

STATE OF OKLAHOMA

2nd Session of the 50th Legislature (2006)

SENATE BILL 1488

By: Hobson

AS INTRODUCED

An Act relating to schools; amending 70 O.S. 2001, Section 4301, which relates to oil and gas mining leases; removing requirement for free natural gas for certain educational institutions; removing requirement to publish certain notice and bidding process; authorizing the Board of Regents to approve use of certain funds; and declaring an emergency.

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

SECTION 1. AMENDATORY 70 O.S. 2001, Section 4301, is amended to read as follows:

Section 4301. The Board of Regents of any state educational institution in the State System may sell and execute oil and gas leases, and other mining leases, on any of the lands of the State of Oklahoma under the control of the Board of Regents, whenever in the judgment of the Board such leasing of the lands will not interfere with the use to which the lands are being used by the state and will not injure the buildings or other property situated on tracts adjoining the lands leased, all sales to be made on a basis of a retained royalty of not less than one-eighth (1/8) of all of the oil, gas and other minerals produced therefrom, and such additional cash bonus as may be procured. ~~All such leases shall contain a provision that in the event of the discovery of natural gas, such gas shall be furnished free of charge to any state educational institution located or thereafter located upon the lands covered by the lease. Such leases shall be sold only after advertisement for a period of three (3) weeks in a legal newspaper published and of general circulation in the county in which the lands are located.~~

~~Sales shall be made to the highest and best bidder, and all bids for any tract shall be presented to the Board of Regents of the institution in sealed envelopes and shall all be opened and considered at the same time. The Board of Regents shall have the right to reject any and all of the bids submitted, and again readvertise the lease or leases for sale.~~ The Board of Regents may make and promulgate such additional rules and regulations as it may deem necessary and for the best interest of the state in facilitating the sale of the leases. All monies derived from the sale of such leases, and from any royalties subsequently accruing, shall be deposited in the State Treasury and credited to a special fund for the institution, to be used by the institution ~~upon approval by its Board of Regents~~ for capital improvements, including buildings, repairs and modernization, classroom and laboratory equipment, and for such other purposes as may be approved by ~~the State Regents~~ its Board of Regents.

SECTION 2. 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 act shall take effect and be in full force from and after its passage and approval.

50-2-2653

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