

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

H.B. 1205
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH10826-MQa-167

Short Title: Expedited State Leasing-Broadband.

(Public)

Sponsors: Representative Arp.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO STREAMLINE THE PREPARATION AND FINALIZATION OF NEW LEASES
3 AND LEASE RENEWALS ON STATE PROPERTY TO EXPEDITE DEPLOYMENT OF
4 BROADBAND INFRASTRUCTURE.

5 The General Assembly of North Carolina enacts:

6 SECTION 1.(a) G.S. 146-29.2 reads as rewritten:

7 "§ 146-29.2. Lease or interest in real property for communication purposes.

8 ...

9 (b1) The State shall allow the collocation, installation, and operation of equipment by a
10 broadband provider on any existing structure owned by the State and shall lease real property, or
11 grant an easement or license with an interest in real property, for the purposes of construction
12 and placement of broadband infrastructure on State land. A disposition entered into pursuant to
13 this subsection is voidable by the Governor and Council of State for specific reasons or causes
14 that shall be cited. A determination for a disposition under this subsection shall be made subject
15 to the following:

- 16 (1) For new requests, the Department of Administration shall prepare and finalize
17 the lease agreement within four months of receiving the initial request.
18 (2) For renewals, the Department of Administration shall prepare and finalize the
19 lease agreement within two months of receiving the request. If the Department
20 is unable to finalize the renewed lease at least two months prior to the
21 termination of the current lease, then the terms of the current lease shall
22 continue until the lease is finalized.
23 (3) The Department of Administration shall coordinate with the Department of
24 Information Technology to develop a streamlined lease development process
25 using state-of-the-art technology, including video conferencing, to facilitate
26 and expedite process completion. All State agencies, including The University
27 of North Carolina System Office, shall cooperate with and participate in the
28 streamlined lease development process to ensure that finalized lease
29 agreement is prepared and finalized within the timeframes required under this
30 subsection.

31"

32 SECTION 1.(b) G.S. 116-31.12 reads as rewritten:

33 "§ 116-31.12. Acquisition and disposition of real property by lease.

34 Notwithstanding G.S. 143-341(4), and in addition to the powers granted in
35 G.S. 116-198.34(5), the Board of Governors may authorize the constituent institutions and The
36 University of North Carolina System Office to acquire or dispose of real property by lease if the



1 lease is for a term of not more than 10 years. The Board of Governors shall establish a policy for
2 acquiring and disposing of an interest in real property for the use of The University of North
3 Carolina and its constituent institutions by lease. This policy may delegate authorization of the
4 acquisition or disposition of real property by lease to the boards of trustees of the constituent
5 institutions or to the President of The University of North Carolina. The Board of Governors
6 shall submit all initial policies adopted pursuant to this section to the State Property Office for
7 review prior to adoption by the Board. Any subsequent changes to these policies adopted by the
8 Board of Governors shall be submitted to the State Property Office for review. Any comments
9 by the State Property Office shall be submitted to the President of The University of North
10 Carolina. After the acquisition or disposition of an interest in real property by lease, The
11 University of North Carolina shall promptly file a report concerning the acquisition or disposition
12 to the Secretary of Administration. ~~Acquisitions~~ With the exception of leases or interests for
13 communication purposes under G.S. 146-29.2(b1), acquisitions and dispositions of an interest in
14 real property by lease pursuant to this section shall not be subject to the provisions of Article 36
15 of Chapter 143 of the General Statutes or to the provisions of Article 6 or 7 of Chapter 146 of the
16 General Statutes."

17 **SECTION 2.(a)** There is appropriated from the General Fund to the Department of
18 Administration the sum of two hundred fifty thousand dollars (\$250,000) in recurring funds for
19 the 2020-2021 fiscal year to be used to retain, by contract, personnel to administer the
20 communication lease review process outlined in this act.

21 **SECTION 2.(b)** Of the funds appropriated to the Department in this section, an
22 amount not exceeding the sum of ninety thousand dollars (\$90,000) may be used to retain the
23 services of a real estate appraiser, licensed pursuant to Chapter 93E of the General Statutes, who
24 holds a MAI designation from the Appraisal Institute, and an amount not exceeding one hundred
25 sixty thousand dollars (\$160,000) may be used to retain the services of an attorney, licensed
26 pursuant to Chapter 84 of the General Statutes, who holds a current certification in real property
27 law.

28 **SECTION 3.** This act becomes effective July 1, 2020, and expires on January 1,
29 2025.