

1 ENGROSSED SENATE AMENDMENT
2 TO
3 ENGROSSED HOUSE
4 BILL NO. 2164

By: Pfeiffer of the House

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Haste of the Senate

An Act relating to public corruption; amending 21 O.S. 2021, Section 344, which relates to crimes against state revenue; changing punishment; providing for removal; stating elements of certain unlawful acts; providing penalties; amending 22 O.S. 2021, Sections 1181, 1181.1, and 1181.2, which relate to removal; providing definitions; specifying scope; stating elements of certain unlawful acts; requiring certain disclosures for bidders; amending 74 O.S. 2021, Section 85.42, which relates to the Oklahoma Central Purchasing Act; providing consequence for certain unlawful acts; requiring certification of conflict of interest compliance by state agency head; amending 74 O.S. 2021, Section 3101, which relates to newly appointed members of state agencies; requiring ethics training for first-time state officers; stating elements of certain unlawful acts; providing definitions; providing exceptions; providing penalties; providing for codification; and providing an effective date.

AUTHOR: Add the following Senate Coauthor: Kirt

AMENDMENT NO. 1. Page 1, strike the title, enacting clause and entire bill and insert

"An Act relating to public corruption; amending 21 O.S. 2021, Section 344, which relates to crimes against state revenue; modifying elements of certain offense; modifying punishment for certain offense; providing for removal; establishing elements of

1 certain offense; creating felony offense;
2 establishing penalties; prohibiting certain acts upon
3 conviction of certain offense; providing for removal
4 or termination upon certain circumstances; defining
5 term; amending 22 O.S. 2021, Sections 1181, 1181.1,
6 and 1181.2, which relate to removal; defining terms;
7 specifying scope of provisions; stating elements of
8 certain unlawful acts; requiring certain disclosures
9 for bidders; amending 74 O.S. 2021, Section 85.42,
10 which relates to the Oklahoma Central Purchasing Act;
11 providing consequence for certain unlawful acts;
12 requiring certification of conflict of interest
13 compliance by state agency head; amending 74 O.S.
14 2021, Section 3101, which relates to newly appointed
15 members of state agencies; requiring ethics training
16 for first-time state officers; authorizing certain
removal for failure to complete certain training;
defining terms; prohibiting certain actions by state
officer or employee; creating felony offense;
establishing penalties; requiring certain written
statement disclosing private economic interest under
certain circumstances; requiring certain statements
to be available to the public; establishing
procedures for governing body upon receipt of certain
statement; creating misdemeanor offense; establishing
penalties; authorizing certain removal or
termination; providing for voiding of certain
transaction or contract; providing exceptions;
construing provisions; updating statutory language;
updating statutory reference; making language gender
neutral; providing for codification; and providing an
effective date.

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

20 SECTION 1. AMENDATORY 21 O.S. 2021, Section 344, is
21 amended to read as follows:

22 Section 344. A. Except as otherwise provided in this section,
23 every public officer, being authorized to sell or lease any
24 property, or make, approve, negotiate, or authorize any contract in

1 his or her official capacity, who voluntarily becomes interested
2 individually in such sale, lease or contract, directly or
3 indirectly, ~~is shall, upon conviction, be guilty of a misdemeanor~~
4 ~~felony and shall be prohibited from holding any public office in~~
5 ~~this state. Violation of this section shall be grounds for removal~~
6 ~~from office or termination from state employment.~~

7 B. The provisions of this section shall not apply to:

8 1. Municipal officers who are subject to the provisions of
9 Section 8-113 of Title 11 of the Oklahoma Statutes; and
10 2. Conservation district board members participating in
11 programs authorized by Section 3-2-106 of Title 27A of the Oklahoma
12 Statutes.

13 SECTION 2. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 365 of Title 21, unless there is
15 created a duplication in numbering, reads as follows:

16 A. Any current or former officer, employee, or contractor of a
17 state agency who obtains or obtained nonpublic information because
18 of his or her government employment, government office, or contract
19 with a state agency, and who corruptly, as defined by Section 94 of
20 Title 21 of the Oklahoma Statutes:

21 1. Uses such information for personal gain or benefit;
22 2. Acquires or divests a pecuniary interest in any property,
23 transaction, or enterprise which may be affected by such
24 information;

1 3. Speculates or wagers on the basis of such information;
2 4. Uses such information in a way that would affect any
3 personal pecuniary interest, including an interest held by an
4 immediate family member, or business entity with which the immediate
5 family member is associated;

6 5. Discloses such information to any person, group, entity, or
7 others not entitled to receive such information; or
8 6. Aids another to commit any act set forth in paragraphs 1
9 through 5 of this subsection,

10 shall, upon conviction, be guilty of a felony punishable by a fine
11 not to exceed Ten Thousand Dollars (\$10,000.00), by imprisonment in
12 the custody of the Department of Corrections for a term not to
13 exceed five (5) years, or by both such fine and imprisonment. Any
14 person convicted of violating any provision of this section shall be
15 prohibited from holding any public office in this state and shall be
16 prohibited from entering into any state contract.

17 B. Violation of any provision of this section shall be grounds
18 for removal from office or termination from state employment.

19 C. For purposes of this section, the term "immediate family
20 member" means:

- 21 1. A spouse;
22 2. A spouse's parents;
23 3. A child by birth or adoption;
24 4. A stepchild;

- 1 5. A parent;
2 6. A grandparent;
3 7. A grandchild;
4 8. A sibling;
5 9. A spouse's siblings; or
6 10. A spouse of any immediate family member listed in this
7 subsection.

8 SECTION 3. AMENDATORY 22 O.S. 2021, Section 1181, is
9 amended to read as follows:

10 Section 1181. Any officer not subject to impeachment elected or
11 appointed to any state, county, township, city, town or other office
12 under the laws of the state may, ~~in the manner provided in this~~
13 ~~article in addition to any other methods and causes provided by law,~~
14 be removed from office for any of the following causes:

15 First. Habitual or willful neglect of duty, which, for a state
16 officer, shall include, but not be limited to, knowingly giving
17 false testimony to a committee of either house of the Legislature,
18 knowingly engaging in operations beyond the constitutional or
19 statutory authority delegated to the agency that the officer is
20 employed by or serves, or repeatedly refusing to provide information
21 to a committee, either house or a member of the Legislature in a
22 timely manner. For the purposes of this section, "timely manner"
23 means no more than fifteen (15) business days from the date the
24

1 request for information was received by the agency, unless extended
2 by written agreement.

3 Second. Gross partiality in office.

4 Third. Oppression in office.

5 Fourth. Corruption in office, which shall include the use of
6 public office or authority to procure or attempt to procure a
7 personal benefit, profit, or perquisite.

8 Fifth. Extortion or willful overcharge of fees in office.

9 Sixth. Willful maladministration.

10 Seventh. Habitual drunkenness.

11 Eighth. Failure to produce and account for all public funds and
12 property in his or her hands, at any settlement or inspection
13 authorized or required by law.

14 SECTION 4. AMENDATORY 22 O.S. 2021, Section 1181.1, is
15 amended to read as follows:

16 Section 1181.1. All elective or appointed officers in ~~the State~~
17 ~~of Oklahoma~~ this state, including elective or appointed officers of
18 the state and elective or appointed officers in each county, city,
19 town or school district of ~~the State of Oklahoma~~ this state, but
20 excluding any elective officers liable to impeachment, shall be
21 subject to removal from office in such manner and for such causes as
22 now provided by law, or as may be provided by law passed subsequent
23 to this ~~act~~ section and Section 1181.2 of this title, and any such
24 officer or officers may be removed or ousted from office for any act

1 or acts of commission or omission or neglect which may be committed,
2 done or omitted during the term in which such ouster or removal
3 proceedings may be filed, and any such officer or officers~~s~~ may be
4 removed or ousted from office for any act or acts of commission,
5 omission or neglect committed, done or omitted during a previous or
6 preceding term in such any office.

7 SECTION 5. AMENDATORY 22 O.S. 2021, Section 1181.2, is
8 amended to read as follows:

9 Section 1181.2. The complaint, petition, accusation or
10 proceeding for removal or ouster from office may include allegations
11 or charges of any act or acts of commission, omission or neglect
12 which may be committed, done or omitted during the term of office in
13 which such ouster or removal proceeding may be filed, and may also
14 include allegations or charges as to any act or acts of commission,
15 omission or neglect committed, done or omitted during a previous or
16 preceding term in such any office.

17 SECTION 6. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 85.22A of Title 74, unless there
19 is created a duplication in numbering, reads as follows:

20 Any agreement or collusion among bidders or prospective bidders
21 in restraint of freedom of competition by agreement to bid at a
22 fixed price or to refrain from bidding for any purpose or by any
23 manner prohibited in Section 2 of this act shall render the bids of
24 such bidders void. Any agreement or collusion among state officers

1 or employees and bidders or prospective bidders intended to create a
2 sole-source acquisition in contradiction to Section 85.44D.1 of
3 Title 74 of the Oklahoma Statutes or to give a bidder or prospective
4 bidder a competitive advantage, for any purpose or by any manner
5 prohibited in Section 2 of this act, whether or not in exchange for
6 anything of value, shall render the bids of such bidders void.

7 Persons willfully violating this section shall, upon conviction, be
8 guilty of a felony. Any person convicted of violating any provision
9 of this section shall be prohibited from holding any public office
10 in this state and shall be prohibited from entering into any state
11 contract.

12 SECTION 7. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 85.22B of Title 74, unless there
14 is created a duplication in numbering, reads as follows:

15 Any disclosure by an employee of a public agency of the material
16 terms of a bid submitted in response to a bid notice issued by a
17 public agency in advance of the time set for opening of all bids so
18 submitted shall be unlawful. It shall be unlawful for any person to
19 solicit, possess, provide, or receive information which is to be
20 contained in a bid notice of a public agency, for use in preparing a
21 bid, in advance of the date on which the bid notice is to be made
22 equally and uniformly known to all prospective bidders and the
23 public. It shall be unlawful for any employee of a public agency to
24 withhold or impede the distribution of such information after notice

1 of the bid has been given, unless the solicitation of bids has been
2 withdrawn or the particular information in question has been deleted
3 or replaced through alteration of the bid notice and the withdrawal
4 or alteration has been made equally and uniformly known. Any
5 violation of this section for any purpose or in any manner
6 prohibited in Section 2 of this act shall be a felony and shall
7 render the proceedings void and require a new solicitation and
8 award. Any person convicted of violating any provision of this
9 section shall be prohibited from holding any public office in this
10 state and shall be prohibited from entering into any state contract.

11 SECTION 8. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 85.22C of Title 74, unless there
13 is created a duplication in numbering, reads as follows:

14 A. Each bidder and each recipient of a sole-source contract
15 shall accompany a bid with a written statement under oath disclosing
16 the following information:

17 1. Any known business or familial relationship then in effect
18 or which existed within one (1) year prior to the date of such
19 statement between any officer or director of the bidding company and
20 any officer or employee of the state agency receiving the bid;

21 2. The nature of any such known business or familial
22 relationships then in effect or which existed within one (1) year
23 prior to the date of such statement with any officer or employee of
24 the state agency receiving the bid; and

1 3. The names of all known persons having any such business or
2 familial relationships and the positions they hold within their
3 respective companies, firms, or state agencies.

4 B. If no business or familial relationships listed in
5 subsection A of this section exist, a bidder or recipient shall
6 submit a written statement under oath that no such relationships
7 exist.

8 SECTION 9. AMENDATORY 74 O.S. 2021, Section 85.42, is
9 amended to read as follows:

10 Section 85.42. A. 1. Except as otherwise provided for in this
11 section or other applicable law, any agency, whether or not such
12 agency is subject to the Oklahoma Central Purchasing Act, ~~is shall~~
13 be prohibited from entering into a sole source sole-source contract
14 or agreement or a contract or agreement for professional services
15 with or for the services of any person, who has terminated
16 employment with or who has been terminated by that agency for one
17 (1) year after the termination date of the employee from the agency.

18 Any contract or agreement entered into in violation of this
19 subsection shall be void. Any person found to have violated this
20 subsection shall be prohibited from entering into any state contract
21 for a period of five (5) years from the date of the execution of the
22 contract or agreement. The provisions of this subsection shall not
23 prohibit an agency from hiring or rehiring such person as a state
24 employee.

1 2. Any chief administrative officer of an agency, whether or
2 not such agency is subject to the Oklahoma Central Purchasing Act,
3 shall not enter into any contract for nonprofessional or
4 professional services for the purpose of or which would result in
5 the circumvention of the ~~full-time equivalent~~ full-time-equivalent
6 employee limitation established by law for such agency.

7 B. Each contract, including change orders, extensions,
8 renewals, or amendments, entered into by any person or firm with the
9 State of Oklahoma shall include a statement certifying that no
10 person who has been involved in any manner in the development, approval, or negotiation of that such contract while employed by the
11 state shall be employed or given anything of value to fulfill any of
12 the services provided for under the contract. Each contract,
13 including change orders, extensions, renewals, or amendments, shall
14 include a statement from the chief executive officer or head of the
15 contracting state agency certifying that no known officer or
16 employee of the contracting state agency who has any direct or
17 indirect financial, pecuniary, or other personal interest in the
18 contract has been involved in any manner in the development,
19 approval, or negotiation of the contract through influence,
20 decision, recommendation, or otherwise. This subsection shall not
21 preclude faculty and staff of the institutions within The Oklahoma
22 State System of Higher Education from negotiating and participating
23 in research grants and educational contracts. Nor shall this This

1 subsection shall not apply to Oklahoma Department of Commerce
2 personnel who contract to provide services to the Oklahoma Capital
3 Investment Board.

4 C. As used in this section, ~~person is defined as~~ "person" means
5 any state official or employee of a department, board, bureau,
6 commission, agency, trusteeship, authority, council, committee,
7 trust, school district, fair board, court, executive office,
8 advisory group, task force, study group, supported in whole or in
9 part by public funds or entrusted with the expenditure of public
10 funds or administering or operating public property, and all
11 committees, or subcommittees thereof, judges, justices and state
12 legislators.

13 D. Notwithstanding anything to the contrary in this section,
14 the following ~~sole source~~ sole-source or professional services
15 contracts are allowed at any time:

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

18 2. A contract between a business entity that is a part-time
19 certified court reporter and the Administrative Office of the
20 Courts, on behalf of the district courts, or the Office of the
21 Attorney General.

22 E. Provided the provisions specified in subsection B of this
23 section are satisfied, the following professional services contracts
24 are allowed:

1 1. The Department of Transportation, Oklahoma Water Resources
2 Board, Department of Environmental Quality, Oklahoma Tourism and
3 Recreation Department, the Oklahoma Turnpike Authority and the
4 Oklahoma Department of Agriculture, Food, and Forestry may contract
5 with a person who has retired from state service;

6 2. To maintain public health infrastructure and preparedness,
7 the State Department of Health and city-county health departments
8 may contract with a physician assistant, ~~registered nurse~~ Registered
9 Nurse, advanced practice nurse, ~~nurse midwife~~ Nurse-Midwife,
10 registered dietician, occupational therapist, physical therapist or
11 speech-language pathologist who has retired from state service; and

12 3. The Department of Mental Health and Substance Abuse Services
13 may contract with a physician, ~~registered nurse~~ Registered Nurse,
14 registered pharmacist or person meeting the definition of a licensed
15 mental health professional, as defined in Title 43A of the Oklahoma
16 Statutes, who has separated and/or retired from state service.

17 SECTION 10. AMENDATORY 74 O.S. 2021, Section 3101, is
18 amended to read as follows:

19 Section 3101. A. The chief executive officer of any state
20 agency, board, commission, council or other governing body of any
21 department, system or authority ~~is~~ shall be required, as part of his
22 or her duties, to brief any newly appointed member of such governing
23 body within two (2) weeks from the date of the member's appointment
24 regarding ~~his~~ duties and responsibilities and those of the body to

1 which he the member has been appointed, providing the new member
2 with a copy of the statute or ~~Constitutional~~ constitutional
3 provision pertaining thereto, a copy of the last twelve ~~(12)~~ monthly
4 operating budgets showing all disbursements and receipts of such
5 department or agency, and a copy of all rules and regulations
6 existing in said the agency, and other pertinent information that
7 will assure that the new appointee is advised of such duties and
8 responsibilities. The briefing may be delegated in part to the
9 executive director or other managing officer of any department,
10 system or authority under supervision of the governing body, the
11 responsibility for its accomplishment remaining that of the chief
12 executive officer.

13 B. Beginning January 1, 2027, each person elected or appointed
14 for the first time as chief executive officer or head of a state
15 agency, board, bureau, trust, commission, council, department,
16 system, or authority shall be required within one (1) year after
17 taking the oath of office to attend a course directed by the Ethics
18 Commission. The curriculum for the course shall include, but not be
19 limited to, conflicts of interest, impartiality, misuse of office,
20 misuse of authority, and financial disclosures. A certificate of
21 completion shall be awarded to those persons who attend and
22 successfully complete the course, and a list of such persons shall
23 be maintained by the Ethics Commission. Any person who fails to
24 satisfy the education requirements of this section shall cease to

1 | hold office commencing at the next scheduled meeting of the
2 | governing body following the first-year anniversary of the person's
3 | taking the oath of office.

4 | SECTION 11. NEW LAW A new section of law to be codified
5 | in the Oklahoma Statutes as Section 3102.1 of Title 74, unless there
6 | is created a duplication in numbering, reads as follows:

7 | A. For purposes of this section:

8 | 1. "Associated nongovernment entity" means:

9 | a. any nonprofit or charitable organization or private
10 | business including, but not limited to, a closely held
11 | corporation, limited liability company, subchapter S
12 | corporation, or partnership, in which:

13 | (1) the state officer or employee or his or her
14 | immediate family member has or has had a business
15 | relationship other than a routine consumer
16 | transaction at any point during the previous
17 | three hundred sixty-five (365) days,

18 | (2) the state officer or employee or his or her
19 | immediate family member is a director, officer,
20 | owner, partner, manager, employee, contractor,
21 | consultant, board member, or agent,

22 | (3) the state officer or employee or his or her
23 | immediate family member receives or has received
24 | income or other financial compensation at any

point during the previous three hundred sixty-five (365) days,

- (4) the state officer or employee or his or her immediate family member, directly or indirectly, owns or has owned stock, another form of equity interest, stock options, debt instruments, or has received dividends or income at any point during the previous three hundred sixty-five (365) days,

or

- (5) the state officer or employee or his or her immediate family member is negotiating or has any arrangement concerning prospective employment, or

b. any publicly traded corporation or other business entity in which:

- (1) the state officer or employee or his or her immediate family member holds or has held an ownership interest of five percent (5%) or more at any point during the previous three hundred sixty-five (365) days, or

- (2) the state officer or employee or his or her immediate family member serves or has served as a director or officer at any point during the previous three hundred sixty-five (365) days;

1 2. "Immediate family member" of a state officer or employee
2 means:

- 3 a. a spouse,
- 4 b. the parents of a spouse,
- 5 c. a child by birth or adoption,
- 6 d. a stepchild,
- 7 e. a parent,
- 8 f. a grandparent,
- 9 g. a grandchild,
- 10 h. a sibling,
- 11 i. a spouse's sibling, or
- 12 j. a spouse of any immediate family member listed in this
13 paragraph;

14 3. "Private economic interest" includes any interest that could
15 foreseeably result in directly or indirectly receiving a pecuniary
16 gain, a competitive advantage, or sustaining pecuniary loss as a
17 result of an official act or forbearance. A private economic
18 interest shall not include an interest in a pension plan, 401(k),
19 individual retirement account or other retirement investment vehicle
20 that makes diversified investments over which the state officer or
21 employee or his or her immediate family member exercises no control
22 over the acquisition or sale of particular holdings; and

23 4. "State agency" includes any office, bureau, board, council,
24 commission, department, authority, institution, trust, unit,

1 division, or body of the executive branch of the state government,
2 excluding political subdivisions of the state.

3 B. It shall be unlawful for any state officer or employee of a
4 state agency to participate in his or her official capacity through
5 decision, approval, disapproval, authorization, recommendation,
6 investigation, the rendering of advice, influence, or otherwise, in
7 any matter in which he or she has a private economic interest or in
8 which his or her immediate family member or an associated
9 nongovernment entity has a private economic interest. Any person
10 convicted of knowingly and willfully violating the provisions of
11 this subsection shall, upon conviction, be guilty of a felony
12 punishable by a fine not to exceed Ten Thousand Dollars
13 (\$10,000.00), by imprisonment in the custody of the Department of
14 Corrections for a term not less than one (1) year nor more than ten
15 (10) years, or by both such fine and imprisonment. Such person
16 shall be prohibited from holding any public office in this state.
17 The fact that the accused's conduct also served a legitimate
18 governmental purpose is no ground of defense or of mitigation of
19 punishment. Prosecutions for violations of this subsection shall be
20 commenced in accordance with subsection A of Section 152 of Title 22
21 of the Oklahoma Statutes.

22 C. A state officer or employee who, in the discharge of his or
23 her official responsibilities, is required or called upon to
24 participate in a matter in which he or she has a private economic

1 interest or in which his or her immediate family member or an
2 associated nongovernment entity has a private economic interest,
3 within thirty (30) days of becoming aware of such potential conflict
4 arising from a private economic interest or prior to the official
5 action affected by the private economic interest, whichever is
6 first, shall:

7 1. Prepare a certified written statement describing the matter
8 requiring participation and the nature of the potential conflict of
9 interest with respect to the matter in detail sufficient to be
10 understood by the public;

11 2. Furnish a copy of the statement to his or her superior, if
12 any, who shall assign the matter to another employee who does not
13 have a private economic interest. The superior shall furnish a copy
14 of the statement to the Ethics Commission. If he or she has no
15 immediate superior, he or she shall furnish a copy of the statement
16 directly to the Ethics Commission. The statement shall remain
17 available for public inspection; and

18 3. If the person is an elected officer or if he or she is
19 appointed as the chief executive officer or head of a state agency,
20 he or she shall furnish a copy of the statement to the presiding
21 officer of the governing body of the agency on which he or she
22 serves, who shall cause the statement to be printed in the minutes
23 of the next meeting and require that the person be excused from any
24 votes, deliberations, and other actions on the matter in which the

1 potential conflict of interest exists and shall cause the
2 disqualification and the reasons for the disqualification to be
3 noted in the minutes.

4 D. Any person convicted of knowingly and willfully violating
5 the provisions of subsection C of this section shall, upon
6 conviction, be guilty of a misdemeanor punishable by a fine not to
7 exceed One Thousand Dollars (\$1,000.00), by imprisonment in the
8 county jail for a term not to exceed one (1) year, or by both such
9 fine and imprisonment.

10 E. Violation of any provision of this section shall be grounds
11 for removal from office or termination from state employment.

12 F. Any transaction or contract entered into in violation of any
13 provision of this section shall be void.

14 G. A person shall not be guilty of an offense under this
15 section if the person's performance of official functions would not
16 affect the person, immediate family member, or associated
17 nongovernment entity differently than such performance would affect
18 the public generally, or would not affect the person, immediate
19 family member, or associated nongovernment entity, as a member of a
20 business, profession, occupation, or large class differently than
21 such performance would affect any other member of such business,
22 profession, occupation, or large class.

23 H. The provisions of this section shall be cumulative to
24 existing laws. Nothing in this section shall prohibit a state

1 agency from implementing more restrictive policies to address
2 conflicts of interest that remain in compliance with this section.
3 Nothing in this section shall be construed to invalidate any other
4 provision of law establishing more restrictive procedures or
5 measures to prevent conflicts of interest between public duties and
6 private economic interests.

7 SECTION 12. This act shall become effective November 1, 2025."

8 Passed the Senate the 6th day of May, 2025.

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Presiding Officer of the Senate

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12 Passed the House of Representatives the ____ day of _____,
13 2025.

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Presiding Officer of the House
16 of Representatives

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1 ENGROSSED HOUSE
2 BILL NO. 2164

3 By: Pfeiffer of the House

4 and

5 Haste of the Senate

6 An Act relating to public corruption; amending 21
7 O.S. 2021, Section 344, which relates to crimes
8 against state revenue; changing punishment; providing
9 for removal; stating elements of certain unlawful
10 acts; providing penalties; amending 22 O.S. 2021,
11 Sections 1181, 1181.1, and 1181.2, which relate to
12 removal; providing definitions; specifying scope;
13 stating elements of certain unlawful acts; requiring
14 certain disclosures for bidders; amending 74 O.S.
15 2021, Section 85.42, which relates to the Oklahoma
16 Central Purchasing Act; providing consequence for
17 certain unlawful acts; requiring certification of
18 conflict of interest compliance by state agency head;
19 amending 74 O.S. 2021, Section 3101, which relates to
20 newly appointed members of state agencies; requiring
21 ethics training for first-time state officers;
22 stating elements of certain unlawful acts; providing
23 definitions; providing exceptions; providing
24 penalties; providing for codification; and providing
an effective date.

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

26 SECTION 13. AMENDATORY 21 O.S. 2021, Section 344, is
27 amended to read as follows:

28 Section 344. A. Except as otherwise provided in this section,
29 every public officer, being authorized to sell or lease any
30 property, or make, approve, negotiate, or authorize any contract in
31 his or her official capacity, who voluntarily becomes interested

1 | individually in such sale, lease or contract, directly or
2 | indirectly, is guilty of a ~~misdemeanor~~ felony and shall further be
3 | prohibited from holding any public office in the state. Violation
4 | of this section shall be grounds for removal from office or
5 | termination from state employment.

6 | B. The provisions of this section shall not apply to:

7 | 1. Municipal officers who are subject to the provisions of
8 | Section 8-113 of Title 11 of the Oklahoma Statutes; and
9 | 2. Conservation district board members participating in
10 | programs authorized by Section 3-2-106 of Title 27A of the Oklahoma
11 | Statutes.

12 | SECTION 14. NEW LAW A new section of law to be codified
13 | in the Oklahoma Statutes as Section 365 of Title 21, unless there is
14 | created a duplication in numbering, reads as follows:

15 | A. Any current or former officer, employee, or contractor of a
16 | state agency who obtains or obtained nonpublic information by virtue
17 | of their government employment, government office, or contract with
18 | a state agency, and who:

19 | 1. Uses such information for personal gain or benefit;
20 | 2. Acquires or divests them of a pecuniary interest in any
21 | property, transaction, or enterprise which may be affected by such
22 | information;
23 | 3. Speculates or wagers on the basis of such information;

1 4. Uses such information in a way that would affect any
2 personal pecuniary interest, including an interest held by an
3 immediate family member, or business entity their immediate family
4 member is associated with;

5 5. Discloses such information to any person, group, entity, or
6 others not entitled to receive such information; or

7 6. Aids another to do any of the foregoing,
8 shall be guilty of a felony punishable by imprisonment in the
9 custody of the Department of Corrections for a term not exceeding
10 five (5) years, or by a fine of Ten Thousand Dollars (\$10,000.00),
11 or by both such fine and imprisonment. Any person convicted of
12 violating any provision of this section shall be prohibited from
13 holding any public office in this state and shall be prohibited from
14 entering into any state contract.

15 B. Violation of any provision of this section shall be grounds
16 for removal from office or termination from state employment.

17 C. For purposes of this section, the term "immediate family
18 member" means:

- 19 1. A spouse;
- 20 2. A spouse's parents;
- 21 3. A child by birth or adoption;
- 22 4. A stepchild;
- 23 5. A parent;
- 24 6. A grandparent;

- 1 7. A grandchild;
2 8. A sibling;
3 9. A spouse's siblings; or
4 10. A spouse of any immediate family member aforementioned.

5 SECTION 15. AMENDATORY 22 O.S. 2021, Section 1181, is
6 amended to read as follows:

7 Section 1181. Any officer not subject to impeachment elected or
8 appointed to any state, county, township, city, town or other office
9 under the laws of the state may, ~~in the manner provided in this~~
10 ~~article in addition to any other methods and causes provided by law,~~
11 be removed from office for any of the following causes:

12 First. Habitual or willful neglect of duty, which, for a state
13 officer, shall include, but not be limited to, knowingly giving
14 false testimony to a committee of either house of the Legislature,
15 knowingly engaging in operations beyond the constitutional or
16 statutory authority delegated to the agency that the officer is
17 employed by or serves, or repeatedly refusing to provide information
18 to a committee, either house or a member of the Legislature in a
19 timely manner. For the purposes of this section, "timely manner"
20 means no more than fifteen (15) business days from the date the
21 request for information was received by the agency, unless extended
22 by written agreement.

23 Second. Gross partiality in office.

24 Third. Oppression in office.

1 Fourth. Corruption in office, which shall include the use of
2 public office or authority to procure, attempt to procure, or that
3 would foreseeably result in a personal benefit, profit, or
4 perquisite.

5 Fifth. Extortion or willful overcharge of fees in office.

6 Sixth. Willful maladministration.

7 Seventh. Habitual drunkenness.

8 Eighth. Failure to produce and account for all public funds and
9 property in his or her hands, at any settlement or inspection
10 authorized or required by law.

11 SECTION 16. AMENDATORY 22 O.S. 2021, Section 1181.1, is
12 amended to read as follows:

13 Section 1181.1. All elective or appointed officers in the State
14 of Oklahoma, including elective or appointed officers of the state
15 and elective or appointed officers in each county, city, town or
16 school district of the State of Oklahoma, but excluding any elective
17 officers liable to impeachment, shall be subject to removal from
18 office in such manner and for such causes as now provided by law, or
19 as may be provided by law passed subsequent to this act, and any
20 such officer or officers may be removed or ousted from office for
21 any act or acts of commission or omission or neglect which may be
22 committed, done or omitted during the term in which such ouster or
23 removal proceedings may be filed, and any such officer or officers,
24 may be removed or ousted from office for any act or acts of

1 commission, omission or neglect committed, done or omitted during a
2 previous or preceding term in ~~such~~ any office.

3 SECTION 17. AMENDATORY 22 O.S. 2021, Section 1181.2, is

4 amended to read as follows:

5 Section 1181.2. The complaint, petition, accusation or
6 proceeding for removal or ouster from office may include allegations
7 or charges of any act or acts of commission, omission or neglect
8 which may be committed, done or omitted during the term of office in
9 which such ouster or removal proceeding may be filed, and may also
10 include allegations or charges as to any act or acts of commission,
11 omission or neglect committed, done or omitted during a previous or
12 preceding term in ~~such~~ any office.

13 SECTION 18. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 85.22A of Title 74, unless there
15 is created a duplication in numbering, reads as follows:

16 Any agreement or collusion among bidders or prospective bidders
17 in restraint of freedom of competition by agreement to bid at a
18 fixed price or to refrain from bidding, or otherwise, shall render
19 the bids of such bidders void. Any agreement or collusion among
20 state officers or employees and bidders or prospective bidders
21 intended to create a sole-source acquisition in contradiction to
22 Section 85.44D.1 of this title or to give a bidder or prospective
23 bidder a competitive advantage, including the disclosure of
24 nonpublic information, whether or not in exchange for anything of

1 value, shall render the bids of such bidders void. Persons
2 willfully violating this section shall be guilty of a felony. Any
3 person convicted of violating any provision of this section shall be
4 prohibited from holding any public office in this state and shall be
5 prohibited from entering into any state contract.

6 SECTION 19. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 85.22B of Title 74, unless there
8 is created a duplication in numbering, reads as follows:

9 Any disclosure by an employee of a public agency of the material
10 terms of a bid submitted in response to a bid notice issued by a
11 public agency in advance of the time set for opening of all bids so
12 submitted shall be unlawful. It shall also be unlawful for any
13 person to solicit, possess, provide, or receive information which is
14 to be contained in a bid notice of a public agency, for use in
15 preparing a bid, in advance of the date on which said bid notice is
16 to be made equally and uniformly known to all prospective bidders
17 and the public, and it shall further be unlawful for any employee of
18 a public agency to withhold or impede the distribution of said
19 information after notice of the bid has been given, unless the
20 solicitation of bids has been withdrawn or the particular
21 information in question has been deleted or replaced through
22 alteration of the bid notice and said withdrawal or alteration has
23 been made equally and uniformly known. Any violation of this
24 section shall be a felony and shall render the proceedings void and

1 require solicitation and award anew. Any person convicted of
2 violating any provision of this section shall be prohibited from
3 holding any public office in this state and shall be prohibited from
4 entering into any state contract.

5 SECTION 20. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 85.22C of Title 74, unless there
7 is created a duplication in numbering, reads as follows:

8 Each bidder and each recipient of a sole-source contract shall
9 accompany a bid with a written statement under oath disclosing the
10 following information:

11 1. Any business or familial relationship then in effect or
12 which existed within one (1) year prior to the date of such
13 statement between any officer or director of the bidding company and
14 any officer or employee of the state agency receiving the bid;

15 2. The nature of any such business or familial relationships
16 then in effect or which existed within one (1) year prior to the
17 date of such statement with any officer or employee of the state
18 agency receiving the bid; and

19 3. The names of all persons having any such business or
20 familial relationships and the positions they hold with their
21 respective companies, firms, or state agencies. If none of the
22 business or familial relationships hereinabove mentioned exist, then
23 a statement to that effect.

24

1 SECTION 21. AMENDATORY 74 O.S. 2021, Section 85.42, is
2 amended to read as follows:

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

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

22 B. Each contract, including change orders, extensions,
23 renewals, or amendments, entered into by any person or firm with the
24 State of Oklahoma shall include a statement certifying that no

1 person who has been involved in any manner in the development,
2 approval, or negotiation of that contract while employed by the
3 state shall be employed or given anything of value to fulfill any of
4 the services provided for under the contract. Each contract,
5 including change orders, extensions, renewals, or amendments, shall
6 also include a statement from the chief executive officer or head of
7 the contracting state agency certifying that no officer or employee
8 of the contracting state agency who has any direct or indirect
9 financial, pecuniary, or other personal interest in the contract has
10 been involved in any manner in the development, approval, or
11 negotiation of the contract through influence, decision,
12 recommendation, or otherwise. This subsection shall not preclude
13 faculty and staff of the institutions within The Oklahoma State
14 System of Higher Education from negotiating and participating in
15 research grants and educational contracts. Nor shall this
16 subsection apply to Oklahoma Department of Commerce personnel who
17 contract to provide services to the Oklahoma Capital Investment
18 Board.

19 C. As used in this section, person is defined as any state
20 official or employee of a department, board, bureau, commission,
21 agency, trusteeship, authority, council, committee, trust, school
22 district, fair board, court, executive office, advisory group, task
23 force, study group, supported in whole or in part by public funds or
24 entrusted with the expenditure of public funds or administering or

1 operating public property, and all committees, or subcommittees
2 thereof, judges, justices and state legislators.

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

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

8 2. A contract between a business entity that is a part-time
9 certified court reporter and the Administrative Office of the
10 Courts, on behalf of the district courts, or the Office of the
11 Attorney General.

12 E. Provided the provisions specified in subsection B of this
13 section are satisfied, the following professional services contracts
14 are allowed:

15 1. The Department of Transportation, Oklahoma Water Resources
16 Board, Department of Environmental Quality, Oklahoma Tourism and
17 Recreation Department, the Oklahoma Turnpike Authority and the
18 Oklahoma Department of Agriculture, Food, and Forestry may contract
19 with a person who has retired from state service;

20 2. To maintain public health infrastructure and preparedness,
21 the State Department of Health and city-county health departments
22 may contract with a physician assistant, registered nurse, advanced
23 practice nurse, nurse-midwife, registered dietician, occupational

1 therapist, physical therapist or speech-language pathologist who has
2 retired from state service; and

3 3. The Department of Mental Health and Substance Abuse Services
4 may contract with a physician, registered nurse, registered
5 pharmacist or person meeting the definition of a licensed mental
6 health professional, as defined in Title 43A of the Oklahoma
7 Statutes, who has separated and/or retired from state service.

8 SECTION 22. AMENDATORY 74 O.S. 2021, Section 3101, is
9 amended to read as follows:

10 Section 3101. A. The chief executive officer of any state
11 agency, board, commission, council or other governing body of any
12 department, system or authority is required, as part of ~~his~~ their
13 duties, to brief any newly appointed member of such governing body
14 within two (2) weeks from the date of the member's appointment
15 regarding ~~his~~ their duties and responsibilities and those of the
16 body to which ~~he has~~ they have been appointed, providing the new
17 member with a copy of the statute or ~~constitutional~~ constitutional
18 provision pertaining thereto, a copy of the last twelve (12) monthly
19 operating budgets showing all disbursements and receipts of such
20 department or agency, and a copy of all rules and regulations
21 existing in said agency, and other pertinent information that will
22 assure that the new appointee is advised of such duties and
23 responsibilities. The briefing may be delegated in part to the
24 executive director or other managing officer of any department,

1 system or authority under supervision of the governing body, the
2 responsibility for its accomplishment remaining that of the chief
3 executive officer.

4 A. B. Beginning January 1, 2027, each person elected or
5 appointed for the first time as chief executive officer or head of a
6 state agency, board, bureau, trust, commission, council, department,
7 system, or authority shall be required within one (1) year after
8 taking the oath of office to attend a course directed by the
9 Oklahoma Ethics Commission. The curriculum for the course shall
10 include, but not be limited to: conflicts of interest,
11 impartiality, misuse of office, misuse of authority, and financial
12 disclosures. A certificate of completion shall be awarded to those
13 persons who attend and successfully complete the course and a list
14 of those persons shall be maintained by the Oklahoma Ethics
15 Commission. Any person who fails to satisfy the education
16 requirements of this section shall cease to hold office commencing
17 at the next scheduled meeting of the governing body following the
18 first-year anniversary of the person's taking the oath of office.

19 SECTION 23. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 3102.1 of Title 74, unless there
21 is created a duplication in numbering, reads as follows:

22 A. For purposes of this section:

23 1. "Private economic interest" shall include any interest that
24 could foreseeably result in directly or indirectly receiving a

1 pecuniary gain, a competitive advantage, or sustaining pecuniary
2 loss as a result of an official act or forbearance. A private
3 economic interest shall not include an interest in a pension plan,
4 401(k), individual retirement account or other retirement investment
5 vehicle that makes diversified investments over which the state
6 officer or employee or their immediate family member exercises no
7 control over the acquisition or sale of particular holdings;

8 2. The term "immediate family member" of a state officer or
9 employee means:

- a. a spouse,
 - b. the parents of a spouse,
 - c. a child by birth or adoption,
 - d. a stepchild,
 - e. a parent,
 - f. a grandparent,
 - g. a grandchild,
 - h. a sibling,
 - i. a spouse's sibling, or
 - j. a spouse of any immediate family member

aforementioned:

3. The term "associated nongovernment entity" shall mean:

- a. any nonprofit or charitable organization or private business, including, but not limited to, a closely

held corporation, limited liability company,
subchapter S corporation, or partnership, in which:

(1) the state officer or employee or their immediate family member has or has had a business relationship other than a routine consumer transaction at any point during the previous three hundred sixty-five (365) days,

(2) the state officer or employee or their immediate family member is a director, officer, owner, partner, manager, employee, contractor, consultant, board member, or agent,

(3) the state officer or employee or their immediate family member receives or has received income or other financial compensation at any point during the previous three hundred sixty-five (365) days,

(4) the state officer or employee or their immediate family member, directly or indirectly, owns or has owned stock, another form of equity interest, stock options, debt instruments, or has received dividends or income at any point during the previous three hundred sixty-five (365) days, or

(5) the state officer or employee or their immediate family member is negotiating or has any arrangement concerning prospective employment,

1 b. any publicly traded corporation or other business
2 entity in which:
3 (1) the state officer or employee or their immediate
4 family member holds or has held an ownership
5 interest of five percent (5%) or more at any
6 point during the previous three hundred sixty-
7 five (365) days, or
8 (2) the state officer or employee or their immediate
9 family member serves or has served as a director
10 or officer at any point during the previous three
11 hundred sixty-five (365) days;

12 4. "State agency" includes any office, bureau, board, council,
13 commission, department, authority, institution, trust, unit,
14 division, or body of the executive branch of the state government,
15 excluding political subdivisions of the state.

16 B. It shall be unlawful for any state officer or employee of a
17 state agency to participate in their official capacity, through
18 decision, approval, disapproval, authorization, recommendation,
19 investigation, the rendering of advice, influence, or otherwise, in
20 any matter in which their immediate family member, or an associated
21 nongovernment entity has a direct or indirect private economic
22 interest. Any person convicted of willfully violating the
23 provisions of this subsection shall be guilty of a felony,
24 punishable by imprisonment in the custody of the Department of

1 Corrections for a term not less than one (1) year nor more than ten
2 (10) years and a fine not exceeding Ten Thousand Dollars
3 (\$10,000.00), and shall further be prohibited from holding any
4 public office in the state. The fact that the accused's conduct
5 also served a legitimate governmental purpose is no ground of
6 defense or of mitigation of punishment. Prosecutions for violations
7 of this subsection shall be commenced in accordance with subsection
8 A of Section 152 of Title 22 of the Oklahoma Statutes.

9 C. A state officer or employee who, in the discharge of their
10 official responsibilities, is required or called upon to participate
11 in a matter in which their immediate family member, or an associated
12 nongovernment entity has a private economic interest, within thirty
13 (30) days of becoming aware of such potential conflict arising from
14 a private economic interest or prior to the official action affected
15 by the private economic interest, whichever is first, shall:

16 1. Prepare a certified written statement describing the matter
17 requiring participation and the nature of their potential conflict
18 of interest with respect to the matter in detail sufficient to be
19 understood by the public;

20 2. Furnish a copy of the statement to their superior, if any,
21 who shall assign the matter to another employee who does not have a
22 private economic interest. Their superior shall furnish a copy of
23 the statement to the Oklahoma Ethics Commission. If he or she has
24 no immediate superior, he or she shall furnish a copy of the

1 statement directly to the Oklahoma Ethics Commission. The statement
2 shall remain available for public inspection;

3 3. If they are an elected officer or if they are appointed as
4 the chief executive officer or head of a state agency, they shall
5 furnish a copy of the statement to the presiding officer of the
6 governing body of the agency on which they serve, who shall cause
7 the statement to be printed in the minutes of the next meeting and
8 require that they be excused from any votes, deliberations, and
9 other actions on the matter in which the potential conflict of
10 interest exists and shall cause the disqualification and the reasons
11 for it to be noted in the minutes.

12 D. Any person convicted of violating the provisions of
13 subsection C of this section shall be guilty of a misdemeanor and
14 punished by imprisonment in the county jail for a term not to exceed
15 one (1) year, or by a fine not exceeding One Thousand Dollars
16 (\$1,000.00), or by both such fine and imprisonment.

17 E. Violation of any provision of this section shall be grounds
18 for removal from office or termination from state employment.

19 F. Any transaction or contract entered into in violation of any
20 provision of this section is void.

21 G. A person shall not be guilty of an offense under this
22 section if the person's performance of official functions would not
23 affect the person, immediate family member, or associated
24 nongovernment entity differently than such performance would affect

1 the public generally, or would not affect the person, immediate
2 family member, or associated nongovernment entity, as a member of a
3 business, profession, occupation, or large class differently than
4 such performance would affect any other member of such business,
5 profession, occupation, or large class.

6 H. The provisions of this section shall be cumulative to
7 existing laws. Nothing in this section shall prohibit state
8 agencies from implementing more restrictive policies to address
9 conflicts of interest that remain in compliance with this section.
10 Nothing in this section shall be construed to invalidate any other
11 provision of law establishing more restrictive procedures or
12 measures to prevent conflicts of interest between public duties and
13 private economic interests.

14 SECTION 24. This act shall become effective November 1, 2025.

15 Passed the House of Representatives the 11th day of March, 2025.

16
17 _____
18 Presiding Officer of the House
19 of Representatives

20 Passed the Senate the ____ day of _____, 2025.

21
22 _____
23 Presiding Officer of the Senate