

LEGISLATIVE HISTORY CHECKLIST
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(County & municipal property--
private sale)

NJSA: 40A:12-2

LAWS OF: 1995 **CHAPTER:** 12

BILL NO: S465

SPONSOR(S): Cafiero

DATE INTRODUCED: January 31, 1994

COMMITTEE: **ASSEMBLY:** Local Government

SENATE: Community Affairs

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: **ASSEMBLY:** December 5, 1994

SENATE: March 15, 1994

DATE OF APPROVAL: January 18, 1995

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

SENATE: Yes

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

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P.L.1995, CHAPTER 12, approved January 18, 1995
1994 Senate No. 465

1 AN ACT concerning private sales of personal property by
2 counties and municipalities to certain organizations and
3 amending and supplementing P.L.1971, c.199.

4
5 BE IT ENACTED by the Senate and General Assembly of the
6 State of New Jersey:

7 1. Section 2 of P.L.1971, c.199 (C.40A:12-2) is amended to
8 read as follows:

9 2. Definitions. The following words shall have the following
10 meanings, unless the context clearly indicates the contrary:

11 (a) "Acquire" shall include acquisition by gift, devise,
12 purchase, exchange, grant, lease, condemnation, or installment
13 purchase agreement unless otherwise indicated.

14 (b) "Buildings" shall include any building or buildings and any
15 structures, improvements, ingress or egress, grounds or plazas,
16 necessary and incidental to the purpose of the building and the
17 safety, comfort and well-being of its occupants.

18 (c) "Capital improvements" shall include, in addition to
19 buildings, any structures, fixtures, edifices, byways, parking lots,
20 service facilities, and any other facility necessary and incidental
21 to the lawful performance of any function of a county or
22 municipality.

23 (d) "County" means any county of this State of whatever class.

24 (e) "Municipality" means any town, township, borough, village
25 or city of whatever class heretofore or hereafter created under
26 general or special charter.

27 (f) "Personal property" shall mean any personal property
28 necessary and incidental to the furnishing, refurbishing or
29 refurbishing of a building. "Personal property" shall also include,
30 but not be limited to, office furniture, office equipment, office
31 supplies, computers, computer equipment, telephone equipment,
32 cameras, tractors, lawn mowers, dump trucks, golf carts, modular
33 office trailers, tools, janitorial supplies and farm animals.

34 (g) "Real property" shall include, in addition to the usual
35 connotations thereof, development rights or easements, or any
36 right, interest or estate in the area extending above any real
37 property, or capital improvement thereon, to such a height or
38 altitude as any title, interest or estate in real property may
39 extend, commonly known as "air rights."

40 (h) "Resolution" or "ordinance" when used in connection with
41 the action of a county or municipality means a resolution or
42 ordinance adopted by the governing body of the county

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the
above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 or municipality. In any case in which a resolution or ordinance
2 authorizing the expenditure of public moneys is required to be
3 approved by any other board, body or commission of the State,
4 county or municipality, "resolution" or "ordinance" shall mean
5 also adopted or approved by the board, body or commission
6 authorized to take such action on behalf of the State, county or
7 municipality.

8 (i) "Sale" shall include the conveyance of any estate, interest,
9 easement or title to, or the waiver, release, or modification of
10 any conditions, restrictions or limitations on any real property,
11 capital improvement or personal property of the county or
12 municipality, but shall not include any lease or exchange of such
13 property.

14 (cf: P.L.1992, c.157, s.4)

15 2. (New section) When the governing body of any county or
16 municipality shall determine that any form of personal property
17 as defined in subsection (f) of section 2 of P.L.1971, c.199
18 (C.40A:12-2) and as amended in section 1 of P.L. , c. (C.)
19 (pending before the Legislature as this bill), owned by the county
20 or municipality, is no longer needed for county or municipal
21 purposes, as the case may be, that governing body, by resolution
22 or ordinance, may authorize a private sale of the personal
23 property without compliance with any other law governing
24 disposal of personal property by counties and municipalities, for a
25 consideration, which may be nominal to any organization or
26 association listed in section 21 of P.L.1971, c.199 (C.40A:12-21).
27 The private sale of the personal property shall contain a
28 limitation that the personal property shall be used only for the
29 purposes of that organization or association, and to render those
30 services or to provide those facilities as may be agreed upon, and
31 not for commercial business, trade or manufacture, and that if
32 the personal property is not used in accordance with that
33 limitation, ownership thereto shall revert to the county or
34 municipality.

35 3. This act shall take effect immediately.

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STATEMENT

40 This bill permits the governing body of any county or
41 municipality, by ordinance or resolution, to authorize the private
42 sale of personal property, as defined in subsection (f) of section 2
43 of P.L.1971, c.199 (C.40A:12-2) and as amended by section 1 of
44 this bill, for nominal consideration to certain organizations. The
45 personal property is to be used only for the purposes of those
46 organizations. If the property is not used in accordance with this
47 limitation, the ownership of the personal property shall revert to
48 the county or municipality. Currently, only land, with or without
49 improvements, can be conveyed in a private sale by the governing
50 body of a county or municipality for nominal consideration to
51 certain organizations when the governing body determines that
52 the land or buildings are no longer needed for a county or
53 municipal purpose. This section of law provides that the land,
54 with or without improvements, must be used only for the purposes

1 of these organizations, which include volunteer fire companies,
2 volunteer rescue squads, veterans' organizations, nonprofit
3 hospital associations, historical societies, or county or municipal
4 sewerage authorities. Under the current law, if the land or
5 buildings are not used within the limitations of the organization's
6 purposes, the title of that land or building will revert to the
7 county or municipality.

8 Under the current law, "personal property" is defined in
9 subsection (f) of section 2 of P.L.1971, c.199 (C.40A:12-2), as
10 "any personal property necessary and incidental to the furnishing,
11 refurbishing or refurbishing of a building." Section 1 of this bill
12 amends this section of law by expanding the items which are
13 categorized as personal property to include the following: office
14 furniture; office equipment; office supplies; computers;
15 computer equipment; telephone equipment; cameras; tractors;
16 lawn mowers; dump trucks; golf carts; modular office trailers;
17 tools; janitorial supplies and farm animals.

18 Currently, under the provisions of section 13 of P.L.1971, c.199
19 (C.40A:12-13), personal property may be sold by the county or
20 municipality if certain conditions, such as bidding requirements
21 are met. Under current law, personal property may only be
22 leased to nonprofit corporations or associations for a public
23 purpose for nominal consideration pursuant to subsection (c) of
24 section 14 of P.L.1971, c.199 (C.40A:12-14). This bill permits a
25 county or municipality to sell personal property in the same
26 manner land or buildings are currently conveyed by a private sale
27 for nominal consideration.

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32 Permits private sales of personal property by counties and
33 municipalities to certain organizations for nominal consideration.

1 or municipality. In any case in which a resolution or ordinance
2 authorizing the expenditure of public moneys is required to be
3 approved by any other board, body or commission of the State,
4 county or municipality, "resolution" or "ordinance" shall mean
5 also adopted or approved by the board, body or commission
6 authorized to take such action on behalf of the State, county or
7 municipality.

8 (i) "Sale" shall include the conveyance of any estate, interest,
9 easement or title to, or the waiver, release, or modification of
10 any conditions, restrictions or limitations on any real property,
11 capital improvement or personal property of the county or
12 municipality, but shall not include any lease or exchange of such
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16 municipality shall determine that any form of personal property
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19 (pending before the Legislature as this bill), owned by the county
20 or municipality, is no longer needed for county or municipal
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24 disposal of personal property by counties and municipalities, for a
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26 association listed in section 21 of P.L.1971, c.199 (C.40A:12-21).
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24 section 14 of P.L.1971, c.199 (C.40A:12-14). This bill permits a
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ASSEMBLY LOCAL GOVERNMENT COMMITTEE

STATEMENT TO

SENATE, No. 465

STATE OF NEW JERSEY

DATED: SEPTEMBER 29, 1994

The Assembly Local Government Committee reports favorably Senate Bill No. 465.

Senate Bill No. 465 permits the governing body of any county or municipality, by ordinance or resolution, to authorize the private sale of personal property, as defined in subsection (f) of section 2 of P.L.1971, c.199 (C.40A:12-2) and as amended by section 1 of this bill, for nominal consideration to certain organizations. The personal property is to be used only for the purposes of those organizations. If the property is not used in accordance with this limitation, the ownership of the personal property shall revert to the county or municipality. Currently, only land, with or without improvements, can be conveyed in a private sale by the governing body of a county or municipality for nominal consideration to certain organizations when the governing body determines that the land or buildings are no longer needed for a county or municipal purpose. This section of law provides that the land, with or without improvements, must be used only for the purposes of these organizations, which include volunteer fire companies, volunteer rescue squads, veterans' organizations, nonprofit hospital associations, historical societies, or county or municipal sewerage authorities. Under the current law, if the land or buildings are not used within the limitations of the organization's purposes, the title of that land or building will revert to the county or municipality.

Under the current law, "personal property" is defined in subsection (f) of section 2 of P.L.1971, c.199 (C.40A:12-2), as "any personal property necessary and incidental to the furnishing, refurbishing or refurbishing of a building." Section 1 of this bill amends this section of law by expanding the items which are categorized as personal property to include the following: office furniture; office equipment; office supplies; computers; computer equipment; telephone equipment; cameras; tractors; lawn mowers; dump trucks; golf carts; modular office trailers; tools; janitorial supplies and farm animals.

Currently, under the provisions of section 13 of P.L.1971, c.199 (C.40A:12-13), personal property may be sold by the county or municipality if certain conditions, such as bidding requirements are met. Under current law, personal property may only be leased to nonprofit corporations or associations for a public purpose for nominal consideration pursuant to subsection (c) of section 14 of P.L.1971, c.199 (C.40A:12-14). This bill permits a county or municipality to sell personal property in the same manner land or buildings are currently conveyed by a private sale for nominal consideration.

Senate Bill No. 465 is identical to Assembly Bill No. 487, which is also reported by the committee on September 29, 1994.

SENATE COMMUNITY AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 465

STATE OF NEW JERSEY

DATED: FEBRUARY 24, 1994

The Senate Community Affairs Committee reports favorably Senate Bill No. 465.

Senate Bill No. 465 permits the governing body of a county or municipality, by resolution or ordinance, to authorize the private sale of certain personal property for nominal consideration to certain organizations whenever the governing body determines that the property is no longer needed for a county or municipal purpose. The bill also expands upon the definition of personal property set forth under current law. The bill requires the private sale to contain a limitation specifying that the property can be used only for the purposes of the organization and for agreed upon services or facilities which may not include any commercial business, trade or manufacture; and that if the property is not used in accordance with the limitations, ownership of the property will revert to the county or municipality. Among the types of organizations and associations which may participate in a nominal consideration sale are volunteer fire companies, volunteer rescue squads, veterans' organizations, nonprofit hospital associations, animal shelters and historical societies.

Presently in New Jersey, a county or municipal governing body may only authorize a private sale of land and improvements for nominal consideration to certain organizations when the governing body determines that the land is no longer needed for a county or municipal purpose. Senate bill No. 465 allows a county or municipality to sell personal property for nominal consideration subject to the same limitations and to the same entities as are provided under current law concerning the sale of land and buildings for nominal consideration.

Under current law, "personal property" is defined as "any personal property necessary and incidental to the furnishing, refurbishing or refurbishing of a building." Section 1 of this bill expands that definition to include: office furniture, office equipment, office supplies, computers, computer equipment, telephone equipment, cameras, tractors, lawn mowers, dump trucks, golf carts, modular office trailers, tools, janitorial supplies and farm animals.

Currently, under the provisions of section 13 of P.L.1971, c.199 (C.40A:12-13), personal property may be sold by the county or municipality if certain conditions, such as bidding requirements are met. Alternatively, current law, pursuant to subsection (c) of section 14 of P.L.1971, c.199 (C.40A:12-14), provides that personal property may be leased, but not sold, to nonprofit corporations or associations for a public purpose for nominal consideration. This bill permits a county or municipality to sell personal property for nominal consideration in the same manner as land is conveyed under current law.
