

1 State of Arkansas
2 92nd General Assembly
3 Regular Session, 2019
4

A Bill

HOUSE BILL 1767

5 By: Representative Payton
6

For An Act To Be Entitled

8 AN ACT TO REGULATE THE ADMINISTRATION OF REAL
9 PROPERTY OF THE STATE AND POLITICAL SUBDIVISIONS OF
10 THE STATE; AND FOR OTHER PURPOSES.
11

Subtitle

12
13 TO REGULATE THE ADMINISTRATION OF REAL
14 PROPERTY OF THE STATE AND POLITICAL
15 SUBDIVISIONS OF THE STATE.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 22-5-303 is amended to read as follows:

22 22-5-303. Additional duties of Commissioner of State Lands.

23 (a) In addition to other duties and powers conferred by law upon the
24 Commissioner of State Lands, he or she shall ~~have the following duties and~~
25 ~~powers:~~

26 (1) ~~To effectuate~~ Effectuate the policies and carry out the
27 purposes declared in § 22-5-301, ~~to carry out its purposes~~ including by
28 ~~securing:~~

29 (A) Securing the cooperation and assistance of the United
30 States and any of its agencies, ~~;~~ and ~~to enter~~

31 (B) Entering into contracts, agreements, and conveyances
32 necessary to secure such federal assistance;

33 (2) ~~To conduct~~ Conduct investigations, independently or jointly
34 with other state and federal agencies, relating to conditions and factors
35 affecting, and methods of accomplishing more effectively, the purposes of
36 this subchapter; ~~and~~



1 (3) ~~To assign~~ Assign lands to the several state agencies for
 2 administration, subject to their agreement and acceptance;

3 (4) Review, compile, and maintain inventory records of the real
 4 property owned by the State of Arkansas based upon the information submitted
 5 under §§ 22-5-209 and 22-5-411 and the records in the office of the
 6 Commissioner of State Lands;

7 (5) Make recommendations and take appropriate action concerning
 8 the best use of land owned by the state and its political subdivisions; and

9 (6) Accept unsolicited proposals.

10 (b) The Commissioner of State Lands may solicit proposals concerning
 11 real estate transactions that would benefit the state.

12
 13 SECTION 2. Arkansas Code § 22-5-305 is repealed.

14 ~~22-5-305. State Land Use Committee—Commissioner of State Lands as~~
 15 ~~secretary—Employment of person with technical training—Assignment of~~
 16 ~~employees—Supervision.~~

17 (a) ~~A State Land Use Committee shall be appointed by the Commissioner~~
 18 ~~of State Lands, to be composed of nine (9) members, each of whom shall be a~~
 19 ~~qualified elector.~~

20 (b) ~~The Commissioner of State Lands shall appoint one (1) member from~~
 21 ~~each of the seven (7) congressional districts and two (2) members at large~~
 22 ~~for a term of two (2) years.~~

23 (c) ~~The appointments shall be made with the advice and consent of the~~
 24 ~~Senate.~~

25 (d) ~~The Commissioner of State Lands shall serve as secretary to the~~
 26 ~~committee and shall receive a salary of two thousand dollars (\$2,000) per~~
 27 ~~year for his or her services.~~

28 (e) ~~The Commissioner of State Lands may employ one (1) person who has~~
 29 ~~had technical training in problems relating to land use and who shall assist~~
 30 ~~in the performance of any duties that may be required by the committee. The~~
 31 ~~Commissioner of State Lands shall determine the salary of this employee.~~

32 (f) ~~The supervising officer of any state agency or institution of~~
 33 ~~education may detail or assign to the committee members of the staff of the~~
 34 ~~agency or institution and may make such special reports, investigations, or~~
 35 ~~studies as the committee may request.~~

36 (g) ~~The Commissioner of State Lands may request the committee and~~

1 ~~other state or federal agencies whose regular functions require an~~
2 ~~understanding of land qualities and land classification for particular uses~~
3 ~~to supervise the inspection, classification, and appraisal of state-owned~~
4 ~~land according to its most appropriate use, having regard to the present and~~
5 ~~future welfare of the state.~~

6
7 SECTION 3. Arkansas Code § 22-5-306, as amended by Acts 2019, No. 315,
8 is amended to read as follows:

9 22-5-306. Appraisers – Qualifications, oath, and bond.

10 (a) The Commissioner of State Lands ~~shall~~ may appoint ~~such~~ appraisers
11 ~~as are provided for by any appropriation~~ to inspect and appraise state-owned
12 lands for sale, transfer, or donation.

13 ~~(b) It shall be unlawful for the Commissioner of State Lands to~~
14 ~~dispose of state-owned lands without an appraisal made by appraisers~~
15 ~~appointed by the Commissioner of State Lands, except that he or she may sell~~
16 ~~or dispose of town lots and acreage descriptions of ten (10) acres or less~~
17 ~~without an appraisal.~~

18 ~~(e)~~(b) Each appraiser selected shall, by education or experience, be
19 familiar with and know how to arrive at the value of lands, water rights,
20 mineral rights, timber lands, rural lands, agricultural lands, and
21 noncultivable lands; shall understand legal descriptions of real properties;
22 shall have a working knowledge of county and state real property records; and
23 shall be capable of passing dependable judgments upon the values of rural
24 properties.

25 ~~(d)~~(c) Upon entering the duties of his or her office, each appraiser
26 shall take an oath of office as prescribed in the Arkansas Constitution,
27 Article 19, § 20. This oath shall state that he or she will not, directly or
28 indirectly, be engaged in the purchase of state-owned lands during his or her
29 continuance in office and that he or she will not engage in any speculation
30 of state-owned lands or give information to any agent, friend, or secret or
31 other partner so as to secure the advantages of that information to himself
32 or herself or to any person, association, or company to the prejudice or
33 exclusion of other persons.

34 ~~(e)~~(d) Each appraiser shall enter into bond to the state in the sum of
35 one thousand dollars (\$1,000), to be furnished by a surety company authorized
36 to do business in the State of Arkansas, conditioned that he or she will

1 faithfully discharge all of his or her duties according to law and the rules
2 of the ~~State Land Use Committee~~ Commissioner of State Lands.

3 ~~(f)~~(e) After qualifying as provided in this section, each appraiser
4 shall perform his or her duties in the manner prescribed by the Commissioner
5 of State Lands.

6
7 SECTION 4. Arkansas Code § 22-5-307 is amended to read as follows:

8 22-5-307. Classification and disposition of state lands generally.

9 (a) State lands shall be classified as to whether they should be
10 retained in public ownership or returned to private ownership through sale or
11 donation, and the classification may be changed.

12 (b)(1) The Commissioner of State Lands shall dispose of the lands and
13 make deeds to the lands in accordance with ~~this~~ the classification under
14 subsection (a) of this section.

15 (2) Only With the approval of the Governor and review by the
16 General Assembly or the Legislative Council, lands classified as suitable for
17 return to private ownership ~~shall be subject to sale~~ may be sold under § 22-
18 5-312 and subsection (e) of this section to private ~~individuals~~ parties by
19 the Commissioner of State Lands.

20 (c) The Commissioner of State Lands may direct that land shall be
21 retained and administered by certain appropriate state or local agencies or
22 shall be disposed of and deeded in such manner that the state shall be
23 eligible for any benefits under any act of the United States Congress.

24 (d) Where lands are disposed of by return to private ownership, the
25 deeds shall contain such restrictive covenants or restraints on alienation as
26 the ~~State Land Use Committee~~ Commissioner of State Lands may deem necessary
27 to ensure the protection and use of the land in a manner beneficial to the
28 public. All coal, oil, gas, and mineral rights shall be reserved to the state
29 except in the case of tax-forfeited lands. However, the original owner or his
30 or her heirs shall be allowed to redeem or acquire these lands in accordance
31 with the provisions of this subchapter without the oil, gas, and mineral
32 rights being restricted or reserved.

33 (e)(1) Where land is classified as land which should be returned to
34 private ownership by sale, the Commissioner of State Lands shall offer the
35 land for sale to the highest bidder, but only if his or her bid is at least
36 equal to the appraised value.

1 (2) ~~No land~~ Land shall not be sold for less than its appraised
2 value, except that, pending appraisal ~~by the committee~~, the Commissioner of
3 State Lands is authorized to continue sales of state lands as provided for in
4 §§ 26-37-101 – 26-37-105, 26-37-201 – 26-37-205, and 26-37-301 – 26-37-303.

5 (f) ~~No lands~~ Land shall not be donated by the Commissioner of State
6 Lands until they have been classified as appropriate for donation by the
7 ~~committee~~ Commissioner of State Lands.

8 (g) If, at the end of three (3) years after appraisal by the ~~committee~~
9 Commissioner of State Lands, lands classified as land which should be
10 returned to private ownership by sale shall remain unsold on the books of the
11 Commissioner of State Lands, the unsold lands shall be reappraised by the
12 ~~committee~~ Commissioner of State Lands.

13 (h) Tax delinquent lands are not subject to the terms and restrictions
14 of this section and may be disposed of as required by law.

15
16 SECTION 5. Arkansas Code Title 22, Chapter 5, Subchapter 3, is amended
17 to add an additional section to read as follows:

18 22-5-312. Authority of Commissioner of State Lands, state agencies, and
19 political subdivisions to conduct certain real property transactions.

20 (a)(1) The Commissioner of State Lands may sell at auction or under
21 subdivision (a)(3) of this section land approved for return to private
22 ownership under § 22-5-307.

23 (2) The auction may be advertised and conducted at the same time
24 and in the same manner as tax delinquent lands under § 26-37-201 et seq.

25 (3) If the auction does not result in the sale of the land, the
26 Commissioner of State Lands may:

27 (A) Negotiate a private sale under the terms and conditions
28 of § 26-37-202; or

29 (B)(i) List the property for sale with a real estate broker
30 licensed under the Real Estate License Law, § 17-42-101 et seq.

31 (ii) The Commissioner of State Lands shall by rule
32 establish criteria to ensure the fair and impartial selection of the real
33 estate broker.

34 (b)(1)(A) A state agency or political subdivision of the state may
35 sell, transfer, or exchange real property that it owns if the sale, transfer,
36 or exchange is for fair market value.

1 (B) The Commissioner of State Lands shall establish by
2 rule factors to be considered and the standard to be applied in determining
3 the fair market value under this section.

4 (2) The state agency or political subdivision of the state shall
5 notify the Commissioner of State Lands in writing and provide a copy of a
6 valid appraisal of the property and a copy of the recorded deed or other
7 instrument evidencing the sale, transfer, or exchange within thirty (30) days
8 of the sale, transfer, or exchange.

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