

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 878 (Senator Gladden)

Education, Health, and Environmental Affairs and
Budget and Taxation

Appropriations

State Surplus Personal Property - Transfer

This bill authorizes the Secretary of General Services to dispose of surplus State personal property by transferring it to a public school system.

Fiscal Summary

State Effect: Potential minimal decrease in general fund revenue due to a certain amount of surplus property going to public school systems instead of public sale or auction. Implementation could be handled with existing resources.

Local Effect: Local governments, including public schools, can already receive surplus State personal property. Potential minimal increase in property to school systems, as the bill allows surplus property to go directly to local school systems, instead of through the local governments. By giving priority to local governments, these entities will benefit from the receipt of additional State surplus personal property.

Small Business Effect: None.

Analysis

Current Law: The Secretary of General Services has the authority to dispose of excess and surplus State personal property. Excess property is defined as an item in excess of the needs of a unit of State government, whether by the item being replaced, or the item is simply no longer needed. Surplus property is any piece of excess property that the Department of General Services (DGS) has declared to be not needed by any unit of State government. Whenever feasible, the Secretary must dispose of excess personal property

by transferring it to another unit of State government. The Secretary may dispose of surplus property by:

- dismantling it for parts;
- trading it in;
- auctioning or selling it, including for scrap value;
- transferring it to a local jurisdiction or nonprofit organization; or
- destroying it, if no value can be realized from the property.

If property is destroyed, the unit of State government declaring the property to be surplus bears any cost of destruction.

Proceeds from any auctioned property are to be deposited in the State general fund, unless the property auctioned was purchased with special or bond funds. Proceeds from special and bond fund purchased items are to be deposited in the respective funds.

Background: DGS deposited \$761,000 in the State general fund in fiscal 2004 from the auction or sale of surplus personal property. These items included excess furniture and traditional office products as well as items such as those confiscated by security checkpoints at Baltimore-Washington International Airport.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of General Services, Independent College and University Association, Maryland State Department of Education, Department of Legislative Services

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