

OKLAHOMA STATE SENATE
CONFERENCE
COMMITTEE REPORT

May 15, 2025

Mr. President:

Mr. Speaker:

The Conference Committee, to which was referred

SB951

By: Murdock of the Senate and Archer of the House



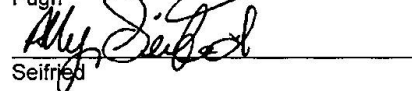
Title: Commissioners of the Land Office; providing for appraisal of improvements of certain improvements; directing certain reimbursement. Effective date.




together with Engrossed House Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1 That the House recede from all Amendments

Respectfully submitted,

SENATE CONFEREES


Murdock

Pugh

Seifried


Rader

Sacchier

Dossett

HOUSE CONFEREES

General Conference Committee on Appropriations

Senate Action _____ Date _____ House Action _____ Date _____

1 ENGROSSED HOUSE AMENDMENTS
TO
2 ENGROSSED SENATE BILL NO. 951 By: Murdock of the Senate
3 and
4 Archer of the House
5
6
7 An Act relating to the Commissioners of the Land
8 Office; amending 64 O.S. 2021, Section 1023, which
9 relates to the granting of commercial and
10 agricultural leases; providing for appraisal of
11 certain improvements; directing certain lease to
12 require certain reimbursement; providing condition
13 for lease default; prohibiting charging of certain
14 fees; providing for promulgation of rules; updating
15 statutory reference; updating statutory language; and
16 providing an effective date.
17
18
19
20
21 AUTHOR: Add the following House Coauthor: Burns
22
23 AMENDMENT NO. 1. Page 1, lines 6 through 10 1/2, strike the title
24 to read:
"[Commissioners of the Land Office - commercial and
agricultural leases - appraisal of improvements -
reimbursement - default - fees - rules - effective
date]"
AMENDMENT NO. 2. Page 1, line 13, strike the enacting clause

1 Passed the House of Representatives the 22nd day of April, 2025.

2
3
4 Presiding Officer of the House of
Representatives
5

6 Passed the Senate the ____ day of _____, 2025.
7

8
9 Presiding Officer of the Senate
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

1 ENGROSSED SENATE
2 BILL NO. 951

By: Murdock of the Senate

3 and

4 Archer of the House
5

6 An Act relating to the Commissioners of the Land
7 Office; amending 64 O.S. 2021, Section 1023, which
8 relates to the granting of commercial and
9 agricultural leases; providing for appraisal of
10 certain improvements; directing certain lease to
11 require certain reimbursement; providing condition
12 for lease default; prohibiting charging of certain
13 fees; providing for promulgation of rules; updating
14 statutory reference; updating statutory language; and
15 providing an effective date.

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

17 SECTION 1. AMENDATORY 64 O.S. 2021, Section 1023, is
18 amended to read as follows:

19 Section 1023. A. The Commissioners of the Land Office are
20 authorized to grant commercial leases and agricultural leases in
21 trust property.

22 Commercial leases shall not exceed fifty-five (55) years. The
23 granting of any commercial lease in excess of three (3) years shall
24 be by public bidding at not less than fair market value. All
commercial leases shall provide for fair market value throughout the
term of the lease.

1 Agricultural leases of trust property shall be limited to a
2 maximum of five (5) years and shall be by public bidding at not less
3 than fair market value.

4 The granting of any interest in trust property at less than fair
5 market value or not in compliance with this section is void.

6 Any permanent improvement made on commercial trust property from
7 and after ~~the passage of this act~~ July 1, 1989, shall revert to the
8 trust at the end of the lease.

9 B. In connection with any commercial and agricultural leases,
10 the Commissioners of the Land Office shall, unless otherwise
11 exempted by the Constitution or laws of ~~Oklahoma~~ this state:

12 1. Require payment of ad valorem property taxes on any
13 improvements and structures on state school land, which would
14 otherwise be subject to ad valorem property taxation if constructed
15 on privately owned land; and

16 2. Indemnify and hold harmless the Commissioners of the Land
17 Office from any financial obligation related to land, financing, or
18 operation.

19 C. An appraiser selected by the Commissioners of the Land
20 Office shall appraise any improvements approved by the Commissioners
21 of the Land Office made to the property leased as an agricultural
22 lease by the current lessee that cannot be removed without manifest
23 injury to the land. When the Commissioners enter into a new lease
24 for the property, the lease shall require the new lessee to

1 reimburse the previous lessee for the appraised value of any
2 improvements made by the previous lessee by the date the new lessee
3 is permitted to take occupancy of the property. It shall be
4 considered a default of the lease of the property to the new lessee
5 if such reimbursement is not made. Provided, no fees may be charged
6 to a lessee above those included in the originally accepted bid to
7 irrigate land used for agricultural purposes if the water is not
8 sourced from lands owned or managed by the Commissioners.

9 D. The Commissioners of the Land Office may refuse to accept
10 any bid or lease on a commercial, agricultural, or mineral lease
11 where the party is in default of any installment due or in violation
12 of any provisions contained in a prior or current lease contract.

13 ~~D.~~ E. The Commissioners of the Land Office may refuse to accept
14 any bid or lease contract where the interested party cannot show
15 adequate creditworthiness as determined by the Land Office.

16 F. The Commissioners of the Land Office shall promulgate rules
17 to implement the provisions of this section.

18 SECTION 2. This act shall become effective November 1, 2025.
19
20
21
22
23
24

1 Passed the Senate the 26th day of March, 2025.

2
3 _____
4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2025.

7
8 _____
9 Presiding Officer of the House
10 of Representatives