

1 ENGROSSED SENATE
2 BILL NO. 1020

By: Howard and Bullard of the
Senate

3 and

4 Caldwell (Trey) of the
5 House

6
7 An Act relating to the Office of the State Treasurer;
8 amending 61 O.S. 2021, Section 327, as amended by
9 Section 47, Chapter 238, O.S.L. 2022 (61 O.S. Supp.
10 2024, Section 327), which relates to procedures for
11 state agency transactions; allowing Office of the
12 State Treasurer to make certain property
13 acquisitions; amending 74 O.S. 2021, Section 63,
14 which relates to the Office of Management and
15 Enterprise Services; conforming language; providing
16 for codification; providing an effective date; and
17 declaring an emergency.

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

19 SECTION 1. AMENDATORY 61 O.S. 2021, Section 327, as
20 amended by Section 47, Chapter 238, O.S.L. 2022 (61 O.S. Supp. 2024,
21 Section 327), is amended to read as follows:

22 Section 327. A. Unless procedures for state agency real
23 property transactions are otherwise specifically provided for by
24 law, no state agency shall sell, lease, exchange, or otherwise
dispose of such real property subject to its jurisdiction, or lease,
purchase or otherwise acquire real property subject to its
jurisdiction, except as authorized by subsection L of this section

1 and as otherwise provided for in this section. As used in this
2 section, "state agency" means any department, board, commission,
3 institution, agency or entity of state government.

4 B. 1. Every state agency shall request the Office of
5 Management and Enterprise Services to dispose of real property upon:

- 6 a. legislative authorization,
- 7 b. authorization by the Long-Range Capital Planning
8 Commission, or
- 9 c. a determination, in writing, by the Office of
10 Management and Enterprise Services or the state agency
11 that a parcel of real property subject to its
12 jurisdiction is no longer needed.

13 2. Upon the request of the state agency to dispose of real
14 property, the Office of Management and Enterprise Services shall
15 estimate the value of the property, and:

- 16 a. for properties with an estimated value of greater than
17 Twenty-five Thousand Dollars (\$25,000.00), obtain at
18 least one complete appraisal made by a person
19 certified by the Real Estate Appraiser Board of the
20 Oklahoma Insurance Department, who shall ascertain:
 - 21 (1) the present fair value of the property,
 - 22 (2) the present value of the improvements on such
23 property, and

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1 (3) the actual condition of the improvements on the
2 property,

3 b. after completion of the provisions of subsection L of
4 this section, cause notice of such sale to be
5 published for at least one (1) day in a newspaper of
6 general statewide circulation authorized to publish
7 legal notices, and weekly for three (3) consecutive
8 weeks in a newspaper of general circulation published
9 in the county or counties in which the property is
10 located. The notice shall contain the legal
11 description of each parcel of real property to be
12 offered for sale, the appraised value thereof, the
13 time and location of the sale or opening of the bids,
14 and terms of the sale including the fact that no
15 parcel of property shall be sold for less than ninety
16 percent (90%) of the appraised value of the real
17 property; provided, in lieu of such procedure, the
18 information may be published electronically on the
19 Office of Management and Enterprise Services' website
20 if the notice of sale and instructions on accessing
21 the public information are published in a newspaper of
22 general circulation in the county or counties in which
23 the property is located weekly for three (3)
24 consecutive weeks,

- 1 c. offer the property through electronic auction, public
2 auction or sealed bids within three (3) weeks after
3 the last publication of the notice. The property
4 shall be sold to the highest bidder. The Office of
5 Management and Enterprise Services shall not accept a
6 bid of less than ninety percent (90%) of the average
7 appraised fair value of the property and the
8 improvements on such property,
- 9 d. if the property is being disposed of in compliance
10 with Section 908 of Title 62 of the Oklahoma Statutes,
11 the Office may auction the property at public or
12 electronic auction provided proper public notice is
13 given in compliance with this section and the property
14 has been approved for liquidation by the Long-Range
15 Capital Planning Commission. The Office of Management
16 and Enterprise Services is authorized to reject all
17 bids,
- 18 e. if the property has an estimated value of less than
19 Twenty-five Thousand Dollars (\$25,000.00), the Office
20 of Management and Enterprise Services may establish
21 the value through market comparison and may dispose of
22 the property based on estimated value without
23 obtaining a certified appraisal; provided, however,
- 24

1 the sale shall comply with all other requirements of
2 statute, and

3 f. if the property is landlocked, the Office of
4 Management and Enterprise Services may offer the
5 property through indirect sale to the adjacent
6 property owner for not less than ninety percent (90%)
7 of fair market value, as determined in compliance with
8 this section. All sales costs, including any required
9 surveys and appraisals, shall be at the expense of the
10 buyer.

11 3. The cost of the appraisal required by the provisions of this
12 section, together with other necessary expenses incurred pursuant to
13 this section, shall be paid by the state agency for which the real
14 property is to be sold from funds available to the state agency for
15 such expenditure. All monies received from the sale or disposal of
16 the property, except those monies necessary to pay the expenses
17 incurred pursuant to this section, shall be deposited in the
18 Maintenance of State Buildings Revolving Fund unless otherwise
19 provided by law.

20 4. The Office of Management and Enterprise Services may dismiss
21 from consideration any appraisal found to be incomplete or flawed.

22 C. Unless otherwise provided by law, the Office of Management
23 and Enterprise Services shall review and approve state agency real
24 property transactions. A state agency shall not lease or acquire

1 real property, or lease, dispose of or transfer state-owned real
2 property until the Office provides notice of transaction approval to
3 the state agency. Prior to approval, a state agency shall provide
4 documents to the Office and provide reference to statutory or other
5 legal authority of the state agency to lease or acquire real
6 property, or lease, dispose of or transfer state-owned real
7 property. If the state agency intends to lease or acquire real
8 property, the state agency shall state the intended use of the real
9 property, and shall provide the Office with required telework
10 documentation. Within thirty (30) days of receipt, the Office shall
11 provide notice of transaction approval or disapproval to the state
12 agency.

13 D. The provisions of this section shall not apply to the lease
14 of office space or real property subject to supervision of the
15 Commissioners of the Land Office or district boards of education.

16 E. 1. The Office of Management and Enterprise Services shall
17 maintain a comprehensive inventory of state-owned real property and
18 its use excluding property of the public schools and property
19 subject to the jurisdiction of the Commissioners of the Land Office.

20 2. Each state agency shall, within thirty (30) days of the
21 closing date for lands newly acquired, provide to the Office a list
22 of records, deeds, abstracts and other title instruments showing the
23 description of and relating to any and all such lands or interests
24 therein.

1 3. The provisions of paragraph 2 of this subsection shall apply
2 to all lands of public trusts having a state agency as the primary
3 beneficiary, but shall not apply to lands of municipalities,
4 counties, school districts, or agencies thereof, or Department of
5 Transportation rights-of-way.

6 4. A state agency that sells or otherwise disposes of land
7 shall notify the Office within thirty (30) days of the disposition
8 closing date.

9 F. This section shall not be construed to authorize any state
10 agency, not otherwise authorized by law, to sell, lease, or
11 otherwise dispose of any real property owned by the state.

12 G. The Office of Management and Enterprise Services and the
13 Secretary of the Commissioners of the Land Office, or designee, as
14 provided in subsection L of this section may provide services to
15 sell, transfer, trade or purchase real property for other state
16 agencies.

17 H. The Director of the Office of Management and Enterprise
18 Services shall, pursuant to the Administrative Procedures Act,
19 promulgate rules to effect procedures necessary to the fulfillment
20 of its responsibilities under this section.

21 I. The Oklahoma Ordnance Works Authority and its lands, and the
22 Northeast Oklahoma Public Facilities Authority, the Oklahoma
23 Historical Society, the Oklahoma Department of Transportation, the
24 Oklahoma Turnpike Authority and the Department of Wildlife managed

1 lands shall be exempt from the application of this section. The
2 Grand River Dam Authority and its lands shall be exempt from the
3 application of this section for any real property disposed of prior
4 to November 1, 2006. The Office of the State Treasurer shall be
5 exempt from the application of this section for the purchase of a
6 state depository facility.

7 J. Unless otherwise provided for by law, the procedures
8 established pursuant to this section for the sale or exchange of
9 real estate or personal property as authorized pursuant to Sections
10 2222 and 2223 of Title 74 of the Oklahoma Statutes shall be followed
11 unless the sale is to an entity of state government.

12 K. The Director of the Office of Management and Enterprise
13 Services shall contract with experts, professionals or consultants
14 as necessary to perform the duties of the Office. Selections shall
15 be made using the qualifications-based procedures established in
16 Section 62 of this title and the rules promulgated by the Director
17 for the selection of construction managers and design consultants.

18 L. 1. No state agency shall sell, lease, exchange, or
19 otherwise dispose of such real property subject to its jurisdiction,
20 or lease, purchase or otherwise acquire real property subject to its
21 jurisdiction, until such agency or the Office of Management and
22 Enterprise Services acting on the agency's behalf has presented to
23 the Secretary of the Commissioners of the Land Office, or designee,
24 all information collected pursuant to subparagraph a of paragraph 2

1 of subsection B of this section, and provided the Secretary of the
2 Commissioners of the Land Office or designee a twenty-calendar-day
3 period to provide a proposal for the acquisition or disposal of
4 applicable real property.

5 2. The Secretary of the Commissioners of the Land Office or
6 designee may decline to provide such a proposal; provided such
7 notice of decline is communicated to the Office of Management and
8 Enterprise Services in written or electronic form. Upon the
9 reception of such notice of decline by the Office of Management and
10 Enterprise Services, the twenty-calendar-day period otherwise
11 required by this subsection shall be deemed to have expired.

12 SECTION 2. AMENDATORY 74 O.S. 2021, Section 63, is
13 amended to read as follows:

14 Section 63. A. The Office of Management and Enterprise
15 Services shall have power to promulgate rules not inconsistent with
16 the laws of this state.

17 B. The Office of Management and Enterprise Services shall have
18 charge of the construction, repair, maintenance, insurance, and
19 operation of all buildings owned, used, or occupied by or on behalf
20 of the state including buildings owned by the Oklahoma Capitol
21 Improvement Authority where such services are carried out by
22 contract with the Authority, except as otherwise provided by law.
23 Whenever feasible, the Office of Management and Enterprise Services
24 may utilize the Construction Division of the Department of

1 Corrections for the construction and repair of buildings for the
2 Department of Corrections.

3 C. The Director of the Office of Management and Enterprise
4 Services shall have authority to purchase all material and perform
5 all other duties necessary in the construction, repair, and
6 maintenance of all buildings under its management or control, shall
7 make all necessary contracts by or on behalf of the state for any
8 buildings or rooms rented for the use of the state or any of the
9 officers thereof, and shall have charge of the arrangement and
10 allotment of space in such buildings among the different state
11 officers except as otherwise provided by law.

12 D. The Office of Management and Enterprise Services shall not
13 have any authority or responsibility for buildings, rooms or space
14 under the management or control of the University Hospitals
15 Authority.

16 E. The Office of Management and Enterprise Services shall have
17 the custody and control of all state property, and all other
18 property managed or used by the state, except military stores and
19 such property under the control of the State Banking Department and
20 the two houses of the State Legislature, shall procure all necessary
21 insurance thereon against loss and shall allot the use of the
22 property to the several offices of the state, and prescribe where
23 the property shall be kept for public use.

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1 F. The Office of Management and Enterprise Services shall keep
2 an accurate account of all property purchased for the state or any
3 of the departments or officers thereof, except that purchased for
4 and by the two houses of the State Legislature. The two houses
5 shall have the exclusive use, care, and custody of their respective
6 chambers, committee rooms, furniture, and property, and shall keep
7 their respective records of said furniture and property.

8 G. The Office of Management and Enterprise Services shall not
9 have any authority or responsibility for property purchased for or
10 under the management or control of the University Hospitals
11 Authority except as expressly provided by law.

12 H. The Office of Management and Enterprise Services shall not
13 have any authority or responsibility for property purchased for or
14 under the management or control of CompSource Oklahoma if CompSource
15 Oklahoma is operating pursuant to a pilot program authorized by
16 Sections 3316 and 3317 of this title.

17 I. The Office of Management and Enterprise Services shall not
18 have any authority or responsibility for purposes of purchasing and
19 operating a state depository under the Office of the State
20 Treasurer.

21 SECTION 3. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 374 of Title 74, unless there is
23 created a duplication in numbering, reads as follows:

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1 The Office of the State Treasurer may purchase, acquire, lease,
2 and otherwise manage the properties of the Office, and shall not be
3 subject to the provisions of Section 327 of Title 61 of the Oklahoma
4 Statutes for the purposes of purchasing or acquiring such property.

5 SECTION 4. This act shall become effective July 1, 2025.

6 SECTION 5. It being immediately necessary for the preservation
7 of the public peace, health or safety, an emergency is hereby
8 declared to exist, by reason whereof this act shall take effect and
9 be in full force from and after its passage and approval.

10 Passed the Senate the 24th day of March, 2025.

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12 _____
13 Presiding Officer of the Senate

14 Passed the House of Representatives the ____ day of _____,
15 2025.

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17 _____
18 Presiding Officer of the House
19 of Representatives