

1 **SENATE FLOOR VERSION**

2 March 30, 2016

3 **AS AMENDED**

4 ENGROSSED HOUSE
5 BILL NO. 3120

6 By: Martin of the House

7 and

8 Jolley of the Senate

9 **[Department of Securities - investor education
10 program - accounts - direct payment - stipends and
11 awards -**

emergency-]

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

13 SECTION 1. AMENDATORY 74 O.S. 2011, Section 85.12, as
14 last amended by Section 2, Chapter 359, O.S.L. 2014 (74 O.S. Supp.
15 2015, Section 85.12), is amended to read as follows:

16 Section 85.12 A. The provisions of this section shall not be
17 construed to affect any law relating to fiscal or accounting
18 procedure except as they may be directly in conflict herewith; and
19 all claims, warrants, and bonds shall be examined, inspected, and
20 approved as now provided by law.

21 B. Except as otherwise provided by this section, the
22 acquisitions specified in this subsection shall be made in
23 compliance with Section 85.39 of this title but are not subject to
24 other provisions of The Oklahoma Central Purchasing Act:

1 1. Food and other products produced by state institutions and
2 agencies;

3 2. The printing or duplication of publications or forms of
4 whatsoever kind or character by state agencies if the work is
5 performed upon their own equipment by their own employees. Pursuant
6 to this paragraph, the state agency may only use equipment owned or
7 leased by the agency and may only utilize that equipment for
8 printing services required by the agency in performing duties
9 imposed upon the agency or functions authorized to be performed by
10 the agency. Any use of the equipment by the agency pursuant to an
11 agreement or contract with any other entity resulting in delivery of
12 intermediate or finished products to the entity purchasing or using
13 the products shall be subject to the provisions of The Oklahoma
14 Central Purchasing Act;

15 3. Department of Transportation and Transportation Commission
16 contractual services or right-of-way purchases; contracts awarded
17 pursuant to bids let by the Transportation Commission for the
18 maintenance or construction of streets, roads, highways, bridges,
19 underpasses, or any other transportation facilities under the
20 control of the Department of Transportation, the acquisitions of
21 equipment or materials accruing to the Department of Transportation
22 required in Federal-Aid contracts; and contracts for public service
23 type announcements initiated by the Department of Transportation;

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1 but not contractual services for advertising or public relations or
2 employment services;

3 4. Utility services regulated by a state or federal regulatory
4 commission, or by municipal ordinance, or by an Indian Tribal
5 Council;

6 5. Acquisitions by the University Hospitals Authority. The
7 Authority shall develop standards for the acquisition of products
8 and services and may elect to utilize the Purchasing Division. The
9 standards shall foster economy and short response time and shall
10 include appropriate safeguards and record-keeping requirements to
11 ensure appropriate competition and economical and efficient
12 purchasing;

13 6. Contracts for custom harvesting by the Department of
14 Corrections for the Department or its institutions;

15 7. Contracts with private prison contractors which are subject
16 to the contracting procedures of Section 561 of Title 57 of the
17 Oklahoma Statutes;

18 8. Acquisitions by the Oklahoma Municipal Power Authority;

19 9. Acquisitions by the Grand River Dam Authority;

20 10. Acquisitions by rural water, sewer, gas, or solid waste
21 management districts created pursuant to the Rural Water, Sewer, Gas
22 and Solid Waste Management Districts Act;

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1 11. Acquisitions by the Oklahoma Ordnance Works Authority, the
2 Northeast Oklahoma Public Facilities Authority, or the Midwestern
3 Oklahoma Development Authority;

4 12. Contracts entered into by the Oklahoma Industrial Finance
5 Authority for the services of an appraiser or for acquisition of
6 insurance when the Authority's Board of Directors determines that an
7 emergency exists, and contracts for the services of legal counsel
8 when approved by the Attorney General;

9 13. Expenditure of monies appropriated to the State Board of
10 Education for Local and State Supported Financial Support of Public
11 Schools, except monies allocated therefrom for the Administrative
12 and Support Functions of the State Department of Education;

13 14. Expenditure of monies appropriated to the State Department
14 of Rehabilitation Services for educational programs or educational
15 materials for the Oklahoma School for the Blind and the Oklahoma
16 School for the Deaf;

17 15. Contracts entered into by the Oklahoma Department of Career
18 and Technology Education for the development, revision, or updating
19 of vocational curriculum materials, and contracts entered into by
20 the Oklahoma Department of Career and Technology Education for
21 training and supportive services that address the needs of new or
22 expanding industries;

23 16. Contracts entered into by the Oklahoma Center for the
24 Advancement of Science and Technology for professional services;

1 17. Contracts entered into by the Oklahoma Department of
2 Commerce pursuant to the provisions of Section 5066.4 of this title;

3 18. Acquisitions made by the Oklahoma Historical Society from
4 monies used to administer the White Hair Memorial;

5 19. Acquisitions available to an agency through a General
6 Services Administration (GSA) contract or other federal contract if
7 the acquisition is on current statewide contract and the terms of
8 the GSA or other federal contract, as determined by the State
9 Purchasing Director, are more favorable to the agency than the terms
10 of a statewide contract for the same products;

11 20. Purchases of pharmaceuticals available through a multistate
12 or multigovernmental contract if such pharmaceuticals are or have
13 been on state contract within the last fiscal year, and the terms of
14 such contract are more favorable to the state or agency than the
15 terms of a state contract for the same products, as determined by
16 the State Purchasing Director. The state entity designated by law,
17 as specified in Section 1010.3 of Title 56 of the Oklahoma Statutes,
18 shall participate in the purchase of pharmaceuticals available
19 through such contracts;

20 21. Contracts for managed health care services entered into by
21 the state entity designated by law or the Department of Human
22 Services, as specified in paragraph 1 of subsection A of Section
23 1010.3 of Title 56 of the Oklahoma Statutes;

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1 22. Acquisitions by the Forestry Service of the Oklahoma
2 Department of Agriculture, Food, and Forestry as authorized by the
3 federal General Services Administration through a General Services
4 Administration contract or other federal contract if the
5 acquisitions are not on current statewide contract or the terms of
6 the federal contract are more favorable to the agency than the terms
7 of a statewide contract for the same products;

8 23. Acquisitions of clothing for clients of the Department of
9 Human Services and acquisitions of food for group homes operated by
10 the Department of Human Services;

11 24. Acquisitions by the Oklahoma Energy Resources Board;

12 25. Acquisitions of clothing for juveniles in the custody of
13 the Office of Juvenile Affairs and acquisitions of food for group
14 homes operated by the Office of Juvenile Affairs;

15 26. State contracts for flexible benefits plans pursuant to the
16 Oklahoma State Employees Benefits Act, Section 1361 et seq. of this
17 title;

18 27. Acquisitions by the Department of Securities to
19 investigate, initiate, or pursue administrative, civil, or criminal
20 proceedings involving potential violations of the acts under the
21 Department's jurisdiction and acquisitions by the Department of
22 Securities for its investor education program;

23 28. Acquisitions by the Native ~~America~~ American Cultural and
24 Educational Authority and acquisitions by the Oklahoma Department of

1 Commerce to assist the Native American Cultural and Educational
2 Authority pursuant to Section 5017 of this title;

3 29. Acquisitions for resale in and through canteens operated
4 pursuant to Section 537 of Title 57 of the Oklahoma Statutes;

5 30. Acquisitions by the Oklahoma Boll Weevil Eradication
6 Organization for employment and personnel services, and for
7 acquiring sprayers, blowers, traps, and attractants related to the
8 eradication of boll weevils in this state or as part of a national
9 or regional boll weevil eradication program;

10 31. Contracts entered into by the Oklahoma Indigent Defense
11 System for expert services pursuant to the provisions of subsection
12 D of Section 1355.4 of Title 22 of the Oklahoma Statutes;

13 32. Acquisitions by the Oklahoma Correctional Industries and
14 the Agri-Services programs of the Department of Corrections of raw
15 materials, component parts and other products, any equipment
16 excluding vehicles, and any services excluding computer consultant
17 services used to produce goods or services for resale and for the
18 production of agricultural products;

19 33. Contracts entered into by the Department of Human Services
20 for provision of supported living services to members of the
21 plaintiff class in *Homeward Bound, Inc., et al. v. The Hissom*
22 *Memorial Center, et al.*, Case Number 85-C-437-E, United States
23 District Court for the Northern District of Oklahoma;

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1 34. Contracts negotiated by the Office of Juvenile Affairs with
2 designated Youth Services Agencies and the Oklahoma Association of
3 Youth Services, or another Oklahoma nonprofit corporation whose
4 membership consists solely of Youth Services Agencies and of whom at
5 least a majority of Youth Services Agencies are members, pursuant to
6 the provisions of Section 2-7-306 of Title 10A of the Oklahoma
7 Statutes and contracts entered into by the Department of Human
8 Services pursuant to Section 1-9-110 of Title 10A of the Oklahoma
9 Statutes with designated Youth Services Agencies;

10 35. Contracts not to exceed One Hundred Thousand Dollars
11 (\$100,000.00) entered into by the Department of Environmental
12 Quality for engineering services to assist qualifying small
13 municipalities or rural water or sewer districts with engineering
14 reports or plans and specifications needed for construction or
15 repairs to achieve compliance with federal and state public water
16 supply or wastewater laws and regulations; and

17 36. Contracts for annuities for structured settlements provided
18 for in Section 158 of Title 51 of the Oklahoma Statutes.

19 C. Pursuant to the terms of a contract the State Purchasing
20 Director enters into or awards, a state agency, common school,
21 municipality, rural fire protection district, county officer, or any
22 program contract, purchase, acquisition or expenditure that is not
23 subject to the provisions of The Oklahoma Central Purchasing Act,
24 may, unless acting pursuant to a contract with the state that

1 specifies otherwise, make use of statewide contracts and the
2 services of the Purchasing Division and the State Purchasing
3 Director. Any political subdivision or rural fire protection
4 district may designate the State Purchasing Director as its agent
5 for any acquisition from a statewide contract or otherwise available
6 to the state.

7 D. The State Purchasing Director shall make periodic audits of
8 the purchasing procedures of the Oklahoma Ordnance Works Authority,
9 the Northeast Oklahoma Public Facilities Authority, the University
10 Hospitals Authority, and the Midwestern Oklahoma Development
11 Authority to ensure that the procedures are being followed.

12 SECTION 2. AMENDATORY 74 O.S. 2011, Section 500.2, as
13 last amended by Section 1, Chapter 352, O.S.L. 2015 (74 O.S. Supp.
14 2015, Section 500.2), is amended to read as follows:

15 Section 500.2 A. Officials and employees of the state,
16 traveling on authorized state business, may be reimbursed for
17 expenses incurred in such travel in accordance with the provisions
18 of the State Travel Reimbursement Act and existing statutes relating
19 to state travel. Persons who are not state employees, but who are
20 performing substantial and necessary services to the state which
21 have been directed or approved by the appropriate department
22 official shall enjoy the protection of the sovereign immunity of the
23 state to the same extent as a paid employee. Such persons may be
24 reimbursed for expenses incurred during authorized official travel

1 under these same statutory provisions, provided it is indicated on
2 the claim the person is not a state employee, a description of
3 services performed is entered, and the agency head by approval of
4 the claim certifies such services were substantial and necessary,
5 and germane to the duties and functions of the reimbursing agency.
6 Travel expenses incurred by a person during the course of seeking
7 employment with a state agency, unless such travel is performed at
8 the request of the employing agency, shall not be considered
9 expenses incurred in performing substantial and necessary services
10 to the state and shall not be reimbursed under the provisions of the
11 State Travel Reimbursement Act.

12 B. The chief administrative officer of the Department of Public
13 Safety, the Oklahoma State Bureau of Investigation, the Oklahoma
14 State Bureau of Narcotics and Dangerous Drugs Control, the Military
15 Department of the State of Oklahoma, the Department of Corrections,
16 the Office of Management and Enterprise Services, the Alcoholic
17 Beverage Laws Enforcement Commission, the Oklahoma Department of
18 Agriculture, Food, and Forestry, the Oklahoma Department of
19 Emergency Management, the State Fire Marshal, and the State
20 Department of Health may arrange for and charge meals and lodging
21 for a contingent of state personnel moved into an area for the
22 purpose of preserving the public health, safety, or welfare or for
23 the protection of life or property. The cost for meals or lodging
24 so charged shall not exceed the amount authorized in the State

1 Travel Reimbursement Act. The chief administrative officer of each
2 agency involved in such an operation shall require the vendor
3 furnishing meals, lodging, or both meals and lodging to submit an
4 itemized statement for payment. When a claim for lodging is made
5 for a contingent of state personnel, individual members of the
6 contingent may not submit a claim for lodging. When a claim for
7 meals is made for a contingent of state personnel, individual
8 members of the contingent may not submit a claim for meals.

9 C. The Oklahoma Department of Commerce, the Oklahoma Center for
10 the Advancement of Science and Technology, and the Oklahoma
11 Department of Agriculture, Food, and Forestry are hereby authorized
12 to enter into contracts and agreements for the payment of food,
13 lodging, meeting facility and beverage expenses as may be necessary
14 for sponsoring seminars and receptions relating to economic
15 development and science and technology issues. Such expenses may be
16 paid directly to the contracting agency or business establishment.
17 The Director of the Oklahoma Department of Commerce, the President
18 of the Oklahoma Center for the Advancement of Science and
19 Technology, and the Commissioner of Agriculture shall each provide a
20 quarterly report of such expenditures to the Governor, the Speaker
21 of the House of Representatives and the President Pro Tempore of the
22 Senate.

23 D. The Native American Cultural and Educational Authority is
24 hereby authorized to enter into contracts and agreements for the

1 payment of food, lodging, and meeting facility as may be necessary
2 to pursue the promotion of fundraising, marketing, and development
3 of Native American educational programs and cultural projects, or to
4 sponsor luncheons, seminars, and receptions relating to Native
5 American educational, cultural, museum, and economic development
6 issues. Such expenses may be paid directly to the contracting
7 agency or business establishment. The Executive Director shall
8 provide a monthly report of expenditures to the Board.

9 E. For purposes of this section:

10 1. "State agency" means any constitutionally or statutorily
11 created state board, commission, or department, including the
12 Legislature and the Courts;

13 2. State agencies are authorized to enter into contracts and
14 agreements for the payment of food and lodging expenses as may be
15 necessary for employees or other persons who are performing
16 substantial and necessary services to the state by attending
17 official conferences, meetings, seminars, workshops, or training
18 sessions or in the performance of their duties. Such expenses may
19 be paid directly to the contracting agency or business
20 establishment, provided the meeting qualifies for overnight travel
21 for the employees and the cost for food and lodging for each
22 employee shall not exceed the total daily rate as provided in the
23 State Travel Reimbursement Act;

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1 3. State agencies are authorized to enter into contracts and
2 agreements for the payment of conference registration expenses as
3 may be necessary for employees or other persons who are performing
4 substantial and necessary services to the state by attending
5 official conferences, meetings, seminars, workshops, or training
6 sessions. Such expenses may be paid directly to the contracting
7 agency or business establishment; and

8 4. State agencies are authorized to enter into contracts and
9 agreements for the payment of food and lodging expenses as may be
10 necessary for employees attending an official course of instruction
11 or training conducted or sponsored by any state agency. Expenses
12 may be paid directly to the contracting agency or business
13 establishment. The cost for food and lodging for each employee
14 shall not exceed the total daily rate as provided in the State
15 Travel Reimbursement Act.

16 F. State agencies are authorized to make direct purchases of
17 commercial airline tickets for use by employees in approved out-of-
18 state travel. Each claim or invoice submitted to the Director of
19 the Office of Management and Enterprise Services for the payment of
20 the purchase shall bear the airline identifying ticket number, the
21 name of the airline, total cost of each ticket purchased, class of
22 accommodation and name of the employee for whom the ticket was
23 purchased, and shall be filed on claim forms as prescribed by the
24 Director of the Office of Management and Enterprise Services. The

1 employee shall sign an affidavit stating that the employee used a
2 direct purchase commercial airline ticket received for his or her
3 approved out-of-state travel, or in lieu of the affidavit, the
4 employee may file a travel claim in connection with said airline
5 flight.

6 G. 1. The Director of the Office of Management and Enterprise
7 Services is hereby authorized to enter into contracts and agreements
8 for the payment of food, lodging, and other authorized expenses as
9 may be necessary to host, conduct, sponsor, or participate in
10 conferences, meetings, or training sessions. The Director may
11 establish accounts as necessary for the collection and distribution
12 of funds, including funds of sponsors and registration fees, related
13 to such conferences, meetings, and training sessions. Expenses
14 incurred may be paid directly to the contracting agency or business
15 establishment.

16 2. The cost of food for persons attending any conferences,
17 meetings, and training sessions that do not require overnight travel
18 shall not exceed the total daily rate as provided in the State
19 Travel Reimbursement Act.

20 H. 1. The Commissioner of the Department of Mental Health and
21 Substance Abuse Services is hereby authorized to enter into
22 contracts and agreements for the payment of food, lodging, and other
23 authorized expenses as may be necessary to host, conduct, sponsor,
24 or participate in conferences, meetings, or training sessions. The

1 Commissioner may establish accounts as necessary for the collection
2 and distribution of funds, including funds of sponsors and
3 registration fees, related to such conferences, meetings, and
4 training sessions. Any expenses incurred may be paid directly to
5 the contracting agency or business establishment.

6 2. The cost of food for persons attending any conferences,
7 meetings, and training sessions that do not require overnight travel
8 shall not exceed the total daily rate as provided in the State
9 Travel Reimbursement Act.

10 I. The Oklahoma Indigent Defense System is hereby authorized to
11 enter into contracts and agreements for the payment of lodging as
12 necessary for employees to carry out their duties in representing
13 any client whom the System has been properly appointed to represent.
14 Such expenses may be paid directly to the contracting agency or
15 business establishment. The cost for lodging for each employee
16 shall not exceed the daily rate as provided in the State Travel
17 Reimbursement Act.

18 J. The Oklahoma Tourism and Recreation Department is hereby
19 authorized to enter into contracts and agreements for the payment of
20 food, lodging, and meeting facility and beverage expenses as may be
21 necessary for seminars and receptions relating to familiarization
22 tours and tourism development. The expenses may be paid directly to
23 the contracting agency or business establishment. The Executive
24 Director of the Oklahoma Tourism and Recreation Department shall

1 provide a monthly report of any such expenditures to the Oklahoma
2 Tourism and Recreation Commission.

3 K. The Oklahoma Tourism and Recreation Department is hereby
4 authorized to enter into contracts and agreements for the payment of
5 exhibitor fees and display space charges at expositions to promote
6 the Department's recreational facilities and the tourism and
7 recreation industry. The expenses may be paid directly to the
8 contracting agency or business establishment; provided that no
9 payment shall be made prior to the event unless it conveys a
10 property right to the state for future availability and use.

11 L. 1. The Oklahoma Highway Safety Office of the Department of
12 Public Safety is hereby authorized to enter into contracts and
13 agreements for the payment of food, lodging, and other authorized
14 expenses as may be necessary, to host, conduct, sponsor, or
15 participate in highway-safety-related conferences, workshops,
16 seminars, meetings, or training sessions. The payments shall be for
17 all persons in attendance, including, but not limited to, employees
18 of political subdivisions or employees of the state or federal
19 government. For purposes specified in this paragraph, only federal
20 highway safety funds may be used in accordance with federal
21 guidelines and regulations, and no appropriated state funds shall be
22 used.

23 2. The cost of food for persons attending any highway safety
24 conferences, workshops, seminars, meetings, and training sessions

1 that do not require overnight travel shall not exceed the total
2 daily rate as provided in the State Travel Reimbursement Act.

3 M. 1. The Director of the Oklahoma State Bureau of
4 Investigation is hereby authorized to enter into contracts and
5 agreements for the payment of food, lodging and other authorized
6 expenses as may be necessary to host, conduct, sponsor or
7 participate in any conference, meeting, training session or
8 initiative to promote the mission and purposes of the Bureau. The
9 payments may be for all persons in attendance, including, but not
10 limited to, employees of political subdivisions or employees of the
11 state or federal government.

12 2. The cost of food for persons that do not require overnight
13 travel shall not exceed the total daily rate as provided in the
14 State Travel Reimbursement Act.

15 N. The Oklahoma Homeland Security Director is hereby authorized
16 to enter into contracts and agreements for the payment of food,
17 lodging and other authorized expenses as may be necessary to host,
18 conduct, sponsor, or participate in homeland-security-related
19 conferences, meetings, workshops, seminars, exercises or training
20 sessions. The expenses may be paid directly to the contracting
21 agency or business establishment.

22 O. 1. The Insurance Commissioner of the Insurance Department
23 of the State of Oklahoma is hereby authorized to enter into
24 contracts and agreements for the payment of food, lodging, and other

1 authorized expenses as may be necessary to host, conduct, sponsor,
2 or participate in conferences, meetings, or training sessions. The
3 Commissioner may establish accounts as necessary for the collection
4 and distribution of funds, including funds of sponsors and
5 registration fees, related to such conferences, meetings, and
6 training sessions. Any expenses incurred may be paid directly to
7 the contracting agency or business establishment.

8 2. The cost of food for persons attending any conferences,
9 meetings, and training sessions that do not require overnight travel
10 shall not exceed the total daily rate as provided in the State
11 Travel Reimbursement Act.

12 P. 1. The State Regents for Higher Education is hereby
13 authorized to enter into contracts and agreements for the payment of
14 food, lodging, and other authorized expenses as may be necessary to
15 host, conduct, sponsor, or participate in conferences, meetings, or
16 training sessions. The State Regents for Higher Education may
17 establish accounts as necessary for the collection and distribution
18 of funds, including funds of sponsors and registration fees, related
19 to such conferences, meetings, and training sessions. Any expenses
20 incurred may be paid directly to the contracting agency or business
21 establishment.

22 2. The cost of food for persons attending any conferences,
23 meetings, and training sessions that do not require overnight travel
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1 shall not exceed the total daily rate as provided in the State
2 Travel Reimbursement Act.

3 Q. 1. The Office of Educational Quality and Accountability is
4 hereby authorized to enter into contracts and agreements for the
5 payment of food, lodging, and other authorized expenses as may be
6 necessary to host, conduct, sponsor, or participate in conferences,
7 meetings, or training sessions. The Office of Educational Quality
8 and Accountability may establish accounts as necessary for the
9 collection and distribution of funds, including funds of sponsors
10 and registration fees, related to such conferences, meetings, and
11 training sessions. Any expenses incurred may be paid directly to
12 the contracting agency or business establishment.

13 2. The cost of food for persons attending any conferences,
14 meetings, and training sessions that do not require overnight travel
15 shall not exceed the total daily rate as provided in the State
16 Travel Reimbursement Act.

17 R. 1. The Department of Securities is hereby authorized to
18 enter into contracts and agreements for the payment of food,
19 lodging, meeting facility, facilitator fees and travel expenses,
20 exhibitor fees and other authorized expenses as may be necessary to
21 host, conduct, sponsor or participate in conferences, meetings,
22 training sessions or initiatives promoting or otherwise relating to
23 investor education. The Department of Securities may establish
24 accounts as necessary for the collection and distribution of funds,

1 including funds of sponsors and registration fees, relating to such
2 conferences, meetings, training sessions or initiatives. The
3 payments may be for all persons in attendance, including, but not
4 limited to, employees of the state or federal government or
5 employees of political subdivisions of the state, including
6 employees of boards of public education. Expenses incurred may be
7 paid directly to the contracting agency or business establishment.

8 2. The cost of food for persons attending any conferences,
9 meetings and training sessions that do not require overnight travel
10 shall not exceed the total daily rate as provided in the State
11 Travel Reimbursement Act.

12 3. The Department of Securities is hereby authorized to pay
13 stipends to teachers participating in the investor education program
14 and monetary achievement awards to select participating students.
15 No appropriated state funds shall be used.

16 S. Whenever possible it shall be the policy of each state
17 agency to prepay airline fares and lodging expenses using a purchase
18 card issued to the agency. This policy shall apply to instances
19 where employees of the agency are traveling on behalf of state
20 government.

21 ~~**SECTION 3. It being immediately necessary for the preservation**~~
22 ~~**of the public peace, health and safety, an emergency is hereby**~~
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1 ~~declared to exist, by reason whereof this act shall take effect~~
2 ~~and be in full force from and after its passage and approval.~~

3 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
4 March 30, 2016 - DO PASS AS AMENDED
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