

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. 1103

By: Gann and Lepak

7
8 COMMITTEE SUBSTITUTE

9 An Act relating to the Department of Transportation;
10 amending 69 O.S. 2021, Section 1001, which relates to
11 the disposition of surplus property; directing
12 certain notice to be available online; removing
13 certain conditions on value of property; increasing
14 time period for certain response; modifying
15 procedures for sale of certain property; updating
16 statutory language; and providing an effective date.

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

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

20 Section 1001. A. The Transportation Commission shall have
21 authority to sell any lands, or interest therein, which may have
22 been acquired for highway purposes, or facilities necessary and
23 incident thereto, and any equipment, materials, or supplies which in
24 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

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

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

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

1 D. 1. If the land originally comprised a partial taking,
2 leaving an abutting remainder, then prior to conducting such
3 advertisement and solicitation of bids for the sale of any lands or
4 interests therein, the Commission shall notify the person, firm, or
5 corporation which originally conveyed the property to the Commission
6 or present successor to the original remainder that same 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 for an
13 amount not greater than the amount for which the property was
14 originally obtained by the Commission ~~for a period of five (5) years~~
15 ~~from the original taking. Following the five-year period, the sale~~
16 ~~of such property may be offered at fair market value. The amount of~~
17 ~~the Commission's requested purchase price based on such appraisal~~
18 ~~shall be stated in the notice, and the~~ and having had no federal
19 funds used in the purchase of the property. The person, firm, or
20 corporation receiving such notice and offer shall be informed
21 therein that unless such person, firm, or corporation notifies the
22 Commission in writing within ~~thirty (30)~~ ninety (90) days from the
23 date of receipt of the notice that the Commission's offer of sale is
24 accepted by such person, firm, or corporation, the Commission shall

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

13 2. If the land to be disposed of originally comprised a total
14 taking, leaving no abutting remainder, ~~then such shall be sold to~~
15 ~~the highest bidder, or as otherwise herein provided except that~~
16 then, prior to conducting such advertisement and solicitation of
17 bids for the sale of lands or interests therein, the Commission
18 shall notify the person, firm, or corporation which originally
19 conveyed the property to the Commission or present successor. The
20 notice shall be sent by registered mail addressed to the last-known
21 address of such person, firm, or corporation, with return receipt
22 requested. Such notice shall also be made available on the website
23 of the Department of Transportation. The notice shall contain an
24 offer to sell such property to such person, firm, or corporation

1 subject to the same conditions as set forth in paragraph 1 of this
2 subsection. If such person, firm, or corporation has not notified
3 the Commission in writing of the acceptance of the Commission's
4 offer of sale, and if the land to be disposed of originally
5 comprised a total taking of less than three (3) acres, leaving only
6 one abutting property owner of record, then prior to conducting such
7 advertisement and solicitation of bids for the sale of any such
8 lands or interest therein, the Commission shall notify the sole
9 abutting property owner of record to the taking that such has been
10 declared surplus and is to be offered for sale. Such notice shall
11 be sent by registered mail addressed to the last-known address of
12 such person, firm, or corporation, with return receipt requested.
13 Such notice shall also be made available on the website of the
14 Department of Transportation. Such notice shall contain an offer to
15 sell such property to such person, firm, or corporation subject to
16 the same conditions as set forth in paragraph 1 of this subsection.

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

21 E. The Commission may, in its discretion, exchange any such
22 lands for other lands needed for highway purposes, or may lease or
23 rent any lands which are owned by the Department, and are not
24

1 immediately necessary for highway purposes, on such terms as the
2 Commission determines for the best interests of the state.

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

4 1. Owned by the Transportation Commission; and

5 2. Deemed surplus for ten (10) years or more,

6 the Commission shall submit a waiver request to the Federal Highway
7 Administration of the United States Department of Transportation
8 seeking exception from any federal regulation preventing the sale of
9 such land for less than fair market value.

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

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

17 2. The age of the equipment or vehicle including, but not
18 limited to, mileage;

19 3. Whether the equipment or vehicle is in good working
20 condition or not;

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

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

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

1 The Office of Management and Enterprise Services, with any other
2 notice of surplus property, shall notify the eligible individuals or
3 entities as provided in subsection H of this section of the
4 availability of the surplus property of the Department of
5 Transportation.

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

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

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

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

24

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

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

1 SECTION 2. This act shall become effective November 1, 2025.

2
3 COMMITTEE REPORT BY: COMMITTEE ON GOVERNMENT OVERSIGHT, dated
4 02/17/2025 - DO PASS, As Amended.
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24