

SENATE FLOOR VERSION

February 25, 2025

SENATE BILL NO. 1020

By: Howard

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

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

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

Section 327. A. Unless procedures for state agency real property transactions are otherwise specifically provided for by 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 and as otherwise provided for in this section. As used in this

1 section, "state agency" means any department, board, commission,
2 institution, agency or entity of state government.

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

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

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

- a. for properties with an estimated value of greater than Twenty-five Thousand Dollars (\$25,000.00), obtain at least one complete appraisal made by a person certified by the Real Estate Appraiser Board of the Oklahoma Insurance Department, who shall ascertain:

 - (1) the present fair value of the property,
 - (2) the present value of the improvements on such property, and
 - (3) the actual condition of the improvements on the property,

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

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

- d. if the property is being disposed of in compliance with Section 908 of Title 62 of the Oklahoma Statutes, the Office may auction the property at public or electronic auction provided proper public notice is given in compliance with this section and the property has been approved for liquidation by the Long-Range Capital Planning Commission. The Office of Management and Enterprise Services is authorized to reject all bids,
 - e. if the property has an estimated value of less than Twenty-five Thousand Dollars (\$25,000.00), the Office of Management and Enterprise Services may establish the value through market comparison and may dispose of the property based on estimated value without obtaining a certified appraisal; provided, however, the sale shall comply with all other requirements of statute, and

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

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

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

20 C. Unless otherwise provided by law, the Office of Management
21 and Enterprise Services shall review and approve state agency real
22 property transactions. A state agency shall not lease or acquire
23 real property, or lease, dispose of or transfer state-owned real
24 property until the Office provides notice of transaction approval to

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

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

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

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

23 3. The provisions of paragraph 2 of this subsection shall apply
24 to all lands of public trusts having a state agency as the primary

1 beneficiary, but shall not apply to lands of municipalities,
2 counties, school districts, or agencies thereof, or Department of
3 Transportation rights-of-way.

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

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

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

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

19 I. The Oklahoma Ordnance Works Authority and its lands, and the
20 Northeast Oklahoma Public Facilities Authority, the Oklahoma
21 Historical Society, the Oklahoma Department of Transportation, the
22 Oklahoma Turnpike Authority and the Department of Wildlife managed
23 lands shall be exempt from the application of this section. The
24 Grand River Dam Authority and its lands shall be exempt from the

1 application of this section for any real property disposed of prior
2 to November 1, 2006. The Office of the State Treasurer shall be
3 exempt from the application of this section for the purchase of a
4 state depository facility.

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

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

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

1 period to provide a proposal for the acquisition or disposal of
2 applicable real property.

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

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

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

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

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

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

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

22 F. The Office of Management and Enterprise Services shall keep
23 an accurate account of all property purchased for the state or any
24 of the departments or officers thereof, except that purchased for

1 and by the two houses of the State Legislature. The two houses
2 shall have the exclusive use, care, and custody of their respective
3 chambers, committee rooms, furniture, and property, and shall keep
4 their respective records of said furniture and property.

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

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

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

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

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

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

2 SECTION 5. 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.

6 COMMITTEE REPORT BY: COMMITTEE ON RETIREMENT AND GOVERNMENT
RESOURCES

7 February 25, 2025 - DO PASS

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