

By: Senator(s) DeLano

To: Universities and
Colleges

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 2518

1 AN ACT TO AUTHORIZE THE BOARD OF TRUSTEES OF STATE
2 INSTITUTIONS OF HIGHER LEARNING, ACTING ON BEHALF OF A PUBLIC
3 INSTITUTION OF HIGHER LEARNING, TO ENTER INTO LEASES AND SUBLEASES
4 OF PROPERTY LOCATED THEREON FOR THE PURPOSE OF ENTERING INTO
5 PUBLIC PROPERTY LOCATED THEREON FOR THE PURPOSE OF ENTERING INTO
6 PUBLIC-PRIVATE PARTNERSHIPS TO DEVELOP STUDENT HOUSING AND OTHER
7 FACILITIES TO BENEFIT THE UNIVERSITY; TO PROVIDE THAT THE TERM OF
8 SUCH LEASES SHALL NOT EXCEED 45 YEARS AND TWO ADDITIONAL OPTIONS
9 FOR A RENEWAL PERIOD NOT TO EXCEED FIVE YEARS; TO PROVIDE THAT
10 LEASES OR SUBLEASES ENTERED INTO BY THE BOARD SHALL BE PROTECTED
11 FROM ACTIONS OF SUCCESSOR BOARDS BASED ON THE BINDING SUCCESSOR
12 DOCTRINE; AND FOR RELATED PURPOSES.

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

14 **SECTION 1.** (1) The Board of Trustees of State Institutions
15 of Higher Learning, acting on behalf of a public institution of
16 higher learning, is authorized to enter into a long-term lease of
17 all or any portion of certain real property under its control and
18 possession. Such property shall be leased for a period not to
19 exceed a term of forty-five (45) years with two (2) additional
20 options for renewal periods not to exceed ten (10) years and one
21 (1) additional option for a renewal period not to exceed five (5)
22 years, for the purposes of developing buildings, housing, parking
23 garage facilities, dining halls and/or other retail developments,



24 and/or other spaces for the benefit of the institution of higher
25 learning.

26 (2) The lease and any amendments to the lease of all or any
27 portion of the real property authorized for lease under subsection
28 (1) of this section shall be subject to the approval of the Board
29 of Trustees of State Institutions of Higher Learning. The
30 approved lease and any amendments to the lease shall not be
31 cancelled by successor boards based on the binding successor
32 doctrine.

33 **SECTION 2.** (1) The Board of Trustees of State Institutions
34 of Higher Learning, acting on behalf of a public institution of
35 higher learning, is authorized to enter into a long-term sublease
36 which is under its control and possession for a period not to
37 exceed a term of forty-five (45) years with two (2) additional
38 options for renewal periods not to exceed ten (10) years and one
39 (1) additional option for a renewal period not to exceed five (5)
40 years.

41 (2) The sublease and any amendments to the sublease of all
42 or any portion of the real property shall be subject to the
43 approval of the Board of Trustees of State Institutions of Higher
44 Learning. The approved sublease and any amendments to the
45 sublease shall not be cancelled by successor boards based on the
46 binding successor doctrine.

47 **SECTION 3.** If all or any portion of such property is leased,
48 the institution, with the approval of the Board of Trustees of



State Institutions of Higher Learning, is authorized to negotiate all aspects of any lease or sublease and any terms and ancillary agreements pertaining to any lease or sublease as may be reasonably necessary to effectuate the intent and purposes of this section and to ensure a fair and equitable return to the state.

SECTION 4. (1) All proceeds derived or received from the agreements and leases entered into under Sections 1 and 2 of this act shall be deposited into a special fund and expended only for the use and benefit of the public institution of higher learning.

(2) At the end of the lease term provided in this act, the property leased under the authority provided herein and all improvements to such property shall revert to the institution.

(3) The State of Mississippi shall retain all mineral rights to the real property leased under Section 1 of this act.

(4) The Department of Finance and Administration is authorized to correct any discrepancies in the property described in Section 1 of this act.

SECTION 5. This act shall take effect and be in force from and after its passage, and shall stand repealed the day before its passage.

