

1 O.S. Supp. 2025, Section 121), 61 O.S. 2021, Section
2 131, 61 O.S. 2021, Section 137, 61 O.S. 2021, Section
3 138, which relate to the Public Competitive Bidding
4 Act of 1974; modifying terms; establishing procedure
5 for public construction contracts equal to or greater
6 than Twenty-Five Thousand Dollars and less than Fifty
7 Thousand Dollars for school district; requiring
8 bidding documents for construction-management trade
9 contracts and subcontracts to be available for set
10 period; authorizing electronic bids with live video
11 feed of bid opening to not have a public bid opening;
12 clarifying awarding public agency and not divisions
13 may extend contract award period; extending
14 applicability of the Public Competitive Bidding Act
15 to quotes; clarifying persons who are conflicted out
16 of contracts; establishing felony offenses related to
17 insider information related to public bids; requiring
18 change orders or cumulative change orders which
19 exceed certain limits to re-solicit quotes;
20 permitting suit by unsuccessful quoter; establishing
21 that persons who knowingly violate act shall be
22 guilty of a misdemeanor; directing public agencies to
23 use lowest responsible qualified vendor for personal
24 property greater than Ten Thousand Dollars; providing
procedure for public agencies that solicit bids or
quotes pursuant to authorized sole-source or sole-
brand bidding procedures; prohibiting public agencies
from writing bid or quote specifications for the
purpose of restricting bids or quotes; requiring
contractors and vendors to provide certain
information to awarding public agency; amending 70
O.S. 2021, Section 5-135, which relates to system of
accounting for school districts; requiring compliance
with Section 40 of Title 61; providing for
codification; and providing an effective date.

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

SECTION 1. AMENDATORY 60 O.S. 2021, Section 176, as last
amended by Section 4, Chapter 197, O.S.L. 2025 (60 O.S. Supp. 2025,
Section 176), is amended to read as follows:

1 Section 176. A. Express trusts may be created to issue
2 obligations, enter into financing arrangements including, but not
3 limited to, lease-leaseback, sale-leaseback, interest rate swaps,
4 and other similar transactions and to provide funds for the
5 furtherance and accomplishment of any authorized and proper public
6 function or purpose of the state or of any county or municipality or
7 any and all combinations thereof, in real or personal property, or
8 either or both, or in any estate or interest in either or both, with
9 the state, or any county or municipality or any and all combinations
10 thereof, as the beneficiary thereof by:

11 1. The express approval of the Legislature and the Governor if
12 the State of Oklahoma is the beneficiary;

13 2. The express approval of two-thirds (2/3) of the membership
14 of the governing body of the beneficiary if a county is a
15 beneficiary;

16 3. The express approval of two-thirds (2/3) of the membership
17 of the governing body of the beneficiary if a municipality is a
18 beneficiary; or

19 4. The express approval of two-thirds (2/3) of the membership
20 of the governing body of each beneficiary in the event a trust has
21 more than one beneficiary; provided, that no funds of a beneficiary
22 derived from sources other than the trust property, or the operation
23 thereof, shall be charged with or expended for the execution of the
24 trust, except by express action of the legislative authority of the

1 beneficiary prior to the charging or expending of the funds. The
2 officers or any other governmental agencies or authorities having
3 the custody, management, or control of any property, real or
4 personal or mixed, of the beneficiary of the trust, or of a proposed
5 trust, which property shall be needful for the execution of the
6 trust purposes, are authorized and empowered to lease the property
7 for those purposes, after the acceptance of the beneficial interest
8 therein by the beneficiary as hereinafter provided.

9 B. Any trust created pursuant to the provisions of this
10 section, in whole or in part, may engage in activities outside of
11 the geographic boundaries of its beneficiary, so long as the
12 activity provides a benefit to a large class of the public within
13 the beneficiary's geographic area or lessens the burdens of
14 government of the beneficiary and which does not solely provide a
15 benefit by generating administrative fees.

16 C. A municipality may convey title to real property which is
17 used for an airport to the trustees of an industrial development
18 authority trust whose beneficiary is the municipality. The
19 industrial development authority trust must already have the
20 custody, management, or control of the real property. The
21 conveyance must be approved by a majority of the governing body of
22 the municipality. A conveyance pursuant to this section may be made
23 only for the sole purpose of allowing the authority to sell the
24 property for fair market value when the property is to be used for

1 industrial development purposes. Conveyances made pursuant to this
2 subsection shall be made subject to any existing reversionary
3 interest or other restrictions burdening the property and subject to
4 any reversionary interest or other restriction considered prudent by
5 the municipality.

6 D. The trustees of a public trust having the State of Oklahoma
7 as beneficiary shall make and adopt bylaws for the due and orderly
8 administration and regulation of the affairs of the public trust.

9 All bylaws of a public trust having the State of Oklahoma as
10 beneficiary shall be submitted in writing to the Governor of the
11 State of Oklahoma. The Governor must approve the proposed bylaws
12 before they take effect.

13 E. No public trust in which the State of Oklahoma is the
14 beneficiary may be amended without a two-thirds (2/3) vote of
15 approval of the trustees of the trust; provided, that any amendment
16 is subject to the approval of the Governor of the State of Oklahoma.
17 Any amendments shall be sent to the Governor within fifteen (15)
18 days of their adoption.

19 F. No trust in which a county or municipality is the
20 beneficiary shall hereafter create an indebtedness or obligation
21 until the indebtedness or obligation has been approved by a two-
22 thirds (2/3) vote of the governing body of the beneficiary. In the
23 event a trust has more than one beneficiary, as authorized by this
24 section, the trust shall not incur an indebtedness or obligation

1 until the indebtedness or obligation has been approved by a two-
2 thirds (2/3) vote of the governing body of two-thirds (2/3) of the
3 beneficiaries of the trust. Provided, however, a municipality with
4 a governing body consisting of fewer than seven (7) members shall be
5 required to approve the creation of an indebtedness or obligation
6 under this subsection by a three-fifths (3/5) vote of the governing
7 body.

8 G. All bonds described in subsection F of this section, after
9 December 1, 1976, except bonds sold to the federal government or any
10 agency thereof or to any agency of the State of Oklahoma, shall be
11 awarded to the lowest and best bidder based upon open competitive
12 public offering, advertised at least once a week for two (2)
13 successive weeks in a newspaper of general circulation in the county
14 where the principal office of the trust is located prior to the date
15 on which bids are received and opened; provided, competitive bidding
16 may be waived on bond issues with the approval of three-fourths
17 (3/4) of the trustees, unless the trust has fewer than four
18 trustees, in which case a two-thirds (2/3) approval shall be
19 required, and a three-fourths (3/4) vote of the governing body of
20 the beneficiary, unless the beneficiary is a county in which case a
21 two-thirds (2/3) vote of the members of the governing body shall be
22 required, or three-fourths (3/4) vote of the governing bodies of
23 each of the beneficiaries of the trust, unless one of the
24 beneficiaries is a county in which case a two-thirds (2/3) vote of

1 the members of the governing body of such county shall be required.
2 No bonds shall be sold for less than par value, except upon approval
3 of three-fourths (3/4) of the trustees, unless the beneficiary is a
4 county in which case a two-thirds (2/3) vote of the members of the
5 governing body shall be required. In no event shall bonds be sold
6 for less than sixty-five percent (65%) of par value; provided,
7 however, in no event shall the original purchaser from the issuer of
8 any bonds issued by any public trust for any purpose receive
9 directly or indirectly any fees, compensation, or other remuneration
10 in excess of four percent (4%) of the price paid for the bonds by
11 the purchaser of the bonds from the original purchaser; and further
12 provided, that the average coupon rate thereon shall in no event
13 exceed fourteen percent (14%) per annum. No public trust shall sell
14 bonds for less than ninety-six percent (96%) of par value until the
15 public trust has received from the underwriter or financial advisor
16 or, in the absence of an underwriter or financial advisor, the
17 initial purchaser of the bonds, an estimated alternative financing
18 structure or structures showing the estimated total interest and
19 principal cost of each alternative. At least one alternative
20 financing structure shall include bonds sold to the public at par.
21 Any estimates shall be considered a public record of the public
22 trust. Bonds, notes, or other evidences of indebtedness issued by
23 any public trust shall be eligible for purchase by any state banking
24 association or corporation subject to such limitations as to

1 investment quality as may be imposed by regulations, rules, or
2 rulings of the Bank Commissioner.

3 H. Public trusts created pursuant to this section shall file
4 annually, with their respective beneficiaries, copies of financial
5 documents and reports sufficient to demonstrate the fiscal activity
6 of such trust including, but not limited to, budgets, financial
7 reports, bond indentures, and audits. Amendments to the adopted
8 budget shall be approved by the trustees of the public trust and
9 recorded as such in the official minutes of such trust.

10 ~~I. Public construction contracts as provided in the Public~~
11 ~~Competitive Bidding Act of 1974 shall be subject to the Public~~
12 ~~Competitive Bidding Act of 1974 and the Fair Pay for Construction~~
13 ~~Act, where applicable. The provisions of this subsection shall not~~
14 ~~apply to contracts of industrial and cultural trusts.~~

15 ~~J.~~ Any public trust created pursuant to the provisions of this
16 section shall have the power to acquire lands by use of eminent
17 domain in the same manner and according to the procedures provided
18 for in Sections 51 through 66 of Title 66 of the Oklahoma Statutes.
19 Any exercise of the power of eminent domain by a public trust
20 pursuant to the provisions of this section shall be limited to the
21 furtherance of public purpose projects involving revenue-producing
22 utility projects of which the public trust retains ownership;
23 provided, for public trusts in which the State of Oklahoma is the
24 beneficiary the exercise of the power of eminent domain may also be

1 used for public purpose projects involving air transportation.
2 Revenue-producing utility projects shall be limited to projects for
3 the transportation, delivery, treatment, or furnishing of water for
4 domestic purposes or for power including, but not limited to, the
5 construction of lakes, pipelines, and water treatment plants or for
6 projects for rail transportation. Any public trust formed pursuant
7 to this section which has a county as its beneficiary shall have the
8 power to acquire, by use of eminent domain, any lands located either
9 inside the county, or contiguous to the county pursuant to the
10 limitations imposed pursuant to this section.

11 ~~K.~~ J. If a roadway owned and maintained by a public trust whose
12 beneficiary is the State of Oklahoma, which roadway is not within
13 the corporate limits of any municipality and has been used by the
14 public for any length of time, and the trust has not dedicated the
15 roadway for public use by written easement, plat, or similar writing
16 recorded in the land records of the county clerk of the county in
17 which the roadway is located, the trust may at any time, by
18 resolution of its board of trustees, close, reopen, or re-close the
19 roadway to public use. Such closure shall not leave any property
20 not owned by the trust without contiguous access to a roadway,
21 whether a public right-of-way or a roadway owned by the trust. If a
22 roadway is closed pursuant to this subsection and the right to
23 reopen the roadway is foreclosed by the district court of the county
24 where the roadway is located, pursuant to the procedures provided in

1 Sections 42-111 through 42-115 of Title 11 of the Oklahoma Statutes,
2 then the closure of such roadway shall be permanent and not subject
3 to being reopened.

4 ~~H.~~ K. Provisions of this section shall not apply to entities
5 created under Sections 1324.1 through 1324.26 of Title 82 of the
6 Oklahoma Statutes.

7 ~~M.~~ L. Any trust created under Section 176 et seq. of this
8 title, in whole or in part, to operate, administer, or oversee any
9 county jail facility shall consist of not fewer than five members
10 and include a county commissioner and the county sheriff, or their
11 designees, and one member appointed by each of the county
12 commissioners. The appointed members shall not be elected
13 officials.

14 SECTION 2. AMENDATORY 61 O.S. 2021, Section 102, as
15 amended by Section 13, Chapter 238, O.S.L. 2022 (61 O.S. Supp. 2025,
16 Section 102), is amended to read as follows:

17 Section 102. As used in the Public Competitive Bidding Act of
18 1974:

19 1. "Awarding public agency" means the public agency which
20 solicits and receives ~~sealed bids~~ or quotes on a particular public
21 construction contract;

22 2. "Bidding documents" means the bid notice, instruction to
23 bidders, plans and specifications, bidding form, bidding
24 instructions, general conditions, special conditions and all other

1 written instruments prepared by or on behalf of an awarding public
2 agency for use by prospective bidders on a public construction
3 contract;

4 3. "Chief administrative officer" means an individual
5 responsible for directing the administration of a public agency.
6 The term does not mean one or all of the individuals that make
7 policy for a public agency;

8 4. "Construction management trade contract or subcontract"
9 means any public construction contract ~~exceeding Fifty Thousand~~
10 ~~Dollars (\$50,000.00) in amount~~ that is awarded as a trade contract
11 in an agency construction management contract or awarded as a
12 subcontract in an at-risk construction management contract;

13 5. "Public agency" means the State of Oklahoma, and any county,
14 city, town, school district or other political subdivision of the
15 state, any public trust, any public entity specifically created by
16 the Constitution or statutes of the State of Oklahoma or as a result
17 of statutory authorization therefor, and any department, agency,
18 board, bureau, commission, committee or authority of any of the
19 foregoing public entities;

20 6. "Public construction contract" ~~or "contract"~~ means any
21 contract, ~~exceeding One Hundred Thousand Dollars (\$100,000.00) in~~
22 ~~amount, or any construction management trade contracts or~~
23 ~~subcontracts exceeding Fifty Thousand Dollars (\$50,000.00) in~~
24 ~~amount,~~ awarded by any public agency for the purpose of making any

1 public improvements or constructing any public building or making
2 repairs to or performing maintenance on the same except where the
3 improvements, construction of any building or repairs to the same
4 are improvements or buildings leased to a person or other legal
5 entity exclusively for private and not for public use and no public
6 tax revenues shall be expended on or for the contract unless the
7 public tax revenues used for the project are authorized by a
8 majority of the voters of the applicable public agency voting at an
9 election held for that purpose and the public tax revenues do not
10 exceed twenty-five percent (25%) of the total project cost. The
11 amount of public tax dollars committed to the project will not
12 exceed a fixed amount established by resolution of the governing
13 body prior to or concurrent with approval of the project;

14 7. "Public improvement" means any beneficial or valuable change
15 or addition, betterment, enhancement or amelioration of or upon any
16 real property, or interest therein, belonging to a public agency,
17 intended to enhance its value, beauty or utility or to adapt it to
18 new or further purposes. The term does not include the direct
19 purchase of materials, equipment or supplies by a public agency, or
20 any personal property, including property as defined in paragraphs 1
21 and 4 of subsection B of Section 430.1 of Title 62 of the Oklahoma
22 Statutes;

23 8. "Purchasing cooperative" means an association of public
24 entities working together to provide leverage in achieving best

1 value and/or the best terms in contracts awarded through a
2 competitive bidding process; and

3 9. "Retainage" means the difference between the amount earned
4 by the contractor on a public construction contract, with the work
5 being accepted by the public agency, and the amount paid on said
6 contract by the public agency.

7 SECTION 3. AMENDATORY 61 O.S. 2021, Section 103, as last
8 amended by Section 1, Chapter 361, O.S.L. 2025 (61 O.S. Supp. 2025,
9 Section 103), is amended to read as follows:

10 Section 103. A. Unless otherwise provided by law, all public
11 construction contracts exceeding One Hundred Thousand Dollars
12 (\$100,000.00) or construction management trade contracts or
13 subcontracts exceeding Fifty Thousand Dollars (\$50,000.00) shall be
14 let and awarded to the lowest responsible bidder, by open
15 competitive bidding after solicitation for sealed bids, in
16 accordance with the provisions of the Public Competitive Bidding Act
17 of 1974. No work shall be commenced until a written contract is
18 executed and all required bonds and insurance have been provided by
19 the contractor to the awarding public agency.

20 B. Notwithstanding subsection A of this section, in awarding
21 public construction contracts exceeding One Hundred Thousand Dollars
22 (\$100,000.00) or construction management trade contracts or
23 subcontracts exceeding Fifty Thousand Dollars (\$50,000.00),
24 counties, cities and towns, other local units of government and any

1 public trust with a county or a municipality as its sole beneficiary
2 shall provide for a local bid preference of not more than five
3 percent (5%). Provided, however, the local bidder or contractor
4 must agree to perform the contract for the same price and terms as
5 the bid proposed by the nonlocal bidder or contractor. Provided
6 further, no local bid preference shall be granted unless the local
7 bidding entity is the second lowest qualified bid on the contract.
8 The bid specifications shall clearly state that the bid is subject
9 to a local bidder preference law. For purposes of this section,
10 "local bid" means the bidding person is authorized to transact
11 business in this state and maintains a bona fide establishment for
12 transacting such business within this state. This provision does
13 not apply to any construction contract for which federal funds are
14 available for expenditure when its provisions may be in conflict
15 with federal law or regulation.

16 C. ~~Except~~ Unless otherwise provided by law, except as provided
17 in subsection E of this section, other construction contracts for
18 ~~the purpose of making any public improvements or constructing any~~
19 ~~public building or making repairs to the same for~~ between Ten
20 Thousand Dollars (\$10,000.00) and One Hundred Thousand Dollars
21 (\$100,000.00) or construction management trade contracts or
22 subcontracts for Fifty Thousand Dollars (\$50,000.00) or less shall
23 be let and awarded to the lowest responsible bidder by receipt of
24 written bids or awarded on the basis of competitive quotes to the

1 lowest responsible qualified contractor. Work may be commenced in
2 accordance with the purchasing policies of the public agency.

3 D. ~~Except~~ Unless otherwise provided by law, except as provided
4 in subsection E of this section, other construction contracts for
5 less than Ten Thousand Dollars (\$10,000.00) may be negotiated with a
6 qualified contractor. Work may be commenced in accordance with the
7 purchasing policies of the public agency.

8 E. The provisions of this subsection shall apply to ~~public~~
9 ~~construction for minor maintenance or minor repair work to public~~
10 ~~school district property~~ districts only. ~~Other construction~~
11 Construction contracts for less than Twenty-five Thousand Dollars
12 (\$25,000.00) may be negotiated with a qualified contractor. Public
13 construction contracts for equal to or greater than Twenty-five
14 Thousand Dollars (\$25,000.00) and less than Fifty Thousand Dollars
15 (\$50,000.00) shall be let and awarded to the lowest responsible
16 bidder by receipt of written bids or awarded on the basis of
17 competitive quotes to the lowest responsible qualified contractor.
18 Construction contracts equal to or greater than Fifty Thousand
19 Dollars (\$50,000.00) but less than One Hundred Thousand Dollars
20 (\$100,000.00) shall be let and awarded to the lowest responsible
21 bidder by receipt of written bids. No work shall be commenced on
22 any construction contract until a written contract is executed and
23 proof of insurance has been provided by the contractor to the
24 awarding ~~public agency~~ school district.

1 F. The Construction and Properties Division of the Office of
2 Management and Enterprise Services may award contracts using best
3 value competitive proposals. As used in this subsection, "best
4 value" means an optional contract award system which can evaluate
5 and rank submitted competitive performance proposals to identify the
6 proposal with the greatest value to the state. The Office of
7 Management and Enterprise Services, pursuant to the Administrative
8 Procedures Act, shall promulgate rules necessary to implement the
9 provisions of this subsection.

10 G. 1. A public agency shall not let or award a public
11 construction contract exceeding One Hundred Thousand Dollars
12 (\$100,000.00) or a construction management trade contract or
13 subcontract exceeding Fifty Thousand Dollars (\$50,000.00) to any
14 contractor affiliated with a purchasing cooperative unless the
15 purchasing cooperative and the contractor have complied with all of
16 the provisions of the Public Competitive Bidding Act of 1974,
17 including, but not limited to, open competitive bidding after
18 solicitation for sealed bids. A public agency shall not let or
19 award a public construction contract exceeding Ten Thousand Dollars
20 (\$10,000.00) up to One Hundred Thousand Dollars (\$100,000.00) to any
21 contractor affiliated with a purchasing cooperative unless the
22 purchasing cooperative and the contractor have complied with all of
23 the provisions of the Public Competitive Bidding Act of 1974,
24

1 including submission of a written bid upon notice of competitive
2 bidding.

3 2. A purchasing cooperative and its affiliated contractors
4 shall not be allowed to bid on any public construction contract
5 exceeding One Hundred Thousand Dollars (\$100,000.00) or any
6 construction management trade contract or subcontract exceeding
7 Fifty Thousand Dollars (\$50,000.00) unless the purchasing
8 cooperative and its affiliated contractors have complied with all of
9 the provisions of the Public Competitive Bidding Act of 1974,
10 including, but not limited to, open competitive bidding after
11 solicitation for sealed bids. A purchasing cooperative and its
12 affiliated contractors shall not be allowed to bid on any public
13 construction contract exceeding Five Thousand Dollars (\$5,000.00)
14 unless the purchasing cooperative and its affiliated contractors
15 have complied with all of the provisions of the Public Competitive
16 Bidding Act of 1974, including submission of a written bid upon
17 notice of open competitive bidding.

18 3. Local governmental units, or local governmental units
19 cooperating under the terms of any interlocal cooperative agreement
20 authorized by state law, may create a purchasing cooperative or
21 contract with a purchasing cooperative to provide leverage in
22 achieving best value or the best terms in contracts. To encourage
23 intergovernmental collaboration, any purchasing cooperative or
24 interlocal cooperative entity may utilize any single legal newspaper

1 of this state to serve as sufficient compliance for bid notice
2 requirements of competitive bidding or solicitation of bids. If the
3 purchasing cooperative or interlocal cooperative entity is engaging
4 in a project exclusive to a county or group of counties of this
5 state, and not open to all governmental units or public trusts that
6 wish to participate statewide, the bid notice shall be published in
7 a legal newspaper located within the county or group of counties.
8 Any local governmental unit or public trust that enters into
9 membership or contracts with a purchasing cooperative or interlocal
10 cooperative entity may enter into purchases or contracts under the
11 terms negotiated by the purchasing cooperative or interlocal
12 cooperative entity. If the purchasing cooperative or interlocal
13 cooperative entity complies with the requirements of this section of
14 law, all local governmental units shall be deemed in compliance with
15 the requirements set forth for bid notices and publication.

16 SECTION 4. AMENDATORY 61 O.S. 2021, Section 106, as
17 amended by Section 18, Chapter 238, O.S.L. 2022 (61 O.S. Supp. 2025,
18 Section 106), is amended to read as follows:

19 Section 106. Complete bidding documents regarding a proposed
20 public construction contract or construction-management trade
21 contract or subcontract shall be available to the public at least
22 twenty (20) days prior to the date set for opening bids. The
23 awarding public agency, or its agent, may require a reasonable
24 deposit for each set of bidding documents; provided, that such

1 deposit shall not exceed the actual cost of duplicating or printing.
2 The public agency, or its agent, may retain all or part of said
3 deposit if so stated in the notice for bids.

4 SECTION 5. AMENDATORY 61 O.S. 2021, Section 110, as
5 amended by Section 21, Chapter 238, O.S.L. 2022 (61 O.S. Supp. 2025,
6 Section 110), is amended to read as follows:

7 Section 110. Bids whether submitted in paper or electronic
8 format shall be opened only at the time and place listed in the
9 bidding documents. Paper bids shall be opened in the presence of an
10 administrative officer of the awarding public agency and be read
11 aloud at the time of opening. Such bid opening shall be open to the
12 public and to all bidders. Electronic bids shall not be viewable
13 prior to the time listed for bid opening in the bidding documents.
14 Electronic bids may be opened in a public bid opening in the same
15 way as for paper bids. A public bid opening is not required for
16 electronic bids if the awarding public agency ~~electronically~~
17 ~~publishes the bids~~ provides a live video feed of the bid opening on
18 its website at time of bid opening.

19 SECTION 6. AMENDATORY 61 O.S. 2021, Section 111, is
20 amended to read as follows:

21 Section 111. The awarding of a contract to the lowest
22 responsible bidder or bidders shall be made within thirty (30) days
23 after the opening of bids unless the governing body of the awarding
24 public agency, by formal recorded action and for good cause shown,

1 provides for a reasonable extension of that period, which extension
2 period shall not in any event exceed fifteen (15) days where only
3 state or local funds are involved, or not to exceed ninety (90) days
4 on any award of contract for the construction of a public
5 improvement where funds are utilized which are furnished by an
6 agency of the United States Government. Upon mutual written
7 agreement between the lowest responsible bidder or bidders and the
8 awarding public agency, the ~~Division or~~ awarding public agency may
9 extend the contract award period no more than one hundred twenty
10 (120) days from the bid opening date.

11 SECTION 7. AMENDATORY 61 O.S. 2021, Section 112, as
12 amended by Section 22, Chapter 238, O.S.L. 2022 (61 O.S. Supp. 2025,
13 Section 112), is amended to read as follows:

14 Section 112. All bids or quotes, both successful and
15 unsuccessful, and all contracts and required bonds shall be placed
16 on file and maintained by the awarding public agency for a period of
17 five (5) years from the date of opening of bids or quotes or for a
18 period of three (3) years from the date of completion of the
19 contract, whichever is longer, and shall be open to public
20 inspection and shall be matters of public record.

21 SECTION 8. AMENDATORY 61 O.S. 2021, Section 114, as
22 amended by Section 729, Chapter 486, O.S.L. 2025 (61 O.S. Supp.
23 2025, Section 114), is amended to read as follows:

24

1 Section 114. ~~The chief administrative officer and members of~~
2 ~~the governing body of the awarding public agency authorizing or~~
3 ~~awarding or supervising the execution of a public construction~~
4 ~~contract~~ The officials and employees of the awarding public agency
5 who authorize or award or supervise the execution of a public
6 construction contract, and their relatives within the third degree
7 of consanguinity or affinity, are forbidden to be interested
8 directly or indirectly through stock ownership, partnership interest
9 or otherwise in any such contract. Contracts entered into in
10 violation of this section shall be void. Persons willfully
11 violating this section shall be guilty of a Class D3 felony offense
12 punishable by imprisonment as provided for in subsections B through
13 F of Section 20P of Title 21 of the Oklahoma Statutes and shall be
14 subject to removal from office.

15 SECTION 9. AMENDATORY 61 O.S. 2021, Section 116, as
16 amended by Section 543, Chapter 486, O.S.L. 2025 (61 O.S. Supp.
17 2025, Section 116), is amended to read as follows:

18 Section 116. A. ~~Any disclosure by an employee of a public~~
19 ~~agency of the terms of a bid submitted in response to a bid notice~~
20 ~~issued by a public agency in advance of the time set for opening of~~
21 ~~all bids so submitted shall be unlawful. It shall also be unlawful~~
22 ~~for any person to solicit, possess or receive information which is~~
23 ~~to be contained in a bid notice of a public agency, for use in~~
24 ~~preparing a bid, in advance of the date on which said bid notice is~~

1 ~~to be made equally and uniformly known to all prospective bidders~~
2 ~~and the public, and it shall further be unlawful for any employee of~~
3 ~~a public agency to withhold or impede the distribution of said~~
4 ~~information after notice of the bid has been given, unless the~~
5 ~~solicitation of bids has been withdrawn or the particular~~
6 ~~information in question has been deleted or replaced through~~
7 ~~alteration of the bid notice and said withdrawal or alteration has~~
8 ~~been made equally and uniformly known. Any violation of this~~
9 ~~subsection shall be a Class D1 felony offense punishable by~~
10 ~~imprisonment as provided for in subsections B through F of Section~~
11 ~~20N of Title 21 of the Oklahoma Statutes and shall render the~~
12 ~~proceedings void and require solicitation and award anew~~ It shall be
13 a felony for any official or employee of a public agency to disclose
14 the terms of a bid submitted in response to a bid notice issued by a
15 public agency in advance of the time set for opening of all bids so
16 submitted, and the proceedings shall be rendered void.

17 B. ~~The estimate of the actual cost of the project made by the~~
18 ~~public agency, construction manager or consultant for the agency~~ It
19 shall be a felony for any official or employee of a public agency to
20 provide, or for any other person to solicit or possess or receive,
21 information which is to be contained in a bid notice of a public
22 agency in advance of the date on which said bid notice is to be made
23 equally and uniformly known to all prospective bidders and the
24 public, and the proceedings shall be rendered void. The estimate of

1 the actual cost of the project shall not be considered confidential
2 and shall be available to the public in accordance with the Oklahoma
3 Open Records Act.

4 C. It shall be a felony for any official or employee of a
5 public agency to withhold or impede the distribution of information
6 contained in a bid notice of a public agency after notice of the bid
7 has been given, unless the solicitation of bids has been withdrawn
8 or the particular information in question has been deleted or
9 replaced through alteration of the bid notice and said withdrawal or
10 alteration has been made equally and uniformly known.

11 SECTION 10. AMENDATORY 61 O.S. 2021, Section 117, is
12 amended to read as follows:

13 Section 117. If an award is made to other than the lowest
14 bidder or quoter, the awarding public agency shall accompany its
15 action with a publicized statement setting forth the reason for its
16 action. Such statement shall be placed on file, open to public
17 inspection and be a matter of public record.

18 SECTION 11. AMENDATORY 61 O.S. 2021, Section 119, is
19 amended to read as follows:

20 Section 119. By majority action of the governing board of the
21 awarding public agency or the chief administrating officer of an
22 awarding public agency without a governing board, the awarding
23 public agency shall have the right to reject any or all bids or
24 quotes and solicit bidders or quoters again as herein provided if,

1 in the opinion of the governing body of the public agency, the best
2 interests of the people of the State of Oklahoma would be best
3 served by so doing.

4 SECTION 12. AMENDATORY 61 O.S. 2021, Section 119.1, as
5 amended by Section 25, Chapter 238, O.S.L. 2022 (61 O.S. Supp. 2025,
6 Section 119.1), is amended to read as follows:

7 Section 119.1. A. If no timely bid or quote is received after
8 bid notices have been published or quotes have been solicited on any
9 proposed public construction contract which does not exceed One
10 Hundred Thousand Dollars (\$100,000.00) or on any proposed
11 construction management trade contract or subcontract which does not
12 exceed Fifty Thousand Dollars (\$50,000.00):

13 1. The governing body of a county, city, town or school
14 district may direct its employees or agents to negotiate the
15 contract with a prospective contractor; or

16 2. The state agency, as defined in Section 202 of this title,
17 shall request the Office of Management and Enterprise Services to
18 negotiate a contract on its behalf.

19 B. The amount of a public construction contract which may be
20 awarded by the governing body pursuant to this section shall not
21 exceed One Hundred Thousand Dollars (\$100,000.00), nor shall the
22 amount of a construction management trade contract or subcontract
23 awarded by the governing body pursuant to this section exceed Fifty
24 Thousand Dollars (\$50,000.00), and the work to be performed shall be

1 as specified in the initial bidding documents or quote solicitation.
2 The contract shall be executed within six (6) months after the date
3 initially set for opening of bids or receipt of quotes. The
4 contract and contract procedure shall conform to all other
5 applicable provisions of the Public Competitive Bidding Act of 1974.

6 SECTION 13. AMENDATORY 61 O.S. 2021, Section 120, is
7 amended to read as follows:

8 Section 120. No public construction contract shall be
9 assignable by the ~~successful bidder~~ contractor without written
10 consent of the governing body of the awarding public agency,
11 evidenced by resolution. In no event shall such a contract be
12 assigned to a bidder who was declared by the awarding public agency
13 not to be a responsible bidder in the consideration of bids received
14 for the particular contract.

15 SECTION 14. AMENDATORY 61 O.S. 2021, Section 121, as
16 amended by Section 26, Chapter 238, O.S.L. 2022 (61 O.S. Supp. 2025,
17 Section 121), is amended to read as follows:

18 Section 121. A. Change orders or addenda to public
19 construction contracts of One Million Dollars (\$1,000,000.00) or
20 less shall not exceed a fifteen percent (15%) cumulative increase in
21 the original contract amount.

22 B. Change orders or addenda to public construction contracts of
23 over One Million Dollars (\$1,000,000.00) shall not exceed the
24

1 greater of One Hundred Fifty Thousand Dollars (\$150,000.00) or a ten
2 percent (10%) cumulative increase in the original contract amount.

3 C. Change orders or cumulative change orders which exceed the
4 limits of subsection A or B of this section shall require a
5 readvertising for bids or re-solicitation of quotes on the
6 incomplete portions of the contract.

7 D. If the awarding public agency does not have a governing
8 body, the chief administrative officer of the awarding public agency
9 shall approve change orders. The Director of the Office of
10 Management and Enterprise Services, or the Director's designee,
11 shall sign and execute all contracts and change orders, as they
12 relate to state agencies.

13 E. If the awarding public agency has a governing body, all
14 change orders shall be formally approved by the governing body of
15 the awarding public agency and the reasons for approval recorded in
16 the permanent records of the governing body. The governing body of
17 a municipality or technology center may delegate approval of change
18 orders up to Forty Thousand Dollars (\$40,000.00) or ten percent
19 (10%) of any contract, whichever is less, to the chief
20 administrative officer of the municipality or technology center or
21 their designee, with any approved change orders reported to the
22 governing body at the next regularly scheduled meeting.

23 F. The Oklahoma Veterans Commission, as the governing body of
24 the Oklahoma Department of Veterans Affairs, is authorized to

1 delegate to the Director of the agency the authority to approve
2 change orders on a construction contract provided that the
3 individual change order does not exceed Forty Thousand Dollars
4 (\$40,000.00) in expenditure, and complies with the limits
5 established by this section. Change orders approved by the Director
6 pursuant to a delegation of authority shall be presented to the
7 Commission during the next regular meeting and the reasons for the
8 orders recorded in permanent records.

9 G. The governing body of the Oklahoma Tourism and Recreation
10 Department is authorized, upon approval of a majority of all of the
11 members of the Oklahoma Tourism and Recreation Commission, to
12 delegate to the Director of the agency the authority to approve
13 change orders on a construction contract provided that the
14 individual change order does not exceed Twenty-five Thousand Dollars
15 (\$25,000.00) in expenditure and complies with the limits established
16 by this section. The Director of the Office shall sign and execute
17 all contracts and change orders.

18 H. The Transportation Commission may, by rule, authorize the
19 Director of the Department of Transportation to approve change
20 orders in an amount of not to exceed Five Hundred Thousand Dollars
21 (\$500,000.00). Change orders approved by the Director shall be
22 presented to the Transportation Commission during the next regular
23 meeting and the reasons therefor recorded in the permanent records.
24 The Oklahoma Turnpike Authority may authorize the Director of the

1 Authority to approve change orders in an amount not to exceed Two
2 Hundred Fifty Thousand Dollars (\$250,000.00). Change orders
3 approved by the Director of the Authority shall be presented to the
4 Authority during the next regular meeting and the reasons for the
5 orders recorded in permanent records.

6 I. All change orders for the Department of Transportation or
7 the Authority shall contain a unit price and total for each of the
8 following items:

9 1. All materials with cost per item;

10 2. Itemization of all labor with number of hours per operation
11 and cost per hour;

12 3. Itemization of all equipment with the type of equipment,
13 number of each type, cost per hour for each type, and number of
14 hours of actual operation for each type;

15 4. Itemization of insurance cost, bond cost, Social Security,
16 taxes, workers' compensation, employee fringe benefits and overhead
17 cost; and

18 5. Profit for the contractor.

19 J. 1. If a construction contract contains unit pricing, and
20 the change order ~~pertains to~~ changes the unit price, the change
21 order will not be subject to subsection A or B of this section.

22 2. When the unit price change does not exceed Twenty Thousand
23 Dollars (\$20,000.00), the unit price change order computation may be
24 based on an acceptable unit price basis in lieu of cost itemization

1 as required in paragraphs 1, 2, 3, 4 and 5 of subsection I of this
2 section.

3 3. When the unit price change exceeds Twenty Thousand Dollars
4 (\$20,000.00), any unit price for a new item established at or below
5 the average eighteen-month-price history for the new item may be
6 used in lieu of cost itemization as required in paragraphs 1, 2, 3,
7 4 and 5 of subsection I of this section.

8 K. Alternates or add items bid with the original bid or quoted
9 with the original quote and contained in the awarded contract as
10 options of the awarding public agency shall not be construed as
11 change orders under the provisions of the Public Competitive Bidding
12 Act of 1974.

13 L. Where construction management at-risk is the project
14 delivery method, the limits established by subsections A and B of
15 this section shall be based upon the total cost of the project
16 rather than the cost of the individual trade contracts.

17 SECTION 15. AMENDATORY 61 O.S. 2021, Section 122, is
18 amended to read as follows:

19 A. Any person who knowingly violates any provision of this act
20 not otherwise provided shall, upon conviction, be guilty of a
21 misdemeanor.

22 B. Any taxpayer of the State of Oklahoma, or any bona fide
23 unsuccessful bidder or quoter on a particular public construction
24 contract, within ten (10) days after any such contract has been

1 executed, is empowered to bring suit in the district court of the
2 county where the work, or the major part of it, is to be done to
3 enjoin the performance of such contract if entered into in violation
4 of the provisions of this act.

5 SECTION 16. AMENDATORY 61 O.S. 2021, Section 131, is
6 amended to read as follows:

7 Section 131. No contract shall be split into partial contracts
8 for the purpose of avoiding the requirements of this act. All such
9 partial contracts shall be void. Any person who knowingly violates
10 the provisions of this section shall, upon conviction, be guilty of
11 a misdemeanor ~~punishable by imprisonment in the county jail for not~~
12 ~~more than one (1) year, or by a fine of not more than One Thousand~~
13 ~~Dollars (\$1,000.00), or by both such fine and imprisonment.~~

14 SECTION 17. AMENDATORY 61 O.S. 2021, Section 137, is
15 amended to read as follows:

16 Section 137. Any contract which has been bid or quoted under
17 the provisions of the Public Competitive Bidding Act, Section 101 et
18 seq. of Title 61 of the Oklahoma Statutes, and on which no work has
19 been performed and no formal claim or litigation has been pending
20 within the last twenty-four (24) months shall be terminated by the
21 public agency which awarded the contract. After termination, the
22 public agency shall determine the amount of any final payment due to
23 the contractor and shall make such payment to the contractor at the
24 contractor's last-known address, or if the public agency is unable

1 to locate the contractor, the amount due shall be held in a separate
2 account by the State Treasurer in the name of the contractor.
3 Termination of the contract and payment to the contractor or deposit
4 of the funds due to the contractor as determined by the public
5 agency shall release the public agency from any further liability to
6 the contractor or surety company. Any such funds held by the State
7 Treasurer for the contractor which are not claimed by the contractor
8 within thirty-six (36) months from the date of deposit with the
9 State Treasurer shall be deposited in the General Revenue Fund and
10 the state shall have no further liability on the project to the
11 contractor or surety company.

12 SECTION 18. AMENDATORY 61 O.S. 2021, Section 138, is
13 amended to read as follows:

14 Section 138. Any competitive bid submitted pursuant to the
15 Public Competitive Bidding Act of 1974 to a school district, county
16 or municipality ~~for furnishing of goods or services~~ shall be
17 accompanied by the sworn noncollusion statement contained in Section
18 85.22 of ~~this~~ title 74, modified in wording to refer to the school
19 district, county or municipality instead of the state.

20 SECTION 19. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 140 of Title 61, unless there is
22 created a duplication in numbering, reads as follows:

23 A. Unless otherwise specifically provided by law, public
24 agencies shall purchase or lease-purchase or lease all personal

1 property, including materials and equipment and supplies, estimated
2 to cost Twenty-Five Thousand (\$25,000.00) Dollars or more from the
3 lowest responsible qualified vendor after soliciting and receiving
4 written quotes.

5 B. Unless otherwise provided by law, public agencies are not
6 required to obtain bids or quotes for professional services as
7 defined in Section 803 of Title 18 of the Oklahoma Statutes.

8 C. If a public agency solicits bids or quotes pursuant to
9 authorized sole-source or sole-brand bidding procedures, such public
10 agency shall consider any bid or quote for a lower cost that
11 substitutes an item or service with one that is substantially
12 equivalent in quality and performance or that meets the required bid
13 or quote specifications.

14 D. Public agencies shall not write bid or quote specifications
15 for the purpose of restricting bids or quotes.

16 E. 1. Each contractor and vendor shall provide to the awarding
17 public agency a written statement under oath disclosing the names of
18 all individuals with more than ten percent (10%) ownership interest
19 in the bidding or quoting company. The statement also shall include
20 the names of all individuals with more than ten percent (10%)
21 ownership interest in any entities with any ownership interest in
22 the bidding or quoting company as well as the names of all
23 individuals with more than ten percent (10%) ownership interest in
24 any of those entities as far back in the chain of ownership as

1 necessary to reveal the names of all individuals with any ownership
2 interest whatsoever;

3 2. Each contractor or vendor shall provide to the awarding
4 public agency a written statement under oath disclosing the names of
5 its subcontractors and trade contractors;

6 3. Each subcontractor and trade contractor that is an entity
7 shall provide a written statement under oath disclosing the names of
8 all individuals with more than ten percent (10%) ownership interest
9 in the entity as well as the names of all individuals with more than
10 ten percent (10%) ownership interest in any entity with any
11 ownership interest in such entity as far back in the chain of
12 ownership as necessary to reveal the names of all individuals with
13 more than ten percent (10%) ownership interest whatsoever;

14 4. If any contractor or subcontractor or trade contractor or
15 vendor does not provide such statement, such contract or subcontract
16 or trade contract shall be void; and

17 5. The purpose of this subsection is to prohibit individuals
18 from hiding ownership or employment interests behind entities or
19 trade names.

20 F. Nothing in this section shall prohibit a public agency from
21 prescribing stricter requirements for itself.

22 SECTION 20. AMENDATORY 70 O.S. 2021, Section 5-135, is
23 amended to read as follows:

24

1 Section 5-135. A. The board of education of each school
2 district shall use the following system of initiating, recording and
3 paying for all purchases, salaries, wages or contractual obligations
4 due from any of the funds under the control of such board of
5 education. However, a school district board of education may use
6 the procedures outlined in Section 304.1 of Title 62 of the Oklahoma
7 Statutes for the payment of salaries and wages only if the board so
8 votes. The provisions contained herein shall not apply to the
9 sinking fund and school activity fund.

10 B. The encumbrance clerk and treasurer of the school district
11 shall each enter the authorized amounts in the various appropriation
12 accounts of the funds to which this system is applied. The
13 authorized amounts of appropriations shall be the general fund and
14 building fund appropriations approved by the county excise board and
15 such additional amounts as may be applied in the manner provided by
16 law, the amount received for deposit in a special cash fund where
17 such special cash fund is authorized by law or required by the
18 person or agency providing such funds, or the amount of the net
19 proceeds realized from the sale of bonds of the school district and
20 any other income due such fund.

21 C. It shall be the duty and responsibility of the board of
22 education of the school district to prescribe and administer
23 adequate business procedures and controls governing the purchase or
24 confirmation of purchase and delivery of goods or services. The

1 procedures shall include delivery of an acceptable invoice by
2 document, facsimile, electronic or other standard form that includes
3 the information required by the district. Such procedures shall
4 include the designation of authorized persons to purchase goods or
5 services for the district and the method of determining the school
6 employee receiving delivery of each purchase. The provisions of
7 this subsection shall be in addition to the provisions of Section
8 140 of Title 61 of the Oklahoma Statutes.

9 D. Prior to the issuance of a purchase order, the encumbrance
10 clerk must first determine that the encumbrance will not exceed the
11 balance of the appropriation to be charged. The encumbrance clerk
12 shall charge the appropriate appropriation accounts and credit the
13 affected encumbrances outstanding accounts with the encumbrances.
14 Encumbrances must be submitted to the board of education in the
15 order of their issuance on a monthly basis, subject to a monthly
16 business cycle cut-off date determined by the board of education.
17 Approved encumbrances shall be listed in the minutes by the minute
18 clerk.

19 E. Before any purchase is completed, a purchase order or
20 encumbrance must be issued. No bill shall be paid unless it is
21 supported by an itemized invoice clearly describing the items
22 purchased, the quantity of each item, its unit price, its total cost
23 and proof of receipt of such goods or services. The bill and/or
24 invoice shall be filed in the encumbrance clerk's official records.

1 If a district has the ability to electronically utilize evaluated
2 receipt settlement (ERS), the district may remit to vendors on that
3 basis if the requirements of this subsection are fulfilled. In the
4 event a district is establishing electronic data interchange,
5 electronic entries will suffice in lieu of paper documents. In
6 order for a district to be authorized to utilize an evaluated
7 receipt settlement system:

8 1. The ERS must result in payment by the district from vendor
9 receipts that have been matched to the purchase order date;

10 2. The ERS may only be used when there is an agreement between
11 the district and the vendor for use of an ERS; and

12 3. The ERS must be included in the district's journal
13 ledger/accounts payable/purchase order software.

14 F. The encumbrance clerk shall debit the encumbrances
15 outstanding account and credit the accounts payable account for the
16 amount of the approved bill. The board of education shall determine
17 the extent such costs may fluctuate without additional board action.
18 Minor adjustments not requiring additional board approval shall be
19 referenced to the original encumbrance.

20 G. An approved bill may be paid by issuing a warrant or check
21 against the designated fund only after ascertaining that proper
22 accounting of the purchase has been made and that the files contain
23 the required information to justify the expenditure of public funds,
24 except as otherwise provided in subsection I of this section. The

1 warrants or checks so issued shall be recorded in an orderly
2 numerical system established by the district. The encumbrance clerk
3 shall charge the warrant or checks against the accounts payable
4 account and credit it to the warrants or checks issued account.
5 Provided, if payment is to be made immediately and the board of
6 education deems it advisable, the postings to the accounts payable
7 account may be omitted and the payment of the approved bill may be
8 credited directly to the warrants or checks issued account. The
9 warrant or check shall show on its face the name of the school
10 district, the date of issue, the payee, the amount, the expenditure
11 classification code, and such other information as may be necessary
12 or desirable. The president and clerk of the board of education
13 shall each sign the warrant or check, or approved facsimile thereby
14 denoting to the public that the warrant or check is for the purpose
15 and within the amount of the appropriation charged.

16 H. The treasurer shall register the warrant or check in the
17 warrant or check register, charging the appropriation account and
18 crediting the warrants or checks outstanding account of the
19 designated fund. Provided, no warrant or check shall be registered
20 in excess of the appropriation account's balance. All warrants or
21 checks shall be registered in the order of their issuance. Voided
22 warrants or checks shall be registered and filed with the treasurer.
23 The treasurer shall sign each warrant or check through individual
24 signature or approved facsimile showing its registration date and

1 shall state whether it is payable or nonpayable. When a warrant or
2 check is paid, the treasurer shall maintain evidence the warrant or
3 check has been processed and paid. Nothing in this subsection shall
4 prohibit any governing board from using automated recordkeeping
5 procedures, provided the information required in this subsection can
6 be accessed.

7 I. Any board of education of a school district of this state
8 may make a payment which would otherwise be made by warrant or
9 check, by disbursement through an Automated Clearing House, bank
10 account debit system, wire transfer through the Federal Reserve
11 System, or any other automated payment system operated by a
12 financial institution insured by the Federal Deposit Insurance
13 Corporation. The internal controls over such payment system shall
14 be reviewed and approved by the independent auditor of the district
15 during the annual audit. The provisions of Sections 601 through 606
16 of Title 62 of the Oklahoma Statutes shall apply to instruments or
17 payment authorized by this subsection.

18 J. School districts complying with the provisions of this act
19 shall use only those forms and accounting systems approved by the
20 State Board of Education. Such forms and systems shall be
21 considered in substantial compliance with this act if they are
22 sufficient to convey the meaning and sequence of transactions
23 contained herein. Provided, nothing contained herein shall be
24 construed to limit or prevent the use of additional or subsidiary

1 accounts, forms, or files which may be deemed necessary or advisable
2 by the board of education of the district or the State Board of
3 Education.

4 K. Any school district desiring to utilize the services of a
5 data processing center to furnish any or all of the records herein
6 required may do so if the center and its system complies with this
7 act and the rules and regulations of the State Board of Education.
8 Such center shall furnish an honesty bond in an amount to be set by
9 the board of education but not less than Ten Thousand Dollars
10 (\$10,000.00).

11 L. The State Board of Education shall notify the board of
12 education of the school district of the tentative amount the
13 district is to receive from state and federal aid funds or
14 allocations, and the board of education of the school district may
15 include such tentative estimate as an item of probable income in the
16 preparation of the school district's Estimate of Needs and Financial
17 Statement; provided, no such federal aid estimate shall be used in
18 any way to reduce the State Foundation Aid or Incentive Aid for such
19 school district or sustain a protest for the reduction of a tax
20 levy.

21 SECTION 21. This act shall become effective November 1, 2026.

22
23 COMMITTEE REPORT BY: COMMITTEE ON GOVERNMENT OVERSIGHT, dated
24 03/09/2026 - DO PASS, As Amended and Coauthored.