AN ACT TO AMEND SECTIONS 29-3-27, 29-3-29 AND 29-3-47, MISSISSIPPI CODE OF 1972, TO AUTHORIZE LOCAL SCHOOL BOARDS TO EXCHANGE SIXTEENTH SECTION SCHOOL LAND OR LIEU LAND CLASSIFIED AS "FOREST LAND" FOR OTHER LAND OF EQUAL OR GREATER VALUE WHEN IN THE OPINION OF THE STATE FORESTRY COMMISSION THE OTHER LAND TO BE PURCHASED WILL PRODUCE MORE INCOME FOR THE SCHOOL DISTRICT; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 29-3-27, Mississippi Code of 1972, is amended as follows:

29-3-27. No sixteenth section lands or lands granted in lieu thereof, in whole or in part, situated within the school district holding or owning the same shall ever be sold, except that the board of education may, under the procedures hereinafter provided, sell such lands for industrial development thereon, therein, or thereunder to any persons, firms, or corporations in fee simple, or any lesser estate therein, for a purchase price not less than the fair market value thereof; and in addition, the board of education may, under the procedures hereinafter provided, exchange such land classified as "forest land" for other land located in the county or adjacent to the school district of equivalent or greater fair market value when in the opinion of the State Forestry Commission the land to be purchased will produce more income for the school district; and when any such sale is made, the deed shall be executed in the name of the State of Mississippi by the superintendent of the said board of education.

As used in this section and in Sections 29-3-29 and 29-3-61, the term "industrial development" shall include restoration as a tourist attraction the place where an organization was founded,
which said organization has since been expanded to be national or international in its membership, scope, and influence.

The proceeds of the sale in fee simple of any sixteenth section, or lands granted in lieu thereof, in whole or in part, or such part of said proceeds as may be required to purchase acreage of equivalent fair market value, shall be used by the board of education, to purchase other land in the county, which land shall be held and reserved by the State of Mississippi for the support of the township schools in lieu of the land thus sold, as other sixteenth section lieu land is held, and shall be subject to all laws applicable thereto. Every such sale and every such purchase of land in lieu thereof shall be reported by the secretary of the board of education to the Secretary of State and to the State Forestry Commission within ninety (90) days prior to the consummation of each such sale and purchase. Any funds from a sale in fee simple of any sixteenth section land, or land granted in lieu thereof, in excess of any amount used to purchase said land in lieu thereof, shall be treated as corpus and shall be invested by the board of education as provided by law. Only the income from such investment shall be expended for current operating expenses of the schools.

SECTION 2. Section 29-3-29, Mississippi Code of 1972, is amended as follows:

29-3-29. Before any sixteenth section school land or land granted in lieu thereof may be sold or leased for industrial development thereon, therein or thereunder under the provisions of this chapter, the board of education controlling such land shall first determine that such sale or lease will be fair market value. In the determination of the fair market value of said land the comparative sales method shall be used, and the highest and best use of said sixteenth section lands shall be determined on the basis of finding that said land shall be susceptible to any use that comparative land in private ownership may be used, that there
will be prompt and substantial industrial development on, in, or under said land after the sale or lease, that the acreage to be sold or leased is not in excess of the amount of land reasonably required for immediate use and for such future expansion as may be reasonably anticipated, and that such sale or lease will be beneficial to and in the best interest of the schools of the district for which said land is held. All of said findings, including the amount of the sale price or gross rental for said land, shall be spread on the minutes of the board of education.

Also, if the board of education proposes to sell said land, said board shall first enter into a contract or obtain a legal option to purchase, for a specified price not in excess of fair market value, other land in the county of acreage of equivalent fair market value, and such contract or option shall be spread on the minutes of said board. However, not more than one hundred (100) acres in any one (1) sixteenth section school lands in any county may be sold under this chapter for the purpose of being made an industrial park or a part of such industrial park, provided the provisions of this section and Sections 57-5-1 and 57-5-23 are fully complied with.

Before any sixteenth section land or land granted in lieu thereof classified as "forest land" may be sold and exchanged for land of equivalent or greater value under the provisions of this chapter, the board of education controlling such land shall submit the proposed exchange to the State Forestry Commission which shall first determine that such sale and exchange shall be beneficial to and in the best interest of the schools of the district for which said land is held due to increased income to be generated from annual rentals or sale of timber, and that the land to be sold is not in excess of the amount of land reasonably required for immediate use and for such future expansion as may be reasonably anticipated. Not more than one hundred (100) acres in any one (1) section in any school district may be sold and exchanged under
authority of this section. If the board of education proposes to sell said land, said board shall first enter into a contract or obtain a legal option to purchase, for a specified price not in excess of fair market value, other land in the county or adjacent to the school district of equivalent fair market value or greater, and all of said findings, including the amount of the sale price and such contract or option, along with the written approval of the State Forestry Commission, shall be spread on the minutes of said board.

A certified copy of the resolution or order of the board of education, setting out the foregoing findings, together with a certified copy of the order approving and setting out the terms of the contract or option to purchase other lands where a sale of land is proposed and an application to the Mississippi Development Authority or the Mississippi Forestry Commission, as the case may be, for the certificate authorizing said sale or lease, shall be forwarded to the county board of supervisors, which board shall make an independent investigation of the proposed sale or lease and of the proposed purchase of other land.

If said county board of supervisors shall concur in the finding of fact of the board of education, and shall find that it is to the best interests of the schools of the district to enter into such sale or lease, it may enter on its minutes a resolution or order approving the action of the board of education.

If the said county board of supervisors shall not concur in the findings of the board of education, or shall find that the proposed sale or lease will not be in the best interest of the schools of the district, then it may, by resolution or order, disapprove the proposed sale or lease, and such action shall be final.

There shall be reserved all minerals in, on, and under any lands conveyed under the provisions hereof. Provided, however, that in any county bordering on the State of Alabama, traversed by
the Tombigbee River, in which U.S. Highway 82 intersects U.S. Highway 45 and in which is situated a state supported institution of higher learning, upon the sale of any sixteenth section lands for industrial purposes as provided by law, the board of education, the superintendent of education and the Mississippi Agricultural and Industrial Board, may sell and convey all minerals except oil, gas, sulphur and casinghead gas on, in and under the said sixteenth section lands so sold for industrial purposes. Said oil, gas, sulphur and casinghead gas shall be reserved together with such rights of use, ingress and egress as shall not unreasonably interfere with the use of the lands by the purchaser. Prior written approval for such use, ingress and egress, shall be obtained from the surface owner or, if such approval is unreasonably withheld, may be obtained from the chancery court of the county in which said land is located. Certified copies of the resolutions or orders of the board of supervisors and of the board of education and of the application to the Mississippi Development Authority or the Mississippi Forestry Commission, as the case may be, shall be transmitted to the county superintendent of education, if there be one in the county, who, if he approves the proposed sale or lease, shall so certify and forward same to the Mississippi Development Authority or Mississippi Forestry Commission, as the case may be. If there be no county superintendent of education in the county, then the board of education whose district embraces the entire county shall so certify and transmit said copies to the Mississippi Development Authority or the Mississippi Forestry Commission, as the case may be, for further action.

Upon receipt of the aforesaid application and certified copies of the said resolution and orders, the Mississippi Development Authority or the Mississippi Forestry Commission, as the case may be, shall make investigation to determine whether or not the proposed sale or lease of said land will promote prompt
and substantial industrial development thereon, therein, or thereunder, or in the case of the exchange of forest land, will produce more income for the school district in which such land is located. If the Mississippi Development Authority finds that such sale or lease will promote prompt and substantial industrial development thereon, therein or thereunder, and further finds that the person, firm or corporation who proposes to establish said industry is financially responsible, and that the acreage to be sold or leased is not in excess of the amount of land reasonably required for immediate use and for such future expansion as may be reasonably anticipated, then the authority, in its discretion, may issue a certificate to the board of education of said district so certifying, and said certificate shall be the authority for the board of education to enter into the proposed sale or lease. If the Mississippi Development Authority does not so find, then it shall decline to issue said certificate which action shall be final.

Upon receipt of the aforesaid application and certified copies of the said resolution and orders, the Mississippi Forestry Commission shall make investigation to determine whether or not the proposed sale and exchange of said land will produce more annual rental income or timber sale income for the school district to which such income is due. If the commission finds that such sale and exchange will provide greater income for the school district, and further finds that the person, firm or corporation who proposes to purchase such land is financially responsible, and that the acreage to be sold and exchanged is not in excess of the amount of land reasonably required for school purposes or one hundred (100) acres in the aggregate, then the commission, in its discretion, may issue a certificate to the board of education of said district so certifying, and said certificate shall be the authority for the board of education to enter into the proposed sale and exchange. If the commission does not so find, then it
shall decline to issue said certificate which action shall be final.

The Mississippi Development Authority or the Mississippi Forestry Commission, as the case may be, when issuing a certificate to the county board of education certifying its findings and authorizing said sale or lease, may, nevertheless, in its discretion, make such sale or lease conditioned on and subject to the vote of the qualified electors of said district. Upon receipt of a certificate so conditioned upon an election, or upon a petition as hereinafter provided for, the board of education, by resolution spread upon its minutes, shall forward a copy of the certificate to the board of supervisors who by resolution upon its minutes, shall call an election to be held in the manner now provided by law for holding county elections, and shall fix in such resolution a date upon which such an election shall be held, of which not less than three (3) weeks notice shall be given by the clerk of said board of supervisors by publishing a notice in a newspaper published in said county once each week for three (3) consecutive weeks preceding the same, or if no newspaper is published in said county, then in a newspaper having a general circulation therein, and by posting a notice for three (3) weeks preceding said election at three (3) public places in said county. At such election, all qualified voters of the county may vote, and the ballots used shall have printed thereon a brief statement of the proposed sale or lease of said land, including the description and price, together with the words "For the proposed sale, lease or exchange" and the words "Against the proposed sale, lease or exchange," and the voter shall vote by placing a cross (x) or check (√) opposite his choice of the proposition. Should the election provided for herein result in favor of the proposed sale, lease or exchange by at least two-thirds (2/3) of the votes cast being in favor of the said proposition, the board of supervisors shall notify the board of education who may proceed forthwith to
sell, lease or exchange said land in accordance with the proposition so submitted to the electors. If less than two-thirds (2/3) of those voting in such special election vote in favor of the said sale or lease, then said land shall not be sold, leased or exchanged.

The board of education shall further be required, prior to passing of a resolution expressing its intent to sell said land, to publish a notice of intent to sell said land for three (3) consecutive weeks in a newspaper published in said county or, if there be none, in a newspaper having a general circulation in said county, and to post three (3) notices thereof in three (3) public places in said county, one (1) of which shall be at the courthouse, for said time. If within the period of three (3) weeks following the first publication of said intent, a petition signed by twenty percent (20%) of the qualified electors of said county shall be filed with the board of supervisors requesting an election concerning the sale, then an election shall be called as hereinabove provided.

**SECTION 3.** Section 29-3-47, Mississippi Code of 1972, is amended as follows:

29-3-47. For its services the State Forestry Commission shall be entitled to receive its actual expenses incurred in the discharge of the duties herein imposed. In order to provide funds with which to pay for the general supervision and sale of forest products, fifteen percent (15%) of all receipts from the sales of forest products shall be placed by the board in a forestry escrow fund and reserved to pay for work performed by the State Forestry Commission. Such payments shall be equal to the actual expenses incurred by the commission as substantiated by itemized bills presented to the board.

Money in the forestry escrow fund may be used to pay for any forestry work authorized during the period of the agreement and
shall not be subject to lapse by reason of county budget limitations.

In each school district having need of tree planting and timber stand improvement, or in the event of a proposed sale and exchange of land classified as "forest land" as authorized in Sections 29-3-27 and 29-3-29, the board of education is authorized to place additional amounts in the forestry escrow fund to reimburse the State Forestry Commission for actual expenses incurred in performing this work, or to pay for any work done under private contract under the supervision of said commission. Such additional amounts may be made available from forest products sales receipts, funds borrowed from the sixteenth section principal fund as is provided for in Section 29-3-113, or any other funds available to the board of education excluding minimum foundation program funds. Expenditures from the forestry escrow fund for tree planting, timber stand improvement, and other forestry work will be limited to payment for work recommended by the forestry commission and agreed to by the board of education.

When it becomes evident that the amount of money in the forestry escrow fund is in excess of the amount necessary to accomplish the work needed to achieve the goals set by the board of education and the forestry commission, the State Forestry Commission shall advise said board to release any part of such funds as will not be needed, which may then be spent for any purpose authorized by law.

SECTION 4. This act shall be in force and take effect from and after the date the electorate approves an amendment proposed to Section 211 of the Mississippi Constitution of 1890 to authorize the provisions of this act, as provided in Senate Concurrent Resolution No. 517, 2003 Regular Session.