

Senate Bill 254

By: Senator Rogers of the 21st

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~~ ten years and for adequate monetary
33 consideration (~~in no instance to be less than a rate of \$250.00 per year~~), which shall be
34 determined by the commission, and pursuant to such terms and conditions as the
35 commission shall determine to be in the best interest of the state. ~~The same property or any~~
36 ~~part thereof shall not be the subject matter of more than one such rental agreement to the~~
37 ~~same person unless the commission shall determine that there are extenuating~~
38 ~~circumstances present which would make additional one-year rental agreements beneficial~~
39 ~~to the state; provided, however, the same property or any part thereof shall not after April~~
40 ~~24, 1975, be the subject matter of more than a total of three such one-year rental~~
41 ~~agreements to the same person.~~

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

53 (c) The management of the utilization of administrative space by the commission shall
54 include entering into any necessary agreements to rent or lease administrative space,
55 whether existing or to be constructed, and shall include administrative space rented or
56 leased by a state entity from the Georgia Building Authority or from any other public or
57 private person, firm, or corporation. When it becomes necessary to rent or lease
58 administrative space, the space shall be rented or leased by the commission and assigned
59 to the state entity or entities requiring the space. When there is a need to terminate an
60 agreement for the rent or lease of administrative space, the state entity to which the space
61 is assigned shall notify the commission of such need no less than 90 days prior to the

62 requested date of termination. No agreement for the rent or lease of administrative space
63 with a term in excess of one year shall be terminated without prior approval of the
64 commission.

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

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

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

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

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

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

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

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

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

123 **SECTION 3.**

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

130 **SECTION 4.**

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