

By: Representatives Broomfield, Bailey,
Burnett, Fleming, Guice, Hamilton (109th),
Hines, Johnson, Simpson, Wells-Smith

To: Ports, Harbors and
Airports

HOUSE BILL NO. 944
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 61-3-21, MISSISSIPPI CODE OF 1972, TO
2 INCREASE THE MAXIMUM LEASE TERM AGREEMENTS FROM 40 YEARS TO 50
3 YEARS THAT AIRPORT AUTHORITIES MAY ENTER INTO LEASE AGREEMENTS FOR
4 CERTAIN PURPOSES AND TO ADD A REPEAL DATE OF JULY 1, 2010, TO THIS
5 SECTION; TO AMEND SECTION 61-5-11, MISSISSIPPI CODE OF 1972, IN
6 CONFORMITY THERETO; AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** Section 61-3-21, Mississippi Code of 1972, is
9 amended as follows:

10 61-3-21. (1) In connection with the operation of an airport
11 or air navigation facility owned or controlled by an authority,
12 the authority may enter into contracts, leases and other
13 arrangements for terms not to exceed fifty (50) years with any
14 persons: (a) granting the privilege of using or improving the
15 airport or air navigation facility or any portion or facility
16 thereof or space therein for commercial purposes; (b) conferring
17 the privilege of supplying goods, commodities, things, services or
18 facilities at the airport or air navigation facility; and (c)
19 making available services to be furnished by the authority or its
20 agents at the airport or air navigation facility.

21 In each case the authority may establish the terms and
22 conditions and fix the charges, rentals or fees for the privileges
23 or services, which shall be reasonable and uniform for the same
24 class of privilege or service and which shall be established with
25 due regard to the property and improvements used and the expenses
26 of operation to the authority. In no case shall the public be
27 deprived of its rightful, equal and uniform use of the airport,
28 air navigation facility or portion or facility thereof.

29 (2) Except as may be limited by the terms and conditions of
30 any grant, loan or agreement authorized by Section 61-3-25,
31 Mississippi Code of 1972, an authority may, by contract, lease or
32 other arrangements, upon a consideration fixed by it, grant to any
33 qualified person for a term not to exceed fifty (50) years, the
34 privilege of operating, as agent of the authority or otherwise,
35 any airport owned or controlled by the authority. However, no
36 person shall be granted any authority to operate an airport other
37 than as a public airport or to enter into any contracts, leases or
38 other arrangements in connection with the operation of the airport
39 which the authority might not have undertaken under subsection (1)
40 of this section.

41 (3) All contracts, leases and other arrangements entered
42 into pursuant to this section are deemed to serve a public and
43 governmental purpose as a matter of public necessity; therefore,
44 all such contracts, leases, and other arrangements and all
45 structures, improvements and other facilities erected, installed,
46 constructed or located in connection therewith on an airport or
47 air navigation facility owned or controlled by an authority, or
48 any portion of facility thereof or space therein, shall be free
49 and exempt from all state, county and municipal ad valorem taxes
50 on real property and personal property for so long as may
51 otherwise be lawful, and the charges, rentals and fees received by
52 an authority in connection with such contracts, leases and other
53 arrangements shall be deemed to be in lieu of said taxes.

54 (4) This section shall stand repealed from and after July 1,
55 2010.

56 **SECTION 2.** Section 61-5-11, Mississippi Code of 1972, is
57 amended as follows:

58 61-5-11. (1) In operating an airport or air navigation
59 facility owned, leased or controlled by a municipality, such
60 municipality may, except as may be limited by the terms and
61 conditions of any grant, loan or agreement pursuant to Section

62 61-5-15, enter into contracts, leases and other arrangements for a
63 term not exceeding fifty (50) years with any persons:

64 (a) Granting the privilege of using or improving such
65 airport or air navigation facility or any portion or facility
66 thereof, or space therein for commercial purposes; or

67 (b) Conferring the privilege of supplying goods,
68 commodities, things, services or facilities at such airport or air
69 navigation facility; or

70 (c) Making available services to be furnished by the
71 municipality or its agents at such airport or air navigation
72 facility.

73 In each case the municipality may establish the terms and
74 conditions and fix the charges, rentals or fees for the privileges
75 or services, which shall be reasonable and uniform for the same
76 class of privilege or service and shall be established with due
77 regard to the property and improvements used and the expenses of
78 operation to the municipality.

79 (2) Except as may be limited by the terms and conditions of
80 any grant, loan or agreement pursuant to Section 61-5-15, a
81 municipality may by contract, lease or other arrangement, upon a
82 consideration fixed by it, grant to any qualified person for a
83 term not to exceed fifty (50) years the privilege of operating, as
84 agent of the municipality or otherwise, any airport owned or
85 controlled by the municipality. However, no person shall be
86 granted any authority to operate an airport other than as a public
87 airport or to enter into any contracts, leases or other
88 arrangements in connection with the operation of the airport which
89 the municipality might not have undertaken under subsection (1) of
90 this section.

91 (3) All contracts, leases and other arrangements entered
92 into pursuant to this section are deemed to serve a public and
93 governmental purpose as a matter of public necessity; therefore,
94 all such contracts, leases and other arrangements, and all

95 structures, improvements and other facilities erected, installed,
96 constructed or located in connection therewith on an airport or
97 air navigation facility owned or controlled by a municipality, or
98 any portion or facility thereof or space therein, shall be free
99 and exempt from all state, county and municipal ad valorem taxes
100 on real property and personal property for so long as may
101 otherwise be lawful, and the charges, rentals and fees received by
102 a municipality in connection with such contracts, leases and other
103 arrangements shall be deemed to be in lieu of said taxes.

104 (4) This section shall stand repealed from and after July 1,
105 2010.

106 **SECTION 3.** This act shall take effect and be in force from
107 and after May 31, 2007.