section 85.45g If a minority business enterprise is awarded a contract by this state pursuant to the Oklahoma Minority Business Enterprise Assistance Act, said business shall not assign the rights of the contract to any other business without prior written approval of the State Purchasing Director of the Office of Management and Enterprise Services verifying that such business is also a minority business enterprise certified as such by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services. Any such assignment made without the prior written approval of the State Purchasing Director of the Office of Management and Enterprise Services shall be deemed unlawful pursuant to paragraph 5 of subsection A of Section ~~40~~ 85.45h of this ~~act~~ title. Such unlawful

assignment shall be voidable by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services.

SECTION 762. AMENDATORY 74 O.S. 2011, Section 85.45h, is amended to read as follows:

Section 85.45h A. It shall be unlawful for a person to:

1. Knowingly and with intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain, certification as a minority business enterprise for the purposes of this act.

2. Knowingly and willfully make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a state official or employee for the purpose of influencing the certification or denial of certification of any entity as a minority business enterprise.

3. Knowingly and willfully obstruct, impede, or attempt to obstruct or impede any state official or employee who is investigating the qualifications of a business entity which has requested certification as a minority business enterprise.

4. Knowingly and willfully with intent to defraud, fraudulently obtain, attempt to obtain, or aid another person in fraudulently obtaining or attempting to obtain, public monies to which the person is not entitled under this act.

5. Knowingly and willfully assign any contract awarded pursuant to the Oklahoma Minority Business Enterprise Assistance Act to any other business enterprise without prior written approval of the State Purchasing Director pursuant to Section 85.45g of this title.

B. Any person convicted of violating any provision of the Oklahoma Minority Business Enterprise Assistance Act shall be guilty of a felony, punishable by imprisonment in the State Penitentiary for not more than five (5) years, or a fine of not more than Ten Thousand Dollars (\$10,000.00), or by both such imprisonment and fine.

C. If a contractor, subcontractor, supplier, subsidiary, principal or affiliate thereof, has been found to have violated this act and that violation occurred within three (3) years of another

violation of this act, the ~~Department of Central Services Office of Management and Enterprise Services~~ shall prohibit that contractor, subcontractor, supplier, subsidiary, or affiliate thereof, from entering into a state project or state contract and from further bidding to a state entity, and from being a subcontractor to a contractor for a state entity and from being a supplier to a state entity.

SECTION 763. AMENDATORY 74 O.S. 2011, Section 85.45j, is amended to read as follows:

Section 85.45j A. 1. Pursuant to the provisions of this section, an acquisition may be exempt from competitive bidding procedures as a sole source or sole brand acquisition.

2. If a state agency desires to make a sole source or sole brand acquisition, the state agency shall retain in the state agency's acquisition file or attach to the requisition a certification signed by the chief administrative officer of the state agency, in the following form:

SOLE SOURCE OR SOLE BRAND ACQUISITION  
CERTIFICATION

STATE AGENCY \_\_\_\_\_

SUPPLIER NAME \_\_\_\_\_

SUPPLIER ADDRESS \_\_\_\_\_

SUPPLIER TELEPHONE \_\_\_\_\_

I hereby affirm that pursuant to the provisions of the attached requisition or contract that

(Name of Supplier)

is the only person or business entity singularly qualified to provide the acquisition, and if a product is the only brand or product which is unique, for the following reasons:

\_\_\_\_\_  
\_\_\_\_\_



5. Upon a determination by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services that there are reasonable grounds to believe that a violation of this subsection has occurred, the Director shall send findings to the Attorney General that support the determination. The Attorney General shall review the findings and determine whether to investigate or prosecute the person.

6. If the acquisition's purchase price is such that the state agency is required to submit a requisition to the State Purchasing Director, the State Purchasing Director shall approve or deny the requisition for a sole source or sole brand acquisition. Prior to approving a requisition pursuant to this paragraph, the State Purchasing Director shall document reasons a sole source or sole brand purchase is necessary and shall retain a written record for three (3) fiscal years following the end of the fiscal year during which the sole source or sole brand acquisition was made.

7. For sole source or sole brand acquisitions exceeding Five Thousand Dollars (\$5,000.00) and not requiring submission of a requisition to the State Purchasing Director, the state agency's certified procurement officer shall document reasons a sole source or sole brand acquisition is necessary and shall retain a written record for three (3) fiscal years following the end of the fiscal year during which the sole source or sole brand acquisition was made.

8. The chief administrative officer of each state agency shall submit to the State Purchasing Director a monthly listing of all sole source and sole brand acquisitions exceeding Five Thousand Dollars (\$5,000.00) executed by the state agency in the preceding month. The report shall indicate whether requisitions for sole source and sole brand acquisitions were disapproved or modified by the State Purchasing Director and information the State Purchasing Director requires.

9. The State Purchasing Director shall electronically provide to the ~~Office of State Finance~~ Office of Management and Enterprise Services the information received pursuant to paragraph 8 of this subsection in machine-readable format and in the form the ~~Office of State Finance~~ Office of Management and Enterprise Services requires.

B. By the fifteenth day of each month, or the first working day thereafter, the ~~Office of State Finance~~ Office of Management and

Enterprise Services shall provide a report from the information received pursuant to this section to:

1. The Speaker of the House of Representatives and the President Pro Tempore of the Senate;
2. The Majority and Minority Leaders of both the House of Representatives and the Senate;
3. The Chair and Vice-chair of the Appropriations and Budget Committee of the House of Representatives and the Appropriations Committee of the Senate; and
4. Any member of the Legislature requesting the report.

The report shall detail all sole source and sole brand acquisitions by state agencies for the month prior to the month preceding the submission of the report. The report shall be titled "Monthly Sole Source and Sole Brand Contracting Report of Oklahoma State Agencies" and indicate the time period of the report. The report shall be provided in physical form unless the requesting person specifies the electronic version. The report shall be signed by the Director of ~~State Finance~~ the Office of Management and Enterprise Services or the Director's designee. The report shall be in columnar database format and shall include at least the following fields of information: state agency number; state agency name; date created by the ~~Department of Central Services~~ Office of Management and Enterprise Services for the requisition; date of either approval or disapproval of the requisition; if disapproved, the reason why such contract was disapproved; estimated amount of the requisition; purchase order amount; purchase order number; actual business name of supplier; supplier federal employer identification number; contact person; and the commodity classification listing at the appropriate level to distinguish between similar acquisitions. Information required by this subsection shall be reported and maintained on each report through the next reporting period after an acquisition is made. The applicable data in the fields of information specified in this subsection shall be listed even if the state agency requisition is disapproved.

C. ~~The Office of State Finance~~ Office of Management and Enterprise Services shall maintain electronic historic data or any other data received pursuant to this section for at least two (2) years.

D. By August 15 of each year, from the data received pursuant to this section, the ~~Office of State Finance~~ Office of Management and Enterprise Services shall complete and submit a report detailing the number of sole source or sole brand contracts issued by each state agency and a list of the business names of the suppliers who received sole source or sole brand awards during the previous fiscal year and if more than one such award, the number of awards so executed.

SECTION 764. AMENDATORY 74 O.S. 2011, Section 85.45k, is amended to read as follows:

Section 85.45k A. There is hereby created the State Travel Office within the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services.

B. All state agencies and departments of this state shall make arrangements for all air travel on scheduled commercial airlines for state employees required to travel in the course of their official duties and for all other persons traveling at state expense through the State Travel Office, except when the state agency determines that:

1. The air travel services can be secured at a cost less than that which can be secured by the State Travel Office; or

2. The air travel originates from a location outside the state and it would be impractical to arrange for the air travel through the State Travel Office; or

3. The air travel is necessitated by an emergency and time does not permit utilization of the State Travel Office's services; or

4. The air travel is part of a package arrangement made by the organization scheduling the meeting or conference.

C. All claims made for reimbursement shall contain a statement showing the reason for the exemption.

D. The State Travel Office shall divide the state into high travel areas and low travel areas. A high travel area shall consist of no more than one county. Oklahoma, Tulsa, Payne and Cleveland Counties and any other county that accounts for a substantial portion of air travel at state expense shall be designated as high travel areas. The remaining counties of the state shall be

designated as low travel areas. Low travel areas may consist of more than one county, as determined by the State Travel Office. The State Travel Office shall contract with no less than six private travel agencies in a high travel area and one or more private travel agencies in a low travel area to provide the scheduling and related travel services required to comply with this section. In order to take advantage of local competitive situations, institutions of The Oklahoma State System of Higher Education in high travel areas are authorized to solicit competitive bids for air travel services by travel agencies. If the bids result in greater savings than the state contract, then these institutions may issue individual contracts to not less than two travel agencies. Further, institutions of The Oklahoma State System of Higher Education in high travel areas are also authorized to solicit competitive bids for applicable city pair destination rates to airline companies. If the bids result in a greater savings than the state contract rates, these institutions may issue individual contracts to the airline companies with the lowest bids.

E. The State Travel Office shall promulgate rules and contract specifications to which the contract travel agencies shall be subject. The rules and specifications shall be drawn with the intent of obtaining the lowest available fares for scheduled commercial air travel.

F. At the end of each month the contract travel agencies shall furnish a statement, in a form approved by the State Travel Office, showing certain details of all travel arrangements handled to each state agency for which the contract travel agencies have furnished their services and shall also furnish copies of said statements to the State Travel Office.

SECTION 765. AMENDATORY 74 O.S. 2011, Section 85.451, is amended to read as follows:

Section 85.451 A. Each state agency, board, commission or other entity organized within the executive department of state government shall use the Trip Optimizer system of the ~~Department of Central Services~~ Office of Management and Enterprise Services in computing the optimum method and cost for travel by state employees using a motor vehicle where the travel will exceed one hundred (100) miles per day and the employee is not driving a state-owned or -leased dedicated vehicle. For purposes of this section, "dedicated vehicle" means a vehicle that has been assigned to the employee.

B. The provisions of this section shall be used to determine the most cost-effective method of travel by motor vehicles, whether such vehicles are owned by the agency, leased by the agency or by the employee, and shall be applicable for purposes of determining the maximum authorized amount of any travel reimbursement for employees of such agencies related to vehicle usage.

C. A nonappropriated state agency, that employs persons who use personal vehicles as part of their regular duties and who are reimbursed for travel expenses by the agency shall not be required to utilize the Trip Optimizer system with regard to the travel expenses of such employees. As used in this section, "nonappropriated state agency" means an entity within the executive branch of government that does not receive any of its funding through the annual legislative appropriations process.

D. The maximum authorized amount of travel reimbursement related to vehicle usage shall be the lowest cost option as determined by the Trip Optimizer system. All travel claims submitted for reimbursement shall include the results of the Trip Optimizer system indicating the lowest cost option for travel by the state employee.

SECTION 766. AMENDATORY 74 O.S. 2011, Section 85.45r, is amended to read as follows:

Section 85.45r A. When a state agency purchasing agent determines that electronic or online bidding is more advantageous than other procurement methods provided by the laws of this state, the purchasing agent may use online bidding to obtain bids as authorized by The Oklahoma Central Purchasing Act or the Public Building Construction and Planning Act for the purchase of goods, services, construction, or information services.

B. The online bidding process shall provide:

1. A designated opening and closing date and time. At the opening date and time, state agencies shall begin accepting online electronic bids. Online bids shall be accepted until the designated closing date and time, except as provided by paragraph 6 of this subsection;

2. The posting of all online bids electronically and updating of bids on a real-time basis by state agencies;

3. The authorization for state agencies to require bidders to register before the opening date and time and, as part of that registration, require bidders to agree to any terms, conditions or other requirements of the solicitation or applicable acts;

4. The authorization for state agencies to also require potential bidders to prequalify as bidders and to restrict solicitations to prequalified online bidders;

5. The retention of the authority of state agencies to determine the criteria that will be used as the basis for making awards; and

6. The authorization for the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services, in the event the state agency determines that a significant error or event occurred that affected the electronic receipt of any online bid by the agency, to determine it is in the best interest of the state to allow the agency to accept an electronic bid after the specified official closing date and time.

C. The provisions of the Oklahoma Online Bidding Act shall not apply to bid or proposal sealing or opening provisions found in any state law other than The Oklahoma Central Purchasing Act or the Public Building Construction and Planning Act.

D. All bids submitted electronically through the online bidding process pursuant to the Oklahoma Online Bidding Act are subject to the same public disclosure laws that govern bids received pursuant to sealed bid procurement procedures pursuant to The Oklahoma Central Purchasing Act or the Public Building Construction and Planning Act.

E. All remedies available to state agencies and suppliers through the sealed bid process pursuant to The Oklahoma Central Purchasing Act or the Public Building Construction and Planning Act are also available to state agencies and online bidders in an online bidding process.

SECTION 767. AMENDATORY 74 O.S. 2011, Section 85.45s, is amended to read as follows:

Section 85.45s The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall promulgate rules to implement the Oklahoma Online Bidding Act.

SECTION 768. AMENDATORY 74 O.S. 2011, Section 85.47a, is amended to read as follows:

Section 85.47a.

1. "Administrator" means the Small Business Surety Bond Guaranty Program Administrator;
2. "Fund" means the Small Business Surety Bond Guaranty Fund;
3. "Indemnity fund" means a fund established through the ~~Office of Public Affairs~~ Office of Management and Enterprise Services to underwrite the Small Business Surety Bond Guaranty Program;
4. "Principal" means a small business entity as defined pursuant to Section 3 of the Small Business Act, 16 U.S.C. Section 632;
5. "Program" means the Small Business Surety Bond Guaranty Program; and
6. "Surety" means a corporation granted authority by the Insurance Commissioner to write bonds or insurance in this state guaranteeing the performance of contracts.

SECTION 769. AMENDATORY 74 O.S. 2011, Section 85.47b, is amended to read as follows:

Section 85.47b The Administrator shall be authorized to:

1. Use the services of other governmental agencies and public trusts which are necessary to carry out the provisions of this act;
2. Contract for and accept, for use in carrying out the provisions of this program, loans and grants from the federal government and any of its agencies and instrumentalities and from public trusts;
3. Acquire, manage, operate, dispose of, or otherwise deal with property, take assignments of rentals and leases, and make contracts, leases, agreements and arrangements that are necessary or incidental to the performance of his duties;

4. Prescribe or approve the form of and terms and conditions in applications, guarantee agreements or any other documents entered into by the Administrator, principals or sureties in connection with the program;

5. Acquire or take assignments of documents executed, obtained or delivered in connection with any assistance provided under this program; and

6. Fix, determine, charge and collect any premiums and fees pursuant to rules promulgated by the Director of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services.

SECTION 770. AMENDATORY 74 O.S. 2011, Section 85.47c, is amended to read as follows:

Section 85.47c A. There is hereby created in the State Treasury a revolving fund for the Small Business Surety Bond Guaranty Program to be designated the "Small Business Surety Bond Guaranty Fund". The fund shall be a continuing fund, not subject to fiscal year limitations and shall consist of:

1. Premiums, fees, and any other amounts received with respect to bonding assistance provided under this program;

2. Proceeds from the sale, lease, or other disposition of property or contracts held or acquired by the Office of ~~Public Affairs~~ Management and Enterprise Services pursuant to this program;

3. Income from investments that the State Treasurer makes from monies in the fund; and

4. Any other monies made available under this program.

B. The fund shall be used:

1. For the purposes provided for in this program; and

2. To pay part or all of the expenses of administering the program.

C. All monies accruing to the credit of the fund shall be deposited with the State Treasurer and invested and reinvested in the same manner as other state funds, and any investment earnings shall be paid into the fund. All monies accruing to the credit of

the fund are hereby appropriated and may be budgeted and expended for the purposes provided in subsection B of this section. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 771. AMENDATORY 74 O.S. 2011, Section 85.47d, is amended to read as follows:

Section 85.47d A. Subject to the restrictions of the Oklahoma Small Business Surety Bond Guaranty Program Act, the Administrator, on application, may guarantee any surety which qualifies pursuant to this act for any losses incurred as a result of a principal's breach of a bid bond, a payment bond, a defect or maintenance bond, or a performance bond required for a public construction contract for the state, federal agencies and political subdivisions of the State of Oklahoma. Provided, the guaranty shall not be extended to any bond with a face value in excess of Two Hundred Fifty Thousand Dollars (\$250,000.00), nor shall the total face value of the bonds to which the guaranty is extended for any one principal exceed Five Hundred Thousand Dollars (\$500,000.00). Provided further, the guaranty shall not be granted to an issuer of a letter of credit used in lieu of said bonds.

B. The terms of a guaranty under the Oklahoma Small Business Surety Bond Guaranty Program Act shall not exceed the terms of the contract for which bonding is obtained.

C. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall establish an indemnity fund for this program using a public trust or other entity capable of creating a fund which is not subject to the constitutional prohibitions of Sections 15 and 23 of Article X of the Oklahoma Constitution.

SECTION 772. AMENDATORY 74 O.S. 2011, Section 85.47f, is amended to read as follows:

Section 85.47f A. The Administrator may set reasonable premiums and fees, not to exceed limits established by rules promulgated by the Director of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services, to be paid for the purpose of providing bonding assistance under this program.

B. The premiums and fees set by the Administrator shall be payable in the amounts, at the time and in the manner that the Administrator requires.

C. The premiums and fees need not be uniform among transactions, and may vary in amount:

1. Among transactions; and
2. At different stages during the terms of transactions.

SECTION 773. AMENDATORY 74 O.S. 2011, Section 85.47g, is amended to read as follows:

Section 85.47g The Small Business Surety Bond Guaranty Program shall be a program of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services. The Director of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services is authorized to hire a Small Business Surety Bond Guaranty Program Administrator to administer the Small Business Surety Bond Guaranty Program. The Administrator shall hold a bachelor's degree or higher degree in business, accounting, mathematics, economics or engineering and shall have previous experience as a surety underwriter. The Administrator shall be in the unclassified service of this state.

SECTION 774. AMENDATORY 74 O.S. 2011, Section 85.47i, is amended to read as follows:

Section 85.47i The Director of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall promulgate and adopt rules necessary to carry out the provisions of the Small Business Surety Bond Guaranty Program Act.

SECTION 775. AMENDATORY 74 O.S. 2011, Section 85.51, is amended to read as follows:

Section 85.51 As used in the Oklahoma State Recycling and Recycled Materials Procurement Act:

1. "~~Department Office~~" means the ~~Department of Central Services~~ Office of Management and Enterprise Services;
2. "Paper recycling" means the processing of scrap paper or other such recoverable waste paper into reusable products. Such

collection and recycling of recoverable waste paper shall be done in an environmentally acceptable manner;

3. "State public entity" means the State Legislature, any bureau, agency, board, commission, or authority of the state, the office of the Governor, the judiciary, or any state university, school district, or county of the state which is supported in whole or in part by state funds;

4. "Recoverable waste paper" generated by businesses or consumers, which has served its intended use and has been separated from solid waste for purposes of collection and recycling, shall include, but is not limited to, such paper as computer cards, computer print-out papers, copy paper, white office papers, colored office papers, corrugated boxes, newspapers, envelope coatings, bindery trimmings, printing scrap and butt rolls. Mill broke repulped internally within a paper manufacturing facility shall not be considered recoverable waste paper;

5. "Director" means the Director of ~~Central Services~~ the Office of Management and Enterprise Services;

6. "Division" means the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services;

7. "Recycled paper products" means all paper products manufactured from recoverable waste paper with not less than ten percent (10%) of their total weight consisting of waste paper.

8. "Products manufactured with recycled materials" means products that contain at least a minimum percentage of specified materials recovered from the recycling of post-consumer products as defined in rules and regulations promulgated by the Division;

9. "Recyclable materials" means materials or products which are capable of being recycled, including but not limited to paper, glass, plastics, metals, automobile oil, and batteries. Refuse-derived fuel or other material that is destroyed by incineration is not a recyclable material; and

10. "Uncoated" means not coated with plastic, clay, or other material used to create a glossy finish.

SECTION 776. AMENDATORY 74 O.S. 2011, Section 85.52, is amended to read as follows:

Section 85.52 A. It is the intent of the Legislature that all state public entities comply with the provisions of the Oklahoma State Recycling and Recycled Materials Procurement Act. All political subdivisions of this state are encouraged to collect and recycle recoverable waste paper and recyclable materials to the greatest extent possible. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall coordinate recycling efforts among the state public entities. The Director of ~~Central Services~~ the Office of Management and Enterprise Services shall adopt such rules, regulations, and orders as are necessary for the implementation of the Oklahoma State Recycling and Recycled Materials Procurement Act. The rules and regulations at a minimum shall establish procedures for:

1. The identification, handling, hauling, storing, safety factors, and disposition of recoverable waste paper and recyclable materials;

2. The separation of recoverable waste paper and recyclable materials from solid waste generated by state public entities;

3. A system for the collection of recoverable waste paper and recyclable materials from solid waste generated by state public entities;

4. Assuring that the recoverable waste paper and recyclable materials are made available to private industries for collection and recycling at the greatest economic value and to the greatest extent feasible. The ~~Department~~ Office may execute multiple contracts as necessary for purposes including but not limited to serving other government entities and different geographic areas of the state. In addition to the preference provisions of Section 85.53 of this title, rules and regulations governing availability of recyclable materials shall give preference to private recyclable materials industries that operate in Oklahoma, and that will employ residents of the state to handle, transport and sort such materials;

5. The purchase of uncoated office paper and printed paper whenever practicable; and

6. Separating for the purpose of recycling all recyclable materials including but not limited to lead acid batteries, waste oil and major appliances that are generated as solid waste by state public entities.

B. All state public entities shall comply with the procedures and systems established pursuant to the Oklahoma State Recycling and Recycled Materials Procurement Act.

C. 1. The Director may exempt any single activity or facility of any state public entity from compliance with rules promulgated pursuant to the Oklahoma State Recycling and Recycled Materials Procurement Act if the Director determines there is a lack of market availability or that it is not economically feasible to follow and comply with the procedures and systems established by the Director.

2. The exemption shall be for a period not in excess of one (1) year, but additional exemptions may be granted for periods not to exceed one (1) year.

3. The Director shall make public all exemptions together with the reasons for granting such exemptions.

SECTION 777. AMENDATORY 74 O.S. 2011, Section 85.53, is amended to read as follows:

Section 85.53 A. It is the intent of the Legislature that all state public entities procure products or materials with the recycled content levels required or specified by rules promulgated pursuant to the provisions of this section when such products or materials are available.

B. By July 1, 1993, the Division when accepting bids for state purchases of supplies, equipment and materials shall give preference to the suppliers of paper products or products manufactured with recycled materials if:

1. The price for recycled products and materials is not substantially higher than the price for nonrecycled products and materials. The Department of Central Services Office of Management and Enterprise Services shall establish by rule the annual percentage over and above the price of nonrecycled products and materials which will be allowed for the purchase of recycled products and materials; and

2. The quality and grade requirements are otherwise comparable.

C. By July 1, 1993, any state public entity not subject to The Central Purchasing Act when accepting bids for purchases of

supplies, equipment and materials, shall give preference to the suppliers of recycled paper products and products manufactured from recycled materials if:

1. The price for recycled products and materials is not substantially higher than the price for nonrecycled products and materials. The price paid for recycled products and materials shall not exceed the percentage over the price for nonrecycled products and materials established by the ~~Department~~ Office; and

2. The quality and grade requirements are otherwise comparable.

D. The Purchasing Division and any state public entity not subject to The Central Purchasing Act shall ensure, to the greatest extent economically practical and possible, that the recycled or recovered content of all paper purchased by the Division or agency, measured as a proportion, by weight, of paper products purchased in a calendar year, is not less than the following:

1. By 1995, ten percent (10%) of all purchased paper;

2. By 1997, twenty-five percent (25%) of all purchased paper;  
and

3. By 1999, forty percent (40%) of all purchased paper.

E. 1. By July 1, 1993, the Division shall promulgate rules and implement a program for extending state procurement specifications to products manufactured with recycled materials and identifying recycled products.

2. By July 1, 1993, any state public entity not subject to The Central Purchasing Act shall implement a program for extending agency procurement specifications to products manufactured with recycled materials.

F. In writing specifications under this section, the ~~Department~~ Office and any other state public entity shall incorporate requirements relating to the recyclability and ultimate disposition of products and, wherever possible, shall write the specifications so as to minimize the amount of solid waste generated by the state. All specifications under this section shall discourage the purchase of single-use, disposable products and require, whenever practical, the purchase of multiple-use, durable products.

G. For materials that are not otherwise recycled, the Division and each state public entity not subject to The Central Purchasing Act shall, to the extent practicable, enter into agreements to purchase products made from recyclable materials from vendors who agree to purchase like materials separated from solid waste generated by the state for reuse or use as a raw material in manufacturing.

SECTION 778. AMENDATORY 74 O.S. 2011, Section 85.54, is amended to read as follows:

Section 85.54 A. The Purchasing Division shall review the procurement specifications currently used by the ~~Department of Central Services~~ Office of Management and Enterprise Services in order to eliminate, wherever economically feasible, discrimination against the procurement of recycled paper and other products manufactured with recycled materials.

B. The Division shall establish purchasing practices which, to the maximum extent economically feasible, assure purchase of recycled paper products.

C. The Director of ~~Central Services~~ the Office of Management and Enterprise Services shall review and incorporate, where appropriate, guidelines published in the Federal Register.

D. The Director shall promulgate rules to encourage recycling and conservation of purchased products.

SECTION 779. AMENDATORY 74 O.S. 2011, Section 85.55a, is amended to read as follows:

Section 85.55a A. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall maintain a clearinghouse of information regarding products made from recycled paper products and products manufactured with recycled materials for purchase by state public entities. The clearinghouse shall include information concerning the availability, price and quality of products made from recycled paper products and products manufactured with recycled materials. The clearinghouse shall also include information concerning vendors and other persons willing to purchase recyclable materials from state public entities. The ~~Department~~ Office shall develop a mechanism to make this information available to all state public entities.

B. The Department Office may enter into agreements with purchasing agents of any other state, local governments, or the federal government under which any of the parties may agree to participate in, administer, sponsor or conduct purchasing transactions under a joint contract for the purchase of materials, supplies, equipment, permanent personal property, miscellaneous capital or contractual services consistent with this act.

C. The Department Office may cooperate with purchasing agents and other interested parties of any other state, local governments, or the federal government to develop uniform purchasing specifications on a regional or national level to facilitate cooperative interstate purchasing transactions.

SECTION 780. AMENDATORY 74 O.S. 2011, Section 85.56, is amended to read as follows:

Section 85.56 A. There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services, to be designated the "State Recycling Revolving Fund". The fund shall be administered in accordance with standard revolving fund procedures. The Department Office shall direct to the State Recycling Revolving Fund any federal or private grants which may qualify. The ~~Department Office~~ shall have the authority to expend monies from the fund for the purpose of implementing the Oklahoma State Recycling and Recycled Materials Procurement Act and to defray expenses the ~~Department Office~~ Office incurs to support recycling operations.

B. Revenues received from the sale of waste materials which can be recycled through any recycling programs operated by the Department Office shall be used to implement the Oklahoma State Recycling and Recycled Materials Procurement Act and to defray expenses the ~~Department Office~~ Office incurs to support recycling operations.

SECTION 781. AMENDATORY 74 O.S. 2011, Section 85.57, is amended to read as follows:

Section 85.57 The ~~Office of Public Affairs~~ Office of Management and Enterprise Services, whenever possible, shall contract with, employ or utilize the services of the disabled workers, inmates of county jails, and the Department of Corrections and the retired as a labor force in the identification, handling, hauling, and storage of materials and products which can be recycled.

SECTION 782. AMENDATORY 74 O.S. 2011, Section 85.58A, is amended to read as follows:

Section 85.58A A. ~~The Department of Central Services~~ Office of Management and Enterprise Services shall establish for all state agencies, whether or not subject to The Central Purchasing Act, and other entities as provided by law a comprehensive professional risk management program which shall:

1. Identify and evaluate risks of loss and exposures to loss to officers, employees and properties;

2. Minimize risks through loss-prevention and loss-control programs;

3. Transfer risks, if economically advantageous to the state, by acquiring commercial insurance, contractual pass through of liability, or by other means;

4. Consolidate and administer risk management plans and programs including self-insurance programs, except Workers' Compensation Insurance and State Employees Group Insurance;

5. Determine feasibility of and, if feasible, establish self-insurance programs, considering whether a program may be self-supporting to remain financially and actuarially sound;

6. Provide a system to allocate insurance and program costs to determine payment for insurance coverage and program expenses provided by the ~~Department of Central Services~~ Office of Management and Enterprise Services;

7. When requested by a state retirement system, CompSource Oklahoma or the State and Education Employees Group Insurance Board, assist in obtaining insurance authorized by law. If requested by the Oklahoma State Regents for Higher Education, assist trust funds for which the State Regents serve as trustees in obtaining insurance authorized by law;

8. Assist state agencies and officers, employees, and members thereof, charged with licensing authority, in obtaining insurance for liability for judgments, based on the licensing authority, rendered by any court pursuant to federal law;

9. When requested by a public trust established pursuant to Title 60 of the Oklahoma Statutes of which the State of Oklahoma is the beneficiary, obtain, provide or assist the public trust in obtaining insurance authorized by law or trust indenture covering any board member, trustee, official, officer, employee or volunteer for errors and omissions or liability risks arising from the performance of official duties pursuant to law or trust indenture; and

10. When requested by the Oklahoma State Regents for Higher Education, for the purpose of insuring real property required pursuant to Section 4018 of Title 70 of the Oklahoma Statutes, of which the Oklahoma State Regents for Higher Education is the beneficiary, obtain, provide or assist the Oklahoma State Regents for Higher Education in obtaining insurance for the real property pursuant to the provisions of this section.

B. The Director of ~~Central Services~~ the Office of Management and Enterprise Services may hire or contract for the services of a Risk Management Administrator to supervise the Comprehensive Professional Risk Management Program established pursuant to this section. If appointed by the Director as a state employee, the Risk Management Administrator shall be in the unclassified service.

C. The Risk Management Administrator shall evaluate insurance coverage needs and in force for state agencies, whether or not subject to The Central Purchasing Act, and other entities as provided by law. All entities shall submit to the Risk Management Administrator all information which the Risk Management Administrator deems necessary to perform this duty.

D. The Risk Management Administrator in conjunction with the State Purchasing Director under the authority of the Director of ~~Central Services~~ the Office of Management and Enterprise Services may negotiate insurance coverage and insurance-related services, including, but not limited to, insurance brokerage and consulting services. The State Purchasing Director shall ensure open processes for solicitation and qualification of insurance coverage and services providers. The State Purchasing Director shall award contracts for insurance coverage and services to the provider or providers which offer the best and final terms and conditions. The State Purchasing Director may authorize the Risk Management Administrator to bind for insurance coverage with providers.

E. The school districts of this state may request the Risk Management Administrator to advise for the purchase of insurance coverage for the school districts.

F. A state agency, whether or not subject to The Central Purchasing Act, that contemplates purchase of property and casualty insurance, shall provide details of the proposed purchase to the Risk Management Administrator for approval or disapproval prior to the purchase.

G. The Director of ~~Central Services~~ the Office of Management and Enterprise Services shall promulgate rules to effect the provisions of the comprehensive professional risk management program.

- H. 1. a. Any community action agency established pursuant to Sections 5035 through 5040 of this title may participate in the comprehensive professional risk management program established pursuant to this section for risks incurred as a result of operating a Head Start program or providing transportation services to the public. The Risk Management Administrator shall obtain or provide for insurance coverage for such community action agencies or bonding for employees of such community action agencies. Any liability insurance coverage obtained or provided shall include expenses for administrative and legal services obtained or provided by the Risk Management Administrator.
- b. The Risk Management Administrator shall determine criteria for participation in the risk management program by such community action agencies. In addition, the Risk Management Administrator may require each such community action agency to:
- (1) provide adequate qualified personnel and suitable facilities and equipment for operating a Head Start program or providing transportation services to the public, and
  - (2) comply with such standards as are necessary for the protection of the clients it serves.

2. To receive coverage pursuant to this section, a community action agency shall make payments for any insurance coverage and shall otherwise comply with the provisions of this section and rules promulgated by the ~~Department~~ Office pursuant to the provisions of this section.

3. Requests for the insurance coverage provided pursuant to the provisions of this subsection shall be submitted in writing to the Risk Management Administrator by the community action agencies.

I. The Risk Management Administrator may provide or obtain for any state agency, public trust with the state as a beneficiary and a director, officer, employee or member thereof, insurance for liability for loss, including judgments, awards, settlements, costs and legal expenses, resulting from violations of rights or privileges secured by the Constitution or laws of the United States of America which occur while a director, officer, employee or member is acting within the scope of service to the State of Oklahoma. The insurance shall be for coverage in excess of the limits on liability established by The Governmental Tort Claims Act but shall not limit or waive any immunities now or hereafter available to the State of Oklahoma or any state agency, any public trust with the state as a beneficiary, or any director, officer, employee or member thereof, including, but not limited to, any immunities under the Eleventh Amendment to the Constitution of the United States, state sovereign immunity, and any absolute or qualified immunity held by any director, officer, employee or member.

SECTION 783. AMENDATORY 74 O.S. 2011, Section 85.58D, is amended to read as follows:

Section 85.58D There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services, to be designated the "Risk Management Fire Protection Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by an act of the Legislature and any fees collected by the ~~Department of Central Services~~ Office of Management and Enterprise Services in accordance with the provisions of Section ~~4~~ 85.58B of ~~Enrolled House Bill No. 1137 of the 1st Session of the 41st Oklahoma Legislature~~ this title. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the ~~Department of Central Services~~ Office of Management and Enterprise Services for the purposes of the Comprehensive Professional Risk Management

Program provided for in Section 85.58A of this title, including the salaries and administrative expenses of support staff responsible for administering the fund and expenses the ~~Department~~ Office incurs to support program operations. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 784. AMENDATORY 74 O.S. 2011, Section 85.58G, is amended to read as follows:

Section 85.58G There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services, to be designated the "Risk Management Elderly and Handicapped Transportation Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by an act of the Legislature and any fees collected by the ~~Department of Central Services~~ Office of Management and Enterprise Services in accordance with the provisions of Section ~~± 85.58E~~ of ~~Enrolled House Bill No. 1666 of the 2nd Session of the 41st Oklahoma Legislature~~ this title. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the ~~Department of Central Services~~ Office of Management and Enterprise Services for the purposes of the Comprehensive Professional Risk Management Program provided for in Section 85.58A of this title, including the salaries and administrative expenses of support staff responsible for administering said fund and expenses the Department incurs to support program operations. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 785. AMENDATORY 74 O.S. 2011, Section 85.58H, is amended to read as follows:

Section 85.58H A. Upon written certification by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services that errors and omissions liability insurance for motor license agents and their employees is not reasonably available in the private market at competitive rates, after taking into account the administrative costs associated with such insurance, the Risk Management Administrator pursuant to Section

85.34 of this title may obtain or provide limited indemnity coverage for motor license agents and the employees who are employed by such agents for any errors and omissions liability risks arising from the performance of their official duties pursuant to law. Any such certification by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall be effective for a period of two (2) years. Any such limited indemnity coverage shall be obtained or provided solely from funds available in the shared risk pool authorized by this section and subject to the limitations set out herein. The Risk Management Administrator shall establish liability limits for such errors and omissions coverage on an annual basis. Any such limits shall be based on the liquidity of the shared risk pool resulting from the annual payments made pursuant to subsection C of this section and any interest accrued thereon, after deduction of such sums as may be necessary to pay all overhead and administrative expenses associated with administering the pool.

B. The Risk Management Administrator is authorized to determine eligibility criteria for participation in the Risk Management Program for such motor license agents and employees of such agents. Any limited indemnity coverage provided for errors and omissions pursuant to the provisions of this subsection shall only cover errors or omissions made by a motor license agent or any employee of such agent occurring after July 1, 1990.

C. Except as otherwise provided in subsection G of this section, motor license agents shall be required to make annual payments of Forty Dollars (\$40.00) per motor license agent and Forty Dollars (\$40.00) per employee of the motor license agent for such limited indemnity coverage. The Risk Management Administrator is authorized to assess an additional payment per year, not to exceed Forty Dollars (\$40.00) per motor license agent and per employee of such agent, if the shared risk pool resulting from the payment of the fees made pursuant to this subsection is not adequate to cover any liability incurred.

D. Requests for the limited indemnity coverage provided pursuant to the provisions of this section shall be submitted in writing to the Risk Management Administrator by the motor license agents.

E. All fees collected in accordance with the provisions of this section shall be deposited in the Oklahoma Motor License Agent Indemnity Fund.

F. In providing risk management services for any motor license agent or employee of such agent, it is the intention of the Legislature to provide limited indemnification of motor license agents or employees of such agents for errors and omissions, solely to the extent of assets in the shared risk pool created by this section. The State of Oklahoma is not liable, directly or indirectly, for the errors and omissions of any motor license agent or any employee of such agent in the performance of official duties pursuant to law. The Risk Management Administrator shall determine the extent of indemnification for losses incurred by any such motor license agent or employee of such agent based upon the liquidity of the shared risk pool.

G. The Risk Management Administrator is authorized to establish a system under which the extent of indemnity coverage may be extended or reduced based upon an increase or decrease in the amount of the payment required in subsection C of this section. Said system shall only be established when the liquidity of the shared risk pool is such that the system is feasible in the judgment of the Administrator. Upon establishment of such a system, a motor license agent may elect to increase or decrease the amount of the payment required in subsection C of this section and correspondingly extend or reduce coverage for losses incurred by the motor license agent or employee of such agent.

SECTION 786. AMENDATORY 74 O.S. 2011, Section 85.58J, is amended to read as follows:

Section 85.58J A. 1. The Risk Management Administrator may obtain or otherwise provide for the insurance coverage specified by this section for a foster family home providing foster care services for children in the custody of the Department of Human Services pursuant to the Oklahoma Children's Code or the Department of Juvenile Justice pursuant to the Juvenile Justice Code.

2. Pursuant to the provisions of this section and Section ~~85.34~~ ~~85.58A~~ of ~~Title 74 of the Oklahoma Statutes~~ this title, the Risk Management Administrator may obtain or otherwise provide for property and casualty insurance for injuries or damages arising from the foster care relationship and the provision of foster care services, property damage or bodily injury, as a result of the activities of the foster child, and reasonable and necessary legal fees incurred in defense of civil claims filed pursuant to this section, the Oklahoma Foster Care and Out-of-Home Placement Act, the

Oklahoma Children's Code or the Juvenile Justice Code, and any judgments awarded as a result of such claims. Any insurance coverage obtained or provided pursuant to the provisions of this section shall include expenses for legal services obtained or provided by the Risk Management Administrator.

B. The Risk Management Administrator is authorized to establish qualifications for coverage and to determine eligibility criteria and other standards for participation in the Risk Management Program by the foster family homes. A foster family shall be approved for participation in the Risk Management Program by the Risk Management Administrator if the foster family meets the standards and eligibility requirements established by the Risk Management Administrator.

C. 1. A request for the insurance coverage provided pursuant to this section shall be submitted in writing to the Department of Human Services and the Department of Juvenile Justice by a foster care family. The Department of Human Services and the Department of Juvenile Justice shall provide a list of the names of all foster family homes which wish to obtain insurance coverage specified by this section to the Risk Management Administrators.

2. Upon obtaining insurance coverage as provided by this section, the Department of Human Services and the Department of Juvenile Justice shall provide notice to all foster family homes with whom the state agencies contract for foster care services.

D. The Risk Management Administrator shall establish liability limits for the insurance coverage authorized by this section on an annual basis based on the insurance carrier requirements or based on the liquidity of the shared risk pool in the Foster Families Protection Account resulting from the annual payments made pursuant to Section ~~85.37~~ 85.58M of Title ~~74 of the Oklahoma Statutes~~ this title and any interest accrued thereon, after deduction of such sums as may be necessary to pay all overhead and administrative expenses associated with administering the pool.

E. A foster family shall be required to make payments for such insurance coverage or payments may be made from funds deposited on behalf of foster families by the Department of Human Services or the Department of Juvenile Justice if such funds are available. All fees collected in accordance with the provisions of this section shall be deposited in the Foster Families Protection Account. Claims against the insurance carrier or the pool shall be filed with

either the Department of Human Services or the Department of Juvenile Justice, as appropriate, and shall be forwarded to the Risk Management Administrator.

F. 1. Any insurance or indemnity coverage shall be provided solely from funds in the Foster Families Protection Account and to the extent of assets available in the shared risk pool established pursuant to the provisions of this section. The Risk Management Administrator shall determine the extent of indemnification for losses incurred by any foster families based upon the liquidity of the shared risk pool in the Foster Families Protection Account.

2. The State of Oklahoma is not liable, directly or indirectly, for any liability incurred by a foster family in the performance of foster care services.

G. 1. There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services, to be designated the "Foster Families Protection Account". The account shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by the Department of Human Services, the Department of Juvenile Justice or any child-placing agency, and any fees collected by the ~~Department of Central Services~~ Office of Management and Enterprise Services and deposited pursuant to law.

2. All monies accruing to the credit of said fund shall be expended by the ~~Department of Central Services~~ Office of Management and Enterprise Services for the specific purposes specified by this section and the salaries and administrative expenses of support staff responsible for administering the fund.

3. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment. The Foster Families Protection Account shall consist of:

- a. all fees and other monies received pursuant to this section, and
- b. interest attributable to investment of monies in the account.

H. 1. The monies deposited in the account shall at no time become monies of the state and shall not become part of the general budget of the ~~Department of Central Services~~ Office of Management and Enterprise Services or any other state agency. Except as otherwise authorized by this subsection, no monies from the account shall be transferred for any purpose to any other state agency or any account of the ~~Department of Central Services~~ Office of Management and Enterprise Services or be used for the purpose of contracting with any other state agency or reimbursing any other state agency for any expense.

2. Monies in the account shall only be expended for:

- a. the purposes specified by this section, and
- b. costs incurred by the Comprehensive Professional Risk Management Program for the administration of this section.

I. Any costs incurred by the ~~Department of Central Services~~ Office of Management and Enterprise Services pursuant to the provisions of this section shall not exceed the actual expenditures made by the ~~Department of Central Services~~ Office of Management and Enterprise Services to implement the provisions of this section.

J. Payment of claims from the Foster Families Protection Account shall not become or be construed to be an obligation of this state. No claims submitted for reimbursement or payment from the account shall be paid with state monies.

SECTION 787. AMENDATORY 74 O.S. 2011, Section 85.58K, is amended to read as follows:

Section 85.58K A. There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services, to be designated the "Risk Management Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by act of the Legislature and any monies which may be deposited thereto by the ~~Department of Central Services~~ Office of Management and Enterprise Services as provided for by law. All interest earned by the State Treasurer on monies deposited in the Risk Management Revolving Fund shall be deposited to the Risk Management Revolving Fund.

B. Within the Risk Management Revolving Fund, there is hereby created the Property and Casualty Account, the Motor Vehicle Liability Account and the General Tort Liability Account. The Director of ~~Central Services~~ the Office of Management and Enterprise Services is authorized to establish such additional accounts within the Risk Management Revolving Fund deemed necessary. The monies in each account shall be maintained actuarially separate to ensure that premiums or fees paid for specific insurance coverage are adequate to pay the expenses and claims for that coverage.

C. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the ~~Department of Central Services~~ Office of Management and Enterprise Services for the purposes of the Comprehensive Professional Risk Management Program provided for in Section 85.58A of this title, including but not limited to the salaries and administrative expenses of the Risk Management Administrator and support staff and expenses the Department incurs to support program operations. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 788. AMENDATORY 74 O.S. 2011, Section 85.58L, is amended to read as follows:

Section 85.58L A. There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services, to be designated the "Risk Management Political Subdivision Participation Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by an act of the Legislature and any fees collected by the ~~Department of Central Services~~ Office of Management and Enterprise Services and deposited pursuant to law. All monies accruing to the credit of said fund shall be expended by the ~~Department of Central Services~~ Office of Management and Enterprise Services for the purposes specified by this section and the salaries and administrative expenses of support staff responsible for administering the fund and expenses the ~~Department~~ Office incurs to support program operations. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. Within the Risk Management Political Subdivision Participation Revolving Fund, there is hereby created the Conservation District Protection Account. The account shall be set apart as a separate, permanent and perpetual account not subject to fiscal year limitations and shall consist of:

1. All fees and other monies received pursuant to Section ~~4~~ 85.58I of ~~the act~~ this title; and

2. Interest attributable to investment of monies in the account.

C. 1. The monies deposited in the Risk Management Political Subdivision Participation Revolving Fund shall at no time become monies of any other state agency. Except as otherwise authorized by this subsection, no monies from the Risk Management Political Subdivision Participation Revolving Fund shall be transferred for any purpose to any other state agency or be used for the purpose of contracting with any other state agency or reimbursing any other state agency for any expense.

2. Monies in the Risk Management Political Subdivision Participation Revolving Fund shall only be expended for:

- a. the purposes specified by this section, and
- b. costs incurred by the Comprehensive Professional Risk Management Program for the administration of duties this section specifies and expenses the Department incurs to support program operations.

D. Any costs incurred by the ~~Department of Central Services~~ Office of Management and Enterprise Services pursuant to the provisions of this section shall not exceed the actual expenditures made by the ~~Department of Central Services~~ Office of Management and Enterprise Services to implement the provisions of this section.

E. Payment of claims from the Risk Management Political Subdivision Participation Revolving Fund shall not become or be construed to be an obligation of this state. No claims submitted for reimbursement or payment from the fund shall be paid with state monies.

SECTION 789. AMENDATORY 74 O.S. 2011, Section 85.58M, is amended to read as follows:

Section 85.58M A. ~~The Department of Central Services~~ Office of Management and Enterprise Services shall levy and collect reasonable fees and premiums from state agencies and other entities as provided by law covered by the Comprehensive Professional Risk Management Program for the purpose of providing insurance coverage.

B. All fees and premiums shall be promptly paid when due. Fees and premiums collected in accordance with the provisions of this section shall be deposited in the appropriate risk management fund.

C. If a state agency fails to pay the insurance fees and premiums within forty-five (45) days of due date, ~~the Department of Central Services~~ Office of Management and Enterprise Services shall consider the invoice delinquent. ~~The Department may present a claim to the Office of State Finance for payment of the delinquent invoice from funds available to the delinquent agency. The Office of State Finance~~ Office of Management and Enterprise Services shall ~~transfer funds to the Department of Central Services to~~ pay the invoice from monies available to the delinquent agency for the general operations of the agency which are not specifically prohibited for such use by federal or state law. If funds of the delinquent agency are not available to pay the invoice in full, ~~the Department of Central Services~~ Office of Management and Enterprise Services shall submit claims as necessary to pay the invoice as soon as funds are available from the funds of the delinquent agency.

SECTION 790. AMENDATORY 74 O.S. 2011, Section 85.58N, is amended to read as follows:

Section 85.58N The Special Agency Account Board shall create in the official depository of the State Treasury an agency special account for the ~~Department of Central Services~~ Office of Management and Enterprise Services to be designated as the "Quick Settlement Account". The purpose of the account shall be the payment of liability claims against the state after a determination by the Risk Management Administration that such payments are in the best interest of the state, are in accordance with the laws and regulations governing the Comprehensive Professional Risk Management Program, and are in an amount not exceeding Ten Thousand Dollars (\$10,000.00). No monies shall be expended from the Quick Settlement Account except as provided for in this section.

The ~~Department of Central Services~~ Office of Management and Enterprise Services shall transfer funds as necessary from the Risk Management Revolving Fund to the Quick Settlement Account, provided that the maximum sum held in the Quick Settlement Account shall not exceed Ten Thousand Dollars (\$10,000.00), excluding funds in transit. Expenditures from the Quick Settlement Account shall be exempt from the provisions of The Oklahoma Central Purchasing Act.

SECTION 791. AMENDATORY 74 O.S. 2011, Section 85.58P, is amended to read as follows:

Section 85.58P There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services, to be designated the "Risk Management Public Transit Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by an act of the Legislature and any fees collected by the ~~Department of Central Services~~ Office of Management and Enterprise Services in accordance with the provisions of Section ~~2~~ 85.580 of this ~~act~~ title. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the ~~Department of Central Services~~ Office of Management and Enterprise Services for the purposes of the Comprehensive Professional Risk Management Program provided for in Section 85.58A of ~~Title 74 of the Oklahoma Statutes~~ this title, including the salaries and administrative expenses of support staff responsible for administering the fund and expenses the ~~Department~~ Office incurs to support program operations. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 792. AMENDATORY 74 O.S. 2011, Section 85.60, is amended to read as follows:

Section 85.60 A. Except as otherwise provided by Section 3206.3 of Title 70 of the Oklahoma Statutes, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall be the exclusive agency to negotiate and contract for the retention of patents and copyrights on material and property developed through state contracts subject to The Central Purchasing Act, unless an agency has been given specific authority to make such agreements by statute.

B. Except as otherwise provided by Section 3206.3 of Title 70 of the Oklahoma Statutes and Section 1365 of this title, any patented property or copyrighted material developed by contracts subject to The Central Purchasing Act, shall be the property of the State of Oklahoma under the sole management of the ~~Department of Central Services~~ Office of Management and Enterprise Services. Such property or material may be licensed or sold by the ~~Department of Central Services~~ Office of Management and Enterprise Services using similar procedures governing the sale of other state property but without declaring such property to be surplus.

C. Proceeds from the sale of such property or material under the jurisdiction of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall be deposited to the General Fund of the State of Oklahoma.

D. The ~~Department of Central Services~~ Office of Management and Enterprise Services may contract with legal counsel experienced in the field of patent and copyright law to advise and assist that agency in carrying out its duties and responsibilities under this section for intellectual property under the jurisdiction of the ~~Department of Central Services~~ Office of Management and Enterprise Services.

SECTION 793. AMENDATORY 74 O.S. 2011, Section 90.1, is amended to read as follows:

Section 90.1 A. Except as otherwise provided for in this section, any agency, as defined in the Administrative Procedures Act, which has an expenditure for postage of Two Thousand Dollars (\$2,000.00) or more for any one (1) fiscal year shall install a postage meter machine and have all purchases of postage recorded on that postage meter machine. Except, a field office or branch office of a state agency distantly located from the parent agency, and which office has an annual expenditure for postage of less than Two Thousand Dollars (\$2,000.00), may purchase postage stamps in the manner prescribed by Section 90.2 of this title and such purchases shall not be subject to the provisions of subsection B of this section.

B. Any agency, as defined in the Administrative Procedures Act, not engaged in scientific research or community development, which finds it necessary, in order to more efficiently and effectively carry out certain programs or functions, is hereby authorized, upon making application to the Director of the ~~Office of State Finance~~

Office of Management and Enterprise Services showing sufficient need and upon approval by said Director, to purchase not more than Two Thousand Dollars (\$2,000.00) worth of postage stamps during any one (1) fiscal year in the manner prescribed by Section 90.2 of this title, with a method of accountability for the use thereof to be maintained and subject to audit. Any agency of the state engaged in scientific research or community development, which finds it necessary, in order to effectively carry out such research or development, is hereby authorized, upon making application to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services showing sufficient need and upon approval by the Director, to purchase postage stamps in the amount demonstrated necessary to pursue such research or development in the manner prescribed by Section 90.2 of this title, with a method of accountability for the use thereof to be maintained and subject to audit. Provided, however, the finance officer of such state agency shall keep and maintain a record of all postage stamp allocations within the agency. For purposes of this section, "scientific research" shall mean research conducted under formally sponsored grants or contracts; "community development" shall mean development conducted by a formally and permanently organized office for that purpose.

C. Every state agency shall utilize business reply mail accounts, bulk mailing accounts, postage due accounts, zip + 4 codes, mailer applied bar codes or such other services offered by the United States Postal Service for the purpose of reducing postal costs and promoting efficiency. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall oversee the implementation of the provisions of this subsection.

SECTION 794. AMENDATORY 74 O.S. 2011, Section 94, is amended to read as follows:

Section 94. A. Except as otherwise provided by law, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall have full and complete authority to designate quarters for every department of state government, and to determine what space shall be allotted.

B. The ~~Department Office~~ may lease adequate space in state buildings and facilities to private vendors for the location of automatic teller machines as determined necessary or appropriate by the Director of the ~~Department Office~~. The ~~Department Office~~ is

hereby authorized to fix the monthly amount to be paid by such vendors, which shall be deposited in the General Revenue Fund.

SECTION 795. AMENDATORY 74 O.S. 2011, Section 95, is amended to read as follows:

Section 95. ~~The Office of Public Affairs~~ Office of Management and Enterprise Services shall have full and complete authority to trade and transfer any products produced or manufactured by any state institution for any commodity required for the support, maintenance, or operation of any farm or manufacturing industry located at said institution. ~~The Office of Public Affairs~~ Office of Management and Enterprise Services shall keep a full record of said trade or transfer, and report same to the Governor of the State of Oklahoma each quarter.

SECTION 796. AMENDATORY 74 O.S. 2011, Section 96, is amended to read as follows:

Section 96. In order that state property now located in one department or institution, which has been purchased out of an appropriation, specifically set up for such department or institution, which is not needed by such department or institution and is needed in other divisions of government, ~~the Office of Public Affairs~~ Office of Management and Enterprise Services is hereby authorized to cause the transfer of such property to any department or institution in need of such excess property.

SECTION 797. AMENDATORY 74 O.S. 2011, Section 96.1, is amended to read as follows:

Section 96.1 A. Any property, real or personal, conveyed to the State of Oklahoma for the purpose of establishing or for the use and benefit of any public college or university in the State of Oklahoma, shall upon a request submitted to the ~~Department of Central Services~~ Office of Management and Enterprise Services by the college or university which is the beneficiary of such conveyance, be conveyed to the board of regents of such college or university following a determination by the ~~Department of Central Services~~ Office of Management and Enterprise Services, in its sole discretion, that such property has been and continues to be used for the benefit of such college or university.

B. ~~The Department of Central Services~~ Office of Management and Enterprise Services is designated to act on behalf of the State of

Oklahoma to implement a transfer from the State of Oklahoma to the designated board of regents of any property described in subsection A of this section.

C. A recital by the ~~Department of Central Services~~ Office of Management and Enterprise Services in any deed (i) that said deed is executed pursuant to this section or (ii) that the original purpose of the conveyance to the State of Oklahoma was for establishing or for the use and benefit of the college or university grantee and that the property continues to be used for the benefit of the college or university grantee shall create a conclusive presumption as to the facts contained in said recital.

SECTION 798. AMENDATORY 74 O.S. 2011, Section 97, is amended to read as follows:

Section 97. The ~~Department of Central Services~~ Office of Management and Enterprise Services is hereby authorized to lease for drilling and development of oil or gas, or both, any of the lands belonging to the state, on which are located penal or eleemosynary institutions, or are connected with or a part of the lands of such institution. Such leasing to be made by public competition after not less than fifteen (15) days' notice by publication in two newspapers authorized by law to publish legal notices, one of which newspapers shall be published at the State Capital, and the other in the county where the land is situated, and in such manner as said ~~Department of Central Services~~ Office of Management and Enterprise Services may by rule prescribe. All such leasing must be on sealed bids and awarded to the highest responsible bidder, and for a term of not to exceed five (5) years from date and as long thereafter as oil and gas, or either of them, is produced in paying quantities from said land by the lessee, provided said ~~Department~~ Office may reject any and all bids. The oil and gas interest in such land hereby authorized to be leased, is to the extent and in the manner that a private owner of lands in fee, may in his own right, execute such lease or grant. Such lease before becoming effective or having validity, shall be approved by the Governor of the state or his designee.

SECTION 799. AMENDATORY 74 O.S. 2011, Section 98, is amended to read as follows:

Section 98. A. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services is hereby authorized and empowered to offer for sale and sell and execute and deliver oil and

gas or mineral leases upon the lands described in Section 1 of Title 73 under the control of said ~~Office of Public Affairs~~ Office of Management and Enterprise Services. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services is hereby authorized and empowered to enter into contracts with persons or corporations for the drilling of oil and gas wells on any such property owned by the state. No such lease or drilling contract shall be entered into by said ~~Office of Public Affairs~~ Office of Management and Enterprise Services which provides for the payment of a royalty to the State of Oklahoma of less than one-eighth (1/8) of all of the oil, gas, or casinghead gas produced, saved, and sold from said lands, plus cash bonus, of the royalty in said leases. Such Office shall give notice of its intention to offer for sale said lease or drilling contract by advertising said fact for a period of at least twenty-one (21) days in a legal newspaper published and of general circulation in the county where said lands are located. The Office shall award such lease, leases, or drilling contracts to the highest and best bidder. All bidding shall be by sealed written bids filed with said ~~Office of Public Affairs~~ Office of Management and Enterprise Services.

B. The monies received as royalties, bonuses, or rentals by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services for the use and benefit of this state not paid by said ~~Office of Public Affairs~~ Office of Management and Enterprise Services to the Treasurer shall be credited into the General Revenue Fund. All royalties, bonuses, and rentals accruing to the state from any contracts or leases executed pursuant to the provisions of subsection A of this section and all other monies received from the sale of any such leases, bonuses, and royalties or other contracts made by said ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall be credited to the Public Building Fund of the State of Oklahoma.

SECTION 800. AMENDATORY 74 O.S. 2011, Section 99, is amended to read as follows:

Section 99. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services is hereby authorized and empowered to advertise, sell, and execute an oil and gas lease or leases upon the following described state-owned lands constituting a portion of the State Capitol grounds:

Beginning at a point One Hundred Fifty-two and Seventy-seven One-hundredths (152.77) feet east of the Southwest Corner of the

Northeast One-quarter (NE 1/4) of Section Twenty-seven (27), Township Twelve (12) North, Range Three (3) West. Thence North Four (4) Degrees Thirty-one (31) Minutes East, Twelve Hundred Eight and Fifty-five One-hundredths (1,208.55) feet. Thence West Four Hundred Ninety-six (496.0) feet. Thence South Four (4) Degrees Thirty-one (31) Minutes East, Twelve Hundred Eight and Fifty-five One-hundredths (1,208.55) feet. Thence East Three Hundred Five and Fifty-four One-hundredths (305.54) feet to the place of beginning, containing Eleven and Eight One-hundredths (11.08) acres, more or less, situate in Oklahoma County, Oklahoma.

In advertising, selling, and executing such lease or leases, such Office shall follow the provisions and requirements of Section 98 of this title. The Office may provide for the consolidation of such lease or leases with a lease or leases upon other lands under such terms as such Office may determine.

SECTION 801. AMENDATORY 74 O.S. 2011, Section 103, is amended to read as follows:

Section 103. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services is authorized to provide for the development for oil and gas purposes of the following described property:

All of the-state owned lands not now leased for oil and gas mining purposes within a radius of five hundred (500) yards of a point on the half-section line running north and south between the northeast fourth and northwest fourth of Section twenty-seven (27), Township Twelve (12) North, Range three (3) West of the Indian Meridian, and the center of Twenty-second (22) Street in Oklahoma City, Oklahoma, extended east from the right-of-way of the Atchison, Topeka and Santa Fe Railway Company.

The development of such property shall be by means of a well, or wells, located on adjacent state-owned lands. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services is authorized to enter into an agreement, or agreements, with the owner of the oil and gas lease, or leases, on adjacent state-owned lands, consolidating said tract with said adjacent state-owned lands or some part thereof for oil and gas development, upon such terms and conditions, and for such consideration as the ~~Office of Public Affairs~~ Office of Management and Enterprise Services may prescribe. There shall be reserved to the state a royalty of not less than one fourth (1/4) of the oil and gas, or the proceeds thereof, that may be produced from the property first described. All development of

the property first described for oil and gas purposes shall be by means of a well, or wells, located on the surface of said adjacent land but which may be directionally drilled and bottomed on and underneath the property first described.

SECTION 802. AMENDATORY 74 O.S. 2011, Section 104, is amended to read as follows:

Section 104. ~~The Office of Public Affairs~~ Office of Management and Enterprise Services may authorize the use by the oil and gas lessees of the state-owned land that lies west of the north portion of Lincoln Terrace Addition to Oklahoma City, Oklahoma, and known as the State Historical Site, or such part thereof as may be necessary, as a base for the drilling, operating, and producing of a well to be directionally drilled and bottomed under some part of Lincoln Terrace Addition to Oklahoma City, Oklahoma, together with the right to drill such well through so much of said state-owned land as such lessees shall deem necessary to cause the bottom of the well to be located in or under said Lincoln Terrace Addition, on such terms and conditions and for such consideration as the ~~Office of Public Affairs~~ Office of Management and Enterprise Services may prescribe. Any such well drilled shall not be deemed to be a well drilled upon said Historical Site within the meaning and provisions of the oil and gas lease covering same.

SECTION 803. AMENDATORY 74 O.S. 2011, Section 107, is amended to read as follows:

Section 107. ~~The Department of Central Services~~ Office of Management and Enterprise Services is hereby authorized and empowered to sell and execute oil and gas leases, and other mining leases, on any of the lands of this state under the control of said ~~Department of Central Services~~ Office of Management and Enterprise Services. Sale of Oklahoma State Capitol lands or parkways or the Executive Mansion lands shall be made upon a basis of a retained royalty of not less than one-eighth (1/8) of all the oil, gas, and other minerals produced therefrom, and such additional cash bonus as may be procured. Such leases shall contain a provision that in the event of the discovery of natural gas, gas shall be furnished free of charge to any state institution located or hereafter located upon the lands covered by said lease, or leases. Said leases shall be sold only after advertisement for a period of three (3) weeks in a legal newspaper published and of general circulation in the county in which said lands are located. The sale shall be made to the highest and best bidder, and all bids for any tract shall be

presented to the ~~Department of Central Services~~ Office of Management and Enterprise Services in sealed envelopes, and shall all be opened and considered at the same time. Said ~~Department of Central Services~~ Office of Management and Enterprise Services shall have the right to reject any and all of said bids and again readvertise said lease, or leases, for sale.

The ~~Department of Central Services~~ Office of Management and Enterprise Services is further authorized to make and promulgate such additional rules and regulations as he may deem necessary and for the best interest of the state in facilitating the sale of said leases. The Director may contract with other state agencies to implement the provisions of this section and any expenses charged under such contract may be paid from the proceeds of the lease.

All monies derived from the sale of any and all of said leases, and from any royalties subsequently accruing, after deduction of the amount required to pay necessary and actual expenses of developing the lease, shall be paid into the State Treasury and credited to the General Revenue Fund of the state.

SECTION 804. AMENDATORY 74 O.S. 2011, Section 108.1, is amended to read as follows:

Section 108.1 ~~The Office of Public Affairs~~ Office of Management and Enterprise Services is hereby authorized to lease the surface of a tract of land consisting of about ten (10) acres located in Oklahoma County, Oklahoma, formerly occupied and used by the state for the Russell Girls Home. Said lease shall be only for temporary periods of time, and shall contain a provision authorizing termination of such lease whenever the needs of state require said land. Said lease to be for a period not to exceed five (5) years with provisions for renewal thereof at the authorization of the said ~~Office of Public Affairs~~ Office of Management and Enterprise Services, and to be upon such terms and consideration as the ~~Office of Public Affairs~~ Office of Management and Enterprise Services deems adequate and proper.

SECTION 805. AMENDATORY 74 O.S. 2011, Section 109.1, is amended to read as follows:

Section 109.1 If this state, including any of its departments, institutions, or agencies, has been granted an option to purchase any land, and the option has expired without being exercised, or if no specific time for the exercise of the option was specified, and

the option has not been exercised for a period of two (2) years from the date thereof, the ~~Office of Public Affairs~~ Office of Management and Enterprise Services, upon the application of the owner of such land, shall be authorized to release such option and to disclaim any interest in such land by reason of such option.

SECTION 806. AMENDATORY 74 O.S. 2011, Section 109.2, is amended to read as follows:

Section 109.2 Upon receiving any such application for release of an option to purchase, the ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall make a thorough investigation for the purpose of determining whether the state has, or claims, any present interest in such land by reason of such option contract. If after such investigation said Office determines that the state has no present interest in such land, a release and disclaimer shall be executed by said Office. In case of doubt, the Office shall submit the option and all relevant facts to the Attorney General for his opinion as to the interest of the state in said land. Any release and disclaimer executed by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall be filed for record in the office of the county clerk of the county where the land is located without charge.

SECTION 807. AMENDATORY 74 O.S. 2011, Section 110.1, is amended to read as follows:

Section 110.1 A. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall maintain a current inventory of tangible assets owned by state boards, commissions, institutions, agencies and the institutions comprising The Oklahoma State System of Higher Education and the University Hospitals Authority.

B. The Director of ~~Central Services~~ the Office of Management and Enterprise Services shall have authority to promulgate rules to implement the provisions of this section.

C. For entities included in subsection A of this section, the Director of ~~Central Services~~ the Office of Management and Enterprise Services shall specify a tangible asset reporting threshold for each entity, not to exceed the federal capitalization rate specified in the Office of Management and Budget Circular A-21 or future federal circulars or regulations as amended. When establishing the tangible asset reporting threshold for an entity, the Director of ~~Central~~

~~Services~~ the Office of Management and Enterprise Services shall consider the entity's capability to provide tangible asset records, finance and accounting systems, inventory accuracy and other pertinent factors.

D. Tangible assets shall consist of machinery, implements, tools, furniture, livestock, vehicles and other apparatus that may be used repeatedly without material impairment of its physical condition and have a calculable period of service and a value exceeding the reporting threshold the Director of ~~Central Services~~ the Office of Management and Enterprise Services establishes for the entity.

E. Rules that the Director of ~~Central Services~~ the Office of Management and Enterprise Services promulgates shall cause all tangible assets to be properly coded, tagged, or marked in such a manner that they may be readily identified as property of the State of Oklahoma and that statistical records may be maintained.

F. The ~~Department of Central Services~~ Office of Management and Enterprise Services may make periodic checks of tangible assets of entities listed in subsection A of this section. All entities will make support personnel available to the ~~Department of Central Services~~ Office of Management and Enterprise Services to report tangible asset acquisitions, assist with identification and update inventories on a periodic basis.

G. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall report missing tangible assets to state investigative or law enforcement officials.

SECTION 808. AMENDATORY 74 O.S. 2011, Section 110.2, is amended to read as follows:

Section 110.2 ~~The Office of Public Affairs~~ Office of Management and Enterprise Services may require inventory records to be maintained at state departments, boards, commissions, institutions, or agencies of the state, of all classes of supplies, books, machinery, implements, tools, furniture, livestock, and other apparatus as the Office deems necessary in order to comply with the provisions of Section 110.1 of this title.

SECTION 809. AMENDATORY 74 O.S. 2011, Section 110.3, is amended to read as follows:

Section 110.3 A. All state agencies shall maintain inventory records of its motor vehicles. The records shall include:

1. A detailed description of each vehicle, including its original cost;
2. The vehicle identification number;
3. The license tag number;
4. The make, model, and year of the vehicle; and
5. A designation of loaned or leased vehicles and the name of the vendor.

B. Each state agency shall provide motor vehicle inventory records to the ~~Office of Public Affairs~~ Office of Management and Enterprise Services at such times as may be requested by the Fleet Management Division of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services.

SECTION 810. AMENDATORY 74 O.S. 2011, Section 111, is amended to read as follows:

Section 111. The office of State Printer is hereby abolished, and the duties now provided by law to be performed by the State Printer and the State Printing Department shall be performed by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall supervise and contract for all public printing and binding authorized by the Legislature, for the Governor, Supreme Court, and the several state institutions, state officers, or any state board or commission, created pursuant to the laws of the state. Contracts for such printing and binding shall be let pursuant to same terms and conditions as other contracts for state supplies are let by same ~~Office of Public Affairs~~ Office of Management and Enterprise Services in the manner provided by law.

SECTION 811. AMENDATORY 74 O.S. 2011, Section 114, is amended to read as follows:

Section 114. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall keep a complete set of books of all printing used by the state and shall report to the Governor semiannually, giving an itemized statement of the printing and

binding used by each department, and the amount of printing done by each printing firm. Said report shall show the amount claimed and the amount allowed.

SECTION 812. AMENDATORY 74 O.S. 2011, Section 121, is amended to read as follows:

Section 121. The Director of ~~Public Affairs~~ the Office of Management and Enterprise Services, subject to the approval of the Governor, is hereby authorized to employ, or to contract with, an auditor or auditing company, to audit the books, records, and files of all state commissions or departments. Such audit is to be made by a certified accountant, or accountants or firm of certified accountants, who shall be approved by the Governor of the State of Oklahoma, contracts for such audit may be made with one or more separate certified accountants, or firm of certified accountants, for auditing of the several different departments or commissions.

SECTION 813. AMENDATORY 74 O.S. 2011, Section 123f, is amended to read as follows:

Section 123f. No products, wares, or merchandise produced, manufactured, or mined, wholly or in part, by convicts or prisoners of this state, who are employed in the state prison industries program, may be offered for sale, sold, exchanged, or distributed in this state, whether contained in the original package or otherwise. This section shall not prohibit the sale or distribution of such products, wares, or merchandise by or for the state to departments, institutions, or agencies administered and supported by the state or its political subdivisions, and any other wholly or partially tax-supported institutions, or nonprofit charitable agencies for distribution to the needy. This section shall not prohibit the sale or distribution of such products, wares, or merchandise produced by Oklahoma Correctional Industries or products produced by the Agri-Services Division of the Department of Corrections by or for sale to employees or retirees of the State of Oklahoma, or to employees or retirees of any political subdivision of the state. This section shall not prohibit the sale or distribution of housing components produced by Oklahoma Correctional Industries by or for sale to any community action agency or council of governments within this state. This section shall not prohibit the sale of brick and building tile or furniture manufactured by said state institutions to churches which are located in the State of Oklahoma. All purchase orders made pursuant to the provisions of this section for such brick or building tile or furniture shall contain an affidavit stating that

the brick or building tile shall not be used for purposes other than for the building of churches, or that the furniture shall not be used for any purpose other than church purposes. If said state departments, institutions, agencies, or nonprofit charitable agencies do not buy or contract to buy in advance of the season for which said wares or goods are made, and make a satisfactory guarantee to the ~~Department of Central Services~~ Office of Management and Enterprise Services for fulfillment of their contract to purchase all the output, the state may then sell in open market any such goods or wares not generally manufactured in this state. The provisions of this section shall not apply to the sale or distribution of surplus perishable, agricultural products nor to individual articles made by hand by prisoners during their leisure time. This section shall not be construed as preventing the ~~Department of Central Services~~ Office of Management and Enterprise Services or other state agency or agencies from manufacturing and selling such goods, wares, or merchandise as are not generally manufactured in this state.

SECTION 814. AMENDATORY 74 O.S. 2011, Section 126.1, is amended to read as follows:

Section 126.1 A. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services is hereby authorized to grant easements, rights-of-way, and enter into contracts authorizing the construction and maintenance of telephone, electric transmission and distribution lines, railroad lines, telegraph lines, and pipelines across any state lands under the management of said Director, and all lands set apart for the use and benefit of any state agency, department, or institution including all lands set apart for use of colleges, universities, hospitals, and eleemosynary institutions. Said easements and rights-of-way grants shall be for a period not to exceed twenty (20) years and shall provide for such considerations, terms, and conditions including privileges and conditions of renewal, as the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services may determine advisable for the best interests of the state institutions in possession thereof. This section and Section 126.2 of this title shall not affect the lands under the jurisdiction and control of the Commissioners of the Land Office of this state.

B. The Oklahoma Ordnance Works Authority, the Midwestern Oklahoma Development Authority, and the Northeast Oklahoma Public

Facilities Authority and their lands shall be exempt from the application of this section.

SECTION 815. AMENDATORY 74 O.S. 2011, Section 128.1, is amended to read as follows:

Section 128.1 The Director of ~~Public Affairs~~ the Office of Management and Enterprise Services is authorized and directed to take charge of, manage, and lease "Capitol Building Lands", described as follows:

Lots 31 and 32, Ethel Park Addition to Oklahoma City, Oklahoma, known as Tract No. 23, being a part of Section 23 - Twp. 12N - R - 3 West.

Lots 1, 2, 3, 4, 5, and lots 45, 46, 47, and 48 in Block 6, Ethel Park Addition to Oklahoma City, Oklahoma, known as Tract No. 24, being a part of Section 23 - Twp. 12 N - R - 3 West.

Lots 1, 2, 3, 4, 5, 6, and 43, 44, 45, 46, 47, and 48, Block 1, Ethel Park Addition to Oklahoma City, Oklahoma, known as Tract No. 25, being a part of Section 23 Twp. 12 N - R - 3 West.

Lots 30 and 31, Woody Crest Addition to Oklahoma City, Oklahoma, known as Tract No. 39, being a part of Section 22 - Twp. 12N - R - 3 West.

Lots 11 and 12, Stevens Hamill Addition to Oklahoma City, Oklahoma, known as Tract No. 19, being a part of Section 26 Twp. 12N - R - 3 West.

Lots 11 and 12, Block 3, Northeast Highland Addition to Oklahoma City, Oklahoma, known as Tract No. 40, being a part of Section 23 - Twp. 12N - R - 3 West.

Lots 35, 36, 37, and 38 Northeast Highland Addition to Oklahoma City, Oklahoma, known as Tract No. 44, being a part of Section 22 - Twp. 12N - R - 3 West.

Lots 7, 8, 9, and 10, Block 1, Donley Heights, a subdivision of Blocks 19 and 20, Barrows Second Addition to Oklahoma City, Oklahoma. Lots 31 and 32, Block 4, of the subdivision of Lots 9 and 10, and 23 and 24 of Barrows First and Second Additions to Oklahoma City, Oklahoma. Lots 11 and 12, Block 3, Northeast Highland Addition, being a part of Blocks 25 and 26, Barrows Second Addition

to Oklahoma City, Oklahoma. All of the above lots in Barrows Addition being known as Tract No. 41.

A tract of land 48' x 128' facing NE 38th Street and located between Lindsay Avenue and First Street west known as Tract No. 29. Lots 9 and 10, Block 2, Stevens Hamill Addition to Oklahoma City, Oklahoma, known as Tract No. 18, being a part of Section 26 - Twp. 12 N - R - 3 West.

Lots 13 through 24, inclusive, Block 2, Frances Heights Addition to Oklahoma City, Oklahoma, known as Tract No. 43, being a part of Section 22 - Twp. 12 N - R - 3 West.

Lots 5, 6, 11, 12, 19 and 20, Block 2, Hares Lake View Addition, situated approximately two and one-half (2 1/2) miles Northeast of Oklahoma City, Oklahoma, known as Tract No. 30, being a part of Section 11 - Twp. 12 N - R - 3 West.

Also the following acreage tracts of land:

Two (2) acres, situated three and one-half (3 1/2) miles East on 23rd Street hence two (2) miles North, thence one-half (1/2) mile East, thence one-fourth (1/4) mile North from the State Capitol Building, known as Tract No. 3, being a part of SE 1/4 of SW 1/4 of Section 8 - Twp. 12 N - R - 2 West.

Five (5) acres, situated one and one-half (1 1/2) miles East and one and one-half (1 1/2) miles North of the State Capitol Building, facing on Eastern Avenue and laying directly South of Springlake Park, and known as Tract No. 28. Also described as S 1/2 of SE 1/4 of NE 1/4 of SE 1/4 of Section 14, Township 12 North, Range 3 West.

Also other lots and tracts not listed or described above constituting the small balance of "State Capitol Building Land" not heretofore disposed of pursuant to the provision of Chapter 298, Session Laws 1919.

SECTION 816. AMENDATORY 74 O.S. 2011, Section 128.2, is amended to read as follows:

Section 128.2 ~~Said Office of Public Affairs~~ Office of Management and Enterprise Services shall make or cause to be made a full and complete inventory and appraisal of the property described in Section 128.1 of this title. Said Office may offer for sale to the highest bidder at public sale all of the lots, blocks, or

acreage tracts of said "Capitol Building Lands" that are not used by the state and which, in the judgment of said Office, will not be required for future use by the state. Said property shall be offered for sale in separate lots or tracts, for cash, to the highest bidder. Said sale shall be at public auction or under sealed bids whichever the Office may determine to be most advantageous. The sale shall be advertised in a newspaper of general circulation in Oklahoma County, Oklahoma, for not less than thirty (30) days prior to the date of sale. The notice shall contain an accurate description of all the property to be sold and terms and conditions of said sale.

The lands so offered for sale shall be subject to a reservation by this state in one-half (1/2) of all the mineral rights therein. If royalties are not paid to the state from any of the above-described lots or tracts of land, the sale of such properties shall be made subject to a reservation by this state of all of the mineral rights therein under said lots or tracts. ~~The Office of Public Affairs~~ Office of Management and Enterprise Services shall reserve the right to refuse any and all bids for said property. No sale of any portion of said land shall be confirmed at a price less than ninety percent (90%) of the appraised value. All sales shall be approved by the Governor. All conveyances of said land shall be executed by the Commissioners of the Land Office upon request of said Office.

SECTION 817. AMENDATORY 74 O.S. 2011, Section 128.3, is amended to read as follows:

Section 128.3 After payment of all costs incurred in the inventory and appraisal and advertisement and costs of sale, the remaining proceeds therefrom, and any monies derived from leasing the property described in Section 128.1 of this title, shall be deposited in a special "Capitol Building Maintenance and Repair Fund". The fund shall be used for the maintenance and repair of all State Capitol Buildings, grounds, shrubbery, boulevards, and streets surrounding the same. The funds shall be paid upon claims made therefor by the ~~Department of Central Services~~ Office of Management and Enterprise Services and approved by the Director of ~~State Finance~~ the Office of Management and Enterprise Services. The leasing for oil and gas purposes of any such lands and the proceeds therefrom shall be conducted and handled by the ~~Department of Central Services~~ Office of Management and Enterprise Services pursuant to Section 107 of this title.

SECTION 818. AMENDATORY 74 O.S. 2011, Section 129.4, is amended to read as follows:

Section 129.4 A. Unless procedures for state agency transactions to lease or acquire real property, or lease, dispose of or transfer state-owned real property are otherwise provided for by law, no department, board, commission, institution, or agency of this state shall sell, lease, exchange, or otherwise dispose of such real property subject to its jurisdiction except as provided for in this section.

B. 1. Every department, board, commission, institution, or agency, upon legislative authorization to dispose of a parcel of real property or upon a determination, in writing, by said department, board, commission, institution, or agency that a parcel of real property subject to its jurisdiction is no longer needed by said department, board, commission, institution, or agency, shall request the ~~Department of Central Services~~ Office of Management and Enterprise Services to dispose of said real property.

2. Upon notification by the department, board, commission, institution, or agency to sell a parcel of real property, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall:

- a. when appropriate, determine whether a study conducted pursuant to Section 456.7 of this title is in the best interest of the state,
- b. obtain three new and complete appraisals on properties with an estimated value that equals or exceeds One Million Dollars (\$1,000,000.00); or, two new and complete appraisals on properties with an estimated value greater than One Hundred Thousand Dollars (\$100,000.00) and less than One Million Dollars (\$1,000,000.00); or, one new and complete appraisal on properties with an estimated value less than One Hundred Thousand Dollars (\$100,000.00). The appraisals shall be made by persons certified by the Real Estate Appraiser Board of the Oklahoma Insurance Department, who shall ascertain:

- (1) the present fair value of the property, and

- (2) the present value of the improvements on such property, and
  - (3) the actual condition of the improvements on the property,
- c. cause notice of such sale to be published for at least one (1) day in a newspaper of general statewide circulation authorized to publish legal notices, and for at least three (3) consecutive weeks in a newspaper of general circulation published in the county or counties in which the property is located. The notice shall contain the legal description of each parcel of real property to be offered for sale, the appraised value thereof, the time and location of the sale or opening of the bids, and terms of the sale including the fact that no parcel of property shall be sold for less than ninety percent (90%) of the appraised value of the real property, and
- d. offer said property through public auction or sealed bids within three (3) weeks after the last publication of the notice in said newspapers. The property shall be sold to the highest bidder. ~~The Department of Central Services~~ Office of Management and Enterprise Services shall not accept a bid of less than ninety percent (90%) of the appraised fair value of the property and the improvements on such property. ~~The Department of Central Services~~ Office of Management and Enterprise Services is authorized to reject all bids.

3. The cost of the appraisements required by the provisions of this section, together with other necessary expenses incurred pursuant to this section, shall be paid by the department, board, commission, institution, or agency for which the real property is to be sold from funds available to said department, board, commission, institution, or agency for such expenditure. All monies received from the sale or disposal of said property, except those monies necessary to pay the expenses incurred pursuant to this section, shall be deposited in the General Revenue Fund.

C. Unless otherwise provided by law, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall review and approve state agency transactions to lease or acquire real

property, or lease, dispose of or transfer state-owned real property. A state agency shall not lease or acquire real property, or lease, dispose of or transfer state-owned real property until the Department Office provides notice of transaction approval to the state agency. Prior to approval, a state agency shall provide documents to the Department Office and provide reference to statutory or other legal authority of the state agency to lease or acquire real property, or lease, dispose of or transfer state-owned real property. If the state agency intends to lease or acquire real property, the state agency shall state the intended use of the real property. Within thirty (30) days of receipt, the Department Office shall provide notice of transaction approval or disapproval to the state agency.

D. The provisions of this section shall not apply to the lease of office space, real property subject to supervision of the Commissioners of the Land Office or district boards of education.

E. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall maintain a comprehensive inventory of state-owned real property and its use excluding property of the public schools and property subject to the jurisdiction of the Commissioners of the Land Office.

1. Each state agency shall, within thirty (30) days of the closing date for lands newly acquired, provide to the Department Office a list of records, deeds, abstracts and other title instruments showing the description of and relating to any and all such lands or interests therein.

2. The provisions of paragraph 1 of this subsection shall apply to all lands of public trusts having a state agency as the primary benefactor, but shall not apply to lands of municipalities, counties, school districts, or agencies thereof, or Department of Transportation rights-of-way.

3. A state agency that sells or otherwise disposes of land shall notify the Department Office within thirty (30) days of the disposition closing date.

F. This section shall not be construed to authorize any department, board, commission, institution, or agency, not otherwise authorized by law, to sell, lease, or otherwise dispose of any real property owned by the state.

G. The ~~Department of Central Services~~ Office of Management and Enterprise Services may provide services to sell or purchase real property for other state agencies.

H. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall, pursuant to the Administrative Procedures Act, promulgate rules to effect procedures necessary to the fulfillment of its responsibilities under this section.

I. The Oklahoma Ordnance Works Authority and its lands, and the Northeast Oklahoma Public Facilities Authority shall be exempt from the application of this section. The Grand River Dam Authority and its lands shall be exempt from the application of this section for any real property disposed of prior to November 1, 2006.

J. Unless otherwise provided for by law, the procedures established pursuant to this section for the sale or exchange of real estate or personal property as authorized pursuant to Sections 2222 and 2223 of this title shall be followed unless the sale is to an entity of state government.

K. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall contract with experts, professionals or consultants as necessary to perform the duties of the Department. Selections shall be made using the qualifications-based procedures established in Section 62 of Title 61 of the Oklahoma Statutes, and the rules promulgated by the Director for the selection of construction managers and design consultants.

SECTION 819. AMENDATORY 74 O.S. 2011, Section 129.4f, is amended to read as follows:

Section 129.4f The ~~Department of Central Services~~ Office of Management and Enterprise Services may:

1. Research and identify available facilities management software applications and existing facilities management software systems in other state agencies;
2. Procure facilities management software in accordance with the requirements of The Oklahoma Central Purchasing Act; and
3. Implement a comprehensive statewide facilities management software program in order to effectively identify state-owned real

property and to efficiently and fiscally manage the long-range deferred maintenance funding requirements of such real property.

State agencies that have existing facilities management software systems shall cooperate with the ~~Department~~ Office in the integration of existing and future maintenance data into the statewide system database. It shall not be a requirement that the software directly interface with any other computer system. After full operational status of the management program is achieved, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall make an annual facilities condition assessment report to the Speaker of the Oklahoma House of Representatives, the President Pro Tempore of the State Senate, and the Governor. Provisions of this section shall not apply to the physical assets, buildings, and equipment of the Oklahoma State Regents for Higher Education.

SECTION 820. AMENDATORY 74 O.S. 2011, Section 129.6, is amended to read as follows:

Section 129.6 The terms and conditions of the lease authorized by Section 129.5 of ~~Title 74 of the Oklahoma Statutes~~ this title shall include, but not be limited to, the following:

1. A provision that the lease terminates immediately with possession and use reverting to the Department of Human Services if the subject land is no longer used for sewage purposes;
2. A provision granting automatic renewal of the lease for thirty annual, fiscal terms, subject to the pro forma annual processing of lease renewals required by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services, with an option to renew upon mutual agreement of the parties for another twenty annual, fiscal terms;
3. A provision granting the Department permission to remove or use personal property or fixtures unrelated to sewage activities;
4. A provision as to payment to the Department of Human Services by providing in-kind services, or a specified payment of money at the option of the Department to be used for the Southern Oklahoma Resource Center of Pauls Valley;
5. A provision reserving any necessary easements or granting covenants; and