

By: Representative Ford

To: Penitentiary

HOUSE BILL NO. 553  
(As Sent to Governor)

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, 2001, 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4 ENTITIES WILL BE REPEALED; AND FOR RELATED PURPOSES.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 2001.

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