HOUSE BILL NO. 475

AN ACT TO AMEND SECTION 47-5-66, MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR AGRICULTURAL LEASES OF PRISON LANDS TO PRIVATE ENTITIES AND ESTABLISHES THE PROCEDURES, METHODS OF PAYMENT OF RENTS, DISPOSAL OF INCOME AND TAX LIABILITY, TO EXTEND THE REPEALER DATE FROM JULY 1, 2001, TO JULY 1, 2002; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. Section 47-5-66, Mississippi Code of 1972, is amended as follows:

47-5-66. (1) It shall be the duty of the State Department of Finance and Administration, with the approval of the Public Procurement Review Board, to lease lands at public contract upon the submission of two (2) or more sealed bids to the State Department of Finance and Administration after having advertised the land for rent in newspapers of general circulation published in Jackson, Mississippi; Memphis, Tennessee; the county in which the land is located, and contiguous counties for a period of not less than two (2) successive weeks. The first publication shall be made not less than ten (10) days before the date of the public contract, and the last publication shall be made not more than seven (7) days before that date. The State Department of Finance and Administration may reject any and all bids. If all bids on a tract or parcel of land are rejected, the State Department of Finance and Administration may then advertise for new bids on that tract or parcel of land. Successful bidders shall take possession of their leaseholds at the time authorized by the State Department of Finance and Administration. However, rent shall be due no later than the day upon which the lessee shall assume possession.
of the leasehold, and shall be due on the anniversary date for each following year of the lease. The State Department of Finance and Administration may provide in any lease that rent shall be paid in full in advance or paid in installments, as may be necessary or appropriate. In addition, the State Department of Finance and Administration may accept, and the lease may provide for, assignments of federal, state, or other agricultural support payments, growing crops or the proceeds from the sale thereof, promissory notes, or any other good and valuable consideration offered by any lessee to meet the rent requirements of the lease. 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 the sale thereof. The lien shall be filed pursuant to Article 9 of the Mississippi Uniform Commercial Code and Section 1324 of the 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 for judgments and decrees in Section 75-17-7 from its maturity date until the note is paid. The note shall provide for the payment of all costs of collection and reasonable attorney's fees 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 shall be subject to the approval of the Public Procurement Review Board, which shall place the approval of record in the minutes of the board. There is created a special fund to be designated as "the Prison Agricultural Enterprises Fund." Any monies in hand or due from the leasing of Penitentiary lands and the sales of timber as provided in Section 47-5-56 and earmarked for the Prison Industries Fund shall be deposited to the special fund for prison agricultural enterprises. All monies in each fiscal year derived from the leasing of the Penitentiary lands and the sales of timber as provided in Section 47-5-56 shall be deposited into the special fund for the purpose of conducting, operating and managing the prison agricultural enterprises of the department. All profits
derived from the prison agricultural enterprises shall be deposited into the Prison Agricultural Enterprises Fund. All profits derived from prison industries shall be placed in a special fund in the State Treasury to be known as the Prison Industries Funds, to be appropriated each year by the Legislature to the nonprofit corporation, which is required to be organized under the provisions of Section 47-5-535, for the purpose of operating and managing the prison industries. The state shall have the rights and remedies for the security and collection of the rents given by law to landlords. Upon the execution of the agricultural leases to private entities as authorized by Section 47-5-64, the leased land shall be liable to be taxed as other lands are taxed during the continuance of the lease, but in case of sale thereon for taxes, only the title of the leaseholder or his heirs or assigns shall pass by the sale. Any funds obtained by the corporation as a result of sale of goods and services manufactured and provided by it shall be accounted for separate and apart from any funds received by the corporation through appropriation from the State Legislature. All nonappropriated funds generated by the corporation shall not be subject to appropriation by the State Legislature. (2) This section shall be repealed from and after July 1, 2002.

SECTION 2. This act shall take effect and be in force from and after July 1, 2001.