Arnold (HB 368) Act No. 393

Authorizes the Orleans Parish School Board to sell unused immovable school property to public bodies without the necessity of procedures otherwise provided by law as follows:

Existing law provides various procedures and limitations on the sale of school lands and immovable property. Existing law authorizes a local school board to sell immovable property no longer needed for school purposes at public auction or under sealed bids. Prior to such sale, the school board is required to advertise the sale. Existing law specifies procedures for such advertising. Provides procedures for both public auction and sale under sealed bid. Existing law provides relative to the minimum bid at such sales. Provides that at the first offer to sell, the minimum bid is 85% of the appraised value. If the school board receives no bids that are equal to or greater than the minimum bid, it may attempt to sell the property again, and the minimum bid at such second sale is 80% of the appraised value. If the property again fails to sell, there is no minimum bid at the third attempt to sell. Existing law also includes provisions for sale of 16th section lands and indemnity school lands, including sale of indemnity lands by the state land office and sale of 16th section lands by specified officials. Provides for disposition of the proceeds of sales of such lands, generally for school purposes.

<u>New law</u> provides for the sale of unused school property to other public bodies by the Orleans Parish School Board as follows:

- (1) Defines terms, including:
  - (a) "Public body" the state of La. or any political subdivision of the state or any department, agency, or instrumentality, or official thereof, or any other unit of state or local government in the state.
  - (b) "School property" any school property or other immovable property under the control of the school board, including but not limited to 16th section lands and school indemnity lands.
- (2) Authorizes the Orleans Parish School Board to sell school property to a public body without meeting the requirements of any other law when it determines that such property is no longer needed for school purposes, including purposes related to providing vacant facilities to charter schools as required by existing law, and that the best interests of the school system would be served by such sale. Provides that sale of 16th section lands or indemnity school lands pursuant to new law shall be executed by the state land office on behalf of the school board.
- (3) Requires that property be sold at a price not less than the appraised value of the property and that the school board establish the appraised value by obtaining an appraisal from a certified, licensed appraiser not more than six months prior to the sale date. Requires that the appraisal be available for public inspection and that the appraisal cost be borne by the public body that purchases the property.
- (4) Requires that proceeds from a sale pursuant to <u>new law</u> be paid to the school board and be used for the support of the school system's schools and, in the case of the sale of 16th section lands or indemnity school lands, for the purposes of the dedication of such lands as provided by law.

Effective upon signature of governor (July 1, 2011).

(Adds R.S. 41:905)