GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 61* Second Edition Engrossed 4/6/93

Short Title: Clarify Governor Part of Council of State.

(Public)

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Sponsors: Representatives Bowman and Howard.

Referred to: State Government.

February 8, 1993

1	A BILL TO BE ENTITLED
2	AN ACT TO AMEND CHAPTER 146 - STATE LANDS, TO MODIFY
3	REFERENCES TO GOVERNOR AND COUNCIL OF STATE TO READ
4	COUNCIL OF STATE, CONSISTENT WITH ARTICLE III OF THE NORTH
5	CAROLINA CONSTITUTION.
-	The General Assembly of North Carolina enacts:
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7	Section 1. G.S. 146-2 reads as rewritten:
8	"§ 146-2. Department of Administration given control of certain State lands;
9	general powers.
10	The power to manage, control, and dispose of the vacant and unappropriated lands,
11	swamplands, lands acquired by the State by virtue of being sold for taxes, and
12	submerged lands is hereby vested in the Department of Administration, subject to rules
13	and regulations adopted by the Governor and approved by the Council of State, and
14	subject to the provisions of this Subchapter. The Department of Administration shall
15	have the following general powers and duties with respect to those lands:
16	(1) To take such measures as it deems necessary to establish, protect,
17	preserve, and enhance the interest of the State in those lands, and to
18	call upon the Attorney General for legal assistance in performing this
19	duty.
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	(2) Subject to the approval of the Governor and Council of State, to adopt
21	such rules and regulations $\frac{at}{as}$ it may deem necessary to carry out its
22	duties under the provisions of this Subchapter."
23	Sec. 2. G.S. 146-4 reads as rewritten:

"§ 146-4. Sales of certain lands; procedure; deeds; disposition of proceeds.

2 The Department of Administration may sell the vacant and unappropriated lands, 3 swamplands, and lands acquired by the State by virtue of being sold for taxes, at public or private sale, at such times, upon such consideration, in such portions, and upon such 4 terms as are deemed proper by the Department and approved by the Governor and 5 6 Council of State. Every deed conveying any part of those lands in fee shall be executed 7 in the manner required by G.S. 146-74 through 146-78, and shall be approved by the 8 Governor and Council of State as therein required. The net proceeds of all such sales of 9 those lands shall be paid into the State Literary Fund. Whenever negotiations are begun 10 by the Department for the purpose of selling swampland or the timber thereon, the Department shall promptly notify the State Board of Education of that fact. If the Board 11 12 deems the proposed sale inadvisable, it may so inform the Governor and-Council of 13 State, who may give due consideration to the representations of the Board in 14 determining whether to approve or disapprove the proposed transaction."

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Sec. 3. G.S. 146-6 reads as rewritten:

16 "§ 146-6. Title to land raised from navigable water.

17 (a) If any land is, by any process of nature or as a result of the erection of any 18 pier, jetty or breakwater, raised above the high watermark of any navigable water, title 19 thereto shall vest in the owner of that land which, immediately prior to the raising of the 20 land in question, directly adjoined the navigable water. The tract, title to which is thus 21 vested in a riparian owner, shall include only the front of his formerly riparian tract and 22 shall be confined within extensions of his property lines, which extensions shall be 23 perpendicular to the channel, or main watercourses.

24 If any land is, by act of man, raised above the high watermark of any (b)25 navigable water by filling, except such filling be to reclaim lands theretofore lost to the owner by natural causes or as otherwise provided under the proviso of subsection (d), 26 27 title thereto shall vest in the State and the land so raised shall become a part of the 28 vacant and unappropriated lands of the State, unless the commission of the act which 29 caused the raising of the land in question shall have been previously approved in the 30 manner provided in subsection (c) of this section. Title to land so raised, however, does 31 not vest in the State if the land was raised within the bounds of a conveyance made by 32 the State Board of Education, which included regularly flooded estuarine marshlands or lands beneath navigable waters, or if the land was raised under permits issued to private 33 34 individuals pursuant to G.S. 113-229, G.S. 113A-100 through 113A-128, or both.

If any owner of land adjoining any navigable water desires to fill in the area 35 (c) immediately in front of his land, he may apply to the Department of Administration for 36 an easement to make such fill. The applicant shall deliver to each owner of riparian 37 38 property adjoining that of the applicant, a copy of the application filed with the 39 Department of Administration, and each such person shall have 30 days from the date of 40 such service to file with the Department of Administration written objections to the granting of the proposed easement. If the Department of Administration finds that the 41 42 purpose of the proposed fill is to reclaim lands theretofore lost to the owner by natural 43 causes, no easement to fill shall be required. In such a case the Department shall give the applicant written permission to proceed with the project. If the purpose of the 44

proposed fill is not to reclaim lands lost by natural causes and the Department finds that 1 2 the proposed fill will not impede navigation or otherwise interfere with the use of the 3 navigable water by the public or injure any adjoining riparian owner, it shall issue to 4 such applicant an easement to fill and shall fix the consideration to be paid for the 5 easement, subject to the approval of the Governor and-Council of State in each instance. 6 The granting by the State of the written permission or easement so to fill shall be 7 deemed conclusive evidence and proof that the applicant has complied with all requisite 8 conditions precedent to the issuance of such written permission or easement, and his 9 right shall not thereafter be subject to challenge by reason of any alleged omission on 10 his part. None of the provisions of this section shall relieve any riparian owner of the requirements imposed by the applicable laws and regulations of the United States. Upon 11 12 completion of such filling, the Governor and Council of State may, upon request, direct 13 the execution of a quitclaim deed therefor to the owner to whom the easement was 14 granted, conveying the land so raised, upon such terms as are deemed proper by the 15 Department and approved by the Governor and-Council of State.

16 (d)If an island is, by any process of nature or by act of man, formed in any 17 navigable water, title to such island shall vest in the State and the island shall become a 18 part of the vacant and unappropriated lands of the State. Provided, however, that if in 19 any process of dredging, by either the State or federal government, for the purpose of 20 deepening any harbor or inland waterway, or clearing out or creating the same, a deposit 21 of the excavated material is made upon the lands of any owner, and title to which at the 22 time is not vested in either the State or federal government, or any other person, whether 23 such excavation be deposited with or without the approval of the owner or owners of 24 such lands, all such additions to lands shall accrue to the use and benefit of the owner or 25 owners of the land or lands on which such deposit shall have been made, and such 26 owner or owners shall be deemed vested in fee simple with the title to the same.

27 The Governor and-Council of State may, upon proof satisfactory to them that (e) any land has been raised above the high watermark of any navigable water by any 28 29 process of nature or by the erection of any pier, jetty or breakwater, and that this, or any 30 other provision of this section vests title in the riparian owner thereof, whenever it may 31 be necessary to do so in order to establish clear title to such land in the riparian owner, 32 direct execution of a quitclaim deed thereto, conveying to such owner all of the State's 33 right, title, and interest in such raised land.

Notwithstanding the other provisions of this section, the title to land in or 34 (f)35 immediately along the Atlantic Ocean raised above the mean high water mark by publicly financed projects which involve hydraulic dredging or other deposition of spoil 36 37 materials or sand vests in the State. Title to such lands raised through projects that 38 received no public funding vests in the adjacent littoral proprietor. All such raised lands 39 shall remain open to the free use and enjoyment of the people of the State, consistent 40 with the public trust rights in ocean beaches, which rights are part of the common 41 heritage of the people of this State." 42

Sec. 4. G.S. 146-7 reads as rewritten:

"§ 146-7. Sale of timber rights; procedure; instruments conveying rights; 43 44 disposition of proceeds.

The Department of Administration may sell timber rights in the vacant and 1 2 unappropriated lands, swamplands, and lands acquired by the State by virtue of being 3 sold for taxes, at public or private sale, at such times, upon such consideration, in such portions, and upon such terms as are deemed proper by the Department and approved by 4 5 the Governor and Council of State. Every instrument conveying timber rights shall be 6 executed in the manner required of deeds by G.S. 146-74 through 146-78, and shall be 7 approved by the Governor and-Council of State as therein required, or by the agency 8 designated by the Governor and Council of State to approve conveyances of such rights. 9 The net proceeds of all sales of timber from those lands shall be paid into the State 10 Literary Fund."

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Sec. 5. G.S. 146-8 reads as rewritten:

12 "§ 146-8. Disposition of mineral deposits in State lands under water.

13 The State, acting at the request of the Department of Environment, Health and 14 Natural Resources, is fully authorized and empowered to sell, lease, or otherwise 15 dispose of any and all mineral deposits belonging to the State which may be found in 16 the bottoms of any sounds, rivers, creeks, or other waters of the State. The State, acting 17 at the request of the Department of Environment, Health and Natural Resources, is 18 authorized and empowered to convey or lease to such person or persons as it may, in its 19 discretion, determine, the right to take, dig, and remove from such bottoms such mineral 20 deposits found therein belonging to the State as may be sold, leased, or otherwise 21 disposed of to them by the State. The State, acting at the request of the Department of 22 Environment, Health, and Natural Resources, is authorized to grant to any person, firm, 23 or corporation, within designated boundaries for definite periods of time, the right to 24 such mineral deposits, or to sell, lease, or otherwise dispose of same upon such other 25 terms and conditions as may be deemed wise and expedient by the State and to the best interest of the State. Before any such sale, lease, or contract is made, it shall be 26 27 approved by the Department of Administration and by the Governor and Council of State. 28

Any sale, lease, or other disposition of such mineral deposits shall be made subject to all rights of navigation and subject to such other terms and conditions as may be imposed by the State.

The net proceeds derived from the sale, lease, or other disposition of such mineral deposits shall be paid into the treasury of the State, but the same shall be used exclusively by the Department of Environment, Health, and Natural Resources in paying the costs of administration of this section and for the development and conservation of the natural resources of the State, including any advertising program which may be adopted for such purpose, all of which shall be subject to the approval of the Governor, acting by and with the advice of the Council of State."

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Sec. 6. G.S. 146-9 reads as rewritten:

40 "§ 146-9. Disposition of mineral deposits in State lands not under water.

The Department of Administration may sell, lease, or otherwise dispose of mineral rights or deposits in the vacant and unappropriated lands, swamplands, and lands acquired by the State by virtue of being sold for taxes, not lying beneath the waters of the State, at such times, upon such consideration, in such portions, and upon such terms GENERAL ASSEMBLY OF NORTH CAROLINA

as are deemed proper by the Department and approved by the Governor and Council of 1 2 State. Every instrument conveying such rights shall be executed in the manner required of deeds by G.S. 146-74 through 146-78, and shall be approved by the Governor and 3 4 Council of State as therein provided, or by the agency designated by the Governor and 5 Council of State to approve conveyances of such rights. The net proceeds of 6 dispositions of all such mineral rights or deposits shall be paid into the State Literary 7 Fund." 8 Sec. 7. G.S. 146-10 reads as rewritten: 9 "§ 146-10. Leases. 10 The Department of Administration may lease or rent the vacant and unappropriated lands, swamplands, and lands acquired by the State by virtue of being sold for taxes, at 11 12 such times, upon such consideration, in such portions, and upon such terms as it may 13 deem proper. Every lease or rental of such lands by the Department shall be approved 14 by the Governor and-Council of State, or by the agency designated by the Governor and 15 Council of State to approve such leases and rentals." 16 Sec. 8. G.S. 146-11 reads as rewritten: 17 "§ 146-11. Easements, rights-of-way, etc. 18 The Department of Administration may grant easements, rights-of-way, dumping 19 rights and other interests in State lands, for the purpose of 20 Cooperating with the federal government, (1)21 (2)Utilizing the natural resources of the State, or 22 (3) Otherwise serving the public interest. The Department shall fix the terms and consideration upon which such rights may be 23 24 granted. Every instrument conveying such interests shall be executed in the manner 25 required of deeds by G.S. 146-74 through 146-78, and shall be approved by the Governor and Council of State as therein provided, or by the agency designated by the 26 27 Governor and-Council of State to approve conveyances of such interests." Sec. 9. G.S. 146-12 reads as rewritten: 28 29 "§ 146-12. Easements in lands covered by water. 30 The Department of Administration may grant, to adjoining riparian owners, 31 easements in lands covered by navigable waters or by the waters of any lake owned by the State for such purposes and upon such conditions as it may deem proper, with the 32 approval of the Governor and Council of State. The Department may, with the approval 33 34 of the Governor and Council of State, revoke any such easement upon the violation by 35 the grantee or his assigns of the conditions upon which it was granted. 36 Every such easement shall include only the front of the tract owned by the riparian 37 owner to whom the easement is granted, shall extend no further than the deep water, and 38 shall in no respect obstruct or impair navigation.

When any such easement is granted in front of the lands of any incorporated town, the governing body of the town shall regulate the line on deep water to which wharves may be built."

- 42 Sec. 10. G.S. 146-17 reads as rewritten:
- 43 "§ 146-17. Mapping and discovery agreements.

The Department of Administration, acting on behalf of the State, for the purpose of discovering State lands, may, with the approval of the Governor and Council of State, enter into agreements with counties, municipalities, persons, firms, and corporations providing for the discovery of State land by the systematic mapping of the counties of the State and by other appropriate means. All expenses incurred by the Department incident to such mapping and discovery agreements shall be paid from the State Land Fund, unless otherwise provided by the General Assembly."

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- Sec. 11. G.S. 146-17.1 reads as rewritten:

9 "§ 146-17.1. Rewards; reclamation of certain State lands; wrongful removal of 10 timber from State lands.

The Department of Administration, acting on behalf of the State, for the 11 (a) 12 purpose of discovering State lands, may, with the approval of the Governor and Council 13 of State, pay any person, firm or corporation who shall provide information that leads to 14 the successful reclamation of any swamplands or vacant and unappropriated lands of the 15 State, a reward equal to one percent (1%) of the appraised value of the reclaimed land, 16 or one thousand dollars (\$1,000), whichever sum is less. All expenses incurred by the 17 Department pursuant to this subsection shall be paid from the State Land Fund, unless 18 otherwise provided by the General Assembly.

19 (b) The Department of Administration, acting on behalf of the State, may, with 20 the approval of the Governor and-Council of State, pay any person, firm or corporation 21 who shall provide information that leads to a successful monetary recovery by the State 22 from any person, firm or corporation who wrongfully cuts or removes timber from State 23 lands, a reward equal to one percent (1%) of the amount of said monetary recovery, or 24 one thousand dollars (\$1,000), whichever sum is less. All expenses incurred by the 25 Department pursuant to this subsection shall be paid from said monetary recovery, 26 unless otherwise provided by the General Assembly.

(c) No State employee or official, or other public employee or official, shall be
eligible for a reward pursuant to subsections (a) or (b) of this section for providing any
information obtained in the normal course of his or her official duties."

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Sec. 12. G.S. 146-22 reads as rewritten:

31 "§ 146-22. All acquisitions to be made by Department of Administration.

32 Every acquisition of land on behalf of the State or any State agency, whether by purchase, condemnation, lease, or rental, shall be made by the Department of 33 Administration and approved by the Governor and-Council of State; provided that if the 34 35 proposed acquisition is a purchase of land with an appraised value of at least twentyfive thousand dollars (\$25,000), and the acquisition is for other than a transportation 36 purpose, the acquisition may only be made after consultation with the Joint Legislative 37 38 Commission on Governmental Operations. In determining whether the appraised value 39 is at least twenty-five thousand dollars (\$25,000), the value of the property in fee simple 40 shall be used. The State may not purchase land as a tenant-in-common without consultation with the Joint Legislative Commission on Governmental Operations if the 41 42 appraised value of the property in fee simple is at least twenty-five thousand dollars (\$25,000)." 43

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- Sec. 13. G.S. 146-23 reads as rewritten:

1 "§ 146-23. Agency must file statement of needs; Department must investigate.

2 Any State agency desiring to acquire land, whether by purchase, condemnation, 3 lease, or rental, shall file with the Department of Administration an application setting 4 forth its needs, and shall furnish such additional information as the Department may request relating thereto. Upon receipt of such application, the Department of 5 6 Administration shall promptly investigate all aspects of the requested acquisition. 7 including the existence of actual need for the requested property on the part of the 8 requesting agency; the availability of land already owned by the State or by any State 9 agency which might meet the requirements of the requesting agency; the availability, 10 value, and status of title of other land, whether for purchase, condemnation, lease, or rental, which might meet the requirements of the requesting agency; and the availability 11 12 of funds to pay for land if purchased, condemned, leased, or rented. The Department of 13 Administration may make acquisitions at the request of the Governor and-Council of 14 State upon compliance with the investigation herein required."

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Sec. 14. G.S. 146-24 reads as rewritten:

16 "§ 146-24. Procedure for purchase or condemnation.

17 (a) If, after investigation, the Department determines that it is in the best interest 18 of the State that land be acquired, the Department shall proceed to negotiate with the 19 owners of the desired land for its purchase.

(b) If the purchase price and other terms are agreed upon, the Department shall then submit to the Governor and-Council of State the proposed purchase, together with a copy of the deed, for their approval or disapproval. If the Governor and-Council of State approve the proposed purchase, the Department shall pay for the land and accept delivery of a deed thereto. All conveyances of purchased real property shall be made to 'the State of North Carolina,' and no such conveyance shall be made to a particular agency, or to the State for the use or benefit of a particular agency.

27 If negotiations for the purchase of the land are unsuccessful, or if the State (c)cannot obtain a good and sufficient title thereto by purchase from the owners, then the 28 Department of Administration may request permission of the Governor and-Council of 29 30 State to exercise the right of eminent domain and acquire any such land by 31 condemnation in the same manner as is provided for the Board of Transportation by 32 Article 9 of Chapter 136 of the General Statutes. Upon approval by the Governor and Council of State, the Department may proceed to exercise the right of eminent domain. 33 Approval by no other State agency shall be required as a prerequisite to the exercise of 34 35 the power of eminent domain by the Department. Provided that when the procedures of 36 Article 9 of Chapter 136 are employed by the Department, any person named in or 37 served with a complaint and declaration of taking shall have 120 days from the date of service thereof within which to file answer." 38

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Sec. 15. G.S. 146-24.1 reads as rewritten:

40 "§ 146-24.1. The power of eminent domain.

In carrying out the duties and purposes set forth in Chapters 143 and 146 of the General Statutes, the Department of Administration is vested with the power of eminent domain and shall have the right and power to acquire such lands, easements, rights-ofway or estates for years by condemnation in the manner prescribed by G.S. 146-24 of

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the General Statutes. The power of eminent domain herein granted is supplemental to 1 2 and in addition to the power of eminent domain which may be now or hereafter vested 3 in any State agency as defined by G.S. 146-64 and the Department of Administration 4 may exercise on behalf of such agency the power vested in said agency or the power vested in the Department of Administration herein; and the Department of 5 6 Administration may follow the procedure set forth in G.S. 146-24 or the procedure of 7 such agency, at the option of the Department of Administration. Where such acquisition 8 is made at the request of an agency, such agency shall make a determination of the 9 necessity therefor; where such acquisition is on behalf of the State or at the request of 10 the Department of Administration, such findings shall be made by the Director of Administration. Provided, however, that all such acquisitions shall have the approval of 11 12 the Governor and-Council of State as provided in G.S. 146-24.

13 This section shall not apply to public projects and condemnations for which specific 14 statutory condemnation authority and procedures are otherwise provided."

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Sec. 16. G.S. 146-25 reads as rewritten:

16 "§ 146-25. Leases and rentals.

17 If, after investigation, the Department of Administration determines that it is in the 18 best interest of the State that land be leased or rented for the use of the State or of any 19 State agency, the Department shall proceed to negotiate with the owners for the lease or 20 rental of such property. All lease and rental agreements entered into by the Department 21 shall be promptly submitted to the Governor and Council of State for approval or 22 disapproval."

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Sec. 17. G.S. 146-26 reads as rewritten:

24 "§ 146-26. Donations and devises to State.

No devise or donation of land or any interest therein to the State or to any State agency shall be effective to vest title to the said land or any interest therein in the State or in any State agency until the devise or donation is accepted by the Governor and Council of State. Upon acceptance by the Governor and Council of State, title to the said land or interest therein shall immediately vest as of the time title would have vested but for the above requirement of acceptance by the Governor and Council of State."

Sec. 18. G.S. 146-27 reads as rewritten:

32 "§ 146-27. The role of the Department of Administration in sales, leases, and 33 rentals.

Every sale, lease, or rental of land owned by the State or by any State agency shall be made by the Department of Administration and approved by the Governor and Council of State; provided that if the proposed disposition is a sale of land with an appraised value of at least twenty-five thousand dollars (\$25,000), the sale may only be made after consultation with the Joint Legislative Commission on Governmental Operations. The Department of Administration may initiate proceedings for sales, leases, and rentals of land owned by the State or by any State agency."

41 Sec. 19. G.S. 146-29 reads as rewritten:

42 "§ 146-29. Procedure for sale, lease, or rental.

43 If, after investigation, the Department of Administration determines that it is in the 44 best interest of the State that land be sold, leased, or rented, the Department shall

proceed with its sale, lease, or rental, as the case may be, in accordance with rules 2 adopted by the Governor and approved by the Council of State. If an agreement of sale, 3 lease, or rental is reached, the proposed transaction shall then be submitted to the Governor and-Council of State for their approval or disapproval. Every conveyance in 4 fee of land owned by the State or by any State agency shall be made and executed in 5 6 the manner prescribed in G.S. 146-74 through 146-78." 7 Sec. 20. G.S. 146-31 reads as rewritten: 8 "§ 146-31. Right of appeal to Governor and Council of State. 9 The requesting agency, in the event of disagreement with a decision of the 10 Department of Administration regarding the acquisition or disposition of land pursuant to the provisions of this Subchapter, shall have the right of appeal to the Governor and 11 12 Council of State." 13 Sec. 21. G.S. 146-34 reads as rewritten: 14 "§ 146-34. Agencies may establish agreed boundaries. 15 Every State agency may establish agreed boundaries between lands allocated to it or 16 under its control, and the lands of any other owner, subject to the approval of the 17 Governor and Council of State. The Department of Administration is authorized to 18 establish agreed boundaries between State lands not allocated to or under the control of 19 any other State agency and the lands of any other owner, subject to the approval of the 20 Governor and Council of State. The Attorney General shall represent the State in all 21 proceedings to establish boundaries which cannot be established by agreement." 22 Sec. 22. G.S. 146-36 reads as rewritten:

23 "§ 146-36. Acquisitions for and conveyances to federal government.

24 The Governor and Council of State may, whenever they find that it is in the best 25 interest of the State to do so, enter into any contract or other agreement which will be sufficient to comply with federal laws or regulations, binding the State to acquire for 26 27 and to convey to the United States government land or any interest in land, and to do such other acts and things as may be necessary for such compliance. 28

29 The Governor and Council of State may authorize any conveyance to the United 30 States government to be made upon nominal consideration whenever they deem it to be 31 in the best interest of the State to do so."

32 Sec. 23. G.S. 146-74 reads as rewritten:

33 "§ 146-74. Approval of conveyances.

34 Every proposed conveyance in fee of State lands shall be submitted to the Governor 35 and-Council of State for their approval. If the proposed conveyance is of State lands with an appraised value of at least twenty-five thousand dollars (\$25,000), and it is for 36 37 other than a transportation purpose, the Council of State shall consult with the Joint 38 Legislative Commission on Governmental Operations before making a final decision on 39 the proposed conveyance. Upon approval of the proposed conveyance in fee by the 40 Governor and Council of State, a deed for the land being conveyed shall be executed in 41 the manner prescribed in this Article."

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