2027 PREPARATION GUIDE / HB3418

HB3418 | Prepare for 2027

What architects should prepare for during the coming year.

In spring 2026, AIA Oklahoma's Government Affairs Committee worked with Rep. Judd Strom and the Associated General Contractors to refine HB3418. We worked to clarify the responsibilities of professional services firms acting as a "vendor" under HB3418, including the new sworn ownership disclosures. We also worked to protect the normal course of an architect's work on a Title 61 project, including consulting manufacturers, evaluating materials and developing specifications for the public owner. The bill recognizes the need for those conversations and sets boundaries on how bid information is handled.

SCHEDULED EFFECTIVE DATE

November 1, 2027

HB3418 was enacted in 2026 with a delayed start. AIA Oklahoma will update members if the upcoming legislative session changes these requirements. [1, §21]

Six preparations for project teams

Planning and specifications	Agree with the owner on how to obtain technical input, release notice information and protect submitted bids.	**p. 2**
School construction	Identify the purchasing route for small school projects. The $25,000 to under $50,000 tier allows written bids or competitive quotes.	**p. 3**
District standards	See the legal requirements for sole-brand purchasing and board action on page 4, then the worked specifications on page 5.	**p. 4**
Contract ownership	Determine which sworn ownership and subcontractor statements the owner needs from firms acting as contractors or vendors.	**p. 6**
Construction management	Build at least 20 days into the bid schedule for complete trade-package documents. Individual packages over $50,000 require sealed bids.	**p. 7**
Quotes and change orders	Document awards that bypass the low quoter. Add price increases together when reviewing a proposed change order.	**p. 8**

Owner checklist and statutory sources · p. 9

TITLE 61 / PRE-BID COMMUNICATION

What to share before bid opening

While developing specifications

HB3418 expressly allows a public agency to consult vendors, request technical information, arrange demonstrations or site visits, and research costs. An architect can support that work by comparing products and documenting the performance the owner needs. The agency may not write specifications for the purpose of restricting bids or quotes. [1, §§9, 19]

The planning provision in 61 O.S. §116(D) refers specifically to subsection A. Subsections B and C still govern access to the information the owner will put in its bid notice. That notice is one part of the larger set of bidding documents. [1, §§2, 9]

What can be shared, and when

Before the notice is public	An agency official or employee may not give out information that will appear in the bid notice before its uniform release to prospective bidders and the public. Other people may not seek, possess or receive it in advance. The revised rule applies even when the recipient does not intend to prepare a bid. A violation is a felony and voids the proceedings. [1, §9(B)]
Once notice is given	An agency official or employee may not withhold or impede distribution of notice information. If the agency withdraws the solicitation or deletes or replaces information by amending the notice, it must make the change equally known. A violation is a felony. [1, §9(C)]
When a bid has been submitted	An agency official or employee may not disclose the terms of a submitted bid before the scheduled opening of all bids. A violation is a felony and voids the proceedings. [1, §9(A)]

The project cost estimate remains public under the Oklahoma Open Records Act. A price in a submitted bid stays protected until the scheduled opening. [1, §9(A)–(B)]

At the drawing board

When specifying a roof, ask a manufacturer for wind-uplift data and budget pricing to evaluate the assembly. If the representative asks when bids will open, direct them to the owner's public notice. If the opening date later changes, use the owner's published amendment so all bidders receive the same information. [1, §9] [2, §105]

HB3418 / CONSTRUCTION AND SCHOOL PROJECTS

Choose a construction procedure

The dollar amount, owner and type of contract determine the route. HB3418 removes dollar floors from certain contract definitions, expressly includes constitutionally created public bodies and broadens the school construction rules. [1, §§2–3] [6]

General construction and construction management (CM) trades

Contract and amount	Current law	New law · Nov. 1, 2027
Ordinary · below $10,000	May negotiate with a qualified contractor.	Same negotiated option.
Ordinary · $10,000 to $100,000	Written bids or competitive quotes through $100,000.	Written bids or competitive quotes. §103(C) says "between" these amounts.
Ordinary · over $100,000	Open competitive sealed bids.	Same sealed-bid requirement.
CM trade · $50,000 or less	No separate CM tier in §103(C). See the at-risk rule below.	Written bids or competitive quotes unless another law provides otherwise.
CM trade · over $50,000	Open competitive sealed bids.	Same sealed-bid requirement.

Construction management at risk. For a political subdivision, §217(D)(3) permits written comparative quotes on packages of $50,000 or less and award to any qualified vendor at $25,000 or less. HB3418 preserves the allowance for procedures provided by other law. [2, §217(D)(3)] [1, §3]

Public school district construction

Today, §103(E) covers minor maintenance and minor repairs to district property. Other school construction generally follows the first table. HB3418 extends §103(E) to district construction generally. Apply the separate CM thresholds to individual trade packages. [1, §3] [6]

School contract amount	Current law · minor work only	New law · district construction
Below $25,000	May negotiate with a qualified contractor.	Negotiation also available for other district construction.
$25,000 to under $50,000	§103(E) gives no express route. Confirm the procedure before soliciting.	Written bids or competitive quotes.
$50,000 to under $100,000	Written bids.	Written bids for district construction in this tier.
Exactly $100,000	School tier ends below $100,000. General §103(C) includes this amount.	School tier ends below $100,000. Confirm the route before soliciting.
Over $100,000	Open competitive sealed bids.	Same sealed-bid requirement.

For written bids, award to the lowest responsible bidder. For competitive quotes, award to the lowest responsible qualified contractor. The district needs a signed contract and proof of insurance before work starts. Check the contracting body for charter schools and the district status of technology centers. [1, §3] [4–5]

HB3418 / SPECIFICATIONS AND PROCUREMENT

When may a district specify one brand?

HB3418 gives no blanket sole-brand exception for roofs, floors or locks. A sole-brand solicitation names one make, which several dealers might supply. A sole-source purchase relies on one supplier. A basis of design names a reference product and leaves competing products eligible against published criteria. [1, §19]

What the law requires for a sole-brand solicitation

Authority for this purchase. New 61 O.S. §140(C) applies only when the district already has authority to solicit sole-brand bids or quotes. Identify the law that permits it for this purchase and the district procedure that names the approving official or board. Any findings those rules require must support the restriction. A district standard or warranty letter alone supplies no legal authority. [1, §§3, 19–20]

A rule for supplies may not cover installed work. In Carpet City, the Oklahoma Supreme Court held that carpet permanently affixed in a public hospital fell under the Public Competitive Bidding Act. [8]

A legitimate specification and consideration of substitutes. Section 140(D) prohibits specifications written for the purpose of restricting bids or quotes. Even under an authorized sole-brand procedure, the district must consider a lower-cost bid or quote proposing an item or service that either meets the required specifications or is substantially equivalent in both quality and performance. The applicable award rule governs the selection. A district may adopt stricter controls. [1, §19(C), (D), (F)]

What must be presented to the school board?

Section 140(C) assigns consideration to the district. It prescribes no product-by-product board presentation, price comparison, architect's recommendation or separate vote. When the board awards the contract, the district must consider qualifying offers as part of that award. A designated purchaser may act within authority delegated under board procedures. The title "owner's representative" alone confers no purchasing authority. [1, §§19–20]

Award above the low bid or quote	If the district awards a covered contract to someone other than the lowest bidder or quoter, it must publicize its reason with the award and keep it on file for public inspection. A lower-priced component alone does not trigger this rule. [1, §10 / 61 O.S. §117]
Rejecting bids and soliciting again	To reject bids or quotes and solicit again under 61 O.S. §119, the governing board must act by majority in the public interest. [1, §11]
Submission to the board	Encumbrances must go to the board monthly, in the order issued. The minutes must list approved encumbrances. This records the financial obligation. [1, §20 / 70 O.S. §5-135(D)]

Applied examples for roofing, flooring and master-key systems · p. 5

HB3418 / SPECIFICATIONS AND PROCUREMENT

Applying a district standard

Each sole-brand example assumes the district has legal authority for that purchase. Without that authority, a basis of design can identify the reference product and the criteria an equal must meet. R-1, F-1 and K-1 refer to products listed by manufacturer and model in the project schedules. [1, §19]

Roofing | Addition tied into a warranted roof

When one brand could be justified. Assume the existing warranty covers the retained roof for eight more years. Its terms and the evaluated tie-in options establish that only one flashing system preserves that coverage. With applicable sole-brand authority, the rationale supports limiting the tie-in materials. It does not by itself justify limiting the entire new roof to the same manufacturer.

> **Sample basis-of-design specification.** "Provide scheduled assembly R-1 or equal. Submit a tested assembly for the specified deck and attachment that meets the design uplift pressures shown for each roof zone. Detail the tie-in and demonstrate that the proposed junction preserves the remaining warranty on the retained roof."

Flooring | Replacing tiles in a retained corridor

When one brand could be justified. Assume the work replaces damaged tiles in an existing wayfinding band. Only the original tile fits the retained grid and matches the approved pattern sample without removing adjacent sound tiles. Those facts could support an authorized exclusive purchase for the infill. In a new wing, matching the district's usual supplier or spare stock alone establishes no such need.

> **Sample basis-of-design specification.** "Provide F-1 carpet tile or equal. Fit the existing 24-inch grid without cutting adjacent tiles. Finish flush with the retained tile and continue the wayfinding band to the approved sample. Submit a sample installed against a retained tile to demonstrate fit, height and pattern alignment."

Master-key system | Adding cylinders to existing doors

When one brand could be justified. Assume a survey confirms that only one manufacturer's cylinder accepts the district's existing operating and control keys and fits the retained housings. Under an authorized procedure, that compatibility could support one make for the cylinders. Multiple dealers may still supply it.

> **Sample basis-of-design specification.** "Provide scheduled cylinder K-1 or equal. Fit the existing interchangeable-core housings without modification. Existing operating keys must operate the intended doors and the district's control key must remove and install the core. Demonstrate both functions with a sample without rekeying other doors."

Write each criterion for a real project need. Adding "or equal" to a proprietary list of dimensions or credentials can still exclude equivalent products. In one Oklahoma school roofing solicitation, a 30-foot roll-width requirement pointed to a single manufacturer. The relevant design issue was the number of field seams. [7]

HB3418 / PERSONAL PROPERTY AND OWNERSHIP

Quotes and ownership statements

Written quotes for personal property

Under new 61 O.S. §140(A), a public agency buying, leasing or lease-purchasing personal property estimated at $25,000 or more must obtain written quotes and use the lowest responsible qualified vendor, unless another law specifically provides otherwise. The operative threshold is $25,000. The bill's introductory title lists $10,000. [1, §19]

A separate $40,000 furniture order falls under this rule if no more specific purchasing law controls. The same rule covers materials, supplies and equipment. Architectural services fall under the separate professional-services provision. [1, §19] [2] [3]

Sworn ownership disclosures

Ask for the ownership statements during contract preparation. A list of officers alone may leave out individuals the law requires the firm to identify. [1, §19]

Who provides the statement	What the awarding agency needs
Contractor or vendor	Sworn identification of required individual ownership interests over 10%, traced through the ownership chain as §140(E)(1) directs.
Subcontractors and trades	The contractor or vendor must give a sworn list of its subcontractors and trade contractors. Each that is an entity must provide its own sworn ownership statement.
If a statement is missing	Failure to provide a required statement voids the affected contract, subcontract or trade contract.

Section 140(E) gives no separate dollar cutoff, standard form or detailed filing deadline. The professional-services bid and quote exception in §140(B) does not expressly waive ownership paperwork. Confirm applicable statements with the awarding agency. [1, §19]

HB3418 / SOLICITATION AND AWARD

Manage the bid opening and award

Plan with the owner for the release of complete documents, the opening and the public record. The expanded rules cover competitive quotes as well as formal bids. [1, §§4–7, 10–12]

What to record and when

Stage	What the project team should expect
Before opening	Make complete bidding documents available to the public at least 20 days before opening. The existing minimum expressly extends to construction-management trade contracts and subcontracts.
At opening	For electronic bids, the agency may provide a live video feed on its website in place of a public bid opening. Posting the bid results afterward does not replace the live feed.
At award	If the agency bypasses the lowest bidder or quoter, it must publicly explain its decision. The procedures for rejecting and requesting new offers expressly include quotes.
After award	Keep all successful and unsuccessful bids and quotes, contracts and required bonds available for public inspection. Keep them for the longer of five years from opening or three years from contract completion.

HB3418 §§4–7, 10–11 cover 61 O.S. §§106, 110–112, 117 and 119. [1]

Check conflicts before award

The restriction reaches agency officials and employees who authorize, award or supervise a public construction contract, and relatives within the third degree by blood or marriage. They cannot hold a direct or indirect interest in that contract, including through ownership or partnership. A violation voids the contract. A person who willfully violates the rule commits a felony and is subject to removal from office. [1, §8]

Other changes to purchasing procedures

HB3418 adds towns to the local-preference provision, clarifies who may extend the award period and updates the transfer provision while retaining the governing body's written-consent requirement. It also corrects the legal reference for the sworn noncollusion statement. [1, §§3, 6, 13, 18]

HB3418 / CONTRACT ADMINISTRATION

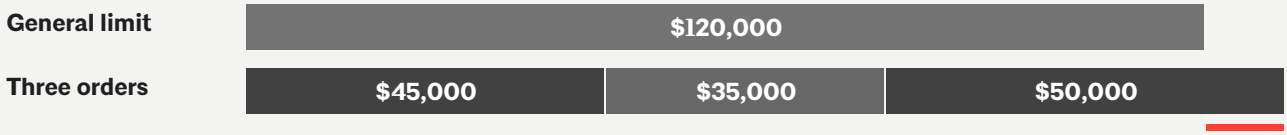
Manage changes after the award

Add all change-order increases together

Each price increase counts toward the same cumulative limit. For construction management at risk, calculate the limit using total project cost. Statutory exceptions may apply. [1, §14]

Original contract amount	General limit on cumulative increases
$1 million or less	15% of the original contract amount.
More than $1 million	The greater of $150,000 or 10% of the original contract amount.

$800,000 contract × 15% = $120,000 limit



Proposed total of $130,000 exceeds the general limit by $10,000. [1, §14]

If the total exceeds the limit and no exception applies, the owner must readvertise for bids or solicit new quotes for the incomplete portions. Options bid or quoted and included in the original award are treated separately. The unit-price exception applies to a change in the unit price. [1, §14]

If the usual process breaks down

Situation	Action or deadline
No timely bid or quote	If the statutory conditions permit negotiation, retain the original scope, observe the dollar limits and execute the contract within six months of the initially scheduled opening or quote-receipt date. [1, §12]
Award challenged	An unsuccessful quoter can use the specified court remedy. The filing window is 10 days after contract execution. [1, §15]
Dormant contract	The termination rule extends to quoted contracts. After 24 months with no work and no pending formal claim or litigation, the awarding agency must terminate the contract. [1, §17]

Knowing violations can be misdemeanors where the act does not otherwise provide a penalty. The prohibition on splitting contracts to avoid the act continues. [1, §§15–16]

HB3418 / IMPLEMENTATION PLANNING

Prepare before the effective date

An architect's agreement, a construction trade package and a furniture order can follow different procedures on the same project. Identify the owner, purchase type and delivery method before choosing forms or setting a bid date. [1] [2] [3]

Preparation item	What to resolve with the owner
Confirm the public owner	Check the contracting entity and any specific exception. Constitutionally created bodies are expressly included. Public trusts remain covered despite removal of the separate bidding and fair-pay provision and its industrial and cultural trust exception. Review public charters individually. [1, §§1–2, 19] [5]
Review vendor disclosures	Identify any ownership statements required for the architect's contract and its consultants. The 2026 brief explains professional-services selection and fee negotiation. [1, §19] [2] [3]
Update purchasing forms	Distinguish school construction, ordinary construction, CM trades and personal property. Clarify the school procedure at exactly $100,000. District purchasing controls expressly incorporate new §140. [1, §§3, 19–20]
Coordinate the bid schedule	Agree on the public release process, CM document availability, opening arrangements, quote retention and any explanation for bypassing the lowest offer. Obtain required statements and insurance. [1, §§3–7, 9–11, 19]
Track interests and changes	Check relevant ownership and family interests. Track change-order increases against the applicable original contract or project cost and evaluate any exception. [1, §§8, 14]
Recheck the law in 2027	After the legislative session, confirm the enacted provisions and effective date before updating project procedures. AIA Oklahoma will advise members if the requirements change.

Sources and statutory scope

[1] HB3418, enrolled act, §§1–21

[2] Title 61, §§61–62, 105 and 217 · Architect selection, bid notices and CM at risk

[3] 18 O.S. §803 · Professional services

[4] 70 O.S. §14-108 · Technology center school districts

[5] 70 O.S. §3-136 · Charter schools

[6] 61 O.S. §103 · Current construction procedures (2025 Okla. Sess. Laws, ch. 361)

[7] Oklahoma State Auditor and Inspector · Public School Districts Roofing Contracts (2013)

[8] Carpet City, Inc. v. Stillwater Municipal Hospital Authority, 1975 OK 75 (paragraphs 13–18)

Dollar thresholds are general rules. Review the statutory conditions and exceptions for the owner, contract and delivery method.