



SENATE BILL 755: Clinton-Sampson County Airport Leases.

2021-2022 General Assembly

Committee:	Senate State and Local Government. If favorable, re-refer to Rules and Operations of the Senate	Date:	June 7, 2022
Introduced by:	Sen. B. Jackson	Prepared by:	Brad Krehely
Analysis of:	First Edition		Committee Co-Counsel

OVERVIEW: *Senate Bill 755 would allow the city of Clinton and Sampson County to lease property at the Clinton-Sampson County Airport for a longer period without competitive bid. The act would be effective when it becomes law.*

CURRENT LAW: City and county governments dispose of property in accordance with Article 12 of Chapter 160A of the General Statutes. There are three competitive methods of sale for real and personal property: sealed bids (G.S. 160A-268), negotiated offer and upset bid (G.S. 160A-269), and public auction (G.S. 160A-270).

Generally, any property owned by a city may be leased or rented for such terms and upon such conditions as the council may determine, but not for longer than 10 years, except as provided in subsection (b1) and only if the council determines that the property will not be needed by the city for the term of the lease. In determining the term of a proposed lease, periods that may be added to the original term by options to renew or extend must be included. G.S. 160A-272(a).

“Leases for terms of more than 10 years shall be treated as a sale of property and may be executed by following any of the procedures authorized for sale of real property.” G.S. 160A-272 (b1). Exceptions allow the council to approve a lease for up to 25 years without treating it as a sale of property for: the siting and operation of a renewable energy facility, the siting and operation of a tower for communication purposes, and the operation and use of a wired or wireless network. G.S. 160A-272(c)(1)-(3).

BILL ANALYSIS: Senate Bill 755 would allow the City of Clinton and Sampson County to lease or rent property at the Clinton-Sampson County Airport for up to 30 years without it being treated as a sale of property and without having to follow the procedures authorized for the sale of real property. The property could be leased or rented only if the property would not be needed by the airport for the term of the lease. In determining the term of a proposed lease and whether that lease should be treated as the sale of property, renewal or extension periods must be added to the initial term of the lease.

EFFECTIVE DATE: The act would be effective when it becomes law.

Jeffrey Hudson
Director



Legislative Analysis
Division
919-733-2578