

By: Senator(s) Smith

To: Corrections

SENATE BILL NO. 2330

1 AN ACT TO AMEND SECTION 47-5-66, MISSISSIPPI CODE OF 1972, TO
2 EXTEND THE REPEALER ON AUTHORIZATION FOR AGRICULTURAL LEASES OF
3 PRISON LANDS TO PRIVATE ENTITIES; AND FOR RELATED PURPOSES.

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

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

7 47-5-66. (1) It shall be the duty of the State Department
8 of Finance and Administration, with the approval of the Public
9 Procurement Review Board, to lease lands at public contract upon
10 the submission of two (2) or more sealed bids to the State
11 Department of Finance and Administration after having advertised
12 the land for rent in newspapers of general circulation published
13 in Jackson, Mississippi; Memphis, Tennessee; the county in which
14 the land is located, and contiguous counties for a period of not
15 less than two (2) successive weeks. The first publication shall
16 be made not less than ten (10) days before the date of the public
17 contract, and the last publication shall be made not more than
18 seven (7) days before that date. The State Department of Finance
19 and Administration may reject any and all bids. If all bids on a
20 tract or parcel of land are rejected, the State Department of
21 Finance and Administration may then advertise for new bids on that
22 tract or parcel of land. Successful bidders shall take possession
23 of their leaseholds at the time authorized by the State Department
24 of Finance and Administration. However, rent shall be due no
25 later than the day upon which the lessee shall assume possession
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
32 for, assignments of federal, state, or other agricultural support
33 payments, growing crops or the proceeds from the sale thereof,
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
37 by a first lien on the crop of the lessee, or the proceeds from
38 the sale thereof. The lien shall be filed pursuant to Article 9
39 of the Mississippi Uniform Commercial Code and Section 1324 of the
40 Food Security Act of 1985, as enacted or amended. If the note is
41 not paid at maturity, it shall bear interest at the rate provided
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
44 payment of all costs of collection and reasonable attorney's fees
45 if default is made in the payment of the note. The payment of
46 rent by promissory note or any means other than cash in advance
47 shall be subject to the approval of the Public Procurement Review
48 Board, which shall place the approval of record in the minutes of
49 the board. There is created a special fund to be designated as
50 "the Prison Agricultural Enterprises Fund." Any monies in hand or
51 due from the leasing of Penitentiary lands and the sales of timber
52 as provided in Section 47-5-56 and earmarked for the Prison
53 Industries Fund shall be deposited to the special fund for prison
54 agricultural enterprises. All monies in each fiscal year derived
55 from the leasing of the Penitentiary lands and the sales of timber
56 as provided in Section 47-5-56 shall be deposited into the special
57 fund for the purpose of conducting, operating and managing the
58 prison agricultural enterprises of the department. All profits
59 derived from the prison agricultural enterprises shall be
60 deposited into the Prison Agricultural Enterprises Fund. All



61 profits derived from prison industries shall be placed in a
62 special fund in the State Treasury to be known as the Prison
63 Industries Funds, to be appropriated each year by the Legislature
64 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 have the rights and remedies for the security and collection of
68 the rents given by law to landlords. Upon the execution of the
69 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 of sale thereon for taxes, only the title of the leaseholder or
73 his heirs or assigns shall pass by the sale. Any funds obtained
74 by the corporation as a result of sale of goods and services
75 manufactured and provided by it shall be accounted for separate
76 and apart from any funds received by the corporation through
77 appropriation from the State Legislature. All nonappropriated
78 funds generated by the corporation shall not be subject to
79 appropriation by the State Legislature.

80 (2) This section shall be repealed from and after July 1,
81 2004.

82 **SECTION 2.** This act shall take effect and be in force from
83 and after its passage.

