

Federal Property Management Regulations

§ 101-45.304-2

accountable officer who will be responsible for the requisition, storage, and issuance of the SF 97. Certificates showing erasures or strikeovers will be considered invalid. Proper precautions shall be exercised by all agency accountable officers to prevent blank copies of the SF 97 from being obtained by unauthorized persons.

(d) Delivery of motor vehicles to purchasers shall be evidenced by submission to the purchaser of a completed original of the SF 97. Two copies of the SF 97 shall be furnished to the owning agency (one copy for the reporting office and one copy for the custodian) and the other copy shall be furnished to the contracting officer of the agency effecting the sale or transfer of the motor vehicle. The SF 97 is illustrated at § 101-45.4901-97. Other certificates of release or bills of sale shall not be used in lieu of the SF 97. Instructions for the use of the SF 97 are in § 101-45.4901-97-1.

[53 FR 16121, May 5, 1988, as amended at 57 FR 32446, July 22, 1992]

§ 101-45.304 Sales methods and procedures.

§ 101-45.304-1 Competitive bid sales.

Except as provided in § 101-45.304-2, property shall be sold by competitive bid sale after advertising, in accordance with this § 101-45.304-1. Competitive bid sales include the following:

(a) *Sealed bid sales.* In sealed bid sales, bidders shall be required to submit, to the office designated for receipt and opening of bids, sealed written bids on authorized bid forms for public opening at a time and place designated.

(b) *Spot bid sales.* In spot bid sales, bidders shall be furnished with bid forms in advance of the bidding, a bid form to be used for each lot or unit to be separately sold. Requests for bids on items offered for sale shall be made by the official in charge. In requesting bids, the official in charge shall announce the item, its identification number, and a brief description of the item or lot. The right to reject all such bids for a lot or item shall be reserved in the terms of sale; and when the Invitation for Bids so specifies, lots or items for which all bids have been rejected may be reoffered at the same

sale in order to secure an acceptable bid price. After examining all bids, award shall be made or bids rejected immediately following the offering of the item or lot. The bids at spot bid sales shall not be disclosed prior to the announcement of award for any item or lot. Where mailed written or drop bids are permitted, they shall not be disclosed to the public prior to the announcement of award. Bidders may be required to register in advance of the sale. Any special condition of sale shall be set out in the Invitation for Bids in order to assure that all bidders are afforded an opportunity to compete on the same terms and conditions.

(c) *Auction sales.* When the terms and conditions of sale have been published and distributed to participating buyers, any special or unusual conditions of sale shall be announced by the person conducting the auction, immediately prior to commencement of the sale. Offerings must reserve in the Government, the right to accept or reject any or all bids. Lots for which all offers have been rejected may be reoffered later at the same sale to secure acceptable bids, when the published terms and conditions so provide.

§ 101-45.304-2 Negotiated sales and negotiated sales at fixed prices.

(a) *Circumstances permitting negotiated sales.* While it is the policy to sell property after publicly advertising for bids, property also may be sold by negotiation, subject to obtaining such competition as is feasible under the circumstances, where:

(1) It is determined by the agency that the sale involves property:

(i) That has an estimated fair market value not in excess of \$15,000;

(ii) Where public exigency will not admit of the delay incident to advertising;

(iii) Where bid prices after advertising therefor are not reasonable (either as to all or some part of the property), or bid prices have not been independently arrived at in open competition, and it is determined that re-advertising will serve no useful purpose: *Provided*, That all responsible bidders who responded to the previous advertising shall be afforded an opportunity to submit offers for the property; or

(iv) That the disposal will be to a State, territory, possession, political subdivision thereof, or tax-supported agency therein, and that the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation. (See §101-45.304-12.)

(2) Full and adequate justification therefor has been submitted to the head of the selling agency or his designee for prior approval, and he has determined:

(i) That the public health, safety, or national security will thereby be promoted; or

(ii) That it is necessary in the public interest during the period of a national emergency declared by the President or the Congress. The authority of this subdivision shall be used only with respect to a particular lot or lots of personal property identified by the Administrator of General Services or a specifically described category or categories of property determined by the Administrator of General Services during any period fixed by the Administrator of General Services, but not in excess of three months. Declaration of a national emergency alone is not justification for use of this authority; there must be other reasons making use of negotiation necessary in the public interest.

(3) Full and adequate justification therefor has been submitted to the Administrator of General Services for his prior approval, and he has determined that the property involved is of a nature and quantity which, if disposed of by advertising would cause such an impact on an industry or industries as to adversely affect the national economy: *Provided*, That the estimated fair market value of such property and other satisfactory terms of disposal can be obtained by negotiation.

(4) Negotiation is otherwise authorized by the Act or other law.

(b) *Negotiated sales at fixed prices.* (1) Property may be sold at fixed prices, either directly or through the use of disposal contractors, only with prior approval by the Administrator of General Services (or designee) of the property categories to be sold.

(2) In accordance with §101-45.304-12, prior to offering property to the public,

it may be offered at fixed prices, through State agencies for surplus property, to State and local governments (States, territories, possessions, political subdivisions thereof, or tax-supported agencies therein) which have expressed an interest in the property.

(c) *Explanatory statements.* Subject to the exceptions stated in §101-45.304-2(c)(2), the selling agency shall prepare an explanatory statement as required by section 203(e)(6) of the Act of the circumstances of each proposed disposal by negotiation.

(1) Ten copies of each explanatory statement, mechanically reproduced, shall be submitted to the Administrator of General Services for review and transmittal by the Administrator to the appropriate committees of the Senate and House of Representatives and a copy thereof shall be preserved in the files of the selling agency. Such statements shall be submitted as early as practicable in advance of each proposal. Copies of the Administrator's transmittal letters to the committees will be furnished to the selling agency. In the absence of any action by a committee on the proposed negotiated disposal, the selling agency may consummate the sale on or after 35 days from the date of the Administrator's letters transmitting the explanatory statement to the committees.

(2) The explanatory statement need not be:

(i) Transmitted for a disposal of personal property at fixed prices when previously authorized pursuant to §101-45.304-2(b);

(ii) Transmitted for a disposal of personal property authorized to be made without advertising by any provision of law other than section 203(e) of the Act; or

(iii) Prepared for a disposal of personal property having a fair market value of \$15,000 or less.

(3) An outline for the preparation of the explanatory statement is shown in §101-45.4806.

[30 FR 2930, Mar. 6, 1965, as amended at 31 FR 5001, Mar. 26, 1966; 34 FR 7329, May 6, 1969; 42 FR 40853, Aug. 12, 1977; 54 FR 38676, Sept. 20, 1989; 55 FR 17609, Apr. 26, 1990]