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## HOUSE BILL NO. 590

House Amendments in [ ] — February 2, 1996

A *BILL to amend the Code of Virginia by adding sections numbered 2.1-457.2 and 2.1-457.3 and to repeal §§ 2.1-457 and 2.1-457.1 of the Code of Virginia, relating to surplus materials of the Commonwealth.*

Patrons—Councill, Almand, Cranwell, Diamonstein, Dickinson, Hall and Woodrum

Referred to Committee on General Laws

**Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding sections numbered 2.1-457.2 and 2.1-457.3 as follows:**

§ 2.1-457.2. *Disposition of surplus materials.*

A. "Surplus materials" means personal property including, but not limited to, materials, supplies, equipment, and recyclable items, but does not include property as defined in § 2.1-504 that is determined to be surplus. Surplus materials shall not include finished products which a mental health or mental retardation facility sells for the benefit of its patients or residents, provided that most of the supplies, equipment, or products have been donated to such facility, and whose patients or residents have substantially altered such supplies, equipment, or products in the course of occupational or other therapy, and such substantial alterations have resulted in a finished product.

B. The Department of General Services (the "Department") shall establish procedures for the disposition of surplus materials from departments, divisions, institutions, and agencies of the Commonwealth. Such procedures shall:

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

2. Permit public sales or auctions [ , provided that such procedures provide for sale to all political subdivisions any surplus materials prior to the public sale or auction ] ;

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

4. Permit other methods of disposal when necessary;

5. Permit any dog especially trained for police work to be sold at an appropriate price to the handler who last was in control of such dog, which sale shall not be deemed a violation of the State and Local Government Conflict of Interests Act (§ 2.1-639.1 et seq.);

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

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

8. Require that the proceeds from any sale or recycling of surplus materials be promptly deposited into the state treasury in accordance with § 2.1-180 and report the deposit to the State Comptroller.

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

D. Departments, divisions, institutions, or agencies of the Commonwealth or the Governor may donate surplus materials only under the following circumstances: (i) emergencies declared in accordance with § 44-146.18:2 or § 44-146.28 or (ii) as set forth in the budget bill as defined by § 2.1-399, provided that the budget bill contains a description of the surplus materials, the method by which the surplus materials shall be distributed, and the anticipated recipients. Such information shall be provided by the Department to the Department of Planning and Budget in sufficient time for inclusion in the budget bill.

E. On or before July 1 of every year, the Department shall prepare, and file with the Secretary of the Commonwealth, a plan that describes the disposition of surplus materials in the upcoming fiscal year pursuant to subdivision B 4.

§ 2.1-457.3. *Proceeds from the sale or recycling of surplus materials.*

A. The proceeds from the sale or recycling of surplus materials pursuant to § 2.1-457.2 shall promptly be deposited into the state treasury and such deposit reported to the State Comptroller, along with a statement of total proceeds and the amount of such proceeds derived from the sale or recycling

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60 of surplus materials purchased in whole or in part from general fund appropriations.

61 B. On or before October 1 of every year, the State Comptroller shall (i) determine the total proceeds  
62 derived from the sale or recycling of surplus materials purchased in whole or in part from general fund  
63 appropriations and direct that the State Treasurer shall transfer fifty percent of the total of such  
64 proceeds to the Conservation Resources Fund and (ii) provide copies of the reports furnished to him  
65 pursuant to subsection A, or summaries thereof, to the Department of Planning and Budget.

66 C. Based on such reports, or summaries, the Department of Planning and Budget may increase  
67 general fund appropriations to any department, division, institution, or agency of the Commonwealth by  
68 the amount of available proceeds derived from the sale or recycling of surplus materials pursuant to  
69 § 2.1-457.2. Such department, division, institution, or agency of the Commonwealth may use the  
70 additional appropriations to purchase materials, supplies, or equipment, or to defray the cost of  
71 disposing of surplus materials to the extent permitted pursuant to § 2.1-457.2.

72 2. That §§ 2.1-457 and 2.1-457.1 of the Code of Virginia are repealed.