

Senate Bill 254

By: Senator Rogers of the 21st

**AS PASSED SENATE**

**A BILL TO BE ENTITLED  
AN ACT**

1 To amend Article 2 of Chapter 16 of Title 50 of the Official Code of Georgia Annotated,  
2 relating to the "State Properties Code," so as to provide the State Properties Commission the  
3 authority to enter into multiyear lease agreements; to remove the authority of the Department  
4 of Labor to manage its own space; to provide for the termination of certain rental and lease  
5 agreements; to provide for direct appropriations to the commission; to provide for related  
6 matters; to provide an effective date; to repeal conflicting laws; and for other purposes.

7 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

8 **SECTION 1.**

9 Article 2 of Chapter 16 of Title 50 of the Official Code of Georgia Annotated, relating to the  
10 "State Properties Code," is amended in Code Section 50-16-34, relating to the powers and  
11 duties of the State Properties Commission generally, by striking "and" at the end of  
12 paragraph (16), by replacing the period at the end of paragraph (17) with a semicolon, and  
13 adding new paragraphs to read as follows:

14 "(18) Locate administrative space for use by state entities and enter into rental  
15 agreements for the use of such space; and

16 (19) Charge, collect, and retain commissions and fees for the purpose of financing the  
17 operations of the commission, including, but not limited to, acquiring and disposing of  
18 real property, negotiating and entering into rental agreements, and establishing and  
19 maintaining reserve funds for the payment of necessary expenses for carrying out the  
20 purposes of this article."

21 **SECTION 2.**

22 Said article is further amended by revising Code Section 50-16-41, relating to authorizing  
23 rental agreements without competitive bidding, limitations, charging the commission with  
24 the management of administrative space, standards governing the utilization of

25 administrative space, reassignment of administrative space, and rules and regulations  
26 therefore, as follows:

27 "50-16-41.

28 (a) Notwithstanding any provisions and requirements of law to the contrary and  
29 particularly notwithstanding the requirements of Code Section 50-16-39, the commission  
30 is authorized to negotiate, prepare, and enter into in its own name rental agreements  
31 whereby a part of the property is rented, without public competitive bidding, to a person  
32 for a length of time not to exceed one year and for adequate monetary consideration (in no  
33 instance to be less than a rate of \$250.00 per year), which shall be determined by the  
34 commission, and pursuant to such terms and conditions as the commission shall determine  
35 to be in the best interest of the state. The same property or any part thereof shall not be the  
36 subject matter of more than one such rental agreement to the same person unless the  
37 commission shall determine that there are extenuating circumstances present which would  
38 make additional one-year rental agreements beneficial to the state; provided, however, the  
39 same property or any part thereof shall not after April 24, 1975, be the subject matter of  
40 more than a total of three such one-year rental agreements to the same person.

41 (b) The commission is given the authority and charged with the duty of managing the  
42 utilization of administrative space by all state entities, except that the Board of Regents of  
43 the University System of Georgia and the Georgia Department of Labor may manage ~~their~~  
44 its own space but only for leases that are within the State of Georgia and required for ~~their~~  
45 its core mission. The commission shall manage in a manner that is the most cost efficient  
46 and operationally effective and which provides decentralization of state government. Such  
47 management shall include the authority to assign and reassign administrative space to state  
48 entities based on the needs of the entities as determined by standards for administrative  
49 space utilization promulgated by the commission pursuant to subsection (g) of this Code  
50 section and shall include the obligation to advise the Office of Planning and Budget and  
51 state entities of cost-effective, decentralized alternatives.

52 (c) The management of the utilization of administrative space by the commission shall  
53 include entering into any necessary agreements to rent or lease administrative space,  
54 whether existing or to be constructed, and shall include administrative space rented or  
55 leased by a state entity from the Georgia Building Authority or from any other public or  
56 private person, firm, or corporation. When it becomes necessary to rent or lease  
57 administrative space, the space shall be rented or leased by the commission for a term not  
58 to exceed ten years and assigned to the state entity or entities requiring the space. When  
59 there is a need to terminate an agreement for the rent or lease of administrative space, the  
60 state entity to which the space is assigned shall notify the commission of such need no less  
61 than 90 days prior to the requested date of termination. No agreement for the rent or lease

62 of administrative space with a term in excess of one year shall be terminated without prior  
63 approval of the commission.

64 (d) If the commission reassigns all or any portion of any administrative space which is  
65 leased or rented by one state entity to another state entity, the state entity to which the  
66 administrative space is reassigned shall pay to the commission rental charges, as  
67 determined by the commission, for the utilization of the space; and the commission shall,  
68 in turn, use the rental charges so paid for the purpose of paying or partially paying, as the  
69 case may be, the rent or lease payments due the lessor of the administrative space in  
70 accordance with the terms of the lease or rent contract existing at the time of the  
71 reassignment of the administrative space. Any such payments to a lessor by the  
72 commission shall be on behalf of the state entity which is the lessee of the administrative  
73 space reassigned as provided in this Code section.

74 (e) The management of the utilization of administrative space given to the commission by  
75 this Code section shall not be construed to impair the obligation of any contract executed  
76 before July 1, 1976, between any state entity and the Georgia Building Authority or  
77 between any state entity and any other public or private person, firm, or corporation; and  
78 the powers given to the commission by this Code section shall not be implemented or  
79 carried out in such a manner as to impair the obligation of any such contract.

80 (f) The commission is authorized and directed to develop and promulgate standards  
81 governing the utilization of administrative space by all state entities which require  
82 emphasis on cost effectiveness and decentralization. The standards shall be uniformly  
83 applied to all state entities except as otherwise provided by subsection (g) of this Code  
84 section, but the standards shall recognize and provide for different types of administrative  
85 space required by the various state entities and the different types of administrative space  
86 that may be required by a single state entity.

87 (g) The commission shall be authorized to reassign administrative space to the various  
88 state entities in order to bring the utilization of administrative space into conformity with  
89 the standards promulgated under subsection (f) of this Code section. Any additional  
90 administrative space required by a state entity shall be approved by and obtained through  
91 the commission. The commission shall be authorized to grant exceptions to the standards  
92 governing the utilization of administrative space when the reassignment of such space  
93 would involve unnecessary expenses or the disruption of services being provided by a state  
94 entity. The commission shall adopt and promulgate rules and regulations governing the  
95 granting of such exceptions, and the rules and regulations shall be uniformly applied by the  
96 commission to all state entities requesting an exception to the standards.

97 (h) For purposes of cost effectiveness and decentralization, the following factors, among  
98 other factors, shall be considered:

99 (1) Dual location of programs within a city should be considered in order to take  
 100 advantage of possible economies of scale and as a matter of convenience to the general  
 101 public; or

102 (2) When all factors are reasonably equivalent, preferences will be given to location of  
 103 state government programs and facilities in those counties which are determined by the  
 104 Department of Community Affairs to be the most economically depressed, meaning those  
 105 71 tier 1 counties of the state designated as least developed under paragraph (2) of  
 106 subsection (b) of Code Section 48-7-40.

107 (i) The commission is authorized ~~and directed to promulgate rules and regulations~~  
 108 ~~governing budgetary requirements~~ to receive direct appropriations for all rents due and  
 109 payable through the budgetary process for administrative space utilized by state entities in  
 110 cooperation with the Office of Planning and Budget whereby the entities shall be  
 111 accountable in the budgetary process for administrative space assigned to and utilized by  
 112 them. The budgetary requirements may also provide for ~~the payment of rent other~~  
 113 payments to the commission by state entities ~~or may otherwise provide procedures for the~~  
 114 ~~assessment of rent charges~~ for administrative space utilized by state entities ~~or any~~  
 115 ~~combination of the foregoing.~~ The commission shall provide a report annually, no later  
 116 than September 1 of each year, to the Governor, President of the Senate, and Speaker of  
 117 the House of Representatives of the total sum of all leasing obligations to be paid by the  
 118 state for the upcoming fiscal year.

119 (j) In addition to the standards and rules and regulations specifically provided for by this  
 120 Code section, the commission is authorized to adopt such other rules and regulations as  
 121 may be required to carry out this Code section efficiently and effectively."

### 122 SECTION 3.

123 This Act shall become effective on January 1, 2011; provided, however, that this Act shall  
 124 only become effective on January 1, 2011, upon the ratification of a resolution at the  
 125 November, 2010, state-wide general election, which resolution amends the Constitution so  
 126 as to authorize certain agencies to enter into lease and rental contracts exceeding one year.  
 127 If such resolution is not so ratified, this Act shall not become effective and shall stand  
 128 repealed in its entirety on January 1, 2011.

### 129 SECTION 4.

130 All laws and parts of laws in conflict with this Act are repealed.