By: Representative Brown

To: Public Buildings, Grounds and Lands; Appropriations

HOUSE BILL NO. 1319 (As Passed the House)

AN ACT TO AUTHORIZE THE DEPARTMENT OF FINANCE AND 1 ADMINISTRATION TO ACQUIRE BY PURCHASE OR LEASE-PURCHASE, OR BOTH, 3 LAND AND BUILDINGS FOR THE PURPOSE OF CONSOLIDATING STATE AGENCIES 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 6 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 2.2 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 <u>fair market</u> 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 and
- 37 Administration.
- 38 (b) "Commission" means the State Bond Commission.
- 39 (c) "Director" means the Executive Director of the
- 40 Department of Finance and Administration.
- 41 (d) "Committee" means the Joint Legislative Budget
- 42 Committee.
- (e) "Office" means the Office of General Services of
- 44 the Department of Finance and Administration.
- 45 (2) In addition to any other authority conferred upon it,
- 46 and subject to the approval of its proposal by the commission, the
- 47 department may enter into purchase contracts, lease-purchase
- 48 agreements, rental agreements or other similar contracts for the
- 49 ultimate acquisition of real property by the state. Before
- 50 entering into any purchase contract or lease-purchase agreement,
- 51 the office must first demonstrate to the Public Procurement Review
- 52 Board satisfactory evidence that the contract would be
- 53 economically advantageous to the state and that any consolidation
- 54 of agencies into buildings at a common location would not impair
- 55 or impede the function of that agency in this location. The
- 56 contracts shall be approved by the Public Procurement Review Board
- 57 and the State Bond Commission.
- 58 (3) Acquisitions shall be made only with legislative
- 59 approval and be in accordance with a long-range development plan
- 60 which the department shall annually prepare and present to the
- 61 Legislature as a part of the Governor's capitol budget
- 62 recommendation; however, if in the opinion of the Department of
- 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
- 66 state financial loss, then such acquisition may be made upon

- 67 approval by the State Bond Commission after consultation with the
- 68 Chairman of the Public Property Committee of the Senate and the
- 69 Chairman of the Public Buildings, Grounds and Lands Committee of
- 70 the House of Representatives. Acquisition of lands and buildings
- 71 shall be based upon appraisals approved by the Department of
- 72 Finance and Administration. The office shall not pay an amount in
- 73 excess of the appraised value of the land and buildings to be
- 74 acquired. The amount paid on purchases or lease-purchases made
- 75 <u>under Section 1 of House Bill No. 1319, 1999 Regular Session, will</u>
- 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,
- 80 one (1) to be selected by the Department of Finance and
- 81 Administration and one (1) to be selected by the Department of
- 82 Audit. Further, the office shall file quarterly reports
- 83 describing this process and its progress with the Chairman of the
- 84 Senate Public Property Committee and the Chairman of the House
- 85 Public Buildings, Grounds and Lands Committee.
- 86 (4) With the exception of the Public Employees' Retirement
- 87 System, whenever any contract or agreement entered into is for and
- 88 on behalf of the State of Mississippi, title to property, when
- 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
- 91 purchase agreement with the state shall be considered a
- 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.

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

 114 29-1-1. (1) Except as otherwise provided in subsection (7)
- 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
- 117 by the use of funds appropriated by the state shall appear on all
- 118 deeds and land records under the name of the "State of
- 119 Mississippi." For the purpose of this section, the term "agency"
- 120 shall be defined as set forth in Section 31-7-1(a). The
- 121 provisions of this section shall not affect the authority of any
- 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
- 124 transferred in violation of Section 272A of the Mississippi
- 125 Constitution of 1890. Before September 1, 1993, each state agency
- 126 shall inventory any state-held lands which were acquired solely by
- 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 of
- 132 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 Failure to obtain legislative approval pursuant to subsection (4) 147 148 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 end of the thirty-day period a desire to use the land, then the 176 177 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.
 - (5) A cultural resources survey may be performed on any state-held land before the disposition of the land if the State Department of Archives and History deems this survey necessary. The cost of the survey and any archaeological studies deemed necessary by the State Department of Archives and History shall be paid by the selling agency and recouped from the proceeds of the sale.
- 187 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 and 198 maintenance of highways or highway rights-of-way by the

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- 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.
- 206 corporation, board, commission, entity or individual any cost that

(9) The Secretary of State may recover from any agency,

- 207 is incurred by his office for the record-keeping responsibilities
- 208 regarding the sale or purchase of any state-held lands.
- 209 (10) Subsections (3), (4), (5) and (6) of this section shall
- 210 not apply to sales or purchases of land when the Legislature
- 211 expressly authorizes or directs a state agency to sell, purchase
- 212 or lease-purchase a specifically described property.
- 213 (11) Subsections (3), (4), (5) and (6) of this section shall
- 214 not apply to purchases or lease-purchases authorized in Section 1
- of House Bill No. 1319, 1999 Regular Session.
- SECTION 4. Section 29-5-2, Mississippi Code of 1972, is
- 217 amended as follows:

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- 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
- 225 Building, the State Archives Building, the Department of Archives
- 226 and History Depot Building, the Ike Sanford Veterans Affairs
- 227 Building, the Old State Capitol Building, the Governor's Mansion,
- 228 the Heber Ladner Building, the Burroughs Building, the Robert E.
- 229 Lee Office Building, the Robert E. Lee Parking Garage, the Manship
- 230 House Restoration and Visitor Center, the State Records Center,
- 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
- 235 particularly described in a warranty deed heretofore executed and
- 236 delivered on April 22, 1969, and filed for record in the office of
- 237 the Chancery Clerk of the First Judicial District of Hinds County,
- 238 Mississippi, located in Jackson, Mississippi, on April 25, 1969,
- 239 at 9:00 a.m., and recorded in Deed Book No. 1822, page 136 et
- 240 seq., and the Central High Building and 101 Capitol Centre.
- 241 (ii) To exercise general supervision and care over
- 242 and keep in good condition the Dr. Eldon Langston Bolton Building
- 243 located in Biloxi, Mississippi.
- 244 (iii) To exercise general supervision and care
- 245 over and keep in good condition the State Service Center, located
- 246 at the intersection of State Highway 49 and John Merl Tatum
- 247 Industrial Drive in Hattiesburg, Mississippi.
- 248 (b) To assign suitable office space for the various
- 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
- 256 Representatives. A majority vote of the members of the Senate
- 257 Rules Committee and a majority vote of the members of the House
- 258 Management Committee shall be required on all actions taken,
- 259 resolutions or reports adopted, and all other matters considered
- 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 of
- 264 Real Property Management, and with the concurrence of the Public

265 Procurement Review Board, any lease or rental agreements by any

266 state agency or department, including any state agency financed

- 267 entirely by federal and special funds, for space outside the
- 268 buildings under the jurisdiction of the Office of General
- 269 Services. In no event shall any employee, officer, department,
- 270 federally funded agency or bureau of the state be authorized to
- 271 enter a lease or rental agreement without prior approval of the
- 272 Office of General Services and the Public Procurement Review
- 273 Board.
- 274 The Office of General Services is authorized to use
- 275 architects, engineers, building inspectors and other personnel for
- 276 the purpose of making inspections as may be deemed necessary in
- 277 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 <u>Bill No. 1319, 1999 Regular Session, or both</u>, and to assign
- 281 through the Office of General Services, by lease or sublease
- 282 agreement from the office, and with the concurrence of the Public
- 283 Procurement Review Board, to any state agency or department,
- 284 including any state agency financed entirely by federal and
- 285 special funds, appropriate office space in the buildings acquired.
- 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,
- 289 for the purposes of carrying out the provisions of this chapter,
- 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
- 294 erection of any buildings, and making any repairs or additions as
- 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

- 298 and supervision of, and determine what, if any, buildings,
- 299 additions, repairs or improvements are to be made under the
- 300 provisions of this chapter, subject to the approval of the Public
- 301 Procurement Review Board.
- 302 (2) The department shall have full power to erect buildings,
- 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:
- 310 (a) Build a state office building;
- 311 (b) Build suitable plants or buildings for the use and
- 312 housing of any state schools or institutions, including the
- 313 building of plants or buildings for new state schools or
- 314 institutions, as provided for by the Legislature;
- 315 (c) Provide state aid for the construction of school
- 316 buildings;
- 317 (d) Promote and develop the training of returned
- 318 veterans of the United States in all sorts of educational and
- 319 vocational learning to be supplied by the proper educational
- 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 administration
- 327 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 training
- 338 and employing center for the blind;
- (j) Build and equip a gymnasium at Columbia Training
- 340 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 the
- 345 state's part of the cost of any street paving;
- 346 (m) Sell and convey state lands when authorized by the
- 347 Legislature, cause said lands to be properly surveyed and platted,
- 348 execute all deeds or other legal instruments, and do any and all
- 349 other things required to effectively carry out the purpose and
- 350 intent of the Legislature. Any transaction which involves state
- 351 lands under the provisions of this paragraph shall be done in a
- 352 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
- 357 (o) Purchase lands for building sites, or as additions
- 358 to building sites, for the erection of buildings and other
- 359 facilities which the department is authorized to erect, and
- 360 demolish and dispose of old buildings, when necessary for the
- 361 proper construction of new buildings. Any transaction which
- 362 involves state lands under the provisions of this paragraph shall
- 363 be done in a manner consistent with the provisions of Section

364 29-1-1.

- The department shall survey state-owned and 365 366 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;
- 379 (b) The criteria contained in the American Standard
 380 Specifications for Making Buildings Accessible and Usable by the
 381 Physically Handicapped and any amendments thereto as approved by
 382 the American Standards Association, Incorporated (ANSI Standards);
- 383 (c) Design manuals;
- 384 (d) Applicable federal guidelines;
- 385 (e) Current literature in the field;
- 386 (f) Applicable safety standards; and
- 387 (g) Any applicable environmental impact statements.
- 388 (4) The department shall observe the provisions of Section
- 389 31-5-23, in letting contracts and shall use Mississippi products,
- 390 including paint, varnish and lacquer which contain as vehicles
- 391 tung oil and either ester gum or modified resin (with rosin as the
- 392 principal base of constituents), and turpentine shall be used as a
- 393 solvent or thinner, where these products are available at a cost
- 394 not to exceed the cost of products grown, produced, prepared, made
- 395 or manufactured outside of the State of Mississippi.
- 396 (5) The department shall have authority to accept grants,

- loans or donations from the United States Government or from any other sources for the purpose of matching funds in carrying out 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
- buildings at a common location.
- 436 SECTION 6. This act shall take effect and be in force from
- 437 and after its passage.