

House Bill 3242

Sponsored by Representative HELT

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Reduces time state or state agency may hold certain idle property before selling property. Requires such property not sold within six months to be auctioned and sold even if selling price is below fair market value.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to state-owned real property; creating new provisions; amending ORS 270.110; and pre-
3 scribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 270.110 is amended to read:

6 270.110. (1) Except as provided in subsection (2) of this section:

7 (a) Whenever the state or [*any agency thereof*] **a state agency** possesses or controls real prop-
8 erty not needed for public use, or whenever the public interest may be furthered, the state or its
9 agency may sell, exchange, convey or lease for any period not exceeding 99 years all or any part
10 of its interest in the property to or with the state or any political subdivision of the state or the
11 United States or any agency thereof or [*private individual or corporation*] **any person**. Except where
12 the state is exchanging real property, the consideration for the transfer or lease may be cash or real
13 property, or both.

14 (b) The state or [*any agency thereof shall offer for sale*] **state agency shall sell, convey, ex-**
15 **change or relinquish pursuant to ORS 273.416, 273.426 to 273.436, 273.441 or 458.405 to 458.460**
16 **or this chapter all of its interest in** any real property in its possession or control if the property:

17 (A) Is within the urban growth boundary of any city, is within an urban reserve, is within a
18 rural community, or is within an urban unincorporated community;

19 (B) Is not being used for public purposes; and

20 [(C) *Is not needed for public use within five years of the last date the property was used for public*
21 *purposes.*]

22 (C)(i) **Has been identified as surplus real property; or**

23 (ii) **For a period of two years, has been identified as idle or has not been used for public**
24 **purposes.**

25 (c) **Property described in paragraph (b) of this subsection that is not sold, conveyed, ex-**
26 **changed or disposed of within six months must be auctioned by the state or state agency and**
27 **sold for any highest bid without requiring approval under ORS 270.100 (5).**

28 [(c)] (d) [*Paragraph (b) of this subsection does*] **Paragraphs (b) and (c) of this subsection do**
29 **not apply to the Department of Transportation or to the Department of State Lands.**

30 [(d) *Nothing in this subsection limits the authority of the state to relinquish title to property pur-*

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 *suant to ORS 458.445.]*

2 (e) **As used in this subsection, “used for public purposes” does not include use of real**
 3 **property for open space or real property that is leased to a private party for a private use.**

4 (2) If the ownership, right or title of the state to any real property set apart by deed, will or
 5 otherwise for a burial ground or cemetery, or for the purpose of interring the remains of deceased
 6 persons, is limited or qualified or the use of such real property is restricted, whether by dedication
 7 or otherwise, the state or its agency may, after first declaring by resolution that such real property
 8 is not needed for public use, or that the sale, exchange, conveyance or lease thereof will further the
 9 public interest, file a complaint in the circuit court for the county in which such real property is
 10 located against all persons claiming any right, title or interest in such real property, whether the
 11 interest be contingent, conditional or otherwise, for authority to sell, exchange, convey or lease all
 12 or any part of such real property. The resolution is prima facie evidence that such real property is
 13 not needed for public use, or that the sale, exchange, conveyance or lease will further the public
 14 interest. The action shall be commenced and prosecuted to final determination in the same manner
 15 as an action not triable by right to a jury. The complaint shall contain a description of such real
 16 property, a statement of the nature of the restrictions, qualifications or limitations, and a statement
 17 that the defendants claim some interest therein. The court shall make such judgment as it shall
 18 deem proper, taking into consideration the limitations, qualifications or restrictions, the resolution
 19 and all other matters pertinent thereto. Neither costs nor disbursements may be recovered against
 20 any defendant.

21 (3) The authority to lease property granted by this section includes authority to lease property
 22 not owned or controlled by the state at the time of entering into the lease. Such lease shall be
 23 conditioned upon the subsequent acquisition of the interest covered by the lease.

24 (4) Any lease of state real property exceeding five years must be approved in advance by the
 25 Oregon Department of Administrative Services, except for leases:

- 26 (a) Negotiated by the Oregon Department of Aviation;
- 27 (b) Of state forestlands;
- 28 (c) Of property controlled by the Department of State Lands, the Department of Transportation
 29 or a public university listed in ORS 352.002; or
- 30 (d) Of property controlled by the legislative or judicial branches of state government.

31 **SECTION 2. The amendments to ORS 270.110 by section 1 of this 2019 Act become oper-**
 32 **ative on January 1, 2020.**

33 **SECTION 3. The Oregon Department of Administrative Services, in coordination with any**
 34 **state agency that owns land that is described by ORS 270.110 (1)(b), as amended by section**
 35 **1 of this 2019 Act, may take any action before the operative date specified in section 2 of this**
 36 **2019 Act that is necessary for the Oregon Department of Administrative Services and state**
 37 **agencies to exercise, on and after the operative date specified in section 2 of this 2019 Act,**
 38 **all of the duties, functions and powers conferred by the amendments to ORS 270.110 by sec-**
 39 **tion 1 of this 2019 Act.**

40 **SECTION 4. This 2019 Act takes effect on the 91st day after the date on which the 2019**
 41 **regular session of the Eightieth Legislative Assembly adjourns sine die.**