

By: Senator(s) Robertson

To: Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3075

1 AN ACT TO AUTHORIZE THE DEPARTMENT OF FINANCE AND
2 ADMINISTRATION TO SELL AND CONVEY OR PURCHASE REAL PROPERTY IN THE
3 JACKSON METROPOLITAN AREA IN ORDER TO EFFICIENTLY MEET THE
4 FACILITY NEEDS OF STATE AGENCIES; TO PROVIDE THAT MONEY FROM THE
5 SALE OF STATE-OWNED PROPERTY IN THE JACKSON METROPOLITAN AREA
6 SHALL BE DEPOSITED INTO THE REAL PROPERTY AND FACILITIES FUND; TO
7 CREATE THE REAL PROPERTY AND FACILITIES FUND WHICH SHALL CONSIST
8 OF MONEY DEPOSITED FROM THE SALE OF ALL REAL PROPERTY OF THE STATE
9 OF MISSISSIPPI IN THE JACKSON METROPOLITAN AREA AND MONEY
10 DESIGNATED FOR DEPOSIT THEREIN FROM ANY OTHER SOURCE; TO PROVIDE
11 THAT MONEY IN THE FUND MAY BE EXPENDED BY THE DEPARTMENT OF
12 FINANCE AND ADMINISTRATION FOR THE ACQUISITION OF PROPERTY FOR
13 STATE AGENCIES AND RELATED FACILITY NEEDS IN THE JACKSON
14 METROPOLITAN AREA; TO AUTHORIZE THE ISSUANCE OF STATE GENERAL
15 OBLIGATION BONDS IN THE AMOUNT OF \$1,000,000.00 AND TO PROVIDE
16 THAT THE PROCEEDS OF SUCH BONDS SHALL BE DEPOSITED INTO THE REAL
17 PROPERTY AND FACILITIES FUND; TO AMEND SECTIONS 29-1-1 AND
18 31-11-3, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND FOR
19 RELATED PURPOSES.

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

21 **SECTION 1.** (1) The Department of Finance and
22 Administration, with the concurrence of the Secretary of State and
23 the State Auditor, is authorized to sell and convey or purchase
24 real property in the Jackson metropolitan area in order to
25 efficiently meet the facility needs of state agencies. The
26 Secretary of State and the State Auditor shall not unreasonably
27 withhold their concurrence.

28 (2) Money from the sale of state-owned property in the
29 Jackson metropolitan area shall be deposited into the Real
30 Property and Facilities Fund.

31 **SECTION 2.** There is created a special fund in the State
32 Treasury to be designated as the "Real Property and Facilities
33 Fund," referred to in this act as the "fund," which shall consist
34 of money deposited from the sale of all real property of the State
35 of Mississippi in the Jackson metropolitan area and money

36 designated for deposit therein from any other source, public or
37 private, including, but not limited to, appropriations, bond
38 proceeds, grants, gifts or donations. Unexpended amounts
39 remaining in the fund at the end of the fiscal year shall not
40 lapse into the State General Fund, and any interest earned on
41 amounts in the fund shall be deposited to the fund. Money in the
42 fund may be expended by the Department of Finance and
43 Administration for the acquisition or leasing of property for
44 state agency real property and related facility needs in the
45 Jackson metropolitan area. The department may charge and collect
46 rents from state agencies that utilize the properties.

47 **SECTION 3.** As used in Sections 3 through 18 of this act, the
48 following words shall have the meanings ascribed herein unless the
49 context clearly requires otherwise:

50 (a) "Accreted value" of any bonds means, as of any date
51 of computation, an amount equal to the sum of (i) the stated
52 initial value of such bond, plus (ii) the interest accrued thereon
53 from the issue date to the date of computation at the rate,
54 compounded semiannually, that is necessary to produce the
55 approximate yield to maturity shown for bonds of the same
56 maturity.

57 (b) "State" means the State of Mississippi.

58 (c) "Commission" means the State Bond Commission.

59 (d) "This act" means Section 3 through 18 of this act.

60 **SECTION 4.** (1) The Department of Finance and
61 Administration, at one time, or from time to time, may declare by
62 resolution the necessity for issuance of general obligation bonds
63 of the State of Mississippi to provide funds for the Real Property
64 and Facilities Fund created by Section 2 of this act. Upon the
65 adoption of a resolution by the Department of Finance and
66 Administration, declaring the necessity for the issuance of any
67 part or all of the general obligation bonds authorized by this
68 section, the Department of Finance and Administration shall

69 deliver a certified copy of its resolution or resolutions to the
70 commission. Upon receipt of such resolution, the commission, in
71 its discretion, may act as the issuing agent, prescribe the form
72 of the bonds, advertise for and accept bids, issue and sell the
73 bonds so authorized to be sold and do any and all other things
74 necessary and advisable in connection with the issuance and sale
75 of such bonds. The total amount of bonds issued under this act
76 shall not exceed One Million Dollars (\$1,000,000.00). No bonds
77 authorized under this act shall be issued after July 1, 2010.

78 (2) The proceeds of bonds issued pursuant to this act shall
79 be deposited into the Real Property and Facilities Fund created
80 pursuant to Section 2 of this act. Any investment earnings on
81 bonds issued pursuant to this act shall be used to pay debt
82 service on bonds issued under this act, in accordance with the
83 proceedings authorizing issuance of such bonds.

84 **SECTION 5.** The principal of and interest on the bonds
85 authorized under this act shall be payable in the manner provided
86 in this section. Such bonds shall bear such date or dates, be in
87 such denomination or denominations, bear interest at such rate or
88 rates (not to exceed the limits set forth in Section 75-17-101,
89 Mississippi Code of 1972), be payable at such place or places
90 within or without the State of Mississippi, shall mature
91 absolutely at such time or times not to exceed twenty-five (25)
92 years from date of issue, be redeemable before maturity at such
93 time or times and upon such terms, with or without premium, shall
94 bear such registration privileges, and shall be substantially in
95 such form, all as shall be determined by resolution of the
96 commission.

97 **SECTION 6.** The bonds authorized by this act shall be signed
98 by the chairman of the commission, or by his facsimile signature,
99 and the official seal of the commission shall be affixed thereto,
100 attested by the secretary of the commission. The interest
101 coupons, if any, to be attached to such bonds may be executed by

102 the facsimile signatures of such officers. Whenever any such
103 bonds shall have been signed by the officials designated to sign
104 the bonds who were in office at the time of such signing but who
105 may have ceased to be such officers before the sale and delivery
106 of such bonds, or who may not have been in office on the date such
107 bonds may bear, the signatures of such officers upon such bonds
108 and coupons shall nevertheless be valid and sufficient for all
109 purposes and have the same effect as if the person so officially
110 signing such bonds had remained in office until their delivery to
111 the purchaser, or had been in office on the date such bonds may
112 bear. However, notwithstanding anything herein to the contrary,
113 such bonds may be issued as provided in the Registered Bond Act of
114 the State of Mississippi.

115 **SECTION 7.** All bonds and interest coupons issued under the
116 provisions of this act have all the qualities and incidents of
117 negotiable instruments under the provisions of the Uniform
118 Commercial Code, and in exercising the powers granted by this act,
119 the commission shall not be required to and need not comply with
120 the provisions of the Uniform Commercial Code.

121 **SECTION 8.** The commission shall act as the issuing agent for
122 the bonds authorized under this act, prescribe the form of the
123 bonds, advertise for and accept bids, issue and sell the bonds so
124 authorized to be sold, pay all fees and costs incurred in such
125 issuance and sale, and do any and all other things necessary and
126 advisable in connection with the issuance and sale of such bonds.
127 The commission is authorized and empowered to pay the costs that
128 are incident to the sale, issuance and delivery of the bonds
129 authorized under this act from the proceeds derived from the sale
130 of such bonds. The commission shall sell such bonds on sealed
131 bids at public sale, and for such price as it may determine to be
132 for the best interest of the State of Mississippi, but no such
133 sale shall be made at a price less than par plus accrued interest
134 to the date of delivery of the bonds to the purchaser. All

135 interest accruing on such bonds so issued shall be payable
136 semiannually or annually; however, the first interest payment may
137 be for any period of not more than one (1) year.

138 Notice of the sale of any such bonds shall be published at
139 least one time, not less than ten (10) days before the date of
140 sale, and shall be so published in one or more newspapers
141 published or having a general circulation in the City of Jackson,
142 Mississippi, and in one or more other newspapers or financial
143 journals with a national circulation, to be selected by the
144 commission.

145 The commission, when issuing any bonds under the authority of
146 this act, may provide that bonds, at the option of the State of
147 Mississippi, may be called in for payment and redemption at the
148 call price named therein and accrued interest on such date or
149 dates named therein.

150 **SECTION 9.** The bonds issued under the provisions of this act
151 are general obligations of the State of Mississippi, and for the
152 payment thereof the full faith and credit of the State of
153 Mississippi is irrevocably pledged. If the funds appropriated by
154 the Legislature are insufficient to pay the principal of and the
155 interest on such bonds as they become due, then the deficiency
156 shall be paid by the State Treasurer from any funds in the State
157 Treasury not otherwise appropriated. All such bonds shall contain
158 recitals on their faces substantially covering the provisions of
159 this section.

160 **SECTION 10.** Upon the issuance and sale of bonds under the
161 provisions of this act, the commission shall transfer the proceeds
162 of any such sale or sales to the Real Property and Facilities Fund
163 created in Section 2 of this act. The proceeds of the bonds shall
164 be disbursed solely upon the order of the Department of Finance
165 and Administration under such restrictions, if any, as may be
166 contained in the resolution providing for the issuance of the
167 bonds.

168 **SECTION 11.** The bonds authorized under this act may be
169 issued without any other proceedings or the happening of any other
170 conditions or things other than those proceedings, conditions and
171 things which are specified or required by this act. Any
172 resolution providing for the issuance of bonds under the
173 provisions of this act shall become effective immediately upon its
174 adoption by the commission, and any such resolution may be adopted
175 at any regular or special meeting of the commission by a majority
176 of its members.

177 **SECTION 12.** The bonds authorized under the authority of this
178 act may be validated in the Chancery Court of the First Judicial
179 District of Hinds County, Mississippi, in the manner and with the
180 force and effect provided by Chapter 13, Title 31, Mississippi
181 Code of 1972, for the validation of county, municipal, school
182 district and other bonds. The notice to taxpayers required by
183 such statutes shall be published in a newspaper published or
184 having a general circulation in the City of Jackson, Mississippi.

185 **SECTION 13.** Any holder of bonds issued under the provisions
186 of this act or of any of the interest coupons pertaining thereto
187 may, either at law or in equity, by suit, action, mandamus or
188 other proceeding, protect and enforce any and all rights granted
189 under this act, or under such resolution, and may enforce and
190 compel performance of all duties required by this act to be
191 performed, in order to provide for the payment of bonds and
192 interest thereon.

193 **SECTION 14.** All bonds issued under the provisions of this
194 act shall be legal investments for trustees and other fiduciaries,
195 and for savings banks, trust companies and insurance companies
196 organized under the laws of the State of Mississippi, and such
197 bonds shall be legal securities which may be deposited with and
198 shall be received by all public officers and bodies of this state
199 and all municipalities and political subdivisions for the purpose
200 of securing the deposit of public funds.

201 **SECTION 15.** Bonds issued under the provisions of this act
202 and income therefrom shall be exempt from all taxation in the
203 State of Mississippi.

204 **SECTION 16.** The proceeds of the bonds issued under this act
205 shall be used solely for the purposes therein provided, including
206 the costs incident to the issuance and sale of such bonds.

207 **SECTION 17.** The State Treasurer is authorized, without
208 further process of law, to certify to the Department of Finance
209 and Administration the necessity for warrants, and the Department
210 of Finance and Administration is authorized and directed to issue
211 such warrants, in such amounts as may be necessary to pay when due
212 the principal of, premium, if any, and interest on, or the
213 accreted value of, all bonds issued under this act; and the State
214 Treasurer shall forward the necessary amount to the designated
215 place or places of payment of such bonds in ample time to
216 discharge such bonds, or the interest thereon, on the due dates
217 thereof.

218 **SECTION 18.** This act shall be deemed to be full and complete
219 authority for the exercise of the powers therein granted, but this
220 act shall not be deemed to repeal or to be in derogation of any
221 existing law of this state.

222 **SECTION 19.** Section 29-1-1, Mississippi Code of 1972, is
223 amended as follows:

224 29-1-1. (1) Except as otherwise provided in subsections
225 (7), (8), (9) and (10) of this section, the title to all lands
226 held by any agency of the State of Mississippi which were acquired
227 solely by the use of funds appropriated by the state shall appear
228 on all deeds and land records under the name of the "State of
229 Mississippi." For the purpose of this section, the term "agency"
230 shall be defined as set forth in Section 31-7-1(a). The
231 provisions of this section shall not affect the authority of any
232 agency to use any land held by the agency. No assets or property
233 of the Public Employees' Retirement System of Mississippi shall be

234 transferred in violation of Section 272A of the Mississippi
235 Constitution of 1890. Before September 1, 1993, each state agency
236 shall inventory any state-held lands which were acquired solely by
237 the use of funds appropriated by the state, and which are titled
238 in the name of the agency. The agency shall execute quitclaim
239 deeds and any other necessary documents to transfer the name and
240 title of the property to the State of Mississippi.

241 (2) The Secretary of State, under the general direction of
242 the Governor and as authorized by law, shall sell and convey the
243 public lands in the manner and on the terms provided herein for
244 the several classes thereof; he shall perform all the
245 administrative and executive duties appertaining to the selection,
246 location, surveying, platting, listing, and registering these
247 lands or otherwise concerning them; and he shall investigate the
248 status of the various "percent" funds accrued and accruing to the
249 state from the sale of lands by the United States, and shall
250 collect and pay the funds into the treasury in the manner provided
251 by law.

252 (3) In accordance with Sections 7-11-11 and 7-11-13, the
253 Secretary of State shall be required to sign all conveyances of
254 all state-held land. For purposes of this section, the term
255 "conveyance" shall mean any sale or purchase of land by the State
256 of Mississippi for use by any agency, board or commission thereof.
257 Failure to obtain legislative approval pursuant to subsection (4)
258 of this section and the signature of the Secretary of State on any
259 conveyance regarding the sale or purchase of lands for the state
260 including any agency, board or commission thereof, shall render
261 the attempted sale or purchase of the lands void. Nothing in this
262 section shall be construed to authorize any state agency, board,
263 commission or public official to convey any state-held land unless
264 this authority is otherwise granted by law. The Secretary of
265 State shall not withhold arbitrarily his signature from any
266 purchase or sale authorized by the Mississippi State Legislature.

267 All sales of state-held lands, except those lands forfeited to the
268 state for the nonpayment of taxes and those lands acquired by the
269 Mississippi Transportation Commission under Section 65-1-123,
270 shall be sold for not less than the fair market value as
271 determined by two (2) professional appraisers selected by the
272 State Department of Finance and Administration, who are certified
273 general appraisers of the State of Mississippi. The proceeds from
274 any sale by an agency, board, commission or public official of
275 state-held lands shall be deposited into the State General Fund
276 unless otherwise provided by law.

277 (4) Before any state-held land is sold to any individual or
278 private entity, thirty (30) days' advance notice of the intended
279 sale shall be provided by the Secretary of State to the State
280 Legislature, to all state agencies and to all governing
281 authorities within the state for the purpose of ascertaining
282 whether an agency or governing authority has a need for the land
283 and for the purpose of ascertaining whether the sale of the land
284 was authorized by law. If no agency or governing authority within
285 the state expresses in writing to the Secretary of State by the
286 end of the thirty-day period a desire to use the land, then the
287 Secretary of State, with the prior approval of the Mississippi
288 Legislature to sell the state-held land, may offer the land for
289 sale to any individual or private entity.

290 (5) A cultural resources survey may be performed on any
291 state-held land before the disposition of the land if the State
292 Department of Archives and History deems this survey necessary.
293 The cost of the survey and any archaeological studies deemed
294 necessary by the State Department of Archives and History shall be
295 paid by the selling agency and recouped from the proceeds of the
296 sale.

297 (6) Before any land may be purchased by the state for the
298 benefit of any state agency, the Secretary of State, or his
299 designee, shall search and examine all state land records to

300 determine whether the state owns any land that may fit the
301 particular need of the agency. The Secretary of State, or his
302 designee, shall notify the agency if it is determined that any
303 state-held land is available for use by the agency. The agency
304 shall determine if such land accommodates its needs and shall
305 determine whether to make an official request to the proper
306 authorities to have the use of the land.

307 (7) Any lands purchased or acquired for construction and
308 maintenance of highways or highway rights-of-way by the
309 Mississippi Department of Transportation shall be excluded from
310 the provisions of this section.

311 (8) This section shall not apply to any agency of the State
312 of Mississippi that holds title to lands purchased solely by the
313 use of federal funds or whose authority to transfer or dispose of
314 these lands is governed by federal law or federal regulations.

315 (9) Any lands purchased by the Mississippi Major Economic
316 Impact Authority for a "project" as defined in Section 57-75-5
317 shall be excluded from the provisions of this section.

318 (10) Any lands purchased by the Department of Finance and
319 Administration purchased pursuant to Section 1 of Senate Bill No.
320 3075, 2006 Regular Session, shall be excluded from the provisions
321 of this section.

322 (11) The Secretary of State may recover from any agency,
323 corporation, board, commission, entity or individual any cost that
324 is incurred by his office for the record-keeping responsibilities
325 regarding the sale or purchase of any state-held lands.

326 (12) Subsections (3), (4), (5) and (6) of this section shall
327 not apply to sales or purchases of land when the Legislature
328 expressly authorizes or directs a state agency to sell, purchase
329 or lease-purchase a specifically described property. However,
330 when the Legislature authorizes a state agency to sell or
331 otherwise convey specifically described real property to another
332 state agency or other entity such as a county, municipality,

333 economic development district created under Section 19-5-99 or
334 similar entity, without providing that the conveyance may not be
335 made for less than the fair market value of the property, then the
336 state agency authorized to convey such property must make the
337 following determinations before conveying the property:

338 (a) That the state agency or other entity to which the
339 proposed conveyance is to be made has an immediate need for the
340 property;

341 (b) That there are quantifiable benefits that will
342 inure to the state agency or other entity to which the proposed
343 conveyance is to be made which outweigh any quantifiable costs to
344 the state agency authorized to make the conveyance; and

345 (c) That the state agency or other entity to which the
346 proposed conveyance is to be made lacks available funds to pay
347 fair market value for the property. If the state agency
348 authorized to convey such property fails to make such
349 determinations, then it shall not convey the property for less
350 than the fair market value of the property.

351 **SECTION 20.** Section 31-11-3, Mississippi Code of 1972, is
352 amended as follows:

353 31-11-3. (1) The Department of Finance and Administration,
354 for the purposes of carrying out the provisions of this chapter,
355 in addition to all other rights and powers granted by law, shall
356 have full power and authority to employ and compensate architects
357 or other employees necessary for the purpose of making
358 inspections, preparing plans and specifications, supervising the
359 erection of any buildings, and making any repairs or additions as
360 may be determined by the Department of Finance and Administration
361 to be necessary, pursuant to the rules and regulations of the
362 State Personnel Board. The department shall have entire control
363 and supervision of, and determine what, if any, buildings,
364 additions, repairs or improvements are to be made under the

365 provisions of this chapter, subject to the approval of the Public
366 Procurement Review Board.

367 (2) The department shall have full power to erect buildings,
368 make repairs, additions or improvements, and buy materials,
369 supplies and equipment for any of the institutions or departments
370 of the state subject to the approval of the Public Procurement
371 Review Board. In addition to other powers conferred, the
372 department shall have full power and authority as directed by the
373 Legislature, or when funds have been appropriated for its use for
374 these purposes, to:

375 (a) Build a state office building;

376 (b) Build suitable plants or buildings for the use and
377 housing of any state schools or institutions, including the
378 building of plants or buildings for new state schools or
379 institutions, as provided for by the Legislature;

380 (c) Provide state aid for the construction of school
381 buildings;

382 (d) Promote and develop the training of returned
383 veterans of the United States in all sorts of educational and
384 vocational learning to be supplied by the proper educational
385 institution of the State of Mississippi, and in so doing allocate
386 monies appropriated to it for these purposes to the Governor for
387 use by him in setting up, maintaining and operating an office and
388 employing a state director of on-the-job training for veterans and
389 the personnel necessary in carrying out Public Law No. 346 of the
390 United States;

391 (e) Build and equip a hospital and administration
392 building at the Mississippi State Penitentiary;

393 (f) Build and equip additional buildings and wards at
394 the Boswell Retardation Center;

395 (g) Construct a sewage disposal and treatment plant at
396 the state insane hospital, and in so doing acquire additional land

397 as may be necessary, and to exercise the right of eminent domain
398 in the acquisition of this land;

399 (h) Build and equip the Mississippi central market and
400 purchase or acquire by eminent domain, if necessary, any lands
401 needed for this purpose;

402 (i) Build and equip suitable facilities for a training
403 and employing center for the blind;

404 (j) Build and equip a gymnasium at Columbia Training
405 School;

406 (k) Approve or disapprove the expenditure of any money
407 appropriated by the Legislature when authorized by the bill making
408 the appropriation;

409 (l) Expend monies appropriated to it in paying the
410 state's part of the cost of any street paving;

411 (m) Sell and convey state lands when authorized by the
412 Legislature, cause said lands to be properly surveyed and platted,
413 execute all deeds or other legal instruments, and do any and all
414 other things required to effectively carry out the purpose and
415 intent of the Legislature. Any transaction which involves state
416 lands under the provisions of this paragraph shall be done in a
417 manner consistent with the provisions of Section 29-1-1;

418 (n) Collect and receive from educational institutions
419 of the State of Mississippi monies required to be paid by these
420 institutions to the state in carrying out any veterans'
421 educational programs;

422 (o) Purchase lands for building sites, or as additions
423 to building sites, for the erection of buildings and other
424 facilities which the department is authorized to erect, and
425 demolish and dispose of old buildings, when necessary for the
426 proper construction of new buildings. Except as otherwise
427 provided in Section 1 of Senate Bill No. 3075, 2006 Regular
428 Session, any transaction which involves state lands under the

429 provisions of this paragraph shall be done in a manner consistent
430 with the provisions of Section 29-1-1;

431 (p) Obtain business property insurance with a
432 deductible of not less than One Hundred Thousand Dollars
433 (\$100,000.00) on state-owned buildings under the management and
434 control of the department; and

435 (q) In consultation with and approval by the Chairmen
436 of the Public Property Committees of the Senate and the House of
437 Representatives, enter into contracts for the purpose of providing
438 parking spaces for state employees who work in the Woolfolk
439 Building, the Carroll Gartin Justice Building or the Walter
440 Sillers Office Building. The provisions of this paragraph (q)
441 shall stand repealed on July 1, 2006.

442 (3) The department shall survey state-owned and
443 state-utilized buildings to establish an estimate of the costs of
444 architectural alterations, pursuant to the Americans With
445 Disabilities Act of 1990, 42 USCS, Section 12111 et seq. The
446 department shall establish priorities for making the identified
447 architectural alterations and shall make known to the Legislative
448 Budget Office and to the Legislature the required cost to
449 effectuate such alterations. To meet the requirements of this
450 section, the department shall use standards of accessibility that
451 are at least as stringent as any applicable federal requirements
452 and may consider:

453 (a) Federal minimum guidelines and requirements issued
454 by the United States Architectural and Transportation Barriers
455 Compliance Board and standards issued by other federal agencies;

456 (b) The criteria contained in the American Standard
457 Specifications for Making Buildings Accessible and Usable by the
458 Physically Handicapped and any amendments thereto as approved by
459 the American Standards Association, Incorporated (ANSI Standards);

460 (c) Design manuals;

461 (d) Applicable federal guidelines;

462 (e) Current literature in the field;

463 (f) Applicable safety standards; and

464 (g) Any applicable environmental impact statements.

465 (4) The department shall observe the provisions of Section
466 31-5-23, in letting contracts and shall use Mississippi products,
467 including paint, varnish and lacquer which contain as vehicles
468 tung oil and either ester gum or modified resin (with rosin as the
469 principal base of constituents), and turpentine shall be used as a
470 solvent or thinner, where these products are available at a cost
471 not to exceed the cost of products grown, produced, prepared, made
472 or manufactured outside of the State of Mississippi.

473 (5) The department shall have authority to accept grants,
474 loans or donations from the United States government or from any
475 other sources for the purpose of matching funds in carrying out
476 the provisions of this chapter.

477 (6) The department shall build a wheelchair ramp at the War
478 Memorial Building which complies with all applicable federal laws,
479 regulations and specifications regarding wheelchair ramps.

480 (7) The department shall review and preapprove all
481 architectural or engineering service contracts entered into by any
482 state agency, institution, commission, board or authority
483 regardless of the source of funding used to defray the costs of
484 the construction or renovation project for which services are to
485 be obtained. The provisions of this subsection (7) shall not
486 apply to any architectural or engineering contract paid for by
487 self-generated funds of any of the state institutions of higher
488 learning, nor shall they apply to community college projects that
489 are funded from local funds or other nonstate sources which are
490 outside the Department of Finance and Administration's
491 appropriations or as directed by the Legislature. The provisions
492 of this subsection (7) shall not apply to any construction or
493 design projects of the State Military Department that are funded
494 from federal funds or other nonstate sources.

495 (8) The department shall have the authority to obtain
496 annually from the state institutions of higher learning
497 information on all building, construction and renovation projects
498 including duties, responsibilities and costs of any architect or
499 engineer hired by any such institutions.

500 (9) (a) As an alternative to other methods of awarding
501 contracts as prescribed by law, the department may use the
502 design-build method or the design-build bridging method of
503 contracting for new capital construction projects to be used as a
504 pilot program for the following projects:

505 (i) Projects for the Mississippi Development
506 Authority pursuant to agreements between both governmental
507 entities;

508 (ii) Any project with an estimated cost of not
509 more than Ten Million Dollars (\$10,000,000.00), not to exceed two
510 (2) projects per fiscal year; and

511 (iii) Any project which has an estimated cost of
512 more than Fifty Million Dollars (\$50,000,000.00), not to exceed
513 one (1) project per fiscal year.

514 (b) As used in this subsection:

515 (i) "Design-build method of contracting" means a
516 contract that combines the design and construction phases of a
517 project into a single contract and the contractor is required to
518 satisfactorily perform, at a minimum, both the design and
519 construction of the project.

520 (ii) "Design-build bridging method of contracting"
521 means a contract that requires design through the design
522 development phase by a professional designer, after which a
523 request for qualifications for design completion and construction
524 is required for the completion of the project from a single
525 contractor that combines the balance of design and construction
526 phases of a project into a single contract. The contractor is

527 required to satisfactorily perform, at a minimum, both the balance
528 of design and construction of the project.

529 (c) The department shall establish detailed criteria
530 for the selection of the successful design-build/design-build
531 bridging contractor in each request for design-build/design-build
532 bridging proposals. The request for qualifications evaluation of
533 the selection committee is a public record and shall be maintained
534 for a minimum of three (3) years after project completion.

535 (d) The department shall maintain detailed records on
536 projects separate and apart from its regular record keeping. The
537 department shall file a report to the Legislature evaluating the
538 design-build/design-build bridging method of contracting by
539 comparing it to the low-bid method of contracting. At a minimum,
540 the report must include:

541 (i) The management goals and objectives for the
542 design-build/design-build bridging system of management;

543 (ii) A complete description of the components of
544 the design-build/design-build bridging management system,
545 including a description of the system the department put into
546 place on all projects managed under the system to insure that it
547 has the complete information on building segment costs and to
548 insure proper analysis of any proposal the department receives
549 from a contractor;

550 (iii) The accountability systems the department
551 established to monitor any design-build/design-build bridging
552 project's compliance with specific goals and objectives for the
553 project;

554 (iv) The outcome of any project or any interim
555 report on an ongoing project let under a design-build/design-build
556 bridging management system showing compliance with the goals,
557 objectives, policies and procedures the department set for the
558 project; and

559 (v) The method used by the department to select
560 projects to be let under the design-build/design-build bridging
561 system of management and all other systems, policies and
562 procedures that the department considered as necessary components
563 to a design-build/design-build bridging management system.

564 (e) All contracts let under the provisions of this
565 subsection shall be subject to oversight and review by the State
566 Auditor.

567 **SECTION 21.** This act shall take effect and be in force from
568 and after its passage and shall stand repealed from and after
569 September 30, 2007.