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February 9, 2023

By: Kidd

An Act relating to county surplus equipment; amending 19 O.S. 2021, Section 421, which relates to disposition of certain county property to be entered in minutes; raising value of certain equipment that is entered into certain meeting minutes; amending 19 O.S. 2021, Section 421.1, which relates to sale of certain county property; raising value of equipment and adding equipment eligible to be sold or traded in using certain procedures; and providing an effective date.

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

SECTION 1. AMENDATORY 19 O.S. 2021, Section 421, is amended to read as follows:

Section 421. ~~From and after the effective date of this act~~  
After November 1, 2009, each board of county commissioners of the  
several counties in the state shall within thirty (30) days after  
the disposition of any tools, apparatus, machinery, and equipment  
belonging to the county or leased or otherwise let to it or any  
department thereof, the original cost of which is more than ~~Five~~  
~~Hundred Dollars (\$500.00)~~ Two Thousand Five Hundred Dollars  
(\$2,500.00), whether sold, exchanged, junked, leased or let where  
authorized by statute, shall enter, or cause to be entered, in the

1 minutes of the proceedings of the board the fact of such  
2 disposition, including complete description of item, serial number,  
3 the date property was acquired, the name and address of the person  
4 or firm from whom property was acquired, the cost price at time of  
5 acquisition or contract price if acquired under lease-rental  
6 agreement, the date of disposition, the name and address of the  
7 person or firm to whom property transferred, the price received  
8 therefor and the reason for disposition.

9 SECTION 2. AMENDATORY 19 O.S. 2021, Section 421.1, is  
10 amended to read as follows:

11 Section 421.1. A. The board of county commissioners is hereby  
12 authorized to use any tools, apparatus, machinery or equipment  
13 belonging to the county, the original cost of which exceeded ~~Five~~  
14 ~~Hundred Dollars (\$500.00)~~ Two Thousand Five Hundred Dollars  
15 (\$2,500.00), as a trade-in on a cash purchase or lease purchase of  
16 any other tools, apparatus, machinery or equipment.

17 B. To establish an appraised value for an item to be sold at  
18 public auction or traded in, the purchasing agent may refer to an  
19 industry-recognized appraisal manual for used construction equipment  
20 to estimate the value of the item being sold, or obtain appraisal  
21 quotes from at least two vendors in the business of selling items  
22 like the one being sold.

23 C. Except when such items are disposed of pursuant to  
24 subsection E, F or I of this section, the following procedures shall

1 be used for the sale, by the board of county commissioners, of any  
2 tools, apparatus, machinery or equipment, the original cost of which  
3 exceeded ~~Five Hundred Dollars (\$500.00)~~ Two Thousand Five Hundred  
4 Dollars (\$2,500.00) or any information technology hardware or  
5 software having an original cost of Five Hundred Dollars (\$500.00)  
6 or more, belonging to the county:

7 1. The board of county commissioners shall give notice of such  
8 sale by publication in a newspaper of general paid circulation in  
9 the county for two successive weekly issues;

10 2. Bids for such tools, apparatus, machinery or equipment on  
11 sale shall be in writing, sealed and delivered to the county clerk  
12 of such county;

13 3. At the next regular meeting of the board of county  
14 commissioners after the expiration of fifteen (15) days from the  
15 date of first publication of notice of the sale, the board of county  
16 commissioners shall open such bids and award such tools, apparatus,  
17 machinery or equipment to the highest and best bidder with the  
18 option of rejecting all bids; and

19 4. The board of county commissioners may hold a public auction  
20 or use an Internet auction, which may include online bidding, in  
21 lieu of advertising for sealed bids as provided above. Such auction  
22 shall be advertised as provided herein.

23 D. A board of county commissioners may sell any materials,  
24 tools, apparatus, machinery or equipment to a tribal governmental

1 entity or state agency, if the agency is subject to the Oklahoma  
2 Central Purchasing Act. The board of county commissioners may  
3 purchase materials, tools, apparatus, machinery or equipment from a  
4 state agency, if the agency is subject to the Oklahoma Central  
5 Purchasing Act.

6 E. The board of county commissioners may, by resolution, enter  
7 into an agreement with any tribal governmental entity or other  
8 county or political subdivision for the purpose of selling,  
9 transferring, trading or otherwise disposing of equipment or  
10 materials at a price agreed upon by both governing bodies.  
11 Transactions made pursuant to this subsection shall not be subject  
12 to the requirements in subsection C of this section.

13 F. Advertisement of surplus property consigned to sell at a  
14 Circuit Engineering District auction shall be provided by the  
15 auction company under contract to conduct the sale. Advertising  
16 shall be provided to attract the most potential buyers. Advertising  
17 media may include, but not be limited to, sale flyers, newspapers,  
18 radio, television, and Internet postings.

19 G. Pursuant to the authority of Section 1 of this title, boards  
20 of county commissioners shall have authority, under such statute and  
21 in consideration of the procedures in this section to sell real  
22 property belonging to the county without declaring such property  
23 surplus under the following conditions:

24

1        1. A certified appraisal of the county property shall be  
2 performed to determine the market value of the property and accepted  
3 by the board of county commissioners;

4        2. After acceptance of the certified appraisal, the board of  
5 county commissioners shall, pursuant to the requirements of this  
6 section, give notice of such sale by publication in a newspaper of  
7 general paid circulation in the county for two successive weekly  
8 issues;

9        3. Bids for the real property shall be in writing, sealed and  
10 delivered to the county clerk of such county;

11       4. At the next regular meeting of the board of county  
12 commissioners after the expiration of fifteen (15) days from the  
13 date of first publication of notice of sale, the board of county  
14 commissioners shall open such bids;

15       5. A successful bid must be no less than the market value of  
16 the real property to be considered by the board of county  
17 commissioners for acceptance. The board of county commissioners  
18 reserves the right to reject any and all bids;

19       6. If more than one bid is above the market value of the real  
20 property, the board of county commissioners shall have the right to  
21 compel the potential buyers of the real property who have bid above  
22 the market amount to enter into public auction conducted by the  
23 chairman of the board of county commissioners after the opening of  
24 such bids, to establish the highest bid for the property in order to

1 assure that the county is receiving adequate consideration for the  
2 property;

3 7. A majority vote of the board of county commissioners shall  
4 be required to determine the successful bidder of the real property.  
5 Upon awarding the bid, either through sealed bid or by conducting a  
6 public auction of those bidders who bid more than the market value  
7 of the real property, the board of county commissioners shall have  
8 the right to pledge the occupied property, using an irrevocable bond  
9 or letter of credit, as provided for in paragraph 10 of this  
10 subsection, as collateral in order to finance bonds to purchase  
11 other real property or build a replacement building, or both;

12 8. If the sale price is less than the estimated cost of new  
13 land purchase or construction, then said sales contract shall be  
14 contingent upon the public approval of bond funding or other  
15 authorized funding to allow the complete payment of the contemplated  
16 project;

17 9. The board of county commissioners shall have authority  
18 pursuant to paragraphs 5 and 6 of Section 1 of this title to make  
19 any order concerning the sale of such property contingent upon a  
20 closing date in the future in order to continue to use said real  
21 property until a replacement building is completed. Upon completion  
22 of the replacement building, the board of county commissioners shall  
23 execute all documents and title transfers pertaining to said real  
24 property to the successful bidder;

1        10. The successful bidder shall execute an irrevocable bond or  
2 letter of credit with a surety company or bank licensed to do  
3 business in the State of Oklahoma and organized under the corporate  
4 laws of the State of Oklahoma and registered with the Secretary of  
5 State of Oklahoma equal to the amount of the purchase price of the  
6 real property within fifteen (15) days of awarding of the bid.  
7 Failure to provide either an irrevocable bond or letter of credit in  
8 favor of the board of county commissioners within said time  
9 limitation shall act as a rejection and cancellation by the board of  
10 the award of bid and said board may, at that point, enter into a  
11 contract with any secondary or subsequent bidder that meets the  
12 aforementioned qualifications without further notice; and

13        11. If there are no bids submitted or all submitted bids are  
14 less than the market value of the real property after the expiration  
15 of fifteen (15) days from the date of first publication of notice of  
16 sale, the board of county commissioners shall publish the notice of  
17 sale and accept bids for a second time complying with the  
18 requirements of paragraphs 2 through 4 of this subsection. If there  
19 are no bids submitted or all submitted bids are less than the market  
20 value of the real property after the expiration of fifteen (15) days  
21 from the date of second publication of notice of sale, the board of  
22 county commissioners shall have the right to sell real property,  
23 upon majority vote, without any bidding procedure or auction,  
24 directly to any person or entity for an amount that is not less than

1 the highest bid previously submitted through any previous bidding  
2 procedures provided in this subsection.

3 H. The board of county commissioners may solicit telephone bids  
4 for the removal of recyclable materials.

5 I. The board of county commissioners shall have the authority  
6 to trade in equipment to a vendor or on statewide contract by  
7 acquiring used equipment values pursuant to subsection B of this  
8 section.

9 SECTION 3. This act shall become effective November 1, 2023.

10 COMMITTEE REPORT BY: COMMITTEE ON GENERAL GOVERNMENT  
11 February 9, 2023 - DO PASS  
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