



1 SECTION 2. AMENDATORY 62 O.S. 2011, Section 34.36, as  
2 last amended by Section 1, Chapter 125, O.S.L. 2014 (62 O.S. Supp.  
3 2014, Section 34.36), is amended to read as follows:

4 Section 34.36. A. On the first day of October preceding each  
5 regular session of the Legislature, each state agency, including  
6 those created or established pursuant to constitutional provisions,  
7 shall report to the Director of the Office of Management and  
8 Enterprise Services and the Chair and Vice Chair of the Legislative  
9 Oversight Committee on State Budget Performance an itemized request  
10 showing the amount needed for the ensuing fiscal year beginning with  
11 the first day of July.

12 B. The forms which must be used in making these reports shall  
13 be approved by the Director of the Office of Management and  
14 Enterprise Services and the Legislative Oversight Committee on State  
15 Budget Performance.

16 C. The forms shall be uniform, and shall clearly designate the  
17 information to be given.

18 D. The information provided shall include, but not be limited  
19 to:

20 1. A budget analysis of existing and proposed programs  
21 utilizing ~~zero-based~~ performance-informed budgeting techniques.  
22 Such analysis shall be included as a part of the estimate of funds  
23 needed;

24

UNDERLINED language denotes Amendments to present Statutes.  
**BOLD FACE CAPITALIZED** language denotes Committee Amendments.  
~~Strike thru~~ language denotes deletion from present Statutes.

- 1        2. A statement listing any other state, federal or local
- 2 agencies which administer a similar or cooperating program and an
- 3 outline of the interaction among such agencies;
- 4        3. A statement of the statutory authority for the missions and
- 5 quantified objectives of each program;
- 6        4. A description of the groups of people served by each program
- 7 in the agency;
- 8        5. A quantification of the need for the program;
- 9        6. A description of the tactics which are intended to
- 10 accomplish each objective;
- 11        7. A list of quantifiable program outcomes which measure the
- 12 efficiency and effectiveness of each program;
- 13        8. A ranking of these programs by priority;
- 14        9. Actual program expenditures for the current fiscal year and
- 15 prior fiscal years and the number of personnel required to
- 16 accomplish each program;
- 17        10. Revenues expected to be generated by each program, if any;
- 18        11. With respect to appropriated state agencies, a detailed
- 19 listing of all employees and resources dedicated to the provision of
- 20 financial services including but not limited to procurement,
- 21 payroll, accounts receivable and accounts payable. The provisions
- 22 of this paragraph shall not be applicable to the Oklahoma State
- 23 Regents for Higher Education or to any institutions within The
- 24 Oklahoma State System of Higher Education; and

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

8 E. These appropriated agencies shall make an itemized estimate  
9 of needs and request for funds for the ensuing fiscal year and an  
10 estimate of the revenues from all sources to be received by the  
11 agency during the ensuing fiscal year.

12 F. The Director of the Office of Management and Enterprise  
13 Services shall submit to the Governor and the Legislative Oversight  
14 Committee on State Budget Performance no later than the fifth day of  
15 October a complete list of all spending agencies which have failed  
16 to submit budgets by October 1.

17 G. The reports required by this section shall include an  
18 itemized listing of outstanding capital lease debt and estimated  
19 capital lease needs for the ensuing fiscal year, and shall be  
20 provided on forms prescribed by the Director of the Office of  
21 Management and Enterprise Services.

22 H. For the purposes of this section, "capital lease" means a  
23 lease-purchase agreement which provides an option for the State of  
24 Oklahoma or its agencies to purchase property, including personal

1 and real property, which is the subject thereof and/or a lease  
2 agreement that provides an option for the State of Oklahoma or its  
3 agencies to lease such property, which is the subject thereof, at a  
4 nominal annual amount, after a period in which leased property is  
5 rented at fair market value.

6 I. The provisions of this section shall not apply to CompSource  
7 Oklahoma if CompSource Oklahoma is operating pursuant to a pilot  
8 program authorized by Sections 3316 and 3317 of Title 74 of the  
9 Oklahoma Statutes.

10 J. Not later than January 1, the Director of the Office of  
11 Management and Enterprise Services shall publish a shared services  
12 cost-performance assessment report documenting the amount of each  
13 state agency's cost for providing shared services. The lowest  
14 ranking state agencies shall enter into a contract with the Office  
15 of Management and Enterprise Services for the provision of shared  
16 financial services, provided that the Director of the Office of  
17 Management and Enterprise Services determines that implementation of  
18 such a contract would be feasible and documents that the contractual  
19 agreement will result in cost savings or efficiencies to the state.  
20 Contracts required by this subsection shall be entered into at the  
21 start of the next fiscal year. When a state agency is contracted  
22 with the Office of Management and Enterprise Services for the  
23 provision of shared financial services, the agency may discontinue  
24 using shared services when documentation showing that the agency can

1 provide the services at a lower cost to the state is provided to and  
2 approved by the Director of the Office of Management and Enterprise  
3 Services. As used in this subsection, "shared services" means  
4 process, resource utilization or action as defined by administrative  
5 rule. On a yearly basis the Director of the Office of Management  
6 and Enterprise Services shall compile and publish a report  
7 documenting the cost savings resulting from shared services  
8 contracts. The provisions of this subsection shall not be  
9 applicable to the Oklahoma State Regents for Higher Education or to  
10 any institutions within The Oklahoma State System of Higher  
11 Education.

12 SECTION 3. AMENDATORY 62 O.S. 2011, Section 34.96, as  
13 amended by Section 411, Chapter 304, O.S.L. 2012 (62 O.S. Supp.  
14 2014, Section 34.96), is amended to read as follows:

15 Section 34.96. A. There is hereby established the Legislative  
16 Oversight Committee on State Budget Performance. The purposes of  
17 this committee shall include oversight of the implementation of a  
18 system of program performance-based budgeting for implementation by  
19 state agencies.

20 B. The Committee's duties shall also include:

21 1. Development of agency budget request forms and instructions  
22 in conjunction with the Office of Management and Enterprise  
23 Services;

24

1           2. Directing studies to aid in the development of legislative  
2 and procedural changes to further improve the budgetary, financial,  
3 accounting, reporting, personnel, and purchasing processes and  
4 systems of the state;

5           3. Direction of program evaluation and management studies;

6           4. Oversight and reporting on executive branch compliance with  
7 the legislative intent of appropriation measures. Such oversight  
8 and reporting duties may include:

9                 a. agency reorganization actions,

10                b. executive orders calling for reduction of full-time-  
11                    equivalents or hiring freezes, and

12                c. transfer of funds by the executive branch;

13           5. The development of revenue and expenditure estimates and  
14 analyses;

15           6. Study of the management, operations, programs and fiscal  
16 needs of the agencies and institutions of Oklahoma state government  
17 pursuant to the Oklahoma Program Performance Budgeting and  
18 Accountability Act;

19           7. Review of the executive budget, agency strategic plans and  
20 the estimate of needs of each state agency and institution. Reports  
21 may be issued by the Committee as it deems appropriate; and

22           8. Implementation of an ongoing evaluation review procedure of  
23 existing programs based on ~~zero-base~~ performance-informed budgeting  
24 techniques pursuant to the Oklahoma Program Performance Budgeting

1 and Accountability Act. The committee in cooperation with the  
2 Office of Management and Enterprise Services shall establish a  
3 schedule to review strategic plans and existing programs for each  
4 agency a minimum of once every four (4) years. The committee shall  
5 issue an evaluation report for each agency once every four (4) years  
6 which will include but not be limited to the following information:

- 7 a. a review of the agency's programs, performance and  
8 management,
- 9 b. whether the agency has demonstrated that there is a  
10 need for the services and programs which justifies the  
11 agency's continued existence,
- 12 c. whether the agency is the most appropriate provider of  
13 the programs and services furnished by the agency.

14 C. Any reference in the Oklahoma Statutes to the Joint  
15 Legislative Committee on Budget and Program Oversight shall be a  
16 reference to the Legislative Oversight Committee on State Budget  
17 Performance.

18 D. The Committee shall be composed of three members appointed  
19 by the President Pro Tempore of the Senate, three members appointed  
20 by the Speaker of the House of Representatives, two members by the  
21 minority leader of the Senate and two members appointed by the  
22 minority leader of the House of Representatives. The Chair and Vice  
23 Chair of the Committee shall rotate every two (2) years between the  
24 Senate and the House of Representatives beginning with a Senate



1 member serving as Chair in 2003. The Committee shall meet at least  
2 four (4) times per year and at other times as called by the Chair.  
3 The Legislative Oversight Committee on State Budget Performance  
4 shall function as a committee of the Legislature when the  
5 Legislature is in session and is not in session. Each member of the  
6 Committee shall serve until a successor is appointed. The duties of  
7 the Committee may be performed by the Appropriations Committee of  
8 the Senate and the Appropriations and Budget Committee of the House  
9 of Representatives or subcommittees thereof.

10 E. The Committee shall be staffed jointly by the staff of the  
11 fiscal divisions of the Senate and the House of Representatives.

12 F. The Committee may make use of all available teleconferencing  
13 technology to facilitate meetings of the Committee when the  
14 Legislature is not in session. The Committee shall take any  
15 appropriate action to make such teleconferenced meetings comply with  
16 the provisions of the Oklahoma Open Meeting Act, Section 301 et seq.  
17 of Title 25 of the Oklahoma Statutes.

18 G. The Committee shall periodically meet in different  
19 geographical regions of the state to enhance the Committee's  
20 understanding of local conditions and to help educate the public as  
21 to the fiscal condition of the state.

22 SECTION 4. AMENDATORY 74 O.S. 2011, Section 3914, is  
23 amended to read as follows:

24

1 Section 3914. When any statutory entities are under review for  
2 sunset, said entities shall bear the burden of establishing that a  
3 sufficient public need is present which justifies their continued  
4 existence. All said entities shall provide the appropriate House  
5 and Senate sunset committees with the following information:

6 1. A ~~zero-based~~ performance-informed operating budget review  
7 and analysis, including a summary of all income and expenditures;

8 2. The identity of all units and subunits under the direct or  
9 advisory control of the statutory entity under review;

10 3. All powers, duties and functions currently performed by the  
11 statutory entity under review;

12 4. All statutory or other authority under which said powers,  
13 duties and functions of the statutory entity are carried out;

14 5. Any powers, duties or functions which, in the opinion of the  
15 statutory entity under review, are being performed and duplicated by  
16 another statutory entity within the state including the manner in  
17 which, and the extent to which, this duplication of efforts is  
18 occurring and any recommendations as to eliminating such a  
19 situation;

20 6. Any powers, duties or functions which, in the opinion of the  
21 statutory entity under review, are inconsistent with current and  
22 projected public demands and should be terminated or altered; and  
23  
24

1           7. Any other information which the appropriate House or Senate  
2 sunset committee, in its discretion, feels is necessary and proper  
3 in carrying out its duties.

4           SECTION 5. This act shall become effective July 1, 2015.

5           SECTION 6. It being immediately necessary for the preservation  
6 of the public peace, health and safety, an emergency is hereby  
7 declared to exist, by reason whereof this act shall take effect and  
8 be in full force from and after its passage and approval.

9  
10 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
11 04/01/2015 - DO PASS.

12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24