

(REPRINTED WITH ADOPTED AMENDMENTS)
FIRST REPRINT A.B. 28

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.

~

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:

- 1 **Section 1.** Chapter 393 of NRS is hereby amended by adding thereto a
2 new section to read as follows:
3 1. *The board of trustees may, after complying with any other*
4 *applicable provision of NRS 393.220 to 393.325, inclusive, sell any house*
5 *or other structure built by pupils enrolled in a program of instruction*
6 *offered by a public school in the school district by accepting written*
7 *proposals for the purchase of the house or structure at any public*
8 *meeting held by the board of trustees.*
9 2. *If the board of trustees proposes to sell a house or other structure*
10 *built by pupils enrolled in a program of instruction offered by a public*
11 *school in the school district and wishes to give an exclusive listing to a*
12 *real estate broker to sell the house or structure, the board of trustees*
13 *shall cause written notice to be published at least once in a newspaper of*
14 *general circulation within the county not less than 30 days before*
15 *adopting a resolution of intention to sell the house or structure pursuant*
16 *to the provisions of NRS 393.250. The notice must:*
17 (a) *Describe the house or structure in such a manner as to identify it;*
18 and
19 (b) *Include a statement indicating that:*
20 (1) *The board of trustees intends to adopt a resolution pursuant to*
21 *the provisions of NRS 393.250 and the proposed date for its adoption;*
22 and



* A B 2 8 R 1 *

1 (2) If a real estate broker wishes to be included in a list of
2 prospective real estate brokers prepared pursuant to the provisions of
3 subsection 3, the real estate broker may provide a written notice of that
4 fact to the board of trustees not less than 10 days before the date
5 specified in subparagraph (1). To qualify for inclusion on the list, a real
6 estate broker must maintain an office within the county where the school
7 district is located.

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

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

14 (b) Upon completion of the list, select by lottery a real estate broker
15 who maintains an office within the county where the school district is
16 located from the list.

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

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

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

33 393.240 1. Except as *otherwise* provided in ~~subsection 5~~ *this*
34 *section* and NRS 393.3251 to 393.3255, inclusive, ~~when~~ *if* the board of
35 trustees proposes to sell or lease any real property, the board shall appoint
36 one appraiser. A second appraiser must be appointed by the superintendent
37 of public instruction.

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

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

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



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

4 6. *If the board of trustees proposes to sell a house or other structure*
5 *that is built by pupils enrolled in a program of instruction offered by a*
6 *public school in the school district, the report concerning the cash*
7 *market value of the house or other structure required to be submitted to*
8 *the board of trustees pursuant to the provisions of subsection 2 must be*
9 *prepared and submitted by an appraiser appointed by the board.*

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

11 393.245 1. The board of trustees may sell or lease real property:

12 (a) To a responsible bidder in the manner provided by NRS 393.250 to
13 393.300, inclusive; or

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

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

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

34 (a) *Is licensed in this state;*

35 (b) *Maintains an office within the county where the school district is*
36 *located; and*

37 (c) *Has been selected by the board of trustees pursuant to the*
38 *provisions of section 1 of this act.*

39 4. The provisions of this section apply to all sales and leases of real
40 property, except leases and rentals subject to NRS 393.3251 to 393.3255,
41 inclusive, but if an appraisal is required pursuant to *the provisions of* NRS
42 393.240, the board of trustees shall not adopt the resolution described in
43 NRS 393.250 or otherwise commence bidding or listing procedures until
44 the ~~report of the appraisers~~ *appraisal* has been received.

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

46 393.250 1. Before ordering the sale or lease of any property, the
47 board of trustees shall, in *an* open meeting by a majority vote of the
48 members, adopt a resolution declaring its intention to sell the property, or a
49 resolution declaring its intention to lease it. ~~as the case may be.~~



* A B 2 8 R 1 *

1 2. The resolution ~~shall~~ **must**:

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

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

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

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

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

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

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

24 393.260 Notice of the adoption of the resolution and of the time and
25 place of holding the meeting ~~shall~~ **, if required pursuant to the**
26 **provisions of paragraph (c) of subsection 2 of NRS 393.250, must** be
27 given by:

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

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

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

34 393.270 ~~At~~ **Except as otherwise provided in section 1 of this act, at**
35 **the time and place fixed in the resolution for the meeting of the board of**
36 **trustees, ~~all sealed proposals which have~~ each sealed proposal that has**
37 **been received ~~shall~~ must, in public session, be opened, examined and**
38 **declared by the board. Of the proposals submitted which conform to all**
39 **terms and conditions specified in the resolution of intention to sell or to**
40 **lease and which are made by responsible bidders, the proposal which is the**
41 **highest ~~shall~~ must be finally accepted, unless a higher oral bid is accepted**
42 **or the board rejects all bids.**

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

44 393.280 **Except as otherwise provided in section 1 of this act:**

45 1. Before accepting any written proposal, the board of trustees shall
46 call for oral bids. If, upon the call for oral bidding, any responsible person
47 offers to purchase the property or to lease the property, as the case may be,
48 upon the terms and conditions specified in the resolution, for a price or
49 rental exceeding by at least 5 percent the highest written proposal, after



1 deducting the commission, if any, to be paid a licensed real estate broker in
2 connection therewith, ~~then~~ the oral bid which is the highest after
3 deducting any commissions to be paid a licensed real estate broker in
4 connection therewith, which is made by a responsible person, ~~shall~~ *must*
5 be finally accepted.

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

18 **Sec. 8.** NRS 393.290 is hereby amended to read as follows:
19 393.290 The final acceptance by the board of trustees may be made
20 ~~either at~~ :

21 1. *At the same session ~~for at~~ held pursuant to the provisions of NRS*
22 *293.270;*

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

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

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

30 393.300 The board of trustees may ~~at~~ :

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

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

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

