

By: Senator(s) Jackson (32nd)

To: Public Property; Finance

SENATE BILL NO. 2638

1 AN ACT TO AMEND SECTIONS 7-9-151 AND 7-9-153, MISSISSIPPI
2 CODE OF 1972, TO INCREASE THE MAXIMUM AMOUNT WHICH MAY BE SPENT BY
3 THE BUREAU OF BUILDING, GROUNDS AND REAL PROPERTY MANAGEMENT TO
4 PREPLAN A CAPITAL IMPROVEMENT PROJECT; TO AMEND SECTIONS 31-11-27
5 AND 31-11-30, MISSISSIPPI CODE OF 1972, TO INCREASE THE THRESHOLD
6 FROM \$1,000,000.00 TO \$3,000,000.00 WHEREBY CAPITAL IMPROVEMENTS
7 PROJECTS ARE REQUIRED TO BE PREPLANNED; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** Section 7-9-151, Mississippi Code of 1972, is
10 amended as follows:

11 7-9-151. There is hereby established in the State Treasury a
12 revolving fund to be designated as the "Capital Improvements
13 Preplanning Fund" which shall consist of monies appropriated or
14 otherwise made available therefor by the Legislature. Such funds
15 as may be deposited in the revolving fund may be expended by the
16 Bureau of Building, Grounds and Real Property Management to obtain
17 preliminary studies and plans for projects authorized by the
18 Legislature. Funds also may be expended, in an amount not to
19 exceed Two Hundred Fifty Thousand Dollars (\$250,000.00) for any
20 project, for the purpose of obtaining preliminary studies and
21 plans, to include appraisals and the purchase of options on real
22 property, for projects the bureau may consider proposing to the
23 Legislature for authorization. The bureau shall consider
24 architectural and aesthetic compatibility in the preplanning of
25 any project conducted using money from the Capital Improvements
26 Preplanning Fund.

27 **SECTION 2.** Section 7-9-153, Mississippi Code of 1972, is
28 amended as follows:

29 7-9-153. (1) All expenses for preplanning projects
30 authorized by the Legislature shall be paid upon warrants drawn on
31 the Capital Improvements Preplanning Fund created pursuant to
32 Sections 7-9-151 through 7-9-159. The Department of Finance and
33 Administration shall issue warrants upon requisitions signed by
34 the Director of the Bureau of Building, Grounds and Real Property
35 Management. Such requisitions shall set forth the name of the
36 project and estimated cost of the project, and the total of prior
37 expenditures for such project. The Department of Finance and
38 Administration shall not issue a warrant against the Capital
39 Improvements Preplanning Fund if the total amount expended for
40 preliminary study and planning on the project exceeds two and
41 one-half percent (2-1/2%) of the estimated cost of such project or
42 appraised price of the proposed property.

43 (2) Expenses for preliminary studies and plans, to include
44 appraisals and the purchase of options on real property, for
45 projects the bureau may consider proposing to the Legislature for
46 authorization shall be paid upon warrants drawn on the Capital
47 Improvements Preplanning Fund created pursuant to Sections 7-9-151
48 through 7-9-159. The Department of Finance and Administration
49 shall issue warrants upon requisitions signed by the Director of
50 the Bureau of Building, Grounds and Real Property Management.
51 Such requisitions shall set forth the name of the project and
52 estimated cost of the project, and the total of prior expenditures
53 for such project. The Department of Finance and Administration
54 shall not issue a warrant against the Capital Improvements
55 Preplanning Fund for a project if the total amount expended for
56 preliminary studies and plans, to include appraisals and the
57 purchase of options on real property, for the project exceeds Two
58 Hundred Fifty Thousand Dollars (\$250,000.00).

59 **SECTION 3.** Section 31-11-27, Mississippi Code of 1972, is
60 amended as follows:

61 31-11-27. (1) (a) The Department of Finance and
62 Administration shall conduct a detailed study of the building and
63 other capital needs at each state institution and at each junior
64 college immediately prior to September first in each year. This
65 study shall include, but shall not be limited to, the following
66 matters: (i) an inventory of every state building and other
67 capital facility which is the property of the State of
68 Mississippi; (ii) the location, date of construction or
69 acquisition, the purpose for which used, outstanding indebtedness
70 against such facility, if any, and cost of repairs for the
71 preceding fiscal year; (iii) an examination of the condition of
72 the building or other facility; (iv) an estimate of the cost of
73 repairs required to place the facility in good condition; (v) an
74 estimate of the cost of major renovations, if contemplated; and
75 (vi) a determination of the new building and other facility needs
76 of each institution with such needs classified under immediate or
77 long-range requirements.

78 (b) All state agencies, departments and institutions
79 are hereby authorized and directed to cooperate with the
80 Department of Finance and Administration in carrying out the
81 provisions of this section.

82 (c) The Department of Finance and Administration shall
83 submit a detailed report to the Legislative Budget Office on or
84 before September first of each year. Such report shall be in such
85 detail and in such form as may be prescribed by the Legislative
86 Budget Office.

87 (d) The architect or building inspector of the
88 Department of Finance and Administration shall make a biennial
89 inspection of the New Capitol, Old Capitol, Woolfolk State Office
90 Building, War Memorial Building, the Governor's Mansion, and all
91 other buildings under jurisdiction of the Department of Finance
92 and Administration for structural or other physical needs or
93 defects of such buildings, and he shall further inquire of the

94 department or its representatives regarding the condition of the
95 buildings. He shall make a written report of his finding to the
96 Department of Finance and Administration, Governor, Lieutenant
97 Governor and Speaker of the House of Representatives. The report
98 shall also make recommendations for repairs and list, by number,
99 the priority which should be given to making necessary repairs.

100 (2) (a) In addition to any report required in subsection
101 (1) of this section, the Department of Finance and Administration
102 shall prepare and submit an annual report to the Legislative
103 Budget Office, the House Public Buildings, Grounds and Lands
104 Committee and the Senate Public Property Committee describing the
105 proposed capital improvements projects for state agencies,
106 departments and institutions for the upcoming five-year period.
107 The Department of Finance and Administration shall not be required
108 to include in the report any project costing less than Three
109 Million Dollars (\$3,000,000.00). The department shall submit the
110 report before September 1 of each year. The report shall include
111 at least the following information:

112 (i) A prioritized list of the projects proposed
113 for the five-year period, with each project ranked on the basis of
114 need;

115 (ii) A prioritized list of the projects proposed
116 for the next regular legislative session, with each project ranked
117 on the basis of need;

118 (iii) A prioritized list of the projects requested
119 by each state agency, department or institution;

120 (iv) A detailed explanation of criteria used by
121 the Department of Finance and Administration to rank projects for
122 purposes of any list it prepares under this paragraph (a);

123 (v) A detailed statement of justification for each
124 project;

125 (vi) The approximate cost for each project,
126 including, but not limited to, itemized estimates of costs for

127 preplanning, constructing, furnishing and equipping a project, and
128 costs for property acquisition;

129 (vii) The estimated beginning date and completion
130 date for each project;

131 (viii) Whether a project, as proposed, is a
132 complete project or a phase or part of a project;

133 (ix) How a project will affect the operating
134 budget of the applicable agency, department or institution for the
135 upcoming five-year period, regarding such items as additional
136 personnel requirements, utility costs, maintenance costs, security
137 costs, etc.;

138 (x) The proposed method of financing each project
139 and the effect such financing will have on the state budget,
140 including an estimate of any required debt service for the
141 project, and an estimate of any federal funds or other funds that
142 the agency, department or institution may have access to because
143 of the project; and

144 (xi) A list of the projects requested by each
145 agency, department or institution for the five-year period, with
146 each project ranked by the appropriate agency, department or
147 institution on the basis of need.

148 (b) To enable the Department of Finance and
149 Administration to prepare the report required in this subsection
150 (2), it may require all state agencies, departments and
151 institutions to file a capital improvements projects request with
152 such information and in such form and in such detail as the
153 department may deem necessary and advisable. Such request shall
154 be filed with the Department of Finance and Administration no
155 later than August 1 of each year.

156 **SECTION 4.** Section 31-11-30, Mississippi Code of 1972, is
157 amended as follows:

158 31-11-30. (1) Every capital improvements project, costing
159 Three Million Dollars (\$3,000,000.00) or more, which is developed

160 to repair, renovate, construct, remodel, add to or improve a
161 state-owned public building shall be funded by the Legislature in
162 two (2) phases. The two-phase funding requirement shall not apply
163 to capital improvements projects for a state-owned port or where
164 the Legislature finds that an emergency or critical need must be
165 met or a court order complied with. The two (2) phases shall not
166 be funded in the same regular session of the Legislature. Each
167 phase shall be funded in a separate session of the Legislature.
168 Phase 1 shall be a preplanned capital improvements project budget
169 projection for the project and shall be funded first. Phase 2
170 shall be the actual repair, renovation, construction, remodeling,
171 addition to or improvement of the state-owned public building and
172 the acquisition of furniture and equipment for the capital
173 improvements project and shall be funded second.

174 (2) For the purposes of this section, the term "preplanned"
175 or "preplanning" means the preliminary planning that establishes
176 the program, scope, design and budget for a capital improvements
177 project.

178 (3) Every state agency that plans to repair, renovate,
179 construct, remodel, add to or improve a state-owned public
180 building shall submit a preplanned capital improvements project
181 budget projection to the Bureau of Building, Grounds and Real
182 Property Management for evaluation. The bureau shall assess the
183 need for all preplanned projects submitted and shall compile a
184 report on its findings. Any capital improvements project costing
185 less than Three Million Dollars (\$3,000,000.00) shall not be
186 required to be preplanned.

187 (4) Upon the completion of any preplanning for a capital
188 improvements project, if such preplanning is funded with
189 self-generated funds by a state agency, the plan shall be
190 submitted to the bureau for evaluation.

191 (5) This section shall not apply to capital improvements
192 projects authorized by the Legislature before the 2001 Regular
193 Session of the Legislature.

194 **SECTION 5.** This act shall take effect and be in force from
195 and after July 1, 2007.