

ENROLLED SENATE
BILL NO. 408

By: Fisher of the Senate

and

Thompson of the House

An Act relating to schools; amending 70 O.S. 1991, Section 5-124, as amended by Section 2, Chapter 394, O.S.L. 1992 (70 O.S. Supp. 1992, Section 5-124), which relates to prohibitions on contracts by boards of education; providing exception; and declaring an emergency.

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

SECTION 1. AMENDATORY 70 O.S. 1991, Section 5-124, as amended by Section 2, Chapter 394, O.S.L. 1992 (70 O.S. Supp. 1992, Section 5-124), is amended to read as follows:

Section 5-124. 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 the purposes of this section only 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 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 2. 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 15th day of February, 1993.

President of the Senate

Passed the House of Representatives the 20th day of April, 1993.

Speaker of the House of Representatives