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SENATE BILL NO. 1265

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on General Laws and Technology
on January 30, 2017)

(Patron Prior to Substitute—Senator Chafin)

A BILL to amend and reenact §§ 2.2-1136, 2.2-1147, and 2.2-1153 of the Code of Virginia, relating to Department of General Services; maintenance of property records; notification when lease, or other agreement to terminate; report.

Be it enacted by the General Assembly of Virginia:

1. That §§ 2.2-1136, 2.2-1147, and 2.2-1153 of the Code of Virginia are amended and reenacted as follows:

§ 2.2-1136. Review of easements; maintenance of records; notification when lease or other agreement for branch office to terminate; report.

A. The Department shall review all deeds, leases, and contractual agreements with utilities to serve state institutions or agencies that require the approval of the Governor, as well as all easements and rights-of-way granted by institutions and agencies to public and private utilities.

B. The Department shall be responsible for the maintenance of real property records of all state departments, agencies and institutions relating to property as defined in § 2.2-1147 and any other real property used or occupied by lease, license, permit, or other agreement by any state department, agency, or institution, except records of real property relating to (i) real estate or rights-of-way acquired by the Department of Transportation for the construction of highways; and; (ii) ungranted shores of the sea, marsh, and meadowlands as defined in § 28.2-1500; or (iii) real estate or rights-of-way acquired by the Department of Rail and Public Transportation for the construction of railway lines or rail or public transportation facilities or the retention of rail corridors for public purposes. The Department may have such boundary, topographic, and other maps prepared as may be necessary. In addition, the

C. The Department shall develop the criteria for and conduct an annual inventory of all real property, as defined in § 2.2-1147, owned by state departments, agencies and institutions by January 1, 2012, and update the inventory at least annually thereafter referred to in subsection B for which it is responsible. Such inventory with respect to owned property shall be reviewed by the Department in developing recommendations pursuant to subsection A of § 2.2-1153. All state departments, agencies, and institutions shall cooperate with the Department and provide such data and documents as may be required to develop and maintain the records and inventory required by this section.

D. The Department shall make the inventory referred to in subsection B C available on the Department's website. The description of the inventory shall include parcel identification consistent with national spatial data standards in addition to a street address as available and reported to the Department by departments, agencies, and institutions and shall include the date upon which the use or occupancy, if used or occupied by lease, license, permit, or other agreement, of the inventoried property is to terminate pursuant to the lease, license, permit, or other agreement therefor.

E. The Department shall provide a quarterly report, in electronic form, to the General Assembly that includes renewal and termination dates for inventoried property pursuant to the lease, license, permit, or other agreement administered by the Department. Such information shall include property that serves as a branch office of a state agency. The report shall include all such renewals and terminations scheduled to occur within 90 days of the report date. The report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website. As used in this subsection, "branch office" means an office of a state agency other than its main office that assists the state agency in carrying out its statutory mission, including providing access to government services and programs.

§ 2.2-1147. Definitions.

As used in §§ 2.2-1147.4 2.2-1136 through 2.2-1156, unless the context requires a different meaning: "Institutions" includes, but is not limited to, any corporation owned by the Commonwealth and subject to the control of the General Assembly.

"Property" means an interest in land and any improvements thereon, including the privileges and appurtenances of every kind belonging to the land, held by the Commonwealth and under the control of or occupied by any of its departments, agencies, or institutions but does not include (i) real estate or rights-of-way acquired by the Department of Transportation for the construction of highways; (ii) ungranted shores of the sea, marsh, and meadowlands as defined in § 28.2-1500; or (iii) real estate or rights-of-way acquired by the Department of Rail and Public Transportation for the construction of railway lines or rail or public transportation facilities or the retention of rail corridors for public purposes.

60 "Recommend," "recommended," or "recommendation," when used with reference to a
61 recommendation by the Department of General Services to the Governor, means to advise either for or
62 against a proposed action.

63 **§ 2.2-1153. State agencies and institutions to notify Department of property not used or**
64 **required; criteria.**

65 A. Whenever any department, agency or institution of state government possesses or has under its
66 control state-owned or leased property that is not being used to full capacity or is not required for the
67 programs of the department, agency or institution, it shall so notify the Department. Such notification
68 shall be in a form and manner prescribed by the Department. Each department, agency and institution
69 shall submit to the Department a land use plan for state-owned property it possesses or has under its
70 control showing present and planned uses of such property. Such plan shall be approved by the
71 cognizant board or governing body of the department, agency or institution holding title to or otherwise
72 controlling the state-owned property or the agency head in the absence of a board or governing body,
73 with a recommendation on whether any property should be declared surplus by the department, agency
74 or institution. Development of such land use plans shall be based on guidelines promulgated by the
75 Department. The guidelines shall provide that each land use plan shall be updated and copies provided
76 to the Department by September 1 of each year. The Department may exempt properties that are held
77 and used for conservation purposes from the requirements of this section. The Department shall review
78 the land use plans, the records and inventory required pursuant to ~~subsection~~ *subsections B and C* of
79 § 2.2-1136 and such other information as may be necessary and determine whether the property or any
80 portion thereof should be declared surplus to the needs of the Commonwealth. By October 1 of each
81 year, the Department shall provide a report to the Chairmen of the House Appropriations and Senate
82 Finance Committees setting forth the Department's findings, the sale or marketing of properties identified
83 pursuant to this section, and recommending any actions that may be required by the Governor and the
84 General Assembly to identify and dispose of property not being efficiently and effectively utilized. The
85 Department shall provide a listing of surplus properties on the Department's website. The description of
86 surplus property shall include parcel identification consistent with national spatial data standards in
87 addition to a street address.

88 Until permanent disposition of the property determined to be surplus is effected, the property shall
89 continue to be maintained by the department, agency or institution possessing or controlling it, unless
90 upon the recommendation of the Department, the Governor authorizes the transfer of the property to the
91 possession or control of the Department. In this event, the department, agency or institution formerly
92 possessing or controlling the property shall have no further interest in it.

93 B. The Department shall establish criteria for ascertaining whether property under the control of a
94 department, agency or institution should be classified as "surplus" to its current or proposed needs. Such
95 criteria shall provide that the cognizant board or governing body, if any, of the department, agency or
96 institution holding the title to or otherwise controlling the state-owned property, or the agency head in
97 the absence of a board or governing body, shall approve the designation of the property as surplus.

98 C. Notwithstanding the provisions of subsection A:

99 1. The property known as College Woods, which includes Lake Matoaka and is possessed and
100 controlled by a college founded in 1693, regardless of whether such property has been declared surplus
101 pursuant to this section, shall not be transferred or disposed of without the approval of the board of
102 visitors of such college by a two-thirds vote of all board members at a regularly scheduled board
103 meeting. The General Assembly shall also approve the disposal or transfer.

104 2. Surplus real property valued at less than \$5 million that is possessed and controlled by a public
105 institution of higher education may be sold by such institution, provided that (i) at least 45 days prior to
106 executing a contract for the sale of such property, the institution gives written notification to the
107 Governor and the Chairmen of the House Appropriations and Senate Finance Committees; and (ii) the
108 Governor may postpone the sale at any time up to 10 days prior to the proposed date of sale. Such sale
109 may be effected by public auction, sealed bids, or by marketing through one or more Virginia licensed
110 real estate brokers after satisfying the public notice provisions of subsection A of § 2.2-1156. The terms
111 of all negotiations resulting in such sale shall be public information. The public institution of higher
112 education may retain the proceeds from the sale of such property if the property was acquired by
113 nongeneral funds. If the institution originally acquired the property through a mix of general and
114 nongeneral funds, 50 percent of the proceeds shall be distributed to the institution and 50 percent shall
115 be distributed to the State Park Conservation Resources Fund established under subsection A of
116 § 10.1-202. The authority of a public institution of higher education to sell surplus real property
117 described under this subdivision or to retain any proceeds from the sale of such property shall be subject
118 to the institution meeting the conditions prescribed in subsection A of § 23.1-1002 and § 23.1-1019
119 (regardless of whether or not the institution has been granted any authority under Article 4 (§ 23.1-1004
120 et seq.) of Chapter 10 of Title 23.1).