

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

SENATE BILL 1261

By: Hamilton

AS INTRODUCED

An Act relating to higher education; defining term; prohibiting certain institutions of higher education from being authorized to accept certain donations, gifts, grants, or devises; providing for promulgation of rules; amending 51 O.S. 2021, Section 24A.16a, which relates to confidentiality of certain donors; prohibiting institutions or agencies of The Oklahoma State System of Higher Education from keeping certain donor information confidential; amending 70 O.S. 2021, Section 4306, as amended by Section 576, Chapter 486, O.S.L. 2025 (70 O.S. Supp. 2025, Section 4306), which relates to authorization of state higher educational institutions, agencies, or entities to accept gifts; exempting names of donors to certain foundations from disclosure for certain audit; updating statutory language; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3260 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. For the purposes of this section, "foreign source" means:

1. A foreign government including any agency of a foreign government; and

1        2. An agent including a subsidiary or affiliate of a foreign  
2 legal entity acting on behalf of a foreign source.

3        B. Upon the effective date of this act, no institution of  
4 higher education within The Oklahoma State System of Higher  
5 Education shall be authorized to accept donations, gifts, grants, or  
6 devises from a foreign source.

7        C. The Oklahoma State Regents for Higher Education may  
8 promulgate rules to implement the provisions of this section.

9        SECTION 2.        AMENDATORY        51 O.S. 2021, Section 24A.16a, is  
10 amended to read as follows:

11        Section 24A.16a. Institutions or agencies of The Oklahoma State  
12 System of Higher Education ~~may keep~~ shall be prohibited from keeping  
13 confidential ~~all~~ any information pertaining to donors and  
14 prospective donors to or for the benefit of the institutions or  
15 agencies.

16        SECTION 3.        AMENDATORY        70 O.S. 2021, Section 4306, as  
17 amended by Section 576, Chapter 486, O.S.L. 2025 (70 O.S. Supp.  
18 2025, Section 4306), is amended to read as follows:

19        Section 4306. A. All state higher educational institutions,  
20 constituent agencies, or other entities are hereby authorized to  
21 accept and receive any and all grants or contracts of all kinds,  
22 gifts, devises, and bequests of money or property, either real or  
23 personal, which may be, or which may heretofore have been tendered  
24 to them by grant or contract, will, or gift, conditionally or

1 unconditionally; and the Board of Regents of ~~said~~ such institutions,  
2 constituent agencies, or other entities are hereby directed,  
3 authorized, and empowered to hold such funds or property in trust,  
4 or invest or sell them and use either principal or interest or the  
5 proceeds of sale for the benefit of such institutions or entities or  
6 the students or others for whose benefit such institutions or  
7 entities are conducted; all in any manner which is consistent with  
8 the terms of the gift as stipulated by the donor and with the  
9 provisions of any applicable laws. Money donated to a college- or  
10 university-related foundation for student scholarships or grants to  
11 students of an institution of The Oklahoma State System of Higher  
12 Education shall not be loaned or given to any regent, officer,  
13 director, or employee of such foundation or institution or to any  
14 relative of such person within the third degree of affinity or  
15 consanguinity. The following, however, shall not be prohibited:

16 1. Students ~~in the employ of~~ employed by such foundation or  
17 institution may be given scholarships; and

18 2. Scholarships may be awarded to an otherwise disqualified  
19 relative of any faculty member, staff employee, foundation or  
20 institution officer, or maintenance worker of such foundation or  
21 institution if such relative is meritoriously qualified.

22 B. Any person willfully violating the prohibitions of  
23 subsection A of this section shall be guilty of a Class D1 felony  
24 offense punishable by imprisonment as provided for in subsections B

1 through F of Section 20N of Title 21 of the Oklahoma Statutes, or by  
2 a fine ~~of~~ not more than Twenty Thousand Dollars (\$20,000.00), or by  
3 both such fine and imprisonment. Any person found guilty of ~~said~~  
4 such violations shall also be subject to immediate removal from  
5 office or employment where applicable.

6 C. The Oklahoma State Regents for Higher Education, any  
7 institution or agency of The Oklahoma State System of Higher  
8 Education, or the regents or governing board of such institution or  
9 agency shall not directly or indirectly transfer any funds to any  
10 college- or university-related foundation or render services or  
11 provide any thing of value to any such foundation without receiving  
12 documented adequate payment or reimbursement therefor according to  
13 written contract; provided, nothing herein shall be construed as  
14 prohibiting payment by the institution or agency of claims for  
15 expenses of ~~fund-raising~~ fundraising for the benefit of the  
16 institution or agency by state employees if such ~~fund-raising~~  
17 fundraising activities are approved in advance by the governing  
18 board of regents responsible for such institution or agency and made  
19 a part of the minutes of the meeting of the board.

20 D. Neither the Oklahoma State Regents for Higher Education nor  
21 any institution or agency of The Oklahoma State System of Higher  
22 Education shall receive any funds, services, or thing of value from  
23 any college- or university-related foundation which has any officers  
24 or employees who are officers or employees of any institution or  
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1 agency of the State System or State Regents unless such foundation  
2 makes all its financial records and documents, including work  
3 papers, ~~except for~~ and names of donors, available to auditors who  
4 are performing audits of the institution or agency.

5 SECTION 4. This act shall become effective July 1, 2026.

6 SECTION 5. It being immediately necessary for the preservation  
7 of the public peace, health, or safety, an emergency is hereby  
8 declared to exist, by reason whereof this act shall take effect and  
9 be in full force from and after its passage and approval.

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