

1 telecommunications services to the state and its spending units
2 that any properly registered and qualified vendor supplying
3 telecommunications services to two or more spending units under a
4 shared account is entitled to prompt payment upon presentation of
5 a legitimate uncontested invoice for telecommunications services to
6 the division, as provided in the following subsections.

7 (b) To facilitate the administration and payment of
8 telecommunications services, there is continued in the State
9 Treasury a special revenue account to be known as the
10 Telecommunications Services Payment and Reserve Fund. All moneys
11 transferred from state spending units pursuant to the requirements
12 of this section shall be deposited in the account. Expenditures
13 from the fund shall be made by the director for the exclusive
14 purposes set forth in this section: *Provided*, That no more than
15 \$150,000 or the actual amount collected pursuant to subsection (j)
16 of this section in any fiscal year, whichever is less, may be
17 expended from the fund in any fiscal year to defray the costs of
18 administration of this section.

19 (c) Upon receipt of any telecommunications charges from a
20 properly registered and qualified vendor, the division shall
21 conduct a preliminary review of the charges. If the division
22 determines during this preliminary review that: (1) Any of the
23 charges are not authorized by law or by the contract under which
24 the telecommunications services are provided; (2) no specific

1 spending unit is designated for any charge; or (3) any charge or
2 service is not in accordance with contract pricing, the division
3 shall reject those charges. Within fourteen days of receipt of any
4 telecommunications charge, the director shall notify a vendor of
5 any rejected charges and shall include in the notice a description
6 of the rejected charges, the reasons a charge was rejected and a
7 proposed resolution of the rejected charge. The director and the
8 vendor shall attempt to resolve the matter in good faith. Within
9 ninety days of the receipt of the vendor's invoice or a time period
10 mutually agreed to by the vendor and secretary, the secretary shall
11 make the final decision as to the legitimacy of the rejected amount
12 and determine if payment is warranted. If the final decision of
13 the secretary is to require payment of the rejected amount, the
14 secretary shall cause the division to bill that amount to the
15 appropriate spending unit which shall remit payment of the amount
16 as required in subsection (d) of this section. If the final
17 decision of the secretary is to refuse to pay any amount, the
18 vendor may proceed in accordance with the provisions of article
19 two, chapter fourteen of this code.

20 (d) Following the preliminary review of the charges, the
21 director shall fully apportion all telecommunications charges not
22 rejected during the preliminary review required by subsection (c)
23 of this section among spending units based on the spending unit's
24 service and usage, as determined by the director. The director

1 shall send each spending unit a statement of the spending unit's
2 proportionate share of any telecommunications charges within thirty
3 days of receipt by the division of the invoice detailing the
4 telecommunications charges. Monthly statements for a spending unit
5 of less than \$75 may be accumulated and sent to the spending unit
6 on one statement near the end of the fiscal year. The director
7 shall continue to pay any vendor invoices based upon the
8 requirements of subsection (b) of this section. The statement is
9 to provide a date of no more than thirty calendar days from the
10 date the division sends the statement by which the spending unit
11 shall submit payment or transfer to the telecommunications services
12 payment and reserve fund all funds necessary to pay for the
13 spending unit's charges in full: *Provided*, That the statement sent
14 in last month of the fiscal year shall provide that the transfer
15 shall be made by July 31. If feasible for the spending unit, the
16 preferable method of payment is by intergovernmental transfer.

17 (e) All spending units shall budget for telecommunications
18 service expenses. Prior to the date provided in each statement
19 sent to a spending unit pursuant to subsection (d) of this section,
20 each spending unit shall pay or transfer the statement amount to
21 the Telecommunications Services Payment and Reserve Fund.

22 (f) If a spending unit fails to pay or transfer funds by the
23 date specified in the statement sent pursuant to subsection (d) of
24 this section, the Secretary of the Department of Administration

1 shall transfer to the Telecommunications Services Payment and
2 Reserve Fund the statement amount plus an additional penalty in the
3 amount of three percent of the statement amount from any funds
4 supporting the administration of that spending unit: *Provided*, That
5 the secretary shall complete all such transfers by July 31 of each
6 fiscal year. Upon exercising a transfer under the authority of
7 this subsection, the director shall provide a notification to the
8 spending unit, including, but not limited to, the date, time, total
9 amount of the transfer, statement amount and penalty amount. If a
10 participating spending unit does not maintain funds in the State
11 Treasury, the secretary may transfer funds by wire from any
12 depository outside the State Treasury. A participating spending
13 unit maintaining funds in depositories outside the State Treasury
14 shall furnish the secretary access to those funds for the exclusive
15 purposes of this section.

16 (g) If a spending unit contests any portion of its statement,
17 it shall nonetheless remit payment for the entire statement amount
18 and notify the division in writing within thirty days of statement
19 receipt by the spending unit. The secretary shall consider any
20 contested apportionments of charges and provide a final
21 determination on the apportionment of legitimate charges.
22 Corrections or adjustments to apportionments may be effected on
23 future transfer payments: *Provided*, That legitimate vendor charges
24 are to be fully apportioned. If the basis of the contest is vendor

1 error, overcharge, service failure, failure to terminate services
2 as required by the division or other failure of or error in vendor
3 performance, the director shall withhold the contested amount from
4 current or future vendor payments, pending resolution by the
5 secretary, and the director shall bring the contested matter to the
6 attention of the vendor. The director and the vendor shall attempt
7 to resolve the matter in good faith. Within ninety days of the
8 receipt of the vendor's invoice or a time period mutually agreed to
9 by the vendor and secretary, the secretary shall make the final
10 decision as to the legitimacy of the contested amount and determine
11 if payment is warranted. If the final decision of the secretary is
12 to refuse to pay any amount, the vendor may proceed in accordance
13 with the provisions of article two, chapter fourteen of this code.

14 (h) The director shall provide for full payment of legitimate,
15 uncontested telecommunications charges within ninety days of
16 receipt of an invoice detailing the telecommunications charges by
17 the division. Payment for the charges shall be made by the
18 director from the Telecommunications Services Payment and Reserve
19 Fund.

20 (i) The director may direct the discontinuance of
21 telecommunications services to any spending unit that fails to
22 comply with the provisions of this section and the vendor supplying
23 telecommunication services shall comply with the written direction
24 of the director on discontinuance of services.

1 (j) To help defray the additional cost of administering this
2 section, the director may assess a proportional fee of up to
3 \$150,000 in aggregate per fiscal year to the participating spending
4 units based on each spending unit's portion of service and usage.
5 This fee is to be included in the statement sent to spending units
6 pursuant to subsection (d) of this section and transferred to the
7 Telecommunications Service Payment and Reserve Fund by the date
8 specified in the statement for the transfer of payment.

9 (k) Notwithstanding any other provision of this code to the
10 contrary, for purposes of this section, an invoice is considered
11 received by the division on the date on which the invoice is marked
12 as received by the division, or three business days after the date
13 of the postmark made by the United States Postal Service as
14 evidenced on the envelope in which the invoice is mailed, whichever
15 is earlier: *Provided*, That if an invoice is received by the
16 division prior to the date on which the telecommunications services
17 covered by the invoice are delivered or fully performed, for
18 purposes of determining the ninety-day time period for payment in
19 subsection (h) of this section, the invoice is considered received
20 on the date on which the telecommunications services covered by the
21 invoice were delivered or fully performed.

22 (l) For purposes of this section, "telecommunications service"
23 means and includes not only telephone service regulated under
24 chapter twenty-four of this code or under federal law, but also may

1 include, at the discretion of the Secretary of Administration,
2 wireless service, voice over Internet protocol service, Internet
3 service and any other service or equipment used for the electronic
4 transmission of voice or data: *Provided*, That the service is
5 provided under a statewide contract.

6 (m) The director may propose rules for legislative approval in
7 accordance with the provisions of article three, chapter twenty-
8 nine-a of this code to effectuate the purposes of this section.