SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO.

Senate Bill 747

PRINTER'S NO.

842

AMOUNT

FUND

No Fiscal Impact

Motor License Fund

DATE INTRODUCED

PRIME SPONSOR

April 3, 2009

Senator Rafferty

HISTORY OF BILL

Referred to TRANSPORTATION, April 3, 2009 Reported as committed, June 9, 2009 First consideration, June 9, 2009 Re-referred to APPROPRIATIONS, June 23, 2009 Re-reported as committed, Jan. 26, 2010

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 747 repeals §2003(e)(7) of the Administrative Code of 1929 (P.L.177, No.175). This section specifies the procedure in which the Department of Transportation (Department) must follow when selling land acquired by the Department when it is determined that the land is no longer needed for present or future transportation purposes. This legislation also creates a new freestanding act known as the "Sale of Transportation Lands Act" that effectuates the same procedure with several changes.

This legislation removes an exception which applies only to land in counties of the second class A without a home rule charter. The general rule requires the Department to first offer surplus property to any public agency which demonstrates a public purpose for the land, with the noted exception of land located within a Class 2A county without a home rule charter. With the enactment of this legislation, the general rule would also apply to Bucks and Montgomery counties, which are the only class 2A counties in the Commonwealth without a home rule charter.

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

Upon approval of the Secretary of Transportation, land would be allowed to be sold at public sale under the following conditions:

- Land must be offered first at its fair market value to other public agencies (which includes an authority and a political subdivision) for a demonstrable public purpose, <u>including</u> the preservation of open space;
- If the land is not transferred to another public agency and if the land is occupied by a tenant the land must be offered at its fair market value less costs to the tenant or the previous owner under certain restrictions;
- The land may also be resold to the original owner; and
- All proceeds from the sale shall be deposited into the Motor License Fund.

FISCAL IMPACT:

The Department currently acquires and sells surplus land in the Commonwealth when it is determined that the land is no longer needed for present or future purposes and only the procedure of such sales in counties of the second class A would change. Therefore, it is determined that there would not be any negative impact on Commonwealth funds with the enactment of this legislation.