

Committee Substitute for House Bill No. 1414

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 1414 -- By WELLS and TURNER.

An Act relating to school contracts; amending 70 O.S. 1991, Section 5-123, which relates to restrictions on the expenditure of certain amounts; deleting certain bidding requirements for certain contracts; deleting certain exceptions to bidding requirements; amending 62 O.S. 1991, Section 310.9, as last amended by Section 6, Chapter 365, O.S.L. 1998 (62 O.S. Supp. 1998, Section 310.9), which relates to sworn statements for certain invoices; limiting application of sworn statement requirement; amending 74 O.S. 1991, Section 3109, as last amended by Section 13, Chapter 365, O.S.L. 1998 (74 O.S. Supp. 1998, Section 3109), which relates to requirements for certain affidavits; limiting application to affidavit requirement; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 70 O.S. 1991, Section 5-123, is amended to read as follows:

Section 1. No expenditure involving an amount greater than Five Hundred Dollars (\$500.00) shall be made by a board of education except in accordance with the provisions of a written contract or purchase order, ~~and no contract involving an expenditure of more than Seven Thousand Five Hundred Dollars (\$7,500.00) for the purpose of erecting any public building or making any improvements shall be made except upon sealed proposals and to the lowest responsible bidder. Provided, this section shall not be construed to prohibit a school district from erecting a building or making improvements on a force account basis. Contracts with any state agency for the purpose of emergency asbestos abatement shall be exempt from the provisions of this section.~~

SECTION 2. AMENDATORY 62 O.S. 1991, Section 310.9, as last amended by Section 6, Chapter 365, O.S.L. 1998 (62 O.S. Supp. 1998, Section 310.9), is amended to read as follows:

Section 310.9 A. Except as provided in subsections B and C of this section, on every invoice submitted to any county or political subdivision of the state, for payment of an architect, contractor, engineer or supplier of materials of One Thousand Dollars (\$1,000.00) or more, the sworn statement required by Section 3109 of Title 74 of the Oklahoma Statutes shall be required.

B. Any county, or municipality ~~or school district~~ executing a contract with any architect, contractor, supplier or engineer for work, services or materials which are needed on a continual basis from such architect, contractor, supplier or

engineer under the terms of such contract, or executing more than one contract during the fiscal year with such architect, contractor, supplier or engineer, may require that the architect, contractor, supplier or engineer complete a signed and notarized affidavit in substantial form as provided by subsection A of this section which shall apply to all work, services or materials completed or supplied under the terms of the contract or contracts and shall be in lieu of all individual affidavits for each invoice submitted in relation to such contract or contracts as required in subsection A of this section.

C. In lieu of the affidavit required in subsection A of this section, the following procedures may be used:

1. A purchase order issued by a county or a political subdivision of the state shall require the signature of the vendor and include a notice to the vendor that the vendor's submission of the signed invoice or acceptance of payment pursuant to the purchase constitutes a statement by the vendor that:

- a. the invoice or claim is true and correct,
- b. the work, services or materials as shown by the invoice or claim have been completed or supplied in accordance with the plans, specifications, orders or requests furnished the vendor, and
- c. the vendor has made no payment, directly or indirectly, to any elected official, officer or employee of this state or any county or political subdivision of the state, of money or any other thing of value to obtain payment;

2. Any vendor who submits the signed invoice or accepts payment pursuant to a purchase order containing the notice provided for in paragraph 1 of this subsection shall be deemed to adopt and affirm the statement contained in the notice unless the vendor states on the invoice that the statement is incorrect in whole or in part; and

3. The county or political subdivision may recover from the vendor the full amount paid pursuant to the purchase order if the statement adopted and affirmed by the vendor is false.

D. The provisions of this section shall not apply to school districts.

SECTION 3. AMENDATORY 74 O.S. 1991, Section 3109, as last amended by Section 13, Chapter 365, O.S.L. 1998 (74 O.S. Supp. 1998, Section 3109), is amended to read as follows:

Section 3109. A. Except as provided in subsections B and C of this section, on every invoice submitted to any county or ~~local~~ political subdivision of the state, for payment to an architect, contractor, engineer or supplier of material of One Thousand Dollars (\$1,000.00) or more, shall be the following signed and notarized statement:

STATE OF OKLAHOMA)

) ss.

COUNTY OF)

The undersigned (architect, contractor, supplier or engineer), of lawful age, being first duly sworn, on oath says that this invoice or claim is true and correct. Affiant further states that the (work, services or materials) as shown by this invoice or claim have been (completed or supplied) in accordance with the plans, specifications, orders or requests furnished the affiant. Affiant further states that (s)he has made no payment directly or indirectly to any elected official, officer or employee of the State of Oklahoma, any county or ~~local~~ political subdivision of the state, of money or any other thing of value to obtain payment of the invoice or procure the contract or purchase order pursuant to which an invoice is required.

(Contractor, supplier or engineer)

Subscribed and sworn to before me this ____ day of _____, 19__.

Notary Public (or Clerk or Judge)

Architect

Subscribed and sworn to before me this ____ day of _____, 19__.

Notary Public (or Clerk or Judge)

A notarized statement of noncollusion shall not be required on purchase orders to procure materials and equipment; provided, this provision shall not exempt the requirement for a notarized statement of noncollusion on invoices for services or materials and equipment.

B. Any county or municipality ~~or school district~~ executing a contract with any architect, contractor, supplier or engineer for work, services or materials which are needed on a continual basis from such architect, contractor, supplier or engineer under the terms of such contract, may require that the architect, contractor, supplier or engineer complete a signed and notarized affidavit in substantial form as provided by subsection A of this section which shall apply to all work, services or

materials completed or supplied under the terms of the contract and shall be in lieu of all individual affidavits for each invoice submitted in relation to such contract as required in subsection A of this section.

C. In lieu of the affidavit required in subsection A of this section, the following procedures may be used:

1. A purchase order issued by a county or a ~~local~~ political subdivision of the state shall require the signature of the vendor and include a notice to the vendor that the vendor's submission of the signed invoice or acceptance of payment pursuant to the purchase constitutes a statement by the vendor that:

- a. the invoice or claim is true and correct,
- b. the work, services or materials as shown by the invoice or claim have been completed or supplied in accordance with the plans, specifications, orders or requests furnished the vendor, and
- c. the vendor has made no payment, directly or indirectly, to any elected official, officer or employee of this state or any county or local subdivision of the state, of money or any other thing of value to obtain payment;

2. Any vendor who submits the signed invoice or accepts payment pursuant to a purchase order containing the notice provided for in paragraph 1 of this subsection shall be deemed to adopt and affirm the statement contained in the notice unless the vendor states on the invoice that the statement is incorrect in whole or in part; and

3. The county or ~~local~~ political subdivision may recover from the vendor the full amount paid pursuant to the purchase order if the statement adopted and affirmed by the vendor is false.

D. The provisions of this section shall not apply to school districts.

SECTION 4. This act shall become effective July 1, 1999.

SECTION 5. 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.

COMMITTEE REPORT BY: COMMITTEE ON EDUCATION, dated 2-17-99 -- DO PASS, As Coauthored.