2016 SESSION

ENROLLED

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VIRGINIA ACTS OF ASSEMBLY - CHAPTER

2 An Act to amend and reenact § 2.2-1124 of the Code of Virginia, relating to the Department of General 3 Services; disposition of surplus materials; police animals.

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Approved

6 Be it enacted by the General Assembly of Virginia:

7 1. That § 2.2-1124 of the Code of Virginia is amended and reenacted as follows: 8

§ 2.2-1124. Disposition of surplus materials.

9 A. "Surplus materials" means personal property including, but not limited to, materials, supplies, equipment, and recyclable items, but shall not include property as defined in § 2.2-1147 that is 10 determined to be surplus. Surplus materials shall not include finished products that a state hospital or 11 12 training center operated by the Department of Behavioral Health and Developmental Services sells for 13 the benefit of individuals receiving services in the state hospital or training center, provided that (i) most of the supplies, equipment, or products have been donated to the state hospital or training center; (ii) the 14 15 individuals in the state hospital or training center have substantially altered the supplies, equipment, or products in the course of occupational or other therapy; and (iii) the substantial alterations have resulted 16 17 in a finished product.

18 B. The Department shall establish procedures for the disposition of surplus materials from 19 departments, divisions, institutions, and agencies of the Commonwealth. Such procedures shall:

1. Permit surplus materials to be transferred between or sold to departments, divisions, institutions, or 20 21 agencies of the Commonwealth;

22 2. Permit surplus materials to be sold to Virginia charitable corporations granted tax-exempt status 23 under § 501(c)(3) of the Internal Revenue Code and operating as clinics for the indigent and uninsured 24 that are organized for the delivery of primary health care services (i) as federally qualified health centers 25 designated by the Health Care Financing Administration or (ii) at a reduced or sliding fee scale or 26 without charge; 27

3. Permit public sales or auctions, including online public auctions;

28 4. Permit surplus motor vehicles to be sold prior to public sale or auction to local social service 29 departments for the purpose of resale at cost to TANF recipients;

30 5. Permit surplus materials to be sold to Virginia charitable corporations granted tax-exempt status 31 under 501(c)(3) of the Internal Revenue Code and operating as children's homes;

32 6. Permit donations to political subdivisions of the Commonwealth under the circumstances specified 33 in this section;

34 7. Permit other methods of disposal when (a) the cost of the sale will exceed the potential revenue to 35 be derived therefrom or (b) the surplus material is not suitable for sale;

8. Permit any dog animal especially trained for police work to be sold at an appropriate price a price 36 37 of \$1 to the handler who last was in control of the $\frac{\log}{2}$, which animal. The agency or institution may 38 allow the immediate survivor of any full-time sworn law-enforcement officer who (i) is killed in the line 39 of duty or (ii) dies in service and has at least 10 years of service to purchase the service animal at a 40 price of \$1. Any such sale shall not be deemed a violation of the State and Local Government Conflict 41 of Interests Act (§ 2.2-3100 et seq.);

42 9. Permit the transfer of surplus clothing to an appropriate department, division, institution, or agency 43 of the Commonwealth for distribution to needy individuals by and through local social services boards; 44

10. Encourage the recycling of paper products, beverage containers, electronics, and used motor oil;

11. Require the proceeds from any sale or recycling of surplus materials be promptly deposited into 45 the state treasury in accordance with § 2.2-1802 and report the deposit to the State Comptroller; 46

12. Permit donations of surplus computers and related equipment to public schools in the 47 Commonwealth and Virginia charitable corporations granted tax-exempt status under § 501(c)(3) of the **48** Internal Revenue Code and providing services to persons with disabilities, at-risk youths, or low-income families. For the purposes of this subdivision, "at-risk youths" means school-age children approved 49 50 51 eligible to receive free or reduced price meals in the federally funded lunch program;

52 13. Permit surplus materials to be transferred or sold, prior to public sale or auction, to public 53 television stations located in the state and other nonprofit organizations approved for the distribution of 54 federal surplus materials;

55 14. Permit a public institution of higher education to dispose of its surplus materials at the location 56 where the surplus materials are held and to retain any proceeds from such disposal, provided that the HB1238ER

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institution meets the conditions prescribed in subsection B of § 23-38.88 and § 23-38.112 (regardless of 57 58 whether or not the institution has been granted any authority under Subchapter 3 (§ 23-38.91 et seq.) of 59 Chapter 4.10 of Title 23):

60 15. Permit surplus materials from (i) the Department of Defense Excess Property Program or (ii) other surplus property programs administered by the Commonwealth to be transferred or sold to Virginia 61 62 charitable corporations granted tax-exempt status under § 501(c)(3) of the Internal Revenue Code and 63 operating as an educational institution devoted to emergency management training, preparedness, and 64 response; and

65 16. Require, to the extent practicable, the recycling and disposal of computers and other information 66 technology assets. Additionally, for computers or information technology assets that may contain confidential state data or personal identifying information of citizens of the Commonwealth, the 67 Department shall ensure all policies for the transfer or other disposition of computers or information 68 technology assets are consistent with data and information security policies developed by the Virginia 69 70 Information Technologies Agency.

C. The Department shall dispose of surplus materials pursuant to the procedures established in 71 72 subsection B or permit any department, division, institution, or agency of the Commonwealth to dispose 73 of its surplus materials consistent with the procedures so established. No surplus materials shall be 74 disposed of without prior consent of the head of the department, division, institution, or agency of the 75 Commonwealth in possession of such surplus materials or the Governor.

76 D. Departments, divisions, institutions, or agencies of the Commonwealth or the Governor may 77 donate surplus materials only under the following circumstances: 78

1. Emergencies declared in accordance with § 44-146.18:2 or 44-146.28;

79 2. As set forth in the budget bill as defined by § 2.2-1509, provided that (a) the budget bill contains 80 a description of the surplus materials, the method by which the surplus materials shall be distributed, and the anticipated recipients, and (b) such information shall be provided by the Department to the 81 Department of Planning and Budget in sufficient time for inclusion in the budget bill; 82

3. When the market value of the surplus materials, which shall be donated for a public purpose, is 83 84 less than \$500; however, the total market value of all surplus materials so donated by any department, division, institution, or agency shall not exceed 25 percent of the revenue generated by such 85 department's, division's, institution's, or agency's sale of surplus materials in the fiscal year, except these 86 87 limits shall not apply in the case of surplus computer equipment and related items donated to Virginia 88 public schools; or

89 4. During a local emergency, upon written request of the head of a local government or a political 90 subdivision in the Commonwealth to the head of a department, division, institution, or agency.

91 E. On or before October 1 of each year, the Department shall prepare, and file with the Secretary of 92 the Commonwealth, a plan that describes the expected disposition of surplus materials in the upcoming 93 fiscal year pursuant to subdivision B 6.

94 F. The Department may make available to any local public body of the Commonwealth the services or facilities authorized by this section; however, the furnishing of any such services shall not limit or impair any services normally rendered any department, division, institution or agency of the 95 96 97 Commonwealth. All public bodies shall be authorized to use the services of the Department's Surplus Property Program under the guidelines established pursuant to this section and the surplus property 98 99 policies and procedures of the Department. Proceeds from the sale of the surplus property shall be 100 returned to the local body minus a service fee. The service fee charged by the Department shall be consistent with the fee charged by the Department to state public bodies. 101