

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

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HOUSE BILL 1205

Short Title: Expedited State Leasing-Broadband. (Public)

Sponsors: Representatives Arp and Saine (Primary Sponsors).

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Appropriations, if favorable, Rules, Calendar, and Operations of the House

May 27, 2020

A BILL TO BE ENTITLED

AN ACT TO STREAMLINE THE PREPARATION AND FINALIZATION OF NEW LEASES  
AND LEASE RENEWALS ON STATE PROPERTY TO EXPEDITE DEPLOYMENT OF  
BROADBAND INFRASTRUCTURE.

The General Assembly of North Carolina enacts:

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

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

...

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

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

...."

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

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

Notwithstanding G.S. 143-341(4), and in addition to the powers granted in G.S. 116-198.34(5), the Board of Governors may authorize the constituent institutions and The



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

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

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

29 **SECTION 3.** This act becomes effective July 1, 2020, and expires on January 1,  
30 2025.