

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE BILL 1814

Short Title: Sale of State Property Subject to Upset Bid. (Public)

Sponsors: Representatives Folwell, Boylan, Brown, McElraft (Primary Sponsors);
Current and Hurley.

Referred to: Judiciary I.

April 19, 2007

A BILL TO BE ENTITLED

AN ACT TO MAKE CERTAIN SALES OF STATE PROPERTY SUBJECT TO
UPSET BIDS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 146-27 reads as rewritten:

"§ 146-27. The role of the Department of Administration in sales, leases, and rentals; approval by General Assembly. Assembly; upset bids.

(a) General. – Except as otherwise provided by this section, every sale, lease, rental, or gift of land owned by the State or by any State agency shall be made by the Department of Administration and approved by the Governor and Council of State. A lease or rental of land owned by the State may not exceed a period of 99 years. The Department of Administration may initiate proceedings for sales, leases, rentals, and gifts of land owned by the State or by any State agency.

(b) Large Disposition. – If a proposed disposition is a sale or gift of land with an appraised value of at least twenty-five thousand dollars (\$25,000), the sale or gift shall not be made until after consultation with the Joint Legislative Commission on Governmental Operations.

(b1) Upset Bids. – If a proposed disposition of land or other real property with a value of at least fifty thousand dollars (\$50,000) is a sale or other transfer to a private entity that operates or is established to operate for profit, the proposed disposition shall be subject to upset bids. The Department of Administration shall adopt a procedure for upset bids that is based on the upset bid procedure set forth in Part 2 of Article 29A of Chapter 1 of the General Statutes.

(c) Exceptions. – Notwithstanding any other provision of law, the following State-owned property shall not be sold, leased, rented, or otherwise disposed of without the prior approval of the General Assembly:

(1) The property encompassing the Dorothea Dix Hospital campus.

- 1 (2) The property described in the 1995 Capital Area Master Plan for State
2 Government, Blue Ridge Road Area, developed by O'Brien/Atkins,
3 except for the Special Development District."
4 **SECTION 2.** This act becomes effective October 1, 2007.