

1 **SENATE FLOOR VERSION**

2 February 17, 2025

3 SENATE BILL NO. 836

By: Rader of the Senate

4 and

5 Tedford of the House

6
7
8 An Act relating to right-of-way; amending 69 O.S.
9 2021, Section 1203, which relates to acquisition of
10 lands or interests by purchase, donation, or
11 condemnation; creating certain time limit for certain
12 liability; updating statutory language; providing an
13 effective date; and declaring an emergency.

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

15 SECTION 1. AMENDATORY 69 O.S. 2021, Section 1203, is
16 amended to read as follows:

17 Section 1203. ~~(a)~~ A. The Department shall have authority to
18 acquire in fee simple in the name of the State of Oklahoma, by
19 purchase, donation or condemnation, lands or such interests therein
20 as in its discretion may be necessary for the purpose of
21 establishing, constructing, and maintaining state highways or
22 relocations thereof, and facilities necessary or incident thereto,
23 including borrow areas, channel changes, and deposits of rock,
24 gravel, sand and other road building material for use in highway
construction and maintenance. Such acquisition may be for immediate

1 or future use. The Department may acquire reasonable amounts of
2 land adjacent to its normal right-of-way for the purpose of
3 screening unsightly areas adjacent to highways, landscaping safety,
4 rest areas, and scenic overlook areas.

5 ~~(b)~~ B. In determining the amount of land required, or width of
6 right-of-way necessary for such state highways, the Department shall
7 take into consideration the present and probable future needs in
8 connection with maintaining and reconstructing the highways, and the
9 prevention of traffic congestion and hazards.

10 ~~(c)~~ C. Except in instances where there are nonresident owners,
11 unknown heirs, imperfect titles, and owners whose whereabouts cannot
12 be ascertained with reasonable diligence, the Department shall give
13 the owner an opportunity to sell the necessary lands or interests
14 therein to the State of Oklahoma before resort to condemnation may
15 be had. The Department may condemn such lands or interests therein
16 in the following manner:

17 The district judge of the county in which the real property may
18 be situated, upon petition of either party, and after ten (10) days'
19 notice to the opposite party, either by personal service or by
20 leaving a copy thereof at his usual place of residence with some
21 member of his family over fifteen (15) years of age, or, in the case
22 of nonresidents, unknown heirs or other persons whose whereabouts
23 cannot be ascertained, by publication in two issues of a newspaper
24 in general circulation in the county (the ten-day period to begin

1 with the first publication), shall direct the sheriff of the county
2 to summon three disinterested freeholders, to be selected by the
3 judge as commissioners, and who shall not be interested in a like
4 question. The commissioners shall be sworn to perform their duties
5 impartially and justly; and they shall inspect the real property and
6 consider the injury which the owner may sustain by reason of the
7 condemnation, and they shall assess the just compensation to which
8 the owner is entitled; and they shall forthwith make a report in
9 writing to the clerk of the court, setting forth the quantity,
10 boundaries and just compensation for the property taken, and amount
11 of injury done to the property, either directly or indirectly, which
12 they assess to the owner, which report must be filed and recorded by
13 the clerk. A certified copy of the report may be transmitted to the
14 county clerk of the county where the land lies, to be filed and
15 recorded by the county clerk (without further acknowledgment or
16 proof) in the same manner and with like force and effect as is
17 provided for the recording of deeds. The procedure for service by
18 publication as authorized herein shall be the same as provided by
19 law for service by publication in civil actions, except summons need
20 not be issued and served, and except as otherwise provided herein.

21 ~~(d)~~ D. Immediately upon payment to the clerk of the court for
22 the use of the owner the sum so assessed and reported to the court
23 clerk as aforesaid, the Department shall thereby be authorized to
24 enter upon the condemned premises, and remove and dispose of any

1 obstructions thereon, by sale or otherwise. If the landowner shall
2 refuse to deliver up possession to the Department, the court shall
3 issue an order to the sheriff of the county to place the Department
4 in possession thereof.

5 ~~(e)~~ E. ~~(1)~~ 1. The report of commissioners may be reviewed by
6 the district court, on written exceptions filed by either party in
7 the clerk's office within thirty (30) days after the filing of such
8 report, and the court, after hearing had, shall make such order
9 therein as right and justice may require, either by confirmation,
10 rejection or by ordering a new appraisement on good cause shown.
11 Provided, that in the event a new appraisement is ordered, the
12 Department shall have the continuing right of possession obtained
13 under the first appraisal, unless and until its right to condemn has
14 finally been determined otherwise; or either party may within sixty
15 (60) days after the filing of such report file with the clerk a
16 written demand for a trial by jury, in which case the amount of
17 damages shall be assessed by a jury, and the trial shall be
18 conducted and judgment entered in the same manner as civil actions
19 in the district court. If the party demanding such trial does not
20 recover a verdict more favorable to the party than the assessment of
21 the commissioners, all costs in the district court shall be taxed
22 against the party. No owner upon whom proper service by publication
23 has been had, as provided in this title, shall be let in to defend
24 after expiration of time for appeal or review of the report of

1 commissioners as above provided has elapsed. Provided, that if,
2 after the filing of exceptions to the report of commissioners as
3 hereinafter provided, the Department shall fail to establish its
4 right to condemn such premises, or any part thereof, the landowner
5 shall be restored to possession of the premises, or part thereof,
6 and the Department shall pay for any damages sustained through the
7 occupation by the Department, and if such damages cannot be
8 determined by amicable settlement they shall be determined by jury
9 trial in the same proceedings.

10 ~~(2)~~ 2. Within ten (10) days after the Report of Commissioners
11 is filed, the court clerk shall forward to the attorney of record
12 for the condemnor, the attorney of record for each condemnee, and to
13 all unrepresented condemnees, a copy of the commissioners' report
14 and a notice, stating the time limits for filing an exception or
15 demand for jury trial as specified in paragraph (A) of Section 55 of
16 Title 66 of the Oklahoma Statutes. The attorney of record for the
17 condemnor shall provide the clerk of the court with the names and
18 last-known addresses of the parties to whom notice and the report of
19 the commissioners shall be mailed, sufficient copies of the notice
20 and report to be mailed, and pre-addressed, postage-paid envelopes.
21 This notice shall be on a form prepared by the Court Administrator,
22 which shall be approved by the Supreme Court, and shall be
23 distributed to all clerks of the district court by the Court
24 Administrator. If a party has been served by publication, the clerk

1 shall forward a copy of the report of commissioners and notice of
2 time limits for filing an exception or demand for jury trial to the
3 last-known mailing address, if any, and shall cause a copy of the
4 notice of time limits to be published in one issue of a newspaper
5 qualified to publish legal notices, as defined in Section 106 of
6 Title 25 of the Oklahoma Statutes. After issuing the notices
7 provided herein the court clerk shall endorse on the notice form
8 filed in the case the date and that a copy of the report together
9 with the notice form filed in the case was forwarded to each
10 condemnee and each attorney of record, or the date the notice was
11 published in compliance with the provisions hereof.

12 ~~(3)~~ 3. The time limits for filing an exception and demand for
13 jury trial, as prescribed in paragraph (A) of Section 55 of Title 66
14 of the Oklahoma Statutes, shall be calculated from the date the
15 report of the commissioners is filed in the case. On failure of the
16 court clerk to give notice within the time prescribed in paragraph
17 (B) of Section 55 of Title 66 of the Oklahoma Statutes, the court,
18 on application of any party, may extend the time for filing an
19 exception to the report, or a demand for trial by jury for a period
20 not to exceed twenty (20) days from the date the application is
21 heard.

22 ~~(f)~~ F. Either party aggrieved may appeal to the Supreme Court
23 from the decision of the district court on exceptions to the report
24 of commissioners, or jury trial; but such review or appeal shall not

1 delay the prosecution of the work on such highway over the premises
2 in question if the award of commissioners, or jury, as the case may
3 be, has been deposited with the clerk for such owner, and in no case
4 shall the Department be liable for the costs on such review or
5 appeal unless the owner of the real property shall be adjudged
6 entitled, upon either review or appeal, to a greater amount of
7 damages than was awarded by the commissioners. The Department shall
8 in all cases pay the cost of the commissioners' fees and expenses,
9 for their services, as determined and ordered paid by the judge of
10 the district court in which such case is pending, however, poundage
11 fees and condemnation fees shall only be paid by the Department in
12 the event of appeal resulting in a jury verdict in excess of the
13 commissioners' award, but under no circumstances shall any poundage
14 fees or condemnation fees be assessed against the recipient of the
15 award. And in case of review or appeal, a certified copy of the
16 final order or judgment shall be transmitted by the clerk of the
17 court, duly certified, to the proper county clerk, to be filed and
18 recorded as hereinabove provided for the recording of the report,
19 and with like effect.

20 ~~(g)~~ G. When an estate is being probated, or a minor or
21 incompetent person has a legal guardian, the administrator or
22 executor of the estate, or guardian of the minor or incompetent
23 person, shall have the authority to execute all instruments of
24 conveyance provided for in this title on behalf of the estate, minor

1 or incompetent person without other proceedings than approval by the
2 judge of the district court endorsed on the instrument of
3 conveyance.

4 ~~(h)~~ H. "Just compensation", as used in this section, shall mean
5 the value of the property taken, and in addition, any injury to any
6 part of the property not taken. Any special and direct benefits to
7 the part of the property not taken may be offset only against any
8 injury to the property not taken. If only a part of a tract is
9 taken, just compensation shall be ascertained by determining the
10 difference between the fair market value of the whole tract
11 immediately before the taking and the fair market value of that
12 portion left remaining immediately after the taking.

13 ~~(i)~~ I. 1. In the event that the determination of just
14 compensation of a property is less than the commissioners' award for
15 such real property, any mortgagee or lien holder who received
16 payment from the commissioners' award in an amount in excess of the
17 finding of just compensation value of the real property taken will
18 only be liable for and required to pay back to the condemnor no more
19 than the difference between what was actually received by the
20 mortgagee or lien holder from the commissioners' award and the
21 jury's just compensation value.

22 2. In all respects a mortgagee or lien holder will only be
23 liable to return to the condemnor any sums actually paid to and
24 received by such party in excess of the determination of just

1 compensation for the real property. The mortgagor would be and
2 remain liable to the mortgagee or lien holder for the excess that is
3 paid by the mortgagee or lienholder to the condemning authority.

4 3. The mortgagee or lien holder shall only be liable for and
5 required to pay back to the condemnor the monies required in
6 paragraph 1 of this subsection if such determination of just
7 compensation is made within one (1) year of the mortgagee or lien
8 holder receiving payment from the commissioners' award.

9 SECTION 2. This act shall become effective July 1, 2025.

10 SECTION 3. It being immediately necessary for the preservation
11 of the public peace, health or safety, an emergency is hereby
12 declared to exist, by reason whereof this act shall take effect and
13 be in full force from and after its passage and approval.

14 COMMITTEE REPORT BY: COMMITTEE ON AERONAUTICS AND TRANSPORTATION
15 February 17, 2025 - DO PASS
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