

By: Senator(s) Furniss

To: Education

SENATE BILL NO. 2064

1 AN ACT TO AMEND SECTION 29-3-81, MISSISSIPPI CODE OF 1972, TO
2 REVISE THE PROCEDURES FOR LEASING SIXTEENTH SECTION LANDS
3 CLASSIFIED AS AGRICULTURAL LAND; TO PROVIDE THAT THE HOLDER OF THE
4 EXISTING LEASE ON SUCH LANDS, IF IT MADE AN OFFER, SHALL HAVE THE
5 FINAL RIGHT TO EXTEND ITS LEASE FOR THE TERM ADVERTISED AT THE
6 ANNUAL RENTAL EQUAL TO THE HIGHEST OFFER RECEIVED BY THE BOARD OF
7 EDUCATION; AND FOR RELATED PURPOSES.

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

9 SECTION 1. Section 29-3-81, Mississippi Code of 1972, is
10 amended as follows:

11 29-3-81. (1) Sixteenth section lands, or any lands granted
12 in lieu of sixteenth section lands, classified as agricultural may
13 be leased for the cultivation of rice, or pasturage, for a term
14 not to exceed ten (10) years. All other sixteenth section or lieu
15 lands classified as agricultural may be leased for a term not
16 exceeding five (5) years. All leases of land classified as
17 agricultural shall be for a term to expire on December 31. Except
18 in those cases when the holder of an existing lease on
19 agricultural land elects to re-lease such land, as authorized
20 under this subsection, it shall be the duty of the board of
21 education to lease the sixteenth section or lieu lands at public
22 contract after having advertised such lands for rent in a
23 newspaper published in the county or, if no newspaper is published
24 in the county, then in a newspaper having a general circulation
25 therein, for two (2) successive weeks, the first being at least
26 ten (10) days before the public contract. The lease form and the
27 terms so prescribed shall be on file and available for inspection
28 in the office of the superintendent from and after the public
29 notice by advertisement and until finally accepted by the board.



30 However, before the expiration of an existing lease of land
31 classified as agricultural land, the board of education, in its
32 discretion and subject to the prior approval of the Secretary of
33 State, may authorize the holder of the existing lease to re-lease
34 the land, on no more than one (1) occasion, for a term not to
35 exceed five (5) years and for a rental amount that is no less than
36 one hundred twenty percent (120%) of the total rental value of the
37 existing lease. If the holder of the existing lease elects not to
38 re-lease the land, the board of education shall publish an
39 advertisement of agricultural land for rent which publication
40 shall be not more than four (4) months before the expiration of
41 the term of an existing lease of the land. An election by the
42 holder of the existing lease not to re-lease the land shall not
43 preclude his participation in the bidding process established
44 under this section. Subject to the classification of the land,
45 the board of education shall enter into a new lease on
46 agricultural land before the expiration of an existing lease on
47 the same land, and the new lease shall take effect on the day
48 immediately following the day on which the existing lease expires.
49 The board of education may require bidders to furnish bond or
50 submit evidence of financial ability.

51 Bids received by the board of education in response to the
52 advertisement shall be opened at a regular or special meeting of
53 the board. The board of education, at its option, may reject all
54 bids or accept the highest and best bid received in response to
55 the advertisement * * *. Provided, however, that if the board of
56 education receives an acceptable bid, the holder of the existing
57 lease, if it made an offer, shall have the final right to extend
58 its lease for the term advertised at the annual rental equal to
59 said highest offer received by the board of education.

60 * * *

61 (2) (a) If no bid acceptable to the board of education is
62 received after the advertisement * * *, the board of education may



63 lease, within ninety (90) days, the lands by private contract for
64 an amount greater than the highest bid previously rejected in
65 order to acquire a fair rental value for the lands. If no bids
66 are received in response to the advertisement, the board of
67 education may negotiate a private contract for a fair rental
68 value, and the term of such contract shall expire on December 31
69 of the same calendar year in which the contract is made. If the
70 board of education determines to lease the land by private
71 contract, the most recent holder of said lease, if it made an
72 offer, shall have the final right to extend its lease on the same
73 terms and conditions as those contained in the private contract
74 proposed to be accepted by the board of education. The board of
75 education may take the notes for the rent and attend to their
76 collection. The board has the right and remedies for the security
77 and collection of such rents given by law to the agricultural
78 landlords.

79 (b) If an existing lease is terminated before the
80 expiration of the term originally set therein, upon finding that
81 immediate action is necessary to prevent damage or loss to growing
82 crops or to prevent loss of opportunity to lease the land for the
83 current growing season, the board of education may negotiate a
84 private contract for a fair rental value, and the term of such
85 lease shall expire on December 31 of the same calendar year in
86 which the contract is made.

87 (3) Any holder of a lease on agricultural land that: (a)
88 was granted before July 1, 1997; and (b) has an expiration date on
89 or after April 1 but before December 31 during the final year of
90 the lease term, may extend the term of such lease to December 31
91 next following the expiration date originally provided for in the
92 lease. If such lease is extended, the rent for the period from
93 the original expiration date in the lease to December 31 next
94 following the original expiration date shall be one hundred five
95 percent (105%) of the annual rent provided in the existing lease



96 prorated over the period of the lease extension. At the
97 expiration of the extended lease term or at the expiration of the
98 original lease term if the lease holder does not extend such
99 lease, the land shall be offered for lease as provided in
100 subsections (1) and (2) of this section.

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

