

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

A Bill

SENATE BILL 96

5 By: Senator J. English
6

For An Act To Be Entitled

8 AN ACT TO REPEAL THE HOUSING CONSTRUCTION PROGRAM
9 CREATED FOR STATE-SUPPORTED TECHNICAL INSTITUTES THAT
10 OFFER COURSES OF TRAINING IN THE BUILDING TRADES; TO
11 REPEAL THE BUILDING TRADES REVOLVING FUND ESTABLISHED
12 FOR THE HOUSING CONSTRUCTION PROGRAM; AND FOR OTHER
13 PURPOSES.
14

Subtitle

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16
17 TO REPEAL THE HOUSING CONSTRUCTION
18 PROGRAM CREATED FOR STATE-SUPPORTED
19 TECHNICAL INSTITUTES THAT OFFER COURSES
20 OF TRAINING IN THE BUILDING TRADES; AND
21 TO REPEAL THE BUILDING TRADES REVOLVING
22 FUND.
23

24
25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
26

27 SECTION 1. Arkansas Code Title 6, Chapter 51, Subchapter 5, is
28 repealed.

29 ~~Subchapter 5 — Housing Construction Program~~

30
31 ~~6-51-501. Establishment.~~

32 ~~(a) There is established a program in which state-supported technical~~
33 ~~institutes offering courses of training in the building trades may, in~~
34 ~~connection with these courses of training:~~

35 ~~(1) Acquire lots and construct thereon single family dwelling~~
36 ~~units in connection with the course of training in the building trades;~~



1 ~~(2) Sell such dwelling units and lots; and~~

2 ~~(3) Deposit the funds derived therefrom in a Building Trades~~
 3 ~~Revolving Fund, which is created for that purpose.~~

4 ~~(b) Riverside Vocational and Technical School may construct only non-~~
 5 ~~dwelling unit building projects for state agencies or for private, nonprofit~~
 6 ~~organizations, but not for the general public, in connection with the course~~
 7 ~~of training in the building trades.~~

8 ~~(c)(1) As used in this subchapter, "secondary area technical center"~~
 9 ~~means a secondary area vocational center established under § 6-13-801 et seq.~~
 10 ~~or as defined by the Department of Career Education.~~

11 ~~(2) A secondary area technical center is authorized to construct~~
 12 ~~single family dwelling units in connection with a course of training in the~~
 13 ~~building trades.~~

14 ~~(3) This subsection does not authorize the purchase of land by a~~
 15 ~~secondary area technical center.~~

16
 17 ~~6-51-502. Approval and notification requirements—Advance of funds.~~

18 ~~(a) When a state-supported technical institute or secondary area~~
 19 ~~technical center offering courses of training in the building trades,~~
 20 ~~including carpentry, plumbing, bricklaying, and electrical wiring, desires to~~
 21 ~~participate in the program established in this subchapter, it shall first~~
 22 ~~obtain the written approval of the local building trades advisory committee~~
 23 ~~for the construction trades.~~

24 ~~(b) Upon receipt of written approval, the technical institute or~~
 25 ~~secondary area technical center shall notify the Department of Career~~
 26 ~~Education of its intent to undertake the construction of a single family~~
 27 ~~dwelling unit or other building project under the program established in this~~
 28 ~~subchapter.~~

29 ~~(c) Upon receipt of notice and subject to the availability of funds~~
 30 ~~therefor, the department may advance funds:~~

31 ~~(1) To the technical institute from the Building Trades~~
 32 ~~Revolving Fund for the purchase of lots and building materials, supplies, and~~
 33 ~~fixtures to be used in the construction of the dwelling unit or other~~
 34 ~~building project; or~~

35 ~~(2) To the secondary area technical center from the Building~~
 36 ~~Trades Revolving Fund for the purchase of building materials, supplies, and~~

1 ~~fixtures to be used in the construction of the single family dwelling unit or~~
2 ~~other nonresidential building project.~~

3
4 ~~6-51-503. Procedure for purchase of lot.~~

5 ~~When a technical institute is advanced funds from the Building Trades~~
6 ~~Revolving Fund by the Department of Career Education as provided in this~~
7 ~~subchapter, the technical institute shall, if it proposes to purchase a lot~~
8 ~~on which to build the dwelling unit or other building project, cause notice~~
9 ~~of the proposed purchase to be published in a newspaper of general~~
10 ~~circulation in the area where it proposes to purchase the lot in order to~~
11 ~~give persons in the area an opportunity to offer lots for sale to the school~~
12 ~~for the construction of the dwelling unit or other building project.~~

13
14 ~~6-51-504. Dwelling unit construction—Restrictions—Exemptions.~~

15 ~~(a) The Department of Career Education shall not advance funds to a~~
16 ~~technical institute from the Building Trades Revolving Fund created in this~~
17 ~~subchapter for the construction of more than one (1) dwelling unit or other~~
18 ~~building project at any one (1) time or more than one (1) dwelling unit or~~
19 ~~other building project in any twelve-month period.~~

20 ~~(b) Riverside Vocational and Technical School and secondary area~~
21 ~~technical centers are exempt from the provisions of this section.~~

22
23 ~~6-51-505. Applicability of state purchasing law and regulations.~~

24 ~~All building materials, supplies, and fixtures used in the construction~~
25 ~~of a dwelling unit or other building project as authorized in this subchapter~~
26 ~~shall be purchased by the school.~~

27 ~~(1) If the school is a technical institute, in accordance with~~
28 ~~the state purchasing law and regulations; and~~

29 ~~(2) If the school is a secondary area technical center, in~~
30 ~~accordance with the purchasing laws and regulations governing its~~
31 ~~administrative sponsor.~~

32
33 ~~6-51-506. Conformity to other standards.~~

34 ~~Any dwelling unit or other building project constructed by a technical~~
35 ~~institute or a secondary area technical center pursuant to this subchapter~~
36 ~~shall conform to the local zoning and building code, if any, of the~~

1 ~~municipality or area in which constructed and is subject to all requirements,~~
2 ~~restrictions, and regulations of the locality in which located, the~~
3 ~~Department of Health, and other public agencies, the same as if constructed~~
4 ~~by a private builder.~~

5
6 ~~6-51-507. Sale of dwelling unit.~~

7 ~~(a) Upon completion of a dwelling unit or other building project, the~~
8 ~~governing body of the technical institute or secondary area technical center~~
9 ~~shall cause the dwelling unit or building project to be appraised by a~~
10 ~~qualified real estate appraiser.~~

11 ~~(b)(1) Upon receipt of the appraisal, the governing body of the~~
12 ~~technical institute or secondary area technical center shall cause notice to~~
13 ~~be published in one (1) or more newspapers of general circulation in the area~~
14 ~~that the dwelling unit or other building project will be sold by sealed bid~~
15 ~~to the highest bidder above the appraised value thereof.~~

16 ~~(2)(A) The notice shall state the location of the dwelling unit~~
17 ~~or building project and the date, time, and place at which the sealed bids~~
18 ~~will be received.~~

19 ~~(B) The date shall be at least two (2) weeks after the~~
20 ~~date of the publication of the notice.~~

21 ~~(c) No dwelling unit or other building project shall be sold for an~~
22 ~~amount less than the appraised value of the property.~~

23 ~~(d)(1) If no bid equals or exceeds the appraised value of the~~
24 ~~property, all bids shall be rejected, and the property shall again be~~
25 ~~advertised and offered for sale as provided in subsection (b) of this section~~
26 ~~within ninety (90) days after the first bid opening.~~

27 ~~(2) This procedure of advertising for and receiving bids on the~~
28 ~~property shall be continued until the property is sold.~~

29 ~~(e) The provisions of this section do not apply to any building~~
30 ~~project for a state agency, which shall reimburse the technical institute or~~
31 ~~secondary area technical center for the actual costs incurred in the~~
32 ~~completion of the project.~~

33
34 ~~6-51-508. Remittance of proceeds.~~

35 ~~(a) All funds derived from reimbursement by a state agency or from the~~
36 ~~sale of a dwelling unit or other building project constructed under the~~

1 ~~provisions of this subchapter by a technical institute after deducting the~~
 2 ~~cost of the sale shall be remitted to the Department of Career Education for~~
 3 ~~deposit in the Building Trades Revolving Fund created in this subchapter.~~

4 ~~(b) Upon the sale of a dwelling unit or other building project~~
 5 ~~constructed under the provisions of this subchapter by a secondary area~~
 6 ~~technical center:~~

7 ~~(1)(A) The secondary area technical center shall remit to the~~
 8 ~~department the full amount of funds advanced for the project.~~

9 ~~(B) The department shall deposit the funds into the~~
 10 ~~Building Trades Revolving Fund created in this subchapter; and~~

11 ~~(2) The remaining proceeds, if any, shall be retained or any~~
 12 ~~loss absorbed by the secondary area technical center.~~

13
 14 ~~6-51-509. Uses for Building Trades Revolving Fund.~~

15 ~~All funds appropriated for the program established in this subchapter~~
 16 ~~together with funds derived from the sale of property and remitted to the~~
 17 ~~Department of Career Education and deposited in the Building Trades Revolving~~
 18 ~~Fund shall be used exclusively for the purpose of making advances to area~~
 19 ~~vocational schools for the purchase of lots, building materials, supplies,~~
 20 ~~and fixtures necessary to construct dwellings or other building projects on~~
 21 ~~the lots and to otherwise carry out the purposes of this subchapter.~~

22
 23 ~~6-51-510. Disbursing officer.~~

24 ~~The disbursing officer for the Department of Career Education shall be~~
 25 ~~disbursing officer for funds in the Building Trades Revolving Fund.~~

26
 27 SECTION 2. Arkansas Code § 19-5-1064, concerning the Building Trades
 28 Revolving Fund, is repealed.

29 ~~19-5-1064. Building Trades Revolving Fund.~~

30 ~~(a) There is established on the books of the Treasurer of State, the~~
 31 ~~Auditor of State, and the Chief Fiscal Officer of the State a fund to be~~
 32 ~~known as the "Building Trades Revolving Fund".~~

33 ~~(b) The fund shall consist of all funds appropriated for the building~~
 34 ~~trades program and from the sale of dwelling units constructed under the~~
 35 ~~provisions of § 6-51-501 et seq., there to be used exclusively for making~~
 36 ~~advances to technical institutes or comprehensive lifelong learning centers~~

1 ~~for the purchase of lots, building materials, supplies, and fixtures~~
2 ~~necessary to construct dwellings on such lots, as set out in § 6-51-501 et~~
3 ~~seq.~~

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