HB 2333 STAFF MEASURE SUMMARY

House Committee On Rules

Action Date: 04/25/17
Action: Do Pass.
Vote: 9-0-0-0

Yeas: 9 - Barreto, Hack, Holvey, Kennemer, McLane, Nosse, Rayfield, Smith Warner, Williamson

Fiscal: No fiscal impact
Revenue: No revenue impact
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WHAT THE MEASURE DOES:

Allows state agency that is unable to sell state property or equitable interest in state property, after following prescribed sale procedures, to continuously offer property or equitable interest in property for sale using any means it considers appropriate. Requires state agency to repeat required sales procedures, only if sales efforts have been discontinued for 12 months or more.

ISSUES DISCUSSED:

- State agency procedures for selling real property
- When state agency has satisfied statutory requirements for sale of real property
- Methods state agency may employ to sell real property
- How state agency decides to use real estate agent

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Currently, when a state agency sells real property, it must comply with several statutory requirements including informing the Oregon Department of Administrative Services (DAS) of its intent to sell. DAS then notifies other state agencies to determine whether acquiring the real property or interest in the real property would be advantageous. After inquiring with other state agencies, DAS extends an opportunity to acquire, purchase, exchange or lease the real property or an interest in it, to nonprofit organizations, Indian tribes and political subdivisions. If DAS determines that the property is not needed for public use, the state or its agency may sell, exchange, convey or lease all or part of its interest in the property for any period not exceeding 99 years, to the state or any political subdivision of the state, or to the United States or any agency thereof, or to a private individual or corporation. When the state agency attempts to sell the property, it must provide notice of the proposed sale not less than once a week for three successive weeks by publication in one or more newspapers of general circulation in the county in which such real property is located, and in such other newspapers, if any, as it considers advisable. If the state agency complies with these requirements and does not receive any satisfactory offers, it may sell the property in any appropriate manner, at any time during the 18 months after the advertised sale date.

House Bill 2333 clarifies that a state agency may offer a property or interest in property for sale continuously, no later than 18 months after complying with the statutory requirements governing same, and must recomply with that process only when it discontinues its efforts to sell for a period of 12 months or more.

Carrier: Rep. Nosse