

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

As Engrossed: H1/30/19
A Bill

SENATE BILL 96

5 By: Senator J. English
6 By: Representative Sullivan
7

8 **For An Act To Be Entitled**

9 AN ACT TO REPEAL THE HOUSING CONSTRUCTION PROGRAM
10 CREATED FOR STATE-SUPPORTED TECHNICAL INSTITUTES THAT
11 OFFER COURSES OF TRAINING IN THE BUILDING TRADES; TO
12 REPEAL THE BUILDING TRADES REVOLVING FUND ESTABLISHED
13 FOR THE HOUSING CONSTRUCTION PROGRAM; AND FOR OTHER
14 PURPOSES.
15

16 **Subtitle**

17
18 TO REPEAL THE HOUSING CONSTRUCTION
19 PROGRAM CREATED FOR STATE-SUPPORTED
20 TECHNICAL INSTITUTES THAT OFFER COURSES
21 OF TRAINING IN THE BUILDING TRADES; AND
22 TO REPEAL THE BUILDING TRADES REVOLVING
23 FUND.
24

25
26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
27

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29 repealed.

30 ~~Subchapter 5 — Housing Construction Program~~

31
32 ~~6-51-501. Establishment.~~

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

36 ~~(1) Acquire lots and construct thereon single family dwelling~~



1 ~~units in connection with the course of training in the building trades;~~

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

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

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

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

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

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

17
18 ~~6-51-502. Approval and notification requirements—Advance of funds.~~

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

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

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

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

36 ~~(2) To the secondary area technical center from the Building~~

1 ~~Trades Revolving Fund for the purchase of building materials, supplies, and~~
2 ~~fixtures to be used in the construction of the single family dwelling unit or~~
3 ~~other nonresidential building project.~~

4
5 ~~6-51-503. Procedure for purchase of lot.~~

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

14
15 ~~6-51-504. Dwelling unit construction—Restrictions—Exemptions.~~

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

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

23
24 ~~6-51-505. Applicability of state purchasing law and regulations.~~

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

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

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

33
34 ~~6-51-506. Conformity to other standards.~~

35 ~~Any dwelling unit or other building project constructed by a technical~~
36 ~~institute or a secondary area technical center pursuant to this subchapter~~

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

6
7 ~~6-51-507. Sale of dwelling unit.~~

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

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

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

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

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

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

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

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

34
35 ~~6-51-508. Remittance of proceeds.~~

36 ~~(a) All funds derived from reimbursement by a state agency or from the~~

1 ~~sale of a dwelling unit or other building project constructed under the~~
2 ~~provisions of this subchapter by a technical institute after deducting the~~
3 ~~cost of the sale shall be remitted to the Department of Career Education for~~
4 ~~deposit in the Building Trades Revolving Fund created in this subchapter.~~

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

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

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

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

14
15 ~~6-51-509. Uses for Building Trades Revolving Fund.~~

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

23
24 ~~6-51-510. Disbursing officer.~~

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

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

30 ~~19-5-1064. Building Trades Revolving Fund.~~

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

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

1 ~~advances to technical institutes or comprehensive lifelong learning centers~~
2 ~~for the purchase of lots, building materials, supplies, and fixtures~~
3 ~~necessary to construct dwellings on such lots, as set out in § 6-51-501 et~~
4 ~~seq.~~

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6 */s/J. English*

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9 **APPROVED: 3/7/19**

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