H-3832.1		
11 00001		

HOUSE BILL 2722

State of Washington 62nd Legislature 2012 Regular Session

By Representatives Parker, Dunshee, Warnick, Zeiger, Angel, and Santos Read first time 01/26/12. Referred to Committee on Capital Budget.

- AN ACT Relating to surplus property; and amending RCW 43.82.055,
- 2 43.19.1919, and 43.82.150.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 43.82.055 and 2007 c 506 s 6 are each amended to read 5 as follows:
- 6 The office of financial management shall:
- 7 (1) Work with the department of ((general administration))
- 8 <u>enterprise services</u> and all other state agencies to determine the
- 9 long-term facility needs of state government; and
- 10 (2) Develop and submit a six-year facility plan to the legislature
- 11 by January 1st of every odd-numbered year, beginning January 1, 2009,
- 12 that includes:

14

- 13 <u>(a) S</u>tate agency space requirements and other pertinent data
- 15 ((general administration)) enterprise services shall assist with this
- 15 ((general administration)) <u>enterprise services</u> shall assist with this
- 16 effort as required by the office of financial management; and

necessary for cost-effective facility planning.

- 17 (b) A list of surplus properties including the property, agency
- 18 ownership, approximate value, and original fund source used to acquire
- 19 <u>or construct the property</u>.

p. 1 HB 2722

The department of

- 1 (3) The office of financial management shall submit an updated list 2 of surplus properties to fiscal committees of the legislature by 3 January 1st of even-numbered years.
- 4 <u>(4) The office of financial management shall coordinate with the</u> 5 <u>department of enterprise services to actively list any properties</u> 6 <u>identified as surplus.</u>
- 7 **Sec. 2.** RCW 43.19.1919 and 2011 1st sp.s. c 43 s 215 are each 8 amended to read as follows:

9

11

12

13 14

15

16 17

18

19 20

2122

23

2425

26

27

2829

30

3132

- (1) The department shall sell or exchange personal property belonging to the state for which the agency, office, department, or educational institution having custody thereof has no further use, or identified by the office of financial management, at public or private sale, and cause the moneys realized from the sale of any such property to be paid into the fund from which such property was purchased or, if such fund no longer exists, into the state general fund. This requirement is subject to the following exceptions and limitations:
- $((\frac{1}{1}))$ <u>(a)</u> This section does not apply to property under RCW 27.53.045, 28A.335.180, or 43.19.1920;
- $((\frac{2}{1}))$ (b) Sales of capital assets may be made by the department and a credit established for future purchases of capital items as provided for in RCW 43.19.190 through 43.19.1939;
- (((3))) (c) Personal property, excess to a state agency, including educational institutions, shall not be sold or disposed of prior to reasonable efforts by the department to determine if other state agencies have a requirement for such personal property. Such determination shall follow sufficient notice to all state agencies to allow adequate time for them to make their needs known. Surplus items may be disposed of without prior notification to state agencies if it is determined by the director to be in the best interest of the state. The department shall maintain a record of disposed surplus property, including date and method of disposal, identity of any recipient, and approximate value of the property;
- 33 (((4))) <u>(d)</u> This section does not apply to personal property 34 acquired by a state organization under federal grants and contracts if 35 in conflict with special title provisions contained in such grants or 36 contracts;

HB 2722 p. 2

(((5))) <u>(e)</u> A state agency having a surplus personal property asset with a fair market value of less than five hundred dollars may transfer the asset to another state agency without charging fair market value. A state agency conducting this action must maintain adequate records to comply with agency inventory procedures and state audit requirements.

- 6 (2) The department shall submit a report annually to the
 7 appropriate fiscal committees of the legislature and the office of
 8 financial management on the status of any surplus property that is
 9 actively being listed for sale including the date the property was
 10 listed and listing price, and any surplus property that has sold
 11 including the recipient, the approximate or appraised value, sale
 12 price, and fund that the proceeds will be deposited into.
- **Sec. 3.** RCW 43.82.150 and 2007 c 506 s 7 are each amended to read 14 as follows:
 - (1) The office of financial management shall develop and maintain an inventory system to account for all owned or leased facilities utilized by state government, or surplus properties. At a minimum, the inventory system must include the facility owner, location, type, condition, use, and size of each facility. In addition, for owned facilities, the inventory system must include the date and cost of original construction and the cost of any major remodeling or renovation. The inventory must be updated by June 30th of each year. The office of financial management shall publish a report summarizing information contained in the inventory system for each agency by October 1st of each year, beginning in 2010 and shall submit this report to the appropriate fiscal committees of the legislature.
 - (2) All agencies, departments, boards, commissions, and institutions of the state of Washington shall provide to the office of financial management a complete inventory of owned and leased facilities ((by September 1, 2010)), and a list of properties that are identified to be surplus. The inventory and surplus must be updated and submitted to the office of financial management by September 1st of each subsequent year. The inventories and surpluses required under this subsection must be submitted in a standard format prescribed by the office of financial management.
 - (3) ((The office of financial management shall report to the legislature by September 1, 2008, on recommended improvements to the

p. 3 HB 2722

inventory system, redevelopment costs, and an implementation schedule for the redevelopment of the inventory system. The report shall also make recommendations on other improvements that will improve accountability and assist in the evaluation of budget requests and facility management by the governor and the legislature.

(4))) For the purposes of this section, "facilities" means buildings and other structures with walls and a roof. "Facilities" does not mean roads, bridges, parking areas, utility systems, and other similar improvements to real property.

--- END ---

HB 2722 p. 4