To: Education

HOUSE BILL NO. 1054

AN ACT TO AMEND SECTION 29-3-39, MISSISSIPPI CODE OF 1972, TO ALLOW THE SCHOOL BOARD OF ANY SCHOOL DISTRICT TO RECLASSIFY CERTAIN SIXTEENTH SECTION AGRICULTURAL LAND AS FARM RESIDENTIAL LAND; TO AMEND SECTION 29-3-33, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; TO AMEND SECTION 29-3-65, MISSISSIPPI CODE OF 1972, TO CLARIFY THAT EACH PARCEL OF SIXTEENTH SECTION LAND MUST BE APPRAISED INDEPENDENTLY OF OTHER SUCH LANDS IN A SCHOOL DISTRICT; AND FOR RELATED PURPOSES.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 10 SECTION 1. Section 29-3-39, Mississippi Code of 1972, is 11 amended as follows:

12 29-3-39. It shall be the duty of the board of education to survey periodically the classification of all sixteenth section 13 14 land under its jurisdiction and to reclassify the land as it may deem advisable because of changes of conditions, and when any land 15 is so reclassified, the board of education shall file a report 16 thereof with the Secretary of State. The school board of any 17 18 school district, in its discretion, may reclassify those sixteenth 19 section or lieu lands classified as agricultural land as farm residential land when the leaseholder has established residency on 20 21 such land and the land meets all of the qualifications required 2.2 for classification as farm residential land under Section 29-3-33. 23 From time to time the <u>Secretary of State</u> may institute proceedings 24 to reclassify any sixteenth section lands which he may deem 25 advisable and when any land is so reclassified, the Secretary of 26 State shall file a report thereof with the board of education. 27 When any land is reclassified under this section, notice thereof, 28 rights to object thereto and rights to appeal therefrom shall be given in the same manner provided in Section 29-3-37 with 29

30 reference to the original classification. Provided, however, that 31 all sixteenth section land shall be classified, or reclassified as is necessary, within one (1) year prior to the expiration date of 32 any existing lease, and within sixty (60) days of the terminating 33 34 of any lease of sixteenth section land by final court order. Τn 35 all litigation which may result from the classification or reclassification of lands by the <u>Secretary of State</u> under Sections 36 29-3-31 through 29-3-39, the Secretary of State shall be 37 represented by the Attorney General, who shall have control of the 38 litigation, but it shall be the duty of the various boards of 39 education to furnish local legal assistance when requested so to 40 41 do by the Attorney General.

42 SECTION 2. Section 29-3-33, Mississippi Code of 1972, is
43 amended as follows:

44 29-3-33. For the purpose of determining the proper category 45 for such lands and the oil, gas and other minerals in, on and 46 under such lands, the following definitions shall be controlling 47 unless the context clearly indicates otherwise:

"Forest land" shall mean all land at least ninety 48 (a) 49 percent (90%) of the total area of which is at present forest or 50 wasteland, or land which will produce a maximum of revenue by 51 utilization to produce timber or other forest products, shall be classified as forest land. The unit of measurement to be used in 52 arriving at the classification of forest land shall be the 53 54 smallest division of the government survey covering said lands in counties where such government survey has been made, and in other 55 56 counties shall be forty (40) acres.

57 (b) "Agricultural land" shall mean land most suitable 58 for pasturage or cultivation.

59 (c) "Industrial land" shall mean land most suitable for60 port, harbor, industrial, manufacturing or warehousing use.

(d) "Commercial land" shall mean land most suitable for
wholesale or retail businesses, financial institutions,
professional offices and clinics, service trades and occupations,
privately owned public utilities and similar businesses.

(e) "Residential land" shall mean any tract of landupon which the lessee or board-approved sub-lessee is residing.

67 Such lands shall be set up, as nearly as possible, in a 68 rectangular form so as to include the houses and such other 69 permanent improvements as may have been placed thereon by said 70 lessee or his predecessor in title; * * * however, * * * such 71 tract of land shall not exceed five (5) acres.

72 (f) "Farm residential land" shall mean any tract of 73 land upon which a leaseholder resides not exceeding one hundred sixty (160) acres in size * * *, which is utilized for 74 agricultural purposes. * * * However, * * * farm residential land 75 76 may consist of two (2) noncontiguous tracts not exceeding one 77 hundred sixty (160) acres in the aggregate: (a) with reasonable 78 easements connecting the residential and outlying tracts; or (b) with the residential tract situated a distance not exceeding one 79 and one-half (1-1/2) miles from the outlying tract. * * * 80 No 81 sixteenth section lands or lands granted in lieu thereof, situated in a county lying wholly or partially within a levee district, 82 shall be classified as farm residential land. 83

84 (g) "Recreational land" shall mean land most suitable
85 for uses which provide for activities or services of a
86 recreational nature. Recreational nature shall include, but not
87 be limited to, parks, campsites, lodges and similar uses and
88 facilities.

89 (h) "Catfish farming land" shall mean land most
90 suitable for the construction of catfish ponds and for wholesale
91 or retail catfish farm raising and harvesting.

92 (i) "Other land" shall mean any land which is not93 suitable for any of the uses described above.

94 (j) "Oil, gas and minerals" shall mean the following:
95 (i) oil, gas, carbon dioxide and other gaseous substances; (ii)
96 metals, compounds of metals, or metal-bearing ores; (iii) coal,
97 including anthracite, bituminous, subbituminous, lignite and their
98 constituent components and products and minerals intermingled or
99 associated therewith; and (iv) sulphur, salt, sand, gravel, fill

100 dirt and clay, in, on and under the lands classified above. Such 101 oil, gas and minerals shall be a classification of land separate 102 and distinct from the classifications set forth above in 103 paragraphs (a) through (h) inclusive.

104 SECTION 3. Section 29-3-65, Mississippi Code of 1972, is 105 amended as follows:

106 29-3-65. One (1) year prior to the date when any parcel of such lands not subject to competitive bid procedures shall become 107 108 available for lease, the board of education shall appoint a competent appraiser to appraise that parcel of the land and report 109 110 to the board his recommendation for the fair market rental amount for that parcel. The board shall then determine whether the same 111 be a reasonable amount for that parcel, and shall grant the lease 112 pursuant to Section 29-3-63. However, if any such parcel of land 113 114 becomes available for lease prior to July 1, 1979, an appraisal 115 shall be required prior to the granting of the lease.

The board of education may use rent escalation clauses or 116 117 other such devices to adjust rental amounts during the lease term. 118 Owners of leaseholds under a lease granted prior to July 1, 1978, 119 which have improvements constructed thereon, shall not be charged for such improvements in successive lease periods unless the lease 120 121 contract clearly specifies otherwise. The cost of the appraisal 122 of each parcel of such lands under this section shall be paid from any available sixteenth section school funds or other school funds 123 124 of the district.

The appraisal pertaining to renewal oil, gas and mineral leases executed pursuant to Section 29-3-63 may be made either before or after the expiration of the original lease and shall appraise the fair market value for the bonus to be paid for a renewal lease containing the terms and conditions agreed upon by the holder of the lease and the board of education.

SECTION 4. This act shall take effect and be in force fromand after July 1, 1999.