

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE

House Bill 675

(Delegates Otto and McDermott)

Environmental Matters

Education, Health, and Environmental Affairs

Somerset County - Private Sale of County Property

This bill authorizes the Somerset County Commissioners to sell, at a private sale, three specified properties to the City of Crisfield and one specified property to the American Legion – Stanley Cochrane Post #16. The county commissioners may sell the properties under any terms they consider appropriate. Upon sale, the property must revert back to the county commissioners if the City of Crisfield (1) attempts to restrict the public use of the property; (2) assesses any fees for the use of the property; or (3) attempts to transfer the property to any other person.

Fiscal Summary

State Effect: None.

Local Effect: Potential minimal revenue impact on Somerset County and potential minimal expenditure impact on the City of Crisfield from the sale and purchase of the properties.

Small Business Effect: None.

Analysis

Current Law/Background: With specified exceptions, the county commissioners of every county may sell at public sale any property when no longer needed for public use. In Somerset County, the county commissioners may sell any interest in surplus property held by the county by acceptance of sealed bids solicited by advertisement. If the highest bid fails to yield a reasonable price for the property, the county commissioners can reject

all bids. If all bids are rejected, the county commissioners may proceed to sell the property by re-advertising for sealed bids or through public auction.

In a number of counties, including Somerset, the county commissioners may negotiate the sale of real property owned by the county school board with any governmental body or agency in the county if the property is deemed no longer needed. The sale can be completed without advertising after three independent appraisals have been obtained.

The Somerset County Commissioners have been authorized to sell specified properties under terms deemed appropriate by the county commissioners, without public sale. Chapter 313 of 2007 authorized the sale of a property known as Whittington Elementary School to Shore Up Inc. Chapter 386 of 2007 authorized the county to sell four properties to the City of Crisfield. Chapter 67 of 2008 authorized the county commissioners to sell any county road without a public sale when it is no longer needed for public use. Chapter 44 of 2008 specifically authorized the county commissioners to sell Charlie Swift Road.

Local Fiscal Effect: The Somerset County Commissioners and the City of Crisfield have negotiated a one dollar sales price for each property. The City of Crisfield currently maintains the three properties proposed to be sold to the city so there will be no change in which party incurs maintenance costs. The property to be sold to the American Legion is currently a marsh for which the county currently performs no maintenance.

Additional Information

Prior Introductions: None.

Cross File: SB 767 (Senator Mathias) - Education, Health, and Environmental Affairs.

Information Source(s): Somerset County, City of Crisfield, Department of Legislative Services

Fiscal Note History: First Reader - March 2, 2011
ncs/hlb

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