



STATE OF CONNECTICUT
OFFICE OF POLICY AND MANAGEMENT

Testimony of

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to the
Government Administration and Elections Committee
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House Bill 5510 An Act Concerning the Disposition of State Surplus Property

Senator Slossberg, Representative Spallone and distinguished members of the GAE committee, thank you for the opportunity to testify on House Bill 5510 An Act Concerning the Disposition of State Surplus Property.

While we appreciate the apparent good intentions, OPM has a couple of general concerns about this bill.

The provisions concerning regional councils of government (RCOG's) appear to treat RCOG's like state agencies. If such councils are to be notified of surplus properties and allowed to submit reuse proposals, it is not clear how that will work. For example, if OPM decides to transfer a property to a RCOG, how will they maintain the property pending its ultimate development? What legal entity would own the property? Will such councils be able to pay for maintenance, insurance, etc., or will they be looking for the state to give them the property, continue to maintain it and provide them money to make their project happen? And what if the project does not happen – does the state take the property back? How long do we give them?

A better alternative may be for the state to simply notify the town where the property is located that (1) the property has been declared surplus and (2) if no state agency has a need for the property, it will be offered for sale to the town. If this is done when OPM receives the initial surplus letter from the agency, it would give the town 6 months to prepare for purchase or, working with the RCOG, to identify a "regional" use.

The provision adding "economic development" to the purposes for which the Department of Economic and Community Development (DECD) may take control of surplus property is an appropriate policy choice, however it raises the same concerns as those applicable to the regional council of governments. Will DECD have funds to hold and manage these properties until they are developed? If not, OPM would not recommend allowing a situation where DECD simply "banks" a number of properties which DPW would have to expend resources to manage indefinitely, pending some potential development deal down the road. Currently DECD can submit a reuse plan which calls for surplus properties to be used

for some specific economic development purpose and OPM may weigh such a proposal against other state reuse plans. It is not clear what is gained by these changes to the current law.

Thank you for the opportunity to offer these comments.