By: Representative Brown

To: Public Buildings, Grounds and Lands; Appropriations

HOUSE BILL NO. 1319

AN ACT TO AUTHORIZE THE DEPARTMENT OF FINANCE AND 1 2 ADMINISTRATION TO ACQUIRE BY PURCHASE OR LEASE-PURCHASE, OR BOTH, 3 LAND AND BUILDINGS FOR THE PURPOSE OF CONSOLIDATING STATE AGENCIES 4 INTO BUILDINGS AT A COMMON LOCATION IF SUCH ACTION WILL BE ECONOMICALLY ADVANTAGEOUS TO THE STATE AND WILL NOT IMPAIR OR 5 IMPEDE THE FUNCTION OF AN AGENCY IN SUCH A LOCATION; TO AMEND SECTIONS 27-104-107, 29-1-1, 29-5-2 AND 31-11-3, MISSISSIPPI CODE б 7 OF 1972, IN CONFORMITY THERETO; AND FOR RELATED PURPOSES. 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 9 10 <u>SECTION 1.</u> (1) The Department of Finance and Administration 11 may enter into purchase contracts or lease-purchase agreements, or 12 both, for the acquisition of land and buildings for the purpose of consolidating state agencies into buildings at a common location. 13 14 Before entering into any purchase contract or lease-purchase agreement, the department must determine that the purchase 15 contract or lease-purchase agreement will be economically 16 17 advantageous to the State of Mississippi and that any consolidation of agencies at a common location will not impair or 18 19 impede the function of an agency in such location. The Department of Finance and Administration may not establish more than one such 20 21 common location in any one of the districts from which 22 Transportation Commissioners are elected. The Department of Finance and Administration shall not pay an amount more than 23 24 seventy percent (70%) of the fair market value of the property to be acquired in any such district. The appraised value shall be 25 26 determined by taking the average of three (3) appraisals, one (1) 27 to be performed by the Department of Finance and Administration, 28 one (1) to be performed by the State Auditor and one to be performed by an appraiser selected by the Department of Finance 29

30 and Administration.

31 SECTION 2. Section 27-104-107, Mississippi Code of 1972, is 32 amended as follows:

33 27-104-107. (1) As used in this section, the following 34 words shall have the meanings ascribed herein unless the context 35 clearly requires otherwise:

36 (a) "Department" means the Department of Finance and37 Administration.

38 (b) "Commission" means the State Bond Commission.

39 (c) "Director" means the Executive Director of the40 Department of Finance and Administration.

41 (d) "Committee" means the Joint Legislative Budget42 Committee.

43 (e) "Office" means the Office of General Services of44 the Department of Finance and Administration.

45 (2) In addition to any other authority conferred upon it, and subject to the approval of its proposal by the commission, the 46 47 department may enter into purchase contracts, lease-purchase agreements, rental agreements or other similar contracts for the 48 49 ultimate acquisition of real property by the state. Before 50 entering into any purchase contract or lease-purchase agreement, the office must first demonstrate to the Public Procurement Review 51 52 Board satisfactory evidence that the contract would be economically advantageous to the state and that any consolidation 53 54 of agencies into buildings at a common location would not impair or impede the function of that agency in this location. 55 The 56 contracts shall be approved by the Public Procurement Review Board 57 and the State Bond Commission.

(3) Acquisitions shall be made only with legislative 58 59 approval and be in accordance with a long-range development plan which the department shall annually prepare and present to the 60 61 Legislature as a part of the Governor's capitol budget recommendation; however, if in the opinion of the Department of 62 63 Finance and Administration circumstances involving a proposed 64 acquisition are such that waiting for legislative approval will 65 not be economically advantageous to the state or may cause the state financial loss, then such acquisition may be made upon 66

67 approval by the State Bond Commission after consultation with the Chairman of the Public Property Committee of the Senate and the 68 69 Chairman of the Public Buildings, Grounds and Lands Committee of the House of Representatives. Acquisition of lands and buildings 70 71 shall be based upon appraisals approved by the Department of Finance and Administration. The office shall not pay an amount in 72 73 excess of the appraised value of the land and buildings to be 74 The amount paid on purchases or lease-purchases made acquired. under Section 1 of House Bill No. 1319, 1999 Regular Session, will 75 76 be subject to the limitations of such section. Except as 77 otherwise provided in Section 1 of House Bill No. 1319, 1999 78 Regular Session, the appraised value shall be determined by taking 79 the average of two (2) appraisals performed by two (2) appraisers, one (1) to be selected by the Department of Finance and 80 Administration and one (1) to be selected by the Department of 81 82 Audit. Further, the office shall file quarterly reports 83 describing this process and its progress with the Chairman of the Senate Public Property Committee and the Chairman of the House 84 85 Public Buildings, Grounds and Lands Committee.

With the exception of the Public Employees' Retirement 86 (4) 87 System, whenever any contract or agreement entered into is for and on behalf of the State of Mississippi, title to property, when 88 89 acquired, shall vest in the State of Mississippi and not in the 90 name of any state agency. Any building subject to a lease purchase agreement with the state shall be considered a 91 92 state-owned building and therefore exempt from the assessment and 93 levy of ad valorem taxes.

94 (5) All contracts executed under this section shall include 95 provisions whereby the obligation of the state for any payment in 96 excess of reasonable rental of the property while actually 97 occupying the property is dependent upon the availability of 98 appropriated funds for the purchase of the property.

99 (6) Activity under this section shall be reported annually

100 in a detailed resolution from the commission to the committee.

(7) All funds allocated to rents and chargeable by the 101 102 department shall be paid into a special fund hereby created in the State Treasury. Unexpended amounts remaining in the special fund 103 104 at the end of a fiscal year shall not lapse into the State General 105 Fund, and any interest earned on amounts in the special fund shall 106 be deposited to the credit of the special fund. This fund shall 107 be used by the department (a) to retire indebtedness incurred in 108 the acquisition of properties under this section; (b) to renovate, 109 maintain and otherwise protect subject properties; (c) to pay the cost of utilities necessary to operate the buildings; and (d) to 110 111 acquire properties in accordance with this section.

SECTION 3. Section 29-1-1, Mississippi Code of 1972, is amended as follows:

29-1-1. (1) Except as otherwise provided in subsection (7) 114 115 and subsection (8) of this section, the title to all lands held by 116 any agency of the State of Mississippi which were acquired solely by the use of funds appropriated by the state shall appear on all 117 118 deeds and land records under the name of the "State of Mississippi." For the purpose of this section, the term "agency" 119 120 shall be defined as set forth in Section 31-7-1(a). The provisions of this section shall not affect the authority of any 121 122 agency to use any land held by the agency. No assets or property 123 of the Public Employees' Retirement System of Mississippi shall be transferred in violation of Section 272A of the Mississippi 124 125 Constitution of 1890. Before September 1, 1993, each state agency shall inventory any state-held lands which were acquired solely by 126 127 the use of funds appropriated by the state, and which are titled 128 in the name of the agency. The agency shall execute quitclaim 129 deeds and any other necessary documents to transfer the name and 130 title of the property to the State of Mississippi.

131 (2) The Secretary of State, under the general direction of132 the Governor and as authorized by law, shall sell and convey the

133 public lands in the manner and on the terms provided herein for 134 the several classes thereof; he shall perform all the 135 administrative and executive duties appertaining to the selection, location, surveying, platting, listing, and registering these 136 137 lands or otherwise concerning them; and he shall investigate the status of the various "per cent" funds accrued and accruing to the 138 state from the sale of lands by the United States, and shall 139 collect and pay the funds into the treasury in the manner provided 140 141 by law.

142 (3) In accordance with Sections 7-11-11 and 7-11-13, the Secretary of State shall be required to sign all conveyances of 143 144 all state-held land. For purposes of this section, the term 145 "conveyance" shall mean any sale or purchase of land by the State of Mississippi for use by any agency, board or commission thereof. 146 147 Failure to obtain legislative approval pursuant to subsection (4) 148 of this section and the signature of the Secretary of State on any 149 conveyance regarding the sale or purchase of lands for the state including any agency, board or commission thereof, shall render 150 151 the attempted sale or purchase of the lands void. Nothing in this section shall be construed to authorize any state agency, board, 152 153 commission or public official to convey any state-held land unless 154 this authority is otherwise granted by law. The Secretary of 155 State shall not withhold arbitrarily his signature from any 156 purchase or sale authorized by the Mississippi State Legislature. 157 All sales of state-held lands, except those lands forfeited to the 158 state for the nonpayment of taxes and those lands acquired by the Mississippi Transportation Commission under Section 65-1-123, 159 shall be sold for not less than the fair market value as 160 161 determined by two (2) professional appraisers selected by the State Department of Finance and Administration, who are certified 162 163 general appraisers of the State of Mississippi. The proceeds from any sale by an agency, board, commission or public official of 164 165 state-held lands shall be deposited into the State General Fund

166 unless otherwise provided by law.

(4) Before any state-held land is sold to any individual or 167 168 private entity, thirty (30) days' advance notice of the intended 169 sale shall be provided by the Secretary of State to the state 170 Legislature, to all state agencies and to all governing 171 authorities within the state for the purpose of ascertaining 172 whether an agency or governing authority has a need for the land 173 and for the purpose of ascertaining whether the sale of the land 174 was authorized by law. If no agency or governing authority within 175 the state expresses in writing to the Secretary of State by the 176 end of the thirty-day period a desire to use the land, then the 177 Secretary of State, with the prior approval of the Mississippi Legislature to sell the state-held land, may offer the land for 178 179 sale to any individual or private entity.

180 (5) A cultural resources survey may be performed on any 181 state-held land before the disposition of the land if the State 182 Department of Archives and History deems this survey necessary. 183 The cost of the survey and any archaeological studies deemed 184 necessary by the State Department of Archives and History shall be 185 paid by the selling agency and recouped from the proceeds of the 186 sale.

187 (6) Before any land may be purchased by the state for the benefit of any state agency, the Secretary of State, or his 188 189 designee, shall search and examine all state land records to 190 determine whether the state owns any land that may fit the 191 particular need of the agency. The Secretary of State, or his designee, shall notify the agency if it is determined that any 192 state-held land is available for use by the agency. The agency 193 194 shall determine if such land accommodates its needs and shall determine whether to make an official request to the proper 195 196 authorities to have the use of the land.

197 (7) Any lands purchased or acquired for construction and198 maintenance of highways or highway rights-of-way by the

199 Mississippi Department of Transportation shall be excluded from 200 the provisions of this section.

201 (8) This section shall not apply to any agency of the State 202 of Mississippi that holds title to lands purchased solely by the 203 use of federal funds or whose authority to transfer or dispose of 204 these lands is governed by federal law or federal regulations.

205 (9) The Secretary of State may recover from any agency, 206 corporation, board, commission, entity or individual any cost that 207 is incurred by his office for the record-keeping responsibilities 208 regarding the sale or purchase of any state-held lands.

(10) Subsections (3), (4), (5) and (6) of this section shall not apply to sales or purchases of land when the Legislature expressly authorizes or directs a state agency to sell, purchase or lease-purchase a specifically described property.

(11) Subsections (3), (4), (5) and (6) of this section shall
 not apply to purchases or lease-purchases authorized in Section 1
 of House Bill No. 1319, 1999 Regular Session.

216 SECTION 4. Section 29-5-2, Mississippi Code of 1972, is 217 amended as follows:

218 29-5-2. The duties of the Office of General Services of the 219 Department of Finance and Administration shall be as follows:

220 (a) (i) To exercise general supervision and care over 221 and keep in good condition the following state property located in 222 the City of Jackson: the New State Capitol Building, the Woolfolk 223 State Office Building, the Carroll Gartin Justice Building, the 224 Walter Sillers Office Building, the War Veterans' Memorial Building, the State Archives Building, the Department of Archives 225 and History Depot Building, the Ike Sanford Veterans Affairs 226 227 Building, the Old State Capitol Building, the Governor's Mansion, the Heber Ladner Building, the Burroughs Building, the Robert E. 228 229 Lee Office Building, the Robert E. Lee Parking Garage, the Manship House Restoration and Visitor Center, the State Records Center, 230 231 the 301 Lamar Street Building, and all other properties acquired

232 in the same transaction at the time of the purchase of the Robert 233 E. Lee Hotel property from the First Federal Savings and Loan 234 Association of Jackson, Mississippi, which properties are more particularly described in a warranty deed heretofore executed and 235 236 delivered on April 22, 1969, and filed for record in the office of the Chancery Clerk of the First Judicial District of Hinds County, 237 Mississippi, located in Jackson, Mississippi, on April 25, 1969, 238 at 9:00 a.m., and recorded in Deed Book No. 1822, page 136 et 239 240 seq., and the Central High Building and 101 Capitol Centre.

(ii) To exercise general supervision and care over
and keep in good condition the Dr. Eldon Langston Bolton Building
located in Biloxi, Mississippi.

(iii) To exercise general supervision and care
over and keep in good condition the State Service Center, located
at the intersection of State Highway 49 and John Merl Tatum
Industrial Drive in Hattiesburg, Mississippi.

248 To assign suitable office space for the various (b) 249 state departments, officers and employees who are provided with an 250 office in any of the buildings under the jurisdiction or control 251 of the Office of General Services. However, the assignment of 252 space in the New Capitol Building shall be designated by duly 253 passed resolution of the combined Senate Rules Committee and the 254 House Management Committee, meeting as a joint committee, approved 255 by the Lieutenant Governor and Speaker of the House of Representatives. A majority vote of the members of the Senate 256 257 Rules Committee and a majority vote of the members of the House 258 Management Committee shall be required on all actions taken, resolutions or reports adopted, and all other matters considered 259 260 by the full combined committee on occasions when the Senate Rules 261 Committee and the House Management Committee shall meet as a full 262 combined committee.

263 (c) To approve or disapprove through the Division of264 Real Property Management, and with the concurrence of the Public

265 Procurement Review Board, any lease or rental agreements by any state agency or department, including any state agency financed 266 267 entirely by federal and special funds, for space outside the buildings under the jurisdiction of the Office of General 268 269 Services. In no event shall any employee, officer, department, federally funded agency or bureau of the state be authorized to 270 271 enter a lease or rental agreement without prior approval of the 272 Office of General Services and the Public Procurement Review 273 Board.

The Office of General Services is authorized to use architects, engineers, building inspectors and other personnel for the purpose of making inspections as may be deemed necessary in carrying out its duties and maintaining the facilities.

278 (d) To acquire by lease, lease-purchase agreement, or 279 otherwise, as provided in Section 27-104-107 or Section 1 of House 280 Bill No. 1319, 1999 Regular Session, or both, and to assign 281 through the Office of General Services, by lease or sublease agreement from the office, and with the concurrence of the Public 282 283 Procurement Review Board, to any state agency or department, 284 including any state agency financed entirely by federal and special funds, appropriate office space in the buildings acquired. 285 286 SECTION 5. Section 31-11-3, Mississippi Code of 1972, is 287 amended as follows:

288 31-11-3. (1) The Department of Finance and Administration, for the purposes of carrying out the provisions of this chapter, 289 290 in addition to all other rights and powers granted by law, shall 291 have full power and authority to employ and compensate architects 292 or other employees necessary for the purpose of making 293 inspections, preparing plans and specifications, supervising the erection of any buildings, and making any repairs or additions as 294 295 may be determined by the Department of Finance and Administration 296 to be necessary, pursuant to the rules and regulations of the 297 State Personnel Board. The department shall have entire control

and supervision of, and determine what, if any, buildings, additions, repairs or improvements are to be made under the provisions of this chapter, subject to the approval of the Public Procurement Review Board.

302 The department shall have full power to erect buildings, (2) 303 make repairs, additions or improvements, and buy materials, 304 supplies and equipment for any of the institutions or departments 305 of the state subject to the approval of the Public Procurement 306 Review Board. In addition to other powers conferred, the 307 department shall have full power and authority as directed by the 308 Legislature, or when funds have been appropriated for its use for 309 these purposes, to:

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(a) Build a state office building;

(b) Build suitable plants or buildings for the use and housing of any state schools or institutions, including the building of plants or buildings for new state schools or institutions, as provided for by the Legislature;

315 (c) Provide state aid for the construction of school
316 buildings;

Promote and develop the training of returned 317 (d) 318 veterans of the United States in all sorts of educational and vocational learning to be supplied by the proper educational 319 320 institution of the State of Mississippi, and in so doing allocate 321 monies appropriated to it for these purposes to the Governor for 322 use by him in setting up, maintaining and operating an office and 323 employing a state director of on-the-job training for veterans and 324 the personnel necessary in carrying out Public Law No. 346 of the 325 United States;

326 (e) Build and equip a hospital and administration327 building at the Mississippi State Penitentiary;

328 (f) Build and equip additional buildings and wards at 329 the Boswell Retardation Center;

330 (g) Construct a sewage disposal and treatment plant at

331 the state insane hospital, and in so doing acquire additional land 332 as may be necessary, and to exercise the right of eminent domain 333 in the acquisition of this land;

334 (h) Build and equip the Mississippi central market and
335 purchase or acquire by eminent domain, if necessary, any lands
336 needed for this purpose;

337 (i) Build and equip suitable facilities for a training338 and employing center for the blind;

339 (j) Build and equip a gymnasium at Columbia Training340 School;

341 (k) Approve or disapprove the expenditure of any money 342 appropriated by the Legislature when authorized by the bill making 343 the appropriation;

344 (1) Expend monies appropriated to it in paying the345 state's part of the cost of any street paving;

(m) Sell and convey state lands when authorized by the Legislature, cause said lands to be properly surveyed and platted, execute all deeds or other legal instruments, and do any and all other things required to effectively carry out the purpose and intent of the Legislature. Any transaction which involves state lands under the provisions of this paragraph shall be done in a manner consistent with the provisions of Section 29-1-1;

353 (n) Collect and receive from educational institutions 354 of the State of Mississippi monies required to be paid by these 355 institutions to the state in carrying out any veterans' 356 educational programs; and

(o) Purchase lands for building sites, or as additions
to building sites, for the erection of buildings and other
facilities which the department is authorized to erect, and
demolish and dispose of old buildings, when necessary for the
proper construction of new buildings. Any transaction which
involves state lands under the provisions of this paragraph shall
be done in a manner consistent with the provisions of Section

364 29-1-1.

The department shall survey state-owned and 365 (3) 366 state-utilized buildings to establish an estimate of the costs of 367 architectural alterations, pursuant to the Americans with 368 Disabilities Act of 1990, 42 USCS Section 12111 et seq. The 369 department shall establish priorities for making the identified 370 architectural alterations and shall make known to the Legislative 371 Budget Office and to the Legislature the required cost to 372 effectuate such alterations. To meet the requirements of this 373 section, the department shall use standards of accessibility that 374 are at least as stringent as any applicable federal requirements 375 and may consider:

376 (a) Federal minimum guidelines and requirements issued
377 by the United States Architectural and Transportation Barriers
378 Compliance Board and standards issued by other federal agencies;

(b) The criteria contained in the American Standard
Specifications for Making Buildings Accessible and Usable by the
Physically Handicapped and any amendments thereto as approved by
the American Standards Association, Incorporated (ANSI Standards);

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(c) Design manuals;

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(d) Applicable federal guidelines;

385 (e) Current literature in the field;

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(f) Applicable safety standards; and

387 Any applicable environmental impact statements. (g) The department shall observe the provisions of Section 388 (4) 389 31-5-23, in letting contracts and shall use Mississippi products, including paint, varnish and lacquer which contain as vehicles 390 tung oil and either ester gum or modified resin (with rosin as the 391 392 principal base of constituents), and turpentine shall be used as a solvent or thinner, where these products are available at a cost 393 394 not to exceed the cost of products grown, produced, prepared, made or manufactured outside of the State of Mississippi. 395

396 (5) The department shall have authority to accept grants,

397 loans or donations from the United States Government or from any 398 other sources for the purpose of matching funds in carrying out 399 the provisions of this chapter.

400 (6) The department shall build a wheelchair ramp at the War
401 Memorial Building which complies with all applicable federal laws,
402 regulations and specifications regarding wheelchair ramps.

403 (7) The department shall review and preapprove all 404 architectural or engineering service contracts entered into by any state agency, institution, commission, board or authority 405 406 regardless of the source of funding used to defray the costs of 407 the construction or renovation project for which services are to 408 be obtained. The provisions of this subsection (7) shall not 409 apply to any architectural or engineering contract paid for by self-generated funds of any of the state institutions of higher 410 411 learning, nor shall they apply to community college projects that 412 are funded from local funds or other nonstate sources which are 413 outside the Department of Finance and Administration's appropriations or as directed by the Legislature. The provisions 414 415 of this subsection (7) shall not apply to any construction or design projects of the State Military Department that are funded 416 417 from federal funds or other nonstate sources.

418 (8) The department shall have the authority to obtain 419 annually from the state institutions of higher learning 420 information on all building, construction and renovation projects 421 including duties, responsibilities and costs of any architect or 422 engineer hired by any such institutions.

(9) Contracts let or approved by the State Prison Emergency Construction and Management Board when it exercises its emergency powers to remove two thousand (2,000) inmates from county jails are exempt from this section; however, this exemption does not apply to contracts for the construction of private correctional facilities and additional facilities at the South Mississippi Correctional Institution and the Central Mississippi Correctional

430 Facility. This subsection shall stand repealed from and after 431 July 1, 1996.

- 432 (10) To acquire by purchase or lease-purchase, or both, land
 433 and buildings under Section 1 of House Bill No. 1319, 1999 Regular
 434 Session, for the purpose of consolidating state agencies into
 435 buildings at a common location.
- 436 SECTION 6. This act shall take effect and be in force from 437 and after its passage.