

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 57th Legislature (2019)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 1916

By: Luttrell and **McBride**

7
8 COMMITTEE SUBSTITUTE

9 An Act relating to property; prohibiting transfers or
10 leases of certain items of tangible personal property
11 to public trusts; restricting transfer of title or
12 lease transactions based upon fair-cash value or
13 acquisition cost; specifying transactions prohibited
14 based upon date of title transfer or lease date;
15 providing for codification; and declaring an
16 emergency.

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

18 SECTION 1. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 180.5 of Title 60, unless there
20 is created a duplication in numbering, reads as follows:

21 A. On and after the effective date of this act, no for-profit
22 business entity shall transfer any item of tangible personal
23 property to any public trust organized pursuant to the provisions of
24 Section 176 et seq. of Title 60 of the Oklahoma Statutes which, at
25 the time of its transfer, has a fair-cash value or an acquisition

1 cost to the for-profit business entity in excess of One Million
2 Dollars (\$1,000,000.00).

3 B. On and after the effective date of this act, no for-profit
4 business entity shall enter into a lease transaction with any public
5 trust organized pursuant to the provisions of Section 176 et seq. of
6 Title 60 of the Oklahoma Statutes with respect to any item of
7 tangible personal property which, at the time the lease is executed
8 by the parties, has a fair cash value or an acquisition cost to the
9 for-profit business entity in excess of One Million Dollars
10 (\$1,000,000.00). The provisions of this subsection shall be
11 applicable to any transaction which requires the public trust to
12 lease such tangible personal property to a for-profit business
13 entity from which possession of the tangible personal property was
14 originally acquired and shall be applicable to any transaction
15 pursuant to which the tangible personal property is leased or leased
16 back to any other for-profit business entity.

17 C. The provisions of this section shall be applicable to
18 tangible personal property as described by this section, the title
19 to which is transferred to any public trust on and after the
20 effective date of this act, but shall not be applicable with respect
21 to such tangible personal property, the title to which was
22 transferred prior to the effective date of this act, or that is
23 subject to other laws or constitutional provisions.

1 D. The provisions of this section shall be applicable to
2 tangible personal property as described by this section which
3 becomes subject to a lease transaction pursuant to which any public
4 trust becomes the lessor of such tangible personal property and a
5 for-profit business entity becomes the lessee with respect to such
6 assets if the lease documents are executed on or after the effective
7 date of this act, but shall not be applicable with respect to lease
8 transactions with respect to such items of tangible personal
9 property if the lease documents were executed prior to the effective
10 date of this act.

11 SECTION 2. It being immediately necessary for the preservation
12 of the public peace, health or safety, an emergency is hereby
13 declared to exist, by reason whereof this act shall take effect and
14 be in full force from and after its passage and approval.
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16 COMMITTEE REPORT BY: COMMITTEE ON ENERGY AND NATURAL RESOURCES,
17 dated 02/14/2019 - DO PASS, As Amended and Coauthored.
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