

1 State of Arkansas
2 93rd General Assembly
3 Regular Session, 2021
4

As Engrossed: H1/26/21

A Bill

HOUSE BILL 1229

5 By: Representative Bentley
6 By: Senator G. Stubblefield
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE PROCEDURE BY WHICH THE
10 COMMISSIONER OF STATE LANDS SELLS TAX-DELINQUENT
11 LAND; TO DECLARE AN EMERGENCY; AND FOR OTHER
12 PURPOSES.
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Subtitle

16 TO AMEND THE PROCEDURE BY WHICH THE
17 COMMISSIONER OF STATE LANDS SELLS TAX-
18 DELINQUENT LAND; AND TO DECLARE AN
19 EMERGENCY.
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21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23

24 SECTION 1. Arkansas Code § 26-37-202 is amended to read as follows:
25 26-37-202. Procedure to sell.

26 (a)(1) Bidders for parcels at a tax-delinquent property auction may
27 bid at the sale or may submit their bids ~~mail their bid~~ to the office of the
28 Commissioner of State Lands by mail or online.

29 (2) Bids shall be delivered at the appropriate place or by the
30 appropriate method before the deadline established in the notice of the ~~sale~~
31 tax-delinquent property auction.

32 (3) The Commissioner of State Lands may conduct a tax-delinquent
33 property auction under this subsection in person or online.

34 (b)(1)(A) If at the scheduled ~~public sale~~ tax-delinquent property
35 auction a person or entity does not bid at least the amount of delinquent
36 taxes, penalties, interest, and the costs of the sale, the Commissioner of



1 State Lands may ~~offer to sell tax-delinquent land at a post-auction private~~
2 ~~sale~~ an unsold-property auction.

3 (B) The Commissioner of State Lands may conduct an unsold-
4 property auction under subdivision (b)(1)(A) of this section online.

5 (2)(A) If tax-delinquent land is offered at ~~a post-auction~~
6 ~~private sale~~ an unsold-property auction within the first two (2) years
7 following the ~~public sale~~ tax-delinquent property auction under ~~subdivision~~
8 ~~(b)(1)~~ subsection (a) of this section, the tax-delinquent land shall be
9 offered for at least the amount of the delinquent taxes, penalties, interest,
10 and the costs of the sale.

11 (B)(i) If tax-delinquent land is offered two (2) years or
12 more following the ~~public sale~~ tax-delinquent property auction under
13 ~~subdivision (b)(1)~~ subsection (a) of this section, the sale of the tax-
14 delinquent land may be negotiated at a price the Commissioner of State Lands
15 determines to be in the best interest of the state and the local taxing
16 units.

17 (ii) The Commissioner of State Lands may conduct a
18 negotiated-price sale under subdivision (b)(2)(B)(i) of this section
19 online.

20 (3) The Commissioner of State Lands shall submit quarterly
21 reports to the Legislative Council or, if the General Assembly is in session,
22 the Joint Budget Committee, listing all tax-delinquent land sold at ~~a post-~~
23 ~~auction private sale~~ an unsold-property auction or a negotiated-price sale
24 under this section.

25 (c)(1) Except as provided in subdivision (c)(2) of this section, when
26 the Commissioner of State Lands ~~shall conduct~~ conducts an in-person tax-
27 ~~delinquent sales~~ property auction, the in-person tax-delinquent property
28 auction shall take place in the county where the land is located.

29 (2) If the Commissioner of State Lands determines that
30 sufficient parcels of land located in one (1) county do not exist to justify
31 ~~a single~~ an in-person sale in one (1) county, the Commissioner of State Lands
32 may hold ~~a~~ an in-person tax-delinquent ~~land sale~~ property auction or in one
33 (1) location and sell land located in more than one (1) county if the
34 counties are adjoining counties.

35 (d) The ~~sales~~ auctions under this section shall be conducted on the
36 dates specified in the notices required by this subchapter.

1 (e)(1) After a sale of the land by the Commissioner of State Lands,
2 including a post-auction private sale regardless of whether the sale occurred
3 at a tax-delinquent property auction, an unsold-property auction, or a
4 negotiated-price sale, the Commissioner of State Lands shall notify the owner
5 and all interested parties of the right to redeem the land within ten (10)
6 days, excluding Saturdays, Sundays, and legal holidays, after the date of the
7 sale by paying all taxes, penalties, interest, and costs due, including the
8 cost of the notice.

9 (2) The notice under subdivision (e)(1) of this section shall be
10 sent by regular mail to the last known address of the owner and all
11 interested parties.

12 (3) If the land is not redeemed, a limited warranty deed shall
13 be issued by the Commissioner of State Lands to the purchaser.

14 (f) As used in this section, “owner” and “interested party” ~~has~~ have
15 the same meaning as in § 26-37-301.

16 (g) The Commissioner of State Lands shall promulgate rules to carry
17 out the provisions of this section.

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19 SECTION 2. Arkansas Code § 26-37-203(b)(1), concerning the limitations
20 period to contest the validity of a sale of tax-delinquent land, is amended
21 to read as follows:

22 (b)(1) Except as provided in subdivision (b)(2) of this section, an
23 action to contest the validity of a conveyance under this section or a
24 ~~negotiated~~ negotiated-price sale under § 26-37-202 is barred if not commenced
25 within ninety (90) days after the date of the conveyance.

26
27 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the
28 General Assembly of the State of Arkansas that certain provisions of the
29 Arkansas Code authorizing the Commissioner of State Lands to conduct in-
30 person auctions of tax-delinquent properties are in need of revision and
31 updating to allow for online auctions of tax-delinquent properties; that due
32 to coronavirus 2019 (COVID-19) and to the inability to hold online auctions,
33 no tax-delinquent properties have been sold for the calendar years 2020 or
34 2021; that holding tax-delinquent property auctions are of great importance
35 to counties and school districts in Arkansas; and that the immediate creation
36 and implementation of an online tax-delinquent property auction process is

1 necessary to maintain an orderly system of returning tax-delinquent
2 properties to the tax rolls of this state. Therefore, an emergency is
3 declared to exist, and this act being immediately necessary for the
4 preservation of the public peace, health, and safety shall become effective
5 on:

- 6 (1) The date of its approval by the Governor;
7 (2) If the bill is neither approved nor vetoed by the Governor,
8 the expiration of the period of time during which the Governor may veto the
9 bill; or
10 (3) If the bill is vetoed by the Governor and the veto is
11 overridden, the date the last house overrides the veto.

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13 */s/Bentley*
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