



Rep. Sonya M. Harper

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1 AMENDMENT TO HOUSE BILL 5722

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 5722 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The State Property Control Act is amended by  
5 changing Section 7.1 as follows:

6 (30 ILCS 605/7.1) (from Ch. 127, par. 133b10.1)

7 Sec. 7.1. (a) Except as otherwise provided by law, all  
8 surplus real property held by the State of Illinois shall be  
9 disposed of by the administrator as provided in this Section.  
10 "Surplus real property," as used in this Section, means any  
11 real property to which the State holds fee simple title or  
12 lesser interest, and is vacant, unoccupied or unused and which  
13 has no foreseeable use by the owning agency.

14 (b) All responsible officers shall submit an Annual Real  
15 Property Utilization Report to the Administrator, or annual  
16 update of such report, on forms required by the Administrator,

1 by July 31 of each year. The Administrator may require such  
2 documentation as he deems reasonably necessary in connection  
3 with this Report, and shall require that such Report include  
4 the following information:

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

7 (2) A description of the use of the real property listed  
8 under (1).

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

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

14 (5) Plans for the future use of currently unused real  
15 property.

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

21 This report shall be filed with the Speaker, the Minority  
22 Leader and the Clerk of the House of Representatives and the  
23 President, the Minority Leader and the Secretary of the Senate  
24 and shall be duplicated and made available to the members of  
25 the General Assembly for evaluation by such members for  
26 possible liquidation of unused public property at public sale.

1           (c) Following receipt of the Annual Real Property  
2 Utilization Report required under paragraph (b), the  
3 Administrator shall notify all State agencies by October 31 of  
4 all declared surplus real property. Any State agency may submit  
5 a written request to the Administrator, within 60 days of the  
6 date of such notification, to have control of surplus real  
7 property transferred to that agency. Such request must indicate  
8 the reason for the transfer and the intended use to be made of  
9 such surplus real property. The Administrator may deny any or  
10 all such requests by a State agency or agencies if the  
11 Administrator determines that it is more advantageous to the  
12 State to dispose of the surplus real property under paragraph  
13 (d). In case requests for the same surplus real property are  
14 received from more than one State agency, the Administrator  
15 shall weigh the benefits to the State and determine to which  
16 agency, if any, to transfer control of such property. The  
17 Administrator shall coordinate the use and disposal of State  
18 surplus real property with any State space utilization program.

19           (d) Any surplus real property which is not transferred to  
20 the control of another State agency under paragraph (c) shall  
21 be disposed of by the Administrator. No appraisal is required  
22 if during his initial survey of surplus real property the  
23 Administrator determines such property has a fair market value  
24 of less than \$5,000. If the value of such property is  
25 determined by the Administrator in his initial survey to be  
26 \$5,000 or more, then the Administrator shall obtain 3

1 appraisals of such real property, one of which shall be  
2 performed by an appraiser residing in the county in which said  
3 surplus real property is located. The average of these 3  
4 appraisals, plus the costs of obtaining the appraisals, shall  
5 represent the fair market value of the surplus real property.  
6 No surplus real property may be conveyed by the Administrator  
7 for less than the fair market value. Prior to offering the  
8 surplus real property for sale to the public the Administrator  
9 shall give notice in writing of the existence and fair market  
10 value of the surplus real property to the governing bodies of  
11 the county and of all cities, villages and incorporated towns  
12 in the county in which such real property is located. Any such  
13 governing body may exercise its option to acquire the surplus  
14 real property for the fair market value within 60 days of the  
15 notice. After the 60 day period has passed, the Administrator  
16 may sell the surplus real property by public auction following  
17 notice of such sale by publication on 3 separate days not less  
18 than 15 nor more than 30 days prior to the sale in the State  
19 newspaper and in a newspaper having general circulation in the  
20 county in which the surplus real property is located. The  
21 Administrator shall post "For Sale" signs of a conspicuous  
22 nature on such surplus real property offered for sale to the  
23 public. If no acceptable offers for the surplus real property  
24 are received, the Administrator may have new appraisals of such  
25 property made. The Administrator shall have all power necessary  
26 to convey surplus real property under this Section. All moneys

1 received for the sale of surplus real property shall be  
2 deposited in the General Revenue Fund, except that:

3 (1) Where moneys expended for the acquisition of such  
4 real property were from a special fund which is still a  
5 special fund in the State treasury, this special fund shall  
6 be reimbursed in the amount of the original expenditure and  
7 any amount in excess thereof shall be deposited in the  
8 General Revenue Fund.

9 (2) Whenever a State mental health facility operated by  
10 the Department of Human Services is closed and the real  
11 estate on which the facility is located is sold by the  
12 State, the net proceeds of the sale of the real estate  
13 shall be deposited into the Community Mental Health  
14 Medicaid Trust Fund.

15 (3) Whenever a State developmental disabilities  
16 facility operated by the Department of Human Services is  
17 closed and the real estate on which the facility is located  
18 is sold by the State, the net proceeds of the sale of the  
19 real estate shall be deposited into the Community  
20 Developmental Disability Services Medicaid Trust Fund.

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

1 General Assembly, all conveyances of property made by the  
2 Administrator shall be by quit claim deed.

3 (d-5) Notwithstanding any other provision of this Act, the  
4 Administrator may convey any surplus real property covered by  
5 this Act, by sale or lease, to a duly incorporated, charitable,  
6 non-profit organization or association for the cultivation and  
7 sale of fresh fruits and vegetables on a tract of land of less  
8 than 5 acres within any local governmental unit, provided that  
9 the non-profit organization or association is not controlled,  
10 directly or indirectly, by any agricultural, commercial, or  
11 other business. The non-profit organization or association  
12 under this subsection (d-5) shall be authorized to sell fresh  
13 fruits and vegetables either on the land that was conveyed, off  
14 that land, or both, provided, that the sales are related or  
15 incidental to the non-profit purposes of the organization or  
16 association, and the net proceeds received by the non-profit  
17 organization or association are used to further the non-profit  
18 purposes of the organization or association. The lease of any  
19 real property to any duly incorporated non-profit organization  
20 or association shall be in accordance with the Illinois  
21 Procurement Code.

22 (e) The Administrator shall submit an annual report on or  
23 before February 1 to the Governor and the General Assembly  
24 containing a detailed statement of surplus real property either  
25 transferred or conveyed under this Section.

26 (Source: P.A. 96-527, eff. 1-1-10; 96-660, eff. 8-25-09;

1 96-1000, eff. 7-2-10.)

2 Section 10. The Property Tax Code is amended by changing  
3 Section 15-55 as follows:

4 (35 ILCS 200/15-55)

5 Sec. 15-55. State property.

6 (a) All property belonging to the State of Illinois is  
7 exempt. However, the State agency holding title shall file the  
8 certificate of ownership and use required by Section 15-10,  
9 together with a copy of any written lease or agreement, in  
10 effect on March 30 of the assessment year, concerning parcels  
11 of 1 acre or more, or an explanation of the terms of any oral  
12 agreement under which the property is leased, subleased or  
13 rented.

14 The leased property shall be assessed to the lessee and the  
15 taxes thereon extended and billed to the lessee, and collected  
16 in the same manner as for property which is not exempt. The  
17 lessee shall be liable for the taxes and no lien shall attach  
18 to the property of the State.

19 For the purposes of this Section, the word "leases"  
20 includes licenses, franchises, operating agreements and other  
21 arrangements under which private individuals, associations or  
22 corporations are granted the right to use property of the  
23 Illinois State Toll Highway Authority and includes all property  
24 of the Authority used by others without regard to the size of

1 the leased parcel.

2 (b) However, all property of every kind belonging to the  
3 State of Illinois, which is or may hereafter be leased to the  
4 Illinois Prairie Path Corporation, shall be exempt from all  
5 assessments, taxation or collection, despite the making of any  
6 such lease, if it is used for:

7 (1) conservation, nature trail or any other  
8 charitable, scientific, educational or recreational  
9 purposes with public benefit, including the preserving and  
10 aiding in the preservation of natural areas, objects,  
11 flora, fauna or biotic communities;

12 (2) the establishment of footpaths, trails and other  
13 protected areas;

14 (3) the conservation of the proper use of natural  
15 resources or the promotion of the study of plant and animal  
16 communities and of other phases of ecology, natural history  
17 and conservation;

18 (4) the promotion of education in the fields of nature,  
19 preservation and conservation; or

20 (5) similar public recreational activities conducted  
21 by the Illinois Prairie Path Corporation.

22 No lien shall attach to the property of the State. No tax  
23 liability shall become the obligation of or be enforceable  
24 against Illinois Prairie Path Corporation.

25 (b-5) However, all property of every kind belonging to the  
26 State of Illinois, which is or may be sold or leased to a



1 non-profit organization specified under subsection (d-5) of  
2 Section 7.1 of the State Property Control Act, shall be exempt  
3 from all assessments, taxation, or collection, despite the  
4 making of any such sale or lease, if it is used for the  
5 cultivation and sale of fresh fruits and vegetables, and the  
6 net proceeds received by the non-profit organization or  
7 association are used to further the non-profit purposes of the  
8 organization or association.

9 (c) If the State sells the James R. Thompson Center or the  
10 Elgin Mental Health Center and surrounding land located at 750  
11 S. State Street, Elgin, Illinois, as provided in subdivision  
12 (a)(2) of Section 7.4 of the State Property Control Act, to  
13 another entity whose property is not exempt and immediately  
14 thereafter enters into a leaseback or other agreement that  
15 directly or indirectly gives the State a right to use, control,  
16 and possess the property, that portion of the property leased  
17 and occupied exclusively by the State shall remain exempt under  
18 this Section. For the property to remain exempt under this  
19 subsection (c), the State must retain an option to purchase the  
20 property at a future date or, within the limitations period for  
21 reverters, the property must revert back to the State.

22 If the property has been conveyed as described in this  
23 subsection (c), the property is no longer exempt pursuant to  
24 this Section as of the date when:

25 (1) the right of the State to use, control, and possess  
26 the property has been terminated; or

1           (2) the State no longer has an option to purchase or  
2 otherwise acquire the property and there is no provision  
3 for a reverter of the property to the State within the  
4 limitations period for reverters.

5           Pursuant to Sections 15-15 and 15-20 of this Code, the  
6 State shall notify the chief county assessment officer of any  
7 transaction under this subsection (c). The chief county  
8 assessment officer shall determine initial and continuing  
9 compliance with the requirements of this Section for tax  
10 exemption. Failure to notify the chief county assessment  
11 officer of a transaction under this subsection (c) or to  
12 otherwise comply with the requirements of Sections 15-15 and  
13 15-20 of this Code shall, in the discretion of the chief county  
14 assessment officer, constitute cause to terminate the  
15 exemption, notwithstanding any other provision of this Code.

16           (c-1) If the Illinois State Toll Highway Authority sells  
17 the Illinois State Toll Highway Authority headquarters  
18 building and surrounding land, located at 2700 Ogden Avenue,  
19 Downers Grove, Illinois as provided in subdivision (a)(2) of  
20 Section 7.5 of the State Property Control Act, to another  
21 entity whose property is not exempt and immediately thereafter  
22 enters into a leaseback or other agreement that directly or  
23 indirectly gives the State or the Illinois State Toll Highway  
24 Authority a right to use, control, and possess the property,  
25 that portion of the property leased and occupied exclusively by  
26 the State or the Authority shall remain exempt under this

1 Section. For the property to remain exempt under this  
2 subsection (c), the Authority must retain an option to purchase  
3 the property at a future date or, within the limitations period  
4 for reverters, the property must revert back to the Authority.

5 If the property has been conveyed as described in this  
6 subsection (c), the property is no longer exempt pursuant to  
7 this Section as of the date when:

8 (1) the right of the State or the Authority to use,  
9 control, and possess the property has been terminated; or

10 (2) the Authority no longer has an option to purchase  
11 or otherwise acquire the property and there is no provision  
12 for a reverter of the property to the Authority within the  
13 limitations period for reverters.

14 Pursuant to Sections 15-15 and 15-20 of this Code, the  
15 Authority shall notify the chief county assessment officer of  
16 any transaction under this subsection (c). The chief county  
17 assessment officer shall determine initial and continuing  
18 compliance with the requirements of this Section for tax  
19 exemption. Failure to notify the chief county assessment  
20 officer of a transaction under this subsection (c) or to  
21 otherwise comply with the requirements of Sections 15-15 and  
22 15-20 of this Code shall, in the discretion of the chief county  
23 assessment officer, constitute cause to terminate the  
24 exemption, notwithstanding any other provision of this Code.

25 (d) The fair market rent of each parcel of real property in  
26 Will County owned by the State of Illinois for the purpose of

1 developing an airport by the Department of Transportation shall  
2 include the assessed value of leasehold tax. The lessee of each  
3 parcel of real property in Will County owned by the State of  
4 Illinois for the purpose of developing an airport by the  
5 Department of Transportation shall not be liable for the taxes  
6 thereon. In order for the State to compensate taxing districts  
7 for the leasehold tax under this paragraph the Will County  
8 Supervisor of Assessments shall certify, in writing, to the  
9 Department of Transportation, the amount of leasehold taxes  
10 extended for the 2002 property tax year for each such exempt  
11 parcel. The Department of Transportation shall pay to the Will  
12 County Treasurer, from the Tax Recovery Fund, on or before July  
13 1 of each year, the amount of leasehold taxes for each such  
14 exempt parcel as certified by the Will County Supervisor of  
15 Assessments. The tax compensation shall terminate on December  
16 31, 2020. It is the duty of the Department of Transportation to  
17 file with the Office of the Will County Supervisor of  
18 Assessments an affidavit stating the termination date for  
19 rental of each such parcel due to airport construction. The  
20 affidavit shall include the property identification number for  
21 each such parcel. In no instance shall tax compensation for  
22 property owned by the State be deemed delinquent or bear  
23 interest. In no instance shall a lien attach to the property of  
24 the State. In no instance shall the State be required to pay  
25 leasehold tax compensation in excess of the Tax Recovery Fund's  
26 balance.

1           (e) Public Act 81-1026 applies to all leases or agreements  
2 entered into or renewed on or after September 24, 1979.

3           (f) Notwithstanding anything to the contrary in this Code,  
4 all property owned by the State that is the Illiana Expressway,  
5 as defined in the Public Private Agreements for the Illiana  
6 Expressway Act, and that is used for transportation purposes  
7 and that is leased for those purposes to another entity whose  
8 property is not exempt shall remain exempt, and any leasehold  
9 interest in the property shall not be subject to taxation under  
10 Section 9-195 of this Act.

11           (g) Notwithstanding anything to the contrary in this  
12 Section, all property owned by the State or the Illinois State  
13 Toll Highway Authority that is defined as a transportation  
14 project under the Public-Private Partnerships for  
15 Transportation Act and that is used for transportation purposes  
16 and that is leased for those purposes to another entity whose  
17 property is not exempt shall remain exempt, and any leasehold  
18 interest in the property shall not be subject to taxation under  
19 Section 9-195 of this Act.

20           (h) Notwithstanding anything to the contrary in this Code,  
21 all property owned by the State that is the South Suburban  
22 Airport, as defined in the Public-Private Agreements for the  
23 South Suburban Airport Act, and that is used for airport  
24 purposes and that is leased for those purposes to another  
25 entity whose property is not exempt shall remain exempt, and  
26 any leasehold interest in the property shall not be subject to

1 taxation under Section 9-195 of this Act.

2 (Source: P.A. 97-502, eff. 8-23-11; 98-109, eff. 7-25-13.)".