

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas  
92nd General Assembly  
Regular Session, 2019

As Engrossed: H1/30/19  
**A Bill**

SENATE BILL 96

By: Senator J. English  
By: Representative Sullivan

### For An Act To Be Entitled

AN ACT TO REPEAL THE HOUSING CONSTRUCTION PROGRAM  
CREATED FOR STATE-SUPPORTED TECHNICAL INSTITUTES THAT  
OFFER COURSES OF TRAINING IN THE BUILDING TRADES; TO  
REPEAL THE BUILDING TRADES REVOLVING FUND ESTABLISHED  
FOR THE HOUSING CONSTRUCTION PROGRAM; AND FOR OTHER  
PURPOSES.

### Subtitle

TO REPEAL THE HOUSING CONSTRUCTION  
PROGRAM CREATED FOR STATE-SUPPORTED  
TECHNICAL INSTITUTES THAT OFFER COURSES  
OF TRAINING IN THE BUILDING TRADES; AND  
TO REPEAL THE BUILDING TRADES REVOLVING  
FUND.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code Title 6, Chapter 51, Subchapter 5, is  
repealed.

~~Subchapter 5 — Housing Construction Program~~

~~6-51-501. — Establishment.~~

~~(a) — There is established a program in which state-supported technical  
institutes offering courses of training in the building trades may, in  
connection with these courses of training:~~

~~(1) — Acquire lots and construct thereon single family dwelling~~



~~units in connection with the course of training in the building trades;~~

~~(2) Sell such dwelling units and lots; and~~

~~(3) Deposit the funds derived therefrom in a Building Trades Revolving Fund, which is created for that purpose.~~

~~(b) Riverside Vocational and Technical School may construct only non-dwelling unit building projects for state agencies or for private, nonprofit organizations, but not for the general public, in connection with the course of training in the building trades.~~

~~(c)(1) As used in this subchapter, "secondary area technical center" means a secondary area vocational center established under § 6-13-801 et seq. or as defined by the Department of Career Education.~~

~~(2) A secondary area technical center is authorized to construct single family dwelling units in connection with a course of training in the building trades.~~

~~(3) This subsection does not authorize the purchase of land by a secondary area technical center.~~

~~6-51-502. Approval and notification requirements—Advance of funds.~~

~~(a) When a state-supported technical institute or secondary area technical center offering courses of training in the building trades, including carpentry, plumbing, bricklaying, and electrical wiring, desires to participate in the program established in this subchapter, it shall first obtain the written approval of the local building trades advisory committee for the construction trades.~~

~~(b) Upon receipt of written approval, the technical institute or secondary area technical center shall notify the Department of Career Education of its intent to undertake the construction of a single family dwelling unit or other building project under the program established in this subchapter.~~

~~(c) Upon receipt of notice and subject to the availability of funds therefor, the department may advance funds:~~

~~(1) To the technical institute from the Building Trades Revolving Fund for the purchase of lots and building materials, supplies, and fixtures to be used in the construction of the dwelling unit or other building project; or~~

~~(2) To the secondary area technical center from the Building~~

~~Trades Revolving Fund for the purchase of building materials, supplies, and fixtures to be used in the construction of the single family dwelling unit or other nonresidential building project.~~

~~6-51-503. Procedure for purchase of lot.~~

~~When a technical institute is advanced funds from the Building Trades Revolving Fund by the Department of Career Education as provided in this subchapter, the technical institute shall, if it proposes to purchase a lot on which to build the dwelling unit or other building project, cause notice of the proposed purchase to be published in a newspaper of general circulation in the area where it proposes to purchase the lot in order to give persons in the area an opportunity to offer lots for sale to the school for the construction of the dwelling unit or other building project.~~

~~6-51-504. Dwelling unit construction—Restrictions—Exemptions.~~

~~(a) The Department of Career Education shall not advance funds to a technical institute from the Building Trades Revolving Fund created in this subchapter for the construction of more than one (1) dwelling unit or other building project at any one (1) time or more than one (1) dwelling unit or other building project in any twelve-month period.~~

~~(b) Riverside Vocational and Technical School and secondary area technical centers are exempt from the provisions of this section.~~

~~6-51-505. Applicability of state purchasing law and regulations.~~

~~All building materials, supplies, and fixtures used in the construction of a dwelling unit or other building project as authorized in this subchapter shall be purchased by the school:~~

~~(1) If the school is a technical institute, in accordance with the state purchasing law and regulations; and~~

~~(2) If the school is a secondary area technical center, in accordance with the purchasing laws and regulations governing its administrative sponsor.~~

~~6-51-506. Conformity to other standards.~~

~~Any dwelling unit or other building project constructed by a technical institute or a secondary area technical center pursuant to this subchapter~~

~~shall conform to the local zoning and building code, if any, of the municipality or area in which constructed and is subject to all requirements, restrictions, and regulations of the locality in which located, the Department of Health, and other public agencies, the same as if constructed by a private builder.~~

~~6-51-507. Sale of dwelling unit.~~

~~(a) Upon completion of a dwelling unit or other building project, the governing body of the technical institute or secondary area technical center shall cause the dwelling unit or building project to be appraised by a qualified real estate appraiser.~~

~~(b)(1) Upon receipt of the appraisal, the governing body of the technical institute or secondary area technical center shall cause notice to be published in one (1) or more newspapers of general circulation in the area that the dwelling unit or other building project will be sold by sealed bid to the highest bidder above the appraised value thereof.~~

~~(2)(A) The notice shall state the location of the dwelling unit or building project and the date, time, and place at which the sealed bids will be received.~~

~~(B) The date shall be at least two (2) weeks after the date of the publication of the notice.~~

~~(c) No dwelling unit or other building project shall be sold for an amount less than the appraised value of the property.~~

~~(d)(1) If no bid equals or exceeds the appraised value of the property, all bids shall be rejected, and the property shall again be advertised and offered for sale as provided in subsection (b) of this section within ninety (90) days after the first bid opening.~~

~~(2) This procedure of advertising for and receiving bids on the property shall be continued until the property is sold.~~

~~(e) The provisions of this section do not apply to any building project for a state agency, which shall reimburse the technical institute or secondary area technical center for the actual costs incurred in the completion of the project.~~

~~6-51-508. Remittance of proceeds.~~

~~(a) All funds derived from reimbursement by a state agency or from the~~

~~sale of a dwelling unit or other building project constructed under the provisions of this subchapter by a technical institute after deducting the cost of the sale shall be remitted to the Department of Career Education for deposit in the Building Trades Revolving Fund created in this subchapter.~~

~~(b) Upon the sale of a dwelling unit or other building project constructed under the provisions of this subchapter by a secondary area technical center:~~

~~(1)(A) The secondary area technical center shall remit to the department the full amount of funds advanced for the project.~~

~~(B) The department shall deposit the funds into the Building Trades Revolving Fund created in this subchapter; and~~

~~(2) The remaining proceeds, if any, shall be retained or any loss absorbed by the secondary area technical center.~~

~~6-51-509. Uses for Building Trades Revolving Fund.~~

~~All funds appropriated for the program established in this subchapter together with funds derived from the sale of property and remitted to the Department of Career Education and deposited in the Building Trades Revolving Fund shall be used exclusively for the purpose of making advances to area vocational schools for the purchase of lots, building materials, supplies, and fixtures necessary to construct dwellings or other building projects on the lots and to otherwise carry out the purposes of this subchapter.~~

~~6-51-510. Disbursing officer.~~

~~The disbursing officer for the Department of Career Education shall be disbursing officer for funds in the Building Trades Revolving Fund.~~

SECTION 2. Arkansas Code § 19-5-1064, concerning the Building Trades Revolving Fund, is repealed.

~~19-5-1064. Building Trades Revolving Fund.~~

~~(a) There is established on the books of the Treasurer of State, the Auditor of State, and the Chief Fiscal Officer of the State a fund to be known as the "Building Trades Revolving Fund".~~

~~(b) The fund shall consist of all funds appropriated for the building trades program and from the sale of dwelling units constructed under the provisions of § 6-51-501 et seq., there to be used exclusively for making~~

~~advances to technical institutes or comprehensive lifelong learning centers  
for the purchase of lots, building materials, supplies, and fixtures  
necessary to construct dwellings on such lots, as set out in § 6-51-501 et  
seq.~~

*/s/J. English*