

**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2005 ASSEMBLY BILL 534**

August 10, 2005 – Offered by COMMITTEE ON PROPERTY RIGHTS AND LAND
MANAGEMENT.

1 **AN ACT** *to renumber and amend* 84.09 (5); *to amend* 84.09 (5m) and 84.09 (8)
2 (b); and *to create* 84.09 (5) (b) and (c) of the statutes; **relating to:** sale, by the
3 Department of Transportation, of surplus real property.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

4 **SECTION 1.** 84.09 (5) of the statutes is renumbered 84.09 (5) (a) and amended
5 to read:

6 84.09 (5) (a) Subject to pars. (b) and (c) and to the approval of the governor, the
7 department may sell at public or private sale property of whatever nature owned by
8 the state and under the jurisdiction of the department when the department
9 determines that the property is no longer necessary for the state's use for
10 transportation purposes and, if real property, the real property is not the subject of
11 a petition under s. 560.9810 (2). The department shall present to the governor a full
12 and complete report of the property to be sold, the reason for the sale, and the

1 minimum price for which the same should be sold, together with an application for
2 the governor's approval of the sale. The governor shall thereupon make such
3 investigation as he or she may deem necessary and approve or disapprove the
4 application. Upon such approval and receipt of the full purchase price, the
5 department shall by appropriate deed or other instrument transfer the property to
6 the purchaser. The approval of the governor is not required for public or private sale
7 of property having a fair market value at the time of sale of not more than \$15,000,
8 for the transfer of surplus state real property to the department of administration
9 under s. 560.9810, or for the transfer of surplus state personal property to the
10 department of tourism under sub. (5s). The funds derived from sales under this
11 subsection shall be deposited in the transportation fund, and the expense incurred
12 by the department in connection with the sale shall be paid from such fund.

13 **SECTION 2.** 84.09 (5) (b) and (c) of the statutes are created to read:

14 **84.09 (5) (b)** Subject to the approval of the governor in the manner, scope, and
15 form specified in par. (a), with respect to the sale of property acquired by the
16 department for a project that is completed after the effective date of this paragraph
17 [revisor inserts date], the department shall offer for sale or transfer ownership of
18 the property that the department determines is no longer necessary for the state's
19 use for transportation purposes, if the property is not the subject of a petition under
20 s. 560.9810 (2). This disposition process shall take place within 24 months of the
21 completion of the transportation project for which the property was acquired. Except
22 as provided in par. (c) 3., the department shall offer limited and general marketable
23 properties at appraised value, as determined by a state-certified or licensed
24 appraiser, for not less than 12 months. If the department does not sell the property

1 at or above its appraised value, the department shall sell the property by means of
2 sealed bids or public auction.

3 (c) 1. Prior to conducting a public sale on a generally marketable surplus land
4 parcel under par. (b), the department shall contact the municipality and the local
5 school district where the land parcel is located and the department of natural
6 resources to solicit interest in acquiring the parcel for public use. Upon notification
7 from the department, the municipality, local school district, and department of
8 natural resources must respond to the department, stating their interest in the land
9 for public use, within 60 days. Failure to respond within 60 days constitutes
10 noninterest in the land parcel.

11 2. If a municipality, a local school district, or the department of natural
12 resources expresses interest in acquiring the land for public use, the department
13 shall offer the municipality, local school district, or department of natural resources
14 the right of first purchase if all of the following are true:

15 a. The municipality, local school district, or department of natural resources
16 provides a plan to the department identifying the proposed public use for the land
17 parcel and the acreage involved in the public use.

18 b. The public use would benefit a cross-section of the population.

19 c. The land parcel will not be purchased for the generation of profit either
20 through the sale price or its long-term intended public use.

21 3. If the conditions of subd. 2. are met, the department shall transfer ownership
22 of the land parcel to the municipality, local school district, or department of natural
23 resources upon receipt of the fair market valuation of the land parcel. Ownership
24 of the land parcel shall be transferred contingent upon the public use identified

1 under subd. 2., and shall remain in the ownership of the public entity preserving the
2 public use.

3 **SECTION 3.** 84.09 (5m) of the statutes is amended to read:

4 **84.09 (5m)** Subject to the approval of the governor in the manner, scope, and
5 form provided by sub. (5) (a), the department may convey lands or interests therein
6 acquired pursuant to this section and improvements installed thereon to
7 municipalities within whose limits such lands or interests therein are located. The
8 conveyance of said lands or interests therein and improvements shall restrict the use
9 of the premises by the municipality to the uses for which they were acquired, except
10 that said lands or interests therein declared by the department to be excess may be
11 so conveyed without restrictions as to use. This subsection shall apply only to the
12 sale of property acquired by the department for a project that is completed before the
13 effective date of this subsection [revisor inserts date]. The department may sell
14 property that is acquired by the department for a project that is completed after the
15 effective date of this subsection [revisor inserts date], to a municipality under sub.
16 (5) (c), as applicable.

17 **SECTION 4.** 84.09 (8) (b) of the statutes is amended to read:

18 **84.09 (8) (b)** Biennially, beginning on January 1, 1984, the department shall
19 submit to the state building commission and the joint committee on finance an
20 inventory of surplus land containing a general description of the location and an
21 estimated value of each parcel. For each inventory submitted after the effective date
22 of this paragraph [revisor inserts date], the inventory shall contain a report
23 including the estimated marketable value totals, by marketable type, of the land
24 parcels, the net gain and net sale of surplus properties in the previous year, and, in
25 the first report submitted after the effective date of this paragraph [revisor inserts

1 date], a summary of surplus land sales in each of the 10 years preceding the first
2 report.

3 (END)