

By: Representatives Banks, Crudup

To: Ways and Means

HOUSE BILL NO. 1284

1 AN ACT TO AMEND SECTION 27-104-107, MISSISSIPPI CODE OF 1972,
 2 TO REQUIRE THE STATE OF MISSISSIPPI TO PAY A SIX CENTS PER SQUARE
 3 FOOT FEE-IN-LIEU OF TAXES TO THE CITY OF JACKSON, MISSISSIPPI, FOR
 4 FIRE PROTECTION SERVICES PROVIDED TO THE STATE ON ALL STATE-OWNED
 5 BUILDING OR BUILDINGS FOR WHICH THE STATE HOLDS A LEASE-PURCHASE
 6 AGREEMENT, AND WHICH ARE LOCATED WITHIN THE CITY OF JACKSON,
 7 MISSISSIPPI; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** Section 27-104-107, Mississippi Code of 1972, is
 10 amended as follows:

11 27-104-107. (1) As used in this section, the following
 12 words shall have the meanings ascribed herein unless the context
 13 clearly requires otherwise:

14 (a) "Department" means the Department of Finance and
 15 Administration.

16 (b) "Commission" means the State Bond Commission.

17 (c) "Director" means the Executive Director of the
 18 Department of Finance and Administration.

19 (d) "Committee" means the Joint Legislative Budget
 20 Committee.



21 (e) "Office" means the Office of General Services of
22 the Department of Finance and Administration.

23 (2) In addition to any other authority conferred upon it,
24 and subject to the approval of its proposal by the commission, the
25 department may enter into purchase contracts, lease-purchase
26 agreements, rental agreements or other similar contracts for the
27 ultimate acquisition of real property by the state. Before
28 entering into any purchase contract or lease-purchase agreement,
29 the office must first demonstrate to the Public Procurement Review
30 Board satisfactory evidence that the contract would be
31 economically advantageous to the state and that any consolidation
32 of agencies into buildings at a common location would not impair
33 or impede the function of that agency in this location. The
34 contracts shall be approved by the Public Procurement Review Board
35 and the State Bond Commission.

36 (3) Acquisitions shall be made only with legislative
37 approval and be in accordance with a long-range development plan
38 which the department shall annually prepare and present to the
39 Legislature as a part of the Governor's capitol budget
40 recommendation; however, if in the opinion of the Department of
41 Finance and Administration circumstances involving a proposed
42 acquisition are such that waiting for legislative approval will
43 not be economically advantageous to the state or may cause the
44 state financial loss, then such acquisition may be made upon
45 approval by the State Bond Commission after consultation with the



46 Chairman of the Public Property Committee of the Senate and the
47 Chairman of the Public Buildings, Grounds and Lands Committee of
48 the House of Representatives. Acquisition of lands and buildings
49 shall be based upon appraisals approved by the Department of
50 Finance and Administration. The office shall not pay an amount in
51 excess of the appraised value of the land and buildings to be
52 acquired. The appraised value shall be determined by taking the
53 average of two (2) appraisals performed by two (2) appraisers to
54 be selected by the Department of Finance and Administration.
55 Further, the office shall file quarterly reports describing this
56 process and its progress with the Chairman of the Senate Public
57 Property Committee and the Chairman of the House Public Buildings,
58 Grounds and Lands Committee.

59 (4) With the exception of the Public Employees' Retirement
60 System, whenever any contract or agreement entered into is for and
61 on behalf of the State of Mississippi, title to property, when
62 acquired, shall vest in the State of Mississippi and not in the
63 name of any state agency. Any building subject to a lease
64 purchase agreement with the state shall be considered a
65 state-owned building and therefore exempt from the assessment and
66 levy of ad valorem taxes. However, for any state-owned building
67 or buildings for which the state or any political subdivision
68 thereof holds a lease-purchase agreement, which is located in the
69 City of Jackson, Mississippi, the State of Mississippi shall pay
70 the city a fee-in-lieu of taxes for fire protection services



71 provided to all such buildings, in an amount calculated at Six
72 Cents (6¢) per square foot for each such building exempted from
73 the assessment and levy of ad valorem taxes.

74 (5) All contracts executed under this section shall include
75 provisions whereby the obligation of the state for any payment in
76 excess of reasonable rental of the property while actually
77 occupying the property is dependent upon the availability of
78 appropriated funds for the purchase of the property.

79 (6) Activity under this section shall be reported annually
80 in a detailed resolution from the commission to the committee.

81 (7) All funds allocated to rents and chargeable by the
82 department shall be paid into a special fund that is created in
83 the State Treasury. Unexpended amounts remaining in the special
84 fund at the end of a fiscal year shall not lapse into the State
85 General Fund, and any interest earned on amounts in the special
86 fund shall be deposited to the credit of the special fund. This
87 fund shall be used by the department (a) to retire indebtedness
88 incurred in the acquisition of properties under this section; (b)
89 to renovate, maintain and otherwise protect subject properties;
90 (c) to pay the cost of utilities necessary to operate the
91 buildings; and (d) to acquire properties in accordance with this
92 section.

93 **SECTION 2.** This act shall take effect and be in force from
94 and after July 1, 2022.

