ARKANSAS SENATE

84th General Assembly - Regular Session, 2003

Amendment Form

Subtitle of Senate Bill No. 749

Amendment No. 1 to Senate Bill No. 749.

Amend Senate Bill No. 749 as originally introduced:

Delete all language after the enacting clause and substitute the following: "SECTION 1. <u>Purpose.</u>

The purpose of this act is to clarify that the Adjutant General of Arkansas has the authority, acting in the best interests of the security and defense of the state and of the United States, to convey any estate in military real property of which the Adjutant General is custodian, by any lawful method of conveyance, upon the terms and conditions as he or she may deem appropriate, and subject to the approval of the United States.

SECTION 2. <u>Findings</u>.

The General Assembly finds that:

(1) The Adjutant General is the custodian of the military reservations and military property of the State of Arkansas;

(2) The United States retains a reversionary estate in all of the military reservations, and furthermore the United States retains various regulatory interests in and to other military properties located within the State of Arkansas;

(3) A conveyance of unneeded excess military real properties is subject to the consent of the United States acting by and through the Secretary of the Army or the Secretary of the Air Force;

(4) The disposal of military real properties is presently restricted by law to the disadvantage of the best interests of the people of the State of Arkansas;

(5) The authority of the Adjutant General to convey estates in military real property is unreasonably restricted; and

(6) The restrictions at law should be removed.

SECTION 3. Arkansas Code § 12-63-305 is amended to read as follows: 12-63-305. Sale, lease, rental, etc., of unused property <u>Conveyance or</u> <u>disposal of military real property</u>.

(a)(1)(A) In case a National Guard unit stationed in any county shall cease to exist or the location of its headquarters is removed to another



county or another location, or if for any other reason an armory, <u>If the</u> <u>Adjutant General determines that any military reservation, armory, landing</u> <u>field, hanger</u>, or any other <u>estate in</u> real property owned <u>or possessed</u> by the State of Arkansas for the use and benefit of the Arkansas National Guard <u>or</u> <u>the armed forces of the United States</u> becomes <u>is</u> no longer useful or necessary for National Guard <u>or for other military</u> purposes, <u>then</u> the Adjutant General shall have authority to sell, <u>convey</u>, or to otherwise <u>dispose of the property</u>. and,

(B) The Adjutant General may sell, convey, or otherwise dispose of property under this section by deed, lease, license, permit, or other instrument executed by him or her on behalf of, and in the name and behalf of, the State of Arkansas, to convey to the purchaser thereof, as the Adjutant General may approve, any property, or improvements thereon located, owned by the State of Arkansas for the use and benefit of the Arkansas National Guard.

(C) The Adjutant General shall approve the price, consideration, and other terms and conditions related to the sale, conveyance, or other disposal of property under this section.

(2) The Adjutant General may also enter into agreements with cities, or counties, school boards, other political subdivisions of the state, or any other public entity, body, board, commission, agency, or governmental corporation to convey an estate in real property or other improvements formerly used for National Guard purposes to such city or county the political subdivision or public entity in the event the Adjutant General determines that the transfer would be in the better interest of the National Guard and the local community, where the city or county furnishes or has furnished land for an armory site subject to any reversionary interest that may exist with respect to the estate in favor of the State of Arkansas or of the United States.

(3) Any conveyance under this section is subject to approval of the Secretary of the Army or the Secretary of the Air Force, as the case may be, and in compliance with the applicable regulations and instructions.

(b)(1) When and if, in the judgment of the Adjutant General, the use of any parcel of real property or any armory, warehouse, or other improvements thereon located, owned by or leased to the State of Arkansas for the use and benefit of the Arkansas National Guard or any portion thereof is temporarily not required and not necessary for National Guard purposes, the Adjutant General shall have authority to lease or sublease such real property or portion thereof for such rental, and on such terms and conditions and for such period of time, as the Adjutant General shall deem to the best interest of the National Guard. The lease or sublease contract shall be executed by the Adjutant General, for and in the name and behalf of the State of Arkansas.

(2) Every lease contract shall contain suitable provision for the immediate suspension or termination thereof in the event of the occurrence of an emergency rendering the use of the property by the National Guard of Arkansas necessary for its military purposes and may provide for a refund, out of the Special Military Fund, to the lessee or sublessee, of rental paid in advance for the period covered by the lease during which the lessee or sublessee is by reason of the emergency deprived of the use of said property.

(c)(1)(A) Before the Adjutant General shall lease, rent, sell, <u>convey</u>,

or otherwise dispose of any <u>estate in any real such</u> property <u>or improvement</u> <u>on the property, other than a lease or rental for thirty (30) days or less</u> <u>for the use of real property, buildings, armories, airfields, or other</u> <u>improvements that are temporarily not required for military purposes</u>, he shall publish a notice one (1) time in some newspaper published and having a general circulation in the county where the property is located <u>state</u>, at least ten (10) days prior to the date on which the property will be offered for <u>sale</u>, <u>lease</u>, <u>or rent</u> <u>conveyance or disposal</u>.

(B) The notice shall describe such the estate or property and notify all persons interested that the <u>estate or</u> property will be leased, rented, or sold <u>conveyed or disposed</u>, and of the <u>conditions</u>, terms, time, and place at which bids <u>or requests for proposals</u> shall be received therefor.

(2) Bids <u>or proposals</u> for the <u>conveyance</u>, <u>disposal</u>, purchase, or lease, <u>or other disposition</u> of the <u>estate in any real</u> property, substantially on the terms specified in the notice, shall be received by the Adjutant General at the time and place specified in the notice, in the form of open <u>or sealed</u> bids, <u>or requests for proposals</u> or sealed bids, as the Adjutant General may direct.

(3) Subject to the Adjutant General's right to reject all bids and proposals, the property shall be sold or leased <u>conveyed</u> to the person, firm, or corporation submitting the bid <u>or proposal</u> which, in the judgment of the Adjutant General, taking into consideration the amount to be paid and the terms of the lease or sale and conditions of the conveyance, is most advantageous to the <u>security and interests of the</u> State of Arkansas for the use and benefit of the National Guard and the United States.

(d)(1) The purchase price, rental, or other moneys to be paid for the conveyance of the estate or property, or for the use thereof, for a period of more than thirty (30) days, under the terms, conditions, and consideration of the sale or lease or sublease conveyance shall be deposited in the State Treasury.

(2) The moneys shall be credited to the Special Military Fund, to be used by the Adjutant General for the purposes of constructing, repairing, or maintaining hangars, armories, or other property held by the State of Arkansas for the use and benefit of its National Guard, <u>subject to</u> <u>any priority interest and estate of the United States in such proceeds</u>."

The Amendment was read the first time, rules suspended and read the second time and ______By: Senator Salmon
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Secretary