

The Senate Government Oversight Committee offered the following substitute to SB 254:

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:

SECTION 1.

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

SECTION 2.

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

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.