

**Representative Jack R. Draxler** proposes the following substitute bill:

**APPRAISALS FOR STATE LAND PURCHASES**

2008 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Jack R. Draxler**

Senate Sponsor: Michael G. Waddoups

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**LONG TITLE**

**General Description:**

This bill modifies the School and Institutional Trust Lands Management Act, the Utah Natural Resources Act, the Utah Administrative Services Code, and the Transportation Code by requiring certain rulemaking provisions for the purchase or sale of real property.

**Highlighted Provisions:**

This bill:

- ▶ requires the School and Institutional Trust Lands Administration, the Department of Natural Resources, the Division of Facilities Construction and Management, and the Utah Department of Transportation to make rules to establish procedures for determining that the value is congruent with the proposed price and other terms of the purchase, sale, or exchange;
- ▶ allows the rules to require an appraisal and to require that the appraisal be completed by a state-certified general appraiser; and
- ▶ provides exceptions for real property with an estimated value below a certain limit.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**



26 None

27 **Utah Code Sections Affected:**

28 ENACTS:

29 **53C-4-103**, Utah Code Annotated 1953

30 **63-34-21**, Utah Code Annotated 1953

31 **63A-5-501**, Utah Code Annotated 1953

32 **72-5-117**, Utah Code Annotated 1953



34 *Be it enacted by the Legislature of the state of Utah:*

35 Section 1. Section **53C-4-103** is enacted to read:

36 **53C-4-103. Rulemaking for sale of real property -- Licensed or certified**  
37 **appraisers -- Exceptions.**

38 (1) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, if  
39 the administration buys, sells, or exchanges real property, the administration shall make rules  
40 to ensure that the value of the real property is congruent with the proposed price and other  
41 terms of the purchase, sale, or exchange.

42 (2) The rules:

43 (a) shall establish procedures for determining the value of the real property;

44 (b) may provide that an appraisal, as defined under Section 61-2b-2, demonstrates the  
45 real property's value; and

46 (c) may require that the appraisal be completed by a state-certified general appraiser, as  
47 defined under Section 61-2b-2.

48 (3) Subsection (1) does not apply to the purchase, sale, or exchange of real property, or  
49 to an interest in real property:

50 (a) that is under a contract or other written agreement prior to May 5, 2008; or

51 (b) with a value of less than \$100,000, as estimated by the state agency.

52 Section 2. Section **63-34-21** is enacted to read:

53 **63-34-21. Rulemaking for sale of real property -- Licensed or certified appraisers**  
54 **-- Exceptions.**

55 (1) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, if  
56 the department buys, sells, or exchanges real property, the department shall make rules to

57 ensure that the value of the real property is congruent with the proposed price and other terms  
58 of the purchase, sale, or exchange.

59 (2) The rules:

60 (a) shall establish procedures for determining the value of the real property;

61 (b) may provide that an appraisal, as defined under Section 61-2b-2, demonstrates the  
62 real property's value; and

63 (c) may require that the appraisal be completed by a state-certified general appraiser, as  
64 defined under Section 61-2b-2.

65 (3) Subsection (1) does not apply to the purchase, sale, or exchange of real property, or  
66 to an interest in real property:

67 (a) that is under a contract or other written agreement prior to May 5, 2008; or

68 (b) with a value of less than \$100,000, as estimated by the state agency.

69 Section 3. Section **63A-5-501** is enacted to read:

70 **Part 5. Determining the Value of Real Property Prior to Sale**

71 **63A-5-501. Rulemaking for sale of real property -- Licensed or certified**  
72 **appraisers -- Exceptions.**

73 (1) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, if  
74 the division buys, sells, or exchanges real property, the division shall make rules to ensure that  
75 the value of the real property is congruent with the proposed price and other terms of the  
76 purchase, sale, or exchange.

77 (2) The rules:

78 (a) shall establish procedures for determining the value of the real property;

79 (b) may provide that an appraisal, as defined under Section 61-2b-2, demonstrates the  
80 real property's value; and

81 (c) may require that the appraisal be completed by a state-certified general appraiser, as  
82 defined under Section 61-2b-2.

83 (3) Subsection (1) does not apply to the purchase, sale, or exchange of real property, or  
84 to an interest in real property:

85 (a) that is under a contract or other written agreement prior to May 5, 2008; or

86 (b) with a value of less than \$100,000, as estimated by the state agency.

87 Section 4. Section **72-5-117** is enacted to read:

88            **72-5-117. Rulemaking for sale of real property -- Licensed or certified appraisers**  
89 -- **Exceptions.**

90            (1) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, if  
91 the department buys, sells, or exchanges real property, the department shall make rules to  
92 ensure that the value of the real property is congruent with the proposed price and other terms  
93 of the purchase, sale, or exchange.

94            (2) The rules:

95            (a) shall establish procedures for determining the value of the real property;

96            (b) may provide that an appraisal, as defined under Section 61-2b-2, demonstrates the  
97 real property's value; and

98            (c) may require that the appraisal be completed by a state-certified general appraiser, as  
99 defined under Section 61-2b-2.

100            (3) Subsection (1) does not apply to the purchase, sale, or exchange of real property, or  
101 to an interest in real property:

102            (a) that is under a contract or other written agreement prior to May 5, 2008; or

103            (b) with a value of less than \$100,000, as estimated by the state agency.

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**H.B. 354 1st Sub. (Buff) - Appraisals for State Land Purchases**

**Fiscal Note**

2008 General Session

State of Utah

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**State Impact**

Enactment of this bill will not require additional appropriations.

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**Individual, Business and/or Local Impact**

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.

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