

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

SENATE BILL 1780

By: Seifried

AS INTRODUCED

An Act relating to the Department of Transportation;  
amending 69 O.S. 2021, Sections 1001 and 1003, which  
relate to the disposition of surplus property;  
directing certain notice to be available online;  
removing certain conditions on value of property;  
increasing time period for certain response;  
modifying procedures for sale of certain property;  
directing certain funds to the General Revenue Fund;  
updating statutory language; updating statutory  
references; and providing an effective date.

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

SECTION 1. AMENDATORY 69 O.S. 2021, Section 1001, is  
amended to read as follows:

Section 1001. A. The Transportation Commission shall have  
authority to sell any lands, or interest therein, which may have  
been acquired for highway purposes, or facilities necessary and  
incident thereto, and any equipment, materials, or supplies which in  
the opinion of the Commission are no longer serviceable, useful, or  
necessary for the state highway system or the operation of the  
Department of Transportation. Such authority shall be subject at  
all times to the continuing right to the use of the lands by any  
entity operating a sewer, water, or gas system, telephone or

1 electrical services, and by public service corporations and rural  
2 electric and telephone cooperatives for the construction,  
3 reconstruction, maintenance, operation, and repair of their  
4 facilities of service which may be upon the lands. However, any  
5 such land which was acquired by the Commission from a governmental  
6 subdivision as a gift, or for a nominal consideration, may be  
7 reconveyed to the governmental subdivision by the Commission, upon  
8 repayment by the governmental subdivision to the Commission of any  
9 consideration for the original conveyance.

10 B. Any surplus land which has been leased to a political  
11 subdivision by the Commission may be sold and conveyed to the  
12 political subdivision for the present fair market value as  
13 determined by a competent appraisal and the political subdivision  
14 may have credited toward the purchase price of any such property the  
15 lease payments which the political subdivision shall have previously  
16 made to the Commission.

17 C. Except as otherwise herein provided, the lands, materials,  
18 equipment, and supplies shall be sold for cash to the highest and  
19 best bidder after notice by publication in a newspaper published in  
20 the county where the land is situated, or where the materials,  
21 equipment, or supplies are located, in two consecutive weekly issues  
22 of the newspaper.

23 D. 1. If the land originally comprised a partial taking,  
24 leaving an abutting remainder, then prior to conducting such

1 advertisement and solicitation of bids for the sale of any lands or  
2 interests therein, the Commission shall notify the person, firm, or  
3 corporation which originally conveyed the property to the Commission  
4 or present successor to the original remainder that same has been  
5 declared surplus and is to be offered for sale. Such notice shall  
6 be sent by registered mail addressed to the last-known address of  
7 such person, firm, or corporation, with return receipt requested.  
8 Such notice shall also be made available on the website of the  
9 Department of Transportation. Such notice shall contain an offer to  
10 sell such property to such person, firm, or corporation for an  
11 amount not greater than the amount for which the property was  
12 originally obtained by the Commission ~~for a period of five (5) years~~  
13 ~~from the original taking. Following the five year period, the sale~~  
14 ~~of such property may be offered at fair market value. The amount of~~  
15 ~~the Commission's requested purchase price based on such appraisal~~  
16 ~~shall be stated in the notice, and the~~ The person, firm, or  
17 corporation receiving such notice and offer shall be informed  
18 therein that unless such person, firm, or corporation notifies the  
19 Commission in writing within ~~thirty (30)~~ ninety (90) days from the  
20 date of receipt of the notice that the Commission's offer of sale is  
21 accepted by such person, firm, or corporation, the Commission shall  
22 proceed to sell the property at public auction as provided for in  
23 this section. After the expiration of ~~thirty (30)~~ ninety (90) days  
24 from the date of receipt of the notice by the person, firm, or

1 corporation to whom it is addressed, if such person, firm, or  
2 corporation has not notified the Commission in writing of the  
3 acceptance of the Commission's offer of sale, the Commission shall  
4 proceed to sell such property by public auction and no attempt to  
5 accept the Commission's offer by such person, firm, or corporation  
6 after the expiration of such ~~thirty (30)~~ ninety (90) days shall be  
7 honored by the Commission. However, such person, firm, or  
8 corporation may submit a bid at the public auction of the property  
9 in the same manner as any other qualified bidder.

10 2. If the land to be disposed of originally comprised a total  
11 taking, leaving no abutting remainder, ~~then such shall be sold to~~  
12 ~~the highest bidder, or as otherwise herein provided except that~~  
13 then, prior to conducting such advertisement and solicitation of  
14 bids for the sale of lands or interests therein, the Commission  
15 shall notify the person, firm, or corporation which originally  
16 conveyed the property to the Commission, or present successor. The  
17 notice shall be sent by registered mail addressed to the last-known  
18 address of such person, firm, or corporation, with return receipt  
19 requested. Such notice shall also be made available on the website  
20 of the Department of Transportation. The notice shall contain an  
21 offer to sell such property to such person, firm, or corporation  
22 subject to the same conditions as set forth in paragraph 1 of this  
23 subsection. If such person, firm, or corporation has not notified  
24 the Commission in writing of the acceptance of the Commission's

1 offer of sale, and if the land to be disposed of originally  
2 comprised a total taking of less than three (3) acres, leaving only  
3 one abutting property owner of record, then prior to conducting such  
4 advertisement and solicitation of bids for the sale of any such  
5 lands or interest therein, the Commission shall notify the sole  
6 abutting property owner of record to the taking that such has been  
7 declared surplus and is to be offered for sale. Such notice shall  
8 be sent by registered mail addressed to the last-known address of  
9 such person, firm, or corporation, with return receipt requested.  
10 Such notice shall also be made available on the website of the  
11 Department of Transportation. Such notice shall contain an offer to  
12 sell such property to such person, firm, or corporation subject to  
13 the same conditions as set forth in paragraph 1 of this subsection.

14 3. For the purposes of this section, the Commission shall not  
15 distinguish between persons from whom surplus lands or interest  
16 therein were acquired by negotiated sale or gift and persons from  
17 whom such property was acquired by condemnation proceedings.

18 E. The Commission may, in its discretion, exchange any such  
19 lands for other lands needed for highway purposes, or may lease or  
20 rent any lands which are owned by the Department, and are not  
21 immediately necessary for highway purposes, on such terms as the  
22 Commission determines for the best interests of the state.

23 F. On an annual basis, for every parcel of land:

24 1. Owned by the Transportation Commission; and

1       2. Deemed surplus for ten (10) years or more,  
2 the Commission shall submit a waiver request to the Federal Highway  
3 Administration of the United States Department of Transportation  
4 seeking exception from any federal regulation preventing the sale of  
5 such land for less than fair market value.

6       G. When the Department of Transportation determines that any  
7 equipment or vehicle becomes excess, obsolete, antiquated, unused,  
8 or otherwise surplus, the Department shall notify the Office of  
9 Management and Enterprise Services in writing that such equipment or  
10 vehicle is surplus. The notice shall identify:

11       1. The type, brand or make, and country of manufacture of the  
12 equipment or vehicle;

13       2. The age of the equipment or vehicle including but not  
14 limited to mileage;

15       3. Whether the equipment or vehicle is in good working  
16 condition or not;

17       4. If the equipment or vehicle is not in good working  
18 condition, whether it is in repairable condition at reasonable cost;

19       5. Original cost of the equipment or vehicle; and

20       6. Present value of the equipment or vehicle, if known.

21       The Office of Management and Enterprise Services, with any other  
22 notice of surplus property, shall notify the eligible individuals or  
23 entities as provided in subsection H of this section of the  
24

1 availability of the surplus property of the Department of  
2 Transportation.

3 H. Prior to any advertised public auction or advertised sealed  
4 bids to all individuals and entities eligible for participation in  
5 the surplus program, the Department, thirty (30) days prior to the  
6 advertised auction date, shall offer, at fair market value, the  
7 equipment or vehicles to the individuals or entities, in the  
8 following order of priority:

- 9 1. Other state agencies;
- 10 2. Political subdivisions of the state;
- 11 3. Rural fire departments located in this state; and
- 12 4. Rural water districts located in this state.

13 Any equipment or vehicles purchased pursuant to this subsection  
14 shall be made available to the purchaser on the date of purchase.

15 I. The Department is authorized to act on behalf of the  
16 Commission in transactions authorized pursuant to this section,  
17 except as may be otherwise provided by rule or regulation of the  
18 Commission; and, all prior transactions of the Department which are  
19 otherwise in conformity with this section are deemed authorized and  
20 approved.

21 J. When the Department of Transportation determines that any  
22 road or bridge materials or supplies become excess, unused, or  
23 otherwise surplus, the Department shall make such road or bridge  
24 material or supplies available to all governmental entities eligible  
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1 for participation in the surplus program. The Department may be  
2 reimbursed for any cost incurred in the recovery or storage of such  
3 road or bridge material or supplies. The governmental entity  
4 requesting the excess, unused, or otherwise surplus road or bridge  
5 materials or supplies shall retrieve such materials or supplies from  
6 the Department of Transportation within one hundred eighty (180)  
7 days from the completion of the project for which the materials or  
8 supplies are declared excess or surplus.

9 The Department, upon request of a local government, may transfer  
10 surplus bridge beams to the local government for use in the  
11 construction or repair of public roadway bridges. The local  
12 government shall not sell the surplus beams. Prior to the transfer,  
13 the local government shall cause the surplus beams to be inspected  
14 by a registered professional engineer. The local government shall  
15 assume full responsibility for the cost of transporting the beams  
16 and for the use of the beams including, but not limited to, the  
17 proper removal and disposal of lead-based paint. The Department  
18 shall retain the surplus beams for the requesting local government  
19 for a period not exceeding one hundred eighty (180) days, after  
20 which the Department may otherwise dispose of the surplus beams.

21 SECTION 2. AMENDATORY 69 O.S. 2021, Section 1003, is  
22 amended to read as follows:

23 Section 1003. The proceeds from the sale or rental of any  
24 lands, or from the sale of equipment, materials, or supplies, and  
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1 any funds received as the result of the settlement or litigation of  
2 claims for damages to or loss of property, equipment, or facilities  
3 owned by or under the control of the Department of Transportation or  
4 Transportation Commission, shall be deposited in the ~~State Highway~~  
5 ~~Construction and Maintenance Fund~~ General Revenue Fund.

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

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