

1 ENGROSSED SENATE
2 BILL NO. 1254

By: Griffin of the Senate

3 and

4 Murphey of the House
5

6 An Act relating to state property; amending 74 O.S.
7 2011, Section 61.7, as last amended by Section 1,
8 Chapter 209, O.S.L. 2013, and as renumbered by
9 Section 17, Chapter 209, O.S.L. 2013 (62 O.S. Supp.
10 2013, Section 908), and Section 2, Chapter 209,
11 O.S.L. 2013 (74 O.S. Supp. 2013, Section 61.8), which
12 relate to the Oklahoma State Government Asset
13 Reduction and Cost Savings Program; authorizing
14 Office of Management and Enterprise Services to
15 invite proposals based on certain criteria; providing
16 procedures for evaluation; authorizing certain
17 negotiations and contracts; modifying requirements
18 for report on certain property; requiring
19 notification to and approval of Oklahoma Historical
20 Society prior to sale or reuse of certain property;
21 providing for codification; and declaring an
22 emergency.

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

24 SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 327.1 of Title 61, unless there
is created a duplication in numbering, reads as follows:

A. When historic significance, location, advancement of the
long term capital asset plan or other factors make disposition of
state owned properties under Section 327 of Title 61 of the Oklahoma
Statutes not in the best interest of the state, the Office of

1 Management and Enterprise Services may invite the presentation of
2 written proposals for the purchase or lease, and redevelopment, of
3 state owned property provided the property meets one or more of the
4 following criteria:

5 1. The property is listed on the National Register of Historic
6 Places;

7 2. The property is designated by the Oklahoma Historical
8 Society as a property of historical interest or significance;

9 3. The property is located within the Oklahoma State Capitol
10 Complex;

11 4. The property is located within a campus owned by the State
12 of Oklahoma;

13 5. The property is part of the long term capital asset plan
14 for the State of Oklahoma; or

15 6. It is in the best interest of the state to retain ownership
16 of the property while encouraging private development.

17 B. Proposals shall be evaluated by a committee selected by the
18 Director of the Office of Management and Enterprise Services which
19 shall include at least one member of the Long Range Capital Planning
20 Commission. The evaluation of the proposals shall be based on the
21 principal criteria of:

22 1. The proposal's economic benefits, cultural benefits, job
23 creation potential, advancement of long term capital asset plan or
24 other benefits to the State of Oklahoma and the general public;

1 2. The qualifications and experience of the redeveloper;

2 3. The financial ability of the redeveloper to complete the
3 redevelopment in a timely fashion; and

4 4. When applicable, the fidelity of the proposed renovation or
5 redevelopment with the historic significance of the property.

6 C. The Office of Management and Enterprise Services may enter
7 into negotiations with one or more respondents and may enter into
8 contracts with the respondent or respondents selected by the
9 committee.

10 The Office of Management and Enterprise Services may reject any
11 and all bids.

12 SECTION 2. AMENDATORY 74 O.S. 2011, Section 61.7, as
13 last amended by Section 1, Chapter 209, O.S.L. 2013, and as
14 renumbered by Section 17, Chapter 209, O.S.L. 2013 (62 O.S. Supp.
15 2013, Section 908), is amended to read as follows:

16 Section 908. A. There is hereby established the Oklahoma State
17 Government Asset Reduction and Cost Savings Program.

18 B. No later than December 31 each year, the Director of the
19 Office of Management and Enterprise Services shall publish a
20 comprehensive report detailing state-owned properties.

21 C. The report mandated in accordance with the provisions of
22 this section shall list the five percent (5%) most underutilized
23 state-owned properties. The report shall describe the value of
24 properties falling within the description in this subsection, assess

1 the potential for purchase should the properties be offered for sale
2 and describe the impact on local-level tax rolls in the event the
3 properties are purchased by a nongovernmental entity.

4 D. The Director of the Office of Management and Enterprise
5 Services shall promulgate rules establishing procedures by which
6 each state agency, board, commission and public trust having the
7 State of Oklahoma as a beneficiary, excluding those otherwise
8 exempted under Section ~~129.4~~ 327 of ~~this title~~ Title 61 of the
9 Oklahoma Statutes, shall submit the necessary data to the Office of
10 Management and Enterprise Services for the development of this
11 report.

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

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

17 G. In addition to the requirements of subsection C of this
18 section, the Office of Management and Enterprise Services may make
19 recommendations for the sale of other state-owned properties based
20 upon the value of the property and the potential for net gain for
21 the state based upon the data obtained for the Oklahoma State
22 Government Asset Reduction and Cost Savings Program.

23 H. There is hereby created the Maintenance of State Buildings
24 Revolving Fund. The fund shall be a continuing fund, not subject to

1 fiscal year limitations and shall serve as the depository for
2 proceeds from the sale of state-owned properties pursuant to the
3 Oklahoma State Government Asset Reduction and Cost Savings Program.
4 The fund shall further consist of monies appropriated thereto and
5 other funds designated for deposit therein. All monies accruing to
6 the credit of the fund are hereby appropriated and may be expended
7 exclusively for maintaining and repairing state-owned properties and
8 buildings pursuant to the procedures set forth in Section ~~10~~ 901.1
9 of ~~this act~~ Title 62 of the Oklahoma Statutes. Expenditures from
10 the fund shall be made upon warrants issued by the State Treasurer
11 against claims filed as prescribed by law with the Director of the
12 Office of Management and Enterprise Services for approval and
13 payment. Expenditures from the Maintenance of State Buildings
14 Revolving Fund shall be detailed in a data feed and made available
15 through the data.ok.gov web portal.

16 I. The Director of the Office of Management and Enterprise
17 Services shall notify entities found by the Office to be out of
18 compliance with the reporting provisions of this section in writing.

19 J. This section shall not be applicable to the following or
20 their lands, properties, buildings, funds or revenue:

- 21 1. The Oklahoma Ordnance Works Authority; and
- 22 2. The Commissioners of the Land Office.

23 K. The report required in subsection B of this section shall
24 include an indication of whether a property is owned by the Oklahoma

1 Historical Society, is listed on the National Register of Historic
2 Places or with the National Trust for Historic Preservation, or is
3 potentially of historical significance. The Office of Management
4 and Enterprise Services shall notify the Oklahoma Historical Society
5 and obtain its approval prior to the sale of any such property.

6 SECTION 3. AMENDATORY Section 2, Chapter 209, O.S.L.
7 2013 (74 O.S. Supp. 2013, Section 61.8), is amended to read as
8 follows:

9 Section 61.8. A. The Long-Range Capital Planning Commission
10 shall work to decrease the amount of property owned by Oklahoma
11 state government, return state-owned property to private sector
12 ownership, better maintain and utilize the state's needed capital
13 assets and, whenever possible, eliminate the practice of state
14 agencies leasing real property not owned by the state.

15 B. Each year, the Director of the Office of Management and
16 Enterprise Services at the direction of the Long-Range Capital
17 Planning Commission, shall take action to approve the privatization
18 of state-owned real property as identified pursuant to the Oklahoma
19 State Government Asset Reduction and Cost Savings Program. Proceeds
20 from the liquidation of real properties shall be deposited into the
21 Maintenance of State Buildings Revolving Fund.

22 C. Prior to entering into or renewing a lease for real
23 property, each state agency, board, commission, and public trust
24 having the State of Oklahoma as a beneficiary shall receive approval

1 for entering into the lease from the Office of Management and
2 Enterprise Services.

3 D. Prior to making a purchase of real property or constructing
4 a building, each state agency, board, commission, and public trust
5 having the State of Oklahoma as a beneficiary shall receive approval
6 for the purchase or construction from the Director of the Office of
7 Management and Enterprise Services; provided, if such purchase or
8 construction is deemed by the Director of the Office of Management
9 and Enterprise Services to be within the authority of the Long-Range
10 Capital Planning Commission, the Director shall not approve the
11 purchase or construction and shall refer the request to the
12 Commission for action.

13 E. Prior to approval or referral pursuant to subsection C or D
14 of this section, the Office of Management and Enterprise Services
15 shall determine if the applicant entity can utilize already existing
16 state-owned real property as an alternative to leasing non-state-
17 owned real property or purchasing or constructing new real property.
18 If such existing state-owned real property is owned by the Oklahoma
19 Historical Society, is listed on the National Register of Historic
20 Places or with the National Trust for Historic Preservation, or is
21 potentially of historical significance, the Office of Management and
22 Enterprise Services shall notify the Oklahoma Historical Society and
23 obtain its approval prior to approving an application for its reuse.
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1 F. By February 1 of each year, the Office of Management and
2 Enterprise Services shall publish a report for the preceding
3 calendar year listing the parcels of previously state-owned property
4 sold, detailing the reduction in the amount of space leased by the
5 state, describing the source of funds and expenditures from the
6 Maintenance of State Buildings Revolving Fund and showing the manner
7 in which deferred maintenance needs are being met. The report shall
8 be provided to the Governor, Speaker of the House of
9 Representatives, President Pro Tempore of the Senate and placed on
10 the documents.ok.gov web portal.

11 G. This section shall not be applicable to the following or
12 their lands, properties, buildings, funds or revenue:

- 13 1. The Oklahoma Ordnance Works Authority; and
- 14 2. The Commissioners of the Land Office.

15 SECTION 4. It being immediately necessary for the preservation
16 of the public peace, health and safety, an emergency is hereby
17 declared to exist, by reason whereof this act shall take effect and
18 be in full force from and after its passage and approval.

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1 Passed the Senate the 11th day of March, 2014.

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4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2014.

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8 _____
9 Presiding Officer of the House
10 of Representatives