
SENATE BILL No. 107

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-20.5-7; IC 14-21-1-14.

Synopsis: Disposal of state owned real estate. Provides that the department of administration (department) may sell real property owned by the state by use of a request for proposals. Requires certain documentation to be kept if the department negotiates a sale of state owned real property with a potential buyer. Provides that the department may dispose of state owned real property involved in a dispute by exchanging the state owned real property for property of like value, regardless of the value of the state owned real property to be transferred. (Under current law, such an exchange may not be made if the value of the state owned real property exceeds \$10,000.) Provides that state owned real property may also be exchanged for other real property to improve the state's ability to manage state property or to improve access to state property. Requires the division of historic preservation and archeology of the department of natural resources to notify the department of the results of its review of the state owned real property proposed for disposition not later than 30 days after receiving notice from the department of the intent to dispose of the state owned real property.

Effective: July 1, 2011.

Charbonneau

January 5, 2011, read first time and referred to Committee on Public Policy.

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First Regular Session 117th General Assembly (2011)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2010 Regular Session of the General Assembly.

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SENATE BILL No. 107



A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 4-20.5-7-10.7 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 10.7. ~~(a) This section~~
3 ~~does not apply if the value of the state property is more than ten~~
4 ~~thousand dollars (\$10,000).~~

5 ~~(b)~~ **(a)** The department may transfer state property to a person in
6 exchange for property of like value transferred by the person to the
7 state:

8 (1) to:
9 **(A)** settle a dispute relating to either or both of the properties;

10 **or**

11 **(B) improve:**

12 **(i) the state's ability to manage state property; or**

13 **(ii) access to state property; and**

14 (2) without offering to transfer the state property:

15 **(A)** to state agencies, state educational institutions, or a
16 political subdivision under this chapter; or

17 **(B)** after a sale of the property under this chapter.



1 (c) (b) The department must establish that properties exchanged
2 under this section are of like value through appraisals or other means
3 approved by the commissioner.

4 SECTION 2. IC 4-20.5-7-11 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 11. (a) The department
6 may sell the property through either any of the following:

- 7 (1) Competitive bids.
- 8 (2) By auction.
- 9 (3) **By request for proposals.**

10 (b) **The department may enter into negotiations under this**
11 **section with the respondent who has made the highest offer only if**
12 **the negotiations are documented. The negotiation documentation**
13 **must include the following:**

- 14 (1) **A log of the date and time of each meeting with a**
15 **respondent. The log must include the identity of the**
16 **respondent.**
- 17 (2) **A description of the nature of all communications with**
18 **each respondent.**
- 19 (3) **Subject to subsection (d), a copy of all written**
20 **communications, including electronic communications, with**
21 **each respondent.**

22 (c) **Except as provided in subsection (d), the contents of the**
23 **contract file concerning a sale under this section are subject to**
24 **public inspection.**

25 (d) **Proprietary information included with a response, including**
26 **trade secrets, manufacturing processes, and financial information**
27 **that was not required to be made available for public inspection by**
28 **the terms of the invitation for bids, live auction, or request for**
29 **proposals, is not subject to public inspection.**

30 (e) **The negotiation documentation is subject to public inspection**
31 **under this section only after the transfer of the property.**

32 SECTION 3. IC 14-21-1-14, AS AMENDED BY P.L.2-2007,
33 SECTION 171, IS AMENDED TO READ AS FOLLOWS
34 [EFFECTIVE JULY 1, 2011]: Sec. 14. (a) This section does not apply
35 to real property that is owned by a state educational institution.

36 (b) The Indiana department of administration shall notify the
37 division of a proposed transfer of real property owned by the state at
38 the earliest planning stage and ~~no~~ **not** later than ninety (90) days before
39 the date of the proposed transfer.

- 40 (c) The division shall:
- 41 (1) inspect the property; and
- 42 (2) notify the Indiana department of administration of the location

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1 of each historic site or historic structure on the property;
 2 **not later than thirty (30) days after receiving notice under**
 3 **subsection (b). If the division does not notify the Indiana**
 4 **department of administration under subdivision (2) within thirty**
 5 **(30) days after receiving notice under subsection (b), the Indiana**
 6 **department of administration may proceed with the proposed**
 7 **transfer.**

8 (d) Real property owned by the state may not be sold or transferred
 9 until the division has stated in writing that the property does not, to the
 10 best of the division's knowledge, contain a historic site or historic
 11 structure.

12 ~~(e)~~ (d) If the Indiana department of administration receives notice
 13 **under subsection (c)(2)** of a historic site or historic structure on the
 14 property, the Indiana department of administration shall reserve control
 15 of the appropriate historic property by means of a covenant or an
 16 easement contained in the transferring instrument.

17 ~~(f)~~ (e) The ~~division of state museums and historic sites department~~
 18 shall administer property **of which control is** reserved under
 19 subsection ~~(e)~~: (d).

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