

1 AN ACT concerning State government.

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 and determined by the head of
13 the owning agency to no longer be required for the State
14 agency's needs and responsibilities and has no foreseeable use
15 by the owning agency. Title to the surplus real property may
16 remain with the owning agency throughout the disposition
17 process if approved by the Administrator; however, the
18 Administrator and the Department of Central Management
19 Services shall have sole responsibility and authority for
20 disposing of the property as set out in this Section ~~vacant,~~
21 ~~unoccupied or unused and which has no foreseeable use by the~~
22 ~~owning agency.~~

23 (b) All responsible officers shall submit an Annual Real

1 Property Utilization Report to the Administrator, or annual
2 update of such report, on forms required by the Administrator,
3 by July 31 of each year. The Administrator may require such
4 documentation as he deems reasonably necessary in connection
5 with this Report, and shall require that such Report include
6 the following information:

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

9 (2) A description of the use of the real property listed
10 under (1).

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

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

16 (5) Plans for the future use of currently unused real
17 property.

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

23 This report shall be filed with the Speaker, the Minority
24 Leader and the Clerk of the House of Representatives and the
25 President, the Minority Leader and the Secretary of the Senate
26 and shall be duplicated and made available to the members of

1 the General Assembly for evaluation by such members for
2 possible liquidation of unused public property at public sale.

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

22 (d) Any surplus real property ~~which is not transferred to~~
23 ~~the control of another State agency under paragraph (c)~~ shall
24 be disposed of by the Administrator. No appraisal is required
25 if during his initial survey of surplus real property the
26 Administrator determines such property has a fair market value

1 of less than \$5,000. If the value of such property is
2 determined by the Administrator in his initial survey to be
3 \$5,000 or more, then the Administrator shall obtain 2 ~~3~~
4 appraisals of such real property, which shall include known
5 liabilities, including, but not limited to, environmental
6 costs ~~one of which shall be performed by an appraiser residing~~
7 ~~in the county in which said surplus real property is located.~~
8 The average of these 2 ~~3~~ appraisals, ~~plus the costs of~~
9 ~~obtaining the appraisals,~~ shall represent the fair market
10 value of the surplus real property.

11 No surplus real property may be conveyed by the
12 Administrator for less than the fair market value, unless the
13 Administrator makes a written determination that it is in the
14 best interests of the State to establish a different value.
15 That written determination shall be published in the Illinois
16 Procurement Bulletin. Such written determination, along with
17 an affidavit setting forth the conditions and circumstances
18 that make the use of a different value in the best interests of
19 the State, shall also be filed with the Executive Ethics
20 Commission. The Executive Ethics Commission shall have 30 days
21 to review the written determination. The Executive Ethics
22 Commission may order an additional 30 days to review the
23 written determination. The Administrator shall provide the
24 Executive Ethics Commission with any information requested by
25 the Executive Ethics Commission related to the Administrator's
26 determination of the value of the surplus real property. If

1 the Executive Ethics Commission objects in writing to the
2 value determined by the Administrator, then the Administrator
3 shall not convey the surplus real property for less than
4 either the fair market value as determined by the average of
5 appraisals or an amount agreed upon by the Executive Ethics
6 Commission and the Administrator. Circumstances in which it is
7 in the best interests of the State to establish a different
8 value may include, but are not limited to, the following: (i)
9 an auction did not yield any bids at the established fair
10 market value; (ii) a unit of local government is interested in
11 acquiring the surplus real property; or (iii) the costs to the
12 State of maintaining such surplus real property are
13 sufficiently high that it would be reasonable to a prudent
14 person to sell such surplus real property for less than the
15 fair market value established by the average of the
16 appraisals. In no event shall the Administrator sell surplus
17 real property for less than 75% of fair market value and before
18 such property has been offered to an interested unit of local
19 government or made available at public auction.

20 Prior to offering the surplus real property for sale to
21 the public the Administrator shall give notice in writing of
22 the existence ~~and fair market value~~ of the surplus real
23 property to each State agency and to the governing bodies of
24 the county and of all cities, villages and incorporated towns
25 in the county in which such real property is located. Any such
26 State agency or governing body may notify the Administrator of

1 its interest in acquiring ~~exercise its option to acquire~~ the
2 surplus real property ~~for the fair market value~~ within a
3 notice period set by the Administrator of at least 30 days. If
4 any State agency notifies the Administrator of its interest in
5 acquiring the surplus property, the Administrator may deny any
6 such requests by such agency if the Administrator determines
7 that it is more advantageous to the State to dispose of the
8 surplus real property to a governing body or the public. If a
9 governing body notifies the Administrator of its interest in
10 acquiring the property, then the Administrator shall wait a
11 minimum of 30 additional days during which the Administrator
12 may engage in negotiations with such governing body for the
13 sale of the surplus real property ~~60 days of the notice.~~ After
14 the notice period set by the Administrator of at least 30 days
15 ~~the 60 day period~~ has passed, the Administrator may sell the
16 surplus real property by public auction, which may include an
17 electronic auction or the use of sealed bids, following notice
18 of such sale by publication on 3 separate days not less than 15
19 nor more than 30 days prior to the sale in the State newspaper
20 and in a newspaper having general circulation in the county in
21 which the surplus real property is located. The Administrator
22 shall post "For Sale" signs of a conspicuous nature on such
23 surplus real property offered for sale to the public. If no
24 acceptable offers for the surplus real property are received,
25 the Administrator may have new appraisals of such property
26 made. The Administrator shall have all power necessary to

1 convey surplus real property under this Section. All moneys
2 received for the sale of surplus real property shall be
3 deposited in the General Revenue Fund, except that:

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

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

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

22 The Administrator shall have authority to order such
23 surveys, abstracts of title, or commitments for title
24 insurance as may, in his reasonable discretion, be deemed
25 necessary to demonstrate to prospective purchasers or bidders
26 good and marketable title in any property offered for sale

1 pursuant to this Section. Unless otherwise specifically
2 authorized by the General Assembly, all conveyances of
3 property made by the Administrator shall be by quit claim
4 deed.

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

9 (Source: P.A. 96-527, eff. 1-1-10; 96-660, eff. 8-25-09;
10 96-1000, eff. 7-2-10.)

11 Section 10. The School Code is amended by changing Section
12 18-4.4 as follows:

13 (105 ILCS 5/18-4.4) (from Ch. 122, par. 18-4.4)

14 Sec. 18-4.4. Tax Equivalent Grants. When any State
15 institution is located in a school district in which the State
16 owns 45% or more of the total land area of the district, the
17 State Superintendent of Education shall annually direct the
18 State Comptroller to pay the amount of the tax-equivalent
19 grants provided in this Section, and the State Comptroller
20 shall draw his warrant upon the State Treasurer for the
21 payment of the grants. For fiscal year 1995 and each fiscal
22 year thereafter, the grant shall equal 0.5% of the equalized
23 assessed valuation of the land owned by the State (computing
24 that equalized assessed valuation by multiplying the average

1 value per taxable acre of the school district by the total
2 number of acres of land owned by the State). Annually on or
3 before September 15, 1994 and July 1, thereafter, the district
4 superintendent shall certify to the State Board of Education
5 the following matters:

6 1. The name of the State institution.

7 2. The total land area of the district in acres.

8 3. The total ownership of the land of the State in
9 acres.

10 4. The total equalized assessed value of all the land
11 in the district.

12 5. The rate of school tax payable in the year.

13 6. The computed amount of the tax-equivalent grant
14 claimed.

15 Failure of any district superintendent to certify the
16 claim for the tax-equivalent grant on or before September 15,
17 1994 or July 1 of a subsequent year shall constitute a
18 forfeiture by the district of its right to such grant for the
19 school year.

20 Notwithstanding any provision of law to the contrary or
21 the disposition of State property which would affect the
22 allocation of grants under this Section, a tax-equivalent
23 grant may be awarded to a school district in which the State
24 owns 40% or more of the total land area of the district if, as
25 of the effective date of this amendatory Act of the 102nd
26 General Assembly, the school district would otherwise qualify

1 for a tax-equivalent grant under this Section as a district in
2 which the State owns 45% or more of the total land area.

3 (Source: P.A. 91-723, eff. 6-2-00.)

4 Section 99. Effective date. This Act takes effect upon
5 becoming law.