

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                               STATE OF OKLAHOMA

3                               1st Session of the 58th Legislature (2021)

4 COMMITTEE SUBSTITUTE  
5 FOR  
6 HOUSE BILL NO. 2863

By: Wallace of the House

and

**Thompson** of the Senate

7  
8  
9  
10                               COMMITTEE SUBSTITUTE

11           An Act relating to public buildings and public works;  
12           amending 74 O.S. 2011, Section 129.4, as renumbered  
13           by Section 39, Chapter 209, O.S.L. 2013, and as last  
14           amended by Section 2, Chapter 204, O.S.L. 2019 (61  
15           O.S. Supp. 2020, Section 327), which relates to  
16           disposal or lease of certain state-owned real  
17           property; limiting certain real property  
18           transactions; making completion of certain process  
19           prerequisite to certain procedures; requiring certain  
20           information be provided to the Commissioners of the  
21           Land Office; providing certain calendar day period  
22           for certain proposals for acquisition or disposal;  
23           authorizing the Commissioners of the Land Office to  
24           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

1 amended by Section 2, Chapter 204, O.S.L. 2019 (61 O.S. Supp. 2020,  
2 Section 327), is amended to read as follows:

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

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

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

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

- 23 a. obtain at least one complete appraisal made by a  
24 person certified by the Real Estate Appraiser Board of

1 the Oklahoma Insurance Department, who shall  
2 ascertain:

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

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

1 if the notice of sale and instructions on accessing  
2 the public information are published in a newspaper of  
3 general circulation in the county or counties in which  
4 the property is located weekly for three (3)  
5 consecutive weeks,

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

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

23 3. The cost of the appraisal required by the provisions of this  
24 section, together with other necessary expenses incurred pursuant to

1 this section, shall be paid by the state agency for which the real  
2 property is to be sold from funds available to the state agency for  
3 such expenditure. All monies received from the sale or disposal of  
4 the property, except those monies necessary to pay the expenses  
5 incurred pursuant to this section, shall be deposited in the  
6 Maintenance of State Buildings Revolving Fund unless otherwise  
7 provided by law.

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

10 C. Unless otherwise provided by law, the Office of Management  
11 and Enterprise Services shall review and approve state agency real  
12 property transactions. A state agency shall not lease or acquire  
13 real property, or lease, dispose of or transfer state-owned real  
14 property until the Office provides notice of transaction approval to  
15 the state agency. Prior to approval, a state agency shall provide  
16 documents to the Office and provide reference to statutory or other  
17 legal authority of the state agency to lease or acquire real  
18 property, or lease, dispose of or transfer state-owned real  
19 property. If the state agency intends to lease or acquire real  
20 property, the state agency shall state the intended use of the real  
21 property, and shall provide the Office with required telework  
22 documentation. Within thirty (30) days of receipt, the Office shall  
23 provide notice of transaction approval or disapproval to the state  
24 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.  
24

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.

23 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
24 02/11/2021 - DO PASS, As Amended and Coauthored.