



Senate

General Assembly

File No. 643

January Session, 2009

Substitute Senate Bill No. 336

Senate, April 15, 2009

The Committee on Government Administration and Elections reported through SEN. SLOSSBERG of the 14th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT AMENDING THE PROCESS FOR THE SALE OF LAND OBTAINED BY THE STATE FOR HIGHWAY PURPOSES INCLUDING THE PROPERTY BY THOSE ABUTTING ROUTE 6.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 13a-80 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2009*):

3 (a) The commissioner, with the advice and consent of the Secretary
4 of the Office of Policy and Management and the State Properties
5 Review Board may sell, lease and convey, in the name of the state, or
6 otherwise dispose of, or enter into agreements concerning, any land
7 and buildings owned by the state and obtained for or in connection
8 with highway purposes or for the efficient accomplishment of the
9 foregoing purposes or formerly used for highway purposes, which real
10 property is not necessary for such purposes. The commissioner shall
11 notify the state representative and the state senator representing the
12 municipality in which said property is located within one year of the

13 date a determination is made that the property is not necessary for
14 highway purposes and that the department intends to dispose of the
15 property.

16 (b) The Department of Transportation shall obtain a full appraisal
17 on excess property prior to its sale. Except as provided in subsection
18 (c) of this section, transfers to other state agencies and municipalities
19 for purposes specified by the department shall be exempt from the
20 appraisal requirement. [The department shall obtain a second
21 appraisal if such property is valued over one hundred thousand
22 dollars and is not to be sold through public bid or auction.] Any
23 appraisals or value reports shall be obtained prior to the determination
24 of a sale price of the excess property.

25 (c) Notwithstanding the provisions of sections 3-14b and 4b-21, no
26 residential property upon which a single-family dwelling is situated at
27 the time it is obtained by the department for highway purposes may be
28 sold or transferred pursuant to this section within twenty-five years of
29 the date of its acquisition without the department's first offering the
30 owner or owners of the property at the time of its acquisition a right of
31 first refusal to negotiate the purchase of the property at or below the
32 amount of its appraised value as determined in accordance with the
33 provisions of subsection (b) of this section, except for property offered
34 for sale to municipalities prior to July 1, 1988. Notice of such offer shall
35 be sent to each such owner by registered or certified mail, return
36 receipt requested, within one year of the date a determination is made
37 that such property is not necessary for highway purposes. Any such
38 offer shall be terminated by the department if it has not received
39 written notice of the owner's acceptance of the offer to negotiate the
40 purchase of the property within sixty days of the date it was mailed.

41 (d) If the department receives written notice of the owner's
42 acceptance of the offer to negotiate the purchase of the property
43 pursuant to subsection (c) of this section, the department shall notify
44 the owner of the department's receipt of the acceptance. The
45 department shall immediately commence such negotiations and such

46 negotiations shall conclude not later than one hundred twenty days
 47 after the department's notification of the receipt of such acceptance.

48 (e) Whenever the offer to negotiate is not so accepted by the owner
 49 pursuant to subsection (c) of this section or the department and owner
 50 are unable to negotiate the purchase of the property, the department
 51 shall offer parcels which meet local zoning requirements for residential
 52 or commercial use to other state agencies and shall offer parcels which
 53 do not meet local zoning requirements for residential or commercial
 54 use to all abutting landowners in accordance with department
 55 regulations. If the sale or transfer of the property pursuant to this
 56 section results in the existing property of an abutting landowner
 57 becoming a nonconforming use as to local zoning requirements, the
 58 Commissioner of Transportation may sell or transfer the property to
 59 that abutter without public bid or auction. The commissioner shall
 60 adopt regulations, in accordance with the provisions of chapter 54,
 61 establishing procedures for the disposition of excess property pursuant
 62 to the provisions of this subsection in the event such property is
 63 owned by more than one person.

64 [(d)] (f) Where the department has in good faith and with
 65 reasonable diligence attempted to ascertain the identity of persons
 66 entitled to notice under subsection (c) of this section and mailed notice
 67 to the last known address of record of those ascertained, the failure to
 68 in fact notify those persons entitled thereto shall not invalidate any
 69 subsequent disposition of property pursuant to this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2009	13a-80

Statement of Legislative Commissioners:

In subsection (d) of section 1, a reference to subsection (a) was changed to (c) for accuracy.

GAE Joint Favorable Subst.-LCO

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 10 \$	FY 11 \$
Department of Transportation	TF - Savings	Minimal	Minimal

Note: TF=Transportation Fund

Municipal Impact: None

Explanation

Eliminating the second appraisal requirement for property being sold by the Department of Transportation will result in a minimal cost savings to the department.

Sources: Department of Transportation

OLR Bill Analysis**SB 336*****AN ACT AMENDING THE PROCESS FOR THE SALE OF LAND
OBTAINED BY THE STATE FOR HIGHWAY PURPOSES
INCLUDING THE PROPERTY BY THOSE ABUTTING ROUTE 6.*****SUMMARY:**

This bill alters the process for disposing of surplus state property obtained for or in connection with highways to allow original property owners to repurchase it from the Department of Transportation (DOT) at a price that may be below its appraised value.

By law, DOT must get surplus property appraised before it is sold, except when the property is a single family residence that is being sold to the municipality within which it is located. The bill eliminates a requirement for DOT to get a second appraisal before it disposes of surplus property valued at over \$100,000 outside of a public bid or auction.

EFFECTIVE DATE: October 1, 2009

PROCESS FOR DISPOSING OF SURPLUS PROPERTY

Under current law, if DOT (1) purchases land containing a single family residence for highway purposes and (2) decides within 25 years of the date of acquisition that the property is no longer needed, it must offer the previous property owners the option to buy it back, without negotiations, at its current appraised value before selling or transferring it. DOT must withdraw any offer that is not accepted within 60 days of the date it is mailed.

The bill requires DOT to include in the offer of first refusal the right to negotiate the purchase price of the property. The previous property owners can negotiate to repurchase the property for a price at or below

its appraised value. Like the offer to purchase, the offer to negotiate terminates unless the previous owners accept it within 60 days after it was mailed.

If the property owners notify DOT of their decision to accept the offer to negotiate within the 60 days, DOT must immediately start negotiations and conclude them 120 days later. If the previous owners do not accept the offer to negotiate or negotiations break down, the department must offer property that meets local residential or commercial zoning requirements to other state agencies. It must offer property that does not meet these requirements to abutting property owners.

By law, unchanged by the bill, if DOT makes a good faith effort to determine the identity of the last owner and mails notice to the last known address of the owner it can identify, the failure to actually notify the people entitled to notice does not invalidate any subsequent disposition of the property.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable

Yea 14 Nay 0 (03/27/2009)