
By: **Senator Gladden**

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Assigned to: Rules

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Taxation, February 25, 2005

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 28, 2005

CHAPTER _____

1 AN ACT concerning

2 **State Surplus Personal Property - Transfer to ~~Public Schools~~**

3 FOR the purpose of authorizing the Secretary of General Services to dispose of
4 surplus personal property owned by the State by transferring it to ~~public schools~~
5 certain entities in a certain order of priority; authorizing the custodial unit of
6 State government for certain property to make a recommendation with regard to
7 the transfer of the property; requiring the Secretary of General Services to
8 consider a certain recommendation with regard to certain property and
9 authorizing the Secretary to charge a reasonable fee for the disposal and
10 transfer of certain property; and generally relating to the transfer of surplus
11 personal property owned by the State.

12 BY repealing and reenacting, without amendments,
13 Article - State Finance and Procurement
14 Section 4-501
15 Annotated Code of Maryland
16 (2001 Replacement Volume and 2004 Supplement)

17 BY repealing and reenacting, with amendments,
18 Article - State Finance and Procurement
19 Section 4-502 and 4-504
20 Annotated Code of Maryland
21 (2001 Replacement Volume and 2004 Supplement)

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article - State Finance and Procurement**

4 4-501.

5 (a) In this subtitle the following words have the meanings indicated.

6 (b) "Excess personal property" means an item of personal property that is
7 declared to be in excess of the needs of the custodial unit of the State government
8 because the item:

9 (1) is not necessary to the efficient operation of the unit; or

10 (2) has been replaced by a similar item.

11 (c) "Nonexpendable item" means an item of equipment or furnishing that has:

12 (1) an anticipated useful life of more than 1 year; and

13 (2) an original cost exceeding a minimum dollar amount established by
14 the Department by regulation.

15 (d) "Surplus personal property" means an item of excess personal property
16 that the Department declares is not needed by any unit of the State government.

17 4-502.

18 (a) (1) The head of a unit of the State government may declare an item of
19 personal property in the possession of the unit to be excess personal property by
20 submitting a declaration of excess personal property to the Department.

21 (2) The declaration is effective on approval by the Department.

22 (b) (1) The Department may declare excess personal property to be surplus
23 personal property if the Department determines that the excess personal property
24 cannot be used by any unit of the State government.

25 (2) (I) ON THE DECLARATION BY THE DEPARTMENT OF AN ITEM OF
26 PERSONAL PROPERTY AS SURPLUS PERSONAL PROPERTY, THE ORIGINAL CUSTODIAL
27 UNIT OF THE STATE GOVERNMENT MAY RECOMMEND THAT THE ITEM BE
28 TRANSFERRED TO:

29 1. A LOCAL PUBLIC SCHOOL SYSTEM IN THE STATE;

30 2. A POLITICAL SUBDIVISION OF THE STATE; OR

31 3. A NONPROFIT ENTITY IN THE STATE.

1 (II) THE SECRETARY SHALL CONSIDER THE RECOMMENDATION OF
 2 THE ORIGINAL CUSTODIAL UNIT WHEN MAKING A DECISION UNDER § 4-504 OF THIS
 3 SUBTITLE TO DISPOSE OF THE SURPLUS PERSONAL PROPERTY.

4 4-504.

5 (a) The Secretary may dispose of excess personal property and surplus
 6 personal property as provided in this section.

7 (B) THE SECRETARY MAY CHARGE A REASONABLE FEE FOR THE DISPOSAL
 8 AND TRANSFER OF EXCESS PERSONAL PROPERTY AND SURPLUS PERSONAL
 9 PROPERTY.

10 ~~(b)~~ (C) (1) Whenever feasible, the Secretary shall dispose of excess
 11 personal property by transferring it to another unit of the State government.

12 (2) The unit of the State government that receives the excess personal
 13 property shall pay any cost of the transfer.

14 ~~(c)~~ (D) The Secretary:

15 (1) may dispose of any surplus personal property; and

16 (2) shall seek to gain the maximum value for the State in the disposition.

17 ~~(d)~~ (E) (1) The Secretary shall dispose of surplus personal property IN THE
 18 FOLLOWING ORDER OF PRIORITY:

19 (I) BY OFFERING THE PROPERTY TO THE PUBLIC SCHOOL SYSTEM
 20 IN THE LOCAL JURISDICTION IN WHICH THE PROPERTY ORIGINATED;

21 (II) BY OFFERING THE PROPERTY TO THE LOCAL JURISDICTION IN
 22 WHICH THE PROPERTY ORIGINATED;

23 (III) BY OFFERING THE PROPERTY TO NONPROFIT ENTITIES IN THE
 24 JURISDICTION IN WHICH THE PROPERTY ORIGINATED;

25 (IV) BY OFFERING THE PROPERTY TO THE LOCAL JURISDICTION OR
 26 NONPROFIT ENTITY RECOMMENDED BY THE ORIGINAL CUSTODIAL UNIT OF THE
 27 PROPERTY;

28 (V) BY OFFERING THE PROPERTY TO THE PUBLIC AT A
 29 CENTRALIZED WAREHOUSE LOCATION;

30 ~~(i)~~ (VI) by dismantling it for recovery of valuable parts;

31 ~~(ii)~~ (VII) by trading it in;

32 ~~(iii)~~ (VIII) by transferring it to a local jurisdiction or nonprofit
 33 organization;

1 ~~(IV)~~ ~~BY TRANSFERRING IT TO A PUBLIC SCHOOL;~~

2 [(iv)] ~~(V)~~ (IX) by auctioning or selling it, including selling it for
3 scrap value; or

4 [(v)] ~~(VI)~~ (X) if no value can be realized from it, by destroying it.

5 (2) If surplus personal property is destroyed under this subsection, the
6 unit of the State government that declared the item to be excess personal property
7 shall pay any cost of destruction.

8 ~~(e)~~ (F) The Secretary may delegate the authority to dispose of surplus
9 personal property to a designee of the Secretary or, by regulation, to another unit of
10 the State government.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 October 1, 2005.