

STATE OF OKLAHOMA

2nd Session of the 44th Legislature (1994)

HOUSE BILL NO. 2588

By: Williams

AS INTRODUCED

An Act relating to state government; creating the Oklahoma Surplus Property Act; amending 74 O.S. 1991, Sections 85.9 and 85.9A and Section 1, Chapter 29, O.S.L. 1992 (74 O.S. Supp. 1993, Section 85.9C), which relate to surplus property; defining terms; providing for duties; providing for promulgation of rules; requiring certain reports and lists; requiring certain contents; providing for certain use of program; providing for certain costs; modifying deposits into special cash funds; providing for disposition of certain receipts; requiring compliance; modifying surplus property provisions of Department of Transportation; providing for codification; providing for recodification; repealing 74 O.S. 1991, Section 85.9B, which relates to certain purchases; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 85.20a of Title 74, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Oklahoma Surplus Property Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 85.20b of Title 74, unless there is created a duplication in numbering, reads as follows:

For purposes of the Oklahoma Surplus Property Act:

1. "Surplus property" means any item, commodity, material, supplies or equipment owned by a state agency and determined by such state agency to be excess, obsolete, antiquated, unused or not needed;

2. "State agency" means any state board, bureau, commission, department, authority, public trust, interstate commission, the Judiciary, the Legislature, the Office of the Governor and institutions of higher learning and school districts;

3. "Department" means the Department of Central Services;

4. "Director" means the Purchasing Director of the Department of Central Services;

5. "Surplus property program" means any program which may be established by the Department of Central Services for the purchase, sale and disposal of surplus property; and

6. "Sale" includes but not limited to authorization for the Director to sell by sealed bids or auction.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 85.20c of Title 74, unless there is created a duplication in numbering, reads as follows:

The Director shall:

1. Establish written surplus property acquisition and disposal rules for use by all state agencies;

2. Develop minimum standards for proper recordkeeping of surplus property acquisition and disposal for use by all state agencies; and

3. Make recommendations to state agencies on surplus property management programs.

SECTION 4. AMENDATORY 74 O.S. 1991, Section 85.9, is amended to read as follows:

Section 85.9 A. The chief administrative officer of each state agency is encouraged to make needed purchases of and sell, trade or redistribute or dispose of surplus property owned by such state agency through any surplus property program operated by the Department.

B. A state agency may request the Director to sell, trade, redistribute or dispose of surplus property on behalf of such state agency.

C. Any state agency which transfers ~~excess, obsolete, antiquated, or unused materials, supplies, or equipment~~ surplus property to the Purchasing Director for sale, trade, or redistribution to other state agencies shall receive full credit for the value thereof as may be arranged between the State Purchasing Director, the state fiscal agencies necessarily involved, and the state agencies so transferring and receiving such materials, supplies, or equipment; and said value, as thus determined less any fees and charges assessed by the Director for costs incurred in such sale, trade or redistribution. The proceeds from the sale, trade or redistribution of the surplus property shall be credited to a special cash fund created by Section ~~2~~ 5 of this act.

~~The term "sale" as used herein shall include authorization for the purchasing director to sell by sealed bids or auction, and the costs for any auction conducted shall be paid from the proceeds received therefrom.~~

SECTION 5. AMENDATORY 74 O.S. 1991, Section 85.9A, is amended to read as follows:

Section 85.9A A. There is hereby created a special cash fund in the State Treasury for each state agency, ~~department, board,~~

~~commission, institution, or authority~~ which requests that the ~~Purchasing~~ Director sell, trade, or ~~distribute~~ redistribute to other state agencies any ~~excess, obsolete, antiquated, or unused material, supplies, or equipment~~ surplus property.

B. All proceeds received from such transaction, and the proceeds of any insurance claim arising from the loss by fire, theft or casualty of insured material, supplies, or equipment shall be deposited in such special cash fund of such ~~subdivision of government~~ state agency and may be expended for the purchase or replacement of materials, supplies, or equipment of such ~~subdivision of government~~ state agency and for the payment of the cost of conducting any such transaction.

C. Whenever an unencumbered balance exists in said fund after June 30, the close of each fiscal year, such balance shall lapse and be transferred to the General Revenue Fund of the current fiscal year.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 85.20f of Title 74, unless there is created a duplication in numbering, reads as follows:

A. It shall be the duty and responsibility of the chief administrative officer of each state agency to maintain a current list of all surplus property held and disposed of by that state agency. Such list shall include the location where surplus property is maintained, purchase price, when sold and selling price, if transferred to which agency or entity, and if otherwise disposed of what manner of disposal.

B. Such lists shall be available upon request to the Department of Central Services, the State Auditor and Inspector, the Governor and to any member of the Legislature.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 85.20g of Title 74, unless there is created a duplication in numbering, reads as follows:

Any state agency selling, trading, redistributing or otherwise disposing of surplus property shall comply with the rules promulgated by the Department of Central Services.

SECTION 8. AMENDATORY Section 1, Chapter 29, O.S.L. 1992 (74 O.S. Supp. 1993, Section 85.9C), is amended to read as follows:

Section 85.9C A. When the Oklahoma Department of Transportation determines that any equipment or vehicle becomes ~~excess, obsolete, antiquated, unused or otherwise~~ surplus property, the Department of Transportation shall notify the ~~Office of Public Affairs~~ Department of Central Services in writing that such equipment or vehicle is surplus. The notice shall identify:

1. The type, brand or make, and country of manufacture of the equipment or vehicle;

2. The age of the equipment or vehicle including but not limited to mileage;

3. Whether the equipment or vehicle is in good working condition or not;

4. If the equipment or vehicle is not in good working condition, whether it is in repairable condition at reasonable cost;

5. Original cost of the equipment or vehicle; and

6. Present value of the equipment or vehicle, if known.

B. The ~~Office of Public Affairs~~ Department of Central Services, with any other notice of surplus property, shall notify the eligible individuals or entities as provided in subsection C of this section of the availability of the surplus property of the Oklahoma Department of Transportation.

C. Prior to any advertised public auction or advertised sealed bids to all individuals and entities eligible for participation in the surplus program, the ~~Department~~ State Purchasing Director, thirty (30) days prior to the advertised auction date, shall offer,

at fair market value, the equipment or vehicles to the individuals or entities, in the following order of priority:

1. Other state agencies;
2. Political subdivisions of the state;
3. Rural fire departments located in this state; and
4. Rural water districts located in this state.

D. Any equipment or vehicles purchased pursuant to this section shall be made available to the purchaser on the date of purchase.

SECTION 9. RECODIFICATION 74 O.S. 1991, Sections 85.9 and 85.9A, as amended by Sections 4 and 5 of this act, shall be recodified as Sections 85.20d and 85.20e respectively, and Section 1, Chapter 29, O.S.L. 1992 (74 O.S. Supp. 1993, Section 85.9C), as last amended by Section 8 of this act, shall be recodified as Section 85.20h.

SECTION 10. REPEALER 74 O.S. 1991, Section 85.9B, is hereby repealed.

SECTION 11. This act shall become effective September 1, 1994.

44-2-7807 KSM