

Assembly Bill No. 2369

Passed the Assembly August 31, 2000

Chief Clerk of the Assembly

Passed the Senate August 18, 2000

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2000, at _____ o'clock ____M.

Private Secretary of the Governor



CHAPTER _____

An act to amend Section 14664 of, and to add Section 14670.12 to, the Government Code, and to amend Section 10108 of the Public Contract Code relating to state property.

LEGISLATIVE COUNSEL'S DIGEST

AB 2369, Keeley. State property and contracts.

(1) Existing law authorizes the Director of General Services, upon the written request and consent of the state agency with control or jurisdiction over the property concerned, to sell, convey, or exchange properties that are not needed by any state agency at fair market value under specified circumstances following notice to the Legislature. Existing law requires specified parcels to be disposed of in the identical manner as state property declared surplus pursuant to an existing provision of law.

This bill would revise the circumstances to include property that is being encroached on, where the adjacent landowner and the state agency with control or jurisdiction over the property concerned, the director, and the Attorney General agree that the best resolution would be a sale of the property or an exchange of property of equal value. The bill would require that the specified parcels be declared surplus in the identical manner as state property is declared surplus pursuant to a specified provision of existing law.

(2) Existing law generally authorizes the Director of General Services to let state property for a period of not to exceed 5 years, subject to specified conditions, if he or she deems it to be in the best interest of the state.

This bill would authorize the director, notwithstanding these provisions, and with the consent of the state agency concerned, to let any state real property not exceeding 5 acres for a period not to exceed 25 years, to governmental entities to further the state's mission for providing emergency services, if he or she deems it to be in the best



interest of the state. It would require the director to report annually to the Legislature on how the Department of General Services is utilizing this authority.

(3) Under the existing State Contract Act, where the nature of the work in the opinion of the Department of Water Resources, the Department of General Services, the Department of Boating and Waterways, the Department of Corrections, or the Department of Transportation is such that its services in connection with the work are not required, the applicable department may authorize the carrying out of the project directly by the state agency concerned if the estimated cost does not exceed \$250,000, except that this limitation does not apply to a project of a district agricultural association or the State Lands Commission.

This bill would increase the maximum amount for this purpose to \$400,000.

The people of the State of California do enact as follows:

SECTION 1. Section 14664 of the Government Code is amended to read:

14664. (a) The director may execute grants to real property belonging to the state in the name and upon behalf of the state, whenever the sale or exchange of real property is authorized or contemplated by law, if no other state agency is specifically authorized and directed to execute the grants. The director may also execute deeds or any other instruments necessary to correct erroneous descriptions on deeds by which the state acquired title.

(b) (1) Notwithstanding any other provision of law, upon the written request and consent of the state agency with control or jurisdiction over the property concerned, the director may sell, convey, or exchange properties that are not needed by any state agency at fair market value following a 30-day notice to the Joint Legislative Budget Committee and the applicable Members of the Senate and Assembly who represent the district in which the



properties are located, under any of the following circumstances:

(A) Property, not to exceed five acres, to a local governmental agency for the purpose of local public works projects, including, but not limited to, utility rights-of-way, drainage ditches, road widening, including curbs, gutters, sidewalks, and small parking lots.

(B) Property with a fair market value of up to one million dollars (\$1,000,000) received by the state through the office of the Attorney General or another state agency as the result of a foreclosure, seizure, or court action.

(C) Property that is being encroached on, where the adjacent landowner and the state agency with control or jurisdiction over the property concerned, the director, and the Attorney General agree that the best manner in which to resolve the matter is through a sale of the property or for an exchange of property of equal value.

(D) Property not needed by any state agency with a fair market value of less than twenty-five thousand dollars (\$25,000).

(2) Any parcel described in subparagraph (B) or (D) shall be declared surplus in the identical manner as state property declared surplus pursuant to Section 11011.

(3) All funds received by the state pursuant to this subdivision shall be handled in the identical manner as funds received from state property disposed of pursuant to Section 11011.

SEC. 2. Section 14670.12 is added to the Government Code, to read:

14670.12. (a) Notwithstanding Section 14670, and with the consent of the state agency concerned, the director may let any real property owned by the state not exceeding five acres for a period not to exceed 25 years, to governmental entities to further the state's mission for providing emergency services, if he or she deems it to be in the best interest of the state.

(b) The director shall report annually to the Legislature on how the department is utilizing the authority granted under this section.



SEC. 3. Section 10108 of the Public Contract Code is amended to read:

10108. Where the nature of the work in the opinion of the department is such that its services in connection therewith are not required, it may authorize the carrying out of the project directly by the state agency concerned therewith if the estimated cost does not exceed four hundred thousand dollars (\$400,000), except that the four hundred thousand dollars (\$400,000) limitation shall not apply to a project of a district agricultural association or a project of the State Lands Commission.

If the estimated total cost of any construction project or work carried out under this section exceeds twenty-five thousand dollars (\$25,000), the district or agency shall solicit bids in writing and shall award the work to the lowest responsible bidder or reject all bids. However, the director may authorize the district or agency to carry out work in excess of twenty-five thousand dollars (\$25,000) under the provisions of this section by day labor if he or she deems that the award of a contract, the acceptance of bids, or the acceptance of further bids is not in the best interests of the state. In no event shall the amount of work performed by day labor under this section exceed the sum of fifty thousand dollars (\$50,000) in the case of district agricultural association fair projects, or thirty-five thousand dollars (\$35,000) in other cases.



Approved _____, 2000

Governor

