

STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

HOUSE BILL 2863

By: Wallace

AS INTRODUCED

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:

Section 327. A. Unless procedures for state agency real property transactions are otherwise specifically provided for by

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

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

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

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

- 19 a. obtain at least one complete appraisal made by a
20 person certified by the Real Estate Appraiser Board of
21 the Oklahoma Insurance Department, who shall
22 ascertain:
 - 23 (1) the present fair value of the property,

1 (2) the present value of the improvements on such
2 property, and

3 (3) the actual condition of the improvements on the
4 property,

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

1 the property is located weekly for three (3)
2 consecutive weeks,

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

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

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

1 the property, except those monies necessary to pay the expenses
2 incurred pursuant to this section, shall be deposited in the
3 Maintenance of State Buildings Revolving Fund unless otherwise
4 provided by law.

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

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

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

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

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

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

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

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

21 G. The Office of Management and Enterprise Services and the
22 Commissioners of the Land Office as provided in subsection L of this
23 section may provide services to sell, transfer, trade or purchase
24 real property for other state agencies.

1 H. The Director of the Office of Management and Enterprise
2 Services shall, pursuant to the Administrative Procedures Act,
3 promulgate rules to effect procedures necessary to the fulfillment
4 of its responsibilities under this section.

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

12 J. Unless otherwise provided for by law, the procedures
13 established pursuant to this section for the sale or exchange of
14 real estate or personal property as authorized pursuant to Sections
15 2222 and 2223 of Title 74 of the Oklahoma Statutes shall be followed
16 unless the sale is to an entity of state government.

17 K. The Director of the Office of Management and Enterprise
18 Services shall contract with experts, professionals or consultants
19 as necessary to perform the duties of the Office. Selections shall
20 be made using the qualifications-based procedures established in
21 Section 62 of this title, and the rules promulgated by the Director
22 for the selection of construction managers and design consultants.

23 L. 1. No state agency shall sell, lease, exchange, or
24 otherwise dispose of such real property subject to its jurisdiction,

1 or lease, purchase or otherwise acquire real property subject to its
2 jurisdiction, until such agency or the Office of Management and
3 Enterprise Services acting on the agency's behalf has presented to
4 the Commissioners of the Land Office all information collected
5 pursuant to subparagraph a of paragraph 2 of subsection B of this
6 section, and provided the Commissioners of the Land Office a twenty-
7 calendar-day period to provide a proposal for the acquisition or
8 disposal of applicable real property.

9 2. The Commissioners of the Land Office may decline to provide
10 such a proposal, provided such notice of decline is communicated to
11 the Office of Management and Enterprise Services in written or
12 electronic form. Upon the reception of such notice of decline by
13 the Office of Management and Enterprise Services, the twenty-
14 calendar-day period otherwise required by the subsection shall be
15 deemed to have expired.

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

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