

1 **SURPLUS LANDS AMENDMENTS**

2 2006 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Mark W. Walker**

5 Senate Sponsor: _____

6
7 **LONG TITLE**

8 **General Description:**

9 This bill enacts provisions relating to the sale and purchase of state and local surplus
10 lands.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ enacts provisions allowing certain counties and municipalities to purchase lands
14 declared to be surplus by the state or a political subdivision of the state;
- 15 ▶ establishes a process for the purchase of those surplus lands;
- 16 ▶ requires that surplus lands purchased as provided in this bill shall be used for a
17 public purpose; and
- 18 ▶ authorizes the original seller of surplus land to reacquire the land if the acquiring
19 entity later declares the land to be surplus property.

20 **Monies Appropriated in this Bill:**

21 None

22 **Other Special Clauses:**

23 None

24 **Utah Code Sections Affected:**

25 ENACTS:

26 **11-42-101**, Utah Code Annotated 1953

27 **11-42-102**, Utah Code Annotated 1953



- 28 11-42-103, Utah Code Annotated 1953
- 29 11-42-104, Utah Code Annotated 1953
- 30 63-9-70, Utah Code Annotated 1953



32 *Be it enacted by the Legislature of the state of Utah:*

33 Section 1. Section 11-42-101 is enacted to read:

34 **CHAPTER 42. SURPLUS LANDS ACT**

35 **11-42-101. Title.**

36 This chapter is known as the "Surplus Lands Act."

37 Section 2. Section 11-42-102 is enacted to read:

38 **11-42-102. Definitions.**

39 As used in this chapter:

40 (1) "Eligible entity" means:

- 41 (a) a city or town with a population density of 3,000 or more people per square mile; or
- 42 (b) a county whose unincorporated area includes a qualifying township.

43 (2) "Purchase price" means the greater of:

44 (a) 60% of the appraised value of the surplus property, based on the predominant zone
45 in the surrounding area; and

46 (b) the amount the surplusing entity paid to acquire the surplus property.

47 (3) "Qualifying township" means a township under Section 17-27a-306 that has a
48 population density of 3,000 or more people per square mile within the boundaries of the
49 township.

50 (4) "Surplusing entity" means the state or political subdivision of the state that owns
51 the surplus property.

52 (5) "Surplus property" means land that:

- 53 (a) was purchased with taxpayer money;
- 54 (b) is located within a city or town that is an eligible entity or within a qualifying
55 township;
- 56 (c) consists of one contiguous tract at least three acres in size;
- 57 (d) is owned by the state or a political subdivision of the state; and
- 58 (e) has been declared by the owner to be surplus.

59 Section 3. Section **11-42-103** is enacted to read:

60 **11-42-103. Purchase of surplus property.**

61 (1) An eligible entity may purchase, and each surplus entity shall sell, surplus
62 property as provided in this section.

63 (2) (a) Upon declaring land to be surplus property, each surplus entity shall give
64 written notice to each eligible entity in which the surplus property is located.

65 (b) Each notice under Subsection (2)(a) shall:

66 (i) state that the surplus entity has declared the land to be surplus property; and

67 (ii) describe the surplus property.

68 (3) Subject to Subsection (4), an eligible entity may purchase the surplus property by
69 paying the surplus entity the purchase price.

70 (4) (a) The legislative body of each eligible entity desiring to purchase surplus property
71 under this section shall:

72 (i) within 90 days after the eligible entity receives notice under Subsection (2), adopt a
73 resolution declaring the intent to purchase the surplus property and deliver a copy of the
74 resolution to the surplus entity; and

75 (ii) within 90 days after delivering a copy of the resolution under Subsection (4)(a)(i)
76 to the surplus entity, deliver to the surplus entity an earnest money offer to purchase the
77 surplus property at the purchase price.

78 (b) If an eligible entity fails to comply with either of the requirements under Subsection
79 (4)(a) within the applicable time period, the eligible entity forfeits the right to purchase the
80 surplus property.

81 (5) Surplus property acquired by an eligible entity shall be used only for a public
82 purpose.

83 Section 4. Section **11-42-104** is enacted to read:

84 **11-42-104. Resale of surplus property.**

85 (1) If an eligible entity that has acquired surplus property under Section 11-42-103
86 afterwards declares that property to be surplus, the surplus entity from which the eligible
87 entity acquired the property may purchase, and the eligible entity shall sell, the property as
88 provided in Section 11-42-103, except that the price at which the surplus entity may
89 reacquire the property shall be the price that the eligible entity paid for the property, plus the

90 cost of any existing improvements that the eligible entity made to the property after it
91 purchased the property.

92 (2) If the surplusing entity does not reacquire the surplus property under Subsection (1)
93 and the eligible entity sells the surplus property to another buyer, the eligible entity and the
94 surplusing entity shall equally share any proceeds of that sale that exceed the amount the
95 eligible entity paid for the property plus the cost of any existing improvements the eligible
96 entity made to the property after it purchased the property.

97 Section 5. Section **63-9-70** is enacted to read:

98 **ARTICLE 12. SURPLUS STATE LAND**

99 **63-9-70. Compliance with Surplus Lands Act required.**

100 If a department, division, or other agency of the state declares land owned by the state
101 to be surplus, the department, division, or other agency shall comply with the requirements of
102 Title 11, Chapter 42, Surplus Lands Act.

Legislative Review Note
as of 2-13-06 12:35 PM

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

Office of Legislative Research and General Counsel