

1 STATE OF OKLAHOMA

2 2nd Session of the 60th Legislature (2026)

3 POLICY COMMITTEE
4 RECOMMENDATION

5 FOR

6 HOUSE BILL NO. 3279

7 By: Pfeiffer

8 POLICY COMMITTEE RECOMMENDATION

9 An Act relating to state government; amending 74 O.S.
10 2021, Section 85.42, as amended by Section 9, Chapter
11 336, O.S.L. 2025 (74 O.S. Supp. 2025, Section 85.42),
12 which relates to the Oklahoma Central Purchasing Act;
13 broadening scope of certain prohibited act; deleting
14 certain contract penalties and employment
15 prohibitions; providing employment restrictions for
16 state officers or employees under certain
17 circumstances; requiring inclusion of certified
18 statements for purchase contracts exceeding certain
19 dollar amount; authorizing the appointment of
20 contract signatory designees; requiring written
21 designations; voiding contracts or agreements for
22 certain violations; prohibiting persons from entering
23 into state contracts or being rehired for specified
24 period of time; amending 74 O.S. 2021, Section 590,
which relates to the Oklahoma Privatization of State
Functions Act; broadening scope of certain prohibited
act; authorizing the Attorney General and state
agencies to terminate certain contracts; increasing
time limitation that bars business organizations from
contracting with the state, its agencies, or
political subdivisions of the state; allowing the
Attorney General or state agency to pursue monetary
damages and certain relief; and providing an
effective date.

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

1 SECTION 1. AMENDATORY 74 O.S. 2021, Section 85.42, as
2 amended by Section 9, Chapter 336, O.S.L. 2025 (74 O.S. Supp. 2025,
3 Section 85.42), is amended to read as follows:

4 Section 85.42. A. 1. Except as otherwise provided for in this
5 section or other applicable law, any agency, whether or not such
6 agency is subject to the Oklahoma Central Purchasing Act, shall be
7 prohibited from entering into a ~~sole source contract or agreement or~~
8 ~~a contract or agreement for professional services~~ with or for the
9 services of any person who has terminated employment with or who has
10 been terminated by that agency for one (1) year after the
11 termination date of the employee from the agency. ~~Any contract or~~
12 ~~agreement entered into in violation of this subsection shall be~~
13 ~~void. Any person found to have violated this subsection shall be~~
14 ~~prohibited from entering into any state contract for a period of~~
15 ~~five (5) years from the date of the execution of the contract or~~
16 ~~agreement. The provisions of this subsection shall not prohibit an~~
17 ~~agency from hiring or rehiring such person as a state employee.~~

18 2. Any chief administrative officer of an agency, whether or
19 not such agency is subject to the Oklahoma Central Purchasing Act,
20 shall not enter into any contract for nonprofessional or
21 professional services for the purpose of or which would result in
22 the circumvention of the full-time-equivalent employee limitation
23 established by law for such agency.

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1 3. Any state officer or employee, who exercises discretionary
2 or decision-making authority in entering into a contract of Twenty-
3 five Thousand Dollars (\$25,000.00) or more, shall be prohibited for
4 a period of one (1) year from the date of execution or renewal of
5 the contract from becoming an officer or employee of a business
6 organization which is a party to any contract with the state agency
7 in which the state officer or employee exercised such discretionary
8 or decision-making authority.

9 B. Each contract for purchases of Twenty-five Thousand Dollars
10 (\$25,000.00) or more, including change orders, extensions, renewals,
11 or amendments, entered into by any person or firm with the State of
12 Oklahoma shall include a statement certifying that no person who has
13 been materially involved in any manner in the development, approval,
14 or negotiation of such contract while employed by the state shall be
15 employed or given anything of value in consideration of receiving
16 the contract to fulfill any of the services provided for under the
17 contract. Each contract for purchases of Twenty-five Thousand
18 Dollars (\$25,000.00) or more, including change orders, extensions,
19 renewals, or amendments, shall also include a statement ~~from the~~
20 ~~chief executive officer or head of the contracting state agency~~
21 certifying that no known officer or employee of the contracting
22 state agency who has any direct or indirect financial, pecuniary, or
23 other personal interest in the contract has been involved in any
24 manner in the development, approval, or negotiation of the contract

1 through influence, decision, recommendation, or otherwise. The
2 chief executive officer or head of the contracting state agency may
3 appoint an employee of the agency as a contract signatory designee.
4 Such designation shall be made in writing. However, such
5 designation shall not absolve the chief executive officer or head of
6 the contracting agency from responsibility for implementing the
7 provisions of this subsection. This subsection shall not preclude
8 faculty and staff of the institutions within The Oklahoma State
9 System of Higher Education from negotiating and participating in
10 research grants and educational contracts. This subsection shall
11 not apply to Oklahoma Department of Commerce personnel who contract
12 to provide services to the Oklahoma Capital Investment Board.

13 C. As used in this section, "person" means any state official
14 or employee of a department, board, bureau, commission, agency,
15 trusteeship, authority, council, committee, trust, school district,
16 fair board, court, executive office, advisory group, task force,
17 study group, supported in whole or in part by public funds or
18 entrusted with the expenditure of public funds or administering or
19 operating public property, and all committees, or subcommittees
20 thereof, judges, justices and state legislators.

21 D. Notwithstanding anything to the contrary in this section,
22 the following sole-source or professional services contracts are
23 allowed at any time:

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1 1. A contract for professional services at any time with a
2 person who is a qualified interpreter for the deaf; and

3 2. A contract between a business entity that is a part-time
4 certified court reporter and the Administrative Office of the
5 Courts, on behalf of the district courts, or the Office of the
6 Attorney General.

7 E. Provided the provisions specified in subsection B of this
8 section are satisfied, the following professional services contracts
9 are allowed:

10 1. The Department of Transportation, Oklahoma Water Resources
11 Board, Department of Environmental Quality, Oklahoma Tourism and
12 Recreation Department, the Oklahoma Turnpike Authority and the
13 Oklahoma Department of Agriculture, Food, and Forestry may contract
14 with a person who has retired from state service;

15 2. To maintain public health infrastructure and preparedness,
16 the State Department of Health and city-county health departments
17 may contract with a physician assistant, Registered Nurse, advanced
18 practice nurse, Nurse-Midwife, registered dietitian, occupational
19 therapist, physical therapist or speech-language pathologist who has
20 retired from state service; and

21 3. The Department of Mental Health and Substance Abuse Services
22 may contract with a physician, Registered Nurse, registered
23 pharmacist or person meeting the definition of a licensed mental
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1 health professional, as defined in Title 43A of the Oklahoma
2 Statutes, who has separated and/or retired from state service.

3 F. Any contract or agreement entered into in violation of this
4 section shall be void. Any person found to have violated this
5 section shall be prohibited from entering into any state contract or
6 from being rehired as a state employee for a period of three (3)
7 years from the date of voiding, termination, or cancellation of the
8 contract or agreement.

9 SECTION 2. AMENDATORY 74 O.S. 2021, Section 590, is
10 amended to read as follows:

11 Section 590. A. Any state officer or employee who exercises
12 discretionary or decision-making authority in ~~awarding~~ entering into
13 a privatization contract pursuant to the Oklahoma Privatization of
14 State Functions Act, shall be prohibited for a period of one (1)
15 year from the effective date ~~that~~ of the ~~privatization~~ contract is
16 awarded from becoming an officer or employee of a business
17 organization which is a party to any ~~privatization~~ contract with the
18 state agency in which the state officer or employee exercised such
19 discretionary or decision-making authority.

20 B. In the event of a violation of the provisions of subsection
21 A of this section, ~~the~~ :

22 1. The Attorney General or the state agency may terminate the
23 contract with the business organization;

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1 2. The Attorney General may terminate any other state contract
2 with the business organization; and

3 3. The business organization shall be prohibited, for a period
4 of ~~one (1) year~~ three (3) years from the date of ~~the violation,~~
5 employment or association of the former state officer or employee
6 with the business organization, from contracting with the ~~state~~
7 State of Oklahoma or any agency in which the state officer or state
8 employee exercised discretionary or decision-making authority or
9 political subdivision of the State of Oklahoma.

10 The Attorney General or state agency may pursue monetary damages
11 and declaratory and equitable relief from the business organization
12 for repayment of any funds expended or encumbered pursuant to the
13 contract and any losses attributable to the contract or its
14 termination.

15 SECTION 3. This act shall become effective November 1, 2026.

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