



Senate Ways and Means Committee

March 11, 2016

Testimony in Support of SB 498

Department of Administration

Secretary Sarah L. Shipman

Good morning Sen. Masterson & members of the committee. Thank you for the opportunity to testify regarding Senate bill 498 and the sale of surplus property.

Alvarez & Marsal spent a considerable amount of time working with the Office of Facilities & Property Management on the sale of surplus real estate. As they noted, we have been actively working with agencies to sell surplus real estate and have closed on over \$2.6 million dollars' worth in the past 24 months. The recommendations prepared by A&M are included in SB 498 and would incentivize agencies to sell real estate they no longer need or are not putting to a cost effective use over time.

While we have staff who has successfully liquidated surplus real estate, engaging a third party would provide a fresh review of our real estate portfolio and could suggest opportunities we have not previously considered.

The Department of Administration stands in support of SB 498 and are ready to move forward as the legislature directs.

Thank you..