

By: Representative Weathersby

To: Public Property

HOUSE BILL NO. 736

1 AN ACT TO CREATE THE SPACE OPTIMIZATION ACT; TO AMEND SECTION
2 29-5-2, MISSISSIPPI CODE OF 1972, TO REQUIRE SPACE UNDER THE
3 JURISDICTION OF THE DEPARTMENT OF FINANCE AND ADMINISTRATION TO BE
4 EVALUATED WHEN A STATE AGENCY SEEKS ADDITIONAL SPACE OR RELOCATION
5 USING THE CRITERIA OF COST, LEASE TERM, AVAILABLE FUNDS TO
6 FACILITATE THE RELOCATION AND IDENTIFICATION OF A MORE SUITABLE
7 TENANCY; TO AMEND SECTION 31-11-27, MISSISSIPPI CODE OF 1972, TO
8 REQUIRE EACH STATE INSTITUTION OF HIGHER LEARNING, COMMUNITY AND
9 JUNIOR COLLEGE TO INCLUDE A CURRENT CONDITIONS AND RATING REPORT
10 OF ALL ROOFS IN THEIR CAPITAL NEEDS ASSESSMENTS REQUIRED BY THE
11 DEPARTMENT OF FINANCE AND ADMINISTRATION; TO PROVIDE THAT EACH
12 ROOF SHALL BE VISUALLY INSPECTED BY INSTITUTION OR AGENCY
13 FACILITIES' STAFF, A LICENSED ARCHITECT OR ENGINEER OR BY THERMAL
14 IMAGING INSPECTION EVERY THREE YEARS; TO REQUIRE THE DEPARTMENT TO
15 SUBMIT THE DETAILED REPORT TO THE PUBLIC PROPERTY COMMITTEES OF
16 THE HOUSE AND SENATE ON OR BEFORE SEPTEMBER 1 OF EACH YEAR; TO
17 REQUIRE THE REPORTS TO CONTAIN PRIORITIZED LISTS OF PROJECTS
18 RANKED ON THE BASIS OF NEED CONSISTENT WITH THE PRIMARY GOAL OF
19 PRESERVING EXISTING CAPITAL ASSETS WHERE POSSIBLE AND REPLACING
20 EXISTING CAPITAL ASSETS WHERE NECESSARY; TO PROVIDE THAT ANY
21 REQUEST FOR NEW CONSTRUCTION SHALL IDENTIFY ANY FUNDING SOURCES
22 AVAILABLE TO SUPPORT THE CONSTRUCTION PROJECT AND ANY PROPOSED
23 FUNDING FOR FUTURE OPERATING, REPAIR AND RENOVATION COSTS; TO
24 REQUIRE THE DEPARTMENT OF FINANCE AND ADMINISTRATION TO CONDUCT A
25 DETAILED STUDY AND SPACE OPTIMIZATION MASTER PLAN EVERY FIVE
26 YEARS; TO AUTHORIZE THE DEPARTMENT OF FINANCE AND ADMINISTRATION
27 TO REQUIRE ANY STATE AGENCY TO FILE SPACE NEEDS IN A FORM DEEMED
28 NECESSARY BY THE DEPARTMENT BY NO LATER THAN JANUARY 1 OF THE
29 REPORTING YEAR; TO REQUIRE THE DEPARTMENT TO SUBMIT AN ANNUAL
30 UPDATE IDENTIFYING THE PROGRESS ON ACHIEVING SPACE OPTIMIZATION IN
31 YEARS THE STUDY AND SPACE OPTIMIZATION MASTER PLAN ARE NOT DUE;
32 AND FOR RELATED PURPOSES.

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



34 **SECTION 1.** Section 29-5-2, Mississippi Code of 1972, is
35 amended as follows:

36 29-5-2. The duties of the Department of Finance and
37 Administration shall be as follows:

38 (a) (i) To exercise general supervision and care over
39 and keep in good condition the following state property located in
40 the City of Jackson: the New State Capitol Building, the Woolfolk
41 State Office Building and Parking Garage, the Carroll Gartin
42 Justice Building, the Walter Sillers Office Building and Parking
43 Garage, the War Veterans' Memorial Building, the Charlotte Capers
44 Building, the William F. Winter Archives and History Building, the
45 Mississippi Museum Complex, the Gulf, Mobile and Ohio Train Depot
46 (GM&O Depot), the Old State Capitol Building, the Governor's
47 Mansion, the Heber Ladner Building, the Robert E. Lee Office
48 Building, the Robert E. Lee Parking Garage, the former Naval
49 Reserve Center, 515 East Amite Street, 620 North Street, 660 North
50 Street, 700 North State Street, the State Records Center, the
51 Robert G. Clark, Jr. Building, the Mississippi State Fairgrounds
52 Complex, * * * the former Central High Building, as well as all
53 state-owned or leased buildings situated on seat of government
54 property.

55 (ii) To exercise general supervision and care over
56 and keep in good condition the Dr. Eldon Langston Bolton Building
57 located in Biloxi, Mississippi.



58 (iii) To exercise general supervision and care
59 over and keep in good condition the State Service Center, located
60 at the intersection of U.S. Highway 49 and John Merl Tatum
61 Industrial Drive in Hattiesburg, Mississippi.

62 (iv) To exercise general supervision and care over
63 and keep in good condition any property purchased, constructed or
64 otherwise acquired by the State of Mississippi for conducting
65 state business and not specifically under the supervision and care
66 by any other state entity, but which is reasonably assumed the
67 department would be responsible for such, as approved by the
68 Public Procurement Review Board, including, but not limited to:

- 69 1. The National Aeronautics and Space
70 Administration (NASA) Shared Services Center and Lockheed Martin
71 Building at Stennis Space Center;
- 72 2. The Mississippi Sports Hall of Fame;
- 73 3. The Mississippi Crafts Center;
- 74 4. The Mississippi Children's Museum; and
- 75 5. The Mississippi Arts and Entertainment
76 Center.

77 (b) To assign suitable office and other necessary space
78 for the various state departments, officers and employees who are
79 provided with an office in any of the buildings under the
80 jurisdiction or control of the Department of Finance and
81 Administration. However, the assignment of space in the New
82 Capitol Building shall be designated by duly passed resolution of



83 the combined Senate Rules Committee and the House Management
84 Committee, meeting as a joint committee, approved by the
85 Lieutenant Governor and Speaker of the House of Representatives.
86 A majority vote of the members of the Senate Rules Committee and a
87 majority vote of the members of the House Management Committee
88 shall be required on all actions taken, resolutions or reports
89 adopted, and all other matters considered by the full combined
90 committee on occasions when the Senate Rules Committee and the
91 House Management Committee shall meet as a full combined
92 committee.

93 (c) To approve or disapprove with the concurrence of
94 the Public Procurement Review Board, any lease or rental
95 agreements by any state agency or department, including any state
96 agency financed entirely by federal and special funds, for space
97 outside the buildings under the jurisdiction of the Department of
98 Finance and Administration, including space necessary for parking
99 to be used by state employees * * * or visitors of such agencies.

100 In no event shall any employee, officer, department, federally
101 funded agency or bureau of the state be authorized to enter into a
102 lease or rental agreement without prior approval of the Department
103 of Finance and Administration and the Public Procurement Review
104 Board. Where space under the jurisdiction of the Department of
105 Finance and Administration is, or can be made available for any
106 state agency or department seeking space, relocation or such state



107 agency or department to such space shall be evaluated and
108 considered where:

109 (i) The total cost to the state over a twenty-year
110 period to accommodate to such space is no greater than the cost to
111 lease space outside the jurisdiction of the Department of Finance
112 and Administration over the twenty-year period;

113 (ii) The funds to accommodate the relocation are
114 available to the state agency or department and/or the Department
115 of Finance and Administration; and

116 (iii) The Department of Finance and Administration
117 has not identified other more suitable tenant(s) for such space in
118 the space optimization master plan.

119 The Department of Finance and Administration is authorized to
120 use architects, engineers, building inspectors and other personnel
121 for the purpose of making inspections as may be deemed necessary
122 in carrying out its duties and maintaining the facilities.

123 (d) To acquire by lease, lease-purchase agreement, or
124 otherwise, as provided in Section 27-104-107, and to assign
125 through the Office of General Services, by lease or sublease
126 agreement from the office, and with the concurrence of the Public
127 Procurement Review Board, to any state agency or department,
128 including any state agency financed entirely by federal and
129 special funds, appropriate office space in the buildings acquired.

130 (e) [Repealed]



131 **SECTION 2.** Section 31-11-27, Mississippi Code of 1972, is
132 amended as follows:

133 31-11-27. (1) (a) The Department of Finance and
134 Administration shall conduct a detailed study of the building and
135 other capital needs at each state institution and at each junior
136 college immediately prior to September first in each year. This
137 study shall include, but shall not be limited to, the following
138 matters:

139 (i) An inventory of every state building and other
140 capital facility which is the property of the State of
141 Mississippi;

142 (ii) The location, date of construction or
143 acquisition, the purpose for which used, outstanding indebtedness
144 against such facility, if any, and cost of repairs for the
145 preceding fiscal year;

146 (iii) An examination of the condition of the
147 building or other facility, including current conditions and
148 ratings of all roofs at each state agency, state institution of
149 higher learning, community college and junior college;

150 (iv) An estimate of the cost of repairs required
151 to place the facility in good condition;

152 (v) An estimate of the cost of major renovations,
153 if contemplated; and



154 (vi) A determination of the new building and other
155 facility needs of each institution with such needs classified
156 under immediate or long range requirements.

157 (b) All state agencies, departments and institutions
158 are hereby authorized and directed to cooperate with the
159 Department of Finance and Administration in carrying out the
160 provisions of this section. For purposes of validating subsection
161 (1) (a) (iii) above, each roof must be visually inspected by
162 institution or agency facilities' staff, by a licensed architect
163 or engineer or by thermal imaging inspection at least every three
164 (3) years.

165 (c) The Department of Finance and Administration shall
166 submit a detailed report to the Legislative Budget Office, the
167 House Public Property Committee and the Senate Public Property
168 Committee on or before September first of each year. Such report
169 shall be in such detail and in such form as may be prescribed by
170 the Legislative Budget Office.

171 (d) The architect or building inspector of the
172 Department of Finance and Administration shall make a biennial
173 inspection of the New Capitol, Old Capitol, Woolfolk State Office
174 Building, War Memorial Building, the Governor's Mansion, and all
175 other buildings under jurisdiction of the Department of Finance
176 and Administration for structural or other physical needs or
177 defects of such buildings, and he shall further inquire of the
178 department or its representatives regarding the condition of the



179 buildings. He shall make a written report of his finding to the
180 Department of Finance and Administration, Governor, Lieutenant
181 Governor and Speaker of the House of Representatives. The report
182 shall also make recommendations for repairs and list, by number,
183 the priority which should be given to making necessary repairs.

184 (2) (a) In addition to any report required in subsection
185 (1) of this section, the Department of Finance and Administration
186 shall prepare and submit an annual report to the Legislative
187 Budget Office, the House Public * * * Property Committee and the
188 Senate Public Property Committee describing the proposed capital
189 improvements projects for state agencies, departments and
190 institutions for the upcoming five-year period. The Department of
191 Finance and Administration shall not be required to include in the
192 report any project costing less than One Million Dollars
193 (\$1,000,000.00). The department shall submit the report before
194 September 1 of each year. The report shall include at least the
195 following information:

196 (i) A prioritized list of the projects proposed
197 for the five-year period, with each project ranked on the basis of
198 need, consistent with the primary goal of preserving existing
199 capital assets where possible and replacing existing capital
200 assets where necessary;

201 (ii) A prioritized list of the projects proposed
202 for the next regular legislative session, with each project ranked
203 on the basis of need, consistent with the primary goal of



204 preserving existing capital assets where possible and replacing
205 existing capital assets where necessary;

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

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

211 (v) A detailed statement of justification for each
212 project;

213 (vi) The approximate cost for each project,
214 including, but not limited to, itemized estimates of costs for
215 preplanning, constructing, furnishing and equipping a project, and
216 costs for property acquisition;

217 (vii) The estimated beginning date and completion
218 date for each project;

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

221 (ix) How a project will affect the operating
222 budget of the applicable agency, department or institution for the
223 upcoming five-year period, regarding such items as additional
224 personnel requirements, utility costs, maintenance costs, security
225 costs, etc. Any request for new construction other than
226 replacement, or for purposes other than incidental expansion of
227 existing facilities, shall also identify any source of nonstate



228 funds to support such project as well as any proposed source of
229 funds for future operating, repair and renovation costs;

230 (x) The proposed method of financing each project
231 and the effect such financing will have on the state budget,
232 including an estimate of any required debt service for the
233 project, and an estimate of any federal funds or other funds that
234 the agency, department or institution may have access to because
235 of the project; and

236 (xi) A list of the projects requested by each
237 agency, department or institution for the five-year period, with
238 each project ranked by the appropriate agency, department or
239 institution on the basis of need.

240 (b) To enable the Department of Finance and
241 Administration to prepare the report required in this subsection
242 (2), it may require all state agencies, departments and
243 institutions to file a capital improvements projects request with
244 such information and in such form and in such detail as the
245 department may deem necessary and advisable. Such request shall
246 be filed with the Department of Finance and Administration no
247 later than August 1 of each year.

248 (3) (a) In addition to any reports required under
249 subsections (1) and (2) of this section, the Department of Finance
250 and Administration shall conduct a detailed study and space
251 optimization master plan for the office space assigned in state
252 office buildings under its jurisdiction no less than every five



253 (5) years to ensure space is utilized in the most efficient and
254 cost effective manner feasible. The department shall submit the
255 report to the Legislative Budget Office, the House Public Property
256 Committee and the Senate Public Property Committee on or before
257 September 1 of each year that the report is due. The report shall
258 include the following information:

259 (i) A list of state agencies, departments and
260 institutions housed in such state office buildings, the buildings
261 at which they are located, the amount of space assigned to each
262 tenant and the number of occupants housed therein;

263 (ii) A list of leases of state agencies and
264 departments including the institutions of higher learning and
265 community and junior colleges, their location, the amount of space
266 leased, the number of occupants housed therein, where applicable,
267 and the cost of such lease;

268 (iii) An analysis of compliance of space usage
269 with office space utilization standards and guidelines adopted by
270 the Department of Finance and Administration;

271 (iv) Recommendations for agencies and departments
272 not currently housed in state office buildings which offer
273 potential cost savings, space optimization opportunities and
274 efficiencies from utilization of shared spaces or resources in
275 State Office Buildings;

276 (v) A space optimization master plan identifying a
277 prioritized list of projects, including approximate cost and



278 schedule to optimize the space of or relocate current tenants, to
279 add new tenants, or to remove current tenants in order to bring
280 all space usage into compliance with space utilization standards
281 and guidelines; and

282 (vi) Any recommendations for the acquisition,
283 construction or disposal of buildings or real property necessary
284 to optimize the housing and support of state agencies, departments
285 and institutions, including an analysis of total cost of ownership
286 to the state.

287 (b) To enable the Department of Finance and
288 Administration to prepare the report required in this subsection
289 (3), it may require any state agency, department or institution to
290 file space needs including such information and in such form and
291 in such detail as the department may deem necessary and advisable.
292 The information shall be filed with the Department of Finance and
293 Administration no later than January 1 of each year the report is
294 due.

295 (c) In years that the study and master plan are not
296 due, the Department of Finance and Administration shall submit to
297 the Legislative Budget Office, on or before September 1, an annual
298 update identifying any progress on achieving the space
299 optimization master plan recommendations during the preceding
300 fiscal year.

301 **SECTION 3.** This act shall take effect and be in force from
302 and after July 1, 2018.

