

WEST VIRGINIA LEGISLATURE

2019 REGULAR SESSION

Introduced

Senate Bill 411

FISCAL
NOTE

BY SENATORS MAYNARD, STOLLINGS, AND MARONEY

[Introduced January 24, 2019; Referred
to the Committee on Government Organization; and then
to the Committee on Finance]

1 A BILL to amend and reenact §5A-10-3 of the Code of West Virginia, 1931, as amended; and to
 2 amend and reenact §5A-11-3 of said code, all relating to the disposition of vacated school
 3 buildings or other state-owned buildings; requiring Real Estate Division to develop
 4 minimum standards for use, renovation, or disposition of vacated buildings; maintaining
 5 certain legal responsibilities of the previous owner; and authorizing the Public Land
 6 Corporation to acquire vacated buildings through legal transactions and conveyances.

Be it enacted by the Legislature of West Virginia:

ARTICLE 10. REAL ESTATE DIVISION.

§5A-10-3. Powers and duties of Real Estate Division.

1 The Real Estate Division has the following powers and duties:

2 (1) To provide leasing, appraisal and other real estate services to state spending units;

3 (2) To ensure that the purchase of real estate and all contracts for lease are based on
 4 established real estate standards and fair market price;

5 (3) To develop and implement minimum lease space standards for the lease of any
 6 grounds, buildings, office or other space required by any spending unit of state government;

7 (4) To develop and implement minimum standards for the selection and acquisition, by
 8 contract or lease, of all grounds, buildings, office space or other space by a spending unit of state
 9 government except as otherwise provided in this article;

10 (5) To establish and maintain a comprehensive database of all state real estate contracts
 11 and leases;

12 (6) To develop policies and procedures for statewide real property management;

13 (7) To maintain a statewide real property management system that has consolidated real
 14 property, building and lease information for all departments, agencies and institutions of state
 15 government;

16 (8) To develop and maintain a centralized repository of comprehensive space needs for
 17 all state departments, agencies and institutions of state government, including up-to-date space

18 and resource utilization, anticipated needs and recommended options;

19 (9) To provide statewide policy leadership and coordinate master planning to guide and
20 organize capital asset management; ~~and~~

21 (10) To provide assistance to all state departments, agencies or institutions in acquiring,
22 leasing and disposing of real property; and

23 (11) To develop and implement minimum standards, for the potential use, renovation, or
24 disposition of vacated school buildings or state-owned buildings acquired by the Public Land
25 Corporation that ensure the best interest of the state and Public Land Corporation: *Provided,*
26 That the responsibility or liability for such issues as asbestos, lead paint, or other hazards
27 associated with the acquired vacated school buildings or state-owned buildings remains with the
28 previous owner: *Provided, however,* That vacated school buildings may not be razed except upon
29 the recommendation of the Public Land Corporation or the Real Estate Division.

ARTICLE 11. PUBLIC LAND CORPORATION.

§5A-11-3. Public Land Corporation, powers and duties.

1 (a) The corporation is hereby authorized and empowered to:

2 (1) Acquire from any persons or the State Auditor or any local, state or federal agency, by
3 purchase, lease or other agreement, any lands necessary and required for public use, including,
4 but not limited to, vacated school buildings or state-owned buildings with no apparent usage;

5 (2) Acquire by purchase, exchange, condemnation, lease or agreement, and receive by
6 gifts and devises ~~or exchange,~~ rights-of-way, easements, waters and minerals suitable for public
7 use;

8 (3) Sell or exchange public lands where it is determined that the sale or exchange of such
9 tract meets any or all of the following disposal criteria:

10 (A) The tract was acquired for a specific purpose and the tract is no longer required for
11 that or any other state purpose;

12 (B) Disposal of the tract serves important public objectives including, but not limited to,

13 expansion of communities and economic development which cannot be achieved on lands other
14 than public lands and which clearly outweigh other public objectives and values including, but not
15 limited to, recreation and scenic values which would be served by maintaining the tract in state
16 ownership; or

17 (C) The tract, because of its location or other characteristics, is difficult and uneconomic
18 to manage as part of the public lands and is not suitable for management by another state
19 department or agency.

20 (4) Sell, purchase or exchange lands or stumpage for the purpose of consolidating lands
21 under state or federal government administration subject to the disposal criteria specified in
22 subdivision (3) of this subsection;

23 (5) Negotiate and effect loans or grants from the government of the United States or any
24 agency thereof for acquisition and development of lands as may be authorized by law to be
25 acquired for public use;

26 (6) Expend the income from the use and development of public lands for the following
27 purposes:

28 (A) Liquidate obligations incurred in the acquisition, development and administration of
29 lands, until all obligations have been fully discharged;

30 (B) Purchase, develop, restore and preserve for public use, sites, structures, objects and
31 documents of prehistoric, historical, archaeological, recreational, architectural and cultural
32 significance to the State of West Virginia; and

33 (C) Obtain grants or matching moneys available from the government of the United States
34 or any of its instrumentalities for prehistoric, historic, archaeological, recreational, architectural
35 and cultural purposes.

36 (7) Designate lands, to which it has title, for development and administration for the public
37 use including recreation, wildlife stock grazing, agricultural rehabilitation and homesteading or
38 other conservation activities;

39 (8) Enter into leases as a lessor for the development and extraction of minerals, including
40 coal, oil, gas, sand or gravel except as otherwise circumscribed herein: *Provided*, That leases for
41 the development and extraction of minerals shall be made in accordance with the provisions of
42 sections five and six of this article. The corporation shall reserve title and ownership to the mineral
43 rights in all cases;

44 (9) Convey, assign or allot lands to the title or custody of proper departments or other
45 agencies of state government for administration and control within the functions of departments
46 or other agencies as provided by law;

47 (10) Make proper lands available for the purpose of cooperating with the government of
48 the United States in the relief of unemployment and hardship or for any other public purpose.

49 (b) There is hereby continued in the state Treasury a special Public Land Corporation
50 Fund into which shall be paid all proceeds from public land sales and exchanges and rents,
51 royalties and other payments from mineral leases: *Provided*, That all royalties and payments
52 derived from rivers, streams or public lands acquired or managed by the Division of Natural
53 Resources pursuant to §20-1-7 and §20-5-2 of this code shall be retained by the Division of
54 Natural Resources: *Provided, however*, That all proceeds, rents, royalties and other payments
55 from land sales, exchanges and mineral rights leasing for public lands owned, managed or
56 controlled by the Adjutant General's Department will be retained in a fund managed by the
57 Adjutant General in accordance with §15-6-1 *et seq.* of this code: *Provided further*, That all free
58 gas, sand, gravel or other natural resources derived from a lease or contract made pursuant to
59 this article will be used to benefit the state agencies, institutions, or departments located on the
60 affected public lands, or for which the corporation was acting or to benefit any state agencies,
61 institutions, or departments having adjacent property. The corporation may acquire public lands
62 from use of the payments made to the fund, along with any interest accruing to the fund. The
63 corporation shall report annually, just prior to the beginning of the regular session of the
64 Legislature, to the finance committees of the Legislature on the financial condition of the special

65 fund. The corporation shall report annually to the Legislature on its public land holdings and all its
66 leases, its financial condition and its operations and shall make such recommendations to the
67 Legislature concerning the acquisition, leasing, development, disposition and use of public lands.

68 (c) All state agencies, institutions, divisions and departments shall make an inventory of
69 the public lands of the state as may be by law specifically allocated to and used by each and
70 provide to the corporation a list of such public lands and minerals, including their current use,
71 intended use or best use to which lands and minerals may be put: *Provided*, That the Division of
72 Highways need not provide the inventory of public lands allocated to and used by it, and the
73 Division of Natural Resources need not provide the inventory of rivers, streams and public lands
74 acquired or managed by it. The inventory shall identify those parcels of land which have no
75 present or foreseeable useful purpose to the State of West Virginia. The inventory shall be
76 submitted annually to the corporation by August 1. The corporation shall compile the inventory of
77 all public lands and minerals and report annually to the Legislature by no later than January 1, on
78 its public lands and minerals and the lands and minerals of the other agencies, institutions,
79 divisions or departments of this state which are required to report their holdings to the corporation
80 as set forth in this subsection, and its financial condition and its operations.

81 (d) Except as otherwise provided by law, when the corporation exercises its powers, the
82 corporation will coordinate with other state agencies, institutions, and departments in order to
83 develop and execute plans to utilize mineral rights which benefit their operations or the operations
84 of any other state agencies, institutions, or departments.

NOTE: The purpose of this bill is to provide for the disposition of vacated school buildings or other state-owned buildings by the Public Land Corporation and Real Estate Division within the Department of Administration.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.