

ENROLLED SENATE  
BILL NO. 1020

BY: WILLIAMS (Don) of the  
SENATE

and

BEGLEY of the HOUSE

AN ACT RELATING TO PUBLIC FINANCE AND SCHOOLS;  
AMENDING 62 O.S. 1991, SECTION 371, WHICH RELATES  
TO CONTRACTS WITH PUBLIC OFFICERS, AND 70 O.S.  
1991, SECTION 5-124, WHICH RELATES TO CONTRACTS  
WITH DISTRICT BOARDS OF EDUCATION; ALLOWING  
EXCEPTIONS TO PROHIBITIONS ON CERTAIN CONTRACTS  
WITH GOVERNING BOARDS OF AREA VOCATIONAL-  
TECHNICAL SCHOOL DISTRICTS; AND DECLARING AN  
EMERGENCY.

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

SECTION 1. AMENDATORY 62 O.S. 1991, Section 371, is  
amended to read as follows:

Section 371. A. No Except as otherwise provided in this section, no board of county commissioners, nor city council, nor board of trustees of any town, nor any district board of any school district in this state, nor any board of any local subdivision of this state shall make any contract with any of its members, or in which any of its members shall be directly or indirectly interested; and all contracts made in violation of this section shall be wholly void.

Provided that for the purposes of this section the depositing of any funds in a bank or other depository shall not be considered the making of a contract. Provided that for purposes of this section any contract with a qualified nonprofit Internal Revenue Code Section 501(c)(3) organization, except for contracts paying salaries or expenses or except a contract entered into by a school district involving the counseling or instruction of students or staff, shall not be considered the making of a contract. Provided further that for the purposes of this section monthly billings submitted to any county or local subdivision of the state for public utility companies, electric cooperatives or telephone companies, whose services are regulated by the Oklahoma Corporation Commission, or billings of said utility companies, electric cooperatives or telephone companies pertaining to installations or changes in service, where tariffs for such charges or billings by said companies are on file with the Oklahoma Corporation Commission, shall not be considered the making of a contract. Provided further that the governing board of an area vocational-technical school district may enter into a contract for the area vocational-technical school district to provide training for a company, individual, or business concern by which a member of the board is employed. A board member shall abstain from voting on any such contract between the area vocational-technical school district board and the company, individual, or business concern by which the member is employed.

B. The provisions of this section shall not apply to those municipal officers who are subject to Section 8-113 of Title 11 of the Oklahoma Statutes.

SECTION 2. AMENDATORY 70 O.S. 1991, Section 5-124, is amended to read as follows:

Section 5-124. ~~No~~ Except as otherwise provided in this section, no board of education of any school district in this state shall make any contract with any of its members or with any company, individual or business concern in which any of its members shall be directly or indirectly interested. All contracts made in violation of this section shall be wholly void. A member of a board of education shall be considered to be interested in any contract made with any company, individual, or any business concern if such member of the board of education or any member of his immediate family owns any substantial interest in same. Provided that for purposes of this section any contract with a qualified nonprofit Internal Revenue Code Section 501(c)(3) organization, except for contracts paying salaries or expenses or except a contract involving the counseling or instruction of students or staff, shall not be considered the making of a contract. Provided that for the purposes of this section monthly billings submitted to any school district in the state for public utility companies, electric cooperatives or telephone companies, whose services are regulated by the Oklahoma Corporation Commission, or billings of said utility companies, electric cooperatives or telephone companies pertaining to installations or changes in service, where tariffs for such charges or billings by said companies are on file with the Oklahoma Corporation Commission, shall not be considered the making of a contract. Provided further, that the governing board of an area vocational-technical school district may enter into a contract for the area vocational-technical school district to provide training for a company, individual, or business concern by which a member of the board is employed. A board member shall abstain from voting on any such contract between the area vocational-technical school district board and the company, individual, or business concern by which the member is employed.

SECTION 3. 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 13th day of May, 1992.

President of the Senate

Passed the House of Representatives the 26th day of May, 1992.

Speaker of the House of Representatives