

Disposition of Real Property

A state agency, local public body, school district or state educational institution may sell or otherwise dispose of real property valued at \$25,000 or less:

- by negotiated sale or donation to an Indian nation, tribe or pueblo;
- by negotiated sale or donation to other state agencies, local public bodies, school districts or state educational institutions;
- by means of competitive sealed bid, public auction or negotiated sale to a private person or to an Indian nation, tribe or pueblo in New Mexico;
- if a state agency, through the Surplus Property Bureau of the Transportation Services Division of the General Services Department; and
- if the respective approvals have been obtained by the state budget or local government divisions of the Department of Finance and Administration or by the Public Education Department or the Higher Education Department.

State Board of Finance approval is required if the sale or trade of real property is for more than \$25,000 and the property is a part of or belongs to:

- a state agency;
- a school district; or
- a local public body.

The State Board of Finance requires:

- the form of quitclaim deed along with the legal description of the property;
- a copy of a current appraisal;
- the reason for the sale or trade;
- the selection process used;
- the purchase price (sale for less than fair market value not permitted unless specifically excepted under the Anti-Donation Clause);
- a sale agreement;
- the governing body's authorization;
- state engineer approval of any transfer of water rights; and
- for a school district, information that the building does not meet Public School Capital Outlay Council occupancy standards or that all charter schools located in the district have declined use of the building.

The legislature's ratification and approval is required if the sale, trade or the 25-plus-year lease is for \$100,000 or more.

Legislative or State Board of Finance approval does not apply to:

- state educational institutions;
- the State Land Office;

- the State Transportation Commission;
- the Economic Development Department if disposing of property acquired pursuant to the Statewide Economic Development Finance Act; and
- a school district leasing a facility to a charter school.