



# House of Representatives

General Assembly

**File No. 537**

January Session, 2011

Substitute House Bill No. 6495

*House of Representatives, April 14, 2011*

The Committee on Government Administration and Elections reported through REP. MORIN of the 28th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## **AN ACT CONCERNING THE DISPOSITION OF SURPLUS STATE PROPERTY.**

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

1 Section 1. Section 4b-21 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2011*):

3 (a) When the General Assembly is not in session, the trustees of any  
4 state institution, the State Board of Education or the Commissioner of  
5 Correction may, subject to the provisions of section 4b-23, purchase or  
6 acquire for the state, through the Commissioner of Public Works, any  
7 land or interest therein if such action seems advisable to protect the  
8 state's interest or to effect a needed economy, and may, subject to the  
9 provisions of said section, contract through the Commissioner of  
10 Public Works for the sale or exchange of any land or interest therein  
11 belonging to the state, except that The University of Connecticut may  
12 purchase or acquire for the state and may dispose of or exchange any  
13 land or interest therein directly. When the General Assembly is not in

14 session, the Commissioner of Public Works, with the approval of the  
15 State Properties Review Board, may give or obtain an option upon any  
16 land or interest therein which is not under the control of the trustees of  
17 any state institution, the State Board of Education or the Commissioner  
18 of Correction when such action seems advisable, and such option shall  
19 remain in force until the fifteenth day of August following the next  
20 session of the General Assembly.

21 (b) Any state agency, department or institution having custody and  
22 control of land, an improvement to land or interest in land, belonging  
23 to the state, shall inform the Secretary of the Office of Policy and  
24 Management, in writing, six months prior to the date when it is  
25 anticipated that such land, improvement or interest or any part thereof  
26 is not needed by the agency, department or institution. Upon receipt of  
27 such notification, the secretary shall arrange for such agency,  
28 department or institution to forthwith transfer custody and control of  
29 such land, improvement or interest to the Department of Public Works,  
30 along with adequate funding for personnel and other operating  
31 expenses required for the maintenance of such land, improvement or  
32 interest, and shall notify all state agencies, departments, [and]  
33 institutions and the regional planning organization, as defined in  
34 section 4-124i, of the region where such land, improvement or interest  
35 is located that such land, improvement or interest is available. Such  
36 regional planning organization may make recommendations to the  
37 secretary for the use of such land. Within ninety days of receipt of such  
38 notification from the secretary, any state agency, department or  
39 institution that is interested in utilizing the land, improvement or  
40 interest shall submit a plan to the secretary that sets forth the proposed  
41 use for the land, improvement or interest and a budget and timetable  
42 for such use. If the Commissioner of Economic and Community  
43 Development determines that such land, improvement or interest can  
44 be utilized or adapted for economic development or use as an  
45 emergency shelter or transitional living facility for homeless persons or  
46 can be utilized or exchanged for property which can be utilized for  
47 economic development or the construction, rehabilitation or  
48 renovation of housing for persons and families of low and moderate

49 income, said commissioner may (1) within such ninety-day period,  
50 submit to the secretary, in lieu of such plan, a preliminary plan  
51 indicating that the land, improvement or interest can be utilized,  
52 adapted or exchanged for such economic development or housing  
53 purposes and stating the type of housing or economic development  
54 that is planned, and (2) within six months after the end of such ninety-  
55 day period, submit a comprehensive plan for the development of such  
56 land, improvement or interest for economic development or housing to  
57 the secretary, in a form prescribed by the secretary. If the  
58 Commissioner of Economic and Community Development submits  
59 preliminary and comprehensive plans to the secretary within such  
60 periods, the agency, department or institution having custody and  
61 control of the land, improvement or interest shall transfer custody and  
62 control to the Commissioner of Economic and Community  
63 Development in accordance with such procedures as the secretary may  
64 prescribe. If (A) the Commissioner of Economic and Community  
65 Development does not submit a preliminary plan to the secretary  
66 within such ninety-day period or so submits a preliminary plan but  
67 does not submit a comprehensive plan to the secretary within such six-  
68 month period, and (B) one or more agencies, departments or  
69 institutions submit a plan for such land, improvement or interest to the  
70 secretary within such ninety-day period, the secretary shall analyze  
71 such agency, department or institution plan or plans and determine  
72 whether (i) custody and control of the land, improvement or interest  
73 shall be transferred to one of such agencies, departments or  
74 institutions, in which case the agency, department or institution  
75 having custody of the land, improvement or interest shall make such  
76 transfer, or (ii) the land, improvement or interest shall be treated as  
77 surplus.

78 (c) If the secretary determines that such land, improvement, interest  
79 or part thereof may properly be treated as surplus, he shall notify the  
80 Commissioner of Public Works. If the secretary also determines that  
81 such land, improvement or interest or part thereof was purchased or  
82 improved with proceeds of tax exempt obligations issued or to be  
83 issued by the state, he shall also notify the Treasurer. The

84 Commissioner of Public Works may sell, exchange or lease, or enter  
85 into agreements concerning, such land, improvement, interest or part  
86 thereof, after (1) notifying (A) the municipality or municipalities in  
87 which such land, improvement or interest is located, (B) the members  
88 of the General Assembly representing such municipality or  
89 municipalities, and (C) any potential developer of an incentive housing  
90 development, as defined in section 8-13m, who has registered with the  
91 Commissioner of Economic and Community Development to be  
92 notified of any such state surplus land, and (2) obtaining the approval  
93 of (A) the Secretary of the Office of Policy and Management, (B) the  
94 State Properties Review Board, and (C) the joint standing committees  
95 of the General Assembly having cognizance of matters relating to (i)  
96 state revenue, and (ii) the purchase and sale of state property and  
97 facilities, and (3) if such land, improvement, interest or part thereof  
98 was purchased or improved with proceeds of tax-exempt obligations  
99 issued or to be issued by the state, obtaining the approval of the  
100 Treasurer. The Treasurer may disapprove such a transaction only if the  
101 transaction would affect the tax-exempt status of such obligations and  
102 could not be modified to maintain such tax-exempt status. If a  
103 proposed agreement for such a conveyance has not been submitted to  
104 the State Properties Review Board within three years after the  
105 Commissioner of Public Works provides such notice to such  
106 municipality and such members of the General Assembly, or if the  
107 board does not approve the proposed agreement within five years  
108 after such notice, the Commissioner of Public Works may not convey  
109 such land, improvement or interest without again so notifying such  
110 municipality and such members of the General Assembly. In the case  
111 of a proposed lease of land, an improvement to land or an interest in  
112 land, or any part thereof, with a person, firm or corporation in the  
113 private sector, for a term of six months or more, the Commissioner of  
114 Public Works shall comply with such notice requirement by notifying  
115 in writing the chief executive officer of the municipality in which the  
116 land, improvement or interest is located and the members of the  
117 General Assembly representing such municipality, not less than two  
118 weeks before seeking the approval of said secretary, board and

119 committees, concerning the proposed lease and the manner in which  
120 the lessee proposes to use the land, improvement or interest. Each  
121 agency, department or institution which informs the secretary that any  
122 land, improvement or interest in land is not needed shall retain  
123 responsibility for its security and maintenance until the Commissioner  
124 of Public Works receives custody and control of the property, if any.  
125 The Treasurer shall execute and deliver any deed or instrument  
126 necessary to convey the title to any property the sale or exchange of  
127 which or a contract for the sale or exchange of which is authorized by  
128 this section.

129 (d) Upon approval of the proposed action of the Commissioner of  
130 Public Works by said secretary and board, said commissioner shall  
131 request approval of such action by the joint standing committees of the  
132 General Assembly having cognizance of matters relating to state  
133 revenue and the purchase and sale of state property and facilities. Each  
134 committee shall have thirty days from the date such request is received  
135 to convene a meeting to vote to approve or disapprove such action.  
136 Each committee may make recommendations to the Commissioner of  
137 Public Works concerning such proposed action. If such request is  
138 withdrawn, altered, amended or otherwise changed, said  
139 commissioner shall resubmit such request, and each committee shall  
140 have thirty days from the date of such resubmittal to convene a  
141 meeting to vote to approve or disapprove such action. If a committee  
142 does not act on a request or the resubmittal of a request, as the case  
143 may be, within that time, the request shall be deemed to be approved  
144 by the committee.

145 (e) No provision of this section shall be construed to limit,  
146 supersede or repeal any other provision of law relating to the powers  
147 or duties of any state agency.

148 (f) The requirements of subsections (b) to (d), inclusive, of this  
149 section shall not apply to land which the Commissioner of  
150 Environmental Protection has acquired pursuant to 42 USC 9601 et  
151 seq., the federal Comprehensive Environmental Response,

152 Compensation and Liability Act of 1980, as amended, (CERCLA).

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2011</i>	4b-21

**GAE**      *Joint Favorable Subst.*

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The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

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**OFA Fiscal Note**

**State Impact:**

<b>Agency Affected</b>	<b>Fund-Effect</b>	<b>FY 12 \$</b>	<b>FY 13 \$</b>
Policy & Mgmt., Off.	GF - Cost	Less than \$100	Less than \$100

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

Requiring the Office of Policy and Management (OPM) to notify regional planning organizations of an available property in its region may result in potential postage costs estimated to be less than \$100 annually.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

**OLR Bill Analysis****sHB 6495*****AN ACT CONCERNING THE DISPOSITION OF SURPLUS STATE PROPERTY.*****SUMMARY:**

This bill makes several changes to the state's surplus real property disposition process. It requires state agencies to give the Office of Policy and Management (OPM) secretary written notice that they will no longer need property in their custody and control six months in advance. It requires OPM to notify, in addition to other state agencies and departments, the regional planning organization of an available property located in its region. The bill allows that organization to make recommendations concerning the property's use. It authorizes the Department of Economic and Community Development (DECD) commissioner, in deciding whether to seek control and custody of an available property, to consider its potential economic development uses. Under current law, unchanged by the bill, DECD may consider a property's potential use as a homeless shelter, transitional living facility, or low- or moderate-income housing.

Lastly, the bill allows the Finance, Revenue and Bonding and Government Administration and Elections committees to make recommendations concerning the proposed uses of surplus property. By law, the DPW commissioner must submit any plan for disposing of surplus property to those committees, which may approve or disapprove it. Proposed actions include selling, leasing, exchanging, or entering into other agreements to dispose of the property.

EFFECTIVE DATE: October 1, 2011

**NOTICE OF AVAILABLE PROPERTY**

The bill requires (1) state agencies to give the OPM secretary written

notice six months before they anticipate that they will no longer need property in their custody and control and (2) the secretary to arrange for the property to be transferred to DPW's custody and control upon receipt of such notice. Under current law, the notice and transfer arrangement do not occur until the property is no longer needed.

By law, OPM must approve an agency's or department's determination that property is not needed and then notify all state agencies of its availability. The bill requires the OPM secretary to also notify a regional planning organization of any available property in its region and allows the organization to make recommendations to OPM for the property's use. Regional planning organizations include regional councils of government, regional councils of elected officials, and regional planning agencies.

#### **DECD RECOMMENDATIONS**

The bill authorizes the DECD commissioner, in deciding whether to seek control and custody of an available property, to consider its potential economic development uses. By law, DECD has the right of first refusal for available state property and must be given custody and control of a property if the department:

1. determines that the property can be (a) used for an emergency shelter or a transitional living facility for homeless people or (b) used or exchanged for property that can be used for the construction, rehabilitation, or renovation of housing for low- or moderate-income individuals or families;
2. submits to OPM a preliminary plan for the property within 90 days of being notified of the property's availability; and
3. submits to OPM a comprehensive plan for the property within six months after the 90-day period ends.

Under the bill, the preliminary and comprehensive plan submission requirements also apply to property that is to be used for economic development purposes.

**COMMITTEE ACTION**

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 14 Nay 0 (03/30/2011)