

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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SENATE BILL DRS35352-NRa-13

Short Title: Agency Vacant Property. (Public)

Sponsors: Senators Burgin and Chaudhuri (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO REQUIRE THE DEPARTMENT OF ADMINISTRATION TO ASSESS,
3 CATALOG, REPORT, AND DISPOSE OF CERTAIN VACANT STATE PROPERTY.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 143-341 reads as rewritten:

6 "§ 143-341. Powers and duties of Department.

7 The Department of Administration has the following powers and duties:

8 (1) Repealed by Session Laws 1979, 2nd Session, c. 1137, s. 38.

9 (2) Purchase and Contract:

10 a. To exercise those powers and perform those duties which were, at the
11 time of the ratification of this Article, conferred by statute upon the
12 former Division of Purchase and Contract.

13 ...

14 (4) Real Property Control:

15 a. To prepare and keep current a complete and accurate inventory of all
16 land owned or leased by the State or by any State agency. This
17 inventory shall show the location, including the latitude and longitude
18 of the center of the property, acreage, description, source of title and
19 current use of all land (including swamplands or marshlands) owned
20 by the State or by any State agency, and the agency to which each tract
21 is currently allocated. Surveys may be made where necessary to obtain
22 information for the purposes of this inventory. Accurate plats or maps
23 of all such land may be prepared, or copies obtained where such maps
24 or plats are available.

25 b. To prepare and keep current a complete and accurate database of all
26 buildings owned or leased (in whole or in part) by the State or by any
27 State agency. This database shall serve as the State inventory and shall
28 include all of the following information and floor plans of every such
29 building shall be prepared or copies obtained where such floor plans
30 are available, where needed for use in the allocation of space therein:

- 31 1. The building's location, including the latitude and longitude of
32 the center of the building.
33 2. A description of the operations supported by the building.
34 3. The agency or agencies that occupy the building. The current
35 occupant of the building or, if the building is vacant, the current
36 period of vacancy.



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- 1 4. Ownership information for the building.
- 2 5. The size of the building in terms of both gross and usable
- 3 square feet.
- 4 6. A description of the building.
- 5 7. The building's condition assessment, including the estimated
- 6 cost to make needed repairs and renovations as well as the date
- 7 that the last condition assessment was completed.
- 8 8. The building's annual operating costs.
- 9 9. The building's annual maintenance costs.
- 10 9a. The total potential liability to the State for the building and the
- 11 land where the building is situated.
- 12 10. The number of usable workspaces contained in the building.
- 13 11. The number of full-time equivalent positions assigned to the
- 14 building by each agency occupant.
- 15 12. The amount of the building that is utilized, measured in
- 16 accordance with the procedures developed pursuant to
- 17 G.S. 143-341.2(a)(3).
- 18 13. Maintenance record, including replacement and maintenance
- 19 schedules for all major mechanical systems.
- 20 14. Parking and employee facilities.
- 21 15. Any other information deemed relevant by the Department of
- 22 Administration.

...."

SECTION 2. G.S. 143-341.2 reads as rewritten:

"§ 143-341.2. Proactive management of State-owned and State-leased real property portfolio.

(a) Duties of the Department of Administration. – The Department of Administration shall have the following powers and duties:

- (1) Development of comprehensive State facilities plan. – No later than April 1, 2023, and every five years thereafter, the Department of Administration shall develop and implement a plan to comprehensively manage, acquire, and dispose of the facilities and spaces required to fully support State government operations. The plan shall do all of the following:
 - a. Identify the type, quantity, and location of facilities and spaces required to fully support State government operations.
 - b. Include an in-depth analysis of existing State-owned facilities' locations, capability, utilization, occupancy status, and condition.
 - c. Establish strategic priorities and objectives that allow the Department of Administration to manage the performance of the State's portfolio of real property in a way that maximizes the utilization of State-owned facilities and minimizes operating and maintenance costs.
 - d. Take into consideration the information provided to the Department in five-year real property management plans submitted by State agencies pursuant to subdivision (b)(4) of this section.
 - e. Provide a mechanism for allocating available facilities or space to State agencies that need it in a manner that reduces the need to acquire new space through purchase, lease, or other means.
 - f. Provide recommendations for disposing of existing State property and facilities, consolidating operations among existing facilities, and relocating State agencies from leased facilities to State-owned facilities.

- g. Describe all changes made to space planning standards developed and distributed as provided in subdivision (4) of this subsection.
- h. Identify potential facilities eligible for surplus disposal under G.S. 143-341.3.

- ...
- (6) ~~Development of surplus property identification and disposal system.—The Department of Administration shall establish a surplus real property disposal system that limits the duration that unneeded property is retained by the State. As part of the system, the Department shall adopt rules defining surplus State-owned real property and establishing a system for continuously identifying and disposing of that property, subject to the approvals required by Chapter 146 of the General Statutes, which shall take into consideration all of the following:~~
 - a. ~~The value each facility or parcel of land brings to the performance of the mission of the State or State agency and the fulfillment of its goals and objectives.~~
 - b. ~~A general measure of the facility's condition calculated as a ratio of repair needs to replacement value.~~
 - e. ~~The degree to which the property is utilized, measured in accordance with the procedures developed pursuant to subdivision (3) of this subsection.~~
 - d. ~~The extent to which the property meets the purpose for which it was intended.~~
 - e. ~~The extent to which the State or State agency is likely to need to continue to provide the service or function currently provided at the property.~~
 - f. ~~Consideration of the best and most cost-effective manner in which these future needs can be met.~~

...."

SECTION 3. Part 1 of Article 36 of Chapter 143 of the General Statutes is amended by adding a new section to read:

"§ 143-341.3. Disposal of surplus real property.

(a) Surplus Real Property Disposal. – The Department of Administration shall establish a surplus real property disposal system that limits the duration that unneeded or vacant property is retained by the State. As part of the system, the Department shall (i) adopt rules in accordance with this section, including defining surplus State-owned real property, and (ii) establish a system for continuously identifying and disposing of that property, subject to the approvals required under Chapter 146 of the General Statutes, which shall take into consideration all of the following:

- (1) The value each facility or parcel of land brings to the performance of the mission of the State or State agency and the fulfillment of its goals and objectives.
- (2) A general measure of the facility's condition, calculated as a ratio of repair needs to replacement value.
- (3) The degree to which the property is utilized, measured in accordance with the procedures developed pursuant to G.S. 143-341.2(a)(3).
- (4) The extent to which the property meets the purpose for which it was intended.
- (5) The extent to which the State or State agency is likely to need to continue to provide the service or function currently provided at the property.
- (6) Consideration of the best and most cost-effective manner in which these future needs can be met.

1 (7) Whether the property has been vacant for one year or longer.

2 (8) An assessment of private or public interest in the property.

3 (b) Method for Disposal. – For properties identified as surplus pursuant to this section,
4 the Department of Administration shall, subject to the approvals required under Chapter 146 of
5 the General Statutes, dispose of the surplus real property by sale. If the Department of
6 Administration is unable to dispose of the real property by sale for a period of six months, the
7 Department shall dispose of the property by auction or by transfer of title to a city or county in
8 this State, provided that the city or county presents evidence satisfactory to the Department of an
9 economic development use for the property.

10 (c) Proceeds of Sale. – Notwithstanding G.S. 146-15, G.S. 146-30, or any other provision
11 of law, the gross proceeds of the sale of surplus real property under this section shall be handled
12 in accordance with the following priority:

13 (1) First, by subtracting any expenses incurred incident to the sale as may be
14 allowed under rules and regulations adopted by the Governor and approved
15 by the Council of State.

16 (2) Second, in accordance with the provisions of any trust or other instrument of
17 title whereby title to real property was acquired.

18 (3) Third, as provided by any other act of the General Assembly.

19 (4) Fourth, by depositing the remaining proceeds in accordance with the
20 following:

21 a. Fifty percent (50%) to the General Fund.

22 b. Fifty percent (50%) to the Department of Administration to be used
23 for repair and renovation projects as provided in G.S. 143C-8-13."

24 **SECTION 4.** No later than three months after the effective date of this act, the
25 Department of Administration shall submit a report to the Joint Legislative Oversight Committee
26 on General Government and the Fiscal Research Division with the vacant building data required
27 under G.S. 143-341, as amended in this act.

28 **SECTION 5.** There is appropriated from the General Fund to the Department of
29 Administration beginning in the 2026-2027 fiscal year the sum of one hundred thousand dollars
30 (\$100,000) in recurring funds to administer the surplus real property disposal system created by
31 this act.

32 **SECTION 6.** This act becomes effective July 1, 2026.