Department of Legislative Services

Maryland General Assembly 2006 Session

FISCAL AND POLICY NOTE Revised

House Bill 99 (Delegate Elmore)

Environmental Matters Education, Health, and Environmental Affairs

Somerset County - Sale of Property - Whittington Elementary School

This bill authorizes the Somerset County Commissioners to sell the parcel of land known as Whittington Elementary School to the City of Crisfield at fair market value.

The bill takes effect July 1, 2006.

Fiscal Summary

State Effect: None.

Local Effect: Somerset County revenues would increase by the proceeds generated by the sale of the Whittington campus to the City of Crisfield, less any closing costs associated with transferring the property. Similarly, expenditures for the City of Crisfield would increase by the sale price of the Whittington campus, plus any closing costs associated with transferring the property.

Small Business Effect: None.

Analysis

Current Law: As provided in Article 25, § 11A, generally the county commissioners of every county may: (1) acquire by purchase, gift, devise, bequest, condemnation, any property or interest needed for any public purpose; (2) erect buildings on the land for the benefit of the county; (3) sell at public sale any property no longer needed; and (4) provide for the financing of any housing or housing project. In a number of counties, including Somerset County, the county commissioners may negotiate with any

governmental body or agency located within the county for the sale of real property no longer needed by the county school board without advertising the property for sale, after three independent appraisals have been obtained.

Background: The City of Crisfield advises that it would like to use the property for its Head Start program, as well as for the Salvation Army Youth Program. The Whittington campus is in use by students through the end of the current school year. Another school, Woodson Elementary, will serve the students currently attending the Whittington campus.

Local Fiscal Effect: Somerset County revenues would increase by the proceeds generated by the sale of the Whittington campus to the City of Crisfield, less any closing costs associated with transferring the property. Similarly, expenditures for the City of Crisfield would increase by the sale price of the Whittington campus, plus any closing costs associated with transferring the property.

Somerset County advises that it is currently unaware of the fair market value of the Whittington campus. Therefore, the precise fiscal impact of selling the Whittington campus cannot be reliably quantified at this time. In any event, the fiscal impact is assumed to be significant. The Department of Legislative Services observes that this bill could reduce the costs associated with selling the Whittington campus to Crisfield by eliminating the need for three independent appraisals, as required by current law.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Services, Department of Legislative Services

Fiscal Note History: First Reader - January 31, 2006

nas/hlb Revised - House Third Reader - March 27, 2006

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