

# SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

**BILL NO.**

Senate Bill 359

**PRINTER'S NO.**

349

**AMOUNT**

No Fiscal Impact

**FUND**

General

**DATE INTRODUCED**

February 1, 2011

**PRIME SPONSOR**

Senator Eichelberger

**HISTORY OF BILL**Referred to LOCAL GOVERNMENT, Feb. 1, 2011Reported as committed, Feb. 14, 2011

First consideration, Feb. 14, 2011

Re-referred to APPROPRIATIONS, March 7, 2011Re-reported as committed, April 5, 2011**DESCRIPTION AND PURPOSE OF BILL**

Senate Bill 359 amends "An act relating to and regulating the contracts of incorporated towns and providing penalties" (Act 34 of 1953) by authorizing the sale of personal property of an incorporated town by online or electronic auction sale.

The legislation amends section 1.1 of Act 34 of 1953 relating to power to convey, which specifies the requirements incorporated towns must follow to purchase and sell real and personal property. Senate Bill 359 provides that no personal property of a town shall be sold without approval of the town council unless the value of the property is less than \$1,000. Presently, this limit is set at \$200.

With regard to allowing for electronic auction sales, bids shall be accepted electronically at the time and in the manner designated in the advertisement, and each bidder shall have the capability to view the bidder's bid rank or the high bid price. Bidders may increase their bid prices during the electronic auction.

The record of the electronic auction shall be accessible for public inspection. The purchase price, including shipping charges, if any, shall be paid by the high bidder immediately or at a reasonable time after the conclusion of the electronic auction as determined by council.

# **SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE**

A town that has complied with the advertising requirements of section 1.1 may provide additional public notice of the sale by bids or public auction in any manner deemed appropriate by council. The advertisement for electronic auction sales shall include the Internet address or means of accessing the electronic auction and the date, time and duration of the electronic auction.

Senate Bill 359 makes a technical correction to Act 34 of 1953 by removing a reference to the Municipal Authorities Act of 1945, which has been repealed, and replacing it with a reference to The General Local Government Code (Title 53).

The Act takes effect immediately.

## **FISCAL IMPACT:**

Enactment of this legislation will have no adverse fiscal impact to the Commonwealth.