

ASSEMBLY BILL NO. 143—ASSEMBLYMAN O’NEILL

FEBRUARY 9, 2023

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing counties. (BDR 20-460)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact. Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to counties; authorizing, under certain circumstances, a board of county commissioners to convey without consideration real property acquired directly from the Federal Government for purposes of clearing title to certain persons; exempting such transfers from the real property transfer tax; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law sets forth certain procedures for a board of county commissioners
2 to transfer or sell real property. (NRS 244.2795-244.296) **Section 1** of this bill
3 authorizes a board of county commissioners to convey, without consideration and
4 without complying with certain requirements in existing law, real property that the
5 county acquired directly from the Federal Government for the purpose of clearing
6 title to the property. (NRS 244.281) The real property must be conveyed to the
7 person or persons, as applicable, who have an interest in the property. To convey
8 such real property, **section 1** requires the board of county commissioners to execute
9 and record a deed, which is effective upon recordation. **Section 1** further requires
10 the board of county commissioners, upon recordation of the deed, to send actual
11 notice by certified mail to the person or persons to whom the property was
12 conveyed. The notice must include, without limitation, a copy of the recorded deed
13 and information on how the person may disclaim the interest in the property.

14 **Sections 2 and 3** of this bill make conforming changes to exempt such
15 conveyances from the provisions that generally apply to the sale or lease of
16 property by a board of county commissioners.

17 **Section 5** of this bill exempts conveyances executed pursuant to **section 1** from
18 the real property transfer tax.

19 **Section 4** of this bill indicates the proper placement of **section 1** in the Nevada
20 Revised Statutes.



THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 244 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 **1. A board of county commissioners may convey real**
4 **property, without consideration or without complying with the**
5 **provisions of NRS 244.281, if:**

6 **(a) The real property was acquired by the county directly from**
7 **the Federal Government for the purpose of clearing title to the**
8 **real property; and**

9 **(b) The board of county commissioners conveys the real**
10 **property to the person or persons, as applicable, who have an**
11 **interest in the real property.**

12 **2. If the board of county commissioners conveys real property**
13 **pursuant to subsection 1, the board must execute and record a**
14 **deed, which shall be effective upon recordation. Upon recordation,**
15 **the board of county commissioners must send actual notice by**
16 **certified mail to the person or persons, as applicable, to whom the**
17 **property was conveyed that includes, without limitation, a copy of**
18 **the recorded deed and information on how the person may**
19 **disclaim the interest in property.**

20 **Sec. 2.** NRS 244.2795 is hereby amended to read as follows:

21 244.2795 1. Except as otherwise provided in NRS 244.189,
22 244.276, 244.279, 244.2815, 244.2825, 244.2833, 244.2835,
23 244.284, 244.287, 244.290, 278.479 to 278.4965, inclusive, **and**
24 **section 1 of this act**, and subsection 3 of NRS 496.080, except as
25 otherwise required by federal law, except as otherwise required
26 pursuant to a cooperative agreement entered into pursuant to NRS
27 277.050 or 277.053 or an interlocal agreement in existence on or
28 before October 1, 2004, except if the board of county
29 commissioners is entering into a joint development agreement for
30 real property owned by the county to which the board of county
31 commissioners is a party, except for a lease of residential property
32 with a term of 1 year or less, except for the sale or lease of real
33 property to a public utility, as defined in NRS 704.020, to be used
34 for a public purpose, except for the sale or lease of real property to
35 the State or another governmental entity and except for the sale or
36 lease of real property larger than 1 acre which is approved by the
37 voters at a primary or general election or special election, the board
38 of county commissioners shall, when offering any real property for
39 sale or lease:

40 (a) Except as otherwise provided in this paragraph and
41 paragraph (h) of subsection 1 of NRS 244.281, obtain two
42 independent appraisals of the real property before selling or leasing



1 it. If the board of county commissioners holds a public hearing on
2 the matter of the fair market value of the real property, one
3 independent appraisal of the real property is sufficient before selling
4 or leasing it. The appraisal or appraisals, as applicable, must have
5 been prepared not more than 6 months before the date on which the
6 real property is offered for sale or lease.

7 (b) Select the one independent appraiser or two independent
8 appraisers, as applicable, from the list of appraisers established
9 pursuant to subsection 2.

10 (c) Verify the qualifications of each appraiser selected pursuant
11 to paragraph (b). The determination of the board of county
12 commissioners as to the qualifications of the appraiser is conclusive.

13 2. The board of county commissioners shall adopt by ordinance
14 the procedures for creating or amending a list of appraisers qualified
15 to conduct appraisals of real property offered for sale or lease by the
16 board. The list must:

17 (a) Contain the names of all persons qualified to act as a general
18 appraiser in the same county as the real property that may be
19 appraised; and

20 (b) Be organized at random and rotated from time to time.

21 3. An appraiser chosen pursuant to subsection 1 must provide a
22 disclosure statement which includes, without limitation, all sources
23 of income that may constitute a conflict of interest and any
24 relationship with the real property owner or the owner of an
25 adjoining real property.

26 4. An appraiser shall not perform an appraisal on any real
27 property for sale or lease by the board of county commissioners if:

28 (a) The appraiser has an interest in the real property or an
29 adjoining property;

30 (b) The real property is located in a county whose population is
31 45,000 or more and any person who is related to the appraiser has an
32 interest in the real property or an adjoining property and the
33 relationship between the appraiser and the person is within the third
34 degree of consanguinity or affinity; or

35 (c) The real property is located in a county whose population is
36 less than 45,000 and any person who is related to the appraiser has
37 an interest in the real property or an adjoining property and the
38 relationship between the appraiser and the person is within the
39 second degree of consanguinity or affinity.

40 5. If real property is sold or leased in violation of the
41 provisions of this section:

42 (a) The sale or lease is void; and

43 (b) Any change to an ordinance or law governing the zoning or
44 use of the real property is void if the change takes place within 5
45 years after the date of the void sale or lease.



1 **Sec. 3.** NRS 244.281 is hereby amended to read as follows:

2 244.281 1. Except as otherwise provided in this subsection
3 and NRS 244.189, 244.276, 244.279, 244.2815, 244.2825,
4 244.2833, 244.2835, 244.284, 244.287, 244.290, 278.479 to
5 278.4965, inclusive, *and section 1 of this act*, and subsection 3 of
6 NRS 496.080, except as otherwise required by federal law, except as
7 otherwise required pursuant to a cooperative agreement entered into
8 pursuant to NRS 277.050 or 277.053 or an interlocal agreement in
9 existence on or before October 1, 2004, except if the board of
10 county commissioners is entering into a joint development
11 agreement for real property owned by the county to which the board
12 of county commissioners is a party, except for a lease of residential
13 property with a term of 1 year or less, except for the sale or lease of
14 real property to a public utility, as defined in NRS 704.020, to be
15 used for a public purpose and except for the sale or lease of real
16 property larger than 1 acre which is approved by the voters at a
17 primary or general election or special election:

18 (a) When a board of county commissioners has determined by
19 resolution that the sale or lease of any real property owned by the
20 county will be for purposes other than to establish, align, realign,
21 change, vacate or otherwise adjust any street, alley, avenue or other
22 thoroughfare, or portion thereof, or flood control facility within the
23 county and will be in the best interest of the county, it may:

24 (1) Sell the real property in the manner prescribed for the
25 sale of real property in NRS 244.282.

26 (2) Lease the real property in the manner prescribed for the
27 lease of real property in NRS 244.283.

28 (b) Before the board of county commissioners may sell or lease
29 any real property as provided in paragraph (a), it shall:

30 (1) Post copies of the resolution described in paragraph (a) in
31 three public places in the county; and

32 (2) Cause to be published at least once a week for 3
33 successive weeks, in a newspaper qualified under chapter 238 of
34 NRS that is published in the county in which the real property is
35 located, a notice setting forth:

36 (I) A description of the real property proposed to be sold
37 or leased in such a manner as to identify it;

38 (II) The minimum price, if applicable, of the real property
39 proposed to be sold or leased; and

40 (III) The places at which the resolution described in
41 paragraph (a) has been posted pursuant to subparagraph (1), and any
42 other places at which copies of that resolution may be obtained.

43 ➤ If no qualified newspaper is published within the county in which
44 the real property is located, the required notice must be published in



1 some qualified newspaper printed in the State of Nevada and having
2 a general circulation within that county.

3 (c) Except as otherwise provided in this paragraph and
4 paragraph (h), if the board of county commissioners by its resolution
5 further finds that the real property to be sold or leased is worth more
6 than \$1,000, the board shall select two or more disinterested,
7 competent real estate appraisers pursuant to NRS 244.2795 to
8 appraise the real property. If the board of county commissioners
9 holds a public hearing on the matter of the fair market value of the
10 property, one disinterested, competent appraisal of the real property
11 is sufficient before selling or leasing it. Except for real property
12 acquired pursuant to NRS 371.047, the board of county
13 commissioners shall not sell or lease it for less than:

14 (1) If two independent appraisals were obtained, the average
15 of the appraisals of the real property.

16 (2) If only one independent appraisal was obtained, the
17 appraised value of the real property.

18 (d) If the real property is appraised at \$1,000 or more, the board
19 of county commissioners may:

20 (1) Lease the real property; or

21 (2) Sell the real property either for cash or for not less than
22 25 percent cash down and upon deferred payments over a period of
23 not more than 10 years, secured by a mortgage or deed of trust,
24 bearing such interest and upon such further terms as the board of
25 county commissioners may specify.

26 (e) A board of county commissioners may sell or lease any real
27 property owned by the county without complying with the
28 provisions of NRS 244.282 or 244.283 to:

29 (1) A person who owns real property located adjacent to the
30 real property to be sold or leased if the board has determined by
31 resolution that the sale will be in the best interest of the county and
32 the real property is a:

33 (I) Remnant that was separated from its original parcel
34 due to the construction of a street, alley, avenue or other
35 thoroughfare, or portion thereof, flood control facility or other
36 public facility;

37 (II) Parcel that, as a result of its size, is too small to
38 establish an economically viable use by anyone other than the
39 person who owns real property adjacent to the real property for sale
40 or lease; or

41 (III) Parcel which is subject to a deed restriction
42 prohibiting the use of the real property by anyone other than the
43 person who owns real property adjacent to the real property for sale
44 or lease.

45 (2) The State or another governmental entity if:



1 (I) The sale or lease restricts the use of the real property
2 to a public use; and

3 (II) The board adopts a resolution finding that the sale or
4 lease will be in the best interest of the county.

5 (f) A board of county commissioners that disposes of real
6 property pursuant to paragraph (d) is not required to offer to
7 reconvey the real property to the person from whom the real
8 property was received or acquired by donation or dedication.

9 (g) If real property that is offered for sale or lease pursuant to
10 this section is not sold or leased at the initial offering of the contract
11 for the sale or lease of the real property, the board of county
12 commissioners may offer the real property for sale or lease a second
13 time pursuant to this section. The board of county commissioners
14 must obtain a new appraisal or appraisals, as applicable, of the real
15 property pursuant to the provisions of NRS 244.2795 before
16 offering the real property for sale or lease a second time if:

17 (1) There is a material change relating to the title, the zoning
18 or an ordinance governing the use of the real property; or

19 (2) The appraisal or appraisals, as applicable, were prepared
20 more than 6 months before the date on which the real property is
21 offered for sale or lease the second time.

22 (h) If real property that is offered for sale or lease pursuant to
23 this section is not sold or leased at the second offering of the
24 contract for the sale or lease of the real property, the board of county
25 commissioners may list the real property for sale or lease at the
26 appraised value or average of the appraised value if two or more
27 appraisals were obtained, as applicable, with a licensed real estate
28 broker, provided that the broker or a person related to the broker
29 within the first degree of consanguinity or affinity does not have an
30 interest in the real property or an adjoining property. If the appraisal
31 or appraisals, as applicable, were prepared more than 6 months
32 before the date on which the real property is listed with a licensed
33 real estate broker, the board of county commissioners must obtain
34 one new appraisal of the real property pursuant to the provisions of
35 NRS 244.2795 before listing the real property for sale or lease at the
36 new appraised value.

37 2. If real property is sold or leased in violation of the
38 provisions of this section:

39 (a) The sale or lease is void; and

40 (b) Any change to an ordinance or law governing the zoning or
41 use of the real property is void if the change takes place within 5
42 years after the date of the void sale or lease.

43 3. As used in this section, "flood control facility" has the
44 meaning ascribed to it in NRS 244.276.



1 **Sec. 4.** NRS 371.047 is hereby amended to read as follows:

2 371.047 1. A county may use the proceeds of the tax imposed
3 pursuant to NRS 371.043 or 371.045, or of bonds, notes or other
4 obligations incurred to which the proceeds of those taxes are
5 pledged to finance a project related to the construction of a highway
6 with limited access, to:

7 (a) Purchase residential real property which shares a boundary
8 with a highway with limited access or a project related to the
9 construction of a highway with limited access, and which is
10 adversely affected by the highway. Not more than 1 percent of the
11 proceeds of the tax or of any bonds to which the proceeds of the tax
12 are pledged may be used for this purpose.

13 (b) Pay for the cost of moving persons whose primary
14 residences are condemned for a right-of-way for a highway with
15 limited access and who qualify for such payments. The board of
16 county commissioners shall, by ordinance, establish the
17 qualifications for receiving payments for the cost of moving
18 pursuant to this paragraph.

19 2. A county may, in accordance with NRS 244.265 to 244.296,
20 inclusive, *and section 1 of this act*, dispose of any residential real
21 property purchased pursuant to this section, and may reserve and
22 except easements, rights or interests related thereto, including, but
23 not limited to:

24 (a) Abutter's rights of light, view or air.

25 (b) Easements of access to and from abutting land.

26 (c) Covenants prohibiting the use of signs, structures or devices
27 advertising activities not conducted, services not rendered or goods
28 not produced or available on the real property.

29 3. Proceeds from the sale or lease of residential real property
30 acquired pursuant to this section must be used for the purposes set
31 forth in this section and in NRS 371.043 or 371.045, as applicable.

32 4. For the purposes of this section, residential real property is
33 adversely affected by a highway with limited access if the
34 construction or proposed use of the highway:

35 (a) Constitutes a taking of all or any part of the property, or
36 interest therein;

37 (b) Lowers the value of the property; or

38 (c) Constitutes a nuisance.

39 5. As used in this section:

40 (a) "Highway with limited access" means a divided highway for
41 through traffic with full control of access and with grade separations
42 at intersections.

43 (b) "Primary residence" means a dwelling, whether owned or
44 rented by the occupant, which is the sole principal place of
45 residence of that occupant.



1 (c) "Residential real property" means a lot or parcel of not more
2 than 1.5 acres upon which a single-family or multifamily dwelling is
3 located.

4 **Sec. 5.** NRS 375.090 is hereby amended to read as follows:

5 375.090 The taxes imposed by NRS 375.020, 375.023 and
6 375.026 do not apply to:

7 1. A mere change in identity, form or place of organization,
8 such as a transfer between a business entity and its parent, its
9 subsidiary or an affiliated business entity if the affiliated business
10 entity has identical common ownership.

11 2. A transfer of title to the United States, any territory or state
12 or any agency, department, instrumentality or political subdivision
13 thereof.

14 3. A transfer of title recognizing the true status of ownership of
15 the real property, including, without limitation, a transfer by an
16 instrument in writing pursuant to the terms of a land sale installment
17 contract previously recorded and upon which the taxes imposed by
18 this chapter have been paid.

19 4. A transfer of title without consideration from one joint
20 tenant or tenant in common to one or more remaining joint tenants
21 or tenants in common.

22 5. A transfer, assignment or other conveyance of real property
23 if the owner of the property is related to the person to whom it is
24 conveyed within the first degree of lineal consanguinity or affinity.

25 6. A transfer of title between former spouses in compliance
26 with a decree of divorce.

27 7. A transfer of title to or from a trust without consideration if a
28 certificate of trust is presented at the time of transfer.

29 8. Transfers, assignments or conveyances of unpatented mines
30 or mining claims.

31 9. A transfer, assignment or other conveyance of real property
32 to a corporation or other business organization if the person
33 conveying the property owns 100 percent of the corporation or
34 organization to which the conveyance is made.

35 10. A conveyance of real property by deed which becomes
36 effective upon the death of the grantor pursuant to NRS 111.655 to
37 111.699, inclusive, and a Death of Grantor Affidavit recorded in the
38 office of the county recorder pursuant to NRS 111.699.

39 11. The making, delivery or filing of conveyances of real
40 property to make effective any plan of reorganization or adjustment:

41 (a) Confirmed under the Bankruptcy Act, as amended, 11 U.S.C.
42 §§ 101 et seq.;

43 (b) Approved in an equity receivership proceeding involving a
44 railroad, as defined in the Bankruptcy Act; or



1 (c) Approved in an equity receivership proceeding involving a
2 corporation, as defined in the Bankruptcy Act,

3 ↪ if the making, delivery or filing of instruments of transfer or
4 conveyance occurs within 5 years after the date of the confirmation,
5 approval or change.

6 12. A transfer to an educational foundation. As used in this
7 subsection, "educational foundation" has the meaning ascribed to it
8 in subsection 3 of NRS 388.750.

9 13. A transfer to a university foundation. As used in this
10 subsection, "university foundation" has the meaning ascribed to it in
11 subsection 3 of NRS 396.405.

12 14. A transfer to a library foundation. As used in this
13 subsection, "library foundation" has the meaning ascribed to it in
14 NRS 379.0056.

15 *15. A conveyance of real property to a person or persons from*
16 *a board of county commissioners pursuant to section 1 of this act.*

17 **Sec. 6.** This act becomes effective upon passage and approval.



