

10746

I N A S S E M B L Y

April 19, 2010

Introduced by M. of A. ALESSI -- read once and referred to the Committee on Governmental Operations

AN ACT to amend the public lands law and the state finance law, in relation to disposition of proceeds from the sale of public lands and personal property of the state for the purpose of reducing state-sponsored debt

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Subdivision a of section 21 of the public lands law, as  
2 amended by chapter 706 of the laws of 1977, is amended to read as  
3 follows:  
4 a. The commissioner of general services is authorized, in his  
5 discretion, to sell and convey at public or private sale, upon such  
6 terms and conditions as he may deem proper, all the right, title and  
7 interest of the state in and to certain strips of abandoned canal lands  
8 or Onondaga salt springs reservation land, which strips adjoin the old  
9 beds of the Erie canal and Oswego canal and side-cut canals, which beds  
10 were heretofore conveyed by the people of the state of New York and in  
11 which said strips of land there remains a right, title or interest in  
12 the people of the state of New York. Any such private sale, if made,  
13 shall be to the state's grantee or to the successor to the title or  
14 interest of the beds so previously granted by the state and shall be for  
15 a consideration not less than the appraised value of the said right,  
16 title or interest. ALL MONEYS CONSTITUTING THE PROCEEDS OF ANY SUCH  
17 DISPOSITION OF SUCH STATE-OWNED REAL PROPERTY SHALL BE PAID, FIRST TO  
18 REPAY ANY EXPENDITURES MADE BY THE OFFICE OF GENERAL SERVICES FROM  
19 MONEYS APPROPRIATED TO SAID OFFICE IN THE FIRST INSTANCE FOR THE ADMIN-  
20 ISTRATION, MANAGEMENT, UTILIZATION AND DISPOSITION OF REAL PROPERTY OF  
21 THE STATE AND ANY RIGHTS OR INTERESTS THEREIN, AND ANY BALANCE OF SUCH  
22 MONEYS REMAINING AFTER REPAYMENT OF THE FIRST INSTANCE EXPENDITURES  
23 SHALL BE PAID INTO THE STATE TREASURY THROUGH THE OFFICE OF GENERAL  
24 SERVICES TO THE CREDIT OF THE STATE-SUPPORTED DEBT REDUCTION FUND ESTAB-  
25 LISHED BY SECTION SEVENTY-THREE OF THE STATE FINANCE LAW.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

LBD16897-02-0

1 S 2. Section 23 of the public lands law, as amended by chapter 170 of  
2 the laws of 1994, is amended to read as follows:

3 S 23. Disposition of moneys received from sale of certain state lands  
4 and sand and gravel thereon. All moneys received by the commissioner of  
5 general services from the sale of sand and gravel on, or from the sale  
6 of, any land of the state, or from the grant of rights or easements  
7 therein or thereover, not including land under water provision with  
8 respect to which is made in section seventy-five of this chapter, and  
9 not including abandoned canal lands provision with respect to which is  
10 made under article four of this chapter and not including certain  
11 detached parcels of forest preserve lands with respect to which  
12 provision is made in section twenty-four of this chapter, shall be paid,  
13 less any refunds made pursuant to section twenty-six of this law, and  
14 less any sum required to be deposited to the credit of the environmental  
15 protection fund provision with respect to which is made by chapter six  
16 hundred ten of the laws of nineteen hundred ninety-three, into the state  
17 treasury through the office of general services to the credit of the  
18 [capital construction] STATE-SUPPORTED DEBT REDUCTION fund established  
19 by section [ninety-three] SEVENTY-THREE of the state finance law. All  
20 such moneys received during a month, less any refunds, shall be so paid  
21 on or before the fifteenth day of the succeeding month.

22 S 3. The second undesignated paragraph of section 24 of the public  
23 lands law, as amended by chapter 79 of the laws of 1976, is amended to  
24 read as follows:

25 All sales shall be subject to and governed by the provisions of  
26 sections thirty-three, thirty-five, thirty-seven, thirty-seven-a, thir-  
27 ty-eight, thirty-eight-a and thirty-nine of this chapter, being general  
28 provisions governing the sale of unappropriated state lands. All moneys  
29 derived by the commissioner from such sales, not including any refunds  
30 made pursuant to section twenty-six of this law, shall be paid first to  
31 repay any expenditures made by the office of general services with  
32 relation to forest preserve lands from moneys appropriated to said  
33 office in the first instance for the administration, management, utili-  
34 zation and disposition of real property of the state and any rights or  
35 interests therein, and any balance of such moneys remaining after repay-  
36 ment of the first instance expenditures shall be paid through the office  
37 of general services into a special fund of the state treasury, provided  
38 for that purpose [by] IN SECTION SEVENTY-THREE OF the state finance law  
39 and known as the [forest preserve expansion] STATE-SUPPORTED DEBT  
40 REDUCTION fund, and shall be expended only as provided in that law. All  
41 of such moneys received during any month shall be so paid on or before  
42 the fifteenth day of the succeeding month.

43 S 4. Section 25 of the public lands law, as amended by chapter 141 of  
44 the laws of 1988, is amended to read as follows:

45 S 25. Sale or exchange of real property owned by the state and devoted  
46 to the use of the organized militia. Upon the filing with the commis-  
47 sioner of general services by the adjutant general of his certificate in  
48 writing of his determination that certain real property owned by the  
49 state and devoted to the use of the organized militia of the state is no  
50 longer needed or adapted for such use and consenting that the same be  
51 sold or exchanged by the commissioner pursuant to the provisions of this  
52 section, the commission, if such certificate and consent be approved by  
53 the director of the budget and be accompanied by, annexed to, or  
54 endorsed upon an accurate map and description of such real property, may  
55 sell or exchange such real property in accordance with and subject to  
56 the terms, if any, of such consent. All sales of any such property

1 shall be in accordance with the procedure specified in article three of  
2 this chapter for the sale of unappropriated state lands. Upon compli-  
3 ance by the purchaser with the terms of sale, or, in the case of an  
4 exchange of lands, with the terms of the order of the commissioner  
5 authorizing such exchange, the sale or exchange shall be consummated by  
6 the issuance of letters patent granting the state-owned real property.  
7 All moneys constituting the proceeds of any such disposition of such  
8 state-owned real property shall be paid, less any refunds made pursuant  
9 to the provisions of section twenty-six of this [law] ARTICLE, first to  
10 repay any expenditures made by the office of general services from  
11 moneys appropriated to said office in the first instance for the admin-  
12 istration, management, utilization and disposition of real property of  
13 the state and any rights or interests therein, and any balance of such  
14 moneys remaining after repayment of the first instance expenditures  
15 shall be paid into the state treasury through the office of general  
16 services to the credit of the [capital projects] STATE-SUPPORTED DEBT  
17 REDUCTION fund established by section [ninety-three] SEVENTY-THREE of  
18 the state finance law.

19 S 5. Section 38 of the public lands law, as added by chapter 557 of  
20 the laws of 1929, is amended to read as follows:

21 S 38. Payment on resale. The purchaser shall complete the sale, imme-  
22 diately, by paying into the treasury THROUGH THE OFFICE OF GENERAL  
23 SERVICES TO THE CREDIT OF THE STATE-SUPPORTED DEBT REDUCTION FUND ESTAB-  
24 LISHED BY SECTION SEVENTY-THREE OF THE STATE FINANCE LAW the amount due  
25 on the land and receiving a patent, or by executing a proper bond and  
26 receiving a new certificate of the sale.

27 S 6. Section 59-a of the public lands law, as amended by chapter 79 of  
28 the laws of 1976, is amended to read as follows:

29 S 59-a. Disposition of proceeds. The proceeds from a sale or grant of  
30 such lands shall be applied first to repay any expenditures made by the  
31 office of general services from moneys appropriated to said office in  
32 the first instance for the administration, management, utilization and  
33 disposal of real property of the state and any rights or interests ther-  
34 ein and any balance of such moneys remaining after repayment of the  
35 first instance expenditures shall be applied to the cost of the improve-  
36 ment which renders such lands no longer necessary, and the expenses  
37 incurred by the attorney general for searches and examination of the  
38 title to such lands shall be deemed an item of the cost of improvement.  
39 Any surplus from the sale of abandoned lands above the cost of the  
40 entire improvement shall be [applied to the sinking fund for the payment  
41 of the improvement bonds] PAID INTO THE STATE TREASURY THROUGH THE  
42 OFFICE OF GENERAL SERVICES TO THE CREDIT OF THE STATE-SUPPORTED DEBT  
43 REDUCTION FUND ESTABLISHED BY SECTION SEVENTY-THREE OF THE STATE FINANCE  
44 LAW.

45 S 7. Subdivisions 1, 4 and 7 of section 167 of the state finance law,  
46 subdivisions 1 and 7 as added by chapter 83 of the laws of 1995 and  
47 subdivision 4 as amended by chapter 137 of the laws of 2008, is amended  
48 to read as follows:

49 1. The head of a state agency having custody or control of such prop-  
50 erty, except vehicles, may: (a) dispose of such property in accordance  
51 with applicable express statutory provisions, (b) reuse such property  
52 within the same state agency, (c) use the property in part payment on a  
53 new item which may include, but shall not be limited to, use as a trade-  
54 in or use in a guaranteed brokerage arrangement, (d) with the consent of  
55 the commissioner, place such property in the custody or control of the  
56 office of general services for reuse by other state agencies or for

1 other disposition, or (e) where the fair market value of such property  
2 is less than an amount established from time to time by the commission-  
3 er, dispose of such property by such means as the head of such state  
4 agency deems to be in the best interest of the state. Records of each  
5 disposition shall be retained by the state agency disposing of such  
6 property and shall be subject to audit. Where personal property has been  
7 purchased from special funds, a state agency, upon designation of the  
8 source of funds from which such property was purchased, may condition  
9 the disposal of such property on the reimbursement of such special fund  
10 in the amount of the fair market value of such property. All proceeds  
11 realized on sale or other transfer and not otherwise authorized to be  
12 deposited in a special fund, shall be deposited in the [general fund of  
13 the state] STATE-SUPPORTED DEBT REDUCTION FUND ESTABLISHED BY SECTION  
14 SEVENTY-THREE OF THIS CHAPTER.

15 4. (a) Prior to the public sale of surplus state personal property and  
16 if the commissioner has determined that personal property of the state  
17 shall be sold, the office of general services must first offer to sell  
18 such property to municipalities of the state. The availability of  
19 surplus personal property, and the offer to sell such property, shall be  
20 advertised to municipalities on the office of general services' website  
21 for a minimum of seven days. A municipality shall immediately advise the  
22 commissioner whether or not the municipality wishes to acquire such  
23 personal property. If it wishes to acquire such personal property, a  
24 municipality shall have thirty days to arrange delivery of such property  
25 and to conclude the negotiation of the sale. If two or more municipi-  
26 palities notify the commissioner of their wish to acquire such personal  
27 property, such personal property shall be sold to the highest offer  
28 complying with the terms of the sale as set by the commissioner. All  
29 proceeds of such sales shall be deposited to the credit of the [general  
30 fund of the state] STATE-SUPPORTED DEBT REDUCTION FUND ESTABLISHED BY  
31 SECTION SEVENTY-THREE OF THIS CHAPTER unless otherwise required by law.  
32 A record of each sale shall be retained and shall be subject to audit.  
33 After the thirty day period for municipalities to arrange delivery of  
34 such property and to conclude the negotiation of the sale, the property  
35 may be disposed of pursuant to paragraph (b) of this subdivision. For  
36 the purposes of this section, "municipality" shall mean a city, county,  
37 town or village.

38 (b) Where the commissioner has determined that there are no interested  
39 municipalities pursuant to paragraph (a) of this subdivision, the avail-  
40 ability of such property shall be advertised at least once prior to sale  
41 in a local newspaper. Such advertisement shall identify the property,  
42 the place where the terms of sale may be obtained and the date upon  
43 which offers will be received. In cases of emergency or special circum-  
44 stances, such notice may be waived if at least three separate and inde-  
45 pendent offers are solicited and obtained. Notwithstanding the  
46 provisions of this section, where the property will be sold by public  
47 auction over the internet, such notice may be waived if notification of  
48 the availability of such property is provided on the office of general  
49 services' website five business days prior to sale. Every such sale  
50 shall be made to the highest offer complying with the terms of sale and  
51 all proceeds of such sales shall be deposited to the credit of the  
52 [general fund of the state] STATE-SUPPORTED DEBT REDUCTION FUND ESTAB-  
53 LISHED BY SECTION SEVENTY-THREE OF THIS CHAPTER unless otherwise  
54 required by law. A record of each sale shall be retained and shall be  
55 subject to audit.

1 7. The commissioner shall have the power, at the request of a former  
2 governor or head of a state department or agency, or the surviving  
3 spouse of such a former official, to sell to such former official, or to  
4 his or her surviving spouse, selected articles of furniture, in use by  
5 such former official at the termination of his services as governor or  
6 head of a state department or agency in the private offices of the  
7 governor in the executive chamber or in the office occupied by such  
8 former head of a state department or agency, for the reasonable value  
9 thereof as articles of furniture as determined by the commissioner,  
10 depositing any moneys received from such sale in the state treasury  
11 THROUGH THE OFFICE OF GENERAL SERVICES TO THE CREDIT OF THE STATE-SUP-  
12 PORTED DEBT REDUCTION FUND ESTABLISHED BY SECTION SEVENTY-THREE OF THIS  
13 CHAPTER; provided, however, that a written request therefor, specifying  
14 the articles to be purchased, be submitted to the commissioner within  
15 ninety days after the termination of such service.

16 S 8. The state finance law is amended by adding a new section 73 to  
17 read as follows:

18 S 73. STATE-SUPPORTED DEBT REDUCTION FUND. 1. THERE IS HEREBY ESTAB-  
19 LISHED IN THE CUSTODY OF THE STATE COMPTROLLER A FUND TO BE KNOWN AS THE  
20 STATE-SUPPORTED DEBT REDUCTION FUND.

21 2. SUCH FUND SHALL CONSIST OF ALL MONIES CREDITED OR TRANSFERRED THER-  
22 ETO FROM PROCEEDS REALIZED FROM THE SALE OF PUBLIC LANDS AND PERSONAL  
23 PROPERTY OF THE STATE PURSUANT TO SECTIONS TWENTY-ONE, TWENTY-THREE,  
24 TWENTY-FOUR, TWENTY-FIVE, THIRTY-EIGHT, AND FIFTY-NINE-A OF THE PUBLIC  
25 LANDS LAW, AND SECTION ONE HUNDRED SIXTY-SEVEN OF THIS CHAPTER, AND ANY  
26 OTHER FUND OR SOURCE PURSUANT TO LAW.

27 3. THE MONIES IN SUCH FUND SHALL BE AVAILABLE TO BE USED FOR THE  
28 PURPOSE OF REDUCING STATE-SUPPORTED DEBT, AS DEFINED IN SECTION  
29 SIXTY-SEVEN-A OF THIS CHAPTER. THE COMPTROLLER SHALL DESIGNATE THE ALLO-  
30 CATION OF SUCH MONIES.

31 S 9. This act shall take effect on the one hundred eightieth day after  
32 it shall have become a law; provided, however, that effective immediate-  
33 ly, the addition, amendment and/or repeal of any rule or regulation  
34 necessary for the implementation of this act on its effective date are  
35 authorized and directed to be made and completed on or before such  
36 effective date.