

**93RD GENERAL ASSEMBLY****State of Illinois****2003 and 2004**

Introduced 2/4/2004, by George P. Shadid, Vince Demuzio

SYNOPSIS AS INTRODUCED:

20 ILCS 405/405-305	was 20 ILCS 405/67.06
30 ILCS 605/1.01	from Ch. 127, par. 133b2
30 ILCS 605/7.1	from Ch. 127, par. 133b10.1
30 ILCS 605/9	from Ch. 127, par. 133b12

Amends the Department of Central Management Services Law of the Civil Administrative Code of Illinois. Requires that unused State property leased by the Department of Central Management Services may not be leased at less than 60% of the fair market rental value rate unless specified conditions are met. Provides procedures for determining the fair market rental value. Provides that the Director of Central Management Services may lease property for nominal consideration only under certain circumstances. Makes a first violation a Class B misdemeanor. Makes a second or subsequent violation a Class A misdemeanor. Amends the State Property Control Act. Redefines the term "responsible officer" to exclude college presidents. When disposing of surplus real property, prohibits the Administrator from selling the property if any State agency requests its transfer. Makes changes in the procedures the Administrator must follow prior to disposal or division of the property. Provides that an appraisal is not required if the property is not being transferred to another State agency and the fair market value of the property is less than \$15,000 (rather than \$5,000). Makes a second or subsequent violation of the Act a Class A misdemeanor. Makes other changes. Effective immediately.

LRB093 20848 MKM 46780 b

CORRECTIONAL
BUDGET AND
IMPACT NOTE ACT
MAY APPLY

FISCAL NOTE ACT
MAY APPLY

1 AN ACT in relation to property.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Department of Central Management Services
5 Law of the Civil Administrative Code of Illinois is amended by
6 changing Section 405-305 as follows:

7 (20 ILCS 405/405-305) (was 20 ILCS 405/67.06)

8 Sec. 405-305. Lease of unused or unproductive State land.

9 To lease, at the fair market rental value rate, the unused or
10 unproductive land under the jurisdiction of any of the ~~several~~
11 departments on terms and conditions that ~~in the judgement of~~
12 ~~the Director~~ are in the best interests of the State. The
13 Department may lease property at a rate less than 60% of the
14 fair market rental value rate only if (i) the Director
15 certifies in writing the reasons for leasing the property at
16 that rate and (ii) the rate constitutes fair and adequate
17 compensation. The Director may not lease property for nominal
18 consideration, except with the approval of the General Assembly
19 by joint resolution. In the event of an emergency when the
20 General Assembly is not in session, the Director may lease
21 property for nominal consideration and shall seek the approval
22 of the General Assembly by joint resolution upon the next
23 meeting of the General Assembly. For the purposes of this
24 Section, "nominal consideration" means less than 10% of the
25 fair market rental value.

26 No appraisal is required if during its initial survey of
27 the property the Department determines the property has an
28 annual fair market rental value of less than \$10 per square
29 foot. If the annual fair market rental value of the property is
30 determined by the Department in its initial survey to be \$10
31 per square foot or more, then the Department shall obtain an
32 appraisal by a State certified real estate appraiser. The

1 appraisal shall represent the fair market rental value of the
2 property.

3 Any responsible officer, person, or employee of the State
4 government who knowingly violates this Section is guilty of a
5 Class B misdemeanor. A second or subsequent violation of this
6 Section by that officer, person, or employee is a Class A
7 misdemeanor.

8 (Source: P.A. 91-239, eff. 1-1-00.)

9 Section 10. The State Property Control Act is amended by
10 changing Sections 1.01, 7.1, and 9 as follows:

11 (30 ILCS 605/1.01) (from Ch. 127, par. 133b2)

12 Sec. 1.01. "Responsible officer" means and includes all
13 elective State officers; directors of the executive code
14 departments; presidents of State universities ~~and colleges~~;
15 chairmen of executive boards, bureaus, and commissions; and all
16 other officers in charge of the property of the State of
17 Illinois, including subordinates of responsible officers
18 deputized by them to carry out some or all of their duties
19 under this Act.

20 (Source: P.A. 82-1047.)

21 (30 ILCS 605/7.1) (from Ch. 127, par. 133b10.1)

22 Sec. 7.1. (a) Except as otherwise provided by law, all
23 surplus real property held by the State of Illinois shall be
24 disposed of by the administrator as provided in this Section.
25 "Surplus real property," as used in this Section, means any
26 real property to which the State holds fee simple title or
27 lesser interest, and is vacant, unoccupied or unused and which
28 has no foreseeable use by the owning agency.

29 (b) All responsible officers shall submit an Annual Real
30 Property Utilization Report to the Administrator, or annual
31 update of such report, on forms required by the Administrator,
32 by October 30 of each year. The Administrator may require such
33 documentation as he deems reasonably necessary in connection

1 with this Report, and shall require that such Report include
2 the following information:

3 (1) A legal description of all real property owned by the
4 State under the control of the responsible officer.

5 (2) A description of the use of the real property listed
6 under (1).

7 (3) A list of any improvements made to such real property
8 during the previous year.

9 (4) The dates on which the State first acquired its
10 interest in such real property, and the purchase price and
11 source of the funds used to acquire the property.

12 (5) Plans for the future use of currently unused real
13 property.

14 (6) A declaration of any surplus real property. On or
15 before November 30 ~~December 31~~ of each year the Administrator
16 shall furnish copies of each responsible officer's report along
17 with a list of surplus property indexed by legislative district
18 to the General Assembly.

19 This report shall be filed with the Speaker, the Minority
20 Leader and the Clerk of the House of Representatives and the
21 President, the Minority Leader and the Secretary of the Senate
22 and shall be duplicated and made available to the members of
23 the General Assembly for evaluation by such members for
24 possible liquidation of unused public property at public sale.
25 The members of the General Assembly shall review the list of
26 surplus properties and submit any comments to the Administrator
27 by January 15 of the year following the reports submission to
28 the General Assembly. The Administrator must consider these
29 comments when disposing of the property.

30 (c) Following receipt of the Annual Real Property
31 Utilization Report required under paragraph (b), the
32 Administrator shall notify all State agencies by December 31 of
33 all declared surplus real property. Any State agency may submit
34 a written request to the Administrator, within 60 days of the
35 date of such notification, to have control of surplus real
36 property transferred to that agency. Such request must indicate

1 the reason for the transfer and the intended use to be made of
2 such surplus real property. The Administrator may not deny a
3 request ~~any or all such requests~~ by a State agency unless ~~or~~
4 ~~agencies if the Administrator determines that it is more~~
5 ~~advantageous to the State to dispose of the surplus real~~
6 ~~property under paragraph (d). In case requests for the same~~
7 ~~surplus real property are received from~~ more than one State
8 agency requests the same property, in which case the
9 Administrator shall weigh the benefits to the State and
10 determine to which agency, ~~if any,~~ to transfer control of the
11 ~~such~~ property or determine how the property shall be divided.
12 The Administrator shall coordinate the use and disposal of
13 State surplus real property with any State space utilization
14 program.

15 (d) ~~Any~~ Surplus real property which is not transferred to
16 the control of another State agency under paragraph (c) shall
17 be disposed of by the Administrator. No appraisal is required
18 if during his initial survey of surplus real property the
19 Administrator determines such property has a fair market value
20 of less than \$15,000 ~~\$5,000~~. If the value of such property is
21 determined by the Administrator in his initial survey to be
22 \$15,000 ~~\$5,000~~ or more, then the Administrator shall obtain 3
23 appraisals of such real property, one of which shall be
24 performed by an appraiser residing in the county in which the
25 ~~said~~ surplus ~~real~~ property is located. The average of these 3
26 appraisals, plus the costs of obtaining the appraisals, shall
27 represent the fair market value of the surplus real property.
28 No surplus real property may be conveyed by the Administrator
29 for less than the fair market value. Prior to offering the
30 surplus real property for sale to the public the Administrator
31 shall give notice in writing of the existence and fair market
32 value of the surplus real property to the governing bodies of
33 the county and of all cities, villages and incorporated towns
34 in the county in which such real property is located. Any such
35 governing body may exercise its option to acquire the surplus
36 real property for the fair market value within 60 days of the

1 notice. After the 60 day period has passed, the Administrator
2 may sell the surplus real property by public auction following
3 notice of such sale by publication on 3 separate days not less
4 than 15 nor more than 30 days prior to the sale in the State
5 newspaper and in a newspaper having general circulation in the
6 county in which the surplus real property is located. The
7 Administrator shall post "For Sale" signs of a conspicuous
8 nature on ~~such~~ surplus real property offered for sale to the
9 public. If no acceptable offers for the surplus real property
10 are received, the Administrator may have new appraisals ~~of such~~
11 ~~property~~ made. The Administrator shall have all power necessary
12 to convey surplus real property under this Section. All moneys
13 received for the sale of surplus real property shall be
14 deposited in the General Revenue Fund, except where moneys
15 expended for the acquisition of such real property were from a
16 special fund which is still a special fund in the State
17 treasury, this special fund shall be reimbursed in the amount
18 of the original expenditure and any amount in excess thereof
19 shall be deposited in the General Revenue Fund.

20 The Administrator shall have authority to order such
21 surveys, abstracts of title, or commitments for title insurance
22 as may, in his reasonable discretion, be deemed necessary to
23 demonstrate to prospective purchasers or bidders good and
24 marketable title in any property offered for sale pursuant to
25 this Section. Unless otherwise specifically authorized by the
26 General Assembly, all conveyances of property made by the
27 Administrator shall be by quit claim deed.

28 (e) The Administrator shall submit an annual report by ~~on~~
29 ~~or before~~ February 1 to the Governor and the General Assembly
30 containing a detailed statement of surplus real property either
31 transferred or conveyed under this Section.

32 (Source: P.A. 85-315.)

33 (30 ILCS 605/9) (from Ch. 127, par. 133b12)

34 Sec. 9. Any responsible officer, person, l or employee of the
35 State government who knowingly violates ~~any of the provisions,~~

1 ~~rules, regulations, directions and orders as set forth in this~~
2 Act is ~~shall be~~ guilty of a Class B misdemeanor. A second or
3 subsequent violation by that officer, person, or employee is a
4 Class A misdemeanor.

5 (Source: P.A. 77-2598.)

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.