



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB4190

Introduced 2/27/2009, by Rep. Brandon W. Phelps

SYNOPSIS AS INTRODUCED:

30 ILCS 605/7.1

from Ch. 127, par. 133b10.1

Amends the State Property Control Act. Provides that the Administrator may deduct (i) 10% from the gross proceeds of any disposal of surplus real property or (ii) the total of the actual administrative services costs incurred in preparing for and carrying out the disposal, whichever is greater, for deposit into the Facilities Management Revolving Fund. Defines "administrative services costs".

LRB096 03374 RCE 13397 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning finance.

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

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,
17 by October 30 of each year. The Administrator may require such
18 documentation as he deems reasonably necessary in connection
19 with this Report, and shall require that such Report include
20 the following information:

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

23 (2) A description of the use of the real property listed

1 under (1).

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

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

7 (5) Plans for the future use of currently unused real
8 property.

9 (6) A declaration of any surplus real property. On or
10 before December 31 of each year the Administrator shall furnish
11 copies of each responsible officer's report along with a list
12 of surplus property indexed by legislative district to the
13 General Assembly.

14 This report shall be filed with the Speaker, the Minority
15 Leader and the Clerk of the House of Representatives and the
16 President, the Minority Leader and the Secretary of the Senate
17 and shall be duplicated and made available to the members of
18 the General Assembly for evaluation by such members for
19 possible liquidation of unused public property at public sale.

20 (c) Following receipt of the Annual Real Property
21 Utilization Report required under paragraph (b), the
22 Administrator shall notify all State agencies by December 31 of
23 all declared surplus real property. Any State agency may submit
24 a written request to the Administrator, within 60 days of the
25 date of such notification, to have control of surplus real
26 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 deny any or
3 all such requests by a State agency or agencies if the
4 Administrator determines that it is more advantageous to the
5 State to dispose of the surplus real property under paragraph
6 (d). In case requests for the same surplus real property are
7 received from more than one State agency, the Administrator
8 shall weigh the benefits to the State and determine to which
9 agency, if any, to transfer control of such property. The
10 Administrator shall coordinate the use and disposal of State
11 surplus real property with any State space utilization program.

12 (d) Any surplus real property which is not transferred to
13 the control of another State agency under paragraph (c) shall
14 be disposed of by the Administrator. No appraisal is required
15 if during his initial survey of surplus real property the
16 Administrator determines such property has a fair market value
17 of less than \$5,000. If the value of such property is
18 determined by the Administrator in his initial survey to be
19 \$5,000 or more, then the Administrator shall obtain 3
20 appraisals of such real property, one of which shall be
21 performed by an appraiser residing in the county in which said
22 surplus real property is located. The average of these 3
23 appraisals, plus the costs of obtaining the appraisals, shall
24 represent the fair market value of the surplus real property.
25 No surplus real property may be conveyed by the Administrator
26 for less than the fair market value. Prior to offering the

1 surplus real property for sale to the public the Administrator
2 shall give notice in writing of the existence and fair market
3 value of the surplus real property to the governing bodies of
4 the county and of all cities, villages and incorporated towns
5 in the county in which such real property is located. Any such
6 governing body may exercise its option to acquire the surplus
7 real property for the fair market value within 60 days of the
8 notice. After the 60 day period has passed, the Administrator
9 may sell the surplus real property by public auction following
10 notice of such sale by publication on 3 separate days not less
11 than 15 nor more than 30 days prior to the sale in the State
12 newspaper and in a newspaper having general circulation in the
13 county in which the surplus real property is located. The
14 Administrator shall post "For Sale" signs of a conspicuous
15 nature on such surplus real property offered for sale to the
16 public. If no acceptable offers for the surplus real property
17 are received, the Administrator may have new appraisals of such
18 property made. The Administrator shall have all power necessary
19 to convey surplus real property under this Section. The
20 Administrator may deduct (i) 10% from the gross proceeds of any
21 disposal under this Section or (ii) the total of the actual
22 administrative services costs incurred in preparing for and
23 carrying out the disposal, whichever is greater. For the
24 purposes of this Section, "administrative services costs"
25 consist of those costs deemed reasonably necessary by the
26 Administrator to maintain the surplus real property before

1 disposal plus the costs of sale that may be necessary to
2 recover the maximum proceeds. Administrative services costs
3 that are deducted must be deposited into the Facilities
4 Management Revolving Fund. All net proceeds ~~moneys~~ received for
5 the sale of surplus real property shall be deposited in the
6 General Revenue Fund, except where moneys expended for the
7 acquisition of such real property were from a special fund
8 which is still a special fund in the State treasury, this
9 special fund shall be reimbursed in the amount of the original
10 expenditure and any amount in excess thereof shall be deposited
11 in the General Revenue Fund.

12 As part of the administrative services costs and costs of
13 sale, the ~~The~~ Administrator shall have authority to order such
14 surveys, abstracts of title, or commitments for title insurance
15 as may, in his reasonable discretion, be deemed necessary to
16 demonstrate to prospective purchasers or bidders good and
17 marketable title in any property offered for sale pursuant to
18 this Section. Unless otherwise specifically authorized by the
19 General Assembly, all conveyances of property made by the
20 Administrator shall be by quit claim deed.

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

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