STATE OF OKLAHOMA

1st Session of the 50th Legislature (2005)

CONFERENCE COMMITTEE SUBSTITUTE
FOR ENGROSSED
SENATE BILL SB620 By: Wyrick of the Senate

and

Cox and Smithson of the House

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to the Grand River Dam Authority; amending 74 O.S. 2001, Section 62.3, as amended by Section 1, Chapter 276, O.S.L. 2004 (74 O.S. Supp. 2004, Section 62.3), which relates to the Oklahoma Surplus Property Act; exempting the Grand River Dam Authority from surplus property provisions for certain period of time; amending 74 O.S. 2001, Section 129.4, as amended by Section 17, Chapter 372, O.S.L. 2003 (74 O.S. Supp. 2004, Section 129.4), which relates to disposal of state lands; providing a limited exemption for the Grand River Dam Authority from real property disposal provisions; providing a limited exemption for the Grand River Dam Authority from public construction contract provisions; amending Section 5, Chapter 459, O.S.L. 2003, as amended by Section 4, Chapter 524, O.S.L. 2004 (82 O.S. Supp. 2004, Section 864.1), which relates to payment of retired employees' health insurance premiums; allowing the Board of Directors to increase health insurance premium payment; amending 82 O.S. 2001, Section 874, which relates to mortgaging or disposing of certain property; deleting certain limitation on disposal of surplus property; clarifying statutory language; authorizing the Grand River Dam Authority to issue licenses for encroachment of certain structures upon real property; setting criteria to determine amounts for licenses; amending 82 O.S. 2001, Section 889, which relates to certain permits; removing requirement for attachment of cables and stiff-arms at certain points on certain lakes; providing for codification; and declaring an emergency.

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

SECTION 1. AMENDATORY 74 O.S. 2001, Section 62.3, as amended by Section 1, Chapter 276, O.S.L. 2004 (74 O.S. Supp. 2004, Section 62.3), is amended to read as follows:

Section 62.3 A. The Director of the Department of Central Services shall promulgate rules for use by state agencies and the Department of Central Services to dispose of surplus property. The rules shall include standards for recordkeeping, methods for removal or disposal of surplus property, and acquisition by state agencies and authorized entities of surplus property, and for Department management of surplus property programs.

B. A state agency selling, trading, redistributing or otherwise disposing of surplus property shall comply with the rules promulgated by the 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. The Grand River Dam Authority shall be exempt from the provisions of this act for any surplus property disposed of prior to November 1, 2006.

E. Notwithstanding the provisions of this act, the Oklahoma State Bureau of Investigation may, pursuant to rules promulgated by the Oklahoma State Bureau of Investigation Commission for that purpose, donate any surplus property, as defined in Section 62.2 of this title, to any law enforcement agency of any political subdivision of the State of Oklahoma. The use of such donated equipment shall be limited to valid and authorized law enforcement efforts by the receiving agency.

SECTION 2. AMENDATORY 74 O.S. 2001, Section 129.4, as amended by Section 17, Chapter 372, O.S.L. 2003 (74 O.S. Supp. 2004, Section 129.4), is amended to read as follows:

Section 129.4 A. Unless procedures for the disposal of real property owned by this state are otherwise provided for by law, no

department, board, commission, institution, or agency of this state shall sell, exchange, or otherwise dispose of such real property subject to its jurisdiction except as provided for in subsection B of this section.

B. 1. Every department, board, commission, institution, or agency, upon legislative authorization to dispose of a parcel of real property or upon a determination, in writing, by said department, board, commission, institution, or agency that a parcel of real property subject to its jurisdiction is no longer needed by said department, board, commission, institution, or agency, shall request the Department of Central Services to dispose of said real property.

2. Upon notification by the department, board, commission, institution, or agency to sell a parcel of real property, the Department of Central Services shall:

a. obtain three new and complete appraisals of such property. The appraisals shall be made by three disinterested persons, knowledgeable in real estate costs, who shall ascertain:

(1) the present fair value of the property, and

(2) the present value of the improvements on such property, and

(3) the actual condition of the improvements on the property, and

b. cause notice of such sale to be published for at least one (1) day in a newspaper of general statewide circulation authorized to publish legal notices, and for at least three (3) consecutive weeks in a newspaper of general circulation published in the county or counties in which the property is located. The notice shall contain the legal description of each parcel of real property to be offered for sale, the

appraised value thereof, the time and location of the sale or opening of the bids, and terms of the sale including the fact that no parcel of property shall be sold for less than ninety percent (90%) of the appraised value of the real property, and

c. offer said property through public auction or sealed bids within three (3) weeks after the last publication of the notice in said newspapers. The property shall be sold to the highest bidder. The Department of Central Services shall not accept a bid of less than ninety percent (90%) of the appraised fair value of the property and the improvements on such property. The Department of Central Services is authorized to reject all bids.

3. The cost of the appraisements required by the provisions of this section, together with other necessary expenses incurred pursuant to this section, shall be paid by the department, board, commission, institution, or agency for which the real property is to be sold from funds available to said department, board, commission, institution, or agency for such expenditure. All monies received from the sale or disposal of said property, except those monies necessary to pay the expenses incurred pursuant to this section, shall be deposited in the General Revenue Fund.

C. This section shall not be construed to authorize any department, board, commission, institution, or agency, not otherwise authorized by law, to sell, lease, or otherwise dispose of any real property owned by the state.

D. The Oklahoma Ordnance Works Authority and its lands, and the Northeast Oklahoma Public Facilities Authority shall be exempt from the application of this section. <u>The Grand River Dam Authority and its lands shall be exempt from the application of this section for any real property disposed of prior to November 1, 2006.</u>

E. Unless otherwise provided for by law, the procedures established pursuant to this section for the sale or exchange of real estate or personal property as authorized pursuant to Sections 1852.2 and 1852.3 of ~~Title 74 of the Oklahoma Statutes~~ this title shall be followed unless the sale is to an entity of state government.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 862.2 of Title 82, unless there is created a duplication in numbering, reads as follows:

Contracts entered into by the Grand River Dam Authority prior to November 1, 2006, for construction, labor, equipment, materials, or repairs necessary for electric generation, administration, and transmission shall not be considered public construction contracts or be subject to the provisions of Title 61 of the Oklahoma Statutes.

SECTION 4. AMENDATORY Section 5, Chapter 459, O.S.L. 2003, as amended by Section 4, Chapter 524, O.S.L. 2004 (82 O.S. Supp. 2004, Section 864.1), is amended to read as follows:

Section 864.1 ~~Beginning July 1, 2003, and~~ Except as otherwise provided for in this section, for the life of a retired employee, the Grand River Dam Authority shall pay not less than Sixty Dollars ($60.00) of its retired member's, employee only, health insurance premiums as long as the retiree elects to continue participation in one of the plans offered by the State and Education Employees Group Insurance Board. Such payment made by the Grand River Dam Authority shall be in addition to any amount contributed by the Oklahoma Public Employees Retirement System pursuant to Section 1316.2 of Title 74 of the Oklahoma Statutes. At its discretion, the Board of Directors of the Grand River Dam Authority may elect to pay more than Sixty Dollars ($60.00) toward the health insurance premium of a retired employee.

If the sum of the amount paid by the Grand River Dam Authority plus the medical supplement paid by the Oklahoma Public Employees Retirement System pursuant to Section 1316.2 of Title 74 of the Oklahoma Statutes exceeds the amount of the retired member's, employee only, health insurance premium, the ~~authority~~ Authority may reduce the amount it contributes.

SECTION 5. AMENDATORY 82 O.S. 2001, Section 874, is amended to read as follows:

Section 874. Nothing in Sections 861 through 890 of this title shall be construed as authorizing the district and it shall not be authorized to mortgage or otherwise encumber any of its property of any kind, real, personal or mixed, or any interest therein, or to acquire any such property or interest subject to a mortgage or conditional sale, provided that this section shall not be construed as preventing the pledging of the revenues of the district as herein authorized. Nothing in Sections 861 through 890 of this title shall be construed as authorizing the sale, lease or other disposition of any such property or interest of the district by the district or any receiver of any of its properties or through any court proceeding or otherwise~~, provided, however, that the~~. The district may sell for cash, and subject to competitive bidding as provided by the Board, any such property or interest in an aggregate value not exceeding the sum of Five Hundred Thousand Dollars ($500,000.00) in any one (1) year, except that the district may sell any or all surplus property that the district may have acquired ~~from the War Assets Administration or other government agencies selling war surplus property~~ without regard to the limitations herein, if the Board, by the affirmative vote of five of the members thereof, shall have determined that the same is not necessary to the business of the district and shall have approved the terms of any such sale. ~~Provided, further, that the~~ The district may lease any of its lands if the Board, by the affirmative vote of five of the members

thereof, shall have determined that the same can be leased without injury to or without interference with the operations of the project, and shall have approved the terms of any such lease~~; but no~~. No shorelands (lands lying between the low and high water marks) shall be leased for a term longer than two (2) years and not more than one-fourth (1/4) mile of the lake front shall be leased to any one person, firm or corporation. ~~Provided however, the~~ The district may lease shorelands to political subdivisions, agencies of the State of Oklahoma, or tax-exempt public trusts, for any public purpose, on such terms as are mutually satisfactory to the parties, notwithstanding the limitations expressed above. No lease shall deprive the owner of any land adjacent to the shorelands or lake front, or abutting thereon, of ingress or egress to and from the water of the lakes and shall not deprive said owner of any wharf, dock or boat anchorage privileges that would belong to said owner if said shorelands or lake front were not leased, it being the intention of Sections 861 through 890 of this title that, except by sale, lease or agreement as in Sections 861 through 890 of this title expressly authorized, no such property or interest shall ever come into the ownership or control, directly or indirectly, of any person, firm or corporation other than a public authority created under the laws of the State of Oklahoma~~, provided nothing herein contained~~. Nothing in this section shall be construed as preventing the district from contracting with the United States or any agency thereof for the temporary possession, control and use of such properties by the United States or any agency thereof for the safety and defense of the United States in time of a national emergency or in anticipation thereof. All property of the district shall be at all times exempted from forced sale, and nothing in Sections 861 through 890 of this title contained shall authorize the sale of any of the property of the district under any judgment rendered in any suit, and such sales are hereby prohibited and forbidden. The

provisions of this section shall not apply to any sale agreement, lease agreement or other agreement entered into by the district pursuant to paragraphs (f) or (g) of Section 862 of this title, provided that such agreement is in compliance with any applicable provision restricting the sale or leasing of property by the district contained in any resolution of the district providing for the issuance of revenue bonds.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 874.2 of Title 82, unless there is created a duplication in numbering, reads as follows:

The Grand River Dam Authority is hereby authorized in its discretion to issue licenses to encroach upon real property owned by the Authority to adjacent property owners for structures built upon the real property prior to June 1, 2005. The Authority shall receive from the licensee for any license issued pursuant to this section the fair market value of the unimproved land and any administrative costs, including appraisals or surveys, required by the Authority.

SECTION 7. AMENDATORY 82 O.S. 2001, Section 889, is amended to read as follows:

Section 889. The Grand River Dam Authority shall issue no permit for any dock, wharf, landing, boathouse or for any houseboat, vessel or other floating structure of a stationary or semistationary nature and no permit heretofore issued shall be valid unless said dock, wharf, landing, boathouse or such stationary or semistationary houseboat, vessel or other floating structure of any nature shall be securely attached to the shorelands adjacent to the water's edge by means of suitable cables or metal stiff-arms as approved by the Authority. ~~Said cables and/or stiff-arms shall be securely attached to the adjacent shorelands at a point above seven hundred fifty (750) feet mean sea level on Grand Lake and six hundred twenty-two (622) feet mean sea level on Lake Hudson.~~ Said cables ~~and/or~~ or

stiff-arms and any walkway extending to the shorelands shall conform to the rules promulgated by the Authority.

SECTION 8. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this resolution shall take effect and be in full force from and after its passage and approval.

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