### \*\*\*Pending\*\*\* AMENDMENT No. 1 PROPOSED TO

#### House Bill NO. 553

### By Senator(s) Committee

## Amend by striking all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. Section 47-5-66, Mississippi Code of 1972, is 5 6 amended as follows: 47-5-66. \* \* \* It shall be the duty of the State Department 7 of Finance and Administration, with the approval of the Public 8 Procurement Review Board, to lease lands at public contract upon 9 the submission of two (2) or more sealed bids to the State 10 Department of Finance and Administration after having advertised 11 12 the land for rent in newspapers of general circulation published in Jackson, Mississippi; Memphis, Tennessee; the county in which 13 the land is located, and contiguous counties for a period of not 14 less than two (2) successive weeks. The first publication shall 15 be made not less than ten (10) days before the date of the public 16 contract, and the last publication shall be made not more than 17 seven (7) days before that date. The State Department of Finance 18 and Administration may reject any and all bids. If all bids on a 19 tract or parcel of land are rejected, the State Department of 20 Finance and Administration may then advertise for new bids on that 21 22 tract or parcel of land. Successful bidders shall take possession of their leaseholds at the time authorized by the State Department 23 of Finance and Administration. However, rent shall be due no 24 later than the day upon which the lessee shall assume possession 25

26 of the leasehold, and shall be due on the anniversary date for 27 each following year of the lease. The State Department of Finance 28 and Administration may provide in any lease that rent shall be 29 paid in full in advance or paid in installments, as may be 30 necessary or appropriate. In addition, the State Department of 31 Finance and Administration may accept, and the lease may provide for, assignments of federal, state, or other agricultural support 32 payments, growing crops or the proceeds from the sale thereof, 33 34 promissory notes, or any other good and valuable consideration 35 offered by any lessee to meet the rent requirements of the lease. 36 If a promissory note is offered by a lessee, it shall be secured by a first lien on the crop of the lessee, or the proceeds from 37 the sale thereof. The lien shall be filed pursuant to Article 9 38 of the Mississippi Uniform Commercial Code and Section 1324 of the 39 40 Food Security Act of 1985, as enacted or amended. If the note is not paid at maturity, it shall bear interest at the rate provided 41 42 for judgments and decrees in Section 75-17-7 from its maturity 43 date until the note is paid. The note shall provide for the payment of all costs of collection and reasonable attorney's fees 44 45 if default is made in the payment of the note. The payment of rent by promissory note or any means other than cash in advance 46 shall be subject to the approval of the Public Procurement Review 47 Board, which shall place the approval of record in the minutes of 48 the board. There is created a special fund to be designated as 49 50 the "Prison Agricultural Enterprises Fund." Any monies in hand or due from the leasing of penitentiary lands and the sales of timber 51 52 by the State Forestry Commission as provided in Section 47-5-56 and earmarked for the Prison Industries Fund shall be deposited to 53 54 the special fund for prison agricultural enterprises. All monies in each fiscal year derived from the leasings of the penitentiary 55 lands and the sales of timber by the State Forestry Commission as 56 57 provided in Section 47-5-56 shall be deposited into the special 58 fund for the purpose of conducting, operating and managing the

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- 59 prison agricultural enterprises of the department. All profits 60 derived from the prison agricultural enterprises shall be deposited into the Prison Agricultural Enterprises Fund. All 61 62 profits derived from prison industries shall be placed in a special fund in the State Treasury to be known as the Prison 63 64 Industries Funds, to be appropriated each year by the Legislature to the nonprofit corporation, which is required to be organized 65 under the provisions of Section 47-5-535, for the purpose of 66 operating and managing the prison industries. The state shall 67 68 have the rights and remedies for the security and collection of 69 the rents given by law to landlords. Upon the execution of the agricultural leases to private entities as authorized by Section 70 47-5-64, the leased land shall be liable to be taxed as other 71 lands are taxed during the continuance of the lease, but in case 72 73 of sale thereon for taxes, only the title of the leaseholder or his heirs or assigns shall pass by the sale. Any funds obtained 74 75 by the corporation as a result of sale of goods and services 76 manufactured and provided by it shall be accounted for separate 77 and apart from any funds received by the corporation through 78 appropriation from the state Legislature. All nonappropriated funds generated by the corporation shall not be subject to 79 80 appropriation by the state Legislature.
- **81** \* \* \*
- 82 SECTION 2. This act shall take effect and be in force from 83 and after its passage.

# Further, amend by striking the title in its entirety and inserting in lieu thereof the following:

AN ACT TO AMEND SECTION 47-5-66, MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR THE AGRICULTURAL LEASING OF PRISON LANDS, BY REMOVING THE REPEALER; AND FOR RELATED PURPOSES.

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