

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 56th Legislature (2017)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 1516

By: Cockroft

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8 COMMITTEE SUBSTITUTE

9 An Act relating to counties and county officers;
10 amending 19 O.S. 2011, Sections 421.1, as amended by
11 Section 1, Chapter 354, O.S.L. 2013 and 421.2, as
12 amended by Section 2, Chapter 144, O.S.L. 2012 (19
13 O.S. Supp. 2016, Sections 421.1 and 421.2), which
14 relate to county property; authorizing the sale of
15 property and agreements with tribal governments;
16 modifying the prohibition of declaring county
17 property surplus to be during the election of county
18 commissioners; and providing an effective date.

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

SECTION 1. AMENDATORY 19 O.S. 2011, Section 421.1, as
amended by Section 1, Chapter 354, O.S.L. 2013 (19 O.S. Supp. 2016,
Section 421.1), is amended to read as follows:

Section 421.1 A. The board of county commissioners is hereby
authorized to use any tools, apparatus, machinery or equipment
belonging to the county, the original cost of which exceeded Five

1 Hundred Dollars (\$500.00), as a trade-in on a cash purchase or lease
2 purchase of any other tools, apparatus, machinery or equipment.

3 B. To establish an appraised value for an item to be sold at
4 public auction, the purchasing agent may refer to an industry-
5 recognized appraisal manual for used construction equipment to
6 estimate the value of the item being sold, or obtain appraisal
7 quotes from at least two vendors in the business of selling items
8 like the one being sold.

9 C. Except when such items are disposed of pursuant to
10 subsection F of this section, the following procedures shall be used
11 for the sale, by the board of county commissioners, of any tools,
12 apparatus, machinery or equipment, the original cost of which
13 exceeded Five Hundred Dollars (\$500.00), belonging to the county:

14 1. The board of county commissioners shall give notice of such
15 sale by publication in a newspaper of general paid circulation in
16 the county for two (2) successive weekly issues;

17 2. Bids for such tools, apparatus, machinery or equipment on
18 sale shall be in writing, sealed and delivered to the county clerk
19 of such county;

20 3. At the next regular meeting of the board of county
21 commissioners after the expiration of fifteen (15) days from the
22 date of first publication of notice of the sale, the board of county
23 commissioners shall open such bids and award such tools, apparatus,
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1 machinery or equipment to the highest and best bidder with the
2 option of rejecting all bids; and

3 4. The board of county commissioners may hold a public auction
4 or use an Internet auction, which may include online bidding, in
5 lieu of advertising for sealed bids as provided above. Such auction
6 shall be advertised as provided herein.

7 D. A board of county commissioners may sell any materials,
8 tools, apparatus, machinery or equipment to a tribal governmental
9 entity, state agency, if the agency is subject to The Oklahoma
10 Central Purchasing Act, or to a political subdivision of the state
11 if the political subdivision is subject to such act or a similar
12 competitive bidding procedure. The board of county commissioners
13 may purchase materials, tools, apparatus, machinery or equipment
14 from a state agency, if the agency is subject to The Oklahoma
15 Central Purchasing Act, or from a political subdivision of the state
16 if the political subdivision is subject to such act or a similar
17 competitive bidding procedure.

18 E. The board of county commissioners may, by resolution, enter
19 into an agreement with any tribal governmental entity or other
20 county or political subdivision for the purpose of selling,
21 transferring, trading or otherwise disposing of equipment or
22 materials.

23 F. Advertisement of surplus property consigned to sell at a
24 Circuit Engineering District auction shall be provided by the

1 auction company under contract to conduct the sale. Advertising
2 shall be provided to attract the most potential buyers. Advertising
3 media may include, but not be limited to, sale flyers, newspapers,
4 radio, television, and Internet postings.

5 G. Pursuant to the authority of Section 1 of this title, boards
6 of county commissioners shall have authority, under such statute and
7 in consideration of the procedures in this section to sell real
8 property belonging to the county without declaring such property
9 surplus under the following conditions:

10 1. A certified appraisal of the county property shall be
11 performed to determine the market value of the property and accepted
12 by the board of county commissioners;

13 2. After acceptance of the certified appraisal, the board of
14 county commissioners shall, pursuant to the requirements of this
15 section, give notice of such sale by publication in a newspaper of
16 general paid circulation in the county for two successive weekly
17 issues;

18 3. Bids for the real property shall be in writing, sealed and
19 delivered to the county clerk of such county;

20 4. At the next regular meeting of the board of county
21 commissioners after the expiration of fifteen (15) days from the
22 date of first publication of notice of sale, the board of county
23 commissioners shall open such bids;

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1 5. A successful bid must be no less than the market value of
2 the real property to be considered by the board of county
3 commissioners for acceptance. The board of county commissioners
4 reserves the right to reject any and all bids;

5 6. If more than one bid is above the market value of the real
6 property, the board of county commissioners shall have the right to
7 compel the potential buyers of the real property who have bid above
8 the market amount to enter into public auction conducted by the
9 chairman of the board of county commissioners after the opening of
10 such bids, to establish the highest bid for the property in order to
11 assure that the county is receiving adequate consideration for the
12 property;

13 7. A majority vote of the board of county commissioners shall
14 be required to determine the successful bidder of the real property.
15 Upon awarding the bid, either through sealed bid or by conducting a
16 public auction of those bidders who bid more than the market value
17 of the real property, the board of county commissioners shall have
18 the right to pledge the occupied property, using an irrevocable bond
19 or letter of credit, as provided for in paragraph 10 of this
20 subsection, as collateral in order to finance bonds to purchase
21 other real property or build a replacement building, or both;

22 8. If the sale price is less than the estimated cost of new
23 land purchase or construction, then said sales contract shall be
24 contingent upon the public approval of bond funding or other

1 authorized funding to allow the complete payment of the contemplated
2 project;

3 9. The board of county commissioners shall have authority
4 pursuant to paragraphs 5 and 6 of Section 1 of this title to make
5 any order concerning the sale of such property contingent upon a
6 closing date in the future in order to continue to use said real
7 property until a replacement building is completed. Upon completion
8 of the replacement building, the board of county commissioners shall
9 execute all documents and title transfers pertaining to said real
10 property to the successful bidder; and

11 10. The successful bidder shall execute an irrevocable bond or
12 letter of credit with a surety company or bank licensed to do
13 business in the State of Oklahoma and organized under the corporate
14 laws of the State of Oklahoma and registered with the Secretary of
15 State of Oklahoma equal to the amount of the purchase price of the
16 real property within fifteen (15) days of awarding of the bid.
17 Failure to provide either an irrevocable bond or letter of credit in
18 favor of the board of county commissioners within said time
19 limitation shall act as a rejection and cancellation by the board of
20 the award of bid and said board may, at that point, enter into a
21 contract with any secondary or subsequent bidder that meets the
22 aforementioned qualifications without further notice.

23 H. The board of county commissioners may solicit telephone bids
24 for the removal of recyclable materials.

1 SECTION 2. AMENDATORY 19 O.S. 2011, Section 421.2, as
2 amended by Section 2, Chapter 144, O.S.L. 2012 (19 O.S. Supp. 2016,
3 Section 421.2), is amended to read as follows:

4 Section 421.2 A. A unanimous vote of the board of county
5 commissioners may transfer any machinery, equipment or vehicle
6 belonging to the county, which is deemed by the board to be surplus,
7 to a political subdivision of the state which is in need of such
8 machinery, equipment or vehicle. Upon such transfer, the subject
9 property shall be removed from the inventory of the county.

10 B. Except as otherwise provided in this section, the board of
11 county commissioners ~~may~~ shall not deem any property to be surplus
12 during the period ~~of time beginning~~ when the elections of any two
13 county commissioners occur at the same time. The prohibition of
14 declaring county property or material surplus shall:

15 1. Begin thirty (30) days before the filing period for ~~any~~
16 ~~election~~ the elections of a any two or more county commissioner and
17 ~~ending~~ commissioners in a county; and

18 2. End the day after a two or more county ~~commissioner is~~
19 commissioners are sworn in as such.

20 C. If ~~the incumbent draws~~ two or more incumbents draw no
21 ~~opponent~~ opponents or if ~~the~~ two or more incumbent county
22 ~~commissioner wins~~ commissioners both win reelection, either at the
23 primary, special, or general election, the prohibition of declaring
24 county property or material surplus until the swearing in of county

1 officials shall be removed and the county may dispose of surplus
2 property as provided in subsection A of this section.

3 D. When the political subdivision receiving such property
4 declares same to be surplus, the governing body shall give written
5 notice to the county of its intent to transfer such property back to
6 the county. The board of county commissioners shall have up to
7 fifteen (15) days from the date of receipt of such notice to either
8 accept or reject the property. The political subdivision shall
9 transfer such property back to the county only if the board of
10 county commissioners agrees to accept the property or the board
11 fails to respond within the fifteen-day time period.

12 SECTION 3. This act shall become effective November 1, 2017.

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14 COMMITTEE REPORT BY: COMMITTEE ON COUNTY AND MUNICIPAL GOVERNMENT,
15 dated 02/23/2017 - DO PASS, As Amended.
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