

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 56th Legislature (2018)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 2926

By: Frix, Osborn (Leslie) and
Kerbs

7
8 COMMITTEE SUBSTITUTE

9 An Act relating to public buildings and public works;
10 amending 61 O.S. 2011, Section 103, as last amended
11 by Section 2, Chapter 186, O.S.L. 2013 (61 O.S. Supp.
12 2017, Section 103), which relates to the Public
13 Competitive Bidding Act of 1974; authorizing certain
14 entities with option to match lowest bid; and
15 providing an effective date.

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

17 SECTION 1. AMENDATORY 61 O.S. 2011, Section 103, as last
18 amended by Section 2, Chapter 186, O.S.L. 2013 (61 O.S. Supp. 2017,
19 Section 103), is amended to read as follows:

20 Section 103. A. Unless otherwise provided by law, all public
21 construction contracts exceeding Fifty Thousand Dollars (\$50,000.00)
22 shall be let and awarded to the lowest responsible bidder, by open
23 competitive bidding after solicitation for sealed bids, in
24 accordance with the provisions of the Public Competitive Bidding Act
of 1974. No work shall be commenced until a written contract is

1 executed and all required bonds and insurance have been provided by
2 the contractor to the awarding public agency.

3 B. Notwithstanding subsection A of this section, in awarding
4 public construction contracts exceeding Fifty Thousand Dollars
5 (\$50,000.00), the awarding public agency may provide a qualified
6 contractor residing and doing business within the State of Oklahoma
7 an option to match the lowest bid. Any such bid specification shall
8 clearly state that the bid is subject to a local bidder preference
9 law.

10 C. Except as provided in subsection ~~D~~ E of this section, other
11 construction contracts for the purpose of making any public
12 improvements or constructing any public building or making repairs
13 to the same for Fifty Thousand Dollars (\$50,000.00) or less shall be
14 let and awarded to the lowest responsible bidder by receipt of
15 written bids or awarded on the basis of competitive quotes to the
16 lowest responsible qualified contractor. Work may be commenced in
17 accordance with the purchasing policies of the public agency.

18 ~~C.~~ D. Except as provided in subsection ~~D~~ E of this section,
19 other construction contracts for less than Five Thousand Dollars
20 (\$5,000.00) may be negotiated with a qualified contractor. Work may
21 be commenced in accordance with the purchasing policies of the
22 public agency.

23 ~~D.~~ E. The provisions of this subsection shall apply to public
24 construction for minor maintenance or minor repair work to public

1 school district property. Other construction contracts for less
2 than Twenty-five Thousand Dollars (\$25,000.00) may be negotiated
3 with a qualified contractor. Construction contracts equal to or
4 greater than Twenty-five Thousand Dollars (\$25,000.00) but less than
5 Fifty Thousand Dollars (\$50,000.00) shall be let and awarded to the
6 lowest responsible bidder by receipt of written bids. No work shall
7 be commenced on any construction contract until a written contract
8 is executed and proof of insurance has been provided by the
9 contractor to the awarding public agency.

10 ~~E.~~ F. The Construction and Properties Division of the Office of
11 Management and Enterprise Services may award contracts using best
12 value competitive proposals. As used in this subsection, "best
13 value" means an optional contract award system which can evaluate
14 and rank submitted competitive performance proposals to identify the
15 proposal with the greatest value to the state. The Office of
16 Management and Enterprise Services, pursuant to the Administrative
17 Procedures Act, shall promulgate rules necessary to implement the
18 provisions of this subsection.

19 ~~F.~~ G. 1. A public agency shall not let or award a public
20 construction contract exceeding Fifty Thousand Dollars (\$50,000.00)
21 to any contractor affiliated with a purchasing cooperative unless
22 the purchasing cooperative and the contractor have complied with all
23 of the provisions of the Competitive Bidding Act of 1974, including
24 but not limited to open competitive bidding after solicitation for

1 sealed bids. A public agency shall not let or award a public
2 construction contract exceeding Five Thousand Dollars (\$5,000.00) up
3 to Fifty Thousand Dollars (\$50,000.00) to any contractor affiliated
4 with a purchasing cooperative unless the purchasing cooperative and
5 the contractor have complied with all of the provisions of the
6 Public Competitive Bidding Act of 1974, including submission of a
7 written bid upon notice of competitive bidding.

8 2. A purchasing cooperative and its affiliated contractors
9 shall not be allowed to bid on any public construction contract
10 exceeding Fifty Thousand Dollars (\$50,000.00) unless the purchasing
11 cooperative and its affiliated contractors have complied with all of
12 the provisions of the Public Competitive Bidding Act of 1974,
13 including but not limited to open competitive bidding after
14 solicitation for sealed bids. A purchasing cooperative and its
15 affiliated contractors shall not be allowed to bid on any public
16 construction contract exceeding Two Thousand Five Hundred Dollars
17 (\$2,500.00) unless the purchasing cooperative and its affiliated
18 contractors have complied with all of the provisions of the Public
19 Competitive Bidding Act of 1974, including submission of a written
20 bid upon notice of open competitive bidding.

21 SECTION 2. This act shall become effective November 1, 2018.
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23 COMMITTEE REPORT BY: COMMITTEE ON GOVERNMENT MODERNIZATION, dated
24 02/07/2018 - DO PASS, As Amended and Coauthored.