

2017 Regular Session

SENATE BILL NO. 164

BY SENATOR PEACOCK

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

PUBLIC LANDS. Provides the procedures for the sale of certain school lands by a school board. (8/1/17)

1 AN ACT

2 To amend and reenact R.S. 17:87.6(A) and R.S. 41:891 and 892(A) and (F), and to enact

3 R.S. 41:892(G), relative to school lands; to provide for the sale of certain school

4 lands by school boards; to provide for the sale by a licensed real estate broker; to

5 provide for the appraisalment of school lands; to provide procedures, terms,

6 conditions, and requirements of the sale; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 17:87.6(A) is hereby amended and reenacted to read as follows:

9 §87.6. School property; alienation by school boards

10 A. Any city, parish, or other local public school board may sell, lease or

11 otherwise dispose of, at public or private sale, for cash or on terms of credit, any

12 school site, building, facility or personal property which is not used and, in the

13 judgment of the school board, is not needed in the operation of any school or schools

14 within its jurisdiction. Any such sale, lease or disposal of such school property shall

15 be on such terms and conditions and for such consideration as the school board shall

16 prescribe. **Also, any such sale shall be in accordance with the provisions of R.S.**

17 **41:891 and 892.**

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Section 2. R.S. 41:891 and 892(A) and (F) are hereby amended and reenacted and R.S. 41:892(G) is hereby enacted to read as follows:

§891. Sale of unused school lands

Whenever the school board of any parish or city determines that any school lands or other immovable property under its control are no longer needed for school purposes and that the best interest of the public school system would be served by the sale of such lands, the school board shall have authority to dispose of such lands at public auction or under sealed bids **or by licensed real estate broker** in accordance with the procedure set forth in this subpart; provided that this subpart shall not apply to the sale of sixteenth section lands, school indemnity lands or any other school lands for the sale of which the law already has provided a procedure in Chapter 6 of Title 41 of the Louisiana Revised Statutes or elsewhere in the law.

§892. Procedure; deed of sale

A. Whenever a sale of property described in R.S. 41:891 is ordered by the school board, the sale shall be made by the president of the school board in person or through an auctioneer designated by the school board **or through a licensed real estate broker. The school board may obtain appraisals from up to three Louisiana state-certified appraisers to ascertain the current value of the property. The appraisals shall be obtained within six months prior to the conducting of the sale.**

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F. **(1) In lieu of public auction or sealed bids, and when it is in the best interest of the school board, the school board may contract under policies adopted by the school board for the services of a licensed real estate broker to conduct the sale of the property. Such policies shall include the qualifications for a licensed real estate broker and appraiser.**

(2) The term of the contract shall not exceed six months. A minimum sale price and a time period within which the sale is to occur shall be specified

1 by the school board as conditions of the contract. Payment shall not exceed five
 2 percent of the sale price and shall be contingent upon completion of the sale in
 3 accordance with the terms and conditions of the contract. The school board
 4 shall have the right to cancel the contract at any time for any reason prior to the
 5 sale and conduct the sale as otherwise provided by law.

6 (3) No member or immediate family, as defined in R.S. 42:1102, of the
 7 school board or legislature shall perform the services of appraiser or real estate
 8 broker authorized by this Section.

9 G. The deed of the president of the school board shall be full and complete
 10 evidence of the sale, shall convey a good and valid title to the property sold, and
 11 shall have the force and effect of a notarial act.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by J. W. Wiley.

DIGEST

SB 164 Original 2017 Regular Session Peacock

Present law provides for the alienation of certain school property by sale, lease, or disposal.

Proposed law retains present law but requires that the sale of certain school property be conducted in accordance with the sale of unused school lands law.

Present law provides for the procedures for the sale of unused school lands by public auction or sealed bids.

Proposed law retains present law but provides for a procedure for the sale of unused school lands by a licensed real estate broker.

Proposed law allows the school board to obtain up to three appraisals before selling the lands.

Proposed law provides that no member or immediate family, as defined by law, of the school board or legislature shall perform the services of appraiser or real estate broker.

Effective August 1, 2017.

(Amends R.S. 17:87.6(A) and R.S. 41:891 and 892(A) and (F); adds R.S. 41:892(G))