

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

SENATE BILL 1476

By: Rader

AS INTRODUCED

An Act relating to Commissioners of the Land Office; amending 64 O.S. 2021, Sections 1002, 1002A, 1003, 1004, 1006, 1007, 1010, 1011, 1013, as amended by Section 40, Chapter 228, O.S.L. 2022, 1022, 1023, as amended by Section 1, Chapter 360, O.S.L. 2025, 1034, 1047, 1052, 1053, 1055, 1056, 1063, 1069, 1071, 1086, 1089, and 1, Chapter 429, O.S.L. 2024 (64 O.S. Supp. 2025, Sections 1013, 1023, and 1096), which relate to the Commissioners of the Land Office Modernization Act; modifying the powers and authority of the Commissioners; allowing, rather than requiring, the Commissioners to exchange land for certain properties; authorizing, rather than requiring, the Commissioners to request certain easement via petition; replacing reference to realtors with reference to real estate licensees; authorizing licensees to be used for certain purpose; directing the Lieutenant Governor to serve as vice chair in the absence of certain election; modifying authority of Secretary of the Land Office; directing the Commissioners to maintain certain licenses for certain employees; removing language creating a cash drawer change fund; allowing the permanent school fund to be invested in certain investments; removing language providing for calculation of investments in real property; allowing the Commissioners to retain external real estate property managers; modifying method for choosing investment managers and investment property managers; allowing investment real estate property managers full discretion on certain leasing and operations; directing execution of certain leases upon approval of the Secretary of the Land Office; exempting certain leases from term limitations; defining term; removing references to the Cash Management and Investment Oversight

Commission; requiring electronic submission of certain report; prohibiting the Commissioners from taking any action to impede certain development; exempting certain investment real estate from certain term limitations; directing investment real estate leases to provide for certain value; prohibiting an abstention from being considered in certain vote; requiring the Commissioners to advertise certain sale of lands and improvements; modifying frequency of publication of sale; allowing certain designee to provide certain information; clarifying requirement to appraise certain improvements; allowing certain public auction to be held via live bidding or a combination of live and online bidding; allowing the Commissioners to issue certain patent to certain purchaser; directing patent or deed to contain certain provisions; clarifying the authority of the Commissioners over certain leasing; allowing oil and gas leases to be encumbered; modifying source of funds for the Multiyear Education Distribution Stabilization Revolving Fund; allowing the Commissioners to convey certain execution ability to the Secretary of the Land Office; providing for approval of exchange of state-owned lands; clarifying application of certain contracting requirement; making language gender neutral; updating statutory reference; updating statutory language; repealing 64 O.S. 2021, Sections 1014, 1021, 1030, 1050, 1054, and 1061, which relate to the Commissioners of the Land Office Modernization Act; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 64 O.S. 2021, Section 1002, is amended to read as follows:

Section 1002. In order that the state school lands may be administered in a manner to assure their preservation as well as the appreciation of the trust estate and the maximum return from the use

1 of state school lands for the support and maintenance of the common  
2 schools of the state, the Commissioners of the Land Office, as  
3 trustees of the state school lands, are hereby authorized and  
4 empowered to:

5 1. Categorize the state school lands as agricultural ~~or~~,  
6 commercial, or investment according to the use which the  
7 Commissioners of the Land Office determine from time to time to be  
8 most beneficial to the interest of the present and future  
9 beneficiaries of ~~the~~ this state;

10 2. Sell, at public auction after appraisement, the surface  
11 interest in any state school land categorized by the Commissioners  
12 of the Land Office to be excess or when determined to be in the best  
13 interest of the trust;

14 3. Institute projects to develop and improve those state school  
15 lands which are categorized as commercial or investment lands;

16 4. Acquire by exchange, purchase, gift, or grant all real  
17 property and to acquire by exchange, purchase, gift, or grant all  
18 personal property including donations and funds necessary for the  
19 purpose of utilizing trust lands for the development of commercial  
20 ~~and~~, agricultural, investment, oil and gas, or other leases or  
21 Commissioners of the Land Office operations to maximize trust income  
22 for present and future beneficiaries; ~~and~~

23 5. Exchange any real property of the trust for other real  
24 property of equal or greater value to maximize income for present  
25

1 and future beneficiaries, in accordance with and under the safeguard  
2 of trust requirements; and

3 6. Purchase, own, and operate motor vehicles necessary for use  
4 in their operations and purchase insurance on such motor vehicles in  
5 accordance with statutory provisions and subject to the approval of  
6 the Risk Management Administrator as provided for in Section 85.58A  
7 of Title 74 of the Oklahoma Statutes.

8 SECTION 2. AMENDATORY 64 O.S. 2021, Section 1002A, is  
9 amended to read as follows:

10 Section 1002A. The Commissioners of the Land Office ~~shall~~ may,  
11 in compliance with Oklahoma law and all of the duties as trustees,  
12 use their best efforts to exchange undeveloped land owned by the  
13 Commissioners of the Land Office for privately held investment or  
14 commercial properties and. Before approving such exchange, the  
15 Commissioners of the Land Office shall consider the impact on  
16 affected taxing districts prior to the exchange or purchase of  
17 investment or commercial properties.

18 SECTION 3. AMENDATORY 64 O.S. 2021, Section 1003, is  
19 amended to read as follows:

20 Section 1003. A. The Commissioners of the Land Office may  
21 grant easements to entities with power of eminent domain pursuant to  
22 the policies of Section 13 of Title 27 of the Oklahoma Statutes.

23 B. The Commissioners shall, upon written application, grant  
24 easements to:

1 1. Nonprofit rural water districts organized pursuant to  
2 Section 863 of Title 18 of the Oklahoma Statutes;

3 2. Rural water districts organized pursuant to the Rural Water,  
4 Sewer, Gas and Solid Waste Management Districts Act; or

5 3. Rural electric cooperatives organized pursuant to Section  
6 437 et seq. of Title 18 of the Oklahoma Statutes, for the purpose of  
7 laying a water or power line upon the property.

8 C. Prior to the granting of such easement, ~~an appraisal shall~~  
9 ~~be conducted to~~ the Commissioners of the Land Office shall determine  
10 the fair market value of the easement. ~~The~~ If the district or  
11 cooperative requesting the easement ~~shall~~ disagrees with such value,  
12 it may petition the ~~District Court~~ district court in the county in  
13 which the easement is located to determine the fair market value of  
14 the easement. The court shall appoint three disinterested persons  
15 who are residents of that county who shall first take an oath to  
16 fairly and impartially appraise the value of the easement. The  
17 appraisers shall meet and determine the fair market value of the  
18 easement, in writing, and return the same under their signatures to  
19 the court. ~~Said~~ The appraisal shall show the fair market value of  
20 the easement. ~~Appraiser's~~ Appraiser fees shall be set by the court  
21 and charged to the requesting district or cooperative as costs. The  
22 district or cooperative shall enclose a certified copy of the  
23 appraisal and payment in the amount of the appraised value with its  
24 written request for easement to the Commissioners of the Land

1 Office. Except for the amount received for the granting of an  
2 easement, no additional fees or other charges shall be assessed by  
3 the Commissioners of the Land Office for the granting of such  
4 easement.

5 D. The granting of easements pursuant to this section shall be  
6 timely and shall not exceed sixty (60) days from date that the  
7 appraisal is submitted to the district court.

8 E. Easements shall run concurrently with the life of the  
9 facilities installed.

10 SECTION 4. AMENDATORY 64 O.S. 2021, Section 1004, is  
11 amended to read as follows:

12 Section 1004. The Commissioners of the Land Office may retain  
13 ~~realtors~~ real estate licensees for the purpose of securing tenants  
14 in the ~~commercial~~ leasing of investment and commercial trust  
15 property and for the purpose of assisting with the sale of  
16 investment and commercial trust property. ~~Realtors~~ Real estate  
17 licensees shall be chosen by a solicitation of proposals on a  
18 competitive bid basis pursuant to standards set by the  
19 Commissioners. The process of selecting ~~realtors~~ real estate  
20 licensees shall be exempt from the Oklahoma Central Purchasing Act.  
21 The ~~Commission~~ Commissioners may pay ~~realtors~~ real estate licensees  
22 retained to secure tenants for trust property or assist with the  
23 sale of trust property on a commission basis.

SECTION 5. AMENDATORY 64 O.S. 2021, Section 1006, is amended to read as follows:

Section 1006. The Governor ~~of the State of Oklahoma~~ shall be designated as ~~chairman~~ chair ex officio of the Commissioners of the Land Office. The Commissioners ~~shall~~ may elect from their body a ~~vice-chairman~~ vice chair whose duty it shall be to act as ~~chairman~~ chair in the absence of the ~~chairman~~ chair or in case of the failure, neglect, or refusal of the ~~chairman~~ chair to act. In the absence of such an election, the Lieutenant Governor of this state shall serve as the vice chair.

The Secretary of the Land Office shall select for employment all employees as may be deemed necessary and appropriate to properly operate the Land Office, except the General Counsel for the ~~Land Commission~~ Commissioners of the Land Office who shall be selected by a majority of the ~~Commission~~ Commissioners.

The Commissioners, by a majority vote, may remove the Secretary of the Land Office and the General Counsel of the Land Office. The Secretary may discharge and remove any employee of the Land Office.

SECTION 6. AMENDATORY 64 O.S. 2021, Section 1007, is amended to read as follows:

Section 1007. ~~The head of each division in the Department of the Commissioners of the Land Office shall be under the immediate supervision and command, in the administration of their divisions, of~~ Subject to the requirements of the Commissioners of the Land

1 Office Modernization Act, the Secretary of the Land Office shall  
2 have the authority and discretion to organize and maintain the  
3 organizational structure of the Land Office.

4 SECTION 7. AMENDATORY 64 O.S. 2021, Section 1010, is  
5 amended to read as follows:

6 Section 1010. The Commissioners of the Land Office shall be  
7 responsible for and pay the fee for ~~obtaining~~ maintaining a real  
8 estate ~~appraiser~~ license including, but not limited to, real estate  
9 licensee, broker, and appraiser licenses for any Land Office  
10 employee who is required to ~~obtain~~ maintain such license to perform  
11 job duties.

12 SECTION 8. AMENDATORY 64 O.S. 2021, Section 1011, is  
13 amended to read as follows:

14 Section 1011. ~~A.~~ There is hereby created a revolving fund for  
15 the Commissioners of the Land Office to be designated the  
16 "Commissioners of the Land Office Revolving Fund". The fund shall  
17 be a continuing fund not subject to fiscal year limitations and into  
18 which shall be paid all fees that may be collected by the  
19 Commissioners of the Land Office, transfers from other revolving  
20 funds of the Commissioners of the Land Office, and any monies  
21 designated for transfer into the fund. In addition, available  
22 monies received within an annual period may be added to the fund  
23 upon designation by the Secretary of the Land Office~~;~~ ; in such case  
24 the funds are hereby appropriated and may be budgeted and expended

1 by the Commissioners of the Land Office within the annual period in  
2 which received or thereafter in the performance of the  
3 constitutional and statutory trust duties of the Commissioners of  
4 the Land Office. Monies from the fund may be used to pay for all  
5 books, forms, and other necessary equipment and supplies for the  
6 installation and maintenance of a modern system of accounting,  
7 necessary printing expenses, abstracts, refunds, expenses incidental  
8 to the operation of the Land Office, necessary communication and  
9 traveling expenses incurred by the employees of the Land Office,  
10 attorney fees and litigation expenses, collection costs and  
11 expenses, distributions, and conservation and commercial property  
12 upgrades. The Commissioners of the Land Office may also use monies  
13 in the revolving fund for any expenses of the Land Office related to  
14 ~~personal~~ personnel services, operating expenses, the purchase of  
15 equipment, and for the performance of all duties necessary and as  
16 may be prescribed to carry out the function of the Land Office. All  
17 funds accruing to the fund are hereby appropriated. Monies in the  
18 fund may be invested by the State Treasurer in the manner prescribed  
19 in Section 89.1a et seq. of Title 62 of the Oklahoma Statutes.  
20 Interest income derived from the investment of monies in the fund  
21 shall be credited to and placed in the fund.

22 ~~B. There is hereby created a cash drawer change fund for the~~  
23 ~~Commissioners of the Land Office. The fund shall be used as cash~~  
24 ~~for the Land Office to make change for customers and for the payment~~  
25

~~of emergency purchases and bills. The amount held in the fund shall not exceed One Thousand Dollars (\$1,000.00). The initial amount in the fund shall be drawn by warrant from the revolving fund created pursuant to subsection A of this section. All adjustments to the amount retained in the fund shall be by withdrawal and deposit in the revolving fund established pursuant to subsection A of this section upon the filing of a claim with proper receipts showing the disbursement therefrom. Officers, employees or agents of the Land Office shall be prohibited from receiving change from the fund.~~

SECTION 9. AMENDATORY 64 O.S. 2021, Section 1013, as amended by Section 40, Chapter 228, O.S.L. 2022 (64 O.S. Supp. 2025, Section 1013), is amended to read as follows:

Section 1013. A. The Commissioners of the Land Office shall be responsible for the investment of the permanent school funds, other educational funds, and public building funds solely in the best interests of the current and future beneficiaries. The Commissioners of the Land Office shall make investments:

1. For the exclusive purpose of:

- a. providing maximum benefits to current and future beneficiaries, and
- b. defraying reasonable expenses of administering the trust funds;

1        2. With the care, skill, prudence, and diligence under the  
2 circumstances then prevailing that a prudent person acting in a like  
3 enterprise of a like character and with like aims would use; and

4        3. By diversifying the investments of the trust funds so as to  
5 minimize the risk of large losses.

6        B. The permanent school fund and other educational funds may  
7 only be invested in bonds issued in the United States, United States  
8 dollar denominated or other investments settled in United States  
9 dollars or traded on the United States exchange markets, investments  
10 subject to the Invest in Oklahoma Act, private equity or private  
11 credit investments, and real property to be owned or acquired by the  
12 Commissioners of the Land Office. The Commissioners of the Land  
13 Office shall not invest more than sixty percent (60%) of the trust  
14 fund investments in equity securities. The Commissioners of the  
15 Land Office are further authorized to acquire, purchase, exchange,  
16 and grant any real property under ~~its~~ their jurisdiction as is  
17 necessary to carry out the investment in the real property, which  
18 shall be classified specifically as investment property. The  
19 Commissioners of the Land Office shall not invest more than five  
20 percent (5%) of the total value of the assets of the permanent  
21 school funds in connection with real property classified as  
22 investments in real property. ~~The calculation of investments in~~  
23 ~~real property within the five percent (5%) cap shall not include the~~  
24 ~~value of real property under long term lease to the State of~~

1 ~~Oklahoma, agencies of the state or subdivisions thereof.~~ In no case  
2 shall the Commissioners of the Land Office bid against private-  
3 sector bidders above the appraised value of any property to be  
4 acquired.

5 C. The Commissioners shall establish an investment committee.  
6 The investment committee shall be composed of not ~~more~~ fewer than  
7 three members of the Commissioners of the Land Office or their  
8 designees. The committee shall make recommendations to the  
9 Commissioners of the Land Office on all matters related to the  
10 choice of managers of the assets of the funds, on the establishment  
11 of investment and fund management guidelines, and in planning future  
12 investment policy. The committee shall have no authority to act on  
13 behalf of the Commissioners of the Land Office in any circumstances  
14 whatsoever. No ~~recommendations~~ recommendation of the committee  
15 shall have effect as an action of the Commissioners of the Land  
16 Office or take effect without the approval of the Commissioners as  
17 provided by law. The Commissioners shall promulgate and adopt on an  
18 annual basis an investment plan. The investment plan shall state  
19 the criteria for selecting investment managers, the allocation of  
20 assets among investment managers, and established standards of  
21 investment and fund management.

22 D. The Commissioners shall retain qualified investment managers  
23 to provide for investment of the fund monies and may retain external  
24 real estate property managers for the management of investment real

1 property pursuant to the investment plan. Investment managers and  
2 investment property managers shall be chosen ~~by a solicitation of~~  
3 ~~proposals on a competitive bid basis~~ pursuant to standards set by  
4 the Commissioners in compliance with Section 85.7 of Title 74 of the  
5 Oklahoma Statutes. Subject to the investment plan, each investment  
6 manager shall have full discretion in the management of the funds ~~or~~  
7 ~~investment real property~~ allocated to ~~the investment managers~~ each  
8 manager. The funds allocated to investment managers shall be  
9 actively managed by them, which may include selling investments and  
10 realizing losses if the action is considered advantageous to longer  
11 term return maximization. Because of the total return objective, no  
12 distinction shall be made for management and performance evaluation  
13 purposes between realized and unrealized capital gains and losses.  
14 Subject to the investment plan, investment real estate property  
15 managers shall have full discretion on leasing and operations of the  
16 investment real estate under their management subject to budget  
17 restrictions placed by the Commissioners of the Land Office.  
18 Further, all leases pertaining to the investment real estate shall  
19 be executed by the Commissioners of the Land Office upon approval by  
20 the Secretary of the Land Office. Leases on investments shall be  
21 exempt from term limitations for commercial property held by the  
22 Commissioners of the Land Office as long as the investments are  
23 managed by external investment real estate property managers and the  
24 lease terms are consistent with the market. For the purposes of

1 this section, "investment real estate" means properties purchased as  
2 investments and managed as part of the investment plan.

3 E. The Commissioners shall take any measures they deem  
4 appropriate to safeguard custody of securities and other assets of  
5 the trusts.

6 F. By September 1 of each year, the Commissioners shall develop  
7 a written investment plan for the trust funds.

8 G. The Commissioners shall compile a quarterly financial report  
9 showing the performance of all the combined funds under their  
10 control on a fiscal year basis. The report shall contain a list of  
11 all investments made by the Commissioners and a list of any  
12 commissions, fees, or payments made for services regarding the  
13 investments for that reporting period. The report shall be based on  
14 market values and shall be compiled pursuant to uniform reporting  
15 standards prescribed by the Oklahoma State Pension Commission for  
16 all state retirement systems. The report shall be electronically  
17 distributed to the Oklahoma State Pension Commission, ~~the Cash~~  
18 ~~Management and Investment Oversight Commission,~~ and the Legislative  
19 Service Bureau.

20 H. Before January 1 of each year, the Commissioners shall  
21 publish an annual report of all ~~Trust~~ trust operations, presented in  
22 a simple and easily understood manner to the extent possible. The  
23 report shall be submitted electronically to the Governor, the  
24 Speaker of the House of Representatives, the President Pro Tempore

1 of the Senate, the State Department of Education, and each higher  
2 education beneficiary. The annual report shall cover the operation  
3 of the ~~Trusts~~ trusts during the past fiscal year including income,  
4 disbursements, and the financial condition of the ~~Trusts~~ trusts at  
5 the end of each fiscal year on a cash basis. The annual report  
6 shall also contain a summary of the assets of each trust and current  
7 market value as of the report date.

8 I. ~~The Cash Management and Investment Oversight Commission~~  
9 Invest in Oklahoma Board shall review reports prepared by the  
10 Commissioners of the Land Office ~~pursuant to this subsection~~  
11 pertaining to their investments made in the Invest in Oklahoma  
12 program and shall make recommendations regarding the investment  
13 strategies and practices, the development of internal auditing  
14 procedures and practices, and any other matters as determined  
15 necessary and applicable.

16 J. The Commissioners of the Land Office shall select one or  
17 more custodial banks to settle transactions involving the investment  
18 of the funds under the control of the Commissioners of the Land  
19 Office. The Commissioners of the Land Office shall review the  
20 performance of each custodial bank at least once every year. The  
21 Commissioners of the Land Office shall require a written competitive  
22 bid every ten (10) years. The custodial bank shall have a minimum  
23 of Five Hundred Million Dollars (\$500,000,000.00) in assets to be  
24 eligible for selection. Any out-of-state custodial bank shall have

1 a service agent in the State of Oklahoma so that service of summons  
2 or legal notice may be had on the designated agent, and the bank  
3 shall submit to the jurisdiction of Oklahoma state courts for  
4 resolution of any and all disputes. In order to be eligible for  
5 selection, the custodial bank shall allow electronic access to all  
6 transaction and portfolio reports maintained by the custodial bank  
7 involving the investment of state funds under control of the  
8 Commissioners of the Land Office ~~and to the Cash Management and~~  
9 ~~Investment Oversight Commission.~~ The requirement for electronic  
10 access shall be incorporated into any contract between the  
11 Commissioners of the Land Office and the custodial bank. Neither  
12 the Commissioners of the Land Office nor the custodial bank shall  
13 permit any of the funds under the control of the Commissioners of  
14 the Land Office or any of the documents, instruments, securities, or  
15 other evidence of a right to be paid money to be located in any  
16 place other than within a jurisdiction or territory under the  
17 control or regulatory power of the United States government.

18 SECTION 10. AMENDATORY 64 O.S. 2021, Section 1022, is  
19 amended to read as follows:

20 Section 1022. The Commissioners of the Land Office shall  
21 reserve and retain one hundred percent (100%) of all oil, gas, and  
22 other minerals under any school lands and shall not sell nor take  
23 any action to impede the development of any oil, gas, or other  
24

1 mineral interest under the authority or jurisdiction of the  
2 Commissioners.

3 SECTION 11. AMENDATORY 64 O.S. 2021, Section 1023, as  
4 amended by Section 1, Chapter 360, O.S.L. 2025 (64 O.S. Supp. 2025,  
5 Section 1023), is amended to read as follows:

6 Section 1023. A. The Commissioners of the Land Office are  
7 authorized to grant commercial leases and agricultural leases in  
8 trust property.

9 Commercial leases shall not exceed fifty-five (55) years. The  
10 granting of any commercial lease in excess of three (3) years shall  
11 be by public bidding at not less than fair market value. All  
12 commercial leases shall provide for fair market value throughout the  
13 term of the lease. Such term limitations shall not apply to  
14 investment real estate as defined in subsection D of Section 1013 of  
15 this title. All investment real estate leases shall provide for  
16 fair market value throughout the term of the lease.

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

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

22 Any permanent improvement made on commercial trust property from  
23 and after July 1, 1989, shall revert to the trust at the end of the  
24 lease.

1 B. In connection with any commercial and agricultural leases,  
2 the Commissioners of the Land Office shall, unless otherwise  
3 exempted by the Constitution or laws of this state:

4 1. Require payment of ad valorem property taxes on any  
5 improvements and structures on state school land, which would  
6 otherwise be subject to ad valorem property taxation if constructed  
7 on privately owned land; and

8 2. Indemnify and hold harmless the Commissioners of the Land  
9 Office from any financial obligation related to land, financing, or  
10 operation.

11 C. An appraiser selected by the Commissioners of the Land  
12 Office shall appraise any improvements approved by the Commissioners  
13 of the Land Office made to the property leased as an agricultural  
14 lease by the current lessee that cannot be removed without manifest  
15 injury to the land. When the Commissioners enter into a new lease  
16 for the property, the lease shall require the new lessee to  
17 reimburse the previous lessee for the appraised value of any  
18 improvements made by the previous lessee by the date the new lessee  
19 is permitted to take occupancy of the property. It shall be  
20 considered a default of the lease of the property to the new lessee  
21 if such reimbursement is not made. Provided, no fees may be charged  
22 to a lessee above those included in the originally accepted bid to  
23 irrigate land used for agricultural purposes if the water is not  
24 sourced from lands owned or managed by the Commissioners.

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

5 E. The Commissioners of the Land Office may refuse to accept  
6 any bid or lease contract where the interested party cannot show  
7 adequate creditworthiness as determined by the Land Office.

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

10 SECTION 12. AMENDATORY 64 O.S. 2021, Section 1034, is  
11 amended to read as follows:

12 Section 1034. A permanent minute record shall be kept of all  
13 proceedings had by the Commissioners of the Land Office. ~~No~~ Unless  
14 otherwise specified in the Commissioners of the Land Office  
15 Modernization Act, no action of the Commissioners of the Land Office  
16 shall be valid unless voted on by at least three members with the  
17 majority of votes cast in favor of the action. An abstention shall  
18 not be considered a vote cast. No action taken, or which may be  
19 taken by the Commissioners of the Land Office, may be rescinded  
20 except by a three-fifths (3/5) or greater vote of the full  
21 membership of the ~~Board of~~ Commissioners of the Land Office. The  
22 Commissioners of the Land Office shall approve the minutes of each  
23 ~~Board~~ meeting at the next succeeding meeting.

1 SECTION 13. AMENDATORY 64 O.S. 2021, Section 1047, is  
2 amended to read as follows:

3 Section 1047. Before selling lands and improvements authorized  
4 to be sold, the Commissioners of the Land Office shall advertise the  
5 sale by publication calculated to bring the highest and best bids.  
6 Before selling any public, state, or school lands, the Commissioners  
7 of the Land Office shall advertise the fact that the sale shall be  
8 had by publication in ~~four consecutive issues of at least one weekly~~  
9 a newspaper of general circulation at least once per week for four  
10 (4) consecutive weeks in the county in which ~~said~~ such lands are  
11 situated. The notice shall state the time, place, and terms of  
12 sale, give a brief description of the land and improvements, and of  
13 the appraised value of the land and the appraised value of the  
14 improvements, and state that any further information that is desired  
15 may be obtained by addressing the Secretary ~~to the Commissioners~~ of  
16 the Land Office or his or her designee.

17 SECTION 14. AMENDATORY 64 O.S. 2021, Section 1052, is  
18 amended to read as follows:

19 Section 1052. Before any lands under the jurisdiction and  
20 control of the Commissioners of the Land Office, covered by  
21 preference right leases and the improvements located on the land are  
22 owned by the lessees, shall be offered for sale and sold, the  
23 Commissioners of the Land Office shall cause the same to be  
24 appraised by three disinterested appraisers, who are nonresidents of

1 the county in which the land is situated, to be selected by the  
2 Secretary of the Land Office. The appraisers, before entering upon  
3 their duties, shall take and subscribe to the oath required of state  
4 officers. The appraisers shall make a true appraisalment of the  
5 lands at the actual cash value thereof, exclusive of all  
6 improvements, and shall separately appraise all improvements owned  
7 by the lessee which ~~can~~ cannot be removed without manifest injury to  
8 the land.

9 SECTION 15. AMENDATORY 64 O.S. 2021, Section 1053, is  
10 amended to read as follows:

11 Section 1053. The lands authorized to be sold shall be offered  
12 for sale to the highest bidder at public auction in the county in  
13 which the land is situated. The auction may be held via live  
14 bidding or a combination of live bidding and online bidding  
15 submitted via the Internet or similar electronic means. The sale  
16 shall be ~~made~~ closed and completed within six (6) months from the  
17 date of the ~~final~~ approval of the appraisalment by the Commissioners  
18 of the Land Office, unless for good cause shown, the Commissioners  
19 of the Land Office extend the time of offering the land for sale for  
20 a period not to exceed one (1) year from the effective date of ~~the~~  
21 ~~final approval of the appraisalment.~~

22 SECTION 16. AMENDATORY 64 O.S. 2021, Section 1055, is  
23 amended to read as follows:

1       Section 1055. The Commissioners of the Land Office upon  
2 completion of the sale of lands and improvements and receipt of the  
3 purchase price shall issue a patent or deed to the purchaser which  
4 shall contain a provision reserving the oil, gas, ~~and other~~  
5 minerals, and any other property or property right as provided for  
6 in this title, required by law, or required by resolution of the  
7 Commissioners of the Land Office.

8       SECTION 17.       AMENDATORY       64 O.S. 2021, Section 1056, is  
9 amended to read as follows:

10       Section 1056. Except as otherwise provided by law, all the  
11 public lands of this state shall be subject to lease in the manner  
12 provided by law. The Commissioners of the Land Office shall have  
13 charge of the leasing of the lands under their control.

14       SECTION 18.       AMENDATORY       64 O.S. 2021, Section 1063, is  
15 amended to read as follows:

16       Section 1063. The Commissioners of the Land Office are  
17 authorized to lease for oil and gas purposes any of the school or  
18 other lands owned by the State of Oklahoma, which such Commissioners  
19 may deem valuable for oil and gas. Each such lease shall be a  
20 commence-type lease and shall provide for a term not less than one  
21 (1) year and not to exceed five (5) years and as long thereafter as  
22 oil or gas may be produced therefrom in paying quantities, upon such  
23 terms and conditions and in such quantities as the Commissioners  
24 shall by rules and regulations prescribe. Each such lease shall

1 provide for the delivery to the state of a royalty of not less than  
2 one-eighth (1/8) part of the oil or gas produced from the leased  
3 premises or in lieu thereof, the payment to the state of the market  
4 value of ~~said~~ such royalty interest, as the Commissioners may elect.  
5 The leases shall be offered by public competition after notice of  
6 the lease auction published one time not less than thirty (30) days  
7 prior to the lease auction date in two newspapers authorized by law  
8 to publish legal notices. One of the newspapers shall be published  
9 in the county where the land is located or other newspaper as  
10 authorized by Section 106 of Title 25 of the Oklahoma Statutes. The  
11 other shall be a newspaper of general circulation in this state.  
12 Such leasing shall be let by sealed bids and each lease awarded to  
13 the highest responsible bidder, ~~such~~. Such oil and gas leases may  
14 be assigned or encumbered only with the consent and approval of the  
15 Commissioners of the Land Office; provided, the Commissioners have  
16 the right to reject any and all bids. The Commissioners of the Land  
17 Office shall provide any other notice of oil and gas lease sales to  
18 all interested parties by any means it determines is needed to  
19 attract the best competition.

20 SECTION 19. AMENDATORY 64 O.S. 2021, Section 1069, is  
21 amended to read as follows:

22 Section 1069. A. The proceeds derived in bonuses and royalties  
23 and from other inducements and considerations for the execution and  
24 operation of the oil and gas leases as authorized in this title,  
25

1 except oil and gas leases on state-owned lands set apart and  
2 designated for the use, benefit, and occupancy of state educational  
3 institutions, shall be for the use and benefit of the lands which  
4 were granted by the United States to the State of Oklahoma, and to  
5 the territory now comprising the area embraced within the state,  
6 under the provisions of the Enabling Act and any and all other Acts  
7 of Congress. Bonus and delay rental income received by the Land  
8 Office and other income as designated by the Secretary of the Land  
9 Office for transfer and received by the Land Office may be  
10 distributed to current beneficiaries in like manner as lease income  
11 received from surface leases, except that if determined to be in the  
12 best interest of the trust, the distributions may be made upon a  
13 schedule determined by a five-year rolling average of bonus and  
14 delay rental income.

15 B. There is hereby created a revolving fund for the  
16 Commissioners of the Land Office to be designated the "Multiyear  
17 Education Distribution Stabilization Revolving Fund". The fund  
18 shall be a continuing fund, not subject to fiscal year limitations,  
19 and ~~shall consist of bonus and delay rental income received by the~~  
20 ~~Commission~~ subject to distribution, if it is determined by the  
21 ~~Commission~~ Commissioners to be in the best interest of the trust to  
22 make distributions of ~~the income~~ any such funds upon a five-year  
23 rolling average schedule as authorized in subsection A of this  
24 section. Monies in the fund may be invested by the State Treasurer

1 in the manner prescribed in Section 89.1a et seq. of Title 62 of the  
2 Oklahoma Statutes. Interest income derived from the investment of  
3 monies in the fund shall be credited to and placed in the fund.

4 SECTION 20. AMENDATORY 64 O.S. 2021, Section 1071, is  
5 amended to read as follows:

6 Section 1071. The lands described in Section ~~290~~ 1070 of this  
7 title are to be leased under the same provisions as the school and  
8 other lands of the State of Oklahoma.

9 SECTION 21. AMENDATORY 64 O.S. 2021, Section 1086, is  
10 amended to read as follows:

11 Section 1086. Any instrument, easement, contract, or deed which  
12 may be required in, or convenient to, the exercise of the powers  
13 granted in Section ~~±~~ 1001 of this ~~act~~ title shall be executed by the  
14 ~~chairman~~ chair or presiding officer and attested by the secretary,  
15 if such instrument ~~be~~ is executed by a board or commission, and if  
16 such instrument ~~be~~ is executed by an officer, it shall be signed by  
17 ~~said~~ the officer. No such contract, easement, deed, or instrument  
18 of conveyance shall be effective unless and until the approval of  
19 the Governor is endorsed thereon in writing. The Commissioners of  
20 the Land Office may via resolution convey the ability to execute  
21 certain instruments, easements, contracts, and leases to the  
22 Secretary of the Land Office.

23 SECTION 22. AMENDATORY 64 O.S. 2021, Section 1089, is  
24 amended to read as follows:

1       Section 1089. Each and all of the rights, powers, and remedies  
2 granted and conferred by the terms of ~~this act~~ the Commissioners of  
3 the Land Office Modernization Act shall be cumulative and shall be  
4 construed to be in addition to those already existing, except that  
5 at any private or voluntary sale or exchange of state-owned lands by  
6 the Commissioners of the Land Office such sale or exchange shall be  
7 ~~held finally approved~~ only upon ~~resolution adopted by~~ a unanimous  
8 vote of the voting members of the Commissioners of the Land Office  
9 present.

10       SECTION 23.       AMENDATORY       Section 1, Chapter 429, O.S.L.  
11 2024 (64 O.S. Supp. 2025, Section 1096), is amended to read as  
12 follows:

13       Section 1096. The Commissioners of the Land Office and the  
14 Office of Management and Enterprise Services (OMES) shall contract  
15 with the Department of Public Safety for security and law  
16 enforcement services in all facilities under the jurisdiction of the  
17 Commissioners of the Land Office, OMES, or the Department within the  
18 State Capitol Park in Oklahoma City and the Executive Center at 201  
19 West 5th Street and appurtenances thereto in Tulsa. The requirement  
20 of this section shall only apply if such specific properties are  
21 owned by the Commissioners and are at least fifty percent (50%)  
22 occupied by State of Oklahoma governmental entities.

23       SECTION 24.       REPEALER       64 O.S. 2021, Sections 1014, 1021,  
24 1030, 1050, 1054, and 1061, are hereby repealed.

1       SECTION 25. This act shall become effective July 1, 2026.

2       SECTION 26. It being immediately necessary for the preservation  
3 of the public peace, health, or safety, an emergency is hereby  
4 declared to exist, by reason whereof this act shall take effect and  
5 be in full force from and after its passage and approval.  
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