ARTICLE XXIV-A
DISPOSITION OF COMMONWEALTH SURPLUS LAND

Section 2401-A. Limited Definitions. The following words and phrases when used in this article shall have, unless the context clearly indicates otherwise, the meanings given to them in this section:

“Agency.” Any department, departmental administrative board or commission, independent board or commission, agency or other authority of this Commonwealth now existing or hereafter created, but shall not include any court, political subdivision, municipal or local authority.

“Department.” The Department of General Services.

“Surplus property.” Any buildings, land or other real estate owned by the Commonwealth that has been deemed surplus to the needs of the administering agency which last had use of the property and which has been turned over to the jurisdiction of the Department of General Services for final verification and declaration of its surplus status. The definition of and the designation of surplus property shall not apply to any lands designated as State parks or State forests or any lands acquired by the Pennsylvania Fish Commission or the Pennsylvania Game Commission.

Section 2402-A. Annual Property Survey.—(a) The department shall distribute to all agencies, not later than 30 days after the effective date of this article and not later than May 1 of each year thereafter, a request to compile information on all State-owned real property. The survey shall require the agency, for each parcel of real property, within its jurisdiction, to identify its location, size, current use, the presence of any buildings or other improvements, the condition of all buildings and improvements and other relevant property attribute data. The survey shall require the agency to identify any property currently surplus to the needs of the agency.

(b) Agencies shall send to the department, not later than 60 days after the effective date of this article and not later than July 1 of each year thereafter, completed annual property surveys. The department shall compile and consolidate the agency surveys and send a copy of the compilation to the Chairmen and Minority Chairmen of the House and Senate State Government Committees or their successor committees.

(c) For all real property identified as surplus by an agency, the department shall determine whether any other agencies have an appropriate use for the property. If it is desirable and appropriate to transfer to another agency property that has been deemed surplus by the administering agency currently using the property, the department shall prepare a plan for transfer of the property. Upon approval of the transfer plan by the General Counsel and the Secretary of Budget and Administration, use of the property shall be transferred to the agency that can make the best use of the property.
Section 2403-A. Property Disposition Plan.—(a) The department shall annually develop a plan for the orderly disposition of all real property deemed surplus by the agency currently in possession of the property, which property is not suitable for use by another agency.

(b) The plan shall consider the following factors in proposing the manner and schedule for property dispositions:

(1) Whether the property should be leased, transferred in fee simple, or transferred with a restriction as to use, right of reversion, or other special deed provisions.

(2) Whether the land should be retained in agricultural use or as open space for recreation or conservation. A determination whether land should be preserved as open space or in agricultural use shall be made in consultation with the Department of Agriculture, the Department of Environmental Resources and the Department of Community Affairs.

(3) Likely cost savings and expenses to the Commonwealth arising from the proposed property disposition.

(4) The needs of local governments, charitable institutions, and local volunteer fire and rescue squads.

(5) The likely revenue to be generated by the sale of the property and the needs of the Commonwealth for those revenues.

(c) The plan for the disposition of surplus property shall, for each parcel, identify the proposed manner of disposition, when the property will be disposed of, likely revenues and costs, the assessed market value of the property, and the Commonwealth’s acquisition cost for the property.

(d) Any Commonwealth lands acquired by condemnation which is later determined to be surplus land shall be disposed pursuant to and consistent with the provisions of section 2003(e) and the provisions of the act of June 22, 1964 (Sp.Sess., P.L.84, No.6), known as the “Eminent Domain Code.”

Section 2404-A. Legislative Oversight and Public Review.—(a) The property disposition plan shall be transmitted to the Chairmen and Minority Chairmen of the House and Senate State Government Committees or their successor committees not later than 90 days after the effective date of this article and not later than September 1 for each year thereafter. The House and Senate Committees shall conduct public hearings which may be joint hearings to review the plan and shall advise the department of any suggested modifications in the plan not later than 120 days after the effective date of this article and not later than October 1 for each year thereafter.

(b) The department shall publish its proposed property disposition plan in the Pennsylvania Bulletin not later than 90 days after the effective date of this article and not later than September 1 for each year thereafter and invite public comments on the plan during the following 30-day comment period the department shall request that the Attorney General
review the plan for form and legality. The Attorney General shall communicate his evaluation of the plan, in writing, to the department and to the Chairmen and Minority Chairmen of the House and Senate State Government Committees or their successor committees.

(c) Whenever the department deems that there is significant public interest in the plan proposed for disposition of a parcel of real property, the department shall, in the vicinity of the site, hold public hearings on the proposed property disposition plan for the parcel.

(d) (1) Not later than 150 days following the effective date of this article and no later than October 15 of each year thereafter, the department shall transmit the plan to the Governor for his approval and the Governor shall transmit the plan to the Chief Clerk of the House of Representatives and the Secretary of the Senate for consideration by the General Assembly in the manner specified by the act of April 7, 1955 (P.L.23, No.8), known as the “Reorganization Act of 1955,” except that either House of the General Assembly may reject a plan for the disposition of a specific parcel while approving the balance of the surplus property disposition plan.

(2) If no action is taken on the plan within 20 calendar days after submission of the plan to the General Assembly, any five members of the senate or 25 members of the House may petition their respective presiding officer to schedule a vote on the plan. This vote shall be scheduled to occur within five calendar days of the presentation of the petition.

(3) If the General Assembly disapproves any plan in whole or in part, the department may submit to the Governor for transmittal to the General Assembly an amended plan designed to resolve the General Assembly’s objections to the disapproved plan.

Section 2405-A. Conditions Upon Conveyances.—Any proposed disposition of property shall be subject to the following conditions and limitations:

(1) The department may sell real estate to an individual, an organization, a firm or corporation, a political subdivision of the Commonwealth, or to the Government of the United States or a branch or agency thereof.

(2) Following approval of the property disposition plan, information regarding the availability and sale of each parcel of surplus property shall be provided through the publication of legal notice in the Pennsylvania Bulletin and such State newspapers as the department shall direct.

(3) The remuneration for a conveyance of surplus property shall be based on fair consideration. Fair consideration requires either the payment of the current fair market value of the property or the demonstration of equivalent or greater return to the Commonwealth within five years due to the proposed use of the property by the entity receiving the conveyance.
(4) After appropriate public notice, the sale of declared surplus property by the department shall be open to public review and inspection. Acceptance of an offer shall be subject to a minimum price requirement as established by the department, which shall not be less than the fair market value. Prospective buyers shall submit sealed offers to purchase declared surplus property through the mail. Except as provided in clause (3), sale of the declared surplus property shall be to the highest bidder, provided that no offer may be accepted which is below the fair market value, established through independent appraisal.

(5) The disposition of property shall be made upon such terms and conditions of sale as the department may prescribe. The sale of such real estate may be in the form of a lump sum purchase, installment purchase or lease purchase and may include use restrictions and reverter clauses. The term and conditions of sale and the form of purchase shall reflect current market conditions, shall afford maximum protection of Commonwealth assets and shall prescribe procedures to be utilized in the event of default. In the case of the sale of authority properties, the sale of such property shall be in accordance to the applicable bond indentures.

Section 2406-A. Allocation of Sale Proceeds.—The proceeds of the sale of real estate under the provisions of section 2405-A shall be paid into the State Treasury, through the Department of Revenue and deposited in the Capital Facilities Redemption Fund, or if the land was acquired by moneys wholly or mainly out of a special fund, such proceeds shall be credited to the proper special fund, and all proceeds of the sale of authority properties shall be paid to the respective fiscal agent of the authority in accordance with the bond resolution. The costs and fees incurred by the Department of General Services, including but not limited to costs of title searches, notice, surveys and appraisals, shall be deducted from the purchase price and that amount shall be an execution authorized augmentation to the appropriation from which the costs and fees were paid by the department.

Section 2407-A. Construction of Article in Relation to Contrary Provisions of this Act.—Except for sections 1902-A and 2003 of this act, the provisions of this article shall be construed to prevail over any other provision of this act in the event of any inconsistency.

Section 2408-A. General Assembly Not Limited.—Nothing in the article shall be construed as limiting the power of the General Assembly to otherwise enact legislation providing for the conveyance of real property owned by the Commonwealth.

Section 6. (a) The following acts or parts of acts are repealed insofar as they establish a set fee for any activity inconsistent with the fees set forth in this act:

Section 26, act of March 29, 1803 (P.L.542, No.156), entitled “An act to establish a Board of Wardens for the port of Philadelphia, and for the regulation of pilots and pilotages, and for other purposes therein mentioned.”