

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

State of Arkansas
93rd General Assembly
Regular Session, 2021

A Bill

SENATE BILL 358

By: Senator Caldwell
By: Representatives Hollowell, Murdock

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING THE SALE OF STATE LAND; TO ESTABLISH A PROCESS TO SELL STATE LAND OVER A CERTAIN DOLLAR AMOUNT; TO AMEND THE LAW CONCERNING THE SALE OF LAND OWNED BY AN INSTITUTION OF HIGHER EDUCATION; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING THE SALE OF STATE LAND; TO ESTABLISH A PROCESS TO SELL STATE LAND; TO AMEND THE LAW CONCERNING THE SALE OF LAND OWNED BY AN INSTITUTION OF HIGHER EDUCATION; AND TO DECLARE AN EMERGENCY.

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

SECTION 1. Arkansas Code Title 6, Chapter 60, Subchapter 1, is amended to add an additional section to read as follows:

6-60-113. Sale of donated and purchased land.

(a) The board of trustees of an institution of higher education:

(1)(A) May sell any land purchased by the institution of higher education or donated to the institution of higher education by an individual, partnership, corporate entity, the State of Arkansas, or the United States Government, unless otherwise prohibited by law.

(B) An institution of higher education shall follow the



procedures established under § 22-6-121 for the sale of land appraised at five hundred thousand dollars (\$500,000) or more;

(2) Shall not sell land to a private ownership interest if the deed to the property contains a deed restriction stating that the land must continue to be used for public purposes; and

(3) May donate or sell land purchased by or donated to the institution of higher education containing a deed restriction stating that the land must continue to be used for public purposes to:

(A) A department, agency, board, commission, or institution of higher education of the State of Arkansas; or

(B) A nonprofit corporation organized with the primary mission to keep the land open to the public and available for public use.

(b) When the purchase price is paid to the treasurer of an institution of higher education, the president and secretary of the board of trustees shall execute a deed conveying the lands to the purchaser.

SECTION 2. Arkansas Code § 6-64-218 is repealed.

~~6-64-218. Sale of donated land.~~

~~(a) The Board of Trustees of the University of Arkansas may sell any land donated to the University of Arkansas by individuals.~~

~~(b) When the purchase price is paid to the treasurer of the university, the president and secretary of the board shall execute a deed conveying the lands to the purchaser."~~

SECTION 3. Arkansas Code Title 22, Chapter 6, Subchapter 1, is amended to add an additional section to read as follows:

22-6-121. Sale of state land with value over 500,000 – Definitions.

(a) As used in this section:

(1)(A) "State entity" means an instrumentality of state government, including without limitation a board, commission, committee, advisory board, office, department, institution, bureau, council, administrative program, agency, or division.

(B) "State entity" does not mean:

(i) The Arkansas Public Employees' Retirement System; and

(ii) The Arkansas Teacher Retirement System; and

(2) "State land" means real property acquired by or donated to the State of Arkansas or a state entity and any improvements that may have been made on the real property.

(b) This section applies to a proposed sale of state land with a value of over five hundred thousand dollars (\$500,000).

(c)(1) If the proposed sale of state land concerns state land used:

(A) Primarily for agricultural purposes, agricultural research, timber production or research, or is designated as wetlands, the proposed sale shall be reviewed by the House Committee on Agriculture, Forestry, and Economic Development and the Senate Committee on Agriculture, Forestry, and Economic Development meeting jointly;

(B) Currently or previously as a transportation facility, road, or railroad, the proposed sale shall be reviewed by the House Committee on Public Transportation and the Senate Committee on Public Transportation, Technology, and Legislative Affairs meeting jointly; or

(C) For all other purposes, the proposed sale shall be reviewed by the House Committee on State Agencies and Governmental Affairs and the Senate Committee on State Agencies and Governmental Affairs meeting jointly.

(2) Before review under subdivision (c)(1) of this section, a state entity proposing to sell state land shall:

(A) Notify the public the state land is proposed to be declared surplus by publishing a notice on the website of the state entity stating the proposal to declare the state land surplus and for future sale for a period of twenty-one (21) consecutive calendar days identifying the state land to be declared surplus and for sale by:

(i) Legal description of the state land in metes and bounds; and

(ii) Physical address, if available;

(B)(i) Hold a public hearing regarding the proposed sale of state land.

(ii) The public hearing shall be held in the county in which the state land is located.

(iii) The public hearing shall be conducted in a manner in which the public is allowed to appear in person.

(iv) All comments, written or in another form,

opposing the public sale shall be recorded by the state entity;

(C)(i) Determine the estimated market value of the state land at the time the state land is proposed to be declared surplus and for sale.

(ii) Estimated market value of the state land shall be determined by the average of three (3) appraisals conducted by three (3) appraisers certified or licensed under the Arkansas Appraiser Licensing and Certification Act, § 17-14-101 et seq., § 17-14-201 et seq., and § 17-14-301 et seq.; and

(D) Provide a report to the committee designated under subdivision (c)(1) of this section of:

(i) The estimated market value of the property proposed to be surplus; and

(ii) All public comments opposing the surplus property declaration.

(3) After review under subdivision (c)(1) of this section, a state entity proposing to sell state land shall:

(A) Declare the state land to be surplus and for sale;

(B) Notify the public the state land has become surplus and is for sale by publishing a notice on the website of the state entity declaring the state land surplus and for sale for a period of twenty-one (21) consecutive calendar days identifying the state land declared surplus and for sale by:

(i) Legal description of the state land in metes and bounds; and

(ii) Physical address, if available; and

(C) Dispose of the surplus state land:

(i)(a) At public sale.

(b) Notice of the public sale shall be published on the website of the state entity for a period of twenty-one (21) consecutive calendar days.

(c) The notice shall specify the description of the state land to be sold and the time and place of the public sale;

(ii) Through a negotiated sale with the approval of the Legislative Council or, if the General Assembly is in session, the Joint Budget Committee; or

(iii) Through the procedures established under § 22-5-307 or § 22-6-601.

(d) The Commissioner of State Lands may convey state land sold under this section and owned by the State of Arkansas.

(e) A state entity may convey state land sold under this section and owned by the state entity.

SECTION 4. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that state lands are held and managed for the benefit of the citizens of Arkansas; that transparency in the management and sale of state lands is necessary to preserve the ability of citizens to comment on the sale of state lands; that transparency in the actions of state entities is necessary to preserve the trust of the citizens and preserve the public peace; and that this act is immediately necessary because protection of the trust of the citizens is endangered by a lack of the ability of citizens to participate in the process of determining valuable state lands to be surplus. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on:

(1) The date of its approval by the Governor;

(2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or

(3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.