

1 State of Arkansas  
2 91st General Assembly  
3 Regular Session, 2017  
4

# A Bill

SENATE BILL 336

5 By: Senator Irvin  
6 By: Representative Baltz  
7

## For An Act To Be Entitled

9 AN ACT TO CLARIFY THE LAW REGARDING THE SALE, LEASE,  
10 PURCHASING, AND DISPOSAL OF REAL AND PERSONAL  
11 PROPERTY OF MUNICIPALITIES; AND FOR OTHER PURPOSES.  
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## Subtitle

15 TO CLARIFY THE LAW REGARDING THE SALE,  
16 LEASE, PURCHASING, AND DISPOSAL OF REAL  
17 AND PERSONAL PROPERTY OF MUNICIPALITIES.  
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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22 SECTION 1. Arkansas Code § 14-54-302 is amended to read as follows:

23 14-54-302. Purchase, lease, ~~and sale,~~ and disposal authorized.

24 ~~(a)(1) Municipal corporations are empowered and authorized to A~~  
25 municipality may:

26 (1) sell ~~Sell~~, convey, lease, rent, ~~or let,~~ or dispose any real  
27 estate or personal property owned or controlled by the ~~municipal~~  
28 ~~corporations. This power and authorization shall extend and apply to all such~~  
29 ~~real estate and personal property, including that which~~ municipality,  
30 including real estate or personal property that is held by the ~~municipal~~  
31 ~~corporation~~ municipality for public or governmental ~~uses and purposes;~~

32 ~~(2) Municipal corporations are empowered and authorized to buy~~  
33 Buy any real estate or personal property; and

34 ~~(b)(1)(3)(A) Municipal corporations are also empowered and authorized~~  
35 ~~to donate~~ Donate real estate or personal property, or any part ~~thereof~~ of the  
36 real estate or personal property, to the federal government or any agency



1 ~~thereof of the federal government~~, for any one (1) or more of the following  
 2 purposes, that is, having the real estate, or personal property, or both,  
 3 activated, reactivated, improved, or enlarged by the donee.

4 ~~(2)(A)(B)~~ The ~~municipal corporation~~ municipality may donate the  
 5 fee simple title and absolute interest, without any reservations or  
 6 restrictions, in and to all real estate, or personal property, or both, or  
 7 any part of the real estate or personal property, to the federal government,  
 8 if this real estate or personal property was previously conveyed or otherwise  
 9 transferred by the federal government to the ~~municipal corporation~~  
 10 municipality without cost to the ~~municipal corporation~~ municipality.

11 ~~(B)(C)~~ All other donation instruments shall contain  
 12 provisions by which the title to the property donated shall revert to the  
 13 ~~municipal corporation~~ municipality when the donated property is no longer  
 14 used by the donee for the purposes for which it was donated.

15 ~~(e)(b)~~ The execution of all contracts and conveyances and lease  
 16 contracts shall be performed by the mayor and city clerk or recorder, when  
 17 authorized by a resolution in writing and approved by a majority vote of the  
 18 ~~city council governing body of the municipality~~ present and participating.

19 (c) The mayor or his or her authorized representative may sell or  
 20 exchange any municipal real estate or personal property with a value of  
 21 twenty thousand dollars (\$20,000) or less, unless the governing body of the  
 22 municipality shall by ordinance establish a lesser amount.

23 (d) Municipal real estate or personal property to be disposed of as  
 24 one (1) unit shall not be sold without competitive bidding if the amount  
 25 exceeds twenty thousand dollars (\$20,000) or the maximum provided by  
 26 resolution, unless the mayor certifies in writing to the governing body of  
 27 the municipality that in his or her opinion the fair market value of the item  
 28 or lot is less than the amount established by ordinance.

29 (e)(1) If personal property of the municipality becomes obsolete or is  
 30 no longer used by a municipality, the personal property may be:

31 (A) Sold at public or internet auction;

32 (B) Sent to the Department of Finance and Administration's  
 33 Marketing and Redistribution Section;

34 (C) Transferred to another governmental entity within the  
 35 state; or

36 (D) Donated under this section.

1           (2) If an item of personal property is not disposed of under  
 2 subdivision (e)(1) of this section, the item may be disposed of in the  
 3 landfill used by the municipality if the mayor or his or her authorized  
 4 representative certifies in writing and the governing body of the  
 5 municipality approves that:

6                   (A) The item has been rendered worthless by damage or  
 7 prolonged use; or

8                   (B) The item has:

9                           (i) Only residual value; and

10                           (ii) Been through public auction and not sold.

11           (f)(1) A record shall be maintained of all items of personal property  
 12 disposed of under this section and reported to the governing body of the  
 13 municipality.

14           (2) The municipal fixed asset listing shall be amended to  
 15 reflect all disposal of real estate and personal property made under this  
 16 section.

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 18           SECTION 2. Arkansas Code § 14-58-306 is repealed.

19           ~~14-58-306. Disposal of municipal supplies, etc.~~

20           ~~(a) In a city of the first class, city of the second class, or~~  
 21 ~~incorporated town, the mayor or his or her authorized representative may sell~~  
 22 ~~or exchange any municipal supplies, materials, or equipment with a value of~~  
 23 ~~twenty thousand dollars (\$20,000) or less, unless the municipal governing~~  
 24 ~~body shall, by ordinance, establish a lesser amount.~~

25           ~~(b) No item or lot of supplies, material, or equipment that is to be~~  
 26 ~~disposed of as one (1) unit shall be sold without competitive bidding if the~~  
 27 ~~amount exceeds twenty thousand dollars (\$20,000) or the maximum provided by~~  
 28 ~~ordinance, unless the mayor shall certify in writing to the governing body~~  
 29 ~~that, in his or her opinion, the fair market value of the item or lot is less~~  
 30 ~~than the amount established by ordinance as indicated.~~

31           ~~(c)(1) If an item of personal property belonging to a municipality~~  
 32 ~~becomes obsolete or is no longer used by a municipality, it may be:~~

33                   ~~(A) Sold at public or Internet auction;~~

34                   ~~(B) Sent to the Marketing and Redistribution Section of~~  
 35 ~~the Office of State Procurement of the Department of Finance and~~  
 36 ~~Administration; or~~

1                   ~~(C) Transferred to another governmental entity within the~~  
2 ~~state.~~

3                   ~~(2) If an item is not disposed of under subdivision (c)(1) of~~  
4 ~~this section, the item may be disposed of in the landfill used by the~~  
5 ~~municipality if the mayor or his or her authorized representative certifies~~  
6 ~~in writing and the governing body of the municipality approves that it has:~~

7                             ~~(A) Been rendered worthless by damage or prolonged use; or~~

8                             ~~(B)(i) Only residual value; and~~

9                                     ~~(ii) Been through public auction and not sold.~~

10                   ~~(d)(1) A record shall be maintained of all items disposed of and~~  
11 ~~reported to the governing body.~~

12                   ~~(2) The municipal fixed asset listing shall be amended to~~  
13 ~~reflect all disposal of property made under this section.~~

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16                                     **APPROVED: 03/13/2017**  
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