

Senate Bill No. 219—Committee on Transportation

CHAPTER.....

AN ACT relating to property; revising the manner in which the department of transportation is required to dispose of certain property; 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.** NRS 408.533 is hereby amended to read as follows:

408.533 1. All real property, interests therein or improvements thereon and personal property acquired before, on or after April 1, 1957, in accordance with the provisions of NRS 408.487 and 408.489 must, after approval by the board and if no longer needed for highway purposes, be disposed of by the director in accordance with the provisions of subsection 2, except that:

(a) When the property was originally donated to the state, no charge may be made if it is returned to the original owner or to the holder of the reversionary right.

(b) When the property has been wholly or partially paid for by towns, cities or counties, disposal of the property and of money received therefor must be agreed upon by the governing bodies of the towns, cities and counties and the department.

(c) When the title to the real property has been acquired in fee pursuant to NRS 408.487 and 408.489 and, in the opinion of the board, a sale by means of a public auction or sealed bids is uneconomical or impractical because:

(1) There is no access to the property;

(2) The property has value or an increased value only to a single adjoining property owner; or

(3) Such a sale would work an undue hardship upon a property owner as a result of a severance of the property of that owner or a denial of access to a public highway,  
the board may enter into a direct sale of the property with such an owner or any other person for its fair market value.

(d) When the property has been acquired and ~~it~~:

~~—(1) The proposed purpose for which it was acquired is later abandoned by the department; or~~

~~—(2) Part of the property or any portion of the property is no longer needed for highway purposes, and the department determines that the property was acquired for less than its fair market value,~~  
the department shall give notice of its intention to dispose of the property by publication in a newspaper of general circulation in the county where the property is situated. The notice must include the department's appraisal of the fair market value of the property. Any person from whom the property was purchased or his heir or grantee may purchase the property at its fair market value by direct sale from the department within 60 days after the notice is published. If more than one person qualified to purchase the property by direct sale pursuant to this paragraph so requests, the person with the superior claim, as determined by the department in its sole discretion, is entitled to purchase the property by direct sale. If ~~not~~ a

*person who is entitled to purchase the property by direct sale pursuant to this paragraph reasonably believes that the department's appraisal of the property is greater than the fair market value of the property, the person may file an objection to the appraisal with the department. The department shall set forth the procedure for filing an objection and the process under which a final determination will be made of the fair market value of the property for which an objection is filed. The department shall sell the property in the manner provided in subsection 2 if:*

*(1) No person requests to purchase the property by direct sale within 60 days after the notice is published pursuant to this paragraph ~~the department shall sell the property in the manner provided in subsection 2.~~ ; or*

*(2) A person who files an objection pursuant to this paragraph fails, within 10 business days after he receives a written notice of the final determination of the fair market value of the property, to notify the department in writing that he wishes to purchase the property at the fair market value set forth in the notice.*

(e) When the property is sought by another public agency for a reasonable public use, the department may first offer the property to the public agency at its fair market value.

2. All property, interests or improvements not ~~falling~~ *included* within the provisions of subsection 1 must first be offered for sale by the department singly or in combination at public auction or by sealed bids. If the highest bid received is 90 percent or more of the department's appraisal of the fair market value of the property, the property may be sold to the highest bidder. The notice and the terms of the sale must be published in a newspaper of general circulation in the county where the property is situated. ~~Those~~ *The* auctions and openings of bids must be conducted by the department. If the property cannot be sold for 90 percent or more of its fair market value, the department may enter into a written listing agreement with a person licensed pursuant to chapter 645 of NRS to sell or lease the property for 90 percent or more of its fair market value.

3. It is conclusively presumed in favor of the department and any purchaser for value that the department acted within its lawful authority in acquiring and disposing of the property, and that the director acted within his lawful authority in executing any conveyance vesting title in the purchaser. All such conveyances must be quitclaim in nature and the department shall not warrant title, furnish title insurance or pay the tax on transfer of real property.

4. No person has a right of action against the department or its employees for a violation of this section. This subsection does not prevent an action by the attorney general on behalf of the State of Nevada or any aggrieved person.

5. All sums of money received by the department for the sale of real and personal property must be deposited with the state treasurer to be credited to the state highway fund, unless the Federal Highway Administration participated in acquisition of the property, in which case a pro rata share of the money obtained by disposal of the property must be paid to the Federal Highway Administration.

6. The department may reserve and except easements, rights or interests from the conveyance of any real property disposed of in accordance with this section or exchanged pursuant to subsection 5 of NRS 408.489. ~~Those~~ *The* easements, rights or interests include, but are not limited to:

- (a) Abutter's rights of light, view or air.
- (b) Easements of access to and from abutting land.
- (c) Covenants prohibiting the use of signs, structures or devices advertising activities not conducted, services not rendered or goods not produced or available on the real property.

**Sec. 2.** The amendatory provisions of section 1 of this act do not apply to any property for which the department of transportation publishes a notice of its intention to dispose of the property pursuant to NRS 408.533 before the effective date of this act.

**Sec. 3.** This act becomes effective upon passage and approval.