

The Florida Senate

VETO MESSAGE BILL ANALYSIS

(This document is based on the enrolled bill, as presented to the Governor.)

Prepared By: The Professional Staff of the General Government Appropriations Committee

BILL: CS/CS/SB 1516

INTRODUCER: Policy and Steering Committee on Ways and Means, General Government Appropriations Committee, and Senator Baker

SUBJECT: State-owned Lands

DATE: May 28, 2010

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Pigott	DeLoach	GA	Fav/CS
2.	Pigott	Coburn	WPSC	Fav/CS
3.				
4.				
5.				
6.				

I. Summary:

This bill provides for the inventory of state-owned lands by requiring all state agencies, the judicial branch, and the water management districts to report certain data annually to the Division of State Lands (division) in the Department of Environmental Protection (DEP).

The bill requires the Department of Management Services (DMS) to maintain an inventory of all facilities owned, leased, or rented, and require that the inventory data be submitted to the DEP by July 1 of each year.

The bill directs the DEP to create and maintain a comprehensive state-owned real property system that includes an accurate inventory of all real property leased, owned, rented, occupied, or managed by the state, the judicial branch, and by any water management district. The division is directed to conduct strategic real property analyses and to provide a report on state-owned real property recommended for disposition to the Governor, the President of the Senate, and the Speaker of the House of Representatives. Prior to disposition, a state-owned building or parcel of land must first be offered for lease to state agencies, state universities, and community colleges. For the G. Pierce Wood Hospital site, the bill directs the Board of Trustees of the Internal Improvement Trust Fund to transfer the lease interests to the University of South Florida Polytechnic. All current leases and subleases are required to be honored by the university.

The bill requires the DEP to implement a governance structure, timeframes, and deliverables for the real property system. The executive steering committee is comprised of the secretary of the DEP, the executive director of the Department of Revenue (DOR), the director of the Division of State Lands, the state Chief Financial Officer, two property appraiser representatives, and the

executive director of the Agency for Enterprise Information Technology. The bill directs the executive steering committee to complete a business process analysis and documentation of both the detailed system requirements and the overall system architecture and to submit the information to the Governor and the Legislature by February 1, 2011.

Finally, the bill provides a \$320,000 appropriation from the Internal Improvement Trust Fund within the DEP to develop the comprehensive state-owned real property system.

The bill amends the following sections of the Florida Statutes: 193.023, 193.085, 213.053, 216.0152, 253.03, and 253.034.

The bill creates section 216.0153, Florida Statutes.

II. Present Situation:

Chapter 2009-77, L.O.F., enacted in 2009, required the DMS to develop a comprehensive database of all state-owned real property. To facilitate the creation of the database, the legislation directed the DMS to prepare a plan to compile the database that addresses the following issues.

- A method for requiring that specific information is provided for each property in the database in order to determine appropriation valuation.
- A method for maintaining and updating the database.
- A method for identifying and assessing the database properties for potential disposition.
- A method for requiring that the DMS be notified of identified properties for purposes of conducting a strategic valuation and disposition analysis.

The DMS convened a workgroup for the purpose of producing the statutorily-required plan, which was subsequently submitted to the Legislature on January 4, 2010. The plan identified the following findings.

- Multiple real property data sources for the state have disparate data and are not currently integrated because existing data sources were not designed to reconcile. These data sources include four within the DEP, and one each within the Departments of Revenue, Financial Services, and Management Services.
- State agencies have operational responsibility for their owned facilities, which means property information is scattered among state agencies.
- Data on the physical characteristics of improved real property, provided by the 67 individual county property appraisers, is inconsistent between the counties and may not properly reflect the current size and condition of improvements.

The plan acknowledged the need for the development and implementation of a comprehensive database for state-owned real property in order to support strategic real property decisions. The plan further recommended that the department or the DEP create a new database that consolidates existing similar real property sources to gain efficiencies and eliminate redundancies.

For the disposition of state-owned real property, section 253.034, F.S., provides that before a building or parcel of land is offered for lease, sublease, or sale to a local or federal unit of government or a private party, it is first offered for lease to state agencies and state universities, with priority consideration is given to state universities.

III. Effect of Proposed Changes:

Section 1 requires the property appraiser to physically inspect state-owned real property, as well as any taxable real property, if requested.

Section 2 removes provisions requiring the DOR to notify property appraisers of state ownership of real property. Local governments are required to provide the notification.

Section 3 authorizes the DOR to disclose certain information to the Department of Environmental Protection regarding state-owned lands.

Section 4 requires the DMS to develop and maintain an automated inventory of all facilities owned, leased, rented, or otherwise occupied or maintained by any state agency, the judicial branch, and the water management districts. This section requires that inventory data be submitted to the DEP on or before July 1 of each year.

Section 5 requires the DEP to create, administer, and maintain a comprehensive state-owned real property system. The system must include all state lands and real property leased, owned, rented, and otherwise occupied or maintained by any state agency, judicial branch, and by any water management district. This section authorizes the Division of State Lands to conduct strategic analyses and prepare annual valuation and disposition analyses and recommendations for all state real property assets. By October 1 of each year, the division is directed to provide a report on state-owned real property recommended for disposition to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

Additionally, this section establishes the following business objectives.

- Eliminate the need for redundant collection processes and state agency information systems.
- Reduce the need to lease or acquire additional real property as a result of annual utilization analysis.
- Enable regional planning as a tool for cost-effective buy, sell, and lease decisions.
- Increase state revenues and maximize operational efficiencies through the disposition of properties.
- Ensure that all state property is identified and integrated with the county property appraisers.
- Allow for state agencies to electronically submit information using a web browser.

Section 6 requires the DOR to electronically furnish tax roll data for public lands to the Board of Trustees of the Internal Improvement Trust Fund for use in compiling the inventory of publicly held lands. This section also requires that the board shall use the tax roll data from the DOR to assist in the identification and confirmation of publicly held lands.

Section 7 removes provisions relating to an inventory of public lands, including federal lands, within the state. This section requires that in addition to state agencies and state universities, community colleges must be offered a state-owned building or parcel of land for lease before it is offered for lease, sublease, or sale to a local or federal unit of government or private party. Priority consideration is given to state universities and community colleges, with the exception of the G. Pierce Wood facility, for which priority consideration is to be given to the University of South Florida Polytechnic. This section requires a state university or community college to submit a plan for review and approval by the Board of Trustees of the Internal Improvement Trust Fund regarding the intended use of the building or parcel of land before approval of a lease.

Section 8 provides for the governance structure, implementation timeframes, and deliverables for the comprehensive state-owned real property system, with the following requirements.

- By November 1, 2010, the DEP must submit an updated feasibility study to the Governor and the Legislature for the Lands Inventory Tracking System.
- By February 1, 2011, the executive steering committee must complete a business process analysis and report to the Governor and the Legislature.
By March 1, 2010, the facility inventory components of the system must be fully operational.
- By September 1, 2010, the remaining real property and land inventory components of the system must be fully operational.
- State agencies are directed to retire any duplicative real property systems within 12 months after the system becomes fully operational.
- Prescribes the project governance structure that must be utilized by the DEP in the development of a comprehensive state-owned real property system.

Section 9 provides \$320,000 from the Internal Improvement Trust Fund within the Department DEP to develop the real property system.

Section 10 provides the act is effective upon becoming a law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The Department of Environmental Protection estimated that \$320,000 would be needed to develop the real property system for the 2010-2011 fiscal year. The remaining resources could be absorbed within the agency's existing budget.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Veto:**A. Governor's Stated Reason for Veto:**

“This bill requires the Department of Environmental Protection (DEP) to create and maintain a real property database that includes an inventory of all property, including buildings, which are owned, rented, occupied or managed by any state agency or the judicial branch. DEP is Florida's state agency charged with protecting natural resources and preventing pollution to our environment. A significant element of its mission is to acquire, manage and account for conservation lands. Fulfilling this natural resource protection function is unique to those real property assets of the state held as conservation lands. Giving DEP the responsibility for accounting for all state real property would blur the natural resource protection mission of the agency and provide increased responsibilities that fall outside of that mission. DEP is the appropriate agency to oversee the acquisition and management of conservation lands, but maintenance of a comprehensive database of other state-owned real property should not be added to its responsibilities.”

B. Professional Staff Comments:

The bill passed the Senate with a vote of 37-2 and the House with a vote of 117-0.

The Department of Environmental Protection began the planning and development of a comprehensive real property system during the previous fiscal year. With the veto of this bill, the agency will be without statutory authority to move forward with this initiative to

streamline and consolidate multiple systems with the goal of producing efficiencies, cost savings, and providing strategic state-owned real property information. Providing strategic state real estate information to the Legislature for future policy decisions on managing the state's real property assets, as well as undertaking a centralized approach to managing facilities operations and maintenance were key initiatives also included in HB 5611. That bill was also vetoed by the Governor.

In addition, while current law provides priority consideration be given to state universities when state property becomes available, the bill directed the transfer of lease interests of the G. Pierce Wood Hospital site to the University of South Florida Polytechnic. With the veto of this bill, the economic impacts related to the future development plan for the site are unknown at this time.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
