

ASSEMBLY BILL NO. 28—ASSEMBLYMAN DE BRAGA

PREFILED JANUARY 22, 2001

Referred to Committee on Education

SUMMARY—Revises provisions governing sale of certain school property. (BDR 34-822)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~(omitted material)~~ is material to be omitted.

AN ACT relating to school property; providing a procedure for the sale of a house or other structure built by pupils enrolled in a program of instruction offered by a public school; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** Chapter 393 of NRS is hereby amended by adding thereto a new section to read as follows:

*1. The board of trustees may, after complying with any other applicable provision of NRS 393.220 to 393.325, inclusive, sell any house or other structure built by pupils enrolled in a program of instruction offered by a public school in the school district by accepting written proposals for the purchase of the house or structure at any public meeting held by the board of trustees.*

*2. If the board of trustees proposes to sell a house or other structure built by pupils enrolled in a program of instruction offered by a public school in the school district and wishes to give an exclusive listing to a real estate broker to sell the house or structure, the board of trustees shall cause written notice to be published at least once in a newspaper of general circulation within the county not less than 30 days before adopting a resolution of intention to sell the house or structure pursuant to the provisions of NRS 393.250. The notice must:*

*(a) Describe the house or structure in such a manner as to identify it; and*

*(b) Include a statement indicating that:*

*(1) The board of trustees intends to adopt a resolution pursuant to the provisions of NRS 393.250 and the proposed date for its adoption; and*

(2) *If a real estate broker wishes to be included in a list of prospective real estate brokers prepared pursuant to the provisions of subsection 3, the real estate broker may provide a written notice of that fact to the board of trustees not less than 10 days before the date specified in subparagraph (1).*

3. *Before adopting a resolution specified in subsection 2, the board of trustees shall:*

(a) *Prepare a list that includes the name of each real estate broker from whom the board of trustees received a written notice pursuant to the provisions of subparagraph (2) of paragraph (b) of subsection 2; and*

(b) *Upon completion of the list, select by lottery a real estate broker from the list.*

4. *If the board of trustees sells a house or other structure built by pupils enrolled in a program of instruction offered by a public school in the school district and if the purchaser of the house or structure was procured by a real estate broker who was selected pursuant to the provisions of subsection 3, the board of trustees shall pay a commission to the real estate broker for the full amount for which the sale is confirmed. If the real estate broker did not procure the purchaser of the house or structure, the board of trustees shall pay one-half of the commission on the full amount for which the sale is confirmed to the real estate broker and one-half of the commission to the real estate broker who procured the purchaser of the property.*

5. *The provisions of paragraph (c) of subsection 2 of NRS 393.250 and NRS 393.270 and 393.280 do not apply to the sale of a house or other structure built by pupils enrolled in a program of instruction offered by a public school in the school district.*

**Sec. 2.** NRS 393.240 is hereby amended to read as follows:

393.240 1. Except as *otherwise* provided in ~~{subsection—5}~~ *this section* and NRS 393.3251 to 393.3255, inclusive, ~~{when}~~ *if* the board of trustees proposes to sell or lease any real property, the board shall appoint one appraiser. A second appraiser must be appointed by the superintendent of public instruction.

2. The appraisers shall make a report to the board of trustees of their findings and determinations of the cash market value of the property proposed to be sold, or the rental value of the property proposed to be leased.

3. No sale or lease of real property may be made for less than the value fixed by the appraisers, but this requirement does not apply to a conveyance without charge to another political subdivision.

4. The compensation of ~~{the appraisers}~~ *each appraiser appointed pursuant to the provisions of this section* must be fixed by the board of trustees, and is a legal charge against the school district fund.

5. The board of trustees may sell real property without *an* independent appraisal ~~{where}~~ *if* the property is reasonably determined by the board to have a fair market value of \$5,000 or less.

6. *If the board of trustees proposes to sell a house or other structure that is built by pupils enrolled in a program of instruction offered by a public school in the school district, the report concerning the cash*

1 *market value of the house or other structure required to be submitted to*  
2 *the board of trustees pursuant to the provisions of subsection 2 must be*  
3 *prepared and submitted by an appraiser appointed by the board.*

4 **Sec. 3.** NRS 393.245 is hereby amended to read as follows:

5 393.245 1. The board of trustees may sell or lease real property:

6 (a) To a responsible bidder in the manner provided by NRS 393.250 to  
7 393.300, inclusive; or

8 (b) Through a licensed real estate broker. ~~[No]~~ *Except as otherwise*  
9 *provided in subsection 3, an* exclusive listing may *not* be given. In all  
10 listings, the board of trustees shall specify the minimum price or rental, the  
11 terms of *the* sale or lease, and the commission to be allowed, which ~~[shall]~~  
12 *must* not exceed the normal commissions prevailing in the community at  
13 the time.

14 2. ~~[All]~~ *Except as otherwise provided in this subsection, all* sales may  
15 be made for cash, or for not less than 25 percent cash down and upon  
16 deferred payments ~~[over a period of]~~ *for* not more than 10 years, secured  
17 by a mortgage or deed of trust, bearing such interest and upon such further  
18 terms as *specified by* the board of trustees . ~~[shall specify]~~ *The sale of a*  
19 *house or other structure that is built by pupils enrolled in a program of*  
20 *instruction offered by a public school in the school district may be for*  
21 *cash or upon such terms and conditions as are determined by the board*  
22 *of trustees.*

23 3. *If the board of trustees proposes to sell a house or other structure*  
24 *built by pupils enrolled in a program of instruction offered by a public*  
25 *school in the school district, the board of trustees may enter into a*  
26 *brokerage agreement to list the house or structure with a real estate*  
27 *broker who:*

28 (a) *Is licensed in this state; and*

29 (b) *Has been selected by the board of trustees pursuant to the*  
30 *provisions of section 1 of this act.*

31 4. The provisions of this section apply to all sales and leases of real  
32 property, except leases and rentals subject to NRS 393.3251 to 393.3255,  
33 inclusive, but if an appraisal is required pursuant to *the provisions of* NRS  
34 393.240 , the board of trustees shall not adopt the resolution described in  
35 NRS 393.250 or otherwise commence bidding or listing procedures until  
36 the ~~[report of the appraisers]~~ *appraisal* has been received.

37 **Sec. 4.** NRS 393.250 is hereby amended to read as follows:

38 393.250 1. Before ordering the sale or lease of any property, the  
39 board of trustees shall, in *an* open meeting by a majority vote of the  
40 members, adopt a resolution declaring its intention to sell the property, or a  
41 resolution declaring its intention to lease it . ~~[, as the case may be.]~~

42 2. The resolution ~~[shall:]~~ *must:*

43 (a) Describe the property proposed to be sold or leased in such *a*  
44 manner as to identify it.

45 (b) Specify the minimum price or rental, and the terms upon which it  
46 will be sold or leased, and the commission, if any, which ~~[shall]~~ *must* not  
47 exceed the normal commissions prevailing in the community at the time,  
48 which the board will pay to a licensed real estate broker.

(c) ~~[Fix]~~ *Except as otherwise provided in section 1 of this act, fix* a time, not less than 3 weeks thereafter, for a public meeting of the board of trustees to be held at its regular place of meeting, at which sealed proposals to purchase or lease will be received and considered.

*3. In addition to the requirements specified in subsection 2, if the property proposed to be sold is a house or other structure built by pupils enrolled in a program of instruction offered by a public school in the school district and the board of trustees has listed the house or structure with a real estate broker pursuant to the provisions of subsection 3 of NRS 393.245, the resolution required pursuant to the provisions of this section must include:*

*(a) The name, business address and telephone number of the real estate broker; and*

*(b) The period during which the house or structure may be inspected by prospective purchasers.*

**Sec. 5.** NRS 393.260 is hereby amended to read as follows:

393.260 Notice of the adoption of the resolution and of the time and place of holding the meeting ~~[shall]~~ *, if required pursuant to the provisions of paragraph (c) of subsection 2 of NRS 393.250, must* be given by:

1. Posting copies of the resolution in three public places in the school district not less than 15 days before the date of the meeting; and

2. Publishing the resolution not less than once a week for 2 successive weeks before the meeting in a newspaper of general circulation published in the school district, if any such newspaper is published therein.

**Sec. 6.** NRS 393.270 is hereby amended to read as follows:

393.270 ~~[At]~~ *Except as otherwise provided in section 1 of this act, at the time and place fixed in the resolution for the meeting of the board of trustees, ~~[all sealed proposals which have]~~ each sealed proposal that has been received ~~[shall,]~~ must, in public session, be opened, examined and declared by the board. Of the proposals submitted which conform to all terms and conditions specified in the resolution of intention to sell or to lease and which are made by responsible bidders, the proposal which is the highest ~~[shall]~~ must be finally accepted, unless a higher oral bid is accepted or the board rejects all bids.*

**Sec. 7.** NRS 393.280 is hereby amended to read as follows:

393.280 *Except as otherwise provided in section 1 of this act:*

1. Before accepting any written proposal, the board of trustees shall call for oral bids. If, upon the call for oral bidding, any responsible person offers to purchase the property or to lease the property, as the case may be, upon the terms and conditions specified in the resolution, for a price or rental exceeding by at least 5 percent the highest written proposal, after deducting the commission, if any, to be paid a licensed real estate broker in connection therewith, ~~[then]~~ the oral bid which is the highest after deducting any commissions to be paid a licensed real estate broker in connection therewith, which is made by a responsible person, ~~[shall]~~ *must* be finally accepted.

2. If a sale or lease is made on a higher oral bid to a purchaser procured by an authorized, licensed real estate broker, other than the broker

1 who submitted the highest written proposal, the board shall allow a  
2 commission on the full amount for which the sale is confirmed. One-half of  
3 the commission on the amount of the highest written proposal ~~shall~~ *must*  
4 be paid to the broker who submitted it, and the balance of the commission  
5 on the purchase price to the broker who procured the purchaser to whom  
6 the sale was confirmed. If a sale or lease is made on a higher oral bid to a  
7 purchaser not procured by a licensed real estate broker, the board shall  
8 allow one-half of the commission on the amount of the highest written  
9 proposal, if ~~such~~ *that* highest written proposal was submitted by a  
10 licensed real estate broker.

11 **Sec. 8.** NRS 393.290 is hereby amended to read as follows:

12 393.290 The final acceptance by the board of trustees may be made  
13 ~~either at~~ :

14 *1. At the same session ~~for at~~ held pursuant to the provisions of NRS*  
15 *293.270;*

16 *2. At any adjourned session of the same meeting held within the 10*  
17 *days next following ~~it~~ ; or*

18 *3. If the board of trustees is selling a house or other structure built*  
19 *by pupils enrolled in a program of instruction offered by a public school*  
20 *in the school district, at any public meeting held pursuant to the*  
21 *provisions of section 1 of this act.*

22 **Sec. 9.** NRS 393.300 is hereby amended to read as follows:

23 393.300 The board of trustees may ~~at~~ :

24 *1. At the session ~~it~~ held pursuant to the provisions of NRS 393.270;*  
25 *or*

26 *2. At any public meeting held by the board of trustees pursuant to the*  
27 *provisions of section 1 of this act,*

28 if it deems such *an* action to be for the best public interest, reject any ~~and~~  
29 ~~all bids, either written or oral,~~ *bid*, and withdraw the property from sale or  
30 lease.

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