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## HOUSE BILL NO. 414

Offered January 17, 1996

A *BILL to amend and reenact § 2.1-457 of the Code of Virginia, relating to the sale of surplus equipment by the Division of Purchases and Supply.*

Patrons—Cantor, Katzen and Nelms; Senator: Stosch

Referred to Committee on General Laws

**Be it enacted by the General Assembly of Virginia:****1. That § 2.1-457 of the Code of Virginia is amended and reenacted as follows:**

§ 2.1-457. Transfer or sale of surplus supplies or equipment.

A. The Division of Purchases and Supply shall transfer surplus supplies or equipment, ~~other than ADP equipment~~, from one state department, division, institution or agency to another, and sell surplus supplies or equipment which may accumulate in the possession of any state department, division, institution or agency. The term "surplus supplies and equipment" shall exclude finished products which a mental health or mental retardation facility sells for the benefit of the patients or residents, provided most of the supplies, equipment or products have been donated to the patients, and have been substantially altered by the patients in the course of occupational or other therapy, and such alterations result in a finished product. The Division shall pay the proceeds derived therefrom into the state treasury to the credit of the department, division, institution or agency owning the surplus supplies or equipment.

B. Prior to the sale of any dog especially trained for police work, the Division shall offer to sell such dog to the handler who last was in control of such dog at a price deemed appropriate by the Division. This provision shall in no way be deemed to be in violation of the State and Local Government Conflict of Interests Act (§ 2.1-639.1 et seq.). In the case of surplus clothing, the Division may transfer such items to an appropriate state agency for distribution to local social services boards to be used as donations to needy individuals. The Division may dispose of such supplies or equipment by other means if the supplies or equipment are unsuitable for donation, transfer or sale. Any disposition other than by transfer or sale shall be reported to the Auditor of Public Accounts. No such surplus supplies or equipment shall be donated, transferred, sold, exchanged or disposed of, however, without the consent of the head of the department, division, institution or agency having possession, or unless ordered by the Governor. No such supplies or equipment shall be donated, transferred, sold, exchanged, or disposed of except as provided herein.

C. The Director of the Department of Planning and Budget may increase appropriations to any state agency by the amount of credit resulting to the agency from the sale of surplus supplies and equipment pursuant to subsection A of this section. Any state agency receiving funds pursuant to this subsection may use the funds to purchase property and plant equipment, and to defray the cost of disposing of surplus supplies and equipment. Notwithstanding the provisions of this subsection, the Department of Planning and Budget shall promulgate regulations which permit all state agencies to retain fifty percent of the proceeds of the sale of surplus supplies or equipment purchased in whole or in part from general fund appropriations; the remaining fifty percent to be transferred to the Conservation Resources Fund. Such regulations shall also provide that state agencies and institutions meeting management standards prescribed by the Governor may retain the net proceeds of surplus supplies and equipment sales. The retention shall be effective on July 1 following the date the Department determines that the agency or institution meets the management standards.

D. The provisions of this section shall not be construed to prohibit the recycling of paper products, beverage containers or used motor oil and the retention of the proceeds from the sale of the recycled goods by the department, division, institution or agency which recycles them.

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