

By: Representative Ford

To: Penitentiary

HOUSE BILL NO. 553
(As Passed the House)

1 AN ACT TO REENACT AND AMEND SECTION 47-5-66, MISSISSIPPI CODE
2 OF 1972, TO EXTEND FROM JULY 1, 1999, TO JULY 1, 2000, THE DATE ON
3 WHICH THE LAW GOVERNING THE LEASING OF PRISON LANDS TO PRIVATE
4 ENTITIES WILL BE REPEALED; AND FOR RELATED PURPOSES.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

6 SECTION 1. Section 47-5-66, Mississippi Code of 1972, is
7 reenacted and amended as follows:

8 47-5-66. (1) It shall be the duty of the State Department
9 of Finance and Administration, with the approval of the Public
10 Procurement Review Board, to lease lands at public contract upon
11 the submission of two (2) or more sealed bids to the State
12 Department of Finance and Administration after having advertised
13 the land for rent in newspapers of general circulation published
14 in Jackson, Mississippi; Memphis, Tennessee; the county in which
15 the land is located, and contiguous counties for a period of not
16 less than two (2) successive weeks. The first publication shall
17 be made not less than ten (10) days before the date of the public
18 contract, and the last publication shall be made not more than
19 seven (7) days before that date. The State Department of Finance
20 and Administration may reject any and all bids. If all bids on a
21 tract or parcel of land are rejected, the State Department of
22 Finance and Administration may then advertise for new bids on that
23 tract or parcel of land. Successful bidders shall take possession
24 of their leaseholds at the time authorized by the State Department
25 of Finance and Administration. However, rent shall be due no
26 later than the day upon which the lessee shall assume possession
27 of the leasehold, and shall be due on the anniversary date for

28 each following year of the lease. The State Department of Finance
29 and Administration may provide in any lease that rent shall be
30 paid in full in advance or paid in installments, as may be
31 necessary or appropriate. In addition, the State Department of
32 Finance and Administration may accept, and the lease may provide
33 for, assignments of federal, state, or other agricultural support
34 payments, growing crops or the proceeds from the sale thereof,
35 promissory notes, or any other good and valuable consideration
36 offered by any lessee to meet the rent requirements of the lease.

37 If a promissory note is offered by a lessee, it shall be secured
38 by a first lien on the crop of the lessee, or the proceeds from
39 the sale thereof. The lien shall be filed pursuant to Article 9
40 of the Mississippi Uniform Commercial Code and Section 1324 of the
41 Food Security Act of 1985, as enacted or amended. If the note is
42 not paid at maturity, it shall bear interest at the rate provided
43 for judgments and decrees in Section 75-17-7 from its maturity
44 date until the note is paid. The note shall provide for the
45 payment of all costs of collection and reasonable attorney's fees
46 if default is made in the payment of the note. The payment of
47 rent by promissory note or any means other than cash in advance
48 shall be subject to the approval of the Public Procurement Review
49 Board, which shall place the approval of record in the minutes of
50 the board. There is created a special fund to be designated as
51 "the Prison Agricultural Enterprises Fund." Any monies in hand or
52 due from the leasing of penitentiary lands and the sales of timber
53 by the State Forestry Commission as provided in Section 47-5-56
54 and earmarked for the Prison Industries Fund shall be deposited to
55 the special fund for prison agricultural enterprises. All monies
56 in each fiscal year derived from the leasings of the penitentiary
57 lands and the sales of timber by the State Forestry Commission as
58 provided in Section 47-5-56 shall be deposited into the special
59 fund for the purpose of conducting, operating and managing the
60 prison agricultural enterprises of the department. All profits
61 derived from the prison agricultural enterprises shall be
62 deposited into the Prison Agricultural Enterprises Fund. All
63 profits derived from prison industries shall be placed in a
64 special fund in the State Treasury to be known as the Prison

65 Industries Funds, to be appropriated each year by the Legislature
66 to the nonprofit corporation, which is required to be organized
67 under the provisions of Section 47-5-535, for the purpose of
68 operating and managing the prison industries. The state shall
69 have the rights and remedies for the security and collection of
70 the rents given by law to landlords. Upon the execution of the
71 agricultural leases to private entities as authorized by Section
72 47-5-64, the leased land shall be liable to be taxed as other
73 lands are taxed during the continuance of the lease, but in case
74 of sale thereon for taxes, only the title of the leaseholder or
75 his heirs or assigns shall pass by the sale. Any funds obtained
76 by the corporation as a result of sale of goods and services
77 manufactured and provided by it shall be accounted for separate
78 and apart from any funds received by the corporation through
79 appropriation from the State Legislature. All nonappropriated
80 funds generated by the corporation shall not be subject to
81 appropriation by the State Legislature.

82 (2) This section shall be repealed from and after July 1,
83 2000.

84 SECTION 2. This act shall take effect and be in force from
85 and after July 1, 1999.