

1 ENGROSSED HOUSE
2 BILL NO. 1103

By: Gann and Lepak of the House

3 and

4 Seifried of the Senate

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6
7 An Act relating to the Department of Transportation;
8 amending 69 O.S. 2021, Section 1001, which relates to
9 the disposition of surplus property; directing
10 certain notice to be available online; removing
11 certain conditions on value of property; increasing
12 time period for certain response; modifying
13 procedures for sale of certain property; updating
14 statutory language; and providing an effective date.

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

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

18 Section 1001. A. The Transportation Commission shall have
19 authority to sell any lands, or interest therein, which may have
20 been acquired for highway purposes, or facilities necessary and
21 incident thereto, and any equipment, materials, or supplies which in
22 the opinion of the Commission are no longer serviceable, useful, or
23 necessary for the state highway system or the operation of the
24 Department of Transportation. Such authority shall be subject at
all times to the continuing right to the use of the lands by any
entity operating a sewer, water or gas system, telephone or

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

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

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

23 D. 1. If the land originally comprised a partial taking,
24 leaving an abutting remainder, then prior to conducting such

1 advertisement and solicitation of bids for the sale of any lands or
2 interests therein, the Commission shall notify the person, firm, or
3 corporation which originally conveyed the property to the Commission
4 or present successor to the original remainder that same has been
5 declared surplus and is to be offered for sale. Such notice shall
6 be sent by registered mail addressed to the last-known address of
7 such person, firm, or corporation, with return receipt requested.
8 Such notice shall also be made available on the website of the
9 Department of Transportation. Such notice shall contain an offer to
10 sell such property to such person, firm, or corporation for an
11 amount not greater than the amount for which the property was
12 originally obtained by the Commission ~~for a period of five (5) years~~
13 ~~from the original taking. Following the five-year period, the sale~~
14 ~~of such property may be offered at fair market value. The amount of~~
15 ~~the Commission's requested purchase price based on such appraisal~~
16 ~~shall be stated in the notice, and the~~ and having had no federal
17 funds used in the purchase of the property. The person, firm, or
18 corporation receiving such notice and offer shall be informed
19 therein that unless such person, firm, or corporation notifies the
20 Commission in writing within ~~thirty (30)~~ ninety (90) days from the
21 date of receipt of the notice that the Commission's offer of sale is
22 accepted by such person, firm, or corporation, the Commission shall
23 proceed to sell the property at public auction as provided for in
24 this section. After the expiration of ~~thirty (30)~~ ninety (90) days

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

11 2. If the land to be disposed of originally comprised a total
12 taking, leaving no abutting remainder, ~~then such shall be sold to~~
13 ~~the highest bidder, or as otherwise herein provided except that~~
14 then, prior to conducting such advertisement and solicitation of
15 bids for the sale of lands or interests therein, the Commission
16 shall notify the person, firm, or corporation which originally
17 conveyed the property to the Commission or present successor. The
18 notice shall be sent by registered mail addressed to the last-known
19 address of such person, firm, or corporation, with return receipt
20 requested. Such notice shall also be made available on the website
21 of the Department of Transportation. The notice shall contain an
22 offer to sell such property to such person, firm, or corporation
23 subject to the same conditions as set forth in paragraph 1 of this
24 subsection. If such person, firm, or corporation has not notified

1 the Commission in writing of the acceptance of the Commission's
2 offer of sale, and if the land to be disposed of originally
3 comprised a total taking of less than three (3) acres, leaving only
4 one abutting property owner of record, then prior to conducting such
5 advertisement and solicitation of bids for the sale of any such
6 lands or interest therein, the Commission shall notify the sole
7 abutting property owner of record to the taking that such has been
8 declared surplus and is to be offered for sale. Such notice shall
9 be sent by registered mail addressed to the last-known address of
10 such person, firm, or corporation, with return receipt requested.
11 Such notice shall also be made available on the website of the
12 Department of Transportation. Such notice shall contain an offer to
13 sell such property to such person, firm, or corporation subject to
14 the same conditions as set forth in paragraph 1 of this subsection.

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

19 E. The Commission may, in its discretion, exchange any such
20 lands for other lands needed for highway purposes, or may lease or
21 rent any lands which are owned by the Department, and are not
22 immediately necessary for highway purposes, on such terms as the
23 Commission determines for the best interests of the state.

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

- 1 1. Owned by the Transportation Commission; and
- 2 2. Deemed surplus for ten (10) years or more,
- 3 the Commission shall submit a waiver request to the Federal Highway
- 4 Administration of the United States Department of Transportation
- 5 seeking exception from any federal regulation preventing the sale of
- 6 such land for less than fair market value.

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

- 12 1. The type, brand or make, and country of manufacture of the
- 13 equipment or vehicle;
- 14 2. The age of the equipment or vehicle including, but not
- 15 limited to, mileage;
- 16 3. Whether the equipment or vehicle is in good working
- 17 condition or not;
- 18 4. If the equipment or vehicle is not in good working
- 19 condition, whether it is in repairable condition at reasonable cost;
- 20 5. Original cost of the equipment or vehicle; and
- 21 6. Present value of the equipment or vehicle, if known.

22 The Office of Management and Enterprise Services, with any other
23 notice of surplus property, shall notify the eligible individuals or
24 entities as provided in subsection H of this section of the

1 availability of the surplus property of the Department of
2 Transportation.

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

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

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

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

21 J. When the Department of Transportation determines that any
22 road or bridge materials or supplies become excess, unused, or
23 otherwise surplus, the Department shall make such road or bridge
24 material or supplies available to all governmental entities eligible

1 for participation in the surplus program. The Department may be
2 reimbursed for any cost incurred in the recovery or storage of such
3 road or bridge material or supplies. The governmental entity
4 requesting the excess, unused, or otherwise surplus road or bridge
5 materials or supplies shall retrieve such materials or supplies from
6 the Department of Transportation within one hundred eighty (180)
7 days from the completion of the project for which the materials or
8 supplies are declared excess or surplus.

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

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

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1 Passed the House of Representatives the 25th day of March, 2025.

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4 Presiding Officer of the House
5 of Representatives

6 Passed the Senate the _____ day of _____, 2025.

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9 Presiding Officer of the Senate