By: Representative Moak To: Education

HOUSE BILL NO. 226

AN ACT TO AMEND SECTION 29-3-27, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE SALE OF SIXTEENTH SECTION OR LIEU LAND TO CERTAIN 3 RETIRED AND DISABLED VETERANS OF THE UNITED STATES ARMED FORCES; TO AMEND SECTION 29-3-29, MISSISSIPPI CODE OF 1972, TO REQUIRE 5 CERTAIN ACTIONS BY THE BOARD OF EDUCATION AND THE COUNTY BOARD OF SUPERVISORS BEFORE SIXTEENTH SECTION OR LIEU LANDS MAY BE SOLD TO THOSE VETERANS; TO AMEND SECTIONS 29-3-1, 29-3-3, 29-3-11, 6 7 29-3-25, 29-3-41, 29-3-71, 29-3-73 AND 29-3-111, MISSISSIPPI CODE 8 OF 1972, IN CONFORMITY THERETO; TO AMEND SECTION 19-3-35, 9 MISSISSIPPI CODE OF 1972, TO REQUIRE THE COUNTY BOARD OF SUPERVISORS TO PUBLISH A LIST OF ALL SIXTEENTH SECTION OR LIEU 10 11 LANDS SOLD; AND FOR RELATED PURPOSES. 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 13 14 SECTION 1. Section 29-3-27, Mississippi Code of 1972, is amended as follows: 15 16 29-3-27. No sixteenth section lands or lands granted in lieu thereof, in whole or in part, situated within the school district 17 holding or owning the same shall ever be sold, except that the 18 board of education may, under the procedures hereinafter provided, 19 sell such lands: 2.0 (a) For industrial development, * * * to any persons, 21 firms, or corporations in fee simple, or any lesser estate, * * * 22 for a purchase price not less than the fair market value thereof; 23 24 <u>or</u> (b) To any legal resident of the State of Mississippi 25 26 who is a retired veteran of active duty service in the Armed 27 Forces of the United States or a veteran rated as having one hundred percent (100%) permanent service-connected disability by 28

the Veterans Administration, and who has continuously leased,

improved and actually occupied the specific tract of land for no

<u>less than ten (10) consecutive years as his primary residence.</u>

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- 32 Any sale authorized pursuant to this paragraph shall be in fee
- 33 simple or any lesser estate for a purchase price not less than the
- 34 <u>fair market value</u>. In no event shall a tract consisting of more
- 35 than five (5) acres be sold to one (1) person, and no person may
- 36 own more than one (1) tract at any time.
- When any such sale is made, the deed shall be executed in the
- 38 name of the State of Mississippi by the superintendent of
- 39 the * * * board of education.
- As used in this section and in Sections 29-3-29 and 29-3-61,
- 41 the term "industrial development" shall include restoration as a
- 42 tourist attraction the place where an organization was founded,
- 43 which said organization has since been expanded to be national or
- 44 international in its membership, scope, and influence.
- The proceeds of the sale in fee simple of any sixteenth
- 46 section, or lands granted in lieu thereof, in whole or in part, or
- 47 such part of said proceeds as may be required to purchase acreage
- 48 of equivalent fair market value, shall be used by the board of
- 49 education, to purchase other land in the county, which land shall
- 50 be held and reserved by the State of Mississippi for the support
- of the township schools in lieu of the land thus sold, as other
- 52 sixteenth section lieu land is held, and shall be subject to all
- 13 laws applicable thereto. Every such sale and every such purchase
- of land in lieu thereof shall be reported by the secretary of the
- 55 board of education to the <u>Secretary of State</u> and to the State
- 56 Forestry Commission within ninety (90) days after the consummation
- 57 of each such sale and purchase. Any funds from a sale in fee
- 58 simple of any sixteenth section land, or land granted in lieu
- 59 thereof, in excess of any amount used to purchase said land in
- 60 lieu thereof, shall be treated as corpus and shall be invested by
- 61 the board of education as provided by law. Only the income from
- 62 such investment shall be expended for current operating expenses
- 63 of the schools.
- SECTION 2. Section 29-3-29, Mississippi Code of 1972, is
- 65 amended as follows:
- 66 29-3-29. Before any sixteenth section school land or land
- 67 granted in lieu thereof may be sold or leased for industrial
- 68 development or sold to a veteran of the Armed Forces of the United

69 States under * * * this chapter, the board of education 70 controlling such land shall first determine that such sale or 71 lease will be fair market value. In the determination of the fair 72 market value of said land the comparative sales method shall be 73 used, and the highest and best use of said sixteenth section lands 74 shall be determined on the basis of finding that said land shall 75 be susceptible to any use that comparative land in private ownership may be used, * * * that the acreage to be sold or leased 76 77 is not in excess of the amount of land authorized in Section 78 29-3-27 or an amount reasonably required for immediate use and for 79 such future expansion as may be reasonably anticipated, * * * that such sale or lease will be beneficial to and in the best interest 80 81 of the schools of the district for which said land is held and if sold or leased for industrial development, that there will be 82 83 prompt and substantial industrial development on, in, or under said land after the sale or lease. All of said findings, 84 including the amount of the sale price or gross rental for said 85 86 land, shall be spread on the minutes of the board of education. 87 Also, if the board of education proposes to sell said land, said 88 board shall first enter into a contract or obtain a legal option to purchase, for a specified price not in excess of fair market 89 90 value, other land in the county of acreage of equivalent fair 91 market value, and such contract or option shall be spread on the 92 minutes of said board. However, not more than one hundred (100) 93 acres in any one (1) sixteenth section school lands in any county 94 may be sold under this chapter for the purpose of being made an 95 industrial park or a part of such industrial park, provided the 96 provisions of this section and Sections 57-5-1 and 57-5-23 are 97 fully complied with.

A certified copy of the resolution or order of the board of 99 education, setting out the foregoing findings, together with a 100 certified copy of the order approving and setting out the terms of 101 the contract or option to purchase other lands where a sale of 102 land is proposed, * * * shall be forwarded to the county board of 103 supervisors, which board shall make an independent investigation 104 of the proposed sale or lease and of the proposed purchase of 105 other land. If the land is being sold or leased for industrial 106 development, an application to the Department of Economic and 107 Community Development for the certificate authorizing said sale or lease shall be forwarded to the county board of supervisors in 108 addition to the other items required in this section. 109 110 If said county board of supervisors shall concur in the 111 finding of fact of the board of education, and shall find that it is to the best interests of the schools of the district to enter 112 113 into such sale or lease, it may enter on its minutes a resolution or order approving the action of the board of education. 114 If the said county board of supervisors shall not concur in 115 the findings of the board of education, or shall find that the 116 117 proposed sale or lease will not be in the best interest of the 118 schools of the district, then it may, by resolution or order, 119 disapprove the proposed sale or lease, and such action shall be 120 final. There shall be reserved all minerals in, on, and under any 121 122 lands conveyed under the provisions of this section. * * * 123 However, * * * in any county bordering on the State of Alabama, 124 traversed by the Tombigbee River, in which U.S. Highway 82 intersects U.S. Highway 45 and in which is situated a state 125 126 supported institution of higher learning, upon the sale of any 127 sixteenth section lands for industrial purposes as provided by law, the board of education, the superintendent of education and 128 the <u>Department of Economic and Community Development</u>, may sell and 129 130 convey all minerals except oil, gas, sulphur and casinghead gas on, in and under the said sixteenth section lands so sold for 131 132 industrial purposes. Said oil, gas, sulphur and casinghead gas

shall be reserved together with such rights of use, ingress and

egress as shall not unreasonably interfere with the use of the

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135 lands by the purchaser. Prior written approval for such use, ingress and egress, shall be obtained from the surface owner or, 136 137 if such approval is unreasonably withheld, may be obtained from the chancery court of the county in which said land is located. 138 139 If the land is being sold or leased for industrial development, certified copies of the resolutions or orders of the 140 board of supervisors and of the board of education and of the 141 142 application to the Department of Economic and Community 143 <u>Development</u> shall be transmitted to the county superintendent of 144 education, if there be one in the county, who, if he approves the proposed sale or lease, shall so certify and forward same to the 145 146 Department of Economic and Community Development. If there be no county superintendent of education in the county, then the board 147 of education whose district embraces the entire county shall so 148 certify and transmit said copies to the Department of Economic and 149 150 Community Development for further action. 151 Upon receipt of the aforesaid application and certified copies of the said resolution and orders, the Department of 152 153 Economic and Community Development shall make investigation to 154 determine whether or not the proposed sale or lease of said land 155 for industrial development will promote prompt and substantial 156 industrial development thereon, therein, or thereunder. 157 <u>department</u> finds that such sale or lease will promote prompt and 158 substantial industrial development, * * * and further finds that 159 the person, firm or corporation who proposes to establish said 160 industry is financially responsible, and that the acreage to be 161 sold or leased is not in excess of the amount of land reasonably required for immediate use and for such future expansion as may be 162 reasonably anticipated, then the department, in its discretion, 163 may issue a certificate to the board of education of said district 164 165 so certifying, and said certificate shall be the authority for the board of education to enter into the proposed sale or lease. If 166 167 the <u>Department of Economic and Community Development</u> does not so

168 find, then it shall decline to issue said certificate which action 169 shall be final.

170 The Department of Economic and Community Development, when issuing a certificate to the county board of education certifying 171 172 its findings and authorizing said sale or lease <u>for industrial</u> development, * * * in its discretion, may make such sale or lease 173 174 conditioned on and subject to the vote of the qualified electors 175 of said district. Upon receipt of a certificate so conditioned 176 upon an election, or upon a petition as hereinafter provided for, 177 the board of education, by resolution spread upon its minutes, shall forward a copy of the certificate to the board of 178 179 supervisors who by resolution upon its minutes, shall call an 180 election to be held in the manner now provided by law for holding county elections, and shall fix in such resolution a date upon 181 182 which such an election shall be held, of which not less than three 183 (3) weeks notice shall be given by the clerk of said board of 184 supervisors by publishing a notice in a newspaper published in said county once each week for three (3) consecutive weeks 185 186 preceding the same, or if no newspaper is published in said 187 county, then in a newspaper having a general circulation therein, 188 and by posting a notice for three (3) weeks preceding said 189 election at three (3) public places in said county. At such 190 election, all qualified voters of the county may vote, and the 191 ballots used shall have printed thereon a brief statement of the proposed sale or lease of said land, including the description and 192 193 price, together with the words "For the proposed sale or lease" 194 and the words "Against the proposed sale or lease," and the voter 195 shall vote by placing a cross (x) or check (v) opposite his choice 196 of the proposition. Should the election provided for herein 197 result in favor of the proposed sale or lease by at least 198 two-thirds (2/3) of the votes cast being in favor of the said proposition, the board of supervisors shall notify the board of 199 200 education who may proceed forthwith to sell or lease said land in

201 accordance with the proposition so submitted to the electors. If

202 less than two-thirds (2/3) of those voting in such special

203 election vote in favor of the said sale or lease, then said land

- 204 shall not be sold or leased.
- 205 The board of education shall * * * be required, prior to
- 206 passing of a resolution expressing its intent to sell said land
- 207 for industrial development or to a veteran of the Armed Forces of
- 208 the United States, to publish a notice of intent to sell said land
- 209 for three (3) consecutive weeks in a newspaper published in said
- 210 county or, if there be none, in a newspaper having a general
- 211 circulation in said county, and to post three (3) notices thereof
- 212 in three (3) public places in said county, one (1) of which shall
- 213 be at the courthouse, for said time. If within the period of
- 214 three (3) weeks following the first publication of said intent, a
- 215 petition signed by twenty percent (20%) of the qualified electors
- 216 of said county shall be filed with the board of supervisors
- 217 requesting an election concerning the sale, then an election shall
- 218 be called as hereinabove provided.
- 219 SECTION 3. Section 29-3-1, Mississippi Code of 1972, is
- 220 amended as follows:
- 221 29-3-1. (1) Sixteenth section school lands, or lands
- 222 granted in lieu thereof, constitute property held in trust for the
- 223 benefit of the public schools and must be treated as such. The
- 224 board of education under the general supervision of the Secretary
- 225 of State, shall have control and jurisdiction of said school trust
- 226 lands and of all funds arising from any disposition thereof
- 227 heretofore or hereafter made. It shall be the duty of the board
- 228 of education to manage the school trust lands and all funds
- 229 arising therefrom as trust property. Accordingly, the board shall
- 230 assure that adequate compensation is received for all sales and
- 231 uses of the trust lands, except for uses by the public schools.
- 232 (2) In the event the board of supervisors declines to
- 233 approve the rental value of the land set by the board of

234 education, the board of education shall within ten (10) days appoint one (1) appraiser, the board of supervisors shall within 235 236 twenty (20) days appoint one (1) appraiser and the two (2) appraisers so appointed shall within twenty (20) days appoint a 237 238 third appraiser whose duty it shall be to appraise the land, exclusive of buildings and improvements, the title to which is not 239 240 held in trust for the public schools, and to file a written report 241 with each board setting forth their recommendation for the rental 242 value of the land within thirty (30) days. The cost of the 243 appraisal shall be paid from any available sixteenth section school funds or other school funds of the district. 244 If no appeal 245 is taken within twenty (20) days as provided hereunder, the lease shall be executed in accordance with said recommended rental value 246 within thirty (30) days of the receipt of the appraisers' report. 247 In the event any party is aggrieved by the decision of the 248 249 appraisers setting forth the appraised rental value, the party so 250 aggrieved shall be entitled to an appeal to the chancery court in which the land is located. Such appeal shall be taken within 251 252 twenty (20) days following the decision. The chancery court, on 253 appeal, may review all of the proceedings, may receive additional 254 evidence, and make findings of fact, as well as conclusions of law 255 to insure that a fair and reasonable return may be obtained on the sixteenth section lands or lands in lieu thereof. 256

257 SECTION 4. Section 29-3-3, Mississippi Code of 1972, is 258 amended as follows:

29-3-3. The board of education may employ one or more competent persons to ascertain the true condition of the title and to institute and prosecute, in the chancery court of the county where the land lies, all necessary suits to establish and confirm the title to each parcel of such land and to fix the date of the expiration of any lease of the same. If any person other than an individual authorized in Section 29-3-27 to purchase sixteenth section or lieu lands claims any of said land in fee simple or

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- 267 upon any other terms than that of a lease to expire at a fixed
- 268 date with absolute reversion to the state in trust, or if the
- 269 title to such lands rest in parol by destruction of records or
- 270 otherwise, suit shall be instituted at once or as soon as
- 271 practicable to test the legality of such claims or to reestablish
- 272 the lost record.
- SECTION 5. Section 29-3-11, Mississippi Code of 1972, is
- 274 amended as follows:
- 275 29-3-11. It shall likewise be the duty of the board of
- 276 education to ascertain whether or not such county has title to all
- 277 lieu lands to which it may, by law, be entitled. If it is
- 278 determined that such county does not have title to all such lands,
- 279 the board of education shall certify the fact to the <u>Secretary of</u>
- 280 State who shall institute proper proceedings to secure such lands
- 281 for such county <u>unless title to the lieu lands has been conveyed</u>
- 282 by a sale authorized under Section 29-3-27.
- SECTION 6. Section 29-3-25, Mississippi Code of 1972, is
- 284 amended as follows:
- 285 29-3-25. <u>The Secretary of State</u> shall make a report to the
- 286 Legislature every year, setting forth a statement of all sixteenth
- 287 <u>section and lieu</u> lands sold during that year, and shall <u>maintain</u> a
- 288 copy of said report within his office.
- SECTION 7. Section 29-3-41, Mississippi Code of 1972, is
- 290 amended as follows:
- 291 29-3-41. After any parcels of sixteenth section lands have
- 292 been classified as hereinabove provided, all land which has been
- 293 classified as forest land and which is not under lease shall * * *
- 294 not be sold or leased. The lands classified as forest lands which
- 295 may be under a lease that has a fixed date of expiration shall not
- 296 be re-leased when said lease expires; nor shall the lessee be
- 297 permitted to cut or remove any timber therefrom except according
- 298 to the terms of his lease. Such lands shall be reserved and kept
- 299 as forest lands. * * * The mineral rights in all such lands may be

300 leased for oil, gas, or mineral purposes, and the board of education may grant leases to the surface of said lands classified 301 302 as forest, which are limited to hunting and fishing rights and activities in relation thereto, and which shall not extend for a 303 304 period longer than fifteen (15) years. It shall be the duty of 305 the board of education to lease said hunting and fishing rights at 306 public contract after having advertised same for rent in a 307 newspaper published in said county or, if no newspaper be 308 published in said county, then in a newspaper having a general 309 circulation therein, for two (2) successive weeks, the first being at least ten (10) days prior to said public contract. Said 310 311 hunting and fishing rights shall be leased to the person offering

* * * If the board of education receives an acceptable bid,
the most recent holder of said hunting and fishing rights, if it
shall have made an offer, shall have the final right to extend its
lease for the term advertised at the annual rental equal to said
highest offer received by the board of education.

If no bid acceptable to the board of education is received after said advertisement, the board of education may, within ninety (90) days, lease same by private contract for an amount greater than the highest bid previously rejected.

If the board of education determines to lease the land by
private contract, the most recent holder of said hunting and
fishing rights, if it shall have made an offer, shall have the
final right to extend its lease on the same terms and conditions
as those contained in the private contract proposed to be accepted
by the board of education.

328 SECTION 8. Section 29-3-71, Mississippi Code of 1972, is 329 amended as follows:

330 29-3-71. Sixteenth section lands reserved for the use of 331 schools, or lands reserved or granted in lieu of or as a 332 substitute for the sixteenth sections, shall be liable, after the

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the highest annual rental.

333 same shall have been <u>sold or</u> leased, to be taxed as other lands are taxed. * * * In case of sale thereof for taxes, only the title 334 335 of the lessee or his heirs or assigns shall pass by the sale. SECTION 9. Section 29-3-73, Mississippi Code of 1972, is 336 337 amended as follows: 29-3-73. Where any school land, generally known as sixteenth 338 sections, reserved for the use of schools, or land reserved or 339 granted in lieu of or substituted for sixteenth sections lies 340 341 within or partly within any drainage district created under the 342 laws of this state, and will be benefited by such drainage district, such land so benefited shall be liable for its pro rata 343 344 share of the costs, expenses, taxes and assessments relating to 345 said district as if owned by an individual, and shall be assessed accordingly, as other lands are assessed. But in case of a sale 346 of such lands for such taxes or assessments, only the title of the 347 348 lessee holding such lands under lease at the time of the sale 349 shall pass by the sale. If title to any sixteenth section or lieu land lying within a 350 351 drainage district is conveyed by a sale authorized under Section 352 29-3-27, the titleholder of the land shall be liable for the pro 353 rata share of the costs, expenses, taxes and assessments relating to the district, and the land shall be assessed accordingly. 354 Where such sixteenth section land, or land taken in lieu 355 356 thereof, shall be held by any lessee, whether his lease shall have heretofore been acquired or shall hereafter be acquired, all such 357 358 drainage taxes and assessments accruing thereon during such lease shall, in the discretion of the board of education, either be paid 359 360 by the lessee, his grantees or assigns, or by the board of education, but the liability for such drainage taxes shall be 361 362 fixed by the lease contract when said lands are leased. 363 said lands have been leased by the superintendent of education, with the consent of the board of education in open session, and 364 365 said lease contract provides that the lessee shall pay all such

drainage taxes and assessments, and the lessee has actually 367 entered upon and occupied said lands as lessee and is recognized 368 as such, the school district in which said sixteenth section is located shall not be liable for such drainage taxes on account of 369 370 the negligence of the secretary in failing to enter the order of 371 the board approving said lease contract on its minutes. All such 372 drainage taxes and assessments accruing on any such lands that have not been sold or while the same are not leased shall be paid 373 374 by the board of education of the school district in which such 375 lands are situated, out of any sixteenth section funds belonging to the township in which such lands are located, which may be on 376 377 hand at the time when such drainage taxes or assessments become 378 due or which may be thereafter at any time collected or acquired. 379 For the purpose of paying such drainage taxes and assessments, the board of education may borrow all money necessary to pay the same. 380 381 When any such funds are borrowed as aforesaid, for the purposes 382 aforesaid, the same shall be repaid out of the first sixteenth section fund thereafter derived from the sixteenth section lands 383 384 so taxed and assessed. Section 29-3-111, Mississippi Code of 1972, is 385 SECTION 10. amended as follows: 386 29-3-111. All moneys heretofore or hereafter derived from 387 388 the leasing of said lands for oil, gas and mineral purposes, 389 including any bonus or delay rental payable under such leases, and all moneys derived from the annual payment of rents from the 390 391 leasing of said lands for agricultural, residential, commercial, 392 industrial, grazing or other purposes, or derived as interest upon loans or investments of principal funds, and all moneys heretofore 393 or hereafter derived from the sale of sixteenth section or lieu 394 lands or the sale of timber, may be expended for any of the 395 396 purposes authorized by law. In cases where said moneys have been 397 transferred to the principal fund and it is determined to expend same for any of the purposes authorized by law, such moneys shall 398

be transferred to the proper fund for expenditure upon order of the board of education. SECTION 11. Section 19-3-35, Mississippi Code of 1972, is

402 amended as follows: 403 19-3-35. The board of supervisors after each meeting shall 404 have an itemized statement made of allowances, to whom, for what, 405 and the amounts; a list of all contracts providing for the 406 expenditure of money and the terms of payment thereof; a statement of all loans from sixteenth section funds, lieu land funds, and 407 408 sinking, and other trust funds, setting forth to whom made, the 409 amount, and the kind of security approved; a statement or list of 410 all sales of timber, of all leases upon, including all leases for 411 oil, gas and minerals upon, sixteenth section or lieu lands 412 situated in the county or belonging to the county, showing to whom sold or made, description of land involved, the length of the term 413 414 of any such lease, and the consideration therefor; a statement or 415 <u>list of all sales of sixteenth section or lieu lands situated in</u> the county or belonging to the county, showing to whom sold, a 416 417 description of the land involved and the consideration therefor; 418 and it shall also publish a recapitulation of all expenditures 419 according to districts and also the county as a whole, and in such 420 recapitulation the total expenses for each item shall be listed 421 for each district, and in the total county recapitulation the 422 total expended from each item shall be listed and same shall be published within fifteen (15) days after adjournment in some 423 424 newspaper of general circulation published in the county, and if 425 no such newspaper is published in the county, then in a newspaper published elsewhere in the state and having a general circulation 426 427 in such county. The cost of publishing the same shall be paid for out of the general fund of the county. The cost of such 428 429 publication shall not exceed one-half (1/2) of the rate now fixed

by law for publishing legal notices, and in no event shall the

cost of such publication exceed One Hundred Dollars (\$100.00) in

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432 any one (1) month, save, however, in counties of Classes 1 and 2 433 the board of supervisors may expend an amount not to exceed One 434 Hundred Seventy-five Dollars (\$175.00) per month for the publication of said cumulative digest of its proceedings as 435 436 provided for above. If there be more than one (1) newspaper 437 published in the county, the board of supervisors shall advertise, as provided by law, for contracts for publishing such proceedings, 438 439 and shall award the contract to the lowest bidder for a period of 440 two (2) years. If no bid be made for the price above mentioned, 441 then the proceedings shall be posted at the courthouse door as hereinafter provided. If there be no newspaper published in such 442 443 county, then such proceedings shall be posted at the front 444 courthouse door. 445 If any member of a board of supervisors or the chancery clerk 446 shall fail, refuse or neglect to comply with the provisions of 447 this section, he shall, upon conviction, be guilty of a

shall fail, refuse or neglect to comply with the provisions of
this section, he shall, upon conviction, be guilty of a
misdemeanor and shall be fined not more than Five Hundred Dollars
(\$500.00) for such failure, refusal or neglect for each offense
and, in addition thereto, shall be liable to a penalty of Five
Hundred Dollars (\$500.00), recoverable on his official bond by
suit filed by any county or district attorney or any interested
citizen, upon his official bond.

454 This shall not be construed to repeal Section 19-3-33, and 455 where the verbatim proceedings are published as therein provided, this section shall not apply, it being intended hereby to provide 456 457 a method of publishing the proceedings of the board of supervisors 458 in addition to that now provided for by Section 19-3-33. Where 459 publication is made under Section 19-3-33, this section shall not 460 be construed so as to require any other and additional publication, or notice. 461

SECTION 12. This act shall take effect and be in force from and after ratification by the electorate of the amendment to the Mississippi Constitution of 1890 set forth in House Concurrent 465 Resolution No. _____, 1999 Regular Session.