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Chapter No. 534
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SENATE BILL NO. 2989

Originated in Senate *Jenali Dupres* Secretary

SENATE BILL NO. 2989

AN ACT TO AMEND SECTION 37-7-455, MISSISSIPPI CODE OF 1972, TO AUTHORIZE AND EMPOWER THE COUNTY BOARD OF EDUCATION OF CERTAIN COUNTIES TO CONVEY SCHOOL BUILDINGS NOT USED FOR SCHOOL PURPOSES TO A NONPROFIT ENTITY THAT HAS MADE SUBSTANTIAL IMPROVEMENTS TO THE PROPERTY WITHOUT THE NECESSITY OF ADVERTISING FOR COMPETITIVE BIDS; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 37-7-455, Mississippi Code of 1972, is amended as follows:

37-7-455. (1) Except as otherwise provided in subsections (2) and (3) of this section, all such land, buildings or other property shall be sold only after the receipt of sealed bids therefor after the time and place of making such sale has been duly advertised in some newspaper having a general circulation in the county in which the property is located once each week for three (3) consecutive weeks with the first publication to be made not less than fifteen (15) days prior to the date upon which such bids are to be received and opened. The property shall be sold to the highest and best bidder for cash, but the school board shall have the right to reject any and all bids. If the property is not sold pursuant to such advertisement, the school board, by resolution, may set a date for an open meeting of the school board to be held within sixty (60) days after the date upon which the bids were opened. At the meeting held pursuant to such resolution, the school board may sell by auction the property for a consideration not less than the highest sealed bid previously received pursuant to the advertisement. At the meeting, any interested party may bid for cash, and the property shall be sold

to the highest and best bidder for cash, but the school board shall have the right to reject any and all bids. The school board may require a written confirmation of bids received at such called meeting before selling the property at auction, but it shall not be necessary that sealed bids be received before conducting the auction.

(2) As an alternative to the procedures established under subsection (1) of this section, the school board of a school district may elect, in its discretion, to sell by public auction any property, other than real property or buildings of the school district, which is not used for school or related school purposes and not needed in the operation of the schools. Before such auction, the school board shall adopt a resolution calling for the auction and shall advertise the auction in some newspaper having a general circulation in the county in which the property is located once each week for two (2) consecutive weeks, with the first publication to be made not less than fifteen (15) days before the date upon which the auction shall be held. The advertisement shall include a general description of the property to be sold at the auction and the date, time and place that such auction shall be held. At the auction, any interested party may bid for cash. The property shall be sold to the highest and best bidder; however, the school board may reject any and all bids. When selling property under this subsection, a school board is not required to advertise for or receive competitive bids in connection with the sale of the property. Any items not sold at such auctions or any other property, other than real property or buildings of the district, not classified as fixed assets for school purposes pursuant to regulations of the State Department of Audit, which no longer have useful value to the school district, in the discretion of the school board or its designated representative, may be destroyed or disposed of in any manner

whatsoever, provided that no school official or employee derives any personal economic benefit from such disposal.

(3) As an alternative to the procedures established under subsection (1) or (2) of this section, the county board of education of a county having a population in excess of ten thousand (10,000) according to the 2000 decennial census and in which U.S. Highway 45 intersects with Mississippi Highway 16, may elect, in its discretion, to transfer and sell the buildings of the school district and the real property upon which the buildings are located which are not used as school facilities or for school-related purposes and not needed in the operation of the schools, after advertising for and receiving competitive bids for the sale of such property. If any bid is offered by a nonprofit 501(c)(3) entity which has made substantial improvements to the buildings, the fair market value of the improvements shall be deemed to be consideration for, a part of, the bid offered by the entity. In this case, the school board shall enter a finding on its minutes that the nonprofit entity has made substantial improvements to the property and the property is no longer needed for school district purposes.

(4) When the sale of such property is authorized and approved by the school board, the president of the school board shall be authorized and empowered to execute a conveyance of the property upon the terms and for the consideration fixed by the board. The school board shall reserve unto the district * * * all oil, gas and minerals in, on or under the land, and all proceeds derived from royalties upon the reserved mineral interests shall be used as provided by Section 37-7-457 * * *.

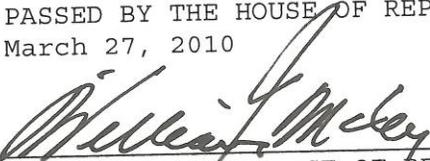
SECTION 2. This act shall take effect and be in force from and after July 1, 2010.

PASSED BY THE SENATE
March 26, 2010



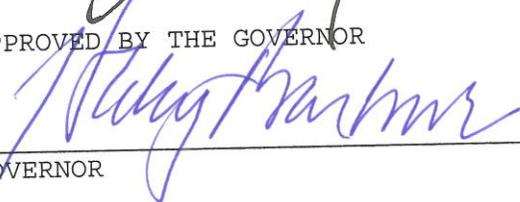
PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES
March 27, 2010



SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR



GOVERNOR

4/27/10 9:05 am