State of Arkansas

As Engrossed: S3/11/19

A Bill

SENATE BILL 408

By: Senator M. Pitsch
By: Representatives Vaught, D. Douglas

For An Act To Be Entitled
AN ACT CONCERNING DISCLOSURE REQUIREMENTS FOR REAL ESTATE TRANSACTIONS; TO REQUIRE THE DISCLOSURE OF AGRICULTURAL OPERATIONS NEAR REAL PROPERTY LOCATED IN A RURAL AREA; AND FOR OTHER PURPOSES.

Subtitle
CONCERNING DISCLOSURE REQUIREMENTS FOR REAL ESTATE TRANSACTIONS; TO REQUIRE THE DISCLOSURE OF AGRICULTURAL OPERATIONS NEAR REAL PROPERTY LOCATED IN A RURAL AREA.

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

SECTION 1. Arkansas Code Title 18, Chapter 11, Subchapter 1, is amended to add an additional section to read as follows:

18-11-107. Required disclosure by closing agent.
(a) As used in this section:
   (1) "Agricultural operation" means an agricultural, silvicultural, or aquacultural facility or pursuit conducted, in whole or in part, including:
       (A) The care and production of livestock and livestock products, poultry and poultry products, apiary products, and plant and animal production for nonfood uses;
       (B) The planting, cultivating, harvesting, and processing of crops and timber; and
(C) The production of any plant or animal species in a controlled freshwater or saltwater environment; and

(2) "Closing agent" means a person that facilitates a closing.

(b) A closing agent shall provide a written disclosure statement before or at the time of closing a real estate transaction that makes a buyer of real property aware that:

(1) The real property may be located within or near a rural area; and

(2) Agricultural operations on real property nearby are protected under § 2-4-101 et seq, and shall not be found to be a public or private nuisance if the agricultural operation employs methods or practices that are commonly or reasonably associated with agricultural production.

(c) A cause of action shall not arise against and liability shall not be imposed upon a closing agent or a closing agent's employer due to a failure to provide a buyer of real property the written disclosure statement required under subsection (b) of this section.

/s/M. Pitsch