

WEST VIRGINIA LEGISLATURE

2020 REGULAR SESSION

Introduced

House Bill 4701

FISCAL
NOTE

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HIGGINBOTHAM, ELLINGTON, FAST, GRAVES, PUSHKIN,
CAPUTO, STAGGERS AND HAMRICK

[Introduced February 05, 2020; Referred to the
Committee on Government Organization]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
 2 designated §5A-10-10a, relating to establishing a comprehensive framework for the
 3 management of all real property assets of the state; specifying essential criteria; and
 4 requiring reports to be made to the Joint Committee on Government Operations.

Be it enacted by the Legislature of West Virginia:

ARTICLE 10. REAL ESTATE DIVISION.

§5A-10-10a. Asset management framework; essential characteristics; reporting.

1 (a) The Real Estate Division, in consultation with any spending units which own, lease, or
 2 possess real property on behalf of the state, shall establish a comprehensive framework for the
 3 management of all real property assets of the state. The objectives for this asset management
 4 framework shall be to:

5 (1) Identify and categorize all real property managed by every spending unit pursuant to
 6 the provisions of this article;

7 (2) Prioritize actions needed to improve the operational and financial management of each
 8 spending unit’s real property inventory;

9 (3) Use life-cycle cost estimations for those actions;

10 (4) Identify asset management goals and measure progress towards those goals; and

11 (5) Manage real property assets in a manner that supports the spending unit’s goals and
 12 maximizes the assets’ value to the state.

13 (b) The development of the comprehensive framework may be based upon existing
 14 standards for asset management, such as the ISO 55000 standard, the International
 15 Infrastructure Management Manual, or the Publicly Available Specification (PAS) 55, and shall
 16 manifest the following characteristics and best practices:

17 (1) Establish formal policies and plans for management of real property assets including
 18 the acquisition and disposition of real property assets;

19 (2) Maximize the value of the state’s portfolio of real property assets;

- 20 (3) Pursue and demonstrate leadership support throughout all spending units;
- 21 (4) Collect, analyze, and verify the accuracy of all asset data;
- 22 (5) Promote a collaborative environment, a culture of information sharing, and
23 mechanisms for enterprise-wide decision-making; and
- 24 (6) Evaluate, on a continual basis, the performance of the asset management system and
25 implement improvements as needed.
- 26 (c) Every spending unit which owns, leases, or otherwise possess real property on behalf
27 of the state shall comply with the objectives and procedures of the asset management framework
28 in the management of all of the spending unit's existing real property assets and assets to be
29 acquired.
- 30 (d) At least once every four years, the Real Estate Division shall make a presentation and
31 written report to the Legislature's Joint Committee on Government Operations regarding the asset
32 management goals established through the framework, the state's progress toward those goals,
33 the spending units which have not worked within the established framework, and
34 recommendations, if any, for additional legislation to further the purposes of §5A-10-1 et seq. of
35 this code.

NOTE: The purpose of this bill is to require the Real Estate Division of the Department of Administration to develop and implement an asset management framework, consistent with best practices or characteristics identified by the United States Government Accountability Office, for the management of the real property assets of the state.

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