

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 96*

Short Title: Amend State Real Property Management.

(Public)

Sponsors: Representatives Bowman and Howard.

Referred to: State Government.

February 9, 1993

A BILL TO BE ENTITLED

AN ACT TO AMEND THE LAWS GOVERNING THE ACQUISITION,
DISPOSITION, AND MANAGEMENT OF STATE REAL PROPERTY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 146-4 reads as rewritten:

"§ 146-4. Sales of certain lands; procedure; deeds; disposition of proceeds.

The Department of Administration may sell the vacant and unappropriated lands, swamplands, and lands acquired by the State by virtue of being sold for taxes, at public or private sale, at such times, upon such consideration, in such portions, and upon such terms as are deemed proper by the Department and approved by the ~~Governor and~~ Council of State, provided that any disposition shall only be made after the highest and best price, as determined by the Department of Administration and approved by the Council of State, is obtained after public bid, or public auction, after advertisement in one or more newspapers having general circulation in the general area where the property is located, including circulation in the county in which the property is located, for a minimum of once a week, for three weeks prior to the disposition. Every deed conveying any part of those lands in fee shall be executed in the manner required by G.S. 146-74 through 146-78, and shall be approved by the ~~Governor and~~ Council of State as therein required. The net proceeds of all such sales of those lands shall be paid into the State Literary Fund. Whenever negotiations are begun by the Department for the purpose of selling swampland or the timber thereon, the Department shall promptly notify the State Board of Education of that fact. If the Board deems the proposed sale inadvisable, it may so inform the ~~Governor and~~ Council of State, who may give due

1 consideration to the representations of the Board in determining whether to approve or
2 disapprove the proposed transaction."

3 Sec. 2. G.S. 146-15 reads as rewritten:

4 **"§ 146-15. Definition of net proceeds.**

5 For the purposes of this Subchapter, the term 'net proceeds' means the gross amount
6 received from the sale, lease, rental, or other disposition of any State lands, less

7 (1) Such expenses incurred incident to that sale, lease, rental, or other
8 disposition as may be allowed under rules and regulations adopted by
9 the Governor and approved by the Council of State; and,

10 ~~- (2) Amounts paid pursuant to G.S. 105-296.1 if any; and~~

11 ~~(3)(2) A service charge to be paid into the State Land Fund.~~

12 The amount or rate of such service charge shall be fixed by rules and regulations
13 adopted by the Governor and approved by the Council of State, but as to any particular
14 sale, lease, rental, or other disposition, it shall not exceed ten percent (10%) of the gross
15 amount received from such sale, lease, rental, or other disposition. Notwithstanding any
16 other provision of this Subchapter, no service charge shall be paid into the State Land
17 Fund from proceeds derived from the sale of land or products of land owned or held for
18 the use of the Wildlife Resources Commission, or purchased or acquired with funds of
19 the Wildlife Resources Commission."

20 Sec. 3. G.S. 146-22 reads as rewritten:

21 **"§ 146-22. All acquisitions to be made by Department of Administration.**

22 Every acquisition of land on behalf of the State or any State agency, whether by
23 purchase, condemnation, exchange, lease, ~~or rental,~~ or gift, shall be made by the
24 Department of Administration and approved by the ~~Governor and~~ Council of State;
25 provided that if the proposed acquisition is ~~a purchase of land~~ an acquisition of land with
26 an appraised value of at least twenty-five thousand dollars (\$25,000), or its lease or
27 rental, with a term which could exceed three years, or the annual rent of which would
28 exceed twelve thousand dollars (\$12,000), and the acquisition is for other than a
29 transportation purpose, the acquisition may only be made after consultation with the
30 Joint Legislative Commission on Governmental Operations. In determining whether the
31 appraised value is at least twenty-five thousand dollars (\$25,000), the value of the
32 property in fee simple shall be used. The State may not purchase land as a tenant-in-
33 common without consultation with the Joint Legislative Commission on Governmental
34 Operations if the appraised value of the property in fee simple is at least twenty-five
35 thousand dollars (\$25,000). Prior to the required presentation of any proposed
36 acquisition of an interest in land, except for easements, and leases for the State Farmers
37 Markets, the State Fairgrounds, The University of North Carolina residential facilities,
38 or other leases for periods of less than 45 days, to either the Joint Legislative
39 Commission on Governmental Operations or the Council of State, a signed agreement,
40 binding on the party the State is dealing with, shall be obtained. Notwithstanding the
41 provisions of this section, no land shall be acquired in exchange for other State land,
42 valued in excess of one hundred thousand dollars (\$100,000), except exchanges with
43 federal, county, or municipal governmental bodies, or other political subdivisions,
44 without the authorization of the General Assembly."

1 Sec. 4. G.S. 146-22.2 is repealed.

2 Sec. 5. G.S. 146-26 reads as rewritten:

3 **"§ 146-26. Donations and devises to State.**

4 No devise or donation of land or any interest therein to the State or to any State
5 agency shall be effective to vest title to the said land or any interest therein in the State
6 or in any State agency until the devise or donation is accepted by the ~~Governor and~~
7 Council of State. If the proposed devise or donation has an appraised value of at least
8 twenty-five thousand dollars (\$25,000), and the devise or donation is for other than a
9 transportation purpose, the devise or donation shall be accepted only after consultation
10 with the Joint Legislative Commission on Governmental Operations. In determining
11 whether the appraised value is at least twenty-five thousand dollars (\$25,000), the value
12 of the property in fee simple shall be used. Notwithstanding the provisions of this
13 section, no devise or donation shall be accepted until the State Budget Office has
14 furnished to the Council of State, and, if applicable, the Joint Legislative Commission
15 on Governmental Operations, for matters subject to their consultation, an estimate,
16 previously reviewed by the Fiscal Research Division, of the projected renovation,
17 maintenance, and operating costs of the property for the first 20 fiscal years after the
18 devise or donation would be accepted. Upon acceptance by the ~~Governor and~~ Council of
19 State, title to the said land or interest therein shall immediately vest as of the time title
20 would have vested but for the above requirement of acceptance by the ~~Governor and~~
21 Council of State."

22 Sec. 6. G.S. 146-26.1 reads as rewritten:

23 **"§ 146-26.1. Relocation assistance.**

24 In the acquisition of any real property by the Department of Administration for a
25 public use, the Department of Administration shall be vested with the ~~same~~ authority as
26 ~~is given the Department of Transportation in Article 13 of Chapter 136~~ set forth in Article 2
27 of Chapter 133 of the General Statutes."

28 Sec. 7. G.S. 146-27 reads as rewritten:

29 **"§ 146-27. The role of the Department of Administration in sales, leases, exchanges,**
30 **and rentals.**

31 Every sale, lease, exchange, or rental of land owned by the State or by any State
32 agency shall be made by the Department of Administration and approved by the
33 ~~Governor and~~ Council of State; provided that if the proposed disposition is a ~~sale of~~
34 disposition of land with an appraised value of at least twenty-five thousand dollars
35 (\$25,000), or its lease or rental with a term which could exceed three years, or the
36 annual rent of which would exceed twelve thousand dollars (\$12,000), the sale
37 disposition may only be made after consultation with the Joint Legislative Commission
38 on Governmental Operations. The Department of Administration may initiate
39 proceedings for sales, leases, exchanges, and rentals of land owned by the State or by
40 any State agency. Notwithstanding the provisions of this section, no interest in State
41 land valued in excess of one hundred thousand dollars (\$100,000), except for
42 easements, and leases for the State Farmers Markets, the State Fairgrounds, The
43 University of North Carolina residential facilities, or other leases for periods of less than
44 45 days, shall be disposed of without the approval of the General Assembly."

1 Sec. 8. G.S. 146-28 reads as rewritten:

2 "**§ 146-28. Agency must file application with Department; Department must**
3 **investigate.**

4 Any State agency, including the Department of Administration, desiring to sell,
5 lease, exchange, or rent any land owned by the State or by any State agency shall file
6 with the Department of Administration an application setting forth the facts relating to
7 the proposed transaction, and shall furnish the Department with such additional
8 information as the Department may request relating thereto. Upon receipt of such
9 application, the Department of Administration shall promptly investigate all aspects of
10 the proposed transaction, including particularly present and future State need for the
11 land proposed to be conveyed, leased, or rented. Prior to the disposition of any State
12 real property with a value in excess of ten thousand dollars (\$10,000), except for
13 disposition by easements, and leases for the State Farmers Markets, the State
14 Fairgrounds, The University of North Carolina residential facilities, or other leases for
15 periods of less than 45 days, all State agencies must be notified in writing of the
16 availability of such property at least 60 days in advance. Any requests for, or interest
17 in, any real property by any agency shall be carefully reviewed and considered by the
18 State Property Office before the State proceeds to dispose of the property. Any property
19 not disposed of within 180 days of the date of the original notice to the agencies, shall
20 be renoticed prior to a subsequent disposition."

21 Sec. 9. G.S. 146-29 reads as rewritten:

22 "**§ 146-29. Procedure for sale, lease, exchange, or rental.**

23 (a) If, after investigation, the Department of Administration determines that it is
24 in the best interest of the State that land be sold, leased, exchanged, or rented, the
25 Department shall proceed with its sale, lease, exchange, or rental, as the case may be, in
26 accordance with rules adopted by the Governor and approved by the Council of State.

27 (b) All lands to be disposed of valued in excess of fifty thousand dollars
28 (\$50,000), except for easements, and leases for the State Farmers Markets, the State
29 Fairgrounds, The University of North Carolina residential facilities, or other leases for
30 periods of less than 45 days, shall only be disposed of after first receiving the highest
31 and best price, under the best circumstances for the State, after advertisement in one or
32 more newspapers having general circulation in the general area where the property is
33 located, including circulation in the county in which the property is located, for a
34 minimum of once a week, for three weeks prior to the disposition, in the classified
35 advertisement section of the newspaper, in an advertisement, a minimum size of two
36 columns wide and three column inches long.

37 (c) Where land valued in excess of one hundred thousand dollars (\$100,000), is
38 to be disposed of by exchange, except exchanges with federal, county, or municipal
39 governmental bodies, or other political subdivisions, the agreement shall not be
40 approved until the disposition of the land has been advertised for a higher bid than the
41 agreed exchange value as determined by applicable appraisals obtained by the State, in a
42 newspaper having general circulation in the general area where the property is located,
43 including circulation in the county in which the property is located, for a minimum of
44 once a week, for three weeks prior to the disposition, in the classified advertisement

1 section of the newspaper, in an advertisement, a minimum size of two columns wide
2 and three column inches long.

3 (d) All members of the General Assembly within whose districts the property to
4 be disposed of is located, except for easements, and leases for the State Farmers
5 Markets, the State Fairgrounds, The University of North Carolina residential facilities,
6 or other leases for periods of less than 45 days, shall be notified of the State's plan to
7 dispose of the land, at least 30 days prior to the presentation of the proposed transaction
8 to either the Joint Legislative Commission on Governmental Operations or the Council
9 of State.

10 (e) Prior to the required presentation of any proposed disposition of an interest in
11 land, except for easements, and leases for the State Farmers Markets, the State
12 Fairgrounds, The University of North Carolina residential facilities, or other leases for
13 periods of less than 45 days, to either the Joint Legislative Commission on
14 Governmental Operations or the Council of State, a signed agreement, binding on the
15 party the State is dealing with, shall be obtained.

16 (f) If an agreement of sale, lease, exchange, or rental is reached, the proposed
17 transaction shall then be submitted to the Governor and Council of State for their
18 approval or disapproval. Every conveyance in fee of land owned by the State or by any
19 State agency shall be made and executed in the manner prescribed in G.S. 146-74
20 through 146-78."

21 Sec. 10. G.S. 146-30 reads as rewritten:

22 **"§ 146-30. Application of net proceeds.**

23 The net proceeds of any disposition made in accordance with this Subchapter shall
24 be handled in accordance with the following priority: First, in accordance with the
25 provisions of any trust or other instrument of title whereby title to such real property
26 was heretofore acquired or is hereafter acquired; second, as provided by any other act of
27 the General Assembly; third, the net proceeds shall be deposited with the State
28 Treasurer. Provided, however, nothing herein shall be construed as prohibiting the
29 disposition of any State lands by exchange for other lands, but if the appraised value in
30 fee simple of any property involved in the exchange is at least twenty-five thousand
31 dollars (\$25,000), then such exchange may not be made without consultation with the
32 Joint Legislative Commission on Governmental Operations.

33 For the purposes of this Subchapter, the term 'net proceeds' means the gross amount
34 received from the sale, lease, rental, or other disposition of any State lands, less

35 (1) Such expenses incurred incident to that sale, lease, rental, or
36 other disposition as may be allowed under rules and regulations
37 adopted by the Governor and approved by the Council of State;

38 ~~(2) Amounts paid pursuant to G.S. 105-296.1, if any; and~~

39 ~~(3)~~(2) A service charge to be paid into the State Land Fund.

40 The amount or rate of such service charge shall be fixed by rules and regulations
41 adopted by the Governor and approved by the Council of State, but as to any particular
42 sale, lease, rental, or other disposition, it shall not exceed ten percent (10%) of the gross
43 amount received from such sale, lease, rental, or other disposition. Notwithstanding any
44 other provision of this Subchapter, the net proceeds derived from the sale of land or

1 products of land owned by or under the supervision and control of the Wildlife
2 Resources Commission, or acquired or purchased with funds of that Commission, shall
3 be paid into the Wildlife Resources Fund. Provided, however, the net proceeds derived
4 from the sale of land or timber from land owned by or under the supervision and control
5 of the Department of Agriculture shall be deposited with the State Treasurer in a capital
6 improvement account to the credit of the Department of Agriculture, to be used for such
7 specific capital improvement projects or other purposes as are provided by transfer of
8 funds from those accounts in the Current Operations Appropriations Act. Provided
9 further, the net proceeds derived from the sale of park land owned by or under the
10 supervision and control of the Department of Environment, Health, and Natural
11 Resources shall be deposited with the State Treasurer in a capital improvement account
12 to the credit of the Department of Administration to be used for the purpose of park land
13 acquisition as provided by transfer of funds from those accounts in the Current
14 Operations Appropriations Act. In the Current Operations Appropriations Act, line
15 items for purchase of park and agricultural lands will be established for use by the
16 Departments of Administration and Agriculture. The use of such funds for any specific
17 capital improvement project or land acquisition is subject to approval by the Director of
18 the Budget. No other use may be made of funds in these line items without approval by
19 the General Assembly except for incidental expenses related to the project or land
20 acquisition. Additionally with the approval of the Director of the Budget, either
21 Department may request funds from the Contingency and Emergency Fund when the
22 necessity of prompt purchase of available land can be demonstrated and funds in the
23 capital improvement accounts are insufficient. Provided further, the net proceeds
24 derived from the sale of any portion of the land in or around the unincorporated area
25 known as Butner on or after July 1, 1980, shall be deposited with the State Treasurer in
26 a capital improvement account to the credit of the Hospital to provide water and sewers
27 and to bring those streets in the unincorporated area known as Butner not on the State
28 highway system up to standards adequate for acceptance on the system, according to a
29 plan adopted by the Department of Administration, and the Office of State Budget and
30 Management, with the approval of the Board of County Commissioners of Granville
31 County, to build industrial access roads to industries on the Butner lands, to construct
32 new city streets on the Butner lands, extend water and sewer service on the Butner
33 lands, and repair storm drains on the Butner lands."

34 Sec. 11. Article 8 of Chapter 146 of the General Statutes is amended by
35 adding a new section to read:

36 "**§ 146-36.1. Appraisal of property to be acquired or disposed of by the State.**

37 (a) Where an appraisal of real estate or an interest in real estate is required by law
38 to be made before acquisition or disposition of the property by the State or an agency of
39 the State, the appraisal shall be made by a real estate appraiser licensed or certified by
40 the State under Article 5 of Chapter 93A of the General Statutes.

41 (b) All acquisitions and dispositions of real property by the State, exceeding five
42 thousand dollars (\$5,000) in value, except for easements, and leases for the State
43 Farmers Markets, the State Fairgrounds, The University of North Carolina residential
44 facilities, or other leases for periods of less than 45 days, shall only be acquired or

1 disposed of after the State Property Office obtains at least one appraisal conducted by an
2 independent appraiser for property appraised at less than one hundred thousand dollars
3 (\$100,000), and at least two appraisals for property appraised at one hundred thousand
4 dollars (\$100,000) or more.

5 (c) Effective January 1, 1995, all appraisals relied upon by the State Property
6 Office, shall be reviewed on behalf of the State by an appraiser, licensed or certified by
7 the State under Article 5 of Chapter 93A of the General Statutes."

8 Sec. 12. G.S. 146-65 reads as rewritten:

9 **"§ 146-65. Exemptions from Chapter.**

10 None of the provisions of Chapter 146 shall apply to:

- 11 (1) The acquisition of highway rights-of-way, borrow pits, or other
12 interests or estates in land acquired for the same or similar purposes, or
13 to the disposition thereof, by the Board of Transportation; or
- 14 (2) The North Carolina State Ports Authority, the authority and powers
15 thereof set forth or provided for by ~~G.S. 143-216 through G.S. 143-228.1~~
16 G.S. 143B-452 through G.S. 143B-467 or to the exercise of all or any
17 of such authority and powers,

18 Nor shall the provisions of Chapter 146 abrogate or alter any otherwise valid
19 contract or agreement heretofore made and entered into by the State of North Carolina
20 or by any of its subdivisions or agencies during the term or period of such contract or
21 agreement."

22 Sec. 13. G.S. 63A-23 reads as rewritten:

23 **"§ 63A-23. Annual and quarterly reports.**

24 The Authority shall, promptly following the close of each fiscal year, submit an
25 annual report of its activities for the preceding year to the Governor, the General
26 Assembly, and the Local Government Commission. Each report shall be accompanied
27 by an audit of its books and accounts. The costs of all audits, whether conducted by the
28 State Auditor's staff or contracted with a private auditing firm, shall be paid from funds
29 of the Authority.

30 The Authority shall submit quarterly reports to the Joint Legislative Commission on
31 Governmental Operations. The reports shall summarize the Authority's activities during
32 the quarter and contain any information about the Authority's activities that is requested
33 by the Commission.

34 The Authority shall report at least annually to the Joint Legislative Commission on
35 Governmental Operations, at such time as directed by the Commission, all acquisitions,
36 dispositions, or exchanges of real property, the value of which exceeds twenty-five
37 thousand dollars (\$25,000), or all leases of real property, the terms which could exceed
38 three years, or annual rents which could exceed twelve thousand dollars (\$12,000)."

39 Sec. 14. G.S. 113-315.30 reads as rewritten:

40 **"§ 113-315.30. Approval of acquisition and disposition of real property.**

41 Any transactions relating to the acquisition or disposition of real property or any
42 estate or interest in real property, by the North Carolina State Seafood Industrial Park
43 Authority, shall be subject to prior review by the ~~Governor and~~ Council of State, and
44 shall become effective only after the same has been approved by the ~~Governor and~~

1 Council of State. Upon the acquisition of real property or other estate therein, by the
2 Authority, the fee title or other estate shall vest in and the instrument of conveyance
3 shall name the 'North Carolina Seafood Industrial Park Authority' as grantee, lessee, or
4 transferee. Upon the disposition of real property or any interest or estate therein, the
5 instrument of conveyance or transfer shall be executed by the North Carolina Seafood
6 Industrial Park Authority. The approval of any transaction by the ~~Governor and~~ Council
7 of State may be evidenced by a duly certified copy of excerpt of minutes of the meeting
8 of the ~~Governor and~~ Council of State, attested by the private secretary to the Governor or
9 the Governor, reciting such approval, affixed to the instrument of acquisition or transfer,
10 and said certificate may be recorded as a part thereof, and the same shall be conclusive
11 evidence of review and approval of the subject transaction by the ~~Governor and~~ Council
12 of State. The Governor, acting with the approval of the Council of State, may delegate
13 the review and approval of such classes of lease, rental, easement, or right-of-way
14 transactions as he deems advisable, and he may likewise delegate the review and
15 approval of the severance of buildings and timber from the land.

16 The Authority shall report at least annually to the Joint Legislative Commission on
17 Governmental Operations, at such time as directed by the Commission, all acquisitions,
18 dispositions, or exchanges of real property, the value of which exceeds twenty-five
19 thousand dollars (\$25,000), or all leases of real property, the terms which could exceed
20 three years, or annual rents which could exceed twelve thousand dollars (\$12,000)."

21 Sec. 15. G.S. 143B-426.13 reads as rewritten:

22 "**§ 143B-426.13. Approval of acquisition and disposition of real property.**

23 Any transaction relating to the acquisition or disposition of any estate or interest in
24 real property by the North Carolina Agency for Public Telecommunications shall be
25 subject to prior review by the ~~Governor and~~ Council of State, and shall become effective
26 only after the transaction has been approved by the ~~Governor and~~ Council of State. Upon
27 the acquisition of an estate in real property by the North Carolina Agency for Public
28 Telecommunications, the fee title or other estate shall vest in and the instrument of
29 conveyance shall name 'North Carolina Agency for Public Telecommunications' as
30 grantee, lessee, or transferee. Upon the disposition of an interest or estate in real
31 property, the instrument of lease conveyance or transfer shall be executed by the North
32 Carolina Agency for Public Telecommunications. The approval of any transaction by
33 the ~~Governor or~~ Council of State shall be evidenced by a duly certified copy of excerpt
34 of minutes of the meeting of ~~the Governor and~~ the Council of State, attested by the
35 Governor or by the private secretary to the Governor, reciting the approval, affixed to
36 the instrument of acquisition or transfer; the certificate may be recorded as a part of the
37 instrument, and shall be conclusive evidence of review and approval of the subject
38 transaction by the ~~Governor and~~ Council of State. The Governor, acting with the
39 approval of the Council of State, may delegate the review and approval of such classes
40 of lease, rental, easement or right-of-way transactions as he deems advisable, and he
41 may likewise delegate the review and approval of the severance of buildings and timber
42 from the land."

43 Sec. 16. G.S. 143B-426.19 reads as rewritten:

1 **"§ 143B-426.19. Purchase of supplies, ~~material~~ material, and ~~equipment~~ equipment,**
2 **and real property.**

3 All the provisions of Article 3 of Chapter 143 of the General Statutes relating to the
4 purchase of supplies, material and equipment by the State government and all
5 provisions of Chapter 146 of the General Statutes relating to real property are applicable
6 to the North Carolina Agency for Public Telecommunications."

7 Sec. 17. G.S. 143B-455 reads as rewritten:

8 **"§ 143B-455. Approval of acquisition and disposition of real property.**

9 Any transactions relating to the acquisition or disposition of real property or any
10 estate or interest in real property, by the North Carolina State Ports Authority, shall be
11 subject to prior review by the ~~Governor and~~ Council of State, and shall become effective
12 only after the same has been approved by the ~~Governor and~~ Council of State. Upon the
13 acquisition of real property or other estate therein, by the North Carolina State Ports
14 Authority, the fee title or other estate shall vest in and the instrument of conveyance
15 shall name the 'North Carolina State Ports Authority' as grantee, lessee, or transferee.
16 Upon the disposition of real property or any interest or estate therein, the instrument of
17 conveyance or transfer shall be executed by the North Carolina State Ports Authority.
18 The approval of any transaction by the ~~Governor and~~ Council of State may be evidenced
19 by a duly certified copy of excerpt of minutes of the meeting of the ~~Governor and~~
20 Council of State, attested by the private secretary to the Governor or the Governor,
21 reciting such approval, affixed to the instrument of acquisition or transfer, and said
22 certificate may be recorded as a part thereof, and the same shall be conclusive evidence
23 of review and approval of the subject transaction by the ~~Governor and~~ Council of State.
24 The Governor, acting with the approval of the Council of State, may delegate the review
25 and approval of such classes of lease, rental, easement, or right-of-way transactions as
26 he deems advisable, and he may likewise delegate the review and approval of the
27 severance of buildings and timber from the land.

28 The North Carolina State Ports Authority shall report at least annually to the Joint
29 Legislative Commission on Governmental Operations, and at such other times as
30 directed by the Commission, all acquisitions, dispositions, or exchanges of real
31 property, the value of which exceeds twenty-five thousand dollars (\$25,000), or all
32 leases of real property, the terms which could exceed three years, or annual rents which
33 could exceed twelve thousand dollars (\$12,000)."

34 Sec. 18. G.S. 143B-469.1(2) reads as rewritten:

35 "(2) To rent, lease, buy, own, acquire, mortgage, otherwise
36 encumber, and dispose of all such property, real or personal, as
37 the Commission may deem ~~necessary~~; necessary. The North
38 Carolina Ports Railroad Commission shall report at least
39 annually to the Joint Legislative Commission on Governmental
40 Operations, and at such other times as directed by the
41 Commission, all acquisitions, dispositions, or exchanges of real
42 property, the value of which exceeds twenty-five thousand
43 dollars (\$25,000), or all leases of real property, the terms which

1 could exceed three years, or annual rents which could exceed
2 twelve thousand dollars (\$12,000);".

3 Sec. 19. G.S. 159F-5(b) reads as rewritten:

4 "(b) Neither the Authority nor any joint venture established under this Chapter
5 shall be subject to the following provisions of the General Statutes of North Carolina:
6 Article 7, Chapter 129 (North Carolina Capital Building Authority); ~~Chapter 146 (State~~
7 ~~Lands);—~~Article 3, Chapter 143 (Purchases and Contracts); G.S. 143-128, as to the
8 construction and operation of those facilities which produce steam or electrical energy
9 and which depend upon waste, biomass or renewable resources for their primary source
10 of fuel and for which single contractual responsibility is required for the construction
11 and operation of the facility for a specified period of time; G.S. 143-341(3). The
12 Authority shall be subject to the provisions of Chapter 146."

13 Sec. 20. G.S. 159F-5 is amended by adding a new subsection to read:

14 "(d) Any transactions relating to the acquisition or disposition of real property or
15 any estate or interest in real property, by the North Carolina Energy Development
16 Authority, shall be subject to prior review by the Council of State, and shall become
17 effective only after the same has been approved by the Council of State. Upon the
18 acquisition of real property or other estate therein, by the North Carolina Energy
19 Development Authority, the fee title or other estate shall vest in and the instrument of
20 conveyance shall name the 'North Carolina Energy Development Authority' or the name
21 of the joint venture established under this Chapter, as grantee, lessee, or transferee.
22 Upon the disposition of real property or any interest or estate therein, the instrument of
23 conveyance or transfer shall be executed by the North Carolina Energy Development
24 Authority. The approval of any transaction by the Council of State may be evidenced by
25 a duly certified copy of excerpt of minutes of the meeting of the Council of State,
26 attested by the private secretary to the Governor or the Governor, reciting such
27 approval, affixed to the instrument of acquisition or transfer, and said certificate may be
28 recorded as a part thereof, and the same shall be conclusive evidence of review and
29 approval of the subject transaction by the Council of State. The Governor, acting with
30 the approval of the Council of State, may delegate the review and approval of such
31 classes of lease, rental, easement, or right-of-way transactions as he deems advisable,
32 and he may likewise delegate the review and approval of the severance of buildings and
33 timber from the land."

34 Sec. 21. Sections 1, 3, 4, 5, 7, 8, 9, 11, 13, 14, 17, and 18 of this act become
35 effective October 1, 1993. Sections 2, 6, 10, 12, 15, 16, 19, and 20 of this act are
36 effective upon ratification.