As Reported by the House Local Government and Townships Committee

124th General Assembly Regular Session 2001-2002

Sub. H. B. No. 226

REPRESENTATIVES Collier, Peterson, Fessler, Hartnett, Calvert, Setzer, Seaver, D. Miller, Reidelbach, Seitz, Metzger, Goodman, Wolpert, Niehaus, Distel, Sullivan, Schaffer, Gilb, White, Latta, Flowers, Hughes, Carmichael, Carano, Perry, Jones, Reinhard, Young, Fedor, Krupinski, Widowfield, Lendrum, Roman, Schmidt, Coates, Sferra, Salerno

A BILL

Т	o amend sections 307.12, 505.10, and 721.15 of the
	Revised Code to authorize counties, townships, and
	statutory municipal corporations to dispose of
	unneeded, obsolete, or unfit personal property by
	Internet auction and, if that property has no
	value, to discard or salvage it.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1.	That sections 307	.12, 505.10, and 721.15 of the	7
Revised Code be	amended to read a	s follows:	8

Sec. 307.12. (A) Except as otherwise provided in division 9 divisions (B), (C), and (E) of this section, when the board of 10 county commissioners finds, by resolution, that the county has 11 personal property, including motor vehicles acquired for the use 12 of county officers and departments, and road machinery, equipment, 13 tools, or supplies, which is not needed for public use, or is 14 obsolete or unfit for the use for which it was acquired, and when 15

the fair market value of the property to be sold under this division is, in the opinion of the board, in excess of two thousand five hundred dollars, the board may do either of the following:

(1) Sell such the property at public auction or by sealed bid 20 to the highest bidder. Notice of the time, place, and manner of 21 the sale shall also be published in a newspaper of general 22 circulation in the county at least ten days prior to the sale, and 23 a typewritten or printed notice of the time, place, and manner of 24 the sale shall be posted at least ten days before the sale in the 25 offices of the county auditor and the board of county 26 commissioners. 27

If a board conducts a sale of personal property by sealed bid, the form of the bid shall be as prescribed by the board, and each bid shall contain the name of the person submitting it. Bids received shall be opened and tabulated at the time stated in the notice. The property shall be sold to the highest bidder, except that the board may reject all bids and hold another sale, by public auction or sealed bid, in the manner prescribed by this section.

(2) Donate any motor vehicle that does not exceed four 36 thousand five hundred dollars in value to a nonprofit organization 37 exempt from federal income taxation pursuant to 26 U.S.C. 501(a) 38 and (c)(3) for the purpose of meeting the transportation needs of 39 participants in the Ohio works first program established under 40 Chapter 5107. of the Revised Code and participants in the 41 prevention, retention, and contingency program established under 42 Chapter 5108. of the Revised Code. 43

(B) When the board of county commissioners finds, by
resolution, that the county has personal property, including motor
vehicles acquired for the use of county officers and departments,
and road machinery, equipment, tools, or supplies, which is not
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needed for public use, or is obsolete or unfit for the use for which it was acquired, and when the fair market value of the property to be sold under this division is, in the opinion of the board, two thousand five hundred dollars or less, the board may sell the property by private sale, without advertisement or public notification.

Notwithstanding anything to the contrary in division (A) <u>or</u> (<u>C</u>) of this section and regardless of the property's value, the board may sell or donate <u>county</u> personal property, including motor vehicles, of the county to the federal government, the state, or any political subdivision of the state without advertisement or public notification.

(C) Notwithstanding anything to the contrary in division (A), 60 (B), or (E) of this section and regardless of the property's 61 value, the board of county commissioners may sell personal 62 property, including motor vehicles acquired for the use of county 63 officers and departments, and road machinery, equipment, tools, or 64 supplies, which is not needed for public use, or is obsolete or 65 unfit for the use for which it was acquired, by internet auction. 66 The board shall adopt, during each calendar year, a resolution 67 expressing its intent to sell that property by internet auction. 68 The resolution shall include a description of how the auctions 69 will be conducted and shall specify the number of days for bidding 70 on the property, which shall be no less than fifteen days, 71 including Saturdays, Sundays, and legal holidays. The resolution 72 shall indicate whether the county will conduct the auction or the 73 board will contract with a representative to conduct the auction 74 and shall establish the general terms and conditions of sale. If a 75 representative is known when the resolution is adopted, the 76 resolution shall provide contact information such as the 77 representative's name, address, and telephone number. 78

After adoption of the resolution, the board shall publish, in 79

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a newspaper of general circulation in the county, notice of its	80
intent to sell unneeded, obsolete, or unfit county personal	
property by internet auction. The notice shall include a summary	82
of the information provided in the resolution and shall be	83
published at least twice. The second and any subsequent notice	84
shall be published not less than ten nor more than twenty days	
after the previous notice. A similar notice also shall be posted	
continually throughout the calendar year in a conspicuous place in	
the offices of the county auditor and the board of county	88
commissioners, and, if the county maintains a website on the	89
internet, the notice shall be posted continually throughout the	90
calendar year at that website.	

When property is to be sold by internet auction, the board or 92 its representative may establish a minimum price that will be 93 accepted for specific items and may establish any other terms and 94 conditions for the particular sale, including requirements for 95 pick-up or delivery, method of payment, and sales tax. This type 96 of information shall be provided on the internet at the time of 97 the auction and may be provided before that time upon request 98 after the terms and conditions have been determined by the board 99 or its representative. 100

(D) When a county officer or department head determines that 101 county-owned personal property under the jurisdiction of the 102 officer or department head, including motor vehicles, road 103 machinery, equipment, tools, or supplies, is not of immediate 104 need, the county officer or department head may notify the board 105 of county commissioners, and the board may lease such that 106 personal property to any municipal corporation, township, or other 107 political subdivision of the state. Such The lease shall require 108 the county to be reimbursed under terms, conditions, and fees 109 established by the board of county commissioners, or under 110 contracts executed by the board. 111

(D) Where (E) If the board of county commissioners finds, by 112 resolution, that the county has vehicles, equipment, or machinery 113 which is not needed, or is unfit for public use, and the board 114 desires to sell such the vehicles, equipment, or machinery to the 115 person or firm from which it proposes to purchase other vehicles, 116 equipment, or machinery, the board may offer to sell the vehicles, 117 equipment, or machinery to such that person or firm, and to have 118 such the selling price credited to the person or firm against the 119 purchase price of other vehicles, equipment, or machinery. 120

(E) Where (F) If the board of county commissioners advertises 122 for bids for the sale of new vehicles, equipment, or machinery to 123 the county, it may include in the same advertisement a notice of 124 the willingness of such the board to accept bids for the purchase 125 of county-owned vehicles, equipment, or machinery which is 126 obsolete or not needed for public use, and to have the amount of 127 such those bids subtracted from the selling price of the other 128 vehicles, equipment, or machinery as a means of determining the 129 lowest responsible bidder. 130

(G) If a board of county commissioners determines that county131personal property is not needed for public use, or is obsolete or132unfit for the use for which it was acquired, and that the property133has no value, the board may discard or salvage that property.134

(H) As used in this section, "internet" means the136international computer network of both federal and nonfederal137interoperable packet switched data networks, including the138graphical subnetwork called the world wide web.139

sec. 505.10. The board of township trustees may accept, on 140 behalf of the township, the donation by bequest, devise, deed of 141 gift, or otherwise, of any property, real or personal, property 142

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for any township use. When the township has property, including 143 motor vehicles, road machinery, equipment, and tools, which the 144 board, by resolution, finds it does not need for public use, are 145 obsolete, or are unfit for the use for which they were acquired, 146 the board may sell and convey such that property or otherwise 147 dispose of it in accordance with this section. Except as otherwise 148 provided in division (A) or (B) of this section and in sections 149 505.08 and 505.101 of the Revised Code, the sale must or other 150 disposition of unneeded, obsolete, or unfit property shall be by 151 public auction and upon notice thereof being given as follows made 152 in accordance with one of the following: 153

(A)(1) If the fair market value of the property to be sold 154 is, in the opinion of the board, in excess of two thousand five 155 hundred dollars, the board shall publish notice of the time, 156 place, and manner of the sale once a week for three weeks in a 157 newspaper published, or of general circulation, in the township, 158 the last of such those publications to be at least five days 159 before the date of sale, and shall post a typewritten or printed 160 notice of the time, place, and manner of the sale in the office of 161 the board for at least ten days prior to the sale. If 162

(2) If the fair market value of the property to be sold is, 163 in the opinion of the board, two thousand five hundred dollars or 164 less, the board may sell the property by private sale, without 165 advertisement or public notification. 166

Where (3) If the board finds, by resolution, that the 167 township has motor vehicles, road machinery, equipment, or tools 168 which are not needed, or which are unfit for public use, and the 169 board wishes to sell such the motor vehicles, road machinery, 170 equipment, or tools to the person or firm from which it proposes 171 to purchase other motor vehicles, road machinery, equipment, or 172 tools, the board may offer to sell the motor vehicles, road 173 machinery, equipment, or tools to such that person or firm, and to 174

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have <u>such the</u> selling price credited to the person or firm against 175 the purchase price of other motor vehicles, road machinery, 176 equipment, or tools. 177

Where (4) If the board advertises for bids for the sale of 178 new motor vehicles, road machinery, equipment, or tools to the 179 township, it may include in the same advertisement a notice of the 180 willingness of the board to accept bids for the purchase of 181 township-owned motor vehicles, road machinery, equipment, or 182 tools, which are obsolete or not needed for public use, and to 183 have the amount of such those bids subtracted from the selling 184 185 price of the new motor vehicles, road machinery, equipment, or tools, as a means of determining the lowest responsible bidder. 186

(5) When a township has title to real property, the board of
such township may trustees, by resolution, may authorize the
transfer and conveyance of such that property to any other
political subdivision of the state upon such terms as are agreed
to between such the board and the legislative authority of such
that political subdivision.

(6) If the board of township trustees determines that193township personal property is not needed for public use, or is194obsolete or unfit for the use for which it was acquired, and that195the property has no value, the board may discard or salvage that196property.197

(B) When the board has offered property at public auction 198 under this section and has not received an acceptable offer, the 199 board, by resolution, may enter into a contract, without 200 advertising or bidding, for the sale of that property. The 201 202 resolution shall specify a minimum acceptable price and the minimum acceptable terms for the contract. The minimum acceptable 203 price shall not be lower than the minimum price established for 204 the public auction. 205

(C) Notwithstanding anything to the contrary in division (A) 206

or (B) of this section and regardless of the property's value, the	207
board of township trustees may sell personal property, including	208
motor vehicles, road machinery, equipment, tools, or supplies,	209
which is not needed for public use, or is obsolete or unfit for	210
the use for which it was acquired, by internet auction. The board	211
shall adopt, during each calendar year, a resolution expressing	212
its intent to sell that property by internet auction. The	213
resolution shall include a description of how the auctions will be	214
conducted and shall specify the number of days for bidding on the	215
property, which shall be no less than fifteen days, including	216
Saturdays, Sundays, and legal holidays. The resolution shall	217
indicate whether the township will conduct the auction or the	218
board will contract with a representative to conduct the quetion	219

board will contract with a representative to conduct the auction219and shall establish the general terms and conditions of sale. If a220representative is known when the resolution is adopted, the221resolution shall provide contact information such as the222representative's name, address, and telephone number.223

After adoption of the resolution, the board shall publish, in 224 a newspaper of general circulation in the township, notice of its 225 intent to sell unneeded, obsolete, or unfit township personal 226 property by internet auction. The notice shall include a summary 227 of the information provided in the resolution and shall be 228 published at least twice. The second and any subsequent notice 229 shall be published not less than ten nor more than twenty days 230 after the previous notice. A clerk also shall post a similar 231 notice throughout the calendar year in a conspicuous place in the 232 board's office and, if the township maintains a website on the 233 internet, the notice shall be posted continually throughout the 234 235 calendar year at that website.

When property is to be sold by internet auction, the board or236its representative may establish a minimum price that will be237accepted for specific items and may establish any other terms and238

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conditions for the particular sale, including requirements for239pick-up or delivery, method of payment, and sales tax. This type240of information shall be provided on the internet at the time of241the auction and may be provided before that time upon request242after the terms and conditions have been determined by the board243or its representative.244

Sec. 721.15. (A) Personal property not needed for municipal 245 purposes, the estimated value of which is less than one thousand 246 dollars, may be sold by the board or officer having supervision or 247 management thereof of that property. If the estimated value of 248 such that property exceeds is one thousand dollars or more, it 249 250 shall be sold only when authorized by an ordinance of the legislative authority of the municipal corporation and approved by 251 the board, officer, or director having supervision or management 252 of such personal that property. When so authorized such, the 253 board, officer, or director shall make a written contract with the 254 highest and best bidder after advertisement for not less than two 255 nor or more than four consecutive weeks in a newspaper of general 256 circulation within the municipal corporation, or with a board of 257 county commissioners upon such lawful terms as are agreed upon, as 258 provided by section 721.27 of the Revised Code. 259

(B) When the legislative authority finds, by resolution, that 260 the municipal corporation has vehicles, equipment, or machinery 261 which is obsolete, or is not needed or is unfit for public use, 262 263 and further finds that the municipal corporation has need of other vehicles, equipment, or machinery of the same type, and further 264 finds that it will be to in the best interest of the municipal 265 corporation that such the sale of obsolete, unneeded, or unfit 266 vehicles, equipment, or machinery be made simultaneously with the 267 purchase of the new vehicles, equipment, or machinery of the same 268 type, said the legislative authority may offer to sell, or 269 authorize a board, officer, or director of said the municipal 270

corporation having supervision or management of said the property 271 to offer to sell, said those vehicles, equipment, or machinery and 272 to have the selling price for the same credited against the 273 purchase price of other vehicles, equipment, or machinery and to 274 consummate such the sale and purchase by a single contract with 275 the lowest and best bidder to be determined by subtracting from 276 the selling price of the vehicles, equipment, or machinery to be 277 purchased by said the municipal corporation the purchase price 278 offered for said the municipally_owned vehicles, equipment, or 279 machinery. When the legislative authority or the authorized board, 280 officer, or director of a municipal corporation advertises for 281 bids for the sale of new vehicles, equipment, or machinery to the 282 municipal corporation, they may include in the same advertisement 283 a notice of willingness to accept bids for the purchase of 284 municipally_owned vehicles, equipment, or machinery which is 285 obsolete, unfit, or is not needed or is unfit for public use, and 286 to have the amount of such those bids subtracted from the selling 287 price as a means of determining the lowest and best bidder. 288

(C) If the legislative authority of the municipal corporation290determines that municipal personal property is not needed for291public use, or is obsolete or unfit for the use for which it was292acquired, and that the property has no value, the legislative293authority may discard or salvage that property.294

(D) Notwithstanding anything to the contrary in division (A) 295 or (B) of this section and regardless of the property's value, the 296 legislative authority of a municipal corporation may sell personal 297 property, including motor vehicles acquired for the use of 298 municipal officers and departments, and road machinery, equipment, 299 tools, or supplies, which is not needed for public use, or is 300 obsolete or unfit for the use for which it was acquired, by 301 internet auction. The legislative authority shall adopt, during 302

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each calendar year, a resolution expressing its intent to sell	303
that property by internet auction. The resolution shall include a	304
description of how the auctions will be conducted and shall	305
specify the number of days for bidding on the property, which	306
shall be no less than fifteen days, including Saturdays, Sundays,	307
and legal holidays. The resolution shall indicate whether the	308
municipal corporation will conduct the auction or the legislative	309
authority will contract with a representative to conduct the	310
auction and shall establish the general terms and conditions of	311
sale. If a representative is known when the resolution is adopted,	312
the resolution shall provide contact information such as the	313
representative's name, address, and telephone number.	314

After adoption of the resolution, the legislative authority 315 shall publish, in a newspaper of general circulation in the 316 municipal corporation, notice of its intent to sell unneeded, 317 obsolete, or unfit municipal personal property by internet 318 auction. The notice shall include a summary of the information 319 provided in the resolution and shall be published at least twice. 320 The second and any subsequent notice shall be published not less 321 than ten nor more than twenty days after the previous notice. A 322 similar notice also shall be posted continually throughout the 323 calendar year in a conspicuous place in the offices of the village 324 clerk or city auditor, and the legislative authority, and, if the 325 municipal corporation maintains a website on the internet, the 326 notice shall be posted continually throughout the calendar year at 327 that website. 328

When the property is to be sold by internet auction, the329legislative authority or its representative may establish a330minimum price that will be accepted for specific items and may331establish any other terms and conditions for the particular sale,332including requirements for pick-up or delivery, method of payment,333and sales tax. This type of information shall be provided on the334

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internet at the time of the auction and may be provided before	335
that time upon request after the terms and conditions have been	336
determined by the legislative authority or its representative.	337

Section 2.	That existing	sections 307.12,	505.10,	and 721.15	338
of the Revised	Code are hereby	v repealed.			339