

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 59th Legislature (2024)

4 HOUSE BILL 4067

 By: Wallace of the House

5 and

6 **Hall** of the Senate

7
8
9 AS INTRODUCED

10 An Act relating to state property; amending 62 O.S.
11 2021, Section 908, as amended by Section 1, Chapter
12 188, O.S.L. 2023 (62 O.S. Supp. 2023, Section 908),
13 which relates to the Oklahoma State Government Asset
14 Reduction and Cost Savings Program; modifying revenue
15 source for the Maintenance of State Buildings
16 Revolving Fund; amending 74 O.S. 2021, Section 61.8,
17 which relates to long-range capital planning;
18 directing certain liquidation proceeds to the Legacy
19 Capital Financing Fund; and providing an effective
20 date.

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

24 SECTION 1. AMENDATORY 62 O.S. 2021, Section 908, as
 amended by Section 1, Chapter 188, O.S.L. 2023 (62 O.S. Supp. 2023,
 Section 908), is amended to read as follows:

 Section 908. A. There is hereby established the Oklahoma State
 Government Asset Reduction and Cost Savings Program.

1 B. No later than December 31 each year, the Director of the
2 Office of Management and Enterprise Services shall publish a
3 comprehensive report detailing state-owned properties.

4 C. The report mandated in accordance with the provisions of
5 this section shall list the five percent (5%) most underutilized
6 state-owned properties. The report shall describe the value of
7 properties falling within the description in this subsection, assess
8 the potential for purchase should the properties be offered for
9 sale, and describe the impact on local-level tax rolls in the event
10 the properties are purchased by a nongovernmental entity.

11 D. The Director of the Office of Management and Enterprise
12 Services shall promulgate rules establishing procedures by which
13 each state agency, board, commission, and public trust having the
14 state as a beneficiary, excluding those otherwise exempted under
15 Section 327 of Title 61 of the Oklahoma Statutes, shall submit the
16 necessary data to the Office of Management and Enterprise Services
17 for the development of this report.

18 E. State agencies, boards, commissions, and public trusts
19 having the state as a beneficiary shall comply with procedures
20 promulgated pursuant to the terms of this section.

21 F. The report and data collected pursuant to this section shall
22 be published as a data feed on the data.ok.gov website.

23 G. In addition to the requirements of subsection C of this
24 section, the Office of Management and Enterprise Services may make

1 recommendations for the sale of other state-owned properties based
2 upon the value of the property and the potential for net gain for
3 the state based upon the data obtained for the Oklahoma State
4 Government Asset Reduction and Cost Savings Program.

5 H. There is hereby created the Maintenance of State Buildings
6 Revolving Fund. The fund shall be a continuing fund, not subject to
7 fiscal year limitations, and shall ~~serve as the depository for~~
8 ~~proceeds from the sale of state owned properties pursuant to the~~
9 ~~Oklahoma State Government Asset Reduction and Cost Savings Program.~~
10 ~~The fund shall further consist of monies appropriated thereto and~~
11 ~~other funds designated for deposit therein~~ consist of all monies
12 received and directed for deposit in accordance with law. All
13 monies accruing to the credit of the fund are hereby appropriated
14 and may be expended exclusively for maintaining and repairing state-
15 owned properties and buildings pursuant to the procedures set forth
16 in Section 901.1 of Title 62 of the Oklahoma Statutes and for
17 acquisition of information technology tools or resources that state
18 agencies, boards, commissions, and public trusts having the state as
19 a beneficiary shall use in carrying out their obligations in
20 accordance with this act. The total expenditure for information
21 technology resources shall not exceed One Hundred Thousand Dollars
22 (\$100,000.00). Expenditures from the fund shall be made upon
23 warrants issued by the State Treasurer against claims filed as
24 prescribed by law with the Director of the Office of Management and

1 Enterprise Services for approval and payment. Expenditures from the
2 Maintenance of State Buildings Revolving Fund shall be detailed in a
3 data feed and made available through the data.ok.gov web portal.

4 I. The Director of the Office of Management and Enterprise
5 Services shall notify entities found by the Office to be out of
6 compliance with the reporting provisions of this section in writing.

7 J. This section shall not be applicable to the following or
8 their lands, properties, buildings, funds, or revenue:

9 1. The Oklahoma Ordnance Works Authority;

10 2. The Commissioners of the Land Office; and

11 3. Institutions comprising The Oklahoma State System of Higher
12 Education, except as to the data reporting requirements in this
13 section.

14 K. The report required in subsection B of this section shall
15 include an indication of whether a property is owned by the Oklahoma
16 Historical Society, is listed on the National Register of Historic
17 Places or with the National Trust for Historic Preservation, or is
18 potentially of historical significance. The Office of Management
19 and Enterprise Services shall notify the Oklahoma Historical Society
20 and obtain its approval prior to the sale of any such property.

21 SECTION 2. AMENDATORY 74 O.S. 2021, Section 61.8, is
22 amended to read as follows:
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1 Section 61.8 A. The Long-Range Capital Planning Commission
2 shall work to decrease the amount of property owned by Oklahoma
3 state government, return state-owned property to private sector
4 ownership, better maintain and utilize the state's needed capital
5 assets and, whenever possible, eliminate the practice of state
6 agencies leasing real property not owned by the state.

7 B. Each year, the Director of the Office of Management and
8 Enterprise Services at the direction of the Long-Range Capital
9 Planning Commission, shall take action to approve the privatization
10 of state-owned real property as identified pursuant to the Oklahoma
11 State Government Asset Reduction and Cost Savings Program. Proceeds
12 from the liquidation of real properties shall be deposited into the
13 ~~Maintenance of State Buildings Revolving Fund~~ Legacy Capital
14 Financing Fund.

15 C. Prior to entering into or renewing a lease for real
16 property, each state agency, board, commission, and public trust
17 having the State of Oklahoma as a beneficiary shall receive approval
18 for entering into the lease from the Office of Management and
19 Enterprise Services.

20 D. Prior to making a purchase of real property or constructing
21 a building, each state agency, board, commission, and public trust
22 having the State of Oklahoma as a beneficiary shall receive approval
23 for the purchase or construction from the Director of the Office of
24 Management and Enterprise Services; provided, if such purchase or

1 construction is deemed by the Director of the Office of Management
2 and Enterprise Services to be within the authority of the Long-Range
3 Capital Planning Commission, the Director shall not approve the
4 purchase or construction and shall refer the request to the
5 Commission for action.

6 E. Prior to approval or referral pursuant to subsection C or D
7 of this section, the Office of Management and Enterprise Services
8 shall determine if the applicant entity can utilize already existing
9 state-owned real property as an alternative to leasing non-state-
10 owned real property or purchasing or constructing new real property.
11 If such existing state-owned real property is owned by the Oklahoma
12 Historical Society, is listed on the National Register of Historic
13 Places or with the National Trust for Historic Preservation, or is
14 potentially of historical significance, the Office of Management and
15 Enterprise Services shall notify the Oklahoma Historical Society and
16 obtain its approval prior to approving an application for its reuse.

17 F. No state agency, board, commission or public trust having
18 the state as its beneficiary shall transfer any real property owned
19 by the agency, board, commission or trust to any other state agency,
20 board, commission, state beneficiary trust or any public or private
21 entity unless the transfer is first approved by the Long-Range
22 Capital Planning Commission. Any transfer made without the prior
23 approval of the Long-Range Capital Planning Commission as required
24 by this subsection may be reversed by the Long-Range Capital

1 Planning Commission and if a transfer is reversed the agency, board,
2 commission, state beneficiary trust or other state government entity
3 to which the real property has been impermissibly transferred shall
4 take such actions to convey the subject property to the entity from
5 which the asset was acquired not later than thirty (30) days from
6 the date an order for such transfer is entered by the Long-Range
7 Capital Planning Commission. The Commission shall not approve any
8 transfer unless proceeds from the sale shall be deposited within the
9 ~~Maintenance of State Buildings Revolving Fund as established by~~
10 ~~Section 908 of Title 62 of the Oklahoma Statutes~~ Legacy Capital
11 Financing Fund.

12 G. By February 1 of each year, the Office of Management and
13 Enterprise Services shall publish a report for the preceding
14 calendar year listing the parcels of previously state-owned property
15 sold, detailing the reduction in the amount of space leased by the
16 state, describing the source of funds and expenditures from the
17 Maintenance of State Buildings Revolving Fund and showing the manner
18 in which deferred maintenance needs are being met. The report shall
19 be provided to the Governor, Speaker of the House of
20 Representatives, President Pro Tempore of the Senate and placed on
21 the documents.ok.gov web portal.

22 H. This section shall not be applicable to the following or
23 their lands, properties, buildings, funds or revenue:

24 1. The Oklahoma Ordnance Works Authority;

1 2. The Commissioners of the Land Office;

2 3. The Oklahoma Department of Transportation; and

3 4. The Oklahoma Turnpike Authority.

4 I. The Director of the Office of Management and Enterprise

5 Services may make recommendations to the Long-Range Capital Planning

6 Commission for liquidation of underutilized properties that have

7 environmental issues, create a liability for the state, or create

8 expenses that make the continued ownership of the underutilized

9 property undesirable and the property has been offered through two

10 public auctions or sealed bids and no viable bids were received. If

11 the Long-Range Capital Planning Commission approves the liquidation

12 of the property, the Office of Management and Enterprise Services

13 may accept a bid of less than ninety percent (90%) of the appraised

14 value in accordance with Section 327 of Title 61 of the Oklahoma

15 Statutes.

16 SECTION 3. This act shall become effective November 1, 2024.

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18 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
19 02/08/2024 - DO PASS, As Coauthored.