

HB 3061 STAFF MEASURE SUMMARY

Senate Committee On Business and General Government

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Meeting Dates: 4/25

WHAT THE MEASURE DOES:

Allows political subdivision to convey real property to nonprofit, municipal, or private corporation for express purpose of providing broadband service. Requires instrument conveying real property include restriction on use that requires property be used to provide broadband and reversing conveyance if property is not used in conformance with restriction. Allows political subdivision by resolution to waive and relinquish reversionary interest less than 20 years after date resolution was adopted if determined to be in public interest. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

A "political subdivision" is any unit of local government with power to levy and collect taxes. Current statute allows political subdivision to convey property not needed for public use to any governmental body provided the property will be used for at least 20 years for a public purpose. These transfers do not require the receiving body to give consideration beyond complying with conditions for use indicated in the conveyance. The conveyance must contain a reversionary clause which returns the property to the political subdivision if the recipient fails to use the property for the identified public purpose. Political subdivisions can also transfer property to a qualifying nonprofit for low income housing, social services, and child care services with the same 20-year public purpose requirement.

House Bill 3061 adds providing broadband service the purposes under which a political subdivision may convey property. The measure allows property to be conveyed to a nonprofit, municipal, or private corporation for the purpose of providing broadband service. The measure also allows a political subdivision to waive and relinquish the reversionary clause before the 20-year public purpose requirement if it is determined to be in the public interest.