

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 POLICY COMMITTEE  
4 RECOMMENDATION

5 FOR

6 HOUSE BILL NO. 2164

7 By: Pfeiffer

8 POLICY COMMITTEE RECOMMENDATION

9 An Act relating to public corruption; amending 21  
10 O.S. 2021, Section 344, which relates to crimes  
11 against state revenue; changing punishment; providing  
12 for removal; adding new law 21 O.S. Section 365,  
13 which relates to nonpublic government information;  
14 stating elements of certain unlawful acts; providing  
15 penalties; amending 22 O.S. 2021, Sections 1181,  
16 1181.1, and 1181.2, which relate to removal;  
17 providing definitions; specifying scope; adding new  
18 laws 74 O.S. Sections 85.22A, 85.22B, and 85.22C,  
19 which relate to collusion and conflicts of interest;  
20 stating elements of certain unlawful acts; requiring  
21 certain disclosures for bidders; amending 74 O.S.  
22 2021, Section 85.42, which relates to the Oklahoma  
23 Central Purchasing Act; providing consequence for  
24 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; and  
adding new law 74 O.S. Section 3102.1, which relates  
to conflicts of interest; stating elements of certain  
unlawful acts; providing definitions; providing  
exceptions; providing penalties; providing for  
codification; and providing an effective date.

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

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

3 Section 344. A. Except as otherwise provided in this section,  
4 every public officer, being authorized to sell or lease any  
5 property, or make, approve, negotiate, or authorize any contract in  
6 his or her official capacity, who voluntarily becomes interested  
7 individually in such sale, lease or contract, directly or  
8 indirectly, is guilty of a ~~misdemeanor~~ felony and shall further be  
9 prohibited from holding any public office in the state. Violation  
10 of this section shall be grounds for removal from office or  
11 termination from state employment.

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

13 1. Municipal officers who are subject to the provisions of  
14 Section 8-113 of Title 11 of the Oklahoma Statutes; and

15 2. Conservation district board members participating in  
16 programs authorized by Section 3-2-106 of Title 27A of the Oklahoma  
17 Statutes.

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

21 A. Any current or former officer, employee, or contractor of a  
22 state agency who obtains or obtained nonpublic information by virtue  
23 of their government employment, government office, or contract with  
24 a state agency, and who:

- 1        1. Uses such information for personal gain or benefit;
- 2        2. Acquires or divests them of a pecuniary interest in any
- 3 property, transaction, or enterprise which may be affected by such
- 4 information;
- 5        3. Speculates or wagers on the basis of such information;
- 6        4. Uses such information in a way that would affect any
- 7 personal pecuniary interest, including an interest held by an
- 8 immediate family member, or business entity their immediate family
- 9 member is associated with;
- 10       5. Discloses such information to any person, group, entity, or
- 11 others not entitled to receive such information; or
- 12       6. Aids another to do any of the foregoing,
- 13 shall be guilty of a felony punishable by imprisonment in the
- 14 custody of the Department of Corrections for a term not exceeding
- 15 five (5) years, or by a fine of Ten Thousand Dollars (\$10,000.00),
- 16 or both by such fine and imprisonment. Any person convicted of
- 17 violating any provision of this section shall be prohibited from
- 18 holding any public office in this state and shall be prohibited from
- 19 entering into any state contract.
- 20       B. Violation of any provision of this section shall be grounds
- 21 for removal from office or termination from state employment.
- 22       C. For purposes of this section, the term "immediate family
- 23 member" means:
- 24       1. A spouse;

- 1        2. A spouse's parents;
- 2        3. A child by birth or adoption;
- 3        4. A stepchild;
- 4        5. A parent;
- 5        6. A grandparent;
- 6        7. A grandchild;
- 7        8. A sibling;
- 8        9. A spouse's siblings; or
- 9        10. A spouse of any immediate family member aforementioned.

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

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

17       First. Habitual or willful neglect of duty, which, for a state  
18 officer, shall include, but not be limited to, knowingly giving  
19 false testimony to a committee of either house of the Legislature,  
20 knowingly engaging in operations beyond the constitutional or  
21 statutory authority delegated to the agency that the officer is  
22 employed by or serves, or repeatedly refusing to provide information  
23 to a committee, either house or a member of the Legislature in a  
24 timely manner. For the purposes of this section, "timely manner"

1 means no more than fifteen (15) business days from the date the  
2 request for information was received by the agency, unless extended  
3 by written agreement.

4 Second. Gross partiality in office.

5 Third. Oppression in office.

6 Fourth. Corruption in office, which shall include the use of  
7 public office or authority to procure, attempt to procure, or that  
8 would foreseeably result in a personal benefit, profit, or  
9 perquisite.

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

11 Sixth. Willful maladministration.

12 Seventh. Habitual drunkenness.

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

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

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

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

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

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

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

21 Any agreement or collusion among bidders or prospective bidders  
22 in restraint of freedom of competition by agreement to bid at a  
23 fixed price or to refrain from bidding, or otherwise, shall render  
24 the bids of such bidders void. Any agreement or collusion among

1 state officers or employees and bidders or prospective bidders  
2 intended to create a sole-source acquisition in contradiction to  
3 Section 85.44D.1 of this title or to give a bidder or prospective  
4 bidder a competitive advantage, including the disclosure of  
5 nonpublic information, whether or not in exchange for anything of  
6 value, shall render the bids of such bidders void. Persons  
7 willfully violating this section shall be guilty of a felony. Any  
8 person convicted of violating any provision of this section shall be  
9 prohibited from holding any public office in this state and shall be  
10 prohibited from entering into any state contract.

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

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

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

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

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

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

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

24



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

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

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

21           2. Any chief administrative officer of an agency, whether or  
22 not such agency is subject to the Oklahoma Central Purchasing Act,  
23 shall not enter into any contract for nonprofessional or  
24 professional services for the purpose of or which would result in

1 the circumvention of the full-time equivalent employee limitation  
2 established by law for such agency.

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

23 C. As used in this section, person is defined as any state  
24 official or employee of a department, board, bureau, commission,

1 agency, trusteeship, authority, council, committee, trust, school  
2 district, fair board, court, executive office, advisory group, task  
3 force, study group, supported in whole or in part by public funds or  
4 entrusted with the expenditure of public funds or administering or  
5 operating public property, and all committees, or subcommittees  
6 thereof, judges, justices and state legislators.

7 D. Notwithstanding anything to the contrary in this section,  
8 the following sole source or professional services contracts are  
9 allowed at any time:

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

12 2. A contract between a business entity that is a part-time  
13 certified court reporter and the Administrative Office of the  
14 Courts, on behalf of the district courts, or the Office of the  
15 Attorney General.

16 E. Provided the provisions specified in subsection B of this  
17 section are satisfied, the following professional services contracts  
18 are allowed:

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

24

1           2. To maintain public health infrastructure and preparedness,  
2 the State Department of Health and city-county health departments  
3 may contract with a physician assistant, registered nurse, advanced  
4 practice nurse, nurse midwife, registered dietician, occupational  
5 therapist, physical therapist or speech-language pathologist who has  
6 retired from state service; and

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

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

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

1 agency, and other pertinent information that will assure that the  
2 new appointee is advised of such duties and responsibilities. The  
3 briefing may be delegated in part to the executive director or other  
4 managing officer of any department, system or authority under  
5 supervision of the governing body, the responsibility for its  
6 accomplishment remaining that of the chief executive officer.

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

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

1 A. For purposes of this section:

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

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

- 13 a. a spouse,
- 14 b. the parents of a spouse,
- 15 c. a child by birth or adoption,
- 16 d. a stepchild,
- 17 e. a parent,
- 18 f. a grandparent,
- 19 g. a grandchild,
- 20 h. a sibling,
- 21 i. a spouse's sibling, or
- 22 j. a spouse of any immediate family member  
23 aforementioned.

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

1 a. any nonprofit or charitable organization or private  
2 business, including but not limited to, a closely held  
3 corporation, limited liability company, Subchapter S  
4 corporation, or partnership, in which:

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

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

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

18 (4) the state officer or employee or their immediate  
19 family member, directly or indirectly, owns or  
20 has owned stock, another form of equity interest,  
21 stock options, debt instruments, or has received  
22 dividends or income at any point during the  
23 previous three hundred sixty-five (365) days, or  
24

1 (5) the state officer or employee or their immediate  
2 family member is negotiating or has any  
3 arrangement concerning prospective employment,  
4 b. any publicly traded corporation or other business  
5 entity in which:

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

11 (2) the state officer or employee or their immediate  
12 family member serves or has served as a director  
13 or officer at any point during the previous three  
14 hundred sixty-five (365) days.

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

19 B. It shall be unlawful for any state officer or employee of a  
20 state agency to participate in their official capacity, through  
21 decision, approval, disapproval, authorization, recommendation,  
22 investigation, the rendering of advice, influence, or otherwise, in  
23 any matter in which their immediate family member, or an associated  
24 nongovernment entity has a direct or indirect private economic



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

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

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

23 2. Furnish a copy of the statement to their superior, if any,  
24 who shall assign the matter to another employee who does not have a

1 private economic interest. Their superior shall furnish a copy of  
2 the statement to the Oklahoma Ethics Commission. If he has no  
3 immediate superior, he shall furnish a copy of the statement  
4 directly to the Oklahoma Ethics Commission. The statement shall  
5 remain available for public inspection;

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

15 D. Any person convicted of violating the provisions of  
16 subsection C of this section shall be guilty of a misdemeanor and  
17 punished by imprisonment in the county jail for a term not to exceed  
18 one (1) year, or by a fine not exceeding One Thousand Dollars  
19 (\$1,000.00), or by both such fine and imprisonment.

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

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

24

1 G. A person shall not be guilty of an offense under this  
2 section if the person's performance of official functions would not  
3 affect the person, immediate family member, or associated  
4 nongovernment entity differently than such performance would affect  
5 the public generally, or would not affect the person, immediate  
6 family member, or associated nongovernment entity, as a member of a  
7 business, profession, occupation, or large class differently than  
8 such performance would affect any other member of such business,  
9 profession, occupation, or large class.

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

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

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