

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                               STATE OF OKLAHOMA

3                               1st Session of the 60th Legislature (2025)

4 COMMITTEE SUBSTITUTE  
5 FOR  
6 HOUSE BILL NO. 1420

By: West (Josh) of the House

and

**Bergstrom** of the Senate

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9                               COMMITTEE SUBSTITUTE

10           An Act relating to state government; amending 74 O.S.  
11           2021, Section 61.8, which relates to reduction of  
12           property owned and leased by the state; modifying  
          exemption from section; and providing an effective  
          date.

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

16           SECTION 1.       AMENDATORY       74 O.S. 2021, Section 61.8, is  
17 amended to read as follows:

18           Section 61.8.   A.   The Long-Range Capital Planning Commission  
19 shall work to decrease the amount of property owned by Oklahoma  
20 state government, return state-owned property to private sector  
21 ownership, better maintain and utilize the state's needed capital  
22 assets and, whenever possible, eliminate the practice of state  
23 agencies leasing real property not owned by the state.

1       B. Each year, the Director of the Office of Management and  
2 Enterprise Services at the direction of the Long-Range Capital  
3 Planning Commission, shall take action to approve the privatization  
4 of state-owned real property as identified pursuant to the Oklahoma  
5 State Government Asset Reduction and Cost Savings Program. Proceeds  
6 from the liquidation of real properties shall be deposited into the  
7 Maintenance of State Buildings Revolving Fund.

8       C. Prior to entering into or renewing a lease for real  
9 property, each state agency, board, commission, and public trust  
10 having the State of Oklahoma as a beneficiary shall receive approval  
11 for entering into the lease from the Office of Management and  
12 Enterprise Services.

13       D. Prior to making a purchase of real property or constructing  
14 a building, each state agency, board, commission, and public trust  
15 having the State of Oklahoma as a beneficiary shall receive approval  
16 for the purchase or construction from the Director of the Office of  
17 Management and Enterprise Services; provided, if such purchase or  
18 construction is deemed by the Director of the Office of Management  
19 and Enterprise Services to be within the authority of the Long-Range  
20 Capital Planning Commission, the Director shall not approve the  
21 purchase or construction and shall refer the request to the  
22 Commission for action.

23       E. Prior to approval or referral pursuant to subsection C or D  
24 of this section, the Office of Management and Enterprise Services

1 shall determine if the applicant entity can utilize already existing  
2 state-owned real property as an alternative to leasing non-state-  
3 owned real property or purchasing or constructing new real property.  
4 If such existing state-owned real property is owned by the Oklahoma  
5 Historical Society, is listed on the National Register of Historic  
6 Places or with the National Trust for Historic Preservation, or is  
7 potentially of historical significance, the Office of Management and  
8 Enterprise Services shall notify the Oklahoma Historical Society and  
9 obtain its approval prior to approving an application for its reuse.

10 F. No state agency, board, commission or public trust having  
11 the state as its beneficiary shall transfer any real property owned  
12 by the agency, board, commission or trust to any other state agency,  
13 board, commission, state beneficiary trust or any public or private  
14 entity unless the transfer is first approved by the Long-Range  
15 Capital Planning Commission. Any transfer made without the prior  
16 approval of the Long-Range Capital Planning Commission as required  
17 by this subsection may be reversed by the Long-Range Capital  
18 Planning Commission and if a transfer is reversed the agency, board,  
19 commission, state beneficiary trust or other state government entity  
20 to which the real property has been impermissibly transferred shall  
21 take such actions to convey the subject property to the entity from  
22 which the asset was acquired not later than thirty (30) days from  
23 the date an order for such transfer is entered by the Long-Range  
24 Capital Planning Commission. The Commission shall not approve any

1 transfer unless proceeds from the sale shall be deposited within the  
2 Maintenance of State Buildings Revolving Fund as established by  
3 Section 908 of Title 62 of the Oklahoma Statutes.

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

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

- 16 1. The Oklahoma Ordnance Works Authority;
- 17 2. The Commissioners of the Land Office;
- 18 3. The Oklahoma Department of Transportation; ~~and~~
- 19 4. The Oklahoma Turnpike Authority; and
- 20 5. The Grand River Dam Authority.

21 I. The Director of the Office of Management and Enterprise  
22 Services may make recommendations to the Long-Range Capital Planning  
23 Commission for liquidation of underutilized properties that have  
24 environmental issues, create a liability for the state, or create

1 expenses that make the continued ownership of the underutilized  
2 property undesirable and the property has been offered through two  
3 public auctions or sealed bids and no viable bids were received. If  
4 the Long-Range Capital Planning Commission approves the liquidation  
5 of the property, the Office of Management and Enterprise Services  
6 may accept a bid of less than ninety percent (90%) of the appraised  
7 value in accordance with Section 327 of Title 61 of the Oklahoma  
8 Statutes.

9 SECTION 2. This act shall become effective November 1, 2025.  
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11 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
12 03/06/2025 - DO PASS, As Amended and Coauthored.  
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