§ 146-30. Application of net proceeds.

(a) The net proceeds of any disposition made in accordance with this Subchapter shall be handled in accordance with the following priority:

(1) First, in accordance with the provisions of any trust or other instrument of title whereby title to real property was acquired.

(2) Second, as provided by any other act of the General Assembly.

(3) Third, by depositing the net proceeds in accordance with Article 6A of Chapter 147 of the General Statutes.

Nothing in this section, however, prohibits the disposition of any State lands by exchange for other lands, but if the appraised value in fee simple of any property involved in the exchange is at least twenty-five thousand dollars ($25,000), then the exchange shall not be made without consultation with the Joint Legislative Commission on Governmental Operations.

(a1) Expired January 1, 2016, pursuant to Session Laws 2011-373, s. 2.

(b) For the purposes of this Subchapter, the term "net proceeds" means the gross amount received from the sale, lease, rental, or other disposition of any State lands, less all of the following:

(1) Expenses incurred incident to that sale, lease, rental, or other disposition that are allowed under rules adopted by the Governor and approved by the Council of State.

(2) Repealed by Session Laws 1993, c. 553, s. 52.2.

(3) A service charge to be paid into the State Land Fund.

(b1), (b2), (b3), (b4) Recodified.

(c) The amount or rate of the service charge described in subsection (b) of this section shall be fixed by rules adopted by the Governor and approved by the Council of State, but as to any particular sale, lease, rental, or other disposition, it shall not exceed ten percent (10%) of the gross amount received from the sale, lease, rental, or other disposition.

(d) Notwithstanding any other provision of this Subchapter, the following exceptions apply:

(1) No service charge into the State Land Fund shall be deducted from or levied against the proceeds of any disposition by lease, rental, or easement of State lands that are designated as part of the Centennial Campus as defined by G.S. 116-198.33(4), that are designated as part of the Horace Williams Campus as defined by G.S. 116-198.33(4a), or that are designated as part of a Millennial Campus as defined by G.S. 116-198.33(4b). All net proceeds of those dispositions are governed by G.S. 116-36.5.

(2) No service charge into the State Land Fund shall be deducted from or levied against the proceeds of any disposition by lease, rental, or easement of State lands purchased and owned by the North Carolina State Highway Patrol, as part of the Voice Interoperability Plan for Emergency Responders (VIPER) project being managed by the North Carolina State Highway Patrol. All net proceeds of these dispositions shall be deposited into an account created in the State Highway Patrol to be used only for the purpose of constructing, maintaining, or supporting the VIPER network.

(3) No service charge into the State Land Fund shall be deducted from or levied against the proceeds of any disposition by lease, rental, or easement of State lands or structures for the collocation, installation, or operation of equipment by a broadband provider on an existing structure owned by the State in accordance with G.S. 146-29.2. The agency that owns the land or structure subject to the lease, rental, or easement may retain an amount not to exceed four percent (4%) of the amount of the lease, rental, or easement. All net

proceeds of those dispositions, after the amount retained by the agency, shall be deposited in the Growing Rural Economies with Access to Technology Fund established pursuant to subsection (b) of G.S. 143B-1373.

(4) Repealed by Session Laws 2022-68, s. 15(a), effective July 8, 2022.

(5) The net proceeds derived from the sale of land or products of land owned by or under the supervision and control of the Wildlife Resources Commission, or acquired or purchased with funds of that Commission, shall be paid into the Wildlife Resources Fund.

(6) The following provisions apply with respect to land owned by or under the supervision and control of the Department of Agriculture and Consumer Services:

a. The net proceeds derived from the sale of land shall be deposited in a capital improvement account to the credit of the Department of Agriculture and Consumer Services, to be used for such specific capital improvement projects or other purposes as are provided by transfer of funds from those accounts in an act of the General Assembly.

b. The net proceeds derived from the sale of timber and other products of land shall be deposited in accounts to the credit of the Department of Agriculture and Consumer Services to be used for operational expenses of the Department incurred for restoration and stewardship of the land; for capital improvement projects; for costs incidental to the acquisition of land, such as land appraisals, land surveys, title searches, and environmental studies; and for the management of the plant conservation program preserves owned by the Department.

c. Except as otherwise specifically provided by law, the Department of Agriculture and Consumer Services is subject to Article 6A of Chapter 147 of the General Statutes with respect to net proceeds required to be deposited as provided in this subdivision.

(7) The net proceeds derived from the sale of park land owned by or under the supervision and control of the Department of Natural and Cultural Resources shall be deposited in a capital improvement account to the credit of the Department of Administration to be used for the purpose of park land acquisition as provided by transfer of funds from those accounts in the Capital Improvement Appropriations Act. In the Capital Improvement Appropriations Act, line items for purchase of park and agricultural lands will be established for use by the Departments of Administration and Agriculture. The use of these funds for any specific capital improvement project or land acquisition is subject to approval by the Director of the Budget. No other use shall be made of funds in these line items without approval by the General Assembly except for incidental expenses related to the project or land acquisition. Additionally, with the approval of the Director of the Budget, either Department may request funds from the Contingency and Emergency Fund when the necessity of prompt purchase of available land can be demonstrated and funds in the capital improvement accounts are insufficient. Except as otherwise specifically provided by law, the Department of Administration is subject to Article 6A of Chapter 147 of the General Statutes with respect to net proceeds required to be deposited as provided in this subdivision.

(8) The net proceeds derived from the sale of any portion of the land owned by the State in the Camp Butner reservation shall be deposited in a capital

improvement account to the credit of the Department of Health and Human Services to make capital improvements on or to property owned by the State in the Camp Butner reservation subject to approval by the Office of State Budget and Management. The net proceeds derived from the sale of timber from land owned by the State in the Camp Butner reservation shall be deposited in a capital improvement account to the credit of the Department of Public Safety to be used to support the North Carolina National Guard's Camp Butner Training Center and other North Carolina National Guard-operated Training Centers. The definition of "Camp Butner reservation" in G.S. 122C-3 applies to this subdivision. Except as otherwise specifically provided by law, the following provisions apply with respect to net proceeds required to be deposited as provided in this subdivision:

a. The Department of Health and Human Services is subject to Article 6A of Chapter 147 of the General Statutes with respect to net proceeds that must be deposited to the credit of the Department of Health and Human Services.

b. The Department of Public Safety is subject to Article 6A of Chapter 147 of the General Statutes with respect to net proceeds that must be deposited to the credit of the Department of Public Safety.

(9) The net proceeds derived from the lease dispositions of land or facilities owned or under the supervision and control of East Carolina University's Division of Health Sciences for the delivery of health care services shall be deposited in clinical accounts at East Carolina University to be used to improve access to patient care.

(10) The net proceeds derived from the sale or lease of land, facilities, products, or timber owned by the Department of Transportation or owned by the State and solely maintained by the Department of Transportation shall be deposited into the State Highway Fund.

(11) Except as otherwise provided in this subsection, the net proceeds derived from the sale of real property donated to the State and allocated to the Division of State Historic Sites or the Division of State History Museums in the Department of Natural and Cultural Resources shall be deposited in the State Historic Sites and Museums Fund, created in G.S. 121-7.7, and shall be used in accordance with that section.

(12) The net proceeds derived from the sale of real property donated to the State and allocated to the Tryon Palace Historic Site and Gardens in the Department of Natural and Cultural Resources shall be deposited in the Tryon Palace Historic Sites and Gardens Fund, created in G.S. 121-21.1, and shall be used in accordance with that section.

(13) The net proceeds derived from the sale of real property from the Bentonville Battlefield State Historic Site donated to the State and allocated to the Division of State Historic Sites in the Department of Natural and Cultural Resources shall be deposited in the Bentonville Battlefield Fund, created in G.S. 121-7.5, and shall be used in accordance with that section.

(14) The net proceeds derived from the sale of real property from the North Carolina Transportation Museum donated to the State and allocated to the Department of Natural and Cultural Resources shall be deposited in the North Carolina Transportation Museum Fund, created in G.S. 121-7.6, and shall be used in accordance with that section.

(15) The net proceeds derived from the sale or lease of land or facilities owned by the Department of Public Safety or owned by the State and solely maintained by the Department of Public Safety shall be deposited in a capital improvement account to the credit of the Department of Public Safety to make capital improvements on or to property owned by the Department of Public Safety or owned by the State and solely maintained by the Department of Public Safety. Expenditures from this capital account shall be subject to approval by the Office of State Budget and Management.

(16) The net proceeds derived from the sale or lease of land or facilities owned by the Department of Adult Correction or owned by the State and solely maintained by the Department of Adult Correction shall be deposited in a capital improvement fund to the credit of the Department of Adult Correction to make capital improvements on or to property owned by the Department of Adult Correction or owned by the State and solely maintained by the Department of Adult Correction. Expenditures from this capital fund shall be subject to approval by the Office of State Budget and Management.

(17) The net proceeds derived from the sale of real property from the Tobacco Farm Life Museum donated to the State and allocated to the Department of Natural and Cultural Resources shall be deposited in the Tobacco Farm Life Museum Fund, created in G.S. 121-7.8, and shall be used in accordance with that section. (1959, c. 683, s. 1; 1975, 2nd Sess., c. 983, s. 30; 1977, c. 771, s. 4; c. 1012; 1979, c. 608, s. 1; 1981, c. 859, s. 23.4; c. 1127, s. 33; 1981 (Reg. Sess., 1982), c. 1282, s. 24; 1983, c. 717, ss. 86, 86.1, 86.2, 87; c. 761, s. 166; 1983 (Reg. Sess., 1984), c. 1034, s. 164; c. 1116, s. 97(d); 1989, c. 727, s. 218(155); c. 799, s. 26; 1993, c. 321, s. 260.1; c. 553, s. 52.2; 1997-261, s. 109; 1997-443, s. 11A.119(a); 1998-159, s. 4; 1999-234, s. 8; 2000-140, s. 93.1(a); 2000-177, s. 9; 2001-424, s. 12.2(b); 2007-269, s. 12; 2009-376, s. 15; 2011-145, s. 19.1(g); 2011-373, ss. 1, 2; 2012-194, s. 67; 2015-241, s. 14.30(w); 2018-5, ss. 34.12(a), 37.1(g); 2019-199, s. 2(b), (c); 2020-69, s. 5.3(a), (b); 2021-180, ss. 10.4(a), 14.1(a), 19E.3, 41.60(a); 2022-68, s. 15(a); 2023-86, s. 8.5(a); 2023-89, s. 4; 2023-121, s. 6(a); 2023-134, s. 14.3(e); 2024-32, s. 9; 2024-57, s. 3E.2(ii).)