



# H.B. 1044

RE: H.B. 1044

SUBJECT: State Employees

House Bill 1044 becomes effective August 20, 2015. This bill would allow for a state agency to establish an employee suggestion program.

- Section 1: Allows for any state agency employing more than 10 full-time employees to establish a State Employee Suggestion program to promote efficiency and effectiveness of government operations.
  - A state agency which implements an employee suggestion that results in direct cost savings to the agency of \$5,000 or more may give the employee a financial award. The award cannot exceed 20% of the cost savings, and an employee cannot receive more than one award in a single year. Agencies can implement the program as they deem appropriate.
  - Certain suggestions are not eligible including grievances, classification and pay, issues already under study, issues that are a result of an audit, budget or fiscal study, issues requiring legislation, or from a suggester that applies for a patent.
  - The Office of Management and Enterprise Services is directed to promulgate rules for implementation.
- Section 3 and Section 4: Eliminate the Committee for Incentive Awards for State Employees and its authority.

Should you have any questions related to this bill, please contact Mr. Lance Nelson, Chief of Staff, (405) 521-4516 or Ms. Carolyn Thompson, Director of Government Affairs, at (405) 522-3520.

Amendment to: 74 O.S. 4111, 4115A, 4119

New Law at: 74 O.S. 1604

Repealed: 74 O.S. 4112, 4113, 4116, 4117, 4118, 4120



# An Act

ENROLLED HOUSE

BILL NO. 1044

By: Walker of the House

and

Treat of the Senate

An Act relating to state employees; establishing a State Employee Suggestion Program; stating purpose; providing for financial rewards; stating limitation for certain payments; authorizing the Office of Management and Enterprise Services to promulgate rules; amending 74 O.S. 2011, Sections 4111, 4115A and 4119, as amended by Section 1016, Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2014, Section 4119), which relate to the Incentive Awards for State Employees Act; clarifying language; transferring certain duties relating to administration of the Incentive Awards for State Employees program to the Office of Management and Enterprise Services; removing certain duties from the Committee for Incentive Awards for State Employees; repealing 74 O.S. 2011, Sections 4112, as amended by Section 1015, Chapter 304, O.S.L. 2012, 4113, 4116, 4117, 4118 and 4120, as amended by Section 1017, Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2014, Sections 4112 and 4120), which relate to the Incentive Awards for State Employees program; and providing for codification.

SUBJECT: State employees

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1604 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. Every state agency employing more than ten full-time-equivalent employees may develop a State Employee Suggestion

Program. The purpose of the program shall be to promote efficiency and effectiveness of state governmental operations by providing economic incentives to employees who make suggestions which result in direct cost savings.

B. A state agency which implements a suggestion made by an employee which results in direct cost savings to the agency of Five Thousand Dollars (\$5,000.00) or more may financially reward the employee. The amount of any such award shall not exceed twenty percent (20%) of the cost savings to the agency. No state employee shall be eligible to receive more than one award payment in any single fiscal year. Each agency shall be responsible for implementing a State Employee Suggestion Program as it deems appropriate in accordance with the provisions of this section.

C. Suggestions pertaining to the following areas shall not be eligible for awards: grievances; classification and pay; matters already recommended for study, review or summary; matters which are the result of assigned or contracted audits, budget and fiscal preparations studies, surveys, reviews or research; matters requiring the enactment of legislation; and a suggester who applies for patent rights to his or her suggestion is not eligible for an award.

D. The Office of Management and Enterprise Services shall promulgate rules and establish policies as necessary to implement the State Employee Suggestion Program.

SECTION 2. AMENDATORY 74 O.S. 2011, Section 4111, is amended to read as follows:

Section 4111. Sections ~~4~~ 4111 through ~~40~~ 4122 of this ~~act~~ title shall be known and may be cited as the "Incentive Awards for State Employees Act".

SECTION 3. AMENDATORY 74 O.S. 2011, Section 4115A, is amended to read as follows:

Section 4115A. Pursuant to rules ~~and regulations~~ promulgated by the ~~Committee for Incentive Awards for State Employees~~ Office of Management and Enterprise Services, state employees shall be recognized for their length of service to the state. Recognition shall consist of certificates and lapel pins. The longevity award shall be made at five-year intervals during the month following the anniversary date of the employee to recognize years of service as

defined in Section ~~805.2~~ 840-2.18 of Title ~~74~~ of the ~~Oklahoma Statutes~~ this title. The cost of the incentive award shall be billed to the employing agency.

SECTION 4. AMENDATORY 74 O.S. 2011, Section 4119, as amended by Section 1016, Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2014, Section 4119), is amended to read as follows:

~~Section 4119. At the conclusion of the eligible fiscal year, subject to the rules and regulations promulgated by the Committee, the Committee shall compare the unit dollar expenditures for that year of each agency, department, commission, office, or defined work unit or work teams against the base year data and, after making such adjustments as in the judgment of the Committee are required to eliminate distortions, shall determine the amount, if any, that the agency, department, commission, office, or defined work unit or work teams has reduced its unit dollar cost of operations or increased its level of services in the eligible fiscal year. Adjustments to eliminate distortions may include any legislative increases in employee compensation and inflationary increases in the cost of services, materials, or supplies. If the Committee shall determine an agency, department, commission, or office qualifies for award, it may award, after consultation with the Office of Management and Enterprise Services, to the employees of that agency, department, commission, office, defined work unit or work teams a sum not in excess of twenty-five percent (25%) of the amount determined to be the total unit dollar savings to the state for the level of services rendered. Incentive pay awards provided pursuant to the provisions of the Incentive Awards for State Employees Act shall be exempt from retirement contributions and shall not be included for the purpose of computing a retirement allowance pursuant to any public retirement system of this state. The amount awarded shall be divided and distributed in equal shares to the employees of the agency, department, commission, office, defined work unit or work teams except that employees who have worked for the agency, department, commission, office, defined work unit or work teams less than the full twelve (12) months of the fiscal year shall receive only a pro rata share based on the fraction of the year said employees have worked for that agency, department, commission, office, defined work unit or work teams. Employees voluntarily leaving the employment of state government or employees dismissed for cause shall forfeit their share. Funds for this incentive pay shall be drawn from the operating expenses of the agency, department, commission, or office for the eligible fiscal year. No nominations for a unit incentive compensation award shall be made~~

~~until the nominating agency, department, commission, or office assures that funds for said award are available. Funds for the payment of unit incentive compensation awards shall be considered encumbered to the extent said awards are approved by the Committee.~~

SECTION 5. REPEALER 74 O.S. 2011, Sections 4112, as amended by Section 1015, Chapter 304, O.S.L. 2012, 4113, 4116, 4117, 4118 and 4120, as amended by Section 1017, Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2014, Sections 4112 and 4120), are hereby repealed.

Passed the House of Representatives the 4th day of May, 2015.

  
Presiding Officer of the House  
of Representatives

Passed the Senate the 22nd day of April, 2015.

  
Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 5<sup>th</sup>

day of May, 20 15, at 4:11 o'clock P M.

By: Audrey Ledwell

Approved by the Governor of the State of Oklahoma this 11<sup>th</sup>

day of May, 20 15, at 2:06 o'clock P M.

  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 11<sup>th</sup>

day of May, 20 15, at 5:22 o'clock P M.

By: C. Benze





## S.B. 189

RE: S.B. 189

SUBJECT: State Budgeting

Senate Bill 189 becomes effective July 1, 2015. This bill creates the Oklahoma Performance Informed Budget and Transparency Act of 2015.

- Current law directs that each state agency is to present an itemized request showing the amount needed for the upcoming fiscal year to the Office of Management and Enterprise Services (OMES) and the state Legislature. Budgets are to be presented to include zero-based budgeting techniques.
- Section 2: The budget presented by each agency for each fiscal year must include an analysis of existing and proposed programs using performance-informed budgeting techniques, instead of zero-based budgeting techniques.
- Section 3: Directs the Legislative Oversight Committee on State Budget Performance to implement an ongoing evaluation review procedure based on performance-informed budgeting, instead of zero-based budgeting techniques.
  - Current law details the Legislators that will serve on the Legislative Oversight Committee. The committee can function as a committee even when the Legislature is not in session. The duties of the committee can be performed by the Appropriations Committee chair in the Senate and the Appropriations and Budget Committee chair in the House of Representatives.
- Section 4: Requires any statutory entity that is under review for sunset to present a performance-informed operating budget review and summary, instead of a zero-based budget.

Should you have any questions related to this bill, please contact Ms. Mathangi Shankar, Chief Financial Officer, at (405) 522-0162 or Ms. Carolyn Thompson, Director of Government Affairs, at (405) 522-3520.

Amendment to: 62 O.S. 34.36, 34.96; 74 O.S. 3914



# An Act

ENROLLED SENATE  
BILL NO. 189

By: Sharp and Mazzei of the  
Senate

and

Casey of the House

An Act relating to state budgeting; amending 62 O.S. 2011, Sections 34.36, as last amended by Section 1, Chapter 125, O.S.L. 2014 and 34.96, as amended by Section 411, Chapter 304, O.S.L. 2012 (62 O.S. Supp. 2014, Sections 34.36 and 34.96), which relate to agency budget requests and oversight; providing short title; modifying information to be provided with budget request; modifying duties of Legislative Oversight Committee on State Budget Performance; amending 74 O.S. 2011, Section 3914, which relates to the Oklahoma Sunset Law; modifying information to be submitted to sunset committees; providing for noncodification; providing an effective date; and declaring an emergency.

SUBJECT: State budgeting

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

SECTION 1. NEW LAW A new section of law not to be codified in the Oklahoma Statutes reads as follows:

This act shall be known and may be cited as the "Oklahoma Performance Informed Budget and Transparency Act of 2015".

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

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

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

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

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

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

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

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

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

5. A quantification of the need for the program;

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

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

8. A ranking of these programs by priority;

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

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

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

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

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

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

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

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

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

J. Not later than January 1, the Director of the Office of Management and Enterprise Services shall publish a shared services cost-performance assessment report documenting the amount of each state agency's cost for providing shared services. The lowest ranking state agencies shall enter into a contract with the Office of Management and Enterprise Services for the provision of shared financial services, provided that the Director of the Office of Management and Enterprise Services determines that implementation of such a contract would be feasible and documents that the contractual agreement will result in cost savings or efficiencies to the state. Contracts required by this subsection shall be entered into at the start of the next fiscal year. When a state agency is contracted with the Office of Management and Enterprise Services for the provision of shared financial services, the agency may discontinue using shared services when documentation showing that the agency can provide the services at a lower cost to the state is provided to and approved by the Director of the Office of Management and Enterprise Services. As used in this subsection, "shared services" means process, resource utilization or action as defined by administrative rule. On a yearly basis the Director of the Office of Management and Enterprise Services shall compile and publish a report documenting the cost savings resulting from shared services contracts. The provisions of this subsection shall not be applicable to the Oklahoma State Regents for Higher Education or to any institutions within The Oklahoma State System of Higher Education.

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

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

B. The Committee's duties shall also include:

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

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

3. Direction of program evaluation and management studies;

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

a. agency reorganization actions,

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

c. transfer of funds by the executive branch;

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

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

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

8. Implementation of an ongoing evaluation review procedure of existing programs based on ~~zero-base~~ performance-informed budgeting techniques pursuant to the Oklahoma Program Performance Budgeting and Accountability Act. The committee in cooperation with the Office of Management and Enterprise Services shall establish a schedule to review strategic plans and existing programs for each agency a minimum of once every four (4) years. The committee shall issue an evaluation report for each agency once every four (4) years which will include but not be limited to the following information:

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

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

D. The Committee shall be composed of three members appointed by the President Pro Tempore of the Senate, three members appointed by the Speaker of the House of Representatives, two members by the minority leader of the Senate and two members appointed by the minority leader of the House of Representatives. The Chair and Vice Chair of the Committee shall rotate every two (2) years between the Senate and the House of Representatives beginning with a Senate member serving as Chair in 2003. The Committee shall meet at least four (4) times per year and at other times as called by the Chair. The Legislative Oversight Committee on State Budget Performance shall function as a committee of the Legislature when the Legislature is in session and is not in session. Each member of the Committee shall serve until a successor is appointed. The duties of

the Committee may be performed by the Appropriations Committee of the Senate and the Appropriations and Budget Committee of the House of Representatives or subcommittees thereof.

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

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

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

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

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

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

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

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

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

5. Any powers, duties or functions which, in the opinion of the statutory entity under review, are being performed and duplicated by

another statutory entity within the state including the manner in which, and the extent to which, this duplication of efforts is occurring and any recommendations as to eliminating such a situation;

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

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

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

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

Passed the Senate the 25th day of February, 2015.

Anthony Syler  
Presiding Officer of the Senate

Passed the House of Representatives the 14th day of April, 2015.

LeR. D. Doney Jr.  
Presiding Officer of the House  
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 20<sup>th</sup>

day of April, 20 15, at 3:40 o'clock P M.

By: Audrey Rockwell

Approved by the Governor of the State of Oklahoma this 24<sup>th</sup>

day of April, 20 15, at 10:52 o'clock A M.

Mary Fallin  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 24<sup>th</sup>

day of April, 20 15, at 3:01 o'clock P. M.

By: Ann McManus





## **S.B. 549**

RE: S.B. 549

SUBJECT: State Officers

Senate Bill 549 becomes effective August 20, 2015. The Governor vetoed S.B. 549 on May 8, 2015, which was overridden by the Legislature on May 20, 2015. This bill decouples the salaries of statewide elected officials with the salaries of judicial officials.

- Current law sets the salaries of all statewide elected officials, including the State Superintendent of Public Instruction, in accordance with salaries for judicial officials.
- Section 1: Eliminates all language that connected statewide elected officials' salaries to judicial salaries. Instead, beginning in January 2016, the salary for each statewide elected official is set at the amount that they are currently receiving in 2015. That amount for the State Superintendent of Public Instruction is \$124,373.

Should you have any questions related to this bill, please contact Ms. Mathangi Shankar, Chief Financial Officer, at (405) 522-0162 or Ms. Carolyn Thompson, Director of Government Affairs, at (405) 522-3520.

Amendment to: 74 O.S. 250.4



# An Act

ENROLLED SENATE  
BILL NO. 549

By: Sykes of the Senate

and

McCullough of the House

An Act relating to state officers; amending 74 O.S. 2011, Section 250.4, as amended by Section 3 of Enrolled House Joint Resolution No. 1096 of the 2nd Session of the 54th Oklahoma Legislature (74 O.S. Supp. 2014, Section 250.4), which relates to statewide elected officers; modifying salaries; and providing an effective date.

SUBJECT: State officers

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

SECTION 1. AMENDATORY 74 O.S. 2011, Section 250.4, as amended by Section 3 of Enrolled House Joint Resolution No. 1096 of the 2nd Session of the 54th Oklahoma Legislature (74 O.S. Supp. 2014, Section 250.4), is amended to read as follows:

Section 250.4 Pursuant to provisions of the Constitution of the State of Oklahoma from and after the beginning date of a term of office which commences in, or after, January ~~1999~~ 2016, the following officers of the State of Oklahoma shall be annually compensated for their services, payable monthly, as follows:

1. The Governor shall receive a salary ~~equal to the salary received by the Chief Justice of the Oklahoma Supreme Court;~~ provided however, ~~the Governor shall not receive any increase in~~

~~salary as a result of the provisions of Section 1 of this resolution of One Hundred Forty-seven Thousand Dollars (\$147,000.00);~~

2. ~~The Lieutenant Governor shall receive a salary equal to the salary received by an associate district judge in a county with a population greater than ten thousand (10,000) and less than thirty thousand (30,000); provided however, the Lieutenant Governor shall not receive any increase in salary as a result of the provisions of Section 1 of this resolution of One Hundred Fourteen Thousand Seven Hundred Thirteen Dollars (\$114,713.00);~~

3. ~~The Attorney General shall receive a salary equal to the salary received by the Presiding Judge of the Court of Civil Appeals; provided however, the Attorney General shall not receive any increase in salary as a result of Section 1 of this resolution of One Hundred Thirty-two Thousand Eight Hundred Twenty-five Dollars (\$132,825.00);~~

4. ~~The State Superintendent of Public Instruction shall receive a salary equal to the salary received by a district judge; provided however, the State Superintendent of Public Instruction shall not receive any increase in salary as a result of the provisions of Section 1 of this resolution of One Hundred Twenty-four Thousand Three Hundred Seventy-three Dollars (\$124,373.00);~~

5. ~~Each member of the Corporation Commission shall receive a salary equal to the salary received by an associate district judge in a county with a population of over thirty thousand (30,000); provided however, the Commissioners shall not receive any increase in salary as a result of the provisions of Section 1 of this resolution of One Hundred Fourteen Thousand Seven Hundred Thirteen Dollars (\$114,713.00);~~

6. ~~The State Treasurer shall receive a salary equal to the salary received by an associate district judge in a county with a population of over thirty thousand (30,000); provided however, the State Treasurer shall not receive any increase in salary as a result of the provisions of Section 1 of this resolution of One Hundred Fourteen Thousand Seven Hundred Thirteen Dollars (\$114,713.00);~~

7. ~~The State Auditor and Inspector shall receive a salary equal to the salary received by an associate district judge in a county~~

~~with a population of over thirty thousand (30,000); provided however, the State Auditor and Inspector shall not receive any increase in salary as a result of the provisions of Section 1 of this resolution of One Hundred Fourteen Thousand Seven Hundred Thirteen Dollars (\$114,713.00);~~

8. The State Insurance Commissioner shall receive a salary ~~equal to the salary received by an associate district judge in a county with a population of over thirty thousand (30,000); provided however, the State Insurance Commissioner shall not receive any increase in salary as a result of the provisions of Section 1 of this resolution of One Hundred Fourteen Thousand Seven Hundred Thirteen Dollars (\$114,713.00);~~ and

9. The Commissioner of Labor shall receive a salary ~~equal to the salary received by a special judge; provided however, the Commissioner of Labor shall not receive any increase in salary as a result of the provisions of Section 1 of this resolution of One Hundred Five Thousand Fifty-three Dollars (\$105,053.00).~~

SECTION 2. This act shall become effective in accordance with the provisions of Section 58 of Article V of the Oklahoma Constitution.

Passed the Senate the 30th day of April, 2015.

\_\_\_\_\_  
Presiding Officer of the Senate

Passed the House of Representatives the 20th day of April, 2015.

\_\_\_\_\_  
Presiding Officer of the House  
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

By: \_\_\_\_\_

Approved by the Governor of the State of Oklahoma this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

By: \_\_\_\_\_



OFFICE OF

No. SB 549

**THE GOVERNOR**  
STATE OF OKLAHOMA

OKLAHOMA CITY, OKLA.,

May 8, 2015

TIME SIGNED: 11:35 AM

TO THE HONORABLE PRESIDENT PRO TEMPORE  
AND MEMBERS OF THE OKLAHOMA SENATE  
FIRST SESSION OF THE  
FIFTY FIFTH OKLAHOMA LEGISLATURE

ENROLLED SENATE BILL NO. 549:

This is to advise you that on this date, pursuant to the authority vested in me by Section 11 of Article VI of the Oklahoma Constitution to approve or object to legislation presented to me, I have VETOED Senate Bill 549.

Senate Bill 549 (Bill) dramatically alters how future elected State officers are to be paid. It decouples State officers' salaries from judicial salaries, and instead, codifies a specific and fixed annual salary for each officer, including the Governor, the Lieutenant Governor, the Attorney General, the State Superintendent of Public Instruction, the Corporation Commissioners, the State Treasurer, the State Auditor and Inspector, the State Insurance Commissioner, and the Commissioner of Labor (collectively referred to as "State Officers").

There are two significant deficiencies that compel me to veto this Bill. First, recent compensation reform initiatives have discarded the practice of codifying State employee salaries for good reason: fixing salary in statute tends to calcify salaries without regard to such pertinent considerations as inflation; the current fiscal health of the State; and most importantly, each particular employee's performance.

BY THE GOVERNOR OF THE STATE OF OKLAHOMA

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**RECEIVED**

MAY 08 2015

OKLAHOMA SECRETARY  
OF STATE



OFFICE OF

No. SB 549

**THE GOVERNOR**  
STATE OF OKLAHOMA

OKLAHOMA CITY, OKLA.,

May 8, 2015

11

TIME SIGNED: 11:35 Am

TO THE HONORABLE PRESIDENT PRO TEMPORE  
AND MEMBERS OF THE OKLAHOMA SENATE  
FIRST SESSION OF THE  
FIFTY FIFTH OKLAHOMA LEGISLATURE

ENROLLED SENATE BILL NO. 549:

That is why neutral third-party compensation boards determine the salaries of officials in the other two co-equal branches of Oklahoma government, the Judiciary and the Legislature. These boards are comprised of representatives from a wide swath of our State's citizenry—including labor and civic organizations, communications media and retail business, agriculture, nonstate-supported educational institutions, and religious organizations. As such, the boards emphasize the fact that it is the people of this great State who are the true bosses of the leaders they elect.

It would be better policy to create a new and distinct compensation board for State Officers in the Oklahoma Statutes. In the meantime, however, I cannot approve this Bill. To do so would strip State Officers' compensation decisions from being made at least by a neutral and representative board, that being the Board on Judicial Compensation, which currently sets the salaries to which State Officers' salaries are tied.

BY THE GOVERNOR OF THE STATE OF OKLAHOMA

Mary Fallin

By Becky Welch

Date/Time May 8, 2015 4:15 pm



## **S.B. 612**

RE: S.B. 612

SUBJECT: Governor's Council for Workforce and Economic Development

Senate Bill 612 becomes effective November 1, 2015. This bill amends the makeup of the Governor's Council for Workforce and Economic Development in accordance with the federal Workforce Innovation and Opportunity Act (WIOA).

- Current law establishes the Governor's Council for Workforce and Economic Development to guide the development of a comprehensive and coordinated workforce development system for the state and monitor its operation. Membership of the council includes the Secretary of Education, the Chancellor of the Oklahoma State Regents for Higher Education, the Director of Career and Technology Education and the State Superintendent of Public Instruction.
- Section 1(B): A majority of the council must come from private sector employers, including owners of businesses, executives, operating officers, etc., that provide employment in high-quality, work-relevant training and development in in-demand industries in the state.
  - The Secretary of Education, the Chancellor of the Oklahoma State Regents for Higher Education, the Director of Career and Technology Education and the State Superintendent of Public Instruction, among others, are removed from the membership of the council and made to be ex-officio members serving at the discretion and pleasure of the governor to provide expertise and agency information to the council.

Should you have any questions related to this bill, please contact Ms. Carolyn Thompson, Director of Government Affairs, at (405) 522-3520.

Amendment to: 74 O.S. 5003.10d



# An Act

ENROLLED SENATE  
BILL NO. 612

By: Newberry, Halligan and  
Fields of the Senate

and

Wright of the House

An Act relating to the Governor's Council for Workforce and Economic Development; amending 74 O.S. 2011, Section 5003.10d, which relates to membership; modifying membership; requiring compliance with the federal Workforce Innovation and Opportunity Act; deleting language; allowing certain ex-officio members; updating references; providing for certain subcommittee; stating purpose and duties; and providing an effective date.

SUBJECT: Governor's Council for Workforce and Economic Development

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

SECTION 1. AMENDATORY 74 O.S. 2011, Section 5003.10d, is amended to read as follows:

Section 5003.10d. A. The Governor's Council for Workforce and Economic Development established under the authority of Executive Order 2005-27 is hereby recognized by the Legislature as the State's Workforce Investment Board. The Council succeeded and was established in lieu of the Oklahoma Workforce Investment Board. Appointed members of the Council serving under the authority of Executive Order 2005-27 when this act becomes effective shall continue to serve until their terms have expired and their successors have been duly appointed.

Pursuant to the federal Workforce ~~Investment~~ Innovation and Opportunity Act, the purpose of the Council shall be to:

1. Guide the development of a comprehensive and coordinated workforce development system for the state and monitor its operation; and

2. Review and make recommendations that will align the workforce system, including education, with the economic development goals of the state for the purpose of creating workforce and economic development systems that are integrated and shall provide Oklahoma a competitive advantage in a global economy.

B. Membership of the Council shall include representatives of private employers who reflect Oklahoma's projected and desired business and industry base and public officials from agencies which provide programs and services related to workforce, education and economic development. All Council members shall be in positions to influence policy and hiring decisions within their organizations. Initial appointments to the Council shall conform to the following described schedule:

1. The membership of the Council shall comply with the federal requirements of the state investment board;

2. A majority of the Council shall come from described private sector employers, including owners of businesses, chief executives or operating officers of businesses or other business executives or employees with optimum policymaking or hiring authority, and who represent businesses, including small businesses, that provide employment opportunities that, at a minimum, include high-quality, work-relevant training and development in in-demand industry sectors or occupations in this state;

~~2.~~ 3. State officials shall include incumbents or designees of the following named offices, or their successors in office or function:

a. Governor,

b. two members of the Senate, appointed by the President Pro Tempore,

- c. two members of the House of Representatives, appointed by the Speaker,
- d. ~~Secretary of~~ Executive Director of the Oklahoma Department of Commerce and Tourism, and
- e. ~~Secretary of Education,~~
- f. ~~Secretary of Human Services,~~
- g. ~~Chancellor of the Oklahoma State Regents for Higher Education,~~
- h. ~~Director of Career and Technology Education,~~
- i. ~~State Superintendent of Public Instruction,~~
- j. Executive Director of the Oklahoma Employment Security Commission, and
- k. ~~Director of the State Department of Rehabilitation Services,~~

~~3. Two members from organizations with experience in the delivery of workforce services, including community colleges or other community based workforce service organizations;~~

~~4. Two members from organizations or individuals that have experience with respect to youth activities;~~

~~5. Two members that are chief elected officials from a city and county;~~

~~6. Two members that represent labor organizations; and~~

~~7. 4. Additional members, at the discretion and pleasure of the Governor, may be appointed representing:~~

~~a. local welfare agencies,~~

~~b. public housing agencies,~~

- ~~e. administrators of programs which receive federal or state human resources funding,~~
- ~~d. representative of a Local Workforce Board Chairs Association,~~
- ~~e. entities with special knowledge and qualifications regarding special educational and career development needs of hard to serve individuals,~~
- ~~f. state and local economic development representatives,~~
- ~~g. juvenile justice programs,~~
- ~~h. state human resources organization,~~
- ~~i. representatives of tourism, agriculture, corrections and transportation,~~
- ~~j. state organization representing urban rural hospitals,~~
- ~~k. representatives of Oklahoma Tribes or Nations, and~~
- ~~l. representatives of minorities in Oklahoma the needs or interests of the state economy or specific regional needs; and~~

5. Ex-officio members, at the discretion and pleasure of the Governor, may be included to provide expertise and agency information to the Council. These appointments may include, but not be limited to:

- a. the Secretary of Education,
- b. the Secretary of Health and Human Services,
- c. the Secretary of Commerce,
- d. the Chancellor of the Oklahoma State Regents for Higher Education,
- e. the Director of Career and Technology Education,

- f. the State Superintendent of Public Instruction,
- g. the Director of the State Department of Rehabilitation Services,
- h. the Director of the Oklahoma Department of Corrections,
- i. the Commissioner of the Oklahoma Department of Mental Health and Substance Abuse Services,
- j. the Director of the Oklahoma Health Care Authority,  
and
- k. the Native American Liaison.

C. Private sector members shall be appointed by and serve at the pleasure of the Governor for a two-year term beginning October 1, 2005, and may be reappointed. However, of the initial private sector members appointed, half shall be appointed for an initial term of one (1) year beginning October 1, 2005. Private members may be removed from office for failure to attend three consecutive Council meetings. The chair of the Council shall be from the private sector and shall be appointed by and serve at the pleasure of the Governor.

D. The Council shall meet at such times and places as it deems appropriate. Members shall serve without compensation. Council members employed by a state agency shall be reimbursed travel expenses related to their service on the Council as authorized by state law by their respective state agency. Legislative members of the Council shall be reimbursed by their respective houses for necessary travel expenses incurred in the performance of their duties as authorized by state law. Remaining Council members shall also be reimbursed travel expenses related to their service on the Council by the Oklahoma Department of Commerce as authorized by state law. No member of the Council shall profit, directly or indirectly, from any transaction with the Council.

E. The duties and responsibilities of the Council in the development, monitoring and aligning of the workforce system with economic development shall include, but not be limited to:

1. Performing the duties required of the state governance board by the federal Workforce ~~Investment~~ Innovation and Opportunity Act;

2. Identifying the human resource investment needs of Oklahoma business and industry, together with those of the citizens of the state, so that each might respond to and meet the needs of the others and thus together build a robust, diversified economy;

3. Reviewing and evaluating workforce development programs within the state, formulate recommendations to increase their efficiency and effectiveness, eliminate duplication, and align with economic goals. Recommendations shall be communicated to the Governor, Legislature, state and federal government agencies and appropriate individuals and entities within the private sector;

4. Increasing academic capability and technical skills within the state workforce and foster lifelong learning among Oklahoma's citizens;

5. Strengthening collaboration among institutions which provide education and training services, government agencies which coordinate employment and other human resource investment activities, and Oklahoma business and industry to create a seamless system to nurture healthy economic development; and

6. Enhancing rural economic development capability and capacity, giving particular attention to regional collaboration and partnering.

F. Activities of the Council shall be coordinated by the Secretary of Commerce ~~and Tourism~~ and directed by the Deputy Secretary of Commerce for Workforce Development, or their successors in office or function. Administrative and staffing support for the Council shall be coordinated by the Office of Workforce Solutions within the Department of Commerce.

G. The State Workforce Solutions Staff Team Partners originally established under the authority of Executive Order 2005-27 as the

Workforce Solutions Staff Team is hereby recognized by the Legislature. This interagency team shall be comprised of executive level staff from ~~all~~ workforce, education and economic development agencies of the state for the purpose of providing staff support to the Council and to create efficiencies, eliminate duplication, and eliminate barriers to jointly providing a service delivery system. Other members may be included on this team as the Governor, ~~Secretary of Commerce or Deputy Secretary of Commerce~~ may deem necessary to accomplish this goal.

H. The Council shall be supported by funds available to state agencies pursuant to state and federal laws and regulations. Each member of the Council whose agency qualifies pursuant to state and federal law to receive and use such funds shall assist by providing support and funding of the Council in carrying out the responsibilities of the Council.

I. The Council shall form a subcommittee on health workforce whose purpose shall be to inform, coordinate, and facilitate statewide efforts to ensure that a well-trained, adequately distributed, and flexible health workforce is available to meet the needs of an efficient and effective health care system in Oklahoma. Duties of the Health Workforce Subcommittee shall include, but not be limited to, the following:

1. Conducting data analysis and preparing reports on health workforce supply and demand;

2. Research and analysis of state health professional education and training capacity;

3. Recommend recruitment and retention strategies for areas determined by the Oklahoma Primary Care Office or the Oklahoma Office of Rural Health to be areas of high need; and

4. Assessment of health workforce policy, evaluation of impact on Oklahoma's health system and health outcomes, and developing health workforce policy recommendations.

SECTION 2. This act shall become effective November 1, 2015.

Passed the Senate the 5th day of March, 2015.

Nathan Dahm  
Presiding Officer of the Senate

Passed the House of Representatives the 21st day of April, 2015.

Scott C. Martin  
Presiding Officer of the House  
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 22<sup>nd</sup>

day of April, 20 15, at 2:23 o'clock P M.

By: Audrey Redwell

Approved by the Governor of the State of Oklahoma this 27<sup>th</sup>

day of April, 20 15, at 1:42 o'clock P M.

Mary Fallin  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 27<sup>th</sup>

day of April, 20 15, at 2:07 o'clock P M.

By: C. Benz