CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1677

54th Legislature 1995 Regular Session

Passed by the House March 8, 1995 Yeas 97 Nays 1

Speaker of the House of Representatives

Passed by the Senate April 14, 1995 Yeas 40 Nays 6

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1677** as passed by the House of Representatives and the Senate on the dates hereon set forth.

President of the Senate

Approved

Chief Clerk

FILED

Governor of the State of Washington

Secretary of State State of Washington

SUBSTITUTE HOUSE BILL 1677

Passed Legislature - 1995 Regular Session

State of Washington 54th Legislature 1995 Regular Session

By House Committee on Education (originally sponsored by Representatives Koster, Campbell, Radcliff, Sheldon, Brumsickle, Stevens, McMahan, Smith, Clements, McMorris, Sherstad and Robertson)

Read first time 02/28/95.

1 AN ACT Relating to requiring school districts to obtain an 2 appraisal before purchasing real property; and amending RCW 28A.335.090 3 and 28A.335.120.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 28A.335.090 and 1990 c 33 s 358 are each amended to 6 read as follows:

(1) The board of directors of each school district shall have 7 exclusive control of all school property, real or personal, belonging 8 9 to the district; said board shall have power, subject to RCW 10 28A.335.120, in the name of the district, to convey by deed all the interest of their district in or to any real property of the district 11 12 which is no longer required for school purposes. Except as otherwise 13 specially provided by law, and RCW 28A.335.120, the board of directors 14 of each school district may purchase, lease, receive and hold real and 15 personal property in the name of the district, and rent, lease or sell 16 the same, and all conveyances of real estate made to the district shall 17 vest title in the district.

18 (2) Any purchase of real property by a school district shall be
 19 preceded by a market value appraisal by a professionally designated

1 real estate appraiser as defined in RCW 74.46.020 who was selected by

2 the board of directors.

3 Sec. 2. RCW 28A.335.120 and 1991 c 116 s 13 are each amended to 4 read as follows:

5 (1) The board of directors of any school district of this state 6 may:

7 (a) Sell for cash, at public or private sale, and convey by deed
8 all interest of the district in or to any of the real property of the
9 district which is no longer required for school purposes; and

10 (b) Purchase real property for the purpose of locating thereon and 11 affixing thereto any house or houses and appurtenant buildings removed 12 from school sites owned by the district and sell for cash, at public or 13 private sale, and convey by deed all interest of the district in or to 14 such acquired and improved real property.

15 (2) When the board of directors of any school district proposes a sale of school district real property pursuant to this section and the 16 value of the property exceeds seventy thousand dollars, the board shall 17 18 publish a notice of its intention to sell the property. The notice 19 shall be published at least once each week during two consecutive weeks in a legal newspaper with a general circulation in the area in which 20 the school district is located. The notice shall describe the property 21 22 to be sold and designate the place where and the day and hour when a 23 hearing will be held. The board shall hold a public hearing upon the 24 proposal to dispose of the school district property at the place and 25 the day and hour fixed in the notice and admit evidence offered for and against the propriety and advisability of the proposed sale. 26

(3) The board of directors of any school district desiring to sell surplus real property shall publish a notice in a newspaper of general circulation in the school district. School districts shall not sell the property for at least forty-five days following the publication of the newspaper notice.

(4) Private schools shall have the same rights as any other person
or entity to submit bids for the purchase of surplus real property and
to have such bids considered along with all other bids.

(5) Any sale of school district real property authorized pursuant to this section shall be preceded by a market value appraisal by ((three licensed real estate brokers or)) a professionally designated real estate appraiser((s)) as defined in RCW 74.46.020 selected by the board of directors and no sale shall take place if the sale price would be less than ninety percent of the ((average of the three)) appraisal((s)) made by the ((brokers or)) professionally designated real estate appraiser((s)): PROVIDED, That if the property has been on the market for one year or more the property may be reappraised and sold for not less than seventy-five percent of the ((average)) reappraised value with the unanimous consent of the board.

8 (6) If in the judgment of the board of directors of any district 9 the sale of real property of the district not needed for school purposes would be facilitated and greater value realized through use of 10 the services of licensed real estate brokers, a contract for such 11 services may be negotiated and concluded: PROVIDED, That the use of a 12 licensed real estate broker will not eliminate the obligation of the 13 14 board of directors to provide the notice described in this section: 15 PROVIDED FURTHER, That the fee or commissions charged for any broker services shall not exceed seven percent of the resulting sale value for 16 a single parcel: PROVIDED FURTHER, That any ((licensed real estate 17 broker or)) professionally designated real estate appraiser((s)) as 18 19 defined in RCW 74.46.020 selected by the board to appraise the market value of a parcel of property to be sold may not be a party to any 20 contract with the school district to sell such parcel of property for 21 a period of three years after the appraisal. 22

(7) If in the judgment of the board of directors of any district 23 24 the sale of real property of the district not needed for school 25 purposes would be facilitated and greater value realized through sale 26 on contract terms, a real estate sales contract may be executed between the district and buyer: PROVIDED, That the terms and conditions of any 27 28 such sales contract must comply with rules and regulations of the state 29 board of education, herein authorized, governing school district real 30 property contract sales.

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