

1 ENGROSSED SENATE
2 BILL NO. 1573

By: Jolley and Treat of the
Senate

3 and

4 Sears and Casey of the
5 House

6
7 An Act relating to the Oklahoma Historical Society;
8 authorizing the Society to transfer ownership of
9 historic properties; requiring first offer to
10 original donor; requiring sale to originate with
11 Board of Directors; amending 74 O.S. 2011, Section
12 129.4, as renumbered by Section 39, Chapter 209,
13 O.S.L. 2013, and as last amended by Section 7,
14 Chapter 286, O.S.L. 2014 (61 O.S. Supp. 2015, Section
15 327), which relates to procedures for disposal or
16 lease of certain state-owned real property; modifying
17 exemptions; amending 74 O.S. 2011, Section 62.3, as
18 amended by Section 707, Chapter 304, O.S.L. 2012 (74
19 O.S. Supp. 2015, Section 62.3), which relates to
20 rules for disposal of surplus property; modifying
21 exemptions; providing for codification; and declaring
22 an emergency.

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

28 SECTION 1. NEW LAW A new section of law to be codified
29 in the Oklahoma Statutes as Section 5.2b of Title 53, unless there
30 is created a duplication in numbering, reads as follows:

31 The Oklahoma Historical Society is hereby authorized to transfer
32 ownership of historic properties, both real and tangible, to
33 appropriate organizations or groups who agree to maintain the
34 properties in the best interest of historic preservation and who pay

1 fair market value for such property. Notwithstanding Section 5.2a
2 of Title 53 of the Oklahoma Statutes, when property by the Society
3 is declared surplus, or is determined to be beyond the means of the
4 Society to maintain properly, the Society shall first offer the
5 property for sale at fair market value to the original donor, even
6 if a reversionary clause is not included in the gift agreement. If
7 a donor cannot be identified, the property may be offered for sale
8 at fair market value to an appropriate not-for-profit organization
9 or a federally recognized Indian tribe that agrees to maintain the
10 property through a formal written contract which provides for
11 compensation, and may include in-kind, in the form of maintenance
12 and preservation agreements. The process for the sale and transfer
13 of title shall originate with the Oklahoma Historical Society Board
14 of Directors. The authorization to sell this property pursuant to
15 this section shall be exempt from the Oklahoma Surplus Property Act
16 as well as Sections 327 and 327.1 of Title 61 of the Oklahoma
17 Statutes.

18 SECTION 2. AMENDATORY 74 O.S. 2011, Section 129.4, as
19 renumbered by Section 39, Chapter 209, O.S.L. 2013, and as last
20 amended by Section 7, Chapter 286, O.S.L. 2014 (61 O.S. Supp. 2015,
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

1 dispose of such real property subject to its jurisdiction, or lease,
2 purchase or otherwise acquire real property subject to its
3 jurisdiction, except as provided for in this section. As used in
4 this section, "state agency" means any department, board,
5 commission, institution, agency or entity of state government.

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

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

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

- 17 a. obtain at least one complete appraisal made by a
18 person certified by the Real Estate Appraiser Board of
19 the Oklahoma Insurance Department, who shall
20 ascertain:
 - 21 (1) the present fair value of the property,
 - 22 (2) the present value of the improvements on such
23 property, and

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

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

1 of the notice. The property shall be sold to the
2 highest bidder. The Office of Management and
3 Enterprise Services shall not accept a bid of less
4 than ninety percent (90%) of the average appraised
5 fair value of the property and the improvements on
6 such property, and

7 d. if the property is being disposed of in compliance
8 with Section 908 of Title 62 of the Oklahoma Statutes,
9 the Office may auction the property at public or
10 electronic auction provided proper public notice is
11 given in compliance with this section and the property
12 has been approved for liquidation by the Long-Range
13 Capital Planning Commission. The Office of Management
14 and Enterprise Services is authorized to reject all
15 bids.

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

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

3 C. Unless otherwise provided by law, the Office of Management
4 and Enterprise Services shall review and approve state agency real
5 property transactions. A state agency shall not lease or acquire
6 real property, or lease, dispose of or transfer state-owned real
7 property until the Office provides notice of transaction approval to
8 the state agency. Prior to approval, a state agency shall provide
9 documents to the Office and provide reference to statutory or other
10 legal authority of the state agency to lease or acquire real
11 property, or lease, dispose of or transfer state-owned real
12 property. If the state agency intends to lease or acquire real
13 property, the state agency shall state the intended use of the real
14 property. Within thirty (30) days of receipt, the Office shall
15 provide notice of transaction approval or disapproval to the state
16 agency.

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

20 E. 1. The Office of Management and Enterprise Services shall
21 maintain a comprehensive inventory of state-owned real property and
22 its use excluding property of the public schools and property
23 subject to the jurisdiction of the Commissioners of the Land Office.
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1 2. Each state agency shall, within thirty (30) days of the
2 closing date for lands newly acquired, provide to the Office a list
3 of records, deeds, abstracts and other title instruments showing the
4 description of and relating to any and all such lands or interests
5 therein.

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

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

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

17 G. The Office of Management and Enterprise Services may provide
18 services to sell, transfer, trade or purchase real property for
19 other state agencies.

20 H. The Director of the Office of Management and Enterprise
21 Services shall, pursuant to the Administrative Procedures Act,
22 promulgate rules to effect procedures necessary to the fulfillment
23 of its responsibilities under this section.
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1 I. The Oklahoma Ordnance Works Authority and its lands, and the
2 Northeast Oklahoma Public Facilities Authority, the Oklahoma
3 Historical Society, the Oklahoma Department of Transportation and
4 the Oklahoma Turnpike Authority, shall be exempt from the
5 application of this section. The Grand River Dam Authority and its
6 lands shall be exempt from the application of this section for any
7 real property disposed of prior to November 1, 2006.

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

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

19 SECTION 3. AMENDATORY 74 O.S. 2011, Section 62.3, as
20 amended by Section 707, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
21 2015, Section 62.3), is amended to read as follows:

22 Section 62.3. A. The Director of the Office of Management and
23 Enterprise Services shall promulgate rules for use by state agencies
24 and the Office of Management and Enterprise Services to dispose of

1 surplus property. The rules shall include standards for
2 recordkeeping, methods for removal or disposal of surplus property,
3 and acquisition by state agencies and authorized entities of surplus
4 property, and for Office management of surplus property programs.

5 B. A state agency selling, trading, redistributing or otherwise
6 disposing of surplus property shall comply with the rules
7 promulgated by the Director.

8 C. The Office shall make surplus property available to state
9 agencies and authorized entities, which shall include political
10 subdivisions, school districts, and nonprofit entities of this
11 state.

12 D. The provisions of the Oklahoma Surplus Property Act shall
13 not apply to institutions of higher education in this state, the
14 Oklahoma Historical Society, or the Northeast Oklahoma Public
15 Facilities Authority. The Grand River Dam Authority shall be exempt
16 from the provisions of the Oklahoma Surplus Property Act for any
17 surplus property disposed of prior to November 1, 2006. CompSource
18 Oklahoma shall be exempt from the provisions of the Oklahoma Surplus
19 Property Act if CompSource Oklahoma is operating pursuant to a pilot
20 program authorized by Sections 3316 and 3317 of this title.

21 E. Notwithstanding the provisions of the Oklahoma Surplus
22 Property Act, the Oklahoma State Bureau of Investigation may,
23 pursuant to rules promulgated by the Oklahoma State Bureau of
24 Investigation Commission for that purpose, donate any surplus

1 property, as defined in Section 62.2 of this title, to any law
2 enforcement agency of any political subdivision of the State of
3 Oklahoma. The use of such donated equipment shall be limited to
4 valid and authorized law enforcement efforts by the receiving
5 agency.

6 SECTION 4. It being immediately necessary for the preservation
7 of the public peace, health and 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 28th day of April, 2016.

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Presiding Officer of the Senate

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14 Passed the House of Representatives the ____ day of _____,
15 2016.

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Presiding Officer of the House
of Representatives

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