

ENROLLED HOUSE
BILL NO. 1905

By: Covey of the House

and

Fisher of the Senate

An Act relating to surplus property; amending Section 2, Chapter 342, O.S.L. 1995, as amended by Section 4, Chapter 203, O.S.L. 1998 (74 O.S. Supp. 1999, Section 62.2), which relates to definitions under the Oklahoma Surplus Property Act; adding and modifying definitions; amending Section 3, Chapter 342, O.S.L. 1995 (74 O.S. Supp. 1999, Section 62.3), which relates to duties of the Director of the Department of Central Services; modifying duties; requiring the promulgation of certain rules; requiring the Department of Central Services to make surplus property available to state agencies and authorized entities; setting forth certain entities not subject to certain laws; amending 74 O.S. 1991, Section 85.9, as renumbered by Section 9, Chapter 342, O.S.L. 1995, and as amended by Section 4, Chapter 342, O.S.L. 1995 (74 O.S. Supp. 1999, Section 62.4), which relates to transfer of material and supplies to other agencies; deleting authorization and the procedure relating thereto of a state agency to request the selling, trading, or disposing of surplus property; providing for disposition of proceeds from sale of surplus vehicles or equipment; authorizing the Director of the Department of Central Services to promulgate certain rules relating to proceeds from surplus sales; amending Section 6, Chapter 342, O.S.L. 1995 (74 O.S. Supp. 1999, Section 62.6), which relates to surplus property lists; updating and clarifying certain duties and responsibilities; amending 80 O.S. 1991, Section 34.1, which relates to authority to purchase, lease, or receive gifts and competitive bidding; modifying entities authorized to purchase, lease, or receive certain gifts or donations of surplus property; deleting certain reference to period of time; amending 80 O.S. 1991, Section 34.2, which relates to Surplus Property Agent; updating certain references; requiring the Director of the Department of Central Services to promulgate certain rules; requiring rules to provide certain information regarding fees and costs; amending 80 O.S. 1991, Section 34.3, which relates to duties of the Surplus Property Agent; clarifying where certain surplus property comes from for redistribution; deleting authority by Surplus Property Agent to charge certain reasonable fee; clarifying authority to employ certain persons; permitting the acquisition of surplus automobiles; amending 80 O.S. 1991, Section 34.4, which relates to requisitions; modifying

entities which are required to file requisitions; amending 80 O.S. 1991, Section 34.6, which relates to State Surplus Property Revolving Fund; updating reference; deleting prohibition against the purchase of passenger type vehicles; repealing 80 O.S. 1991, Section 34.7, which relates to salary and expense of Surplus Property Agent; and providing an effective date.

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

SECTION 1. AMENDATORY Section 2, Chapter 342, O.S.L. 1995, as amended by Section 4, Chapter 203, O.S.L. 1998 (74 O.S. Supp. 1999, Section 62.2), is amended to read as follows:

Section 62.2 For purposes of the Oklahoma Surplus Property Act:

1. "Authorized entity" means a political subdivision, school, group or organization eligible to acquire surplus property from a surplus property program;

2. "Surplus property" means ~~any item~~ items, commodity commodities, material materials, supplies or equipment ~~owned by a state agency~~ owns and determined by such state agency determines to be excess, obsolete, antiquated, unused or not needed;

~~2.~~ 3. "State agency" means any state board, bureau, commission, department, authority, public trust, interstate commission, the Judiciary, the Legislature, and the Office of the Governor. The term "state agency" shall not include components of institutions of higher education in this state, or the Northeast Oklahoma Public Facilities Authority;

~~3.~~ 4. "Department" means the Department of Central Services;

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

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

6. 7. "Sale" ~~includes but is not limited to authorization for~~ means methods the Director uses to sell by sealed bids or auction dispose of surplus property; and

7. 8. "Minimal value" or "no value" means ~~the surplus property having a value that has less value than any the costs incurred in the sale~~ the Department may incur to sell, trade or disposal dispose of the surplus property.

SECTION 2. AMENDATORY Section 3, Chapter 342, O.S.L. 1995 (74 O.S. Supp. 1999, Section 62.3), is amended to read as follows:

Section 62.3 A. The Director of the Department of Central Services shall÷

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

~~2. Develop minimum and the Department of Central Services to dispose of surplus property. The rules shall include standards for proper recordkeeping, methods for removal or disposal of surplus property, and acquisition and disposal for use by all state agencies; and~~

~~3. Make recommendations to state agencies on authorized entities of surplus property, and for Department management of surplus property programs.~~

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

C. The Department shall make surplus property available to state agencies and authorized entities, which shall include political subdivisions, school districts, and nonprofit entities of this state.

D. The provisions of this act shall not apply to institutions of higher education in this state, or the Northeast Oklahoma Public Facilities Authority.

SECTION 3. AMENDATORY 74 O.S. 1991, Section 85.9, as renumbered by Section 9, Chapter 342, O.S.L. 1995, and as amended by Section 4, Chapter 342, O.S.L. 1995 (74 O.S. Supp. 1999, Section 62.4), is amended to read as follows:

Section 62.4 A. ~~A state agency may request the Director to sell, trade, redistribute or dispose of surplus property on behalf of such state agency.~~

~~B. 1. Except as otherwise provided by this subsection, any state agency which transfers surplus property to the Director for sale, trade, or redistribution shall receive full credit for the value thereof as may be arranged between the Director, the state fiscal agencies necessarily involved, and the state agencies so transferring and receiving such surplus property less any fees and charges assessed by the Director for costs incurred in such sale, trade or redistribution. The Pursuant to rules promulgated by the Director of the Department of Central Services, proceeds from the sale, trade or redistribution of the surplus property shall be credited to a special cash fund created by Section 5 62.5 of this act title.~~

~~2. B.~~ Any surplus property determined by a state agency to have minimal or no value may be discarded or transferred to the Department pursuant to rules ~~established by the Department~~ Director promulgates.

C. If the Department disposes of a vehicle or equipment pursuant to the Oklahoma Surplus Property Act for a state agency, the Department shall remit the proceeds from the sale, less a reasonable fee imposed by the Department for handling and disposition, to the state agency.

SECTION 4. AMENDATORY Section 6, Chapter 342, O.S.L. 1995 (74 O.S. Supp. 1999, Section 62.6), is amended to read as follows:

Section 62.6 A. 1. ~~It shall be the duty and responsibility of the~~ Each chief administrative officer of ~~each a~~ state agency, except as otherwise provided by subsection B of this section, ~~to shall~~ maintain a current list of all surplus property held and disposed of by that state agency.

2. Except as otherwise provided in paragraph 3 of this subsection, such list shall include the location where surplus property is maintained, purchase price, when sold and selling price, if transferred to which state agency or authorized entity, and if otherwise disposed of, what manner of disposal.

3. If any surplus property having minimal or no value is transferred to the Department of Central Services, any such list shall reflect that the surplus property had minimal or no value and was transferred to the Department for disposal.

B. The Department is authorized to sell, trade or redistribute any surplus property having minimal or no value separately or in bulk or may properly dispose of such property as provided by law. Any costs incurred by the Department in the sale, trade, distribution or disposal of any surplus property having minimal or no value in excess of any monies received for such surplus property may be chargeable against the state agency transferring ~~such the~~ surplus property to the Department.

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

SECTION 5. AMENDATORY 80 O.S. 1991, Section 34.1, is amended to read as follows:

Section 34.1 ~~The State of Oklahoma~~ This state, its departments, boards, commission, institutions, and state agencies, ~~and any of the counties, cities, and towns~~ political subdivisions, and school districts of the state, ~~are hereby authorized to may~~ purchase, lease, or receive as gifts or donations, any surplus property offered for sale, lease, or donation by the United States Government or any of the agencies thereof, pursuant to the applicable provisions of the "Surplus Property Act of 1944", or amendments thereto, or any act providing for the disposal of surplus property enacted by the Congress of the United States. ~~Existing laws~~ Laws requiring the state or any of its political subdivisions to purchase property, goods, wares, or merchandise under the terms of competitive bid statutes ~~existing at the time of the passage of this act,~~ shall not be applicable apply to the purchase of surplus property as provided in this act.

SECTION 6. AMENDATORY 80 O.S. 1991, Section 34.2, is amended to read as follows:

Section 34.2 A. The Director of ~~Public Affairs~~ the Department of Central Services shall appoint and fix the duties and compensation of a Surplus Property Agent. The Purchasing Division of the ~~Office~~ Department of ~~Public Affairs~~ Central Services shall

purchase for the Surplus Property Agent a bond payable to the State of Oklahoma in the sum of Fifty Thousand Dollars (\$50,000.00), conditioned for the faithful performance of ~~his~~ the duties of the Surplus Property Agent.

B. Pursuant to the provisions of Sections 34.1 through 34.7 of this title, the Director of the Department of Central Services shall promulgate rules for acquisition of surplus property by the Surplus Property Agent, state departments, institutions and agencies, and other authorized entities. The rules shall provide for the determination of a reasonable fee to assess the state departments, institutions and agencies, and other authorized entities for surplus property. The fee determination shall include costs the Surplus Property Agent incurs to acquire, warehouse, distribute, and other administrative costs and expenses.

SECTION 7. AMENDATORY 80 O.S. 1991, Section 34.3, is amended to read as follows:

Section 34.3 The Surplus Property Agent shall, under the supervision and direction of the Director of ~~Public Affairs~~ the Department of Central Services:

~~(1)~~ 1. Ascertain from the federal government through any of its agencies, any surplus property available for sale, lease, or donation either within or outside this state and shall notify the state departments, boards, commissions, institutions, and agencies, counties, cities, and towns, and school districts of the availability of such property as is deemed necessary according to the types and quantities of property available; ~~and~~

~~(2)~~ 2. Secure from state departments, boards, commissions, institutions, and agencies and from counties, cities, and towns, and school districts, estimates of their needs for surplus property and keep federal agencies informed of such needs; ~~and~~

~~(3)~~ 3. Purchase, or accept as gifts or donations, any surplus property from the federal government, its departments or agencies for redistribution, by sale or donation to any state department, board, commission, institution, or agency and to counties, cities, or towns, and school districts, and provide for the care and handling, transportation, and warehousing of ~~such~~ property if necessary; ~~and~~

~~(4)~~ 4. Distribute surplus property to state departments, boards, commissions, institutions, and agencies and to counties, cities, towns, school districts, and other entities authorized by the federal government to receive federal surplus property, provided, ~~any such~~ the entity reimburses the Surplus Property Agent for the purchase price and expenses incurred in connection with acquiring, warehousing, and distributing ~~such the~~ surplus property. ~~A reasonable charge, the criteria for which shall be established by administrative rule, shall be charged to such departments, agencies, or municipalities or other eligible entities by such Surplus Property Agent for such acquiring, warehousing, distribution, and other administrative costs and expense; and~~

~~(5)~~ ~~The Surplus Property Agent, with~~ 5. With the approval of the Director of ~~Public Affairs~~, shall the Department of Central Services, employ such employees and assistants as may be necessary

to carry out the purposes of Sections 34.1 through 34.7 of this title; ~~and~~

6. Make acquisition of surplus automobiles in a manner consistent with other applicable sections of law in this state; and

~~(6)~~ 7. Perform ~~such~~ other duties as are necessary for ~~carrying out~~ the purposes of Sections 34.1 through 34.7 of this title.

SECTION 8. AMENDATORY 80 O.S. 1991, Section 34.4, is amended to read as follows:

Section 34.4 Agencies of the state ~~or any~~, political ~~subdivision~~ subdivisions, or authorized entities shall file requisitions with the Surplus Property Agent for any surplus property which they wish to acquire.

SECTION 9. AMENDATORY 80 O.S. 1991, Section 34.6, is amended to read as follows:

Section 34.6 There is hereby created in the State Treasury a revolving fund to be designated as the "State Surplus Property Revolving Fund" which shall consist of all monies appropriated thereto by the Legislature and all monies received by the Surplus Property Agent from state departments, boards, commissions, institutions, and agencies and from counties, cities, and towns, and school districts as a reimbursement to the state of monies spent in acquiring surplus property for such agencies, and for services to such agencies. The Surplus Property Fund shall be expended by the Surplus Property Agent, under the supervision of the Director of ~~Public Affairs~~ the Department of Central Services, for any expense incurred in the handling, transportation, warehousing, and distribution of surplus property received by purchase or donation, including the purchase of trucks, including the salary of the Surplus Property Agent and other employees' salaries, together with other necessary expenses incurred in administration and operation. ~~The purchase of any passenger-type vehicle is specifically prohibited.~~ Expenditures shall be made from ~~said~~ the fund on claims signed by the State Surplus Property Agent and approved for payment by the Director of State Finance.

SECTION 10. REPEALER 80 O.S. 1991, Section 34.7, is hereby repealed.

SECTION 11. This act shall become effective November 1, 2000.

Passed the House of Representatives the 17th day of May, 2000.

Speaker of the House of
Representatives

Passed the Senate the 18th day of May, 2000.

President of the Senate