

STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

COMMITTEE SUBSTITUTE
FOR

HOUSE BILL NO. 2863

By: Wallace

COMMITTEE SUBSTITUTE

An Act relating to public buildings and public works;
amending 74 O.S. 2011, Section 129.4, as renumbered
by Section 39, Chapter 209, O.S.L. 2013, and as last
amended by Section 2, Chapter 204, O.S.L. 2019 (61
O.S. Supp. 2020, Section 327), which relates to
disposal or lease of certain state-owned real
property; limiting certain real property
transactions; making completion of certain process
prerequisite to certain procedures; requiring certain
information be provided to the Commissioners of the
Land Office; providing certain calendar day period
for certain proposals for acquisition or disposal;
authorizing the Commissioners of the Land Office to
provide notice of decline; providing notice of
decline be provided in certain forms; providing that
notice of decline ends calendar day period; and
providing an effective date.

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

SECTION 1. AMENDATORY 74 O.S. 2011, Section 129.4, as
renumbered by Section 39, Chapter 209, O.S.L. 2013, and as last
amended by Section 2, Chapter 204, O.S.L. 2019 (61 O.S. Supp. 2020,
Section 327), is amended to read as follows:

1 Section 327. A. Unless procedures for state agency real
2 property transactions are otherwise specifically provided for by
3 law, no state agency shall sell, lease, exchange, or otherwise
4 dispose of such real property subject to its jurisdiction, or lease,
5 purchase or otherwise acquire real property subject to its
6 jurisdiction, except as authorized by subsection L of this section
7 and as otherwise provided for in this section. As used in this
8 section, "state agency" means any department, board, commission,
9 institution, agency or entity of state government.

10 B. 1. Every state agency shall request the Office of
11 Management and Enterprise Services to dispose of real property upon:

- 12 a. legislative authorization,
- 13 b. authorization by the Long-Range Capital Planning
14 Commission, or
- 15 c. a determination, in writing, by the Office of
16 Management and Enterprise Services or the state agency
17 that a parcel of real property subject to its
18 jurisdiction is no longer needed.

19 2. Upon the request of the state agency to dispose of real
20 property, the Office of Management and Enterprise Services shall:

- 21 a. obtain at least one complete appraisal made by a
22 person certified by the Real Estate Appraiser Board of
23 the Oklahoma Insurance Department, who shall
24 ascertain:

- (1) the present fair value of the property,
- (2) the present value of the improvements on such property, and
- (3) the actual condition of the improvements on the property,

b. after completion of the provisions of subsection L of this section, cause notice of such sale to be published for at least one (1) day in a newspaper of general statewide circulation authorized to publish legal notices, and weekly for three (3) consecutive weeks in a newspaper of general circulation published in the county or counties in which the property is located. The notice shall contain the legal description of each parcel of real property to be offered for sale, the appraised value thereof, the time and location of the sale or opening of the bids, and terms of the sale including the fact that no parcel of property shall be sold for less than ninety percent (90%) of the appraised value of the real property; provided, in lieu of such procedure, the information may be published electronically on the Office of Management and Enterprise Services' website if the notice of sale and instructions on accessing the public information are published in a newspaper of

1 general circulation in the county or counties in which
2 the property is located weekly for three (3)
3 consecutive weeks,

4 c. offer the property through public auction or sealed
5 bids within three (3) weeks after the last publication
6 of the notice. The property shall be sold to the
7 highest bidder. The Office of Management and
8 Enterprise Services shall not accept a bid of less
9 than ninety percent (90%) of the average appraised
10 fair value of the property and the improvements on
11 such property, and

12 d. if the property is being disposed of in compliance
13 with Section 908 of Title 62 of the Oklahoma Statutes,
14 the Office may auction the property at public or
15 electronic auction provided proper public notice is
16 given in compliance with this section and the property
17 has been approved for liquidation by the Long-Range
18 Capital Planning Commission. The Office of Management
19 and Enterprise Services is authorized to reject all
20 bids.

21 3. The cost of the appraisal required by the provisions of this
22 section, together with other necessary expenses incurred pursuant to
23 this section, shall be paid by the state agency for which the real
24 property is to be sold from funds available to the state agency for

1 such expenditure. All monies received from the sale or disposal of
2 the property, except those monies necessary to pay the expenses
3 incurred pursuant to this section, shall be deposited in the
4 Maintenance of State Buildings Revolving Fund unless otherwise
5 provided by law.

6 4. The Office of Management and Enterprise Services may dismiss
7 from consideration any appraisal found to be incomplete or flawed.

8 C. Unless otherwise provided by law, the Office of Management
9 and Enterprise Services shall review and approve state agency real
10 property transactions. A state agency shall not lease or acquire
11 real property, or lease, dispose of or transfer state-owned real
12 property until the Office provides notice of transaction approval to
13 the state agency. Prior to approval, a state agency shall provide
14 documents to the Office and provide reference to statutory or other
15 legal authority of the state agency to lease or acquire real
16 property, or lease, dispose of or transfer state-owned real
17 property. If the state agency intends to lease or acquire real
18 property, the state agency shall state the intended use of the real
19 property, and shall provide the Office with required telework
20 documentation. Within thirty (30) days of receipt, the Office shall
21 provide notice of transaction approval or disapproval to the state
22 agency.

1 D. The provisions of this section shall not apply to the lease
2 of office space or real property subject to supervision of the
3 Commissioners of the Land Office or district boards of education.

4 E. 1. The Office of Management and Enterprise Services shall
5 maintain a comprehensive inventory of state-owned real property and
6 its use excluding property of the public schools and property
7 subject to the jurisdiction of the Commissioners of the Land Office.

8 2. Each state agency shall, within thirty (30) days of the
9 closing date for lands newly acquired, provide to the Office a list
10 of records, deeds, abstracts and other title instruments showing the
11 description of and relating to any and all such lands or interests
12 therein.

13 3. The provisions of paragraph 2 of this subsection shall apply
14 to all lands of public trusts having a state agency as the primary
15 beneficiary, but shall not apply to lands of municipalities,
16 counties, school districts, or agencies thereof, or Department of
17 Transportation rights-of-way.

18 4. A state agency that sells or otherwise disposes of land
19 shall notify the Office within thirty (30) days of the disposition
20 closing date.

21 F. This section shall not be construed to authorize any state
22 agency, not otherwise authorized by law, to sell, lease, or
23 otherwise dispose of any real property owned by the state.

1 G. The Office of Management and Enterprise Services and the
2 Secretary of the Commissioners of the Land Office or designee as
3 provided in subsection L of this section may provide services to
4 sell, transfer, trade or purchase real property for other state
5 agencies.

6 H. The Director of the Office of Management and Enterprise
7 Services shall, pursuant to the Administrative Procedures Act,
8 promulgate rules to effect procedures necessary to the fulfillment
9 of its responsibilities under this section.

10 I. The Oklahoma Ordnance Works Authority and its lands, and the
11 Northeast Oklahoma Public Facilities Authority, the Oklahoma
12 Historical Society, the Oklahoma Department of Transportation and
13 the Oklahoma Turnpike Authority, shall be exempt from the
14 application of this section. The Grand River Dam Authority and its
15 lands shall be exempt from the application of this section for any
16 real property disposed of prior to November 1, 2006.

17 J. Unless otherwise provided for by law, the procedures
18 established pursuant to this section for the sale or exchange of
19 real estate or personal property as authorized pursuant to Sections
20 2222 and 2223 of Title 74 of the Oklahoma Statutes shall be followed
21 unless the sale is to an entity of state government.

22 K. The Director of the Office of Management and Enterprise
23 Services shall contract with experts, professionals or consultants
24 as necessary to perform the duties of the Office. Selections shall

1 be made using the qualifications-based procedures established in
2 Section 62 of this title, and the rules promulgated by the Director
3 for the selection of construction managers and design consultants.

4 L. 1. No state agency shall sell, lease, exchange, or
5 otherwise dispose of such real property subject to its jurisdiction,
6 or lease, purchase or otherwise acquire real property subject to its
7 jurisdiction, until such agency or the Office of Management and
8 Enterprise Services acting on the agency's behalf has presented to
9 the Secretary of the Commissioners of the Land Office or designee
10 all information collected pursuant to subparagraph a of paragraph 2
11 of subsection B of this section, and provided the Secretary of the
12 Commissioners of the Land Office or designee a twenty-calendar-day
13 period to provide a proposal for the acquisition or disposal of
14 applicable real property.

15 2. The Secretary of the Commissioners of the Land Office or
16 designee may decline to provide such a proposal, provided such
17 notice of decline is communicated to the Office of Management and
18 Enterprise Services in written or electronic form. Upon the
19 reception of such notice of decline by the Office of Management and
20 Enterprise Services, the twenty-calendar-day period otherwise
21 required by the subsection shall be deemed to have expired.

22 SECTION 2. This act shall become effective November 1, 2021.
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