

Senate Bill 224

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SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Exempts Oregon Health Authority and Department of Human Services from certain provisions relating to acquiring, holding or disposing of real property or equitable interest in real property or in mineral or geothermal resource right.

Becomes operative January 1, 2016.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to interests that state agencies hold; creating new provisions; amending ORS 270.100 and
3 273.785; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 270.100 is amended to read:

6 270.100. (1)(a) Before offering for sale any real property or equitable interest [*therein owned by*
7 *the state*] **in real property that the state owns**, the state agency acting for the state in [*such*] **the**
8 **sales** transaction shall report [*its intent of sale or transfer*] to the Oregon Department of Adminis-
9 trative Services **that the state agency intends to sell or transfer the real property or the eq-**
10 **uitable interest**. The department, or [*the*] **an agency the department** specifically [*designated by the*
11 *department*] **designates**, shall notify other state agencies authorized to own real property of the in-
12 tended sale or transfer to determine whether [*acquisition of*] **acquiring** the real property or interest
13 [*therein*] **in the real property** would be advantageous to another state agency.

14 (b) The department shall give political subdivisions, as defined in ORS 271.005, the first oppor-
15 tunity after other state agencies to acquire, purchase, exchange or lease real property **or an in-**
16 **terest in real property** [*to be sold or disposed of by*] **that** the State of Oregon **disposes of or**
17 **sells**. The state agency responsible for selling or transferring the property **or the equitable inter-**
18 **est** may require at the time of the sale or transfer that [*any state real property sold or transferred*
19 *to*] a political subdivision[, *as defined in ORS 271.005, shall be for use*] **must use state real prop-**
20 **erty or an equitable interest in real property sold or transferred to the political subdivision**
21 for a public purpose or benefit, and [*not be for resale*] **that the political subdivision may not resell**
22 **the real property or the equitable interest** to a private purchaser.

23 (c) If **a state agency that intends to sell or transfer real property or an equitable interest**
24 **in real property has not disposed of the real property or the equitable interest** [*is not disposed*
25 *of*] under paragraph (a) or (b) of this subsection, [*in accordance with rules adopted by the*
26 *department,*] the state agency [*desiring to sell or transfer the property*] shall cause [*it*] **the real**
27 **property** to be appraised by one or more competent and experienced appraisers **in accordance with**
28 **rules the department adopts**. Except as provided in ORS 273.825, if [*such*] **the property** has an

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 appraised value exceeding \$5,000, *[it shall]* **the property or an equitable interest in the property**
 2 **may** not be sold to any private person except after notice calling for such proposals as set forth in
 3 ORS 270.130.

4 (d) The department shall adopt rules to carry out the provisions of this section.

5 (2) Before *[acquisition of]* **a state agency acquires** any real property or interest *[therein by any*
 6 *state agency]* **in real property**, except for highway right of way *[acquired by]* **that** the Department
 7 of Transportation **acquires**, *[and]* park properties *[acquired by]* **that** the State Parks and Recreation
 8 Department **acquires** and property within the approved projected campus boundaries for public
 9 universities of the Oregon University System or public universities with governing boards listed in
 10 ORS 352.054, the state agency shall report *[its intent of acquisition]* to the Oregon Department of
 11 Administrative Services **that the state agency intends to acquire the real property or the in-**
 12 **terest in real property**. The department shall notify other state agencies *[owning land of the in-*
 13 *tended acquisition]* **that own land that the state agency intends to acquire real property or an**
 14 **interest in real property** to determine whether another state agency desires to sell or transfer
 15 property *[which]* **that** would meet the needs of the *[purchasing]* **acquiring** agency. In accordance
 16 with rules *[adopted by]* the Oregon Department of Administrative Services **adopts**, if no other state
 17 agency desires to sell or transfer property *[which]* **that** would meet the needs of the agency **that**
 18 **intends to acquire real property or an interest in real property**, the agency may acquire the
 19 real property or interest *[therein]* **in real property**, consistent with applicable provisions of law.

20 (3) Before any terminal disposition of real property or an interest in real property, the state
 21 agency acting for the state in the transaction must secure approval of the transaction from the
 22 Oregon Department of Administrative Services.

23 (4) Subsection (3) of this section does not apply to terminal disposition of the following real
 24 property:

25 (a) Property *[controlled by]* **that** the State Department of Fish and Wildlife **controls**;

26 (b) State forestlands *[controlled by]* **that** the State Forestry Department **controls**;

27 (c) Property *[controlled by]* **that** the Department of Transportation **controls**;

28 (d) Property *[controlled by]* **that** the Department of State Lands **controls**;

29 (e) Property *[controlled by]* **that** the Oregon University System **controls** or *[controlled by]* **that**
 30 public universities with governing boards listed in ORS 352.054 **control**;

31 (f) **Property that the legislative branch of state government controls**;

32 *[(f)]* (g) Property *[controlled by the legislative or judicial branches]* **that the judicial branch of**
 33 state government **controls**; and

34 *[(g)]* (h) Property *[controlled by]* **that** the State Parks and Recreation Department **controls**.

35 (5) Notwithstanding the provisions of subsection (4) of this section, prior approval by the Oregon
 36 Department of Administrative Services is required for the terminal disposition of public land for less
 37 than the fair market value of *[that]* **the public** land.

38 (6) The provisions of ORS 184.634, 270.005 to 270.015, 270.100 to 270.190, 273.416, 273.426 to
 39 273.436, 273.551 and 308A.709 (1) to (4) do not apply to:

40 (a) A home or farm *[acquired or sold by]* **that** the Department of Veterans' Affairs **acquires or**
 41 **sells** under ORS 88.720, 406.050, 407.135, 407.145, 407.375 *[and]* **or** 407.377.

42 (b) Real property *[acquired or sold by]* **that** the Housing and Community Services Department
 43 **acquires or sells** under the provisions of ORS 456.515 to 456.725 or ORS chapter 458.

44 (c) **Real property that the Oregon Health Authority or the Department of Human Ser-**
 45 **vices acquires or sells under ORS 410.075 or 416.340.**

1 **SECTION 2.** ORS 273.785 is amended to read:

2 273.785. ORS 273.551 and 273.775 to 273.790 do not apply to:

3 (1) Soil, clay, stone, sand and gravel [*acquired or used by*] **that** state agencies **acquire or use**
4 for the purpose of constructing or repairing roads or other state facilities, or the proceeds from
5 [*those materials*] **soil, clay, stone, sand or gravel.**

6 (2) Mineral or geothermal resource rights or **the** proceeds from [*those rights acquired by*] **min-**
7 **eral or geothermal resource rights that** the State Fish and Wildlife Commission [*pursuant to*]
8 **acquires in** an agreement with the federal government under 16 U.S.C. 669 to 669i (P.L. 75-415).

9 (3) Mineral or geothermal resource rights or **the** proceeds from [*those*] **mineral or geothermal**
10 **resource** rights if [*other disposition is required by*] federal rules or regulations or any agreement
11 [*entered into at the time of acquisition of*] **that the state enters into at the time the state ac-**
12 **quires the mineral or geothermal resource rights requires another disposition** [*the mineral or*
13 *geothermal resource rights by the state*].

14 (4) Proceeds of mineral and geothermal resource rights [*acquired by*] **that** the state **acquires**
15 pursuant to ORS 530.010 and 530.030, other than [*those*] **mineral and geothermal resource rights**
16 distributed under ORS 530.110 (1)(c).

17 (5) Mineral or geothermal resource rights or **the** proceeds from [*those*] **mineral or geothermal**
18 **resource** rights [*acquired after January 1, 1974, for the state by*] **that** the Department of Veterans'
19 Affairs [*pursuant to*] **acquires for the state after January 1, 1974 under** ORS 88.720, 406.050 (2),
20 407.135 or 407.145. After consultation, the Department of State Lands and the Department of
21 Veterans' Affairs shall enter into an interagency agreement governing consultation between [*them*]
22 **the departments** concerning mineral and geothermal resource values on properties **the Depart-**
23 **ment of Veterans' Affairs acquires** [*acquired*] for the state [*by the Department of Veterans'*
24 *Affairs*]. The Department of Veterans' Affairs shall adopt rules relating to the release of mineral and
25 geothermal rights on [*such*] **the acquired** properties.

26 (6) Mineral or geothermal resource rights or **the** proceeds from [*those*] **mineral or geothermal**
27 **resource** rights [*given by*] **that** a donor **gives** to any public university or office, department or ac-
28 tivity under the control of the State Board of Higher Education that [*are acquired or held*] **the**
29 **board acquires or holds** for the state [*by the State Board of Higher Education pursuant to*] **under**
30 ORS chapters 351 and 567. In managing mineral or geothermal resource leases, the State Board of
31 Higher Education shall consult with the Department of State Lands in accordance with an intera-
32 gency agreement [*established by*] **that** the department and the [*State Board of Higher Education*
33 *governing*] **board establish to govern** consultation between the department and the [*State Board*
34 *of Higher Education and governing*] **board and to govern** management of the mineral or geothermal
35 resources.

36 (7) Mineral or geothermal resource rights or proceeds from [*those*] **mineral or geothermal re-**
37 **source** rights [*acquired and held by*] **that** the Department of Transportation **acquires and holds.**
38 In managing mineral or geothermal resource leases, the Department of Transportation shall enter
39 into an intergovernmental agreement with the Department of State Lands governing consultation
40 between the departments and governing management of the mineral or geothermal resources.

41 (8) Mineral or geothermal resource rights or **the** proceeds from [*those*] **mineral or geothermal**
42 **resource** rights [*acquired and held by*] **that** the Housing and Community Services Department **ac-**
43 **quires and holds.**

44 (9) **Mineral or geothermal resource rights or the proceeds from mineral or geothermal**
45 **resource rights that the Oregon Health Authority or the Department of Human Services**

1 acquires and holds.

2 **SECTION 3.** (1) The amendments to ORS 270.100 and 273.785 by sections 1 and 2 of this
3 2015 Act become operative January 1, 2016.

4 (2) The Oregon Department of Administrative Services, the Department of State Lands,
5 the Oregon Health Authority and the Department of Human Services may take any action
6 before the operative date specified in subsection (1) of this section that is necessary to enable
7 the department or the authority to exercise, on and after the operative date specified in
8 subsection (1) of this section, all of the duties, functions and powers conferred on the de-
9 partment or the authority by the amendments to ORS 270.100 and 273.785 by sections 1 and
10 2 of this 2015 Act.

11 **SECTION 4.** (1) The amendments to ORS 270.100 by section 1 of this 2015 Act apply to
12 real property that the Oregon Health Authority or the Department of Human Resources ac-
13 quires or sells under ORS 410.075 or 416.340 on or after the operative date specified in section
14 3 (1) of this 2015 Act.

15 (2) The amendments to ORS 273.785 by section 2 of this 2015 Act apply to mineral or
16 geothermal resource rights or the proceeds from mineral or geothermal resource rights that
17 the Oregon Health Authority or the Department of Human Resources acquires and holds on
18 or after the operative date specified in section 3 (1) of this 2015 Act.

19 **SECTION 5.** This 2015 Act being necessary for the immediate preservation of the public
20 peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect
21 on its passage.
22
