

**CHAPTER 6 - STATE PROPERTY AND CONSTRUCTION**

**SUBCHAPTER 6A - DIVISION OF STATE PROPERTY AND CONSTRUCTION**

**SECTION .0100 - GENERAL PROVISIONS**

- 01 NCAC 06A .0101      DIVISION HEAD**  
**01 NCAC 06A .0102      LOCATION AND HOURS OF OPERATION**

*History Note:*      *Authority G.S. 143B-370;*  
                          *Eff. February 1, 1976;*  
                          *Readopted Eff. February 27, 1979;*  
                          *Repealed Eff. June 1, 1986.*

- 01 NCAC 06A .0103      DIVISION ORGANIZATION**

*History Note:*      *Authority G.S. 143B-370;*  
                          *Eff. February 1, 1976;*  
                          *Repealed Eff. February 27, 1979.*

- 01 NCAC 06A .0104      SCOPE OF REGULATIONS**

*History Note:*      *Authority G.S. 143B-370;*  
                          *Eff. February 1, 1976;*  
                          *Readopted Eff. February 27, 1979;*  
                          *Repealed Eff. June 1, 1986.*

- 01 NCAC 06A .0105      SECTION REGULATIONS**  
**01 NCAC 06A .0106      STATE BUILDING COMMISSION**

*History Note:*      *Authority G.S. 143B-368; 143B-370; 143-135.25;*  
                          *Eff. February 1, 1976;*  
                          *Readopted Eff. February 27, 1979;*  
                          *Amended Eff. February 1, 1991;*  
                          *Expired Eff. August 1, 2018 pursuant to G.S. 150B-21.3A.*

**SECTION .0200 - DIVISION PRINTED MATERIAL**

- 01 NCAC 06A .0201      FURNISHED WITHOUT COST**  
**01 NCAC 06A .0202      OTHER DOCUMENTARY FORMS**

*History Note:*      *Authority G.S. 143B-370;*  
                          *Eff. February 1, 1976;*  
                          *Readopted February 27, 1979;*  
                          *Repealed Eff. June 1, 1986.*

**SUBCHAPTER 06B - REAL PROPERTY**

**SECTION .0100 - GENERAL PROVISIONS**

- 01 NCAC 06B .0101      PURPOSE: POLICY AND RESPONSIBILITY**

The Division of State Property is the administering agency in state government for the acquisition and disposition of all state owned land or any interest therein by deed, lease, easement, or allocation. It is responsible for the administering of allocation and reallocation of land, building or space in buildings by and between agencies, institutions or departments of

the state. It provides relocation assistance to persons displaced by state projects to insure that individuals do not suffer disproportionate injuries due to construction of public projects.

*History Note:* Authority G.S. 143-341(4); 146;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 22, 2018.

<b>01 NCAC 06B .0102</b>	<b>ORGANIZATION</b>
<b>01 NCAC 06B .0103</b>	<b>LOCATION</b>
<b>01 NCAC 06B .0104</b>	<b>HOURS OF OPERATION</b>
<b>01 NCAC 06B .0105</b>	<b>RULE-MAKING</b>
<b>01 NCAC 06B .0106</b>	<b>CONTESTED CASES</b>
<b>01 NCAC 06B .0107</b>	<b>DECLARATORY RULING</b>
<b>01 NCAC 06B .0108</b>	<b>DESCRIPTION OF FORMS</b>
<b>01 NCAC 06B .0109</b>	<b>DEPARTMENT OF ADMINISTRATION RULES</b>
<b>01 NCAC 06B .0110</b>	<b>SPACE OCCUPIED</b>

*History Note:* Authority G.S. 143-341; 143-341(4); 143-341(4)f., g.; 143-342.1; 143B-10;  
143B-10(j); 146; 150B, Article 3; 150B-11(1); 150B-16; 150B-17; 1 NCAC 1B;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Repealed Eff. June 1, 1986.

#### **SECTION .0200 - ACQUISITION OF REAL PROPERTY**

##### **01 NCAC 06B .0201 FUNDING**

*History Note:* Authority G.S. 143-16; 143-341;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Repealed Eff. June 1, 1986.

##### **01 NCAC 06B .0202 GENERAL**

*History Note:* Authority G.S. 146-23; 146-25;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Expired Eff. August 1, 2018 pursuant to G.S. 150B-21.3A.

##### **01 NCAC 06B .0203 BY DEED**

- (a) A PO-1, "Acquisition of Real Property," must be sent to the Division of State Property by the agency desiring to acquire property.
- (b) Contact is made with property owner, either by registered letter, telephone call or personal visit requesting permission to appraise property with no obligation on owner's part. This letter also informs the owner of the state's intent to purchase the property.
- (c) If permission is received from owner, an appraisal is secured in accordance with Section .0900 of this Subchapter:
  - (1) A real property agent and relocation agent from the Division of State Property then contacts the owner.
  - (2) An offer to purchase is made based on the just compensation value determined by the Director of the Division of State Property.

If the property owner agrees to sell, an Option Agreement is secured with the approval of the Governor and Council of State.

- (d) An item is then prepared in the Division of State Property for presentation to the Council of State:
  - (1) In preparation, a PO-3, "Report on Findings of the Department of Administration," is prepared and submitted for the State Budget Officer's approval.

- (2) Each file is documented with sufficient details to explain the acquisition procedure.
- (3) A title opinion is requested from the Attorney General assigned to the Department of Administration.
- (e) An agenda covering property matters to be presented to the Council of State is typed, printed, and distributed by hand before the Council of State meeting with copies to:
  - (1) Council of State members,
  - (2) Secretary of Department of Administration.
- (f) After Council of State meeting is held:
  - (1) Notifications of Council of State actions are made to each agency and individual property owner involved.
  - (2) The transactions approved are forwarded to the Attorney General's Office with instruction for completion. All legal transactions in connection with an acquisition are handled through the Attorney General's Office. All legal documents are prepared in that office.
  - (3) The PO-3 is forwarded to the Governor's Office for signature by the Secretary for the Council of State and returned to the Division of State Property for filing.
- (g) After title opinion is received by the Attorney General, a report of the findings is given to the Division of State Property. If approval is given, checks are requested for purchase price of the property.
- (h) When the checks are received, the deed and closing instructions are sent out by the Attorney General.
- (i) After the deed is delivered and recorded:
  - (1) A check from the owner for his pro rata share of the ad valorem tax is transmitted for deposit until a tax statement is received. At that time, the Division of State Property requests a check for the full amount of tax due. The state pays ad valorem taxes on property for the year in which purchased.
  - (2) The original deed is filed in the Secretary of State's Office.
  - (3) A copy of the deed is sent to the affected agency, along with any special information concerning vacancy of improvements or management of property.
  - (4) A copy of the deed, appraisal and any other pertinent information is placed in the permanent files of the Division of State Property.
  - (5) A letter is written to the tax office in affected county, requesting a change in the ownership records.
  - (6) The insurance department is notified of the value of buildings involved if the building is not to be demolished.
  - (7) Land inventory data is prepared and entered into the computer.

*History Note:* Authority G.S. 143-341(4); 146-22; 146-22.1; 146-23;  
 Eff. February 1, 1976;  
 Readopted Eff. February 27, 1979;  
 Amended Eff. August 1, 1988;  
 Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 22, 2018.

**01 NCAC 06B .0204 BY CONDEMNATION**  
**01 NCAC 06B .0205 BY LEASE: GENERAL**

*History Note:* Authority G.S. 143-341(4)d.; 146, Article 6; 146-25;  
 Eff. February 1, 1976;  
 Readopted Eff. February 27, 1979;  
 Amended Eff. August 1, 1988;  
 Expired Eff. August 1, 2018 pursuant to G.S. 150B-21.3A.

**01 NCAC 06B .0206 LEASE NOT EXCEEDING \$5,000: TERM NOT EXCEEDING THREE YEARS**

*History Note:* Authority G.S. 143-341(4)d.,h.;  
 Eff. February 1, 1976;  
 Readopted Eff. February 27, 1979;  
 Amended Eff. June 1, 1987;  
 Expired Eff. August 1, 2018 pursuant to G.S. 150B-21.3A.

**01 NCAC 06B .0207 LEASE NOT EXCEEDING \$12,000/TERM THREE YEARS**

If the annual rental does not exceed twelve thousand dollars (\$12,000) and the term does not exceed three years, the steps listed are followed:

- (1) Agency forward PO-1 (Acquisition of Real Property), PO-28 (Proposal to Lease to State), floor plan, and other available pertinent information to the Division of State Property;
- (2) Upon receiving the proper request, the Division of State Property will proceed to investigate the space needs and rental terms;
- (3) Upon completion of the investigation, the Division of State Property will either approve or reject the proposal;
- (4) If approved the proposal will be referred to:
  - (a) the State Budget Office for verification of funding;
  - (b) the Attorney General's Office for preparation of the lease agreement;
  - (c) the Secretary of Administration or designee for signature.

The Division of State Property may delegate authority to certain agencies as it deems warranted to enter into leases without prior approval of the Secretary of Administration. Upon granting such authority in writing, the Property Office will include a list of rules that must be followed by the agency when handling such transactions.

*History Note: Authority G.S. 143-341(4)d,f,h.; Council of State Resolution September 1, 1981; Eff. February 1, 1976; Readopted Eff. February 27, 1979; Amended Eff. June 1, 1987; October 1, 1982; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 22, 2018.*

#### **01 NCAC 06B .0208 LEASE MORE THAN \$12,000 OR MORE THAN THREE YEARS**

For space needs where the annual rental exceeds twelve thousand dollars (\$12,000) or the term exceeds three years, Form PO-26 provides the basic steps to follow in the leasing procedures required by G.S. 146-25.1. Additional guidance is provided below:

- (1) Specifications. The agency prepares a Form PO-27. This serves as a guideline for supplying information which a prospective lessor needs to make a lease proposal.
- (2) Advertising. Newspaper ads will be prepared by the Division of State Property and will be forwarded to the agency for submission to a newspaper of general circulation in the "Legal Notices" section or other appropriate section. The ad must run for at least five consecutive days and give a specific cut-off date for receiving proposals. The cut-off date must be at least seven days after the last day the ad is run.
- (3) Proposals. All proposals should be submitted on Form PO-28 which includes the basic information that is necessary to evaluate and compare each proposal received. All proposals must be submitted directly to the Division of State Property prior to the time of cut-off.
- (4) Space Selection. After the location of desired space has been selected by the Division of State Property and reviewed by the agency, a Form PO-1 must be submitted by the agency to the Division of State Property requesting acquisition of the space. If the low proposal is not selected, a statement of justification must be submitted also. If in order, the Division of State Property will present the matter to the Council of State for consideration. Space selections will be made in keeping with G.S. 146-23.1 regarding the acquisition by the state of buildings and space in buildings having historic, architectural or cultural significance.

*History Note: Authority G.S. 146-25.1; Eff. February 1, 1976; Readopted Eff. February 27, 1979; Amended Eff. June 1, 1987; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 22, 2018.*

#### **01 NCAC 06B .0209 SEMIANNUAL REPORTING OF LEASES**

*History Note: Authority G.S. 143-341(4)h.; Eff. February 1, 1976; Readopted Eff. February 27, 1979.*

*Repealed Eff. June 1, 1986.*

**01 NCAC 06B .0210 BY EASEMENT**

The procedures for acquisition by deed are generally followed: (North Carolina Administrative Code 6B .0203)

- (1) If easement area is given to the state, an appraisal would not be necessary; therefore, steps concerning securing an appraisal and requests for checks would be unnecessary.
- (2) Title opinion is not requested if easement area is so nominal that a title opinion is considered unnecessary.
- (3) North Carolina Administrative Code 6B .0203(9) is to be followed, inserting the words "easement agreement" in place of "deed."

*History Note: Authority G.S. 146, Subchapter 1, Article 2; 143-341(4);  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 22, 2018.*

**01 NCAC 06B .0211 BY GIFT**

*History Note: Authority 143-18.1; 143-34.2; 143-341; 146-26; 146-64(3);  
Eff. February 27, 1979;  
Expired Eff. August 1, 2018 pursuant to G.S. 150B-21.3A.*

**01 NCAC 06B .0212 ANNUAL LEASE MORE THAN \$150,000**

For space needs where the annual rental exceeds one hundred fifty thousand dollars (\$150,000), Form PO-26 provides the basic steps to follow in the leasing procedures required by G.S. 146-25.1. Additional guidance is provided in this Rule:

- (1) Specifications. The requesting agency prepares a Form PO-27. This serves as a guideline for supplying the information which a prospective lessor needs to complete a lease proposal.
- (2) Advertising. Newspaper ads will be prepared by the Division of State Property and will be forwarded to the agency for submission to a newspaper of general circulation in the "Legal Notices" or other appropriate section of the newspaper. The ad must run for at least five consecutive days and give a specific cut off date for receiving proposals. The published cut off date must be at least seven days after the last day the ad is run.
- (3) Proposals. All proposals must be submitted on Form PO-28 which includes the basic information that is necessary to evaluate and compare each proposal received. All proposals must be submitted directly to the Division of State Property prior to the published cut off period.
- (4) Space Selection. All proposals will be reviewed by the Division of State Property and the requesting agency. A set of proposals will be selected, based on the General Statutes and the rules contained in this Chapter, for further review and consideration.
  - (a) The submitters of proposals selected for further review shall be notified in writing by the Division of State Property. The notice of selection for further review will include the date, time, and location at which a Proposers' Meeting will be conducted.
  - (b) At this meeting, the selected proposers will be given the opportunity to submit a final low price proposal. Price proposals may be submitted via the U.S. Mail, telegraph, telefax or other commonly acceptable medium of communication in lieu of the proposer or his agent being physically present at the meeting. In the event that identical price proposals are submitted by two or more proposers, the proposers or their agents present at the meeting will be granted another opportunity to submit a lower price proposal. This process will continue until a lowest price proposal is received by the Division of State Property. When the lowest price proposal is received no further price negotiations will be conducted by the Division of State Property.
  - (c) After reviewing all the relevant data, a determination for desired space will be made by the Division of State Property; this decision will be reviewed by the requesting agency. A Form PO-1 must be submitted by the agency to the Division of State Property requesting acquisition of the space.

- (d) The Division of State Property will present its recommended proposal to the Council of State for its review and consideration. If the low price proposal is not selected, a statement of justification will be submitted to the Council of State.
  - (e) Should the selected proposal be withdrawn or for any other reason not be available, all submitted proposals will be reconsidered and if none are acceptable, the Division of State Property will proceed to obtain suitable space in the manner provided by the General Statutes and the rules contained in this Chapter.
  - (f) Space selections will be made in keeping with G.S. 146-23.1 regarding the acquisition of buildings and space in buildings having historic, architectural or cultural significance.
- (5) Exception. If adherence to the procedure in this Rule was not feasible in a particular situation, the Division of State Property will notify the Council of State of the deviation at the time the lease is presented for Council of State consideration.

*History Note: Authority G.S. 143-341(4)(d); 146-25; Eff. March 1, 1991; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 22, 2018.*

### **SECTION .0300 - DISPOSITION OF REAL PROPERTY**

**01 NCAC 06B .0301      FUNDING AND STATE LAND FUND**  
**01 NCAC 06B .0302      GENERAL**

*History Note: Authority 143-341(4)e,f.; 146-1; 146-27; 146-28; 146-30; 146-71; 146-73; Eff. February 1, 1976; Readopted Eff. February 27, 1979; Repealed Eff. June 1, 1986.*

**01 NCAC 06B .0303      BY DEED**

**By Deed**

- (1) A PO-2, "Disposition of Real Property," must be sent to the Division of State Property.
- (2) An estimate of value is determined as in Section .0900 of this Subchapter. This figure, plus expenses of the sale, will be the initial asking price for the property.
- (3) Sale may be by bid or by negotiation. Properties may be sold without advertisement and bidding if negotiations with prospective purchaser are deemed in best interest of the state. Property is not normally sold for less than the estimate of value plus any expense incurred. In disposals of state-owned residential facilities, residents may be allowed first refusal at the appraised value plus cost of appraisal before sale to the general public.
- (4) If advertising is deemed appropriate, an advertisement is prepared and forwarded to local newspapers giving pertinent information for sale, minimum bid acceptable, and deadline for submitting bids. Usually, "For Sale" signs are posted on the property. Sale of land by bid is accomplished in accordance with 1 NCAC 6B .0304.
- (5) Realtors may sell state-owned property if deemed in the best interest of the state. The fee is negotiable but usually is one-half the current rate. All offers, on behalf of the realtor's clients, are presented to the Division of State Property for consideration.
- (6) An item is prepared in the Division of State Property for Council of State presentation once an offer to purchase or high bid is received. PO-4, "Report on Findings of the Department of Administration," is prepared and submitted to the State Budget Officer for approval. Each file is documented with details of the disposition.
- (7) After the Council of State meeting is held, notification of Council of State action is made to each department or individual involved. With approval of the Governor and Council of State, the transactions are forwarded to the Attorney General's Office with instructions for completion. All legal transactions in connection with a disposition are handled through the Attorney General's Office and all legal documents are prepared in that office. Copy of PO-4 is signed by Secretary for Council of State and returned to Division of State Property for filing.

- (8) After deed is delivered, all papers are returned from the Attorney General's Office to Division of State Property with check for the purchase price of the property. The check is sent to the controller, requesting deposit of percentage to the State Land Fund and deposit of net proceeds to the State Treasurer, unless otherwise governed by statute. A copy of the deed is forwarded to the affected agency.
- (9) Land inventory data is prepared for computer record.

*History Note: Authority G.S. 143-341(4); 146-71; 146-15; 146-3 to 146-14; 146-27 to 146-30; Eff. February 1, 1976; Readopted Eff. February 27, 1979; Amended Eff. August 1, 1988; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 22, 2018.*

#### **01 NCAC 06B .0304 PROCEDURE FOR SALE OF STATE LAND**

The following procedure is used when surplus state-owned property is offered for sale by bid:

- (1) All state land will be advertised for sale unless waived by the Council of State. An advertisement is placed in a newspaper of general circulation, allowing 15 days for interested parties to bid. All bids must be forwarded to the Director, Division of State Property, Room 401 Administration Building, 116 West Jones Street, Raleigh, North Carolina 27611 and must be accompanied by a certified or cashier's check for no less than five percent of the bid, payable to the "State of North Carolina."
- (2) After initial bids have been received, all interested parties will be notified of the high bid in order that they may have an opportunity to raise same. If not raised within 10 days, the Director of the Division of State Property will determine if the high bid should be accepted. All raises must be received within the 10 day period.
- (3) The bid may be raised by an amount of not less than five percent of the circulated high bid. Such a bid, together with a certified or cashier's check of not less than five percent of the bid, should be forwarded to the Director of the Division of State Property. A raise of exactly five percent may result in duplicate bids, thus a bid in excess of five percent is safer. If the bid is raised, the matter will be held open an additional 10 days for further raises. This procedure will continue until there are no further raises.
- (4) The Director of the Division of State Property reserves the right to reject any and all bids. In the case of identical bids, the director will determine which bid shall be recommended for acceptance. Any bid which is for less than the advertised minimum bid figure, not accompanied by a certified or cashier's check, or does not reach the Division of State Property by the prescribed time, will automatically be rejected.
- (5) All sales of state lands are subject to the approval of the Council of State, which, at its sole discretion, may reject or accept any bids or offers.
- (6) The State of North Carolina conveys land by deed without warranty or by quitclaim deed. A description of the property is available at the Division of State Property. All deeds, after approval by the Council of State, will be executed in the manner prescribed by Chapter 146 of the General Statutes of North Carolina.
- (7) The State of North Carolina makes no representations or warranties concerning the title to the property, or the boundaries of the property, or the uses to which it may be put. Any prospective buyer is advised to make his own independent investigation of these matters.
- (8) All properties are sold for cash upon delivery of the deed. Once a high bid has been accepted, the five percent deposit will be held as an earnest money deposit. If the bidder subsequently fails, refuses or is unable to close the transaction at time of delivery of the deed, the state may retain the earnest money deposit as liquidated damages.

*History Note: Authority G.S. 143-341(4); 146-27; 146-28; 146-29; Eff. February 1, 1976; Readopted Eff. February 27, 1979; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 22, 2018.*

#### **01 NCAC 06B .0305 BY EASEMENT**

By Easement

- (1) A PO-2, "Disposition of Real Property," must be sent to Division of State Property.
- (2) Contact is made with applicant for easement to determine feasibility and if the easement is in the best interest of the state.
- (3) If determined necessary by Division of State Property, an appraisal is secured. The appraisals may be provided by applicant subject to Division of State Property review and approval. Cost of the easement will be determined in accordance with Section .0900 of this Subchapter.
- (4) In some cases easements are granted without consideration if the easement does not damage the property. Damages are determined by the Director, Division of State Property, in accordance with Section .0900 of this Subchapter.
- (5) If price is acceptable to applicant, Division of State Property may recommend disposition to Council of State.
- (6) An item is prepared in Division of State Property for Council of State presentation. In preparation, PO-4, "Report on Findings of the Department of Administration," is prepared and submitted for State Budget Officer's approval.
- (7) This Rule does not apply to easements covered in Section .0500 of this Subchapter.

*History Note: Authority G.S. 143-341(4);  
 Eff. February 1, 1976;  
 Readopted Eff. February 27, 1979;  
 Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 22, 2018.*

**01 NCAC 06B .0306 BY LEASE**

Any State agency desiring to dispose of real property by lease will first contact the Division of State Property to ascertain there is no state need. If it is determined that there is no state need, the agency may then dispose of such real property in keeping with the procedures noted in this Rule:

- (1) Where the annual rental does not exceed five thousand dollars (\$5,000) or the term is not in excess of three years, disposition will be handled as follows:
  - (a) When any agency desires to dispose of real property by lease, it shall file with the Department of Administration Form PO-2 setting forth the facts relating to the proposed transaction.
  - (b) Upon receipt of the prescribed application, the Division of State Property shall investigate all aspects of the proposed transaction.
  - (c) If after investigation it is found by the Department of Administration that it is in the best interest of the state that the real property be disposed of by lease, proceedings for such disposition will then begin.
  - (d) After the terms of said disposition have been agreed upon, the matter will be referred to:
    - (i) The Office of the Attorney General for preparation of the lease;
    - (ii) Secretary of Administration or designee for signature.
- (2) Where the annual rental is more than twelve thousand dollars (\$12,000) or the term is in excess of three years, disposition will be handled as follows:
  - (a) When any agency desires to dispose of real property by lease, it shall file with the Department of Administration Form PO-2 setting forth the facts relating to the proposed transaction.
  - (b) Upon receipt of the prescribed application, the Department of Administration shall proceed to investigate all aspects of the proposed transaction.
  - (c) If after investigation it is found by the Department of Administration that it is in the best interest of the state that the real property be disposed of by lease, proceedings for such disposition will then begin.
  - (d) After the terms of said disposition have been agreed upon, the matter will be presented to the Governor and Council of State for approval.
  - (e) After approval by the Governor and Council of State, the matter will be transferred to the Office of the Attorney General to draw the lease.
  - (f) After lessor executes the lease it will be forwarded to the Governor and Secretary of State for signature.



The Division of State Property may delegate authority to certain agencies as it deems warranted to enter into leases without prior approval of the Secretary of Administration. Upon granting such authority in writing, the Property Office will include a list of rules that must be followed by the agency when handling such transactions.

*History Note:* Authority 143-341(4)f; Council of State Resolution;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Amended Eff. August 1, 1988; June 1, 1987; October 1, 1982;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 22, 2018.

**01 NCAC 06B .0307 LEASES AT STATE FAIRGROUNDS AND WNC AG CENTER**

The Department of Agriculture and Consumer Services, without prior approval of the Council of State, is authorized to enter into leases of buildings or land, and contracts for the furnishing of rides, shows and other related services on the State Fairgrounds and the WNC Ag Center, provided that the duration of each lease, rental agreement or contract shall not exceed 20 days per year for up to three years, plus 10 days before and after an event for move-in and move-out. A lease, rental agreement or contract for more than one year, which provides for a payment to the State of more than one hundred thousand dollars (\$100,000) per year, shall be awarded to the highest qualified bidder in a request for proposals issued by the Department.

*History Note:* Authority G.S. 143-341(4)d ; 143-341(4)f; Council of State Resolution of July 1, 1975;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Amended Eff. January 1, 2006; August 1, 1988;  
Exp. Eff. August 1, 2018 pursuant to G.S. 150B-21.3A;  
Eff. February 1, 2024.

**01 NCAC 06B .0308 SEVERANCE OF TIMBER FROM THE LAND**  
**01 NCAC 06B .0309 SEVERANCE OF BUILDINGS**

*History Note:* Authority G.S. 146-35; 143-341(4)d,f; 143-341(4)f; Council of State Resolution of July 1, 1975;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Amended Eff. January 1, 2006; August 1, 1988;  
Expired Eff. August 1, 2018 pursuant to G.S. 150B-21.3A.

**SECTION .0400 - ALLOCATIONS OF LAND BETWEEN DEPARTMENTS**

- 01 NCAC 06B .0401 REQUESTS FOR ALLOCATION**
- 01 NCAC 06B .0402 INVESTIGATION**
- 01 NCAC 06B .0403 NEGOTIATION**
- 01 NCAC 06B .0404 OBJECTIONS AND INVESTIGATION**
- 01 NCAC 06B .0405 DECISION AS TO ALLOCATION**
- 01 NCAC 06B .0406 APPEAL TO SECRETARY**
- 01 NCAC 06B .0407 HEARING BY SECRETARY**
- 01 NCAC 06B .0408 LAND OF COUNCIL OF STATE MEMBER DEPARTMENT**
- 01 NCAC 06B .0409 VALUATION**
- 01 NCAC 06B .0410 PAYMENT**

*History Note:* Authority G.S. 143-341(4)g;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Repealed Eff. June 1, 1986.

**SECTION .0500 - EASEMENTS TO FILL**

#### **01 NCAC 06B .0501 EASEMENTS TO FILL**

*History Note:* Authority G.S. 143-341(4); 146-6;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Amended Eff. August 1, 1988;  
Expired Eff. August 1, 2018 pursuant to G.S. 150B-21.3A.

#### **01 NCAC 06B .0502 APPLICATION**

The riparian owner must file written application with the Division of State Property. An application for a state permit under G.S. 113-229 will be treated as a written application when the Division of State Property determines an easement is required.

*History Note:* Authority G.S. 143-341(4); 146-6;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 22, 2018.

#### **01 NCAC 06B .0503 NOTICE TO ADJOINING RIPARIAN OWNERS**

A copy of the application must be delivered to each owner of riparian property adjoining that of the applicant and each shall have 30 days from the date of service to object. If an application has recently been delivered to these riparian owners for purposes of obtaining a state or federal permit, this requirement may be waived at the discretion of the Division of State Property. All notifications to adjacent property owners must be made via certified mail if their addresses can be determined by reasonable inquiry, or by newspaper advertising as described in G.S. 113-229(10), if their addresses cannot be determined. Notification under G.S. 113-229 will be deemed sufficient for the purposes of this Section.

*History Note:* Authority G.S. 143-341(4); 146-6;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 22, 2018.

#### **01 NCAC 06B .0504 OBJECTIONS**

Objection by an adjacent owner does not necessarily result in easement denial; however, their reasonable objections must be considered by the Division of State Property. Comments from all riparian owners and state and federal agencies will be considered by the Division of State Property in determining whether to recommend approval of granting an easement to fill.

*History Note:* Authority G.S. 143-341(4); 146-6;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 22, 2018.

#### **01 NCAC 06B .0505 LIMITATIONS ON FILL**

*History Note:* Authority G.S. 143-341(4); 146-6;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Expired Eff. August 1, 2018 pursuant to G.S. 150B-21.3A.

#### **01 NCAC 06B .0506 ISSUANCE OF EASEMENT**

*History Note:* Authority G.S. 143-341(4); 146-6;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;

*Repealed Eff. August 1, 1988.*

**01 NCAC 06B .0507      CONDITIONS OF EASEMENT**

- (a) Easements shall remain in full-force effect until December 31 of the next year subsequent to its execution.
- (b) An applicant must obtain a state permit from the Department of Natural Resources and Community Development under G.S. 113-229 and a federal permit from the United States Corps of Engineers in addition to any easement granted.

*History Note:      Authority G.S. 143-341(4); 146-6; 113-229;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 22, 2018.*

**01 NCAC 06B .0508      TITLE TO LAND RAISED**

*History Note:      Authority G.S. 143-341(4); 146-6;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Expired Eff. August 1, 2018 pursuant to G.S. 150B-21.3A.*

**01 NCAC 06B .0509      REQUEST FOR QUITCLAIM DEED**

Request for quitclaim deed to the filled area should be directed to the Division of State Property. The request must be accompanied by a metes and bounds description of the filled area. The granting of the quitclaim deed is subject to approval of the Governor and Council of State.

*History Note:      Authority G.S. 143-341(4); 146-6;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Amended Eff. August 1, 1988;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 22, 2018.*

**01 NCAC 06B .0510      CONSIDERATION**

**01 NCAC 06B .0511      LIMITED TO APPLICANT'S PROPERTY LINES**

**01 NCAC 06B .0512      FILLING BY LOCAL GOVERNMENTS**

*History Note:      Authority G.S. 143-341(4); 146-6;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Amended Eff. August 1, 1988; June 1, 1987;  
Expired Eff. August 1, 2018 pursuant to G.S. 150B-21.3A.*

**SECTION .0600 - OTHER EASEMENTS OVER WATER**

**01 NCAC 06B .0601      EASEMENTS: LANDS COVERED BY WATER: RIPARIAN OWNERS**

*History Note:      Authority G.S. 143-341(4); 146-12;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Repealed Eff. July 1, 1988.*

**01 NCAC 06B .0602      APPLICATION AND COSTS**

*History Note:      Authority G.S. 143-341(4); 146-12;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Repealed Eff. August 1, 1988.*

**01 NCAC 06B .0603 PLAT MUST ACCOMPANY APPLICATION**  
**01 NCAC 06B .0604 INVESTIGATION OF APPLICATION**  
**01 NCAC 06B .0605 STRUCTURES**

*History Note:* Authority G.S. 143-341(4); 146-12;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Amended Eff. June 1, 1987;  
Expired Eff. August 1, 2018 pursuant to G.S. 150B-21.3A.

**01 NCAC 06B .0606 EASEMENTS**

*History Note:* Authority G.S. 143-341(4); 146-11; 146-12;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Repealed Eff. July 1, 1988.

**01 NCAC 06B .0607 APPLICATION AND COST**  
**01 NCAC 06B .0608 INVESTIGATION OF APPLICATION**  
**01 NCAC 06B .0609 OVERHEAD EASEMENTS ACROSS WATER**

*History Note:* Authority G.S. 143-341(4); 146-11;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Amended Eff. August 1, 1988; July 1, 1988; June 1, 1987;  
Expired Eff. August 1, 2018 pursuant to G.S. 150B-21.3A.

**01 NCAC 06B .0610 DECISION MAKING AND APPEAL PROCEDURES**

It is the function of the Department of Administration to investigate all proposed easements in lands covered by water, and if it is determined that such easements are in the best interest of the public, to make recommendation to the Council of State that the easements be granted. The initial decision is made by the Director of the Division of State Property. If the applicant desires to appeal the decision of the director, an appeal in writing can be made to the Secretary of the Department of Administration pursuant to 01 NCAC 01B .0400.

*History Note:* Authority G.S. 143-341; 146-12;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 22, 2018.

**SECTION .0700 - ASSESSMENTS AGAINST LANDS OWNED BY THE STATE**

**01 NCAC 06B .0701 LOCAL IMPROVEMENTS BY MUNICIPALITIES OR COUNTIES**

*History Note:* Authority G.S. 153A-189; 160A-221;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Expired Eff. August 1, 2018 pursuant to G.S. 150B-21.3A.

**01 NCAC 06B .0702 REQUEST MUST BE MADE PRIOR TO CONSTRUCTION**

State participation in local improvement is authorized when the request for state participation is presented to the state prior to the time the improvements are made. The state will not give favorable consideration to any request for state

participation unless the request is presented to the Division of State Property prior to construction of the proposed improvement.

*History Note:* Authority G.S. 153A-189; 160A-221;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 22, 2018.

**01 NCAC 06B .0703 INVESTIGATION OF PROPOSAL**  
**01 NCAC 06B .0704 REFUSAL AND APPEAL**

*History Note:* Authority G.S. 153A-189; 160A-221;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Expired Eff. August 1, 2018 pursuant to G.S. 150B-21.3A.

### **SECTION .0800 - RELOCATION AND FINANCIAL ASSISTANCE**

**01 NCAC 06B .0801 PURPOSE**  
**01 NCAC 06B .0802 PERSONS ENTITLED**

*History Note:* Authority G.S. 133-7(3); 133-5 to 133-17;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Expired Eff. August 1, 2018 pursuant to G.S. 150B-21.3A.

**01 NCAC 06B .0803 DEFINITIONS**  
**01 NCAC 06B .0804 STANDARDS FOR DECENT: SAFE AND SANITARY HOUSING**  
**01 NCAC 06B .0805 PERSONS TO WHOM PAYMENTS AND ASSISTANCE SHOULD BE OFFERED**  
**01 NCAC 06B .0806 CONTACTS WITH RELOCATEES**  
**01 NCAC 06B .0807 NOTICE TO FINANCIAL INSTITUTIONS**  
**01 NCAC 06B .0808 NONTAXABLE PAYMENTS**  
**01 NCAC 06B .0809 NINETY DAYS WRITTEN NOTICE**  
**01 NCAC 06B .0810 APPEALS PROCEDURE**  
**01 NCAC 06B .0811 DECENT: SAFE AND SANITARY HOUSING**  
**01 NCAC 06B .0812 MOVING COST**  
**01 NCAC 06B .0813 VACATING PROPERTY NOT ACQUIRED**  
**01 NCAC 06B .0814 NUMBER OF MOVES**  
**01 NCAC 06B .0815 OCCUPANTS NOT ELIGIBLE FOR MOVING COSTS**  
**01 NCAC 06B .0816 DISTANCE OF MOVE**  
**01 NCAC 06B .0817 MOVING PERSONAL PROPERTY**  
**01 NCAC 06B .0818 ADVERTISING FOR BIDS**  
**01 NCAC 06B .0819 PAYMENT OF MOVING BIDS**  
**01 NCAC 06B .0820 DIRECT PAYMENT OF MOVING EXPENSE**  
**01 NCAC 06B .0821 STATE CONTRACTS WITH MOVERS**  
**01 NCAC 06B .0822 HARDSHIP CASE PAYMENTS**  
**01 NCAC 06B .0823 STORAGE**  
**01 NCAC 06B .0824 INSURANCE**  
**01 NCAC 06B .0825 REMOVAL AND REINSTALLATION EXPENSES**  
**01 NCAC 06B .0826 OWNER RETENTION**  
**01 NCAC 06B .0827 TIME LIMIT FOR SUBMITTING MOVING COST PAYMENT**  
**01 NCAC 06B .0828 VERIFICATION OF MOVE**  
**01 NCAC 06B .0829 SPLIT OCCUPANCY**  
**01 NCAC 06B .0830 EXCLUSIONS ON MOVING EXPENSES AND LOSSES**

01 NCAC 06B .0831	NOTIFICATION OF MOVING COSTS AND AUTHORIZATION TO MOVE
01 NCAC 06B .0832	GUIDELINES FOR HOUSEHOLD MOVES
01 NCAC 06B .0833	ACTUAL COST MOVES
01 NCAC 06B .0834	TRANSPORTATION COST
01 NCAC 06B .0835	MOBILE HOMES
01 NCAC 06B .0836	MULTI-FAMILY DWELLINGS
01 NCAC 06B .0837	MOVING PAYMENTS TO BUSINESSES
01 NCAC 06B .0838	MOVING PAYMENTS TO FARM OPERATORS
01 NCAC 06B .0839	MOVING PAYMENTS: NON-PROFIT ORGANIZATIONS
01 NCAC 06B .0840	ADVERTISING SIGNS
01 NCAC 06B .0841	REPLACEMENT HOUSING PAYMENTS
01 NCAC 06B .0842	STATE INSPECTION FOR DECENT: SAFE AND SANITARY CONDITIONS
01 NCAC 06B .0843	APPLICATION FOR REPLACEMENT HOUSING PAYMENTS
01 NCAC 06B .0844	ADVANCED REPLACEMENT HOUSING PAYMENTS: CONDEMNATION CASES
01 NCAC 06B .0845	OWNERSHIP OF REPLACEMENT DWELLING PRIOR TO DISPLACEMENT
01 NCAC 06B .0846	PARTIAL TAKE
01 NCAC 06B .0847	MULTIPLE OCCUPANCY OF SAME DWELLING UNIT
01 NCAC 06B .0848	JOINT RESIDENTIAL AND BUSINESS USE
01 NCAC 06B .0849	DOCUMENTATION OF PURCHASE
01 NCAC 06B .0850	DISTANCE MOVED
01 NCAC 06B .0851	PAYMENTS: LONG TERM OWNER-OCCUPANT WHO PURCHASES
01 NCAC 06B .0852	REPLACEMENT HOUSING PAYMENT
01 NCAC 06B .0853	OWNER'S RETENTION
01 NCAC 06B .0854	INCREASED INTEREST PAYMENTS
01 NCAC 06B .0855	INCIDENTAL EXPENSES
01 NCAC 06B .0856	RENT SUPPLEMENT PROGRAM
01 NCAC 06B .0857	PAYMENT: OWNER-OCCUPANT FOR 180 DAYS OR MORE WHO RENTS
01 NCAC 06B .0858	PAYMENT TO OWNER-OCCUPANT WHO IS SHORT-TERM OWNER
01 NCAC 06B .0859	PAYMENT: TO OWNER-OCCUPANT WHO IS SHORT TERM OWNER
01 NCAC 06B .0860	PAYMENT: TENANT-OCCUPANT: NOT LESS THAN 90 DAYS WHO RENTS
01 NCAC 06B .0861	PAYMENT: TENANT-OCCUPANT: 90 OR MORE DAYS WHO PURCHASES
01 NCAC 06B .0862	PAYMENT: TENANT OF A SLEEPING ROOM FOR 90 OR MORE DAYS
01 NCAC 06B .0863	REPLACEMENT HOUSING PAYMENTS MOBILE HOMES: GENERAL
01 NCAC 06B .0864	PAYMENTS: OWNER-OCCUPANTS: MOBILE HOMES: 180 DAYS OR MORE
01 NCAC 06B .0865	PAYMENT: OWNER-OCCUPANT OF MOBILE HOMES: SHORT TERM OWNER
01 NCAC 06B .0866	PAYMENT: TENANTS OF MOBILE HOMES FOR 90 DAYS OR MORE
01 NCAC 06B .0867	PAYMENTS TO OWNERS OF MOBILE HOMES WHO RENT SITES

*History Note:* Authority G.S. 133-7; 133-14;  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Repealed Eff. June 1, 1986.

#### SECTION .0900 - ESTIMATING VALUE OF REAL PROPERTY

01 NCAC 06B .0901	EMPLOYMENT OF APPRAISERS
01 NCAC 06B .0902	USE OF APPRAISAL

*History Note:* Authority G.S. 143-341(4);  
Eff. February 1, 1976;  
Readopted Eff. February 27, 1979;  
Repealed Eff. June 1, 1986.

#### SECTION .1000 - SURVEYING

**01 NCAC 06B .1001      EMPLOYMENT OF SURVEYORS**  
**01 NCAC 06B .1002      REQUIREMENTS OF SURVEY**

*History Note:*      *Authority G.S. 143-341(4);*  
                          *Eff. February 27, 1979;*  
                          *Repealed Eff. June 1, 1986.*

**SECTION .1100 - SPACE ASSIGNMENT**

**01 NCAC 06B .1101      SPACE ALLOCATION**  
**01 NCAC 06B .1102      FACILITIES PLANNING**  
**01 NCAC 06B .1103      SPACE UTILIZATION**  
**01 NCAC 06B .1104      APPROVAL**

*History Note:*      *Authority G.S. 143-341(4);*  
                          *Eff. February 27, 1979;*  
                          *Repealed Eff. June 1, 1986.*

**SUBCHAPTER 6C - STATE CONSTRUCTION OFFICE**

Subchapter 1 NCAC 6C; STATE CONSTRUCTION OFFICE; has been recodified as Subchapter 1 NCAC 30A.

**SUBCHAPTER 6D - CAPITAL BUILDING AUTHORITY**

Subchapter 1 NCAC 6D; CAPITAL BUILDING AUTHORITY; has been recodified as Subchapter 1 NCAC 30B.

**SUBCHAPTER 6E - BOARD OF STATE CONTRACT APPEALS**

**SECTION .0100 - GENERAL INFORMATION**

**01 NCAC 06E .0101      NAME OF BOARD AND ADDRESS**  
**01 NCAC 06E .0102      PURPOSE**  
**01 NCAC 06E .0103      DEFINITIONS**  
**01 NCAC 06E .0104      AVAILABILITY OF ADMINISTRATIVE HEARING**  
**01 NCAC 06E .0105      SEPARATION OF FUNCTIONS**  
**01 NCAC 06E .0106      LOCATION OF HEARING**  
**01 NCAC 06E .0107      LEGAL REPRESENTATION BEFORE THE BOARD**

*History Note:*      *Authority G.S. 143-135.10; 150B-11; 150B-23; 150B-25;*  
                          *Eff. October 1, 1984;*  
                          *Repealed Eff. January 1, 1988.*

**SECTION .0200 - INITIATION OF ADMINISTRATIVE HEARING**

**01 NCAC 06E .0201      NOTICE OF APPEAL PROCEDURE**

*History Note:*      *Authority G.S. 143-135.10; 150B-11; 150B-23; 150B-25;*  
                          *Eff. October 1, 1984;*  
                          *Repealed Eff. January 1, 1988.*

**SECTION .0300 - PRE-HEARING PROCEDURES**

**01 NCAC 06E .0301 HEARING PANEL OF ADMINISTRATIVE HEARING**  
**01 NCAC 06E .0302 APPEALS ACKNOWLEDGED/REPLIES THERETO PERMITTED**

*History Note:* Authority G.S. 143-135.10; 143-135.11; 143-135.12; 150B-11; 150B-23; 150B-25; 150B-32;  
Eff. October 1, 1984;  
Repealed Eff. July 1, 1988.

**01 NCAC 06E .0303 RULES OF CIVIL PROCEDURE AND EVIDENCE**  
**01 NCAC 06E .0304 PRE-HEARING ORDER AND CONFERENCE**  
**01 NCAC 06E .0305 DISCOVERY**

*History Note:* Authority G.S. 143-135.10; 150B-11; 150B-23; 150B-25;  
Eff. October 1, 1984;  
Repealed Eff. January 1, 1988.

**01 NCAC 06E .0306 EXHIBITS AND BRIEFS**  
**01 NCAC 06E .0307 SUBPOENAS**

*History Note:* Authority G.S. 143-135.10; 150B-11; 150B-27; 150B-33;  
Eff. October 1, 1984;  
Repealed Eff. July 1, 1988.

**01 NCAC 06E .0308 NOTICE OF PROPOSED HEARING DATE**

*History Note:* Authority G.S. 143-135.10; 150B-11; 150B-23; 150B-25;  
Eff. October 1, 1984;  
Repealed Eff. January 1, 1988.

**SECTION .0400 - PROCEDURES FOR CONDUCTING THE HEARING**

**01 NCAC 06E .0401 CONDUCT OF THE HEARING**  
**01 NCAC 06E .0402 CONTINUANCES: TIME EXTENSIONS AND FAILURE TO APPEAR**

*History Note:* Authority G.S. 143-135.10; 150B-11; 150B-23; 150B-25;  
Eff. October 1, 1984;  
Repealed Eff. January 1, 1988.

**SECTION .0500 - POST-HEARING PROCEDURE**

**01 NCAC 06E .0501 FINAL DECISION**

*History Note:* Authority G.S. 143-135.10; 150B-11; 150B-23; 150B-25;  
Eff. October 1, 1984;  
Repealed Eff. January 1, 1988.

**SUBCHAPTER 06F – TELECOMMUNICATIONS FACILITIES FOR BROADBAND PROVIDERS**

**01 NCAC 06F .0101 DEFINITIONS**

For the purposes of this Chapter, the following definitions apply:

- (1) "Agency" means the body to which State owned or leased property is allocated.
- (2) "DIT" means the NC Department of Information Technology.



- (3) "WISP" means Wireless Internet Service Provider.

*History Note:* Authority G.S. 146-29.1; 146-29.2; 146-30; S.L. 2018-5, s. 37.1(a)-(i);  
Temporary Adoption Eff. January 28, 2019;  
Eff. August 1, 2019.

#### **01 NCAC 06F .0102 APPLICATION**

Upon referral from the DIT, an Agency requesting the construction and placement of broadband equipment on state property shall submit to the Division of State Property a completed PO-2, Disposition of Real Property form, as set forth in 01 NCAC 06B .0300, and BB-2, WISP Application form, that shall include the following information:

- (1) description of the state property;
- (2) information pertaining to the lessee; and
- (3) equipment to be used and scope of work.

*History Note:* Authority G.S. 146-29.1; 146-29.2; 146-30; S.L. 2018-5, s. 37.1(a)-(i);  
Temporary Adoption Eff. January 28, 2019;  
Eff. August 1, 2019.

#### **01 NCAC 06F .0103 PROCEDURES**

(a) The Division of State Property shall evaluate the information provided on the application and determine fair market value of the lease pursuant to G.S. 146-29.1.

(b) The Division of State Property shall generate the lease, license, or easement and provide it to the Agency for review and distribution to the broadband provider.

(c) Prior to the construction or placement of broadband equipment, the broadband provider and the Division of State Property shall execute duplicate original agreements.

(d) The Agency shall ensure all equipment is installed in accordance with the terms set out in the lease, license or easement.

*History Note:* Authority G.S. 146-29.1; 146-29.2; 146-30; S.L. 2018-5, s. 37.1(a)-(i);  
Eff. August 1, 2019.

#### **01 NCAC 06F .0104 TERMS AND CONDITIONS**

The following terms and conditions shall apply to the location and installation of equipment by a broadband provider on state owned or leased property:

- (1) All lease and license agreements shall be a five year term with two optional five year renewal periods.
- (2) All lease and license agreements shall include an access agreement and a non-exclusive utility easement.
- (3) The fair market value of the state-owned or leased property is subject to an annual rate adjustment as set forth in the lease.
- (4) Rent shall be paid annually on the anniversary of the executed lease.
- (5) An Agency may require an escrow fund as part of the broadband provider's lease or license agreement.
- (6) Site specific protocols as set out in the lease and license agreement for construction and maintenance procedures shall be adhered to by the Applicant during installation and during any maintenance.
- (7) Upgrades or changes to equipment shall be reviewed by the Division of State Property for compliance with the existing lease prior to any changes to equipment.
- (8) The Agency shall not supply space in any existing equipment buildings, nor electricity.

*History Note:* Authority G.S. 146-29.1; 146-29.2; 146-30; S.L. 2018-5, s. 37.1(a)-(i);  
Eff. August 1, 2019.

#### **01 NCAC 06F .0105 TERMINATION**

Upon termination of the agreement, at the Agency's request, the broadband provider shall remove equipment and cabling from the tower, ice-bridge, and within fenced property. The Agency shall then inspect the property to ensure compliance with this Paragraph. Upon a finding by the Agency that all equipment and cabling is removed, and the property has been returned to pre-leased conditions, the escrow funds shall be returned to the broadband provider within 60 days.

*History Note: Authority G.S. 146-29.1; 146-29.2; 146-30; S.L. 2018-5, s. 37.1(a)-(i);  
Eff. August 1, 2019.*