

By: Senator(s) Smith

To: Corrections

SENATE BILL NO. 3008

1 AN ACT TO AMEND SECTION 47-5-66, MISSISSIPPI CODE OF 1972,
2 WHICH PROVIDES FOR AGRICULTURAL LEASES OF PRISON LANDS TO PRIVATE
3 ENTITIES AND ESTABLISHES THE PROCEDURES, METHODS OF PAYMENT OF
4 RENTS, DISPOSAL OF INCOME AND TAX LIABILITY, TO EXTEND THE
5 REPEALER DATE FROM JULY 1, 2001, TO JULY 1, 2002; AND FOR RELATED
6 PURPOSES.

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

8 SECTION 1. Section 47-5-66, Mississippi Code of 1972, is
9 amended as follows:

10 47-5-66. (1) It shall be the duty of the State Department
11 of Finance and Administration, with the approval of the Public
12 Procurement Review Board, to lease lands at public contract upon
13 the submission of two (2) or more sealed bids to the State
14 Department of Finance and Administration after having advertised
15 the land for rent in newspapers of general circulation published
16 in Jackson, Mississippi; Memphis, Tennessee; the county in which
17 the land is located, and contiguous counties for a period of not
18 less than two (2) successive weeks. The first publication shall
19 be made not less than ten (10) days before the date of the public
20 contract, and the last publication shall be made not more than
21 seven (7) days before that date. The State Department of Finance
22 and Administration may reject any and all bids. If all bids on a
23 tract or parcel of land are rejected, the State Department of
24 Finance and Administration may then advertise for new bids on that
25 tract or parcel of land. Successful bidders shall take possession
26 of their leaseholds at the time authorized by the State Department
27 of Finance and Administration. However, rent shall be due no
28 later than the day upon which the lessee shall assume possession

29 of the leasehold, and shall be due on the anniversary date for
30 each following year of the lease. The State Department of Finance
31 and Administration may provide in any lease that rent shall be
32 paid in full in advance or paid in installments, as may be
33 necessary or appropriate. In addition, the State Department of
34 Finance and Administration may accept, and the lease may provide
35 for, assignments of federal, state, or other agricultural support
36 payments, growing crops or the proceeds from the sale thereof,
37 promissory notes, or any other good and valuable consideration
38 offered by any lessee to meet the rent requirements of the lease.
39 If a promissory note is offered by a lessee, it shall be secured
40 by a first lien on the crop of the lessee, or the proceeds from
41 the sale thereof. The lien shall be filed pursuant to Article 9
42 of the Mississippi Uniform Commercial Code and Section 1324 of the
43 Food Security Act of 1985, as enacted or amended. If the note is
44 not paid at maturity, it shall bear interest at the rate provided
45 for judgments and decrees in Section 75-17-7 from its maturity
46 date until the note is paid. The note shall provide for the
47 payment of all costs of collection and reasonable attorney's fees
48 if default is made in the payment of the note. The payment of
49 rent by promissory note or any means other than cash in advance
50 shall be subject to the approval of the Public Procurement Review
51 Board, which shall place the approval of record in the minutes of
52 the board. There is created a special fund to be designated as
53 "the Prison Agricultural Enterprises Fund." Any monies in hand or
54 due from the leasing of penitentiary lands and the sales of timber
55 as provided in Section 47-5-56 and earmarked for the Prison
56 Industries Fund shall be deposited to the special fund for prison
57 agricultural enterprises. All monies in each fiscal year derived
58 from the leasing of the penitentiary lands and the sales of timber
59 as provided in Section 47-5-56 shall be deposited into the special
60 fund for the purpose of conducting, operating and managing the
61 prison agricultural enterprises of the department. All profits

62 derived from the prison agricultural enterprises shall be
63 deposited into the Prison Agricultural Enterprises Fund. All
64 profits derived from prison industries shall be placed in a
65 special fund in the State Treasury to be known as the Prison
66 Industries Funds, to be appropriated each year by the Legislature
67 to the nonprofit corporation, which is required to be organized
68 under the provisions of Section 47-5-535, for the purpose of
69 operating and managing the prison industries. The state shall
70 have the rights and remedies for the security and collection of
71 the rents given by law to landlords. Upon the execution of the
72 agricultural leases to private entities as authorized by Section
73 47-5-64, the leased land shall be liable to be taxed as other
74 lands are taxed during the continuance of the lease, but in case
75 of sale thereon for taxes, only the title of the leaseholder or
76 his heirs or assigns shall pass by the sale. Any funds obtained
77 by the corporation as a result of sale of goods and services
78 manufactured and provided by it shall be accounted for separate
79 and apart from any funds received by the corporation through
80 appropriation from the State Legislature. All nonappropriated
81 funds generated by the corporation shall not be subject to
82 appropriation by the State Legislature.

83 (2) This section shall be repealed from and after July 1,
84 2002.

85 SECTION 2. This act shall take effect and be in force from
86 and after its passage.