

1 ENGROSSED SENATE
2 BILL NO. 1204

By: Allen of the Senate

3 and

4 Roberts (Dustin) and
5 Reynolds of the House

6
7 [state government - modifying requirements -
8 disposal of properties - codification - effective
9 date]

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

11 SECTION 1. AMENDATORY 74 O.S. 2011, Section 61.7, is
12 amended to read as follows:

13 Section 61.7. A. There is hereby established the Oklahoma
14 State Government Asset Reduction and Cost Savings Program.

15 B. No later than December 31 of each year, the Director of the
16 Central Services Division of the Office of State Finance shall
17 publish a comprehensive report detailing state-owned properties.

18 C. The report ~~mandated in accordance with the provisions of~~
19 ~~this section shall list the five percent (5%) most underutilized~~
20 shall include an inventory of unused and underused state-owned
21 properties. The report shall describe and shall:

22 1. Describe the value of such properties falling within the
23 description in this subsection, assess;
24

1 2. Assess the potential for purchase should the properties be
2 offered for sale ~~and describe;~~

3 3. Assess the potential for transfer of such properties to
4 another state agency or for the use of such properties by another
5 state agency;

6 4. Describe the impact of sales of such properties on local-
7 level tax rolls in the event the properties are purchased by a
8 nongovernmental entity; and

9 5. Include a recommendation for sale or transfer of unused or
10 underused properties if the Director determines that such action
11 would be in the best interests of the state.

12 D. The ~~Director of Central Services~~ Office of State Finance
13 shall promulgate rules establishing procedures by which each state
14 agency, board, commission and public trust having the State of
15 Oklahoma as a beneficiary shall submit the necessary data to the
16 ~~Department~~ Division of Central Services for the development of this
17 report.

18 E. State agencies, boards, commissions and public trusts having
19 the State of Oklahoma as a beneficiary shall comply with procedures
20 promulgated pursuant to the terms of this section.

21 F. The report and data collected pursuant to this section shall
22 be published as a data feed on the "data.ok.gov" website.

23 SECTION 2. AMENDATORY 74 O.S. 2011, Section 129.4, is
24 amended to read as follows:

1 Section 129.4. A. Unless procedures for state agency
2 transactions to lease or acquire real property, or lease, dispose of
3 or transfer state-owned real property are otherwise provided for by
4 law, no department, board, commission, institution, or agency of
5 this state shall sell, lease, exchange, or otherwise dispose of such
6 real property subject to its jurisdiction except as provided for in
7 this section.

8 B. 1. Every department, board, commission, institution, or
9 agency, or a legislator in whose district the real property is
10 located, shall request the Division of Central Services of the
11 Office of State Finance to dispose of real property, upon:

12 a. legislative authorization to dispose of a parcel of
13 real property ~~or upon,~~

14 b. a determination, in writing, by ~~said~~ the department,
15 board, commission, institution, or agency that a
16 parcel of real property subject to its jurisdiction is
17 no longer needed by ~~said~~ the department, board,
18 commission, institution, or agency, ~~shall request the~~
19 ~~Department of Central Services to dispose of said real~~
20 ~~property or~~

21 c. a recommendation to sell or transfer real property
22 pursuant to the report required in Section 61.7 of
23 this title.

24

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

4 a. ~~when appropriate,~~ determine whether a study conducted
5 pursuant to Section 456.7 of this title is in the best
6 interest of the state,

7 b. obtain three new and complete appraisals on properties
8 with an estimated value that equals or exceeds ~~One~~
9 ~~Million Dollars (\$1,000,000.00); or, two new and~~
10 ~~complete appraisals on properties with an estimated~~
11 ~~value greater than One Hundred Thousand Dollars~~
12 ~~(\$100,000.00) and less than One Million Dollars~~
13 ~~(\$1,000,000.00); or, one new and complete appraisal on~~
14 ~~properties with an estimated value less than One~~
15 ~~Hundred Thousand Dollars (\$100,000.00) Five Hundred~~
16 Thousand Dollars (\$500,000.00). The appraisals shall
17 be made by persons certified by the Real Estate
18 Appraiser Board of the Oklahoma Insurance Department,
19 who shall ascertain:

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

21 (2) the present value of the improvements on such
22 property; provided, abandoned properties in
23 disrepair or in a vandalized state, or located in
24

1 a flood plain, shall be deemed to be a liability
2 and an appraisal shall not be required, and
3 ~~(3) the actual condition of the improvements on the~~
4 ~~property,~~

- 5 c. cause notice of such sale to be published ~~for at least~~
6 ~~one (1) day~~ in a newspaper of general statewide
7 circulation authorized to publish legal notices, and
8 ~~for at least three (3) consecutive weeks~~ in a
9 newspaper of general circulation published in the
10 county or counties in which the property is located,
11 for at least three (3) consecutive weeks. The notice
12 shall contain the legal description of each parcel of
13 real property to be offered for sale, the appraised
14 value thereof, the time and location of the sale or
15 opening of the bids, and terms of the sale including
16 the fact that no parcel of property shall be sold for
17 less than ~~ninety percent (90%)~~ seventy-five percent
18 (75%) of the appraised value of the real property, and
19 d. offer ~~said~~ the property through public auction or
20 sealed bids within three (3) weeks after the last
21 publication of the notice in ~~said~~ the newspapers. The
22 property shall be sold to the highest bidder.—~~The~~
23 ~~Department of Central Services shall not accept a bid~~
24 ~~of less than ninety percent (90%) of the appraised~~

1 ~~fair value of the property and the improvements on~~
2 ~~such property.~~ The ~~Department~~ Division of Central
3 Services is authorized to reject all bids, except on
4 property deemed to be a liability.

5 3. The cost of the appraisements required by the provisions of
6 this section, together with other necessary expenses incurred
7 pursuant to this section, shall be paid by the department, board,
8 commission, institution, or agency for which the real property is to
9 be sold from funds available to said department, board, commission,
10 institution, or agency for such expenditure.

11 4. All monies received from the sale or disposal of ~~said~~ the
12 property, except those monies necessary to pay the expenses incurred
13 pursuant to this section, shall be deposited in the General Revenue
14 Fund; provided, the first Thirty Million Dollars (\$30,000.000.00)
15 shall be deposited in the State Capitol Repair Revolving Fund
16 credited in Section 3 of this act.

17 C. Unless otherwise provided by law, the ~~Department~~ Division of
18 Central Services shall review and approve state agency transactions
19 to lease or acquire real property, or lease, dispose of or transfer
20 state-owned real property. A state agency shall not lease or
21 acquire real property, or lease, dispose of or transfer state-owned
22 real property until the ~~Department~~ Division provides notice of
23 transaction approval to the state agency. Prior to approval, a
24 state agency shall provide documents to the ~~Department~~ Division and

1 provide reference to statutory or other legal authority of the state
2 agency to lease or acquire real property, or lease, dispose of or
3 transfer state-owned real property. If the state agency intends to
4 lease or acquire real property, the state agency shall state the
5 intended use of the real property. Within thirty (30) days of
6 receipt, the ~~Department~~ Division shall provide notice of transaction
7 approval or disapproval to the state agency.

8 D. The provisions of this section shall not apply to the lease
9 of office space, real property subject to supervision of the
10 Commissioners of the Land Office or district boards of education.

11 E. The ~~Department~~ Division of Central Services shall maintain a
12 comprehensive inventory of state-owned real property and its use
13 excluding property of the public schools and property subject to the
14 jurisdiction of the Commissioners of the Land Office.

15 1. Each state agency shall, within thirty (30) days of the
16 closing date for lands newly acquired, provide to the ~~Department~~
17 Division a list of records, deeds, abstracts and other title
18 instruments showing the description of and relating to any and all
19 such lands or interests therein.

20 2. The provisions of paragraph 1 of this subsection shall apply
21 to all lands of public trusts having a state agency as the primary
22 benefactor, but shall not apply to lands of municipalities,
23 counties, or school districts, ~~or agencies thereof, or Department of~~
24 ~~Transportation rights-of-way.~~

1 3. A state agency that sells or otherwise disposes of land
2 shall notify the ~~Department~~ Division within thirty (30) days of the
3 disposition closing date.

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

8 G. The ~~Department~~ Division of Central Services may provide
9 services to sell or purchase real property for other state agencies.

10 H. The ~~Director of the Department of Central Services~~ Office of
11 State Finance shall, pursuant to the Administrative Procedures Act,
12 promulgate rules to effect procedures necessary to the fulfillment
13 of its responsibilities under this section.

14 I. The Oklahoma Ordnance Works Authority and its lands, and the
15 Northeast Oklahoma Public Facilities Authority shall be exempt from
16 the application of this section. The Grand River Dam Authority and
17 its lands shall be exempt from the application of this section for
18 any real property disposed of prior to November 1, 2006.

19 J. Unless otherwise provided for by law, the procedures
20 established pursuant to this section for the sale or exchange of
21 real estate or personal property as authorized pursuant to Sections
22 2222 and 2223 of this title shall be followed unless the sale is to
23 an entity of state government.

1 K. The Director of the ~~Department~~ Division of Central Services
2 shall contract with experts, professionals or consultants as
3 necessary to perform the duties of the ~~Department~~ Division.
4 Selections shall be made using the qualifications-based procedures
5 established in Section 62 of Title 61 of the Oklahoma Statutes, and
6 the rules promulgated by the Director for the selection of
7 construction managers and design consultants.

8 SECTION 3. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 452.16 of Title 74, unless there
10 is created a duplication in numbering, reads as follows:

11 There is hereby created in the State Treasury a revolving fund
12 for the Division of Central Services to be designated the "State
13 Capitol Repair Revolving Fund". The fund shall be a continuing
14 fund, not subject to fiscal year limitations, and shall consist of
15 all monies received by the Division from funds designated for
16 deposit thereto pursuant to the provisions of paragraph 4 of
17 subsection B of Section 129.4 of Title 74 of the Oklahoma Statutes.
18 All monies accruing to the credit of the fund are hereby
19 appropriated and may be budgeted and expended by the Division for
20 the purpose of making expenditures related to repair of the State
21 Capitol. Expenditures from the fund shall be made upon warrants
22 issued by the State Treasurer against claims filed as prescribed by
23 law with the Director of State Finance for approval and payment.

24 SECTION 4. This act shall become effective November 1, 2012.

