

By: The Entire Membership

To: Ways and Means

HOUSE BILL NO. 1  
(As Sent to Governor)

1 AN ACT TO PROVIDE AN INCOME TAX CREDIT IN THE AMOUNT OF  
2 \$5,000.00 FOR EACH NET NEW FULL-TIME EMPLOYEE JOB CREATED BY A  
3 BUSINESS ENTERPRISE THAT OPERATES A PROJECT WITH AN INITIAL  
4 CAPITAL INVESTMENT FROM ANY SOURCE OF NOT LESS THAN  
5 \$750,000,000.00 AND CREATE AT LEAST 3,000 JOBS; TO PROVIDE THAT  
6 THE ENTERPRISE MAY UTILIZE THE CREDIT FOR A PERIOD OF 20 YEARS  
7 FROM THE DATE THE CREDIT COMMENCES; TO PROVIDE THAT THE ENTERPRISE  
8 MAY SELECT THE COMMENCEMENT DATE BUT THE COMMENCEMENT DATE MAY NOT  
9 BE MORE THAN FIVE YEARS FROM THE DATE THE BUSINESS ENTERPRISE  
10 COMMENCES COMMERCIAL PRODUCTION; TO PROVIDE THAT EXCESS CREDITS  
11 MAY BE CARRIED FORWARD FOR FIVE YEARS; TO AUTHORIZE A JOB TAX  
12 CREDIT FOR CERTAIN SUPPLIERS LOCATED ON A PROJECT SITE OF CERTAIN  
13 PROJECTS DEVELOPED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT  
14 ACT; TO PROVIDE THAT THE AMOUNT OF SUCH CREDIT SHALL BE \$1,000.00  
15 FOR EACH NET NEW FULL-TIME JOB; TO PROVIDE THAT THE DURATION OF  
16 SUCH CREDIT SHALL NOT EXCEED FIVE YEARS; TO PROVIDE AN AD VALOREM  
17 TAX EXEMPTION FOR CERTAIN SPECIAL TOOLS THAT ARE HELD FOR USE IN  
18 MOTOR VEHICLE AND MOTOR VEHICLE PARTS PRODUCTION AND ASSEMBLY; TO  
19 PROVIDE THAT THE BOARD OF SUPERVISORS OF A COUNTY OR GOVERNING  
20 AUTHORITIES OF A MUNICIPALITY MAY ENTER INTO AN AGREEMENT WITH AN  
21 ENTERPRISE OPERATING A CERTAIN PROJECT AS DEFINED IN THE  
22 MISSISSIPPI MAJOR ECONOMIC IMPACT ACT PROVIDING THAT THE COUNTY OR  
23 MUNICIPALITY WILL NOT LEVY ANY TAXES, FEES OR ASSESSMENTS UPON THE  
24 ENTERPRISE OTHER THAN TAXES, FEES OR ASSESSMENTS THAT ARE  
25 GENERALLY LEVIED UPON ALL TAXPAYERS AND TO AUTHORIZE THE BOARD OF  
26 SUPERVISORS OF COUNTIES AND THE GOVERNING AUTHORITIES OF  
27 MUNICIPALITIES TO ENTER INTO CERTAIN FEE IN LIEU OF TAXES  
28 AGREEMENTS; TO PROVIDE THAT SUCH AN AGREEMENT MAY BE FOR A PERIOD  
29 NOT TO EXCEED 30 YEARS; TO PROVIDE THAT THE BOARD OF SUPERVISORS  
30 OF A COUNTY OR MUNICIPAL GOVERNING AUTHORITIES MAY ENTER INTO AN  
31 AGREEMENT WITH A SUPPLIER OF AN ENTERPRISE OPERATING A CERTAIN  
32 PROJECT AS DEFINED IN THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT  
33 PROVIDING THAT THE BOARD OF SUPERVISORS OR GOVERNING AUTHORITIES  
34 WILL APPROVE ANY REQUEST FOR EXEMPTION FROM AD VALOREM TAXES  
35 SUBMITTED BY THE SUPPLIER IN THE MANNER PROVIDED BY LAW; TO  
36 PROVIDE THAT SUCH AN AGREEMENT MAY BE FOR A PERIOD NOT TO EXCEED  
37 20 YEARS AND THAT ANY SUCH EXEMPTION SHALL BE FOR A PERIOD OF 10  
38 YEARS; TO AMEND SECTIONS 57-75-5, 57-75-9, 57-75-11, 57-75-15 AND  
39 57-75-17, MISSISSIPPI CODE OF 1972, TO REVISE THE DEFINITION OF

40 THE TERM "PROJECT" UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT  
41 TO INCLUDE ANY MAJOR CAPITAL PROJECT WITH AN INITIAL CAPITAL  
42 INVESTMENT FROM ANY SOURCE OF NOT LESS THAN \$750,000,000.00 WHICH  
43 CREATES NOT LESS THAN 3,000 NET NEW FULL-TIME JOBS; TO REVISE THE  
44 DEFINITION OF THE TERM "PROJECT AREA" TO EXPAND SUCH DEFINITION TO  
45 INCLUDE ANY AREA OR TERRITORY WITHIN THE STATE FOR SUCH PROJECT;  
46 TO AUTHORIZE CONTRACTS FOR THE ACQUISITION, PURCHASE, CONSTRUCTION  
47 OR INSTALLATION OF SUCH PROJECT AND CONTRACTS FOR EXCAVATION, FILL  
48 DIRT AND COMPACTION FOR THE PREPARATION OF THE SITE OF A PROJECT  
49 TO BE EXEMPT FROM THE BID LAW UNDER CERTAIN CIRCUMSTANCES; TO  
50 AUTHORIZE THE MISSISSIPPI MAJOR ECONOMIC IMPACT AUTHORITY TO  
51 EXERCISE THE RIGHT OF IMMEDIATE POSSESSION TO ACQUIRE PROPERTY FOR  
52 SUCH PROJECT; TO AUTHORIZE THE MISSISSIPPI MAJOR ECONOMIC IMPACT  
53 AUTHORITY TO ENTER INTO CONTRACTUAL AGREEMENTS TO WARRANT ANY SITE  
54 WORK FOR SUCH PROJECT AND TO LIMIT THE AMOUNT OF SUCH WARRANTY; TO  
55 AUTHORIZE THE MISSISSIPPI MAJOR ECONOMIC IMPACT AUTHORITY TO  
56 PROVIDE GRANTS TO AN ENTERPRISE OPERATING SUCH PROJECT AND TO  
57 LIMIT THE AMOUNT OF SUCH GRANTS; TO AUTHORIZE THE ISSUANCE OF  
58 BONDS IN THE AMOUNT OF \$295,000,000.00 FOR SUCH PROJECT; TO  
59 AUTHORIZE THE PROCEEDS OF BONDS ISSUED UNDER THE MISSISSIPPI MAJOR  
60 ECONOMIC IMPACT ACT TO BE UTILIZED FOR CERTAIN PURPOSES; TO  
61 AUTHORIZE ANY PUBLIC AGENCY PROVIDING ANY UTILITY SERVICE TO  
62 CERTAIN PROJECTS DEVELOPED UNDER THE MISSISSIPPI MAJOR ECONOMIC  
63 IMPACT ACT TO ENTER INTO LEASES OR SUBLEASES AND CERTAIN OTHER  
64 AGREEMENTS FOR ANY PERIOD OF TIME NOT TO EXCEED 30 YEARS; TO AMEND  
65 SECTIONS 11-27-81, 11-27-85 AND 31-7-13, MISSISSIPPI CODE OF 1972,  
66 IN CONFORMITY THERETO; TO AMEND SECTION 27-65-101, MISSISSIPPI  
67 CODE OF 1972, TO EXEMPT FROM SALES TAXATION SALES TO CERTAIN  
68 MANUFACTURERS OF MOTOR VEHICLES OF MACHINERY AND CERTAIN SPECIAL  
69 TOOLS OR REPAIR PARTS THEREFOR, FUEL AND SUPPLIES USED DIRECTLY IN  
70 THE MANUFACTURE OF MOTOR VEHICLES OR MOTOR VEHICLE PARTS; TO  
71 EXEMPT FROM SALES TAXATION THE SALE OF MATERIALS, MACHINERY AND  
72 EQUIPMENT USED IN THE CONSTRUCTION OF A BUILDING, OR AN ADDITION  
73 OR IMPROVEMENT THEREON TO AN ENTERPRISE OPERATING CERTAIN PROJECTS  
74 DEFINED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO AMEND  
75 SECTION 27-67-7, MISSISSIPPI CODE OF 1972, TO EXEMPT FROM USE  
76 TAXATION CERTAIN PERSONAL PROPERTY USED BY A TAXPAYER OTHER THAN  
77 THE MANUFACTURER, WHEN THE MANUFACTURER STILL HOLDS TITLE TO THE  
78 GOODS AND THE ITEMS ARE PURCHASED AS PART OF CERTAIN PROJECTS  
79 DEVELOPED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO  
80 AMEND SECTIONS 28 AND 30, CHAPTER 1, LAWS OF 2000, SECOND  
81 EXTRAORDINARY SESSION, TO PROVIDE THAT CERTAIN BUSINESSES THAT  
82 QUALIFY FOR INCENTIVE PAYMENTS UNDER THE MISSISSIPPI ADVANTAGE  
83 JOBS ACT MAY ELECT WHEN THE TEN-YEAR INCENTIVE PERIOD WILL BEGIN;  
84 TO PROVIDE THAT SUCH DATE MAY NOT BE LATER THAN 60 MONTHS AFTER  
85 THE DATE THE BUSINESS APPLIED FOR INCENTIVE PAYMENTS; TO PROVIDE  
86 THAT CERTAIN BUSINESSES QUALIFIED TO RECEIVE PAYMENTS UNDER THE  
87 MISSISSIPPI ADVANTAGE JOBS ACT MAY RECEIVE INCENTIVE PAYMENTS FOR  
88 A PERIOD IN EXCESS OF TEN YEARS; TO PROVIDE THAT IN ORDER TO  
89 QUALIFY FOR SUCH ADDITIONAL INCENTIVE PAYMENTS A BUSINESS MUST BE  
90 A CERTAIN PROJECT AS DEFINED IN THE MISSISSIPPI MAJOR ECONOMIC  
91 IMPACT ACT AND MUST CREATE AND MAINTAIN A CERTAIN NUMBER OF JOBS  
92 WITH AN AVERAGE ANNUAL WAGE OF AT LEAST 150% OF THE MOST RECENT  
93 AVERAGE ANNUAL WAGE OF THE STATE OR THE MOST RECENT AVERAGE ANNUAL  
94 WAGE OF THE COUNTY IN WHICH THE QUALIFIED BUSINESS OR INDUSTRY IS

95 LOCATED, WHICHEVER IS THE LESSER; TO AMEND SECTION 21-1-59,  
96 MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE GOVERNING AUTHORITIES  
97 OF A MUNICIPALITY TO ENTER INTO AN AGREEMENT WITH ENTERPRISES  
98 OPERATING CERTAIN PROJECTS DEVELOPED UNDER THE MISSISSIPPI MAJOR  
99 ECONOMIC IMPACT ACT PROVIDING THAT SUCH MUNICIPALITY WILL NOT  
100 CHANGE ITS BOUNDARIES SO AS TO INCLUDE THE PROJECT SITE OF SUCH  
101 PROJECT; TO PROVIDE THAT SUCH AN AGREEMENT SHALL BE BINDING ON  
102 FUTURE GOVERNING AUTHORITIES OF SUCH MUNICIPALITY; TO AMEND  
103 SECTION 27-19-309, MISSISSIPPI CODE OF 1972, TO AUTHORIZE A MOTOR  
104 VEHICLE MANUFACTURER OPERATING CERTAIN PROJECTS DEVELOPED UNDER  
105 THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT TO PURCHASE A CERTAIN  
106 NUMBER OF DISTINGUISHING NUMBER TAGS TO BE UTILIZED BY THE  
107 MANUFACTURER FOR VEHICLES OWNED BY THE MANUFACTURER AND WHICH ARE  
108 USED PRIMARILY FOR MAINTENANCE AT THE PROJECT SITE AND FOR  
109 TESTING, DEMONSTRATION, EVALUATION, INCENTIVES AND PROMOTION; TO  
110 AMEND SECTION 63-17-55, MISSISSIPPI CODE OF 1972, TO REVISE THE  
111 DEFINITION OF THE TERM "MOTOR VEHICLE DEALER" FOR PURPOSES OF THE  
112 MISSISSIPPI MOTOR VEHICLE COMMISSION LAW TO EXCLUDE A MOTOR  
113 VEHICLE MANUFACTURER OPERATING A CERTAIN PROJECT AS DEFINED IN THE  
114 MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO PROVIDE THAT THE  
115 MISSISSIPPI MOTOR VEHICLE COMMISSION LAW SHALL NOT APPLY TO ANY  
116 LEASE BY SUCH A MOTOR VEHICLE MANUFACTURER OF THREE OR FEWER MOTOR  
117 VEHICLES AT ANY ONE TIME AND RELATED VEHICLE MAINTENANCE, OF ANY  
118 LINE OF VEHICLE PRODUCED BY THE MANUFACTURER OR ITS SUBSIDIARIES,  
119 TO ANY ONE EMPLOYEE OF THE MANUFACTURER ON A DIRECT BASIS OR ANY  
120 SALE OR OTHER DISPOSITION OF SUCH MOTOR VEHICLES BY THE  
121 MANUFACTURER AT THE END OF A LEASE THROUGH DIRECT SALES TO  
122 EMPLOYEES OF THE MANUFACTURER OR THROUGH AN OPEN AUCTION OR  
123 AUCTION LIMITED TO DEALERS OF THE MANUFACTURER'S VEHICLE LINE OR  
124 ITS SUBSIDIARIES' VEHICLE LINES; TO AMEND SECTION 63-17-103,  
125 MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; TO CREATE A NEW  
126 CODE SECTION TO BE CODIFIED AS SECTION 57-75-22, MISSISSIPPI CODE  
127 OF 1972, TO PROVIDE THAT CERTAIN HIGHWAY PROJECTS CONSTRUCTED OR  
128 IMPROVED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT SHALL BE  
129 UNDER THE JURISDICTION OF THE MISSISSIPPI TRANSPORTATION  
130 COMMISSION FOR CONSTRUCTION AND MAINTENANCE; TO AMEND SECTION  
131 27-31-1, MISSISSIPPI CODE OF 1972, TO EXEMPT FROM AD VALOREM  
132 TAXATION, FOR A PERIOD NOT TO EXCEED 30 YEARS, CERTAIN PROPERTY OF  
133 BUSINESS ENTERPRISES OPERATING CERTAIN PROJECTS DEVELOPED UNDER  
134 THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; AND FOR RELATED  
135 PURPOSES.

136  
137 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

138 SECTION 1. (1) Permanent business enterprises engaged in  
139 operating a project and companies that are members of an  
140 affiliated group that includes such permanent business enterprises  
141 are allowed a job tax credit for taxes imposed by Section 27-7-5  
142 equal to Five Thousand Dollars (\$5,000.00) annually for each net

143 new full-time employee job for a period of twenty (20) years from  
144 the date the credit commences. The credit shall commence on the  
145 date selected by the permanent business enterprise; provided,  
146 however, that the commencement date shall not be more than five  
147 (5) years from the date the business enterprise commences  
148 commercial production. For the year in which the commencement  
149 date occurs, the number of new full-time jobs shall be determined  
150 by using the monthly average number of full-time employees subject  
151 to the Mississippi income tax withholding. Thereafter, the number  
152 of new full-time jobs shall be determined by comparing the monthly  
153 average number of full-time employees subject to the Mississippi  
154 income tax withholding for the taxable year with the corresponding  
155 period of the prior taxable year. Once a permanent business  
156 enterprise creates or increases employment three thousand (3,000)  
157 or more, such enterprise and the members of the affiliated group  
158 that include such enterprise, shall be eligible for the credit.  
159 The credit is not allowed for any year of the twenty-year period  
160 in which the overall monthly average number of full-time employees  
161 subject to the Mississippi income tax withholding falls below  
162 three thousand (3,000). The State Tax Commission shall adjust the  
163 credit allowed each year for the net new employment fluctuations  
164 above three thousand (3,000).

165 (2) Any tax credit claimed under this section but not used  
166 in any taxable year may be carried forward for five (5)  
167 consecutive years from the close of the tax year in which the  
168 credits were earned. The credit that may be utilized each year  
169 shall be limited to an amount not greater than the total state  
170 income tax liability of the permanent business enterprise and the

171 state income tax liability of any member of the affiliated group  
172 that includes such enterprise that is generated by, or arises out  
173 of, the project.

174 (3) The tax credits provided for in this section shall be in  
175 lieu of the tax credits provided for in Section 57-73-21 and any  
176 permanent business enterprise or any member of the affiliated  
177 group that includes such enterprise utilizing the tax credit  
178 authorized in this section shall not utilize the tax credit  
179 authorized in Section 57-73-21.

180 (4) As used in this section:

181 (a) "Project" means a project as defined in Section  
182 57-75-5(f)(iv).

183 (b) "Affiliated group" means one or more corporations  
184 connected through stock ownership with a common parent corporation  
185 where at least eighty percent (80%) of the voting power of all  
186 classes of stock and at least eighty percent (80%) of each class  
187 of the nonvoting stock of each of the member corporations, except  
188 the common parent corporation, is directly owned by one or more of  
189 the other member corporations; and the common parent corporation  
190 directly owns stock possessing at least eighty percent (80%) of  
191 the voting power of all classes of stock and at least eighty  
192 percent (80%) of each class of the nonvoting stock of at least one  
193 (1) of the other member corporations. As used in this subsection,  
194 the term "stock" does not include nonvoting stock that is limited  
195 and preferred as to dividends.

196 SECTION 2. (1) Integrated suppliers are allowed a job tax  
197 credit for taxes imposed by Section 27-7-5 equal to One Thousand  
198 Dollars (\$1,000.00) annually for each net new full-time employee

199 for five (5) years from the date the credit commences. The credit  
200 shall commence on the date selected by the integrated supplier;  
201 provided, however, that the commencement date shall not be more  
202 than five (5) years from the date the integrated supplier  
203 commences commercial production. For the year in which the  
204 commencement date occurs, the number of new full-time jobs shall  
205 be determined by using the monthly average number of full-time  
206 employees subject to Mississippi income tax withholding.  
207 Thereafter, the number of new full-time jobs shall be determined  
208 by comparing the monthly average number of full-time employees  
209 subject to Mississippi income tax withholding for the taxable year  
210 with the corresponding period of the prior taxable year. Only  
211 those integrated suppliers that increase employment by twenty (20)  
212 or more are eligible for the credit. The credit is not allowed  
213 during any of the five (5) years if the net employment increase  
214 falls below twenty (20). The State Tax Commission shall adjust  
215 the credit allowed each year for the net new employment  
216 fluctuations above the minimum level of twenty (20).

217 (2) Any tax credit claimed under this section but not used  
218 in any taxable year may be carried forward for five (5)  
219 consecutive years from the close of the tax year in which the  
220 credits were earned. The credit that may be utilized each year  
221 shall be limited to an amount not greater than the taxpayer's  
222 state income tax liability which is attributable to income derived  
223 from operation in the state for that year.

224 (3) The tax credits provided for in this section shall be in  
225 lieu of the tax credits provided for in Section 57-73-21, and any  
226 integrated supplier utilizing the tax credit authorized in this

227 section shall not utilize the tax credit authorized in Section  
228 57-73-21.

229 (4) As used in this section the term "integrated supplier"  
230 means a supplier located on the project site which provides goods  
231 or services on the project site solely for a project as defined in  
232 Section 57-75-5(f)(iv)1.

233 SECTION 3. (1) As used in this section, the term "vendor  
234 tooling" means any special tools such as dies, molds, jigs and  
235 similar items treated as special tooling for federal income tax  
236 purposes, owned by a business enterprise operating a motor vehicle  
237 production and assembly plant that are held for use in motor  
238 vehicle and motor vehicle parts production and assembly and are  
239 located off the site of the motor vehicle production and assembly  
240 plant of such business enterprise. For purposes of this  
241 subsection "business enterprise operating a motor vehicle  
242 production and assembly plant" means a business enterprise that  
243 produces not less than fifty thousand (50,000) motor vehicles  
244 annually.

245 (2) Vendor tooling shall be exempt from ad valorem taxation.

246 SECTION 4. The board of supervisors of a county or the  
247 governing authorities of a municipality may each enter into an  
248 agreement with an enterprise operating a project as defined in  
249 Section 57-75-5(f)(iv)1 providing that the county or municipality  
250 will not levy any taxes, fees or assessments upon the enterprise  
251 other than taxes, fees or assessments that are generally levied  
252 upon all taxpayers and the board of supervisors or the governing  
253 authorities also may each enter into a fee in lieu agreement as  
254 provided in Section 27-31-104. Such agreements may be for a

255 period not to exceed thirty (30) years.

256        SECTION 5. The board of supervisors of a county or the  
257 governing authorities of a municipality may enter into an  
258 agreement with an enterprise operating a project as defined in  
259 Section 57-75-5(f)(iv)1 providing that the board of supervisors or  
260 governing authorities will agree in advance to approve any request  
261 for exemption from ad valorem taxes submitted by a supplier of  
262 such enterprise in the manner provided by law and that any such  
263 exemption shall be for a period of ten (10) years. Such an  
264 agreement on the part of the board of supervisors or governing  
265 authorities may be for a period not to exceed twenty (20) years.

266        SECTION 6. Section 57-75-5, Mississippi Code of 1972, is  
267 amended as follows:[CR1]

268        57-75-5. Words and phrases used in this chapter shall have  
269 meanings as follows, unless the context clearly indicates a  
270 different meaning:

271           (a) "Act" means the Mississippi Major Economic Impact  
272 Act as originally enacted or as hereafter amended.

273           (b) "Authority" means the Mississippi Major Economic  
274 Impact Authority created pursuant to the act.

275           (c) "Bonds" means general obligation bonds, interim  
276 notes and other evidences of debt of the State of Mississippi  
277 issued pursuant to this chapter.

278           (d) "Facility related to the project" means and  
279 includes any of the following, as the same may pertain to the  
280 project within the project area: (i) facilities to provide  
281 potable and industrial water supply systems, sewage and waste



282 disposal systems and water, natural gas and electric transmission  
283 systems to the site of the project; (ii) airports, airfields and  
284 air terminals; (iii) rail lines; (iv) port facilities; (v)  
285 highways, streets and other roadways; (vi) public school  
286 buildings, classrooms and instructional facilities, training  
287 facilities and equipment, including any functionally related  
288 facilities; (vii) parks, outdoor recreation facilities and  
289 athletic facilities; (viii) auditoriums, pavilions, campgrounds,  
290 art centers, cultural centers, folklore centers and other public  
291 facilities; \* \* \* (ix) health care facilities, public or private;  
292 and (x) fire protection facilities, equipment and elevated water  
293 tanks.

294 (e) "Person" means any natural person, corporation,  
295 association, partnership, receiver, trustee, guardian, executor,  
296 administrator, fiduciary, governmental unit, public agency,  
297 political subdivision, or any other group acting as a unit, and  
298 the plural as well as the singular.

299 (f) "Project" means:

300 (i) Any industrial, commercial, research and  
301 development, warehousing, distribution, transportation,  
302 processing, mining, United States government or tourism enterprise  
303 together with all real property required for construction,  
304 maintenance and operation of the enterprise with an initial  
305 capital investment of not less than Three Hundred Million Dollars  
306 (\$300,000,000.00) from private or United States government sources  
307 together with all buildings, and other supporting land and  
308 facilities, structures or improvements of whatever kind required  
309 or useful for construction, maintenance and operation of the

310 enterprise; or with an initial capital investment of not less than  
311 One Hundred Fifty Million Dollars (\$150,000,000.00) from private  
312 or United States government sources together with all buildings  
313 and other supporting land and facilities, structures or  
314 improvements of whatever kind required or useful for construction,  
315 maintenance and operation of the enterprise and which creates at  
316 least one thousand (1,000) net new full-time jobs; or which  
317 creates at least one thousand (1,000) net new full-time jobs which  
318 provides an average salary, excluding benefits which are not  
319 subject to Mississippi income taxation, of at least one hundred  
320 twenty-five percent (125%) of the most recently published average  
321 annual wage of the state as determined by the Mississippi  
322 Employment Security Commission. "Project" shall include any  
323 addition to or expansion of an existing enterprise if such  
324 addition or expansion has an initial capital investment of not  
325 less than Three Hundred Million Dollars (\$300,000,000.00) from  
326 private or United States government sources, or has an initial  
327 capital investment of not less than One Hundred Fifty Million  
328 Dollars (\$150,000,000.00) from private or United States government  
329 sources together with all buildings and other supporting land and  
330 facilities, structures or improvements of whatever kind required  
331 or useful for construction, maintenance and operation of the  
332 enterprise and which creates at least one thousand (1,000) net new  
333 full-time jobs; or which creates at least one thousand (1,000) net  
334 new full-time jobs which provides an average salary, excluding  
335 benefits which are not subject to Mississippi income taxation, of  
336 at least one hundred twenty-five percent (125%) of the most  
337 recently published average annual wage of the state as determined

338 by the Mississippi Employment Security Commission. "Project"  
339 shall also include any ancillary development or business resulting  
340 from the enterprise, of which the authority is notified, within  
341 three (3) years from the date that the enterprise entered into  
342 commercial production, that the project area has been selected as  
343 the site for the ancillary development or business.

344 (ii) Any major capital project designed to  
345 improve, expand or otherwise enhance any active duty United States  
346 Air Force or Navy training bases or naval stations, their support  
347 areas or their military operations, upon designation by the  
348 authority that any such base was or is at risk to be recommended  
349 for closure or realignment pursuant to the Defense Base Closure  
350 and Realignment Act of 1990; or any major development project  
351 determined by the authority to be necessary to acquire base  
352 properties and to provide employment opportunities through  
353 construction of projects as defined in Section 57-3-5, which shall  
354 be located on or provide direct support service or access to such  
355 military installation property as such property exists on July 1,  
356 1993, in the event of closure or reduction of military operations  
357 at the installation. From and after July 1, 1997, projects  
358 described in this subparagraph (ii) shall not be considered to be  
359 within the meaning of the term "project" for purposes of this  
360 section, unless such projects are commenced before July 1, 1997,  
361 and shall not be eligible for any funding provided under the  
362 Mississippi Major Economic Impact Act.

363 (iii) Any enterprise to be maintained, improved or  
364 constructed in Tishomingo County by or for a National Aeronautics  
365 and Space Administration facility in such county.

366 (iv) 1. Any major capital project with an initial  
367 capital investment from private sources of not less than Seven  
368 Hundred Fifty Million Dollars (\$750,000,000.00) which will create  
369 at least three thousand (3,000) new direct jobs as defined in  
370 Section 26, Chapter 1, Laws of 2000, Second Extraordinary  
371 Session. \* \* \*

372 2. "Project" shall also include any ancillary  
373 development or business resulting from an enterprise operating a  
374 project as defined in item 1 of this paragraph (f)(iv), of which  
375 the authority is notified, within three (3) years from the date  
376 that the enterprise entered into commercial production, that the  
377 state has been selected as the site for the ancillary development  
378 or business.

379 (v) Any major capital project designed to  
380 construct the corporate headquarters and initial factory, to be  
381 located in the Golden Triangle Region of the state, for any  
382 Mississippi corporation that develops, constructs and operates  
383 automated robotic systems to improve the quality of, and reduce  
384 the costs of, manufacturing wire harness assemblies for certain  
385 industries, or manufactures thin film polymer lithium-ion  
386 rechargeable batteries which project has a ten-year strategic plan  
387 of supporting one thousand (1,000) direct project-related jobs for  
388 each group of wire harness contracts amounting to Thirty-five  
389 Million Dollars (\$35,000,000.00), or which has a ten-year  
390 strategic plan of supporting one thousand five hundred (1,500)  
391 direct project-related jobs for each group of polymer lithium-ion  
392 rechargeable battery contracts amounting to Forty Million Dollars  
393 (\$40,000,000.00).

394                   (vi) Any real property owned or controlled by the  
395 National Aeronautics and Space Administration, the United States  
396 government, or any agency thereof, which is legally conveyed to  
397 the State of Mississippi or to the State of Mississippi for the  
398 benefit of the Mississippi Major Economic Impact Authority, its  
399 successors and assigns pursuant to Section 212 of Public Law  
400 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

401                   (vii) Any major capital project designed to  
402 manufacture, produce and transmit electrical power using natural  
403 gas as its primary raw material to be constructed and maintained  
404 in Panola County, Mississippi, with an initial capital investment  
405 of not less than Two Hundred Fifty Million Dollars  
406 (\$250,000,000.00).

407                   (g) "Project area" means the project site, together  
408 with any area or territory within the state lying within  
409 sixty-five (65) miles of any portion of the project site whether  
410 or not such area or territory be contiguous; provided, however,  
411 that for the project defined in paragraph (f)(iv) of this section  
412 the term "project area" means any area or territory within the  
413 state. The project area shall also include all territory within a  
414 county if any portion of such county lies within sixty-five (65)  
415 miles of any portion of the project site. "Project site" means  
416 the real property on which the principal facilities of the  
417 enterprise will operate.

418                   (h) "Public agency" means:

419                   (i) Any department, board, commission, institution  
420 or other agency or instrumentality of the state;

421                   (ii) Any city, town, county, political

422 subdivision, school district or other district created or existing  
423 under the laws of the state or any public agency of any such city,  
424 town, county, political subdivision or district or any other  
425 public entity created or existing under local and private  
426 legislation;

427 (iii) Any department, commission, agency or  
428 instrumentality of the United States of America; and

429 (iv) Any other state of the United States of  
430 America which may be cooperating with respect to location of the  
431 project within the state, or any agency thereof.

432 (i) "State" means State of Mississippi.

433 (j) "Fee-in-lieu" means a negotiated fee to be paid by  
434 the project in lieu of any franchise taxes imposed on the project  
435 by Chapter 13, Title 27, Mississippi Code of 1972. The  
436 fee-in-lieu shall not be less than Twenty-five Thousand Dollars  
437 (\$25,000.00) annually. A fee-in-lieu shall not be negotiated for  
438 existing enterprises that fall within the definition of the term  
439 "project."

440 SECTION 7. Section 57-75-9, Mississippi Code of 1972, is  
441 amended as follows:[CR2]

442 57-75-9. (1) The authority is hereby designated and  
443 empowered to act on behalf of the state in submitting a siting  
444 proposal for any project eligible for assistance under this act.  
445 The authority is empowered to take all steps appropriate or  
446 necessary to effect the siting, development, and operation of the  
447 project within the state, including the negotiation of a  
448 fee-in-lieu. If the state is selected as the preferred site for  
449 the project, the authority is hereby designated and empowered to

450 act on behalf of the state and to represent the state in the  
451 planning, financing, development, construction and operation of  
452 the project or any facility related to the project, with the  
453 concurrence of the affected public agency. The authority may take  
454 affirmative steps to coordinate fully all aspects of the  
455 submission of a siting proposal for the project and, if the state  
456 is selected as the preferred site, to coordinate fully, with the  
457 concurrence of the affected public agency, the development of the  
458 project or any facility related to the project with private  
459 business, the United States government and other public agencies.

460 All public agencies are encouraged to cooperate to the fullest  
461 extent possible to effectuate the duties of the authority;  
462 however, the development of the project or any facility related to  
463 the project by the authority may be done only with the concurrence  
464 of the affected public agency.

465 (2) (a) Contracts, by the authority or a public agency,  
466 including, but not limited to, design and construction contracts,  
467 for the acquisition, purchase, construction or installation of a  
468 project defined in Section 57-75-5(f)(iv)1 or any facility related  
469 to the project shall be exempt from the provisions of Section  
470 31-7-13 if:

471 (i) The authority finds and records such finding  
472 on its minutes, that because of availability or the particular  
473 nature of a project, it would not be in the public interest or  
474 would less effectively achieve the purposes of this chapter to  
475 enter into such contracts on the basis of Section 31-7-13; and

476 (ii) The enterprise that is involved in the  
477 project concurs in such finding.

478           (b) When the requirements of paragraph (a) of this  
479 subsection are met:

480           (i) The requirements of Section 31-7-13 shall not  
481 apply to such contracts; and

482           (ii) The contracts may be entered into on the  
483 basis of negotiation.

484           (c) The enterprise involved with the project may, upon  
485 approval of the authority, negotiate such contracts in the name of  
486 the authority.

487           (d) The provisions of this subsection (2) shall not  
488 apply to contracts by the authority for excavation, fill dirt and  
489 compaction for the preparation of the site of a project as defined  
490 in Section 57-75-5(f)(iv)1 and such contracts may be entered into  
491 pursuant to subsection (3) of this section.

492           (3) Contracts by the authority for excavation, fill dirt and  
493 compaction for the preparation of the site of a project defined in  
494 Section 57-75-5(f)(iv)1 shall be exempt from the provisions of  
495 Section 31-7-13 and the following procedure shall be followed in  
496 the award of such contracts:

497           (a) The authority shall advertise for a period of time  
498 to be set by the authority, but in no event less than one (1)  
499 business day, the date, time and place of a meeting with the  
500 authority to receive specifications on a request for proposals on  
501 excavation, fill dirt and compaction for the preparation of the  
502 site of the project defined in Section 57-75-5(f)(iv)1.

503           (b) The authority shall set the minimum qualifications  
504 necessary to be considered for award of the contract and the  
505 advertisement shall set forth such minimum qualifications.



506           (c) Following the meeting the authority shall, in its  
507 discretion, select one or more of the qualified contractors with  
508 whom to negotiate or award the contract. The decision of the  
509 authority concerning the selection of the contractor shall be  
510 final.

511           SECTION 8. Section 57-75-11, Mississippi Code of 1972, is  
512 amended as follows:[CR3]

513           **[Through June 30, 2001, this section shall read as follows:]**

514           57-75-11. The authority, in addition to any and all powers  
515 now or hereafter granted to it, is empowered and shall exercise  
516 discretion and the use of these powers depending on the  
517 circumstances of the project or projects:

518           (a) To maintain an office at a place or places within  
519 the state.

520           (b) To employ or contract with architects, engineers,  
521 attorneys, accountants, construction and financial experts and  
522 such other advisors, consultants and agents as may be necessary in  
523 its judgment and to fix and pay their compensation.

524           (c) To make such applications and enter into such  
525 contracts for financial assistance as may be appropriate under  
526 applicable federal or state law.

527           (d) To apply for, accept and utilize grants, gifts and  
528 other funds or aid from any source for any purpose contemplated by  
529 the act, and to comply, subject to the provisions of this act,  
530 with the terms and conditions thereof.

531           (e) (i) To acquire by purchase, lease, gift, or in  
532 other manner, including quick-take eminent domain, or obtain  
533 options to acquire, and to own, maintain, use, operate and convey

534 any and all property of any kind, real, personal, or mixed, or any  
535 interest or estate therein, within the project area, necessary for  
536 the project or any facility related to the project. The  
537 provisions of this paragraph that allow the acquisition of  
538 property by quick-take eminent domain shall be repealed by  
539 operation of law on July 1, 1994; and

540 (ii) Notwithstanding any other provision of this  
541 paragraph (e), from and after the effective date of House Bill No.  
542 1, 2000 Third Extraordinary Session, to exercise the right of  
543 immediate possession pursuant to the provisions of Sections  
544 11-27-81 through 11-27-89 for the purpose of acquiring land,  
545 property and/or rights-of-way in the county in which a project as  
546 defined in Section 57-75-5(f)(iv)1 is located, that are necessary  
547 for such project or any facility related to the project.

548 (f) To acquire by purchase or lease any public lands  
549 and public property, including sixteenth section lands and lieu  
550 lands, within the project area, which are necessary for the  
551 project. Sixteenth section lands or lieu lands acquired under  
552 this act shall be deemed to be acquired for the purposes of  
553 industrial development thereon and such acquisition will serve a  
554 higher public interest in accordance with the purposes of this  
555 act.

556 (g) If the authority identifies any land owned by the  
557 state as being necessary, for the location or use of the project,  
558 or any facility related to the project, to recommend to the  
559 Legislature the conveyance of such land or any interest therein,  
560 as the Legislature deems appropriate.

561 (h) To make or cause to be made such examinations and

562 surveys as may be necessary to the planning, design, construction  
563 and operation of the project.

564 (i) From and after the date of notification to the  
565 authority by the enterprise that the state has been finally  
566 selected as the site of the project, to acquire by condemnation  
567 and to own, maintain, use, operate and convey or otherwise dispose  
568 of any and all property of any kind, real, personal or mixed, or  
569 any interest or estate therein, within the project area, necessary  
570 for the project or any facility related to the project, with the  
571 concurrence of the affected public agency, and the exercise of the  
572 powers granted by this act, according to the procedures provided  
573 by Chapter 27, Title 11, Mississippi Code of 1972, except as  
574 modified by this act.

575 (i) Except as otherwise provided in subparagraph  
576 (iii) of this paragraph (i), in acquiring lands by condemnation,  
577 the authority shall not acquire minerals or royalties in minerals  
578 unless a competent registered professional engineer shall have  
579 certified that the acquisition of such minerals and royalties in  
580 minerals is necessary for purposes of the project; provided that  
581 limestone, clay, chalk, sand and gravel shall not be considered as  
582 minerals for the purposes of subparagraphs (i) and (ii) of this  
583 paragraph (i); \* \* \*

584 (ii) Unless minerals or royalties in minerals have  
585 been acquired by condemnation or otherwise, no person or persons  
586 owning the drilling rights or the right to share in production of  
587 minerals shall be prevented from exploring, developing, or  
588 producing oil or gas with necessary rights-of-way for ingress and  
589 egress, pipelines and other means of transporting interests on any

590 land or interest therein of the authority held or used for the  
591 purposes of this act; but any such activities shall be under such  
592 reasonable regulation by the authority as will adequately protect  
593 the project contemplated by this act as provided in paragraph (r)  
594 of this section; and

595 (iii) In acquiring lands by condemnation,  
596 including the exercise of immediate possession, for a project, as  
597 defined in Section 57-75-5(f)(iv)1, the authority may acquire  
598 minerals or royalties in minerals.

599 (j) To negotiate the necessary relocation or rerouting  
600 of roads and highways, railroad, telephone and telegraph lines and  
601 properties, electric power lines, pipelines and related  
602 facilities, or to require the anchoring or other protection of any  
603 of these, provided due compensation is paid to the owners thereof  
604 or agreement is had with such owners regarding the payment of the  
605 cost of such relocation, and to acquire by condemnation or  
606 otherwise easements or rights-of-way for such relocation or  
607 rerouting and to convey the same to the owners of the facilities  
608 being relocated or rerouted in connection with the purposes of  
609 this act.

610 (k) To negotiate the necessary relocation of graves and  
611 cemeteries and to pay all reasonable costs thereof.

612 (l) To perform or have performed any and all acts and  
613 make all payments necessary to comply with all applicable federal  
614 laws, rules or regulations including, but not limited to, the  
615 Uniform Relocation Assistance and Real Property Acquisition  
616 Policies Act of 1970 (42 USCS 4601, 4602, 4621 to 4638, and 4651  
617 to 4655) and relocation rules and regulations promulgated by any

618 agency or department of the federal government.

619           (m) To construct, extend, improve, maintain, and  
620 reconstruct, to cause to be constructed, extended, improved,  
621 maintained, and reconstructed, and to use and operate any and all  
622 components of the project or any facility related to the project,  
623 with the concurrence of the affected public agency, within the  
624 project area, necessary to the project and to the exercise of such  
625 powers, rights, and privileges granted the authority.

626           (n) To incur or defray any designated portion of the  
627 cost of any component of the project or any facility related to  
628 the project acquired or constructed by any public agency.

629           (o) To lease, sell or convey any or all property  
630 acquired by the authority under the provisions of this act to the  
631 enterprise, its successors or assigns, and in connection therewith  
632 to pay the costs of title search, perfection of title, title  
633 insurance and recording fees as may be required. The authority  
634 may provide in the instrument conveying such property a provision  
635 that such property shall revert to the authority if, as and when  
636 the property is declared by the enterprise to be no longer needed.

637           (p) To enter into contracts with any person or public  
638 agency including, but not limited to, contracts authorized by  
639 Section 57-75-17, in furtherance of any of the purposes authorized  
640 by this act upon such consideration as the authority and such  
641 person or public agency may agree. Any such contract may extend  
642 over any period of time, notwithstanding any rule of law to the  
643 contrary, may be upon such terms as the parties thereto shall  
644 agree, and may provide that it shall continue in effect until  
645 bonds specified therein, refunding bonds issued in lieu of such

646 bonds, and all other obligations specified therein are paid or  
647 terminated. Any such contract shall be binding upon the parties  
648 thereto according to its terms. Such contracts may include an  
649 agreement to reimburse the enterprise, its successors and assigns  
650 for any assistance provided by the enterprise in the acquisition  
651 of real property for the project or any facility related to the  
652 project.

653 (q) To establish and maintain reasonable rates and  
654 charges for the use of any facility within the project area owned  
655 or operated by the authority, and from time to time to adjust such  
656 rates and to impose penalties for failure to pay such rates and  
657 charges when due.

658 (r) To adopt and enforce with the concurrence of the  
659 affected public agency all necessary and reasonable rules and  
660 regulations to carry out and effectuate the implementation of the  
661 project and any land use plan or zoning classification adopted for  
662 the project area, including, but not limited to, rules,  
663 regulations, and restrictions concerning mining, construction,  
664 excavation or any other activity the occurrence of which may  
665 endanger the structure or operation of the project. Such rules  
666 may be enforced within the project area and without the project  
667 area as necessary to protect the structure and operation of the  
668 project. The authority is authorized to plan or replan, zone or  
669 rezone, and make exceptions to any regulations, whether local or  
670 state, with the concurrence of the affected public agency which  
671 are inconsistent with the design, planning, construction or  
672 operation of the project and facilities related to the project.

673 (s) To plan, design, coordinate and implement measures

674 and programs to mitigate impacts on the natural environment caused  
675 by the project or any facility related to the project.

676 (t) To develop plans for technology transfer activities  
677 to ensure private sector conduits for exchange of information,  
678 technology and expertise related to the project to generate  
679 opportunities for commercial development within the state.

680 (u) To consult with the State Department of Education  
681 and other public agencies for the purpose of improving public  
682 schools and curricula within the project area.

683 (v) To consult with the State Board of Health and other  
684 public agencies for the purpose of improving medical centers,  
685 hospitals and public health centers in order to provide  
686 appropriate health care facilities within the project area.

687 (w) To consult with the Office of Minority Business  
688 Enterprise Development and other public agencies for the purpose  
689 of developing plans for technical assistance and loan programs to  
690 maximize the economic impact related to the project for minority  
691 business enterprises within the State of Mississippi.

692 (x) To deposit into the "Yellow Creek Project Area  
693 Fund" created pursuant to Section 57-75-31:

694 (i) Any funds or aid received as authorized in  
695 this section for the project described in Section 57-75-5(f)(vi),  
696 and

697 (ii) Any funds received from the sale or lease of  
698 property from the project described in Section 57-75-5(f)(vi)  
699 pursuant to the powers exercised under this section.

700 (y) To manage and develop the project described in  
701 Section 57-75-5(f)(vi) subject to the provisions of Section

702 57-75-29.

703 (z) To promulgate rules and regulations necessary to  
704 effectuate the purposes of this act.

705 (aa) To negotiate a fee-in-lieu with the owners of the  
706 project.

707 (bb) To enter into contractual agreements to warrant  
708 any site work for a project defined in Section 57-75-5(f)(iv)1;  
709 provided, however, that the amount of any such warranty shall not  
710 exceed Ten Million Dollars (\$10,000,000.00).

711 (cc) To provide grant funds to an enterprise operating  
712 a project defined in Section 57-75-5(f)(iv)1 in an amount not to  
713 exceed Seventeen Million Dollars (\$17,000,000.00).

714 **[From and after July 1, 2001, this section shall read as**  
715 **follows:]**

716 57-75-11. The authority, in addition to any and all powers  
717 now or hereafter granted to it, is empowered and shall exercise  
718 discretion and the use of these powers depending on the  
719 circumstances of the project or projects:

720 (a) To maintain an office at a place or places within  
721 the state.

722 (b) To employ or contract with architects, engineers,  
723 attorneys, accountants, construction and financial experts and  
724 such other advisors, consultants and agents as may be necessary in  
725 its judgment and to fix and pay their compensation.

726 (c) To make such applications and enter into such  
727 contracts for financial assistance as may be appropriate under  
728 applicable federal or state law.

729 (d) To apply for, accept and utilize grants, gifts and



730 other funds or aid from any source for any purpose contemplated by  
731 the act, and to comply, subject to the provisions of this act,  
732 with the terms and conditions thereof.

733 (e) (i) To acquire by purchase, lease, gift, or in  
734 other manner, including quick-take eminent domain, or obtain  
735 options to acquire, and to own, maintain, use, operate and convey  
736 any and all property of any kind, real, personal, or mixed, or any  
737 interest or estate therein, within the project area, necessary for  
738 the project or any facility related to the project. The  
739 provisions of this paragraph that allow the acquisition of  
740 property by quick-take eminent domain shall be repealed by  
741 operation of law on July 1, 1994; and

742 (ii) Notwithstanding any other provision of this  
743 paragraph (e), from and after the effective date of House Bill No.  
744 1, 2000 Third Extraordinary Session, to exercise the right of  
745 immediate possession pursuant to the provisions of Sections  
746 11-27-81 through 11-27-89 for the purpose of acquiring land,  
747 property and/or rights-of-way in the county in which a project as  
748 defined in Section 57-75-5(f)(iv)1 is located, that are necessary  
749 for such project or any facility related to the project.

750 (f) To acquire by purchase or lease any public lands  
751 and public property, including sixteenth section lands and lieu  
752 lands, within the project area, which are necessary for the  
753 project. Sixteenth section lands or lieu lands acquired under  
754 this act shall be deemed to be acquired for the purposes of  
755 industrial development thereon and such acquisition will serve a  
756 higher public interest in accordance with the purposes of this  
757 act.

758           (g) If the authority identifies any land owned by the  
759 state as being necessary, for the location or use of the project,  
760 or any facility related to the project, to recommend to the  
761 Legislature the conveyance of such land or any interest therein,  
762 as the Legislature deems appropriate.

763           (h) To make or cause to be made such examinations and  
764 surveys as may be necessary to the planning, design, construction  
765 and operation of the project.

766           (i) From and after the date of notification to the  
767 authority by the enterprise that the state has been finally  
768 selected as the site of the project, to acquire by condemnation  
769 and to own, maintain, use, operate and convey or otherwise dispose  
770 of any and all property of any kind, real, personal or mixed, or  
771 any interest or estate therein, within the project area, necessary  
772 for the project or any facility related to the project, with the  
773 concurrence of the affected public agency, and the exercise of the  
774 powers granted by this act, according to the procedures provided  
775 by Chapter 27, Title 11, Mississippi Code of 1972, except as  
776 modified by this act.

777           (i) Except as otherwise provided in subparagraph  
778 (iii) of this paragraph (i), in acquiring lands by condemnation,  
779 the authority shall not acquire minerals or royalties in minerals  
780 unless a competent registered professional engineer shall have  
781 certified that the acquisition of such minerals and royalties in  
782 minerals is necessary for purposes of the project; provided that  
783 limestone, clay, chalk, sand and gravel shall not be considered as  
784 minerals for the purposes of subparagraphs (i) and (ii) of this  
785 paragraph (i); \* \* \*

786                   (ii) Unless minerals or royalties in minerals have  
787 been acquired by condemnation or otherwise, no person or persons  
788 owning the drilling rights or the right to share in production of  
789 minerals shall be prevented from exploring, developing, or  
790 producing oil or gas with necessary rights-of-way for ingress and  
791 egress, pipelines and other means of transporting interests on any  
792 land or interest therein of the authority held or used for the  
793 purposes of this act; but any such activities shall be under such  
794 reasonable regulation by the authority as will adequately protect  
795 the project contemplated by this act as provided in paragraph (r)  
796 of this section; and

797                   (iii) In acquiring lands by condemnation,  
798 including the exercise of immediate possession, for a project, as  
799 defined in Section 57-75-5(f)(iv)1, the authority may acquire  
800 minerals or royalties in minerals.

801                   (j) To negotiate the necessary relocation or rerouting  
802 of roads and highways, railroad, telephone and telegraph lines and  
803 properties, electric power lines, pipelines and related  
804 facilities, or to require the anchoring or other protection of any  
805 of these, provided due compensation is paid to the owners thereof  
806 or agreement is had with such owners regarding the payment of the  
807 cost of such relocation, and to acquire by condemnation or  
808 otherwise easements or rights-of-way for such relocation or  
809 rerouting and to convey the same to the owners of the facilities  
810 being relocated or rerouted in connection with the purposes of  
811 this act.

812                   (k) To negotiate the necessary relocation of graves and  
813 cemeteries and to pay all reasonable costs thereof.

814           (1) To perform or have performed any and all acts and  
815 make all payments necessary to comply with all applicable federal  
816 laws, rules or regulations including, but not limited to, the  
817 Uniform Relocation Assistance and Real Property Acquisition  
818 Policies Act of 1970 (42 USCS 4601, 4602, 4621 to 4638, and 4651  
819 to 4655) and relocation rules and regulations promulgated by any  
820 agency or department of the federal government.

821           (m) To construct, extend, improve, maintain, and  
822 reconstruct, to cause to be constructed, extended, improved,  
823 maintained, and reconstructed, and to use and operate any and all  
824 components of the project or any facility related to the project,  
825 with the concurrence of the affected public agency, within the  
826 project area, necessary to the project and to the exercise of such  
827 powers, rights, and privileges granted the authority.

828           (n) To incur or defray any designated portion of the  
829 cost of any component of the project or any facility related to  
830 the project acquired or constructed by any public agency.

831           (o) To lease, sell or convey any or all property  
832 acquired by the authority under the provisions of this act to the  
833 enterprise, its successors or assigns, and in connection therewith  
834 to pay the costs of title search, perfection of title, title  
835 insurance and recording fees as may be required. The authority  
836 may provide in the instrument conveying such property a provision  
837 that such property shall revert to the authority if, as and when  
838 the property is declared by the enterprise to be no longer needed.

839           (p) To enter into contracts with any person or public  
840 agency including, but not limited to, contracts authorized by  
841 Section 57-75-17, in furtherance of any of the purposes authorized

842 by this act upon such consideration as the authority and such  
843 person or public agency may agree. Any such contract may extend  
844 over any period of time, notwithstanding any rule of law to the  
845 contrary, may be upon such terms as the parties thereto shall  
846 agree, and may provide that it shall continue in effect until  
847 bonds specified therein, refunding bonds issued in lieu of such  
848 bonds, and all other obligations specified therein are paid or  
849 terminated. Any such contract shall be binding upon the parties  
850 thereto according to its terms. Such contracts may include an  
851 agreement to reimburse the enterprise, its successors and assigns  
852 for any assistance provided by the enterprise in the acquisition  
853 of real property for the project or any facility related to the  
854 project.

855 (q) To establish and maintain reasonable rates and  
856 charges for the use of any facility within the project area owned  
857 or operated by the authority, and from time to time to adjust such  
858 rates and to impose penalties for failure to pay such rates and  
859 charges when due.

860 (r) To adopt and enforce with the concurrence of the  
861 affected public agency all necessary and reasonable rules and  
862 regulations to carry out and effectuate the implementation of the  
863 project and any land use plan or zoning classification adopted for  
864 the project area, including, but not limited to, rules,  
865 regulations, and restrictions concerning mining, construction,  
866 excavation or any other activity the occurrence of which may  
867 endanger the structure or operation of the project. Such rules  
868 may be enforced within the project area and without the project  
869 area as necessary to protect the structure and operation of the

870 project. The authority is authorized to plan or replan, zone or  
871 rezone, and make exceptions to any regulations, whether local or  
872 state, with the concurrence of the affected public agency which  
873 are inconsistent with the design, planning, construction or  
874 operation of the project and facilities related to the project.

875 (s) To plan, design, coordinate and implement measures  
876 and programs to mitigate impacts on the natural environment caused  
877 by the project or any facility related to the project.

878 (t) To develop plans for technology transfer activities  
879 to ensure private sector conduits for exchange of information,  
880 technology and expertise related to the project to generate  
881 opportunities for commercial development within the state.

882 (u) To consult with the State Department of Education  
883 and other public agencies for the purpose of improving public  
884 schools and curricula within the project area.

885 (v) To consult with the State Board of Health and other  
886 public agencies for the purpose of improving medical centers,  
887 hospitals and public health centers in order to provide  
888 appropriate health care facilities within the project area.

889 (w) To consult with the Office of Minority Business  
890 Enterprise Development and other public agencies for the purpose  
891 of developing plans for technical assistance and loan programs to  
892 maximize the economic impact related to the project for minority  
893 business enterprises within the State of Mississippi.

894 (x) To deposit into the "Yellow Creek Project Area  
895 Fund" created pursuant to Section 57-75-31:

896 (i) Any funds or aid received as authorized in  
897 this section for the project described in Section 57-75-5(f)(vi),

898 and

899 (ii) Any funds received from the sale or lease of  
900 property from the project described in Section 57-75-5(f)(vi)  
901 pursuant to the powers exercised under this section.

902 (y) To manage and develop the project described in  
903 Section 57-75-5(f)(vi).

904 (z) To promulgate rules and regulations necessary to  
905 effectuate the purposes of this act.

906 (aa) To negotiate a fee-in-lieu with the owners of the  
907 project.

908 (bb) To enter into contractual agreements to warrant  
909 any site work for a project defined in Section 57-75-5(f)(iv)1;  
910 provided, however, that the amount of any such warranty shall not  
911 exceed Ten Million Dollars (\$10,000,000.00).

912 (cc) To provide grant funds to an enterprise operating  
913 a project defined in Section 57-75-5(f)(iv)1 in an amount not to  
914 exceed Seventeen Million Dollars (\$17,000,000.00).

915 SECTION 9. Section 57-75-15, Mississippi Code of 1972, is  
916 amended as follows:[CR4]

917 57-75-15. (1) Upon notification to the authority by the  
918 enterprise that the state has been finally selected as the site  
919 for the project, the State Bond Commission shall have the power  
920 and is hereby authorized and directed, upon receipt of a  
921 declaration from the authority as hereinafter provided, to borrow  
922 money and issue general obligation bonds of the state in one or  
923 more series for the purposes herein set out. Upon such  
924 notification, the authority may thereafter from time to time  
925 declare the necessity for the issuance of general obligation bonds

926 as authorized by this section and forward such declaration to the  
927 State Bond Commission, provided that before such notification, the  
928 authority may enter into agreements with the United States  
929 government, private companies and others that will commit the  
930 authority to direct the State Bond Commission to issue bonds for  
931 eligible undertakings set out in subsection (4) of this section,  
932 conditioned on the siting of the project in the state.

933 (2) Upon receipt of any such declaration from the authority,  
934 the State Bond Commission shall verify that the state has been  
935 selected as the site of the project and shall act as the issuing  
936 agent for the series of bonds directed to be issued in such  
937 declaration pursuant to authority granted in this section.

938 (3) (a) Bonds issued under the authority of this section  
939 for projects as defined in Section 57-75-5(f)(i) shall not exceed  
940 an aggregate principal amount in the sum of Sixty-four Million Two  
941 Hundred Fifty Thousand Dollars (\$64,250,000.00).

942 (b) Bonds issued under the authority of this section  
943 for projects as defined in Section 57-75-5(f)(ii) shall not exceed  
944 Fifty Million Dollars (\$50,000,000.00), nor shall the bonds issued  
945 for projects related to any single military installation exceed  
946 Sixteen Million Six Hundred Sixty-seven Thousand Dollars  
947 (\$16,667,000.00). If any proceeds of bonds issued for projects  
948 related to the Meridian Naval Auxiliary Air Station ("NAAS") are  
949 used for the development of a water and sewer service system by  
950 the City of Meridian, Mississippi, to serve the NAAS and if the  
951 City of Meridian annexes any of the territory served by the water  
952 and sewer service system, the city shall repay the State of  
953 Mississippi the amount of all bond proceeds expended on any



954 portion of the water and sewer service system project; and if  
955 there are any monetary proceeds derived from the disposition of  
956 any improvements located on real property in Kemper County  
957 purchased pursuant to this act for projects related to the NAAS  
958 and if there are any monetary proceeds derived from the  
959 disposition of any timber located on real property in Kemper  
960 County purchased pursuant to this act for projects related to the  
961 NAAS, all of such proceeds (both from the disposition of  
962 improvements and the disposition of timber) commencing July 1,  
963 1996, through June 30, 2010, shall be paid to the Board of  
964 Education of Kemper County, Mississippi, for expenditure by such  
965 board of education to benefit the public schools of Kemper County.

966 No bonds shall be issued under this paragraph (b) until the State  
967 Bond Commission by resolution adopts a finding that the issuance  
968 of such bonds will improve, expand or otherwise enhance the  
969 military installation, its support areas or military operations,  
970 or will provide employment opportunities to replace those lost by  
971 closure or reductions in operations at the military installation.

972 From and after July 1, 1997, bonds shall not be issued for any  
973 projects, as defined in Section 57-75-5(f)(ii), which are not  
974 commenced before July 1, 1997. The proceeds of any bonds issued  
975 for projects commenced before July 1, 1997, shall be used for the  
976 purposes for which the bonds were issued until completion of the  
977 projects.

978 (c) Bonds issued under the authority of this section  
979 for projects as defined in Section 57-75-5(f)(iii) shall not  
980 exceed Ten Million Dollars (\$10,000,000.00). No bonds shall be  
981 issued under this paragraph after December 31, 1996.

982 (d) Bonds issued under the authority of this section  
983 for projects defined in Section 57-75-5(f)(iv) shall not exceed  
984 Two Hundred Ninety-five Million Dollars (\$295,000,000.00). No  
985 bonds shall be issued under this paragraph after June 30, 2003.

986 (e) Bonds issued under the authority of this section  
987 for the project defined in Section 57-75-5(f)(v) shall not exceed  
988 Twenty Million Three Hundred Seventy Thousand Dollars  
989 (\$20,370,000.00). No bonds shall be issued under this paragraph  
990 (e) until the State Bond Commission by resolution adopts a finding  
991 that the project has secured wire harness contracts or contracts  
992 to manufacture thin film polymer lithium-ion rechargeable  
993 batteries, or any combination of such contracts, in the aggregate  
994 amount of Twenty Million Dollars (\$20,000,000.00), either from the  
995 United States government or the private sector. No bonds shall be  
996 issued under this paragraph after June 30, 2001.

997 (f) Bonds issued under the authority of this section  
998 for projects defined in Section 57-75-5(f)(vii) shall not exceed  
999 Twenty-six Million Dollars (\$26,000,000.00). No bonds shall be  
1000 issued after June 30, 2001.

1001 (4) The proceeds from the sale of the bonds issued under  
1002 this section may be applied for the purposes of: (a) defraying  
1003 all or any designated portion of the costs incurred with respect  
1004 to acquisition, planning, design, construction, installation,  
1005 rehabilitation, improvement, relocation and with respect to  
1006 state-owned property, operation and maintenance of the project and  
1007 any facility related to the project located within the project  
1008 area, including costs of design and engineering, all costs  
1009 incurred to provide land, easements and rights-of-way, relocation

1010 costs with respect to the project and with respect to any facility  
1011 related to the project located within the project area, and costs  
1012 associated with mitigation of environmental impacts and  
1013 environmental impact studies; (b) defraying the cost of providing  
1014 for the recruitment, screening, selection, training or retraining  
1015 of employees, candidates for employment or replacement employees  
1016 of the project and any related activity; (c) reimbursing the  
1017 Mississippi Development Authority for expenses it incurred in  
1018 regard to projects defined in Section 57-75-5(f)(iv) prior to the  
1019 effective date of House Bill No. 1, 2000 Third Extraordinary  
1020 Session. The Mississippi Development Authority shall submit an  
1021 itemized list of expenses it incurred in regard to such projects  
1022 to the Chairmen of the Finance and Appropriations Committees of  
1023 the Senate and the Chairmen of the Ways and Means and  
1024 Appropriations Committees of the House of Representatives; (d)  
1025 providing grants to enterprises operating projects defined in  
1026 Section 57-75-5(f)(iv)1; (e) paying any warranty made by the  
1027 authority regarding site work for a project defined in Section  
1028 57-75-5(f)(iv)1; (f) defraying the cost of marketing and promotion  
1029 of a project as defined in Section 57-75-5(f)(iv)1. The authority  
1030 shall submit an itemized list of costs incurred for marketing and  
1031 promotion of such project to the Chairmen of the Finance and  
1032 Appropriations Committees of the Senate and the Chairmen of the  
1033 Ways and Means and Appropriations Committees of the House of  
1034 Representatives; (g) providing for the payment of interest on the  
1035 bonds; (h) providing debt service reserves; and (i) paying  
1036 underwriters' discount, original issue discount, accountants'  
1037 fees, engineers' fees, attorneys' fees, rating agency fees and

1038 other fees and expenses in connection with the issuance of the  
1039 bonds. Such bonds shall be issued from time to time and in such  
1040 principal amounts as shall be designated by the authority, not to  
1041 exceed in aggregate principal amounts the amount authorized in  
1042 subsection (3) of this section. Proceeds from the sale of the  
1043 bonds issued under this section may be invested, subject to  
1044 federal limitations, pending their use, in such securities as may  
1045 be specified in the resolution authorizing the issuance of the  
1046 bonds or the trust indenture securing them, and the earning on  
1047 such investment applied as provided in such resolution or trust  
1048 indenture.

1049 (5) The principal of and the interest on the bonds shall be  
1050 payable in the manner hereinafter set forth. The bonds shall bear  
1051 date or dates; be in such denomination or denominations; bear  
1052 interest at such rate or rates; be payable at such place or places  
1053 within or without the state; mature absolutely at such time or  
1054 times; be redeemable before maturity at such time or times and  
1055 upon such terms, with or without premium; bear such registration  
1056 privileges; and be substantially in such form; all as shall be  
1057 determined by resolution of the State Bond Commission except that  
1058 such bonds shall mature or otherwise be retired in annual  
1059 installments beginning not more than five (5) years from the date  
1060 thereof and extending not more than twenty-five (25) years from  
1061 the date thereof. The bonds shall be signed by the Chairman of  
1062 the State Bond Commission, or by his facsimile signature, and the  
1063 official seal of the State Bond Commission shall be imprinted on  
1064 or affixed thereto, attested by the manual or facsimile signature  
1065 of the Secretary of the State Bond Commission. Whenever any such

1066 bonds have been signed by the officials herein designated to sign  
1067 the bonds, who were in office at the time of such signing but who  
1068 may have ceased to be such officers before the sale and delivery  
1069 of such bonds, or who may not have been in office on the date such  
1070 bonds may bear, the signatures of such officers upon such bonds  
1071 shall nevertheless be valid and sufficient for all purposes and  
1072 have the same effect as if the person so officially signing such  
1073 bonds had remained in office until the delivery of the same to the  
1074 purchaser, or had been in office on the date such bonds may bear.

1075       (6) All bonds issued under the provisions of this section  
1076 shall be and are hereby declared to have all the qualities and  
1077 incidents of negotiable instruments under the provisions of the  
1078 Uniform Commercial Code and in exercising the powers granted by  
1079 this chapter, the State Bond Commission shall not be required to  
1080 and need not comply with the provisions of the Uniform Commercial  
1081 Code.

1082       (7) The State Bond Commission shall sell the bonds on sealed  
1083 bids at public sale, and for such price as it may determine to be  
1084 for the best interest of the State of Mississippi, but no such  
1085 sale shall be made at a price less than par plus accrued interest  
1086 to date of delivery of the bonds to the purchaser. The bonds  
1087 shall bear interest at such rate or rates not exceeding the limits  
1088 set forth in Section 75-17-101 as shall be fixed by the State Bond  
1089 Commission. All interest accruing on such bonds so issued shall  
1090 be payable semiannually or annually; provided that the first  
1091 interest payment may be for any period of not more than one (1)  
1092 year.

1093       Notice of the sale of any bonds shall be published at least

1094 one (1) time, the first of which shall be made not less than ten  
1095 (10) days prior to the date of sale, and shall be so published in  
1096 one or more newspapers having a general circulation in the City of  
1097 Jackson and in one or more other newspapers or financial journals  
1098 with a large national circulation, to be selected by the State  
1099 Bond Commission.

1100 The State Bond Commission, when issuing any bonds under the  
1101 authority of this section, may provide that the bonds, at the  
1102 option of the state, may be called in for payment and redemption  
1103 at the call price named therein and accrued interest on such date  
1104 or dates named therein.

1105 (8) State bonds issued under the provisions of this section  
1106 shall be the general obligations of the state and backed by the  
1107 full faith and credit of the state. The Legislature shall  
1108 appropriate annually an amount sufficient to pay the principal of  
1109 and the interest on such bonds as they become due. All bonds  
1110 shall contain recitals on their faces substantially covering the  
1111 foregoing provisions of this section.

1112 (9) The State Treasurer is authorized to certify to the  
1113 Department of Finance and Administration the necessity for  
1114 warrants, and the Department of Finance and Administration is  
1115 authorized and directed to issue such warrants payable out of any  
1116 funds appropriated by the Legislature under this section for such  
1117 purpose, in such amounts as may be necessary to pay when due the  
1118 principal of and interest on all bonds issued under the provisions  
1119 of this section. The State Treasurer shall forward the necessary  
1120 amount to the designated place or places of payment of such bonds  
1121 in ample time to discharge such bonds, or the interest thereon, on

1122 the due dates thereof.

1123       (10) The bonds may be issued without any other proceedings  
1124 or the happening of any other conditions or things other than  
1125 those proceedings, conditions and things which are specified or  
1126 required by this chapter. Any resolution providing for the  
1127 issuance of general obligation bonds under the provisions of this  
1128 section shall become effective immediately upon its adoption by  
1129 the State Bond Commission, and any such resolution may be adopted  
1130 at any regular or special meeting of the State Bond Commission by  
1131 a majority of its members.

1132       (11) In anticipation of the issuance of bonds hereunder, the  
1133 State Bond Commission is authorized to negotiate and enter into  
1134 any purchase, loan, credit or other agreement with any bank, trust  
1135 company or other lending institution or to issue and sell interim  
1136 notes for the purpose of making any payments authorized under this  
1137 section. All borrowings made under this provision shall be  
1138 evidenced by notes of the state which shall be issued from time to  
1139 time, for such amounts not exceeding the amount of bonds  
1140 authorized herein, in such form and in such denomination and  
1141 subject to such terms and conditions of sale and issuance,  
1142 prepayment or redemption and maturity, rate or rates of interest  
1143 not to exceed the maximum rate authorized herein for bonds, and  
1144 time of payment of interest as the State Bond Commission shall  
1145 agree to in such agreement. Such notes shall constitute general  
1146 obligations of the state and shall be backed by the full faith and  
1147 credit of the state. Such notes may also be issued for the  
1148 purpose of refunding previously issued notes; except that no notes  
1149 shall mature more than three (3) years following the date of

1150 issuance of the first note hereunder and provided further, that  
1151 all outstanding notes shall be retired from the proceeds of the  
1152 first issuance of bonds hereunder. The State Bond Commission is  
1153 authorized to provide for the compensation of any purchaser of the  
1154 notes by payment of a fixed fee or commission and for all other  
1155 costs and expenses of issuance and service, including paying agent  
1156 costs. Such costs and expenses may be paid from the proceeds of  
1157 the notes.

1158 (12) The bonds and interim notes authorized under the  
1159 authority of this section may be validated in the First Judicial  
1160 District of the Chancery Court of Hinds County, Mississippi, in  
1161 the manner and with the force and effect provided now or hereafter  
1162 by Chapter 13, Title 31, Mississippi Code of 1972, for the  
1163 validation of county, municipal, school district and other bonds.

1164 The necessary papers for such validation proceedings shall be  
1165 transmitted to the state bond attorney, and the required notice  
1166 shall be published in a newspaper published in the City of  
1167 Jackson, Mississippi.

1168 (13) Any bonds or interim notes issued under the provisions  
1169 of this chapter, a transaction relating to the sale or securing of  
1170 such bonds or interim notes, their transfer and the income  
1171 therefrom shall at all times be free from taxation by the state or  
1172 any local unit or political subdivision or other instrumentality  
1173 of the state, excepting inheritance and gift taxes.

1174 (14) All bonds issued under this chapter shall be legal  
1175 investments for trustees, other fiduciaries, savings banks, trust  
1176 companies and insurance companies organized under the laws of the  
1177 State of Mississippi; and such bonds shall be legal securities



1178 which may be deposited with and shall be received by all public  
1179 officers and bodies of the state and all municipalities and other  
1180 political subdivisions thereof for the purpose of securing the  
1181 deposit of public funds.

1182 (15) The Attorney General of the State of Mississippi shall  
1183 represent the State Bond Commission in issuing, selling and  
1184 validating bonds herein provided for, and the bond commission is  
1185 hereby authorized and empowered to expend from the proceeds  
1186 derived from the sale of the bonds authorized hereunder all  
1187 necessary administrative, legal and other expenses incidental and  
1188 related to the issuance of bonds authorized under this chapter.

1189 (16) There is hereby created a special fund in the State  
1190 Treasury to be known as the Mississippi Major Economic Impact  
1191 Authority Fund wherein shall be deposited the proceeds of the  
1192 bonds issued under this chapter and all monies received by the  
1193 authority to carry out the purposes of this chapter. Expenditures  
1194 authorized herein shall be paid by the State Treasurer upon  
1195 warrants drawn from the fund, and the Department of Finance and  
1196 Administration shall issue warrants upon requisitions signed by  
1197 the director of the authority.

1198 (17) (a) There is hereby created the Mississippi Economic  
1199 Impact Authority Sinking Fund from which the principal of and  
1200 interest on such bonds shall be paid by appropriation. All monies  
1201 paid into the sinking fund not appropriated to pay accruing bonds  
1202 and interest shall be invested by the State Treasurer in such  
1203 securities as are provided by law for the investment of the  
1204 sinking funds of the state.

1205 (b) In the event that all or any part of the bonds and

1206 notes are purchased, they shall be canceled and returned to the  
1207 loan and transfer agent as canceled and paid bonds and notes and  
1208 thereafter all payments of interest thereon shall cease and the  
1209 canceled bonds, notes and coupons, together with any other  
1210 canceled bonds, notes and coupons, shall be destroyed as promptly  
1211 as possible after cancellation but not later than two (2) years  
1212 after cancellation. A certificate evidencing the destruction of  
1213 the canceled bonds, notes and coupons shall be provided by the  
1214 loan and transfer agent to the seller.

1215 (c) The State Treasurer shall determine and report to  
1216 the Department of Finance and Administration and Legislative  
1217 Budget Office by September 1 of each year the amount of money  
1218 necessary for the payment of the principal of and interest on  
1219 outstanding obligations for the following fiscal year and the  
1220 times and amounts of the payments. It shall be the duty of the  
1221 Governor to include in every executive budget submitted to the  
1222 Legislature full information relating to the issuance of bonds and  
1223 notes under the provisions of this chapter and the status of the  
1224 sinking fund for the payment of the principal of and interest on  
1225 the bonds and notes.

1226 SECTION 10. Section 57-75-17, Mississippi Code of 1972, is  
1227 amended as follows:[CR5]

1228 57-75-17. For the purpose of aiding in the planning, design,  
1229 undertaking and carrying out of the project or any facility  
1230 related to the project, any public agency is authorized and  
1231 empowered upon such terms, with or without consideration, as it  
1232 may determine: (a) to enter into agreements, which may extend  
1233 over any period, with the authority respecting action to be taken

1234 by such public agency with respect to the acquisition, planning,  
1235 construction, improvement, operation, maintenance or funding of  
1236 the project or any such facility, and which agreements may include  
1237 (i) the appropriation or payment of funds to the authority or to a  
1238 trustee in amounts which shall be sufficient to enable the  
1239 authority to defray any designated portion or percentage of the  
1240 expenses of administering, planning, designing, constructing,  
1241 acquiring, improving, operating, and maintaining the project or  
1242 any facility related to the project, (ii) the appropriation or  
1243 payment of funds to the authority or to a trustee to pay interest  
1244 and principal (whether at maturity or upon sinking fund  
1245 redemption) on bonds of the authority issued pursuant to this act  
1246 and to fund reserves for debt service, for operation and  
1247 maintenance and for renewals and replacements, and to fulfill  
1248 requirements of any covenant with respect to debt service  
1249 contained in any resolution, trust indenture or other security  
1250 agreement relating to the bonds of the authority issued pursuant  
1251 to this act, and (iii) the furnishing of other assistance in  
1252 connection with the project or facility related to the project;  
1253 (b) to dedicate, sell, donate, convey or lease any property or  
1254 interest in property to the authority or grant easements, licenses  
1255 or other rights or privileges therein to the authority; (c) to  
1256 incur the expense of any public improvements made or to be made by  
1257 such public agency in exercising the powers granted in this  
1258 section; (d) to lend, grant or contribute funds to the authority;  
1259 (e) to cause public buildings and public facilities, including  
1260 parks, playgrounds, recreational areas, community meeting  
1261 facilities, water, sewer or drainage facilities, or any other

1262 works which it is otherwise empowered to undertake, to be  
1263 furnished to or with respect to the project or any such facility;  
1264 (f) to furnish, dedicate, close, vacate, pave, install, upgrade or  
1265 improve highways, streets, roads, sidewalks, airports, railroads,  
1266 or ports; (g) to plan or replan, zone or rezone any parcel of land  
1267 within the public agency or make exceptions from land use,  
1268 building and zoning regulations; and (h) to cause administrative  
1269 and other services to be furnished to the authority, including  
1270 services pertaining to the acquisition of real property and the  
1271 furnishing of relocation assistance. Any contract between a  
1272 public agency entered into with the authority pursuant to any of  
1273 the powers granted by this act shall be binding upon said public  
1274 agency according to its terms, and such public agency shall have  
1275 the power to enter into such contracts as in the discretion of the  
1276 governing authorities thereof would be to the best interest of the  
1277 people of such public agency. Such contracts may include within  
1278 the discretion of such governing authorities of public agencies  
1279 defined under Section 57-75-5(h)(ii) a pledge of the full faith  
1280 and credit of such public agency for the performance thereof. If  
1281 at any time title to or possession of the project or any such  
1282 facility is held by any public body or governmental agency other  
1283 than the authority, including any agency or instrumentality of the  
1284 United States of America, the agreements referred to in this  
1285 section shall inure to the benefit of and may be enforced by such  
1286 public body or governmental agency.

1287 Notwithstanding any provisions of this act to the contrary,  
1288 any contract entered into between the authority and any public  
1289 agency for the appropriation or payment of funds to the authority

1290 under item (a)(ii) of this section shall contain a provision  
1291 therein requiring monthly payments by the public agency to pay its  
1292 indebtedness and, if the public agency is not a county or  
1293 municipality, such contract shall include as an additional party  
1294 to the contract the county or municipality (referred to in this  
1295 paragraph as "levying authority") that levies and collects taxes  
1296 for the contracting public agency. If the public agency fails to  
1297 pay its indebtedness for any month, the authority shall certify to  
1298 the State Tax Commission, or other appropriate agency, the amount  
1299 of the delinquency, and the State Tax Commission shall deduct such  
1300 amount from the public agency's or levying authority's, as the  
1301 case may be, next allocation of sales taxes, petroleum taxes,  
1302 highway privilege taxes, severance taxes, Tennessee Valley  
1303 Authority payments in lieu of taxes and homestead exemption  
1304 reimbursements in that order of priority. The State Tax  
1305 Commission, or other appropriate agency, shall pay the sums so  
1306 deducted to the authority to be applied to the discharge of the  
1307 contractual obligation.

1308 Any public agency providing any utility service or services,  
1309 to any project defined in Section 57-75-5(f)(iv)1 may enter into  
1310 leases or subleases for any period of time not to exceed thirty  
1311 (30) years, in the capacity as lessor or lessee or sublessor or  
1312 sublessee of lands alone, or lands and facilities located thereon,  
1313 whether the facilities are owned by the owner of the land, a  
1314 lessee, sublessee or a third party, and whether the public agency  
1315 is a lessor, lessee or owner of the land. Any such public agency  
1316 may also enter into operating agreements and/or lease-purchase  
1317 agreements with respect to land or utility facilities as owner,

1318 operator, lessor or lessee for any period of time not to exceed  
1319 thirty (30) years. Any such public agency may also enter into  
1320 contracts for the provision of utilities for any period of time  
1321 not to exceed thirty (30) years and may set a special rate  
1322 structure for such utilities.

1323 SECTION 11. Section 11-27-81, Mississippi Code of 1972, is  
1324 amended as follows:[MS6]

1325 11-27-81. The right of immediate possession pursuant to  
1326 Sections 11-27-81 through 11-27-89, Mississippi Code of 1972, may  
1327 be exercised only:

1328 (a) By the State Highway Commission for the acquisition  
1329 of highway rights-of-way only;

1330 (b) By any county or municipality for the purpose of  
1331 acquiring rights-of-way to connect existing roads and streets to  
1332 highways constructed or to be constructed by the State Highway  
1333 Commission;

1334 (c) By any county or municipality for the purpose of  
1335 acquiring rights-of-way for widening existing roads and streets of  
1336 such county or municipality; provided, however, that said  
1337 rights-of-way shall not displace a property owner from his  
1338 dwelling or place of business;

1339 (d) By the boards of supervisors of any county of this  
1340 state for the acquisition of highway or road rights-of-way in  
1341 connection with a state-aid project designated and approved in  
1342 accordance with Sections 65-9-1 through 65-9-31, Mississippi Code  
1343 of 1972;

1344 (e) By the Mississippi Wayport Authority for the  
1345 purposes of acquiring land and easements for the Southeastern

1346 United States Wayport Project as authorized by Sections 61-4-1  
1347 through 61-4-13, Mississippi Code of 1972;

1348 (f) By any county or municipality for the purpose of  
1349 acquiring rights-of-way for water, sewer, drainage and other  
1350 public utility purposes; provided, however, that such acquisition  
1351 shall not displace a property owner from his dwelling or place of  
1352 business; \* \* \*

1353 (g) By any county authorized to exercise the power of  
1354 eminent domain under Section 19-7-41 for the purpose of acquiring  
1355 land for construction of a federal correctional facility or other  
1356 federal penal institution; or

1357 (h) By the Mississippi Major Economic Impact Authority  
1358 for the purpose of acquiring land, property and rights-of-way for  
1359 a project as defined in Section 57-75-5(f)(iv)1 or any facility  
1360 related to the project as provided in Section 57-75-11(e)(ii).

1361 SECTION 12. Section 11-27-85, Mississippi Code of 1972, is  
1362 amended as follows:[CR7]

1363 11-27-85. (1) Upon the filing of the report of the  
1364 appraiser, the clerk shall within three (3) days mail notice to  
1365 the parties and the court that the report has been filed. The  
1366 court shall review the report of the appraiser and shall, after  
1367 not less than five (5) days' notice thereof to the defendants,  
1368 enter an order granting to the plaintiff title to the property,  
1369 less and except all oil, gas and other minerals which may be  
1370 produced through a well bore, and the right to immediate entry  
1371 unless, for other cause shown or for uncertainty concerning the  
1372 immediate public need for such property pursuant to Section  
1373 11-27-83, the judge shall determine that such passing of title,

1374 and right of entry should be denied. However, no person lawfully  
1375 occupying real property shall be required to move from a dwelling  
1376 or to move his business or farm operation without at least ninety  
1377 (90) days' written notice prior to the date by which such move is  
1378 required.

1379 (2) Upon entry of said order, the plaintiff may deposit not  
1380 less than eighty-five percent (85%) of the amount of the  
1381 compensation and damages as determined by the appraiser with the  
1382 clerk of the court, and upon so doing, the plaintiff shall be  
1383 granted title to the property, less and except all oil, gas and  
1384 other minerals which may be produced through a well bore, and  
1385 shall have the right to immediate entry to said property. The  
1386 defendant, or defendants, shall be entitled to receive the amount  
1387 so paid to the clerk of the court, which shall be disbursed as  
1388 their interest may appear, pursuant to order of the court.

1389 (3) Notwithstanding any provisions of subsections (1) and  
1390 (2) of this section to the contrary, title and immediate  
1391 possession to real property, including oil, gas and other mineral  
1392 interests, may be granted under this section to (a) any county  
1393 authorized to exercise the power of eminent domain under Section  
1394 19-7-41 for the purpose of acquiring land for construction of a  
1395 federal correctional facility or other federal penal institution,  
1396 and (b) the Mississippi Major Economic Impact Authority for the  
1397 purpose of acquiring land, property and rights-of-way for a  
1398 project as defined in Section 57-75-5(f)(iv)1 and any facility  
1399 related to such project.

1400 SECTION 13. Section 31-7-13, Mississippi Code of 1972, is  
1401 amended as follows:



1402           31-7-13. All agencies and governing authorities shall  
1403 purchase their commodities and printing; contract for garbage  
1404 collection or disposal; contract for solid waste collection or  
1405 disposal; contract for sewage collection or disposal; contract for  
1406 public construction; and contract for rentals as herein provided.

1407           (a) **Bidding procedure for purchases not over \$1,500.00.**

1408 Purchases which do not involve an expenditure of more than One  
1409 Thousand Five Hundred Dollars (\$1,500.00), exclusive of freight or  
1410 shipping charges, may be made without advertising or otherwise  
1411 requesting competitive bids. Provided, however, that nothing  
1412 contained in this paragraph (a) shall be construed to prohibit any  
1413 agency or governing authority from establishing procedures which  
1414 require competitive bids on purchases of One Thousand Five Hundred  
1415 Dollars (\$1,500.00) or less.

1416           (b) **Bidding procedure for purchases over \$1,500.00 but**

1417 **not over \$10,000.00.** Purchases which involve an expenditure of  
1418 more than One Thousand Five Hundred Dollars (\$1,500.00) but not  
1419 more than Ten Thousand Dollars (\$10,000.00), exclusive of freight  
1420 and shipping charges may be made from the lowest and best bidder  
1421 without publishing or posting advertisement for bids, provided at  
1422 least two (2) competitive written bids have been obtained. Any  
1423 governing authority purchasing commodities pursuant to this  
1424 paragraph (b) may authorize its purchasing agent, or his designee,  
1425 with regard to governing authorities other than counties, or its  
1426 purchase clerk, or his designee, with regard to counties, to  
1427 accept the lowest and best competitive written bid. Such  
1428 authorization shall be made in writing by the governing authority  
1429 and shall be maintained on file in the primary office of the

1430 agency and recorded in the official minutes of the governing  
1431 authority, as appropriate. The purchasing agent or the purchase  
1432 clerk, or their designee, as the case may be, and not the  
1433 governing authority, shall be liable for any penalties and/or  
1434 damages as may be imposed by law for any act or omission of the  
1435 purchasing agent or purchase clerk, or their designee,  
1436 constituting a violation of law in accepting any bid without  
1437 approval by the governing authority. The term "competitive  
1438 written bid" shall mean a bid submitted on a bid form furnished by  
1439 the buying agency or governing authority and signed by authorized  
1440 personnel representing the vendor, or a bid submitted on a  
1441 vendor's letterhead or identifiable bid form and signed by  
1442 authorized personnel representing the vendor. Bids may be  
1443 submitted by facsimile, electronic mail or other generally  
1444 accepted method of information distribution. Bids submitted by  
1445 electronic transmission shall not require the signature of the  
1446 vendor's representative unless required by agencies or governing  
1447 authorities.

1448 (c) **Bidding procedure for purchases over \$10,000.00.**

1449 (i) **Publication requirement.** Purchases which  
1450 involve an expenditure of more than Ten Thousand Dollars  
1451 (\$10,000.00), exclusive of freight and shipping charges may be  
1452 made from the lowest and best bidder after advertising for  
1453 competitive sealed bids once each week for two (2) consecutive  
1454 weeks in a regular newspaper published in the county or  
1455 municipality in which such agency or governing authority is  
1456 located. The date as published for the bid opening shall not be  
1457 less than seven (7) working days after the last published notice;

1458 however, if the purchase involves a construction project in which  
1459 the estimated cost is in excess of Fifteen Thousand Dollars  
1460 (\$15,000.00), such bids shall not be opened in less than fifteen  
1461 (15) working days after the last notice is published and the  
1462 notice for the purchase of such construction shall be published  
1463 once each week for two (2) consecutive weeks. The notice of  
1464 intention to let contracts or purchase equipment shall state the  
1465 time and place at which bids shall be received, list the contracts  
1466 to be made or types of equipment or supplies to be purchased, and,  
1467 if all plans and/or specifications are not published, refer to the  
1468 plans and/or specifications on file. If there is no newspaper  
1469 published in the county or municipality, then such notice shall be  
1470 given by posting same at the courthouse, or for municipalities at  
1471 the city hall, and at two (2) other public places in the county or  
1472 municipality, and also by publication once each week for two (2)  
1473 consecutive weeks in some newspaper having a general circulation  
1474 in the county or municipality in the above provided manner. On  
1475 the same date that the notice is submitted to the newspaper for  
1476 publication, the agency or governing authority involved shall mail  
1477 written notice to, or provide electronic notification to the main  
1478 office of the Mississippi Contract Procurement Center that  
1479 contains the same information as that in the published notice.

1480 (ii) **Bidding process amendment procedure.** If all  
1481 plans and/or specifications are published in the notification,  
1482 then the plans and/or specifications may not be amended. If all  
1483 plans and/or specifications are not published in the notification,  
1484 then amendments to the plans/specifications, bid opening date, bid  
1485 opening time and place may be made, provided that the agency or

1486 governing authority maintains a list of all prospective bidders  
1487 who are known to have received a copy of the bid documents and all  
1488 such prospective bidders are sent copies of all amendments. This  
1489 notification of amendments may be made via mail, facsimile,  
1490 electronic mail or other generally accepted method of information  
1491 distribution. No addendum to bid specifications may be issued  
1492 within forty-eight (48) working hours of the time established for  
1493 the receipt of bids unless such addendum also amends the bid  
1494 opening to a date not less than five (5) working days after the  
1495 date of the addendum.

1496                   (iii) **Filing requirement.** In all cases involving  
1497 governing authorities, before the notice shall be published or  
1498 posted, the plans or specifications for the construction or  
1499 equipment being sought shall be filed with the clerk of the board  
1500 of the governing authority. In addition to these requirements, a  
1501 bid file shall be established which shall indicate those vendors  
1502 to whom such solicitations and specifications were issued, and  
1503 such file shall also contain such information as is pertinent to  
1504 the bid.

1505                   (iv) **Specification restrictions.** Specifications  
1506 pertinent to such bidding shall be written so as not to exclude  
1507 comparable equipment of domestic manufacture. Provided, however,  
1508 that should valid justification be presented, the Department of  
1509 Finance and Administration or the board of a governing authority  
1510 may approve a request for specific equipment necessary to perform  
1511 a specific job. Further, such justification, when placed on the  
1512 minutes of the board of a governing authority, may serve as  
1513 authority for that governing authority to write specifications to

1514 require a specific item of equipment needed to perform a specific  
1515 job. In addition to these requirements, from and after July 1,  
1516 1990, vendors of relocatable classrooms and the specifications for  
1517 the purchase of such relocatable classrooms published by local  
1518 school boards shall meet all pertinent regulations of the State  
1519 Board of Education, including prior approval of such bid by the  
1520 State Department of Education.

1521 (d) **Lowest and best bid decision procedure.**

1522 (i) **Decision procedure.** Purchases may be made  
1523 from the lowest and best bidder. In determining the lowest and  
1524 best bid, freight and shipping charges shall be included.  
1525 Life-cycle costing, total cost bids, warranties, guaranteed  
1526 buy-back provisions and other relevant provisions may be included  
1527 in the best bid calculation. All best bid procedures for state  
1528 agencies must be in compliance with regulations established by the  
1529 Department of Finance and Administration. If any governing  
1530 authority accepts a bid other than the lowest bid actually  
1531 submitted, it shall place on its minutes detailed calculations and  
1532 narrative summary showing that the accepted bid was determined to  
1533 be the lowest and best bid, including the dollar amount of the  
1534 accepted bid and the dollar amount of the lowest bid. No agency  
1535 or governing authority shall accept a bid based on items not  
1536 included in the specifications.

1537 (ii) **Construction project negotiations authority.**

1538 If the lowest and best bid is not more than ten percent (10%)  
1539 above the amount of funds allocated for a public construction or  
1540 renovation project, then the agency or governing authority shall  
1541 be permitted to negotiate with the lowest bidder in order to enter

1542 into a contract for an amount not to exceed the funds allocated.

1543           (e) **Lease-purchase authorization.** For the purposes of  
1544 this section, the term "equipment" shall mean equipment, furniture  
1545 and, if applicable, associated software and other applicable  
1546 direct costs associated with the acquisition. Any lease-purchase  
1547 of equipment which an agency is not required to lease-purchase  
1548 under the master lease-purchase program pursuant to Section  
1549 31-7-10 and any lease-purchase of equipment which a governing  
1550 authority elects to lease-purchase may be acquired by a  
1551 lease-purchase agreement under this paragraph (e). Lease-purchase  
1552 financing may also be obtained from the vendor or from a  
1553 third-party source after having solicited and obtained at least  
1554 two (2) written competitive bids, as defined in paragraph (b) of  
1555 this section, for such financing without advertising for such  
1556 bids. Solicitation for the bids for financing may occur before or  
1557 after acceptance of bids for the purchase of such equipment or,  
1558 where no such bids for purchase are required, at any time before  
1559 the purchase thereof. No such lease-purchase agreement shall be  
1560 for an annual rate of interest which is greater than the overall  
1561 maximum interest rate to maturity on general obligation  
1562 indebtedness permitted under Section 75-17-101, and the term of  
1563 such lease-purchase agreement shall not exceed the useful life of  
1564 equipment covered thereby as determined according to the upper  
1565 limit of the asset depreciation range (ADR) guidelines for the  
1566 Class Life Asset Depreciation Range System established by the  
1567 Internal Revenue Service pursuant to the United States Internal  
1568 Revenue Code and regulations thereunder as in effect on December  
1569 31, 1980, or comparable depreciation guidelines with respect to

1570 any equipment not covered by ADR guidelines. Any lease-purchase  
1571 agreement entered into pursuant to this paragraph (e) may contain  
1572 any of the terms and conditions which a master lease-purchase  
1573 agreement may contain under the provisions of Section 31-7-10(5),  
1574 and shall contain an annual allocation dependency clause  
1575 substantially similar to that set forth in Section 31-7-10(8).  
1576 Each agency or governing authority entering into a lease-purchase  
1577 transaction pursuant to this paragraph (e) shall maintain with  
1578 respect to each such lease-purchase transaction the same  
1579 information as required to be maintained by the Department of  
1580 Finance and Administration pursuant to Section 31-7-10(13).  
1581 However, nothing contained in this section shall be construed to  
1582 permit agencies to acquire items of equipment with a total  
1583 acquisition cost in the aggregate of less than Ten Thousand  
1584 Dollars (\$10,000.00) by a single lease-purchase transaction. All  
1585 equipment, and the purchase thereof by any lessor, acquired by  
1586 lease-purchase under this paragraph and all lease-purchase  
1587 payments with respect thereto shall be exempt from all Mississippi  
1588 sales, use and ad valorem taxes. Interest paid on any  
1589 lease-purchase agreement under this section shall be exempt from  
1590 State of Mississippi income taxation.

1591 (f) **Alternate bid authorization.** When necessary to  
1592 ensure ready availability of commodities for public works and the  
1593 timely completion of public projects, no more than two (2)  
1594 alternate bids may be accepted by a governing authority for  
1595 commodities. No purchases may be made through use of such  
1596 alternate bids procedure unless the lowest and best bidder, for  
1597 reasons beyond his control, cannot deliver the commodities

1598 contained in his bid. In that event, purchases of such  
1599 commodities may be made from one (1) of the bidders whose bid was  
1600 accepted as an alternate.

1601           (g) **Construction contract change authorization.** In the  
1602 event a determination is made by an agency or governing authority  
1603 after a construction contract is let that changes or modifications  
1604 to the original contract are necessary or would better serve the  
1605 purpose of the agency or the governing authority, such agency or  
1606 governing authority may, in its discretion, order such changes  
1607 pertaining to the construction that are necessary under the  
1608 circumstances without the necessity of further public bids;  
1609 provided that such change shall be made in a commercially  
1610 reasonable manner and shall not be made to circumvent the public  
1611 purchasing statutes. In addition to any other authorized person,  
1612 the architect or engineer hired by an agency or governing  
1613 authority with respect to any public construction contract shall  
1614 have the authority, when granted by an agency or governing  
1615 authority, to authorize changes or modifications to the original  
1616 contract without the necessity of prior approval of the agency or  
1617 governing authority when any such change or modification is less  
1618 than one percent (1%) of the total contract amount. The agency or  
1619 governing authority may limit the number, manner or frequency of  
1620 such emergency changes or modifications.

1621           (h) **Petroleum purchase alternative.** In addition to  
1622 other methods of purchasing authorized in this chapter, when any  
1623 agency or governing authority shall have a need for gas, diesel  
1624 fuel, oils and/or other petroleum products in excess of the amount  
1625 set forth in paragraph (a) of this section, such agency or



1626 governing authority may purchase the commodity after having  
1627 solicited and obtained at least two (2) competitive written bids,  
1628 as defined in paragraph (b) of this section. If two (2)  
1629 competitive written bids are not obtained the entity shall comply  
1630 with the procedures set forth in paragraph (c) of this section.  
1631 In the event any agency or governing authority shall have  
1632 advertised for bids for the purchase of gas, diesel fuel, oils and  
1633 other petroleum products and coal and no acceptable bids can be  
1634 obtained, such agency or governing authority is authorized and  
1635 directed to enter into any negotiations necessary to secure the  
1636 lowest and best contract available for the purchase of such  
1637 commodities.

1638           (i) **Road construction petroleum products price**  
1639 **adjustment clause authorization.** Any agency or governing  
1640 authority authorized to enter into contracts for the construction,  
1641 maintenance, surfacing or repair of highways, roads or streets,  
1642 may include in its bid proposal and contract documents a price  
1643 adjustment clause with relation to the cost to the contractor,  
1644 including taxes, based upon an industry-wide cost index, of  
1645 petroleum products including asphalt used in the performance or  
1646 execution of the contract or in the production or manufacture of  
1647 materials for use in such performance. Such industry-wide index  
1648 shall be established and published monthly by the Mississippi  
1649 Department of Transportation with a copy thereof to be mailed,  
1650 upon request, to the clerks of the governing authority of each  
1651 municipality and the clerks of each board of supervisors  
1652 throughout the state. The price adjustment clause shall be based  
1653 on the cost of such petroleum products only and shall not include

1654 any additional profit or overhead as part of the adjustment. The  
1655 bid proposals or document contract shall contain the basis and  
1656 methods of adjusting unit prices for the change in the cost of  
1657 such petroleum products.

1658           (j) **State agency emergency purchase procedure.** If the  
1659 executive head of any agency of the state shall determine that an  
1660 emergency exists in regard to the purchase of any commodities or  
1661 repair contracts, so that the delay incident to giving opportunity  
1662 for competitive bidding would be detrimental to the interests of  
1663 the state, then the provisions herein for competitive bidding  
1664 shall not apply and the head of such agency shall be authorized to  
1665 make the purchase or repair. Total purchases so made shall only  
1666 be for the purpose of meeting needs created by the emergency  
1667 situation. In the event such executive head is responsible to an  
1668 agency board, at the meeting next following the emergency  
1669 purchase, documentation of the purchase, including a description  
1670 of the commodity purchased, the purchase price thereof and the  
1671 nature of the emergency shall be presented to the board and placed  
1672 on the minutes of the board of such agency. The head of such  
1673 agency shall, at the earliest possible date following such  
1674 emergency purchase, file with the Department of Finance and  
1675 Administration (i) a statement under oath certifying the  
1676 conditions and circumstances of the emergency, and (ii) a  
1677 certified copy of the appropriate minutes of the board of such  
1678 agency, if applicable.

1679           (k) **Governing authority emergency purchase procedure.**  
1680 If the governing authority, or the governing authority acting  
1681 through its designee, shall determine that an emergency exists in

1682 regard to the purchase of any commodities or repair contracts, so  
1683 that the delay incident to giving opportunity for competitive  
1684 bidding would be detrimental to the interest of the governing  
1685 authority, then the provisions herein for competitive bidding  
1686 shall not apply and any officer or agent of such governing  
1687 authority having general or special authority therefor in making  
1688 such purchase or repair shall approve the bill presented therefor,  
1689 and he shall certify in writing thereon from whom such purchase  
1690 was made, or with whom such a repair contract was made. At the  
1691 board meeting next following the emergency purchase or repair  
1692 contract, documentation of the purchase or repair contract,  
1693 including a description of the commodity purchased, the price  
1694 thereof and the nature of the emergency shall be presented to the  
1695 board and shall be placed on the minutes of the board of such  
1696 governing authority.

1697           (1) **Hospital purchase or lease authorization.** The  
1698 commissioners or board of trustees of any hospital owned or owned  
1699 and operated separately or jointly by one or more counties,  
1700 cities, towns, supervisors districts or election districts, or  
1701 combinations thereof, may contract with such lowest and best  
1702 bidder for the purchase or lease of any commodity under a contract  
1703 of purchase or lease-purchase agreement whose obligatory terms do  
1704 not exceed five (5) years. In addition to the authority granted  
1705 herein, the commissioners or board of trustees are authorized to  
1706 enter into contracts for the lease of equipment or services, or  
1707 both, which it considers necessary for the proper care of patients  
1708 if, in its opinion, it is not financially feasible to purchase the  
1709 necessary equipment or services. Any such contract for the lease

1710 of equipment or services executed by the commissioners or board  
1711 shall not exceed a maximum of five (5) years' duration and shall  
1712 include a cancellation clause based on unavailability of funds.  
1713 If such cancellation clause is exercised, there shall be no  
1714 further liability on the part of the lessee.

1715 (m) **Exceptions from bidding requirements.** Excepted  
1716 from bid requirements are:

1717 (i) **Purchasing agreements approved by department.**

1718 Purchasing agreements, contracts and maximum price regulations  
1719 executed or approved by the Department of Finance and  
1720 Administration.

1721 (ii) **Outside equipment repairs.** Repairs to  
1722 equipment, when such repairs are made by repair facilities in the  
1723 private sector; however, engines, transmissions, rear axles and/or  
1724 other such components shall not be included in this exemption when  
1725 replaced as a complete unit instead of being repaired and the need  
1726 for such total component replacement is known before disassembly  
1727 of the component; provided, however, that invoices identifying the  
1728 equipment, specific repairs made, parts identified by number and  
1729 name, supplies used in such repairs, and the number of hours of  
1730 labor and costs therefor shall be required for the payment for  
1731 such repairs.

1732 (iii) **In-house equipment repairs.** Purchases of  
1733 parts for repairs to equipment, when such repairs are made by  
1734 personnel of the agency or governing authority; however, entire  
1735 assemblies, such as engines or transmissions, shall not be  
1736 included in this exemption when the entire assembly is being  
1737 replaced instead of being repaired.

1738                   (iv) **Raw gravel or dirt.** Raw unprocessed deposits  
1739 of gravel or fill dirt which are to be removed and transported by  
1740 the purchaser.

1741                   (v) **Governmental equipment auctions.** Motor  
1742 vehicles or other equipment purchased from a federal or state  
1743 agency or a governing authority at a public auction held for the  
1744 purpose of disposing of such vehicles or other equipment. Any  
1745 purchase by a governing authority under the exemption authorized  
1746 by this paragraph (v) shall require advance authorization spread  
1747 upon the minutes of the governing authority to include the listing  
1748 of the item or items authorized to be purchased and the maximum  
1749 bid authorized to be paid for each item or items.

1750                   (vi) **Intergovernmental sales and transfers.**  
1751 Purchases, sales, transfers or trades by governing authorities or  
1752 state agencies when such purchases, sales, transfers or trades are  
1753 made by a private treaty agreement or through means of  
1754 negotiation, from any federal agency or authority, another  
1755 governing authority or state agency of the State of Mississippi,  
1756 or any state agency of another state. Nothing in this section  
1757 shall permit such purchases through public auction except as  
1758 provided for in paragraph (v) of this section. It is the intent  
1759 of this section to allow governmental entities to dispose of  
1760 and/or purchase commodities from other governmental entities at a  
1761 price that is agreed to by both parties. This shall allow for  
1762 purchases and/or sales at prices which may be determined to be  
1763 below the market value if the selling entity determines that the  
1764 sale at below market value is in the best interest of the  
1765 taxpayers of the state. Governing authorities shall place the

1766 terms of the agreement and any justification on the minutes, and  
1767 state agencies shall obtain approval from the Department of  
1768 Finance and Administration, prior to releasing or taking  
1769 possession of the commodities.

1770                   (vii) **Perishable supplies or food.** Perishable  
1771 supplies or foods purchased for use in connection with hospitals,  
1772 the school lunch programs, homemaking programs and for the feeding  
1773 of county or municipal prisoners.

1774                   (viii) **Single source items.** Noncompetitive items  
1775 available from one (1) source only. In connection with the  
1776 purchase of noncompetitive items only available from one (1)  
1777 source, a certification of the conditions and circumstances  
1778 requiring the purchase shall be filed by the agency with the  
1779 Department of Finance and Administration and by the governing  
1780 authority with the board of the governing authority. Upon receipt  
1781 of that certification the Department of Finance and Administration  
1782 or the board of the governing authority, as the case may be, may,  
1783 in writing, authorize the purchase, which authority shall be noted  
1784 on the minutes of the body at the next regular meeting thereafter.

1785 In those situations, a governing authority is not required to  
1786 obtain the approval of the Department of Finance and  
1787 Administration.

1788                   (ix) **Waste disposal facility construction**  
1789 **contracts.** Construction of incinerators and other facilities for  
1790 disposal of solid wastes in which products either generated  
1791 therein, such as steam, or recovered therefrom, such as materials  
1792 for recycling, are to be sold or otherwise disposed of; provided,  
1793 however, in constructing such facilities a governing authority or

1794 agency shall publicly issue requests for proposals, advertised for  
1795 in the same manner as provided herein for seeking bids for public  
1796 construction projects, concerning the design, construction,  
1797 ownership, operation and/or maintenance of such facilities,  
1798 wherein such requests for proposals when issued shall contain  
1799 terms and conditions relating to price, financial responsibility,  
1800 technology, environmental compatibility, legal responsibilities  
1801 and such other matters as are determined by the governing  
1802 authority or agency to be appropriate for inclusion; and after  
1803 responses to the request for proposals have been duly received,  
1804 the governing authority or agency may select the most qualified  
1805 proposal or proposals on the basis of price, technology and other  
1806 relevant factors and from such proposals, but not limited to the  
1807 terms thereof, negotiate and enter contracts with one or more of  
1808 the persons or firms submitting proposals.

1809                   (x) **Hospital group purchase contracts.** Supplies,  
1810 commodities and equipment purchased by hospitals through group  
1811 purchase programs pursuant to Section 31-7-38.

1812                   (xi) **Information technology products.** Purchases  
1813 of information technology products made by governing authorities  
1814 under the provisions of purchase schedules, or contracts executed  
1815 or approved by the Mississippi Department of Information  
1816 Technology Services and designated for use by governing  
1817 authorities.

1818                   (xii) **Energy efficiency services and equipment.**  
1819 Energy efficiency services and equipment acquired by school  
1820 districts, community and junior colleges, institutions of higher  
1821 learning and state agencies or other applicable governmental

1822 entities on a shared-savings, lease or lease-purchase basis  
1823 pursuant to Section 31-7-14.

1824 (xiii) **Municipal electrical utility system fuel.**

1825 Purchases of coal and/or natural gas by municipally-owned electric  
1826 power generating systems that have the capacity to use both coal  
1827 and natural gas for the generation of electric power.

1828 (xiv) **Library books and other reference materials.**

1829 Purchases by libraries or for libraries of books and periodicals;  
1830 processed film, video cassette tapes, filmstrips and slides;  
1831 recorded audio tapes, cassettes and diskettes; and any such items  
1832 as would be used for teaching, research or other information  
1833 distribution; however, equipment such as projectors, recorders,  
1834 audio or video equipment, and monitor televisions are not exempt  
1835 under this paragraph.

1836 (xv) **Unmarked vehicles.** Purchases of unmarked

1837 vehicles when such purchases are made in accordance with  
1838 purchasing regulations adopted by the Department of Finance and  
1839 Administration pursuant to Section 31-7-9(2).

1840 (xvi) **Election ballots.** Purchases of ballots  
1841 printed pursuant to Section 23-15-351.

1842 (xvii) **Multichannel interactive video systems.**

1843 From and after July 1, 1990, contracts by Mississippi Authority  
1844 for Educational Television with any private educational  
1845 institution or private nonprofit organization whose purposes are  
1846 educational in regard to the construction, purchase, lease or  
1847 lease-purchase of facilities and equipment and the employment of  
1848 personnel for providing multichannel interactive video systems  
1849 (ITSF) in the school districts of this state.



1850                   (xviii) **Purchases of prison industry products.**

1851 From and after January 1, 1991, purchases made by state agencies  
1852 or governing authorities involving any item that is manufactured,  
1853 processed, grown or produced from the state's prison industries.

1854                   (xix) **Undercover operations equipment.** Purchases  
1855 of surveillance equipment or any other high-tech equipment to be  
1856 used by law enforcement agents in undercover operations, provided  
1857 that any such purchase shall be in compliance with regulations  
1858 established by the Department of Finance and Administration.

1859                   (xx) **Junior college books for rent.** Purchases by  
1860 community or junior colleges of textbooks which are obtained for  
1861 the purpose of renting such books to students as part of a book  
1862 service system.

1863                   (xxi) **Certain school district purchases.**

1864 Purchases of commodities made by school districts from vendors  
1865 with which any levying authority of the school district, as  
1866 defined in Section 37-57-1, has contracted through competitive  
1867 bidding procedures for purchases of the same commodities.

1868                   (xxii) **Garbage, solid waste and sewage contracts.**

1869 Contracts for garbage collection or disposal, contracts for solid  
1870 waste collection or disposal and contracts for sewage collection  
1871 or disposal.

1872                   (xxiii) **Municipal water tank maintenance**

1873 **contracts.** Professional maintenance program contracts for the  
1874 repair or maintenance of municipal water tanks, which provide  
1875 professional services needed to maintain municipal water storage  
1876 tanks for a fixed annual fee for a duration of two (2) or more  
1877 years.

1878 (xxiv) **Purchases of Mississippi Industries for the**  
1879 **Blind products.** Purchases made by state agencies or governing  
1880 authorities involving any item that is manufactured, processed or  
1881 produced by the Mississippi Industries for the Blind.

1882 (xxv) **Purchases of state-adopted textbooks.**  
1883 Purchases of state-adopted textbooks by public school districts.

1884 (xxvi) **Certain purchases under the Mississippi**  
1885 **Major Economic Impact Act.** Contracts entered into pursuant to the  
1886 provisions of Section 57-75-9(2) and (3).

1887 (n) **Term contract authorization.** All contracts for the  
1888 purchase of:

1889 (i) All contracts for the purchase of commodities,  
1890 equipment and public construction (including, but not limited to,  
1891 repair and maintenance), may be let for periods of not more than  
1892 sixty (60) months in advance, subject to applicable statutory  
1893 provisions prohibiting the letting of contracts during specified  
1894 periods near the end of terms of office. Term contracts for a  
1895 period exceeding twenty-four (24) months shall also be subject to  
1896 ratification or cancellation by governing authority boards taking  
1897 office subsequent to the governing authority board entering the  
1898 contract.

1899 (ii) Bid proposals and contracts may include price  
1900 adjustment clauses with relation to the cost to the contractor  
1901 based upon a nationally published industry-wide or nationally  
1902 published and recognized cost index. The cost index used in a  
1903 price adjustment clause shall be determined by the Department of  
1904 Finance and Administration for the state agencies and by the  
1905 governing board for governing authorities. The bid proposal and

1906 contract documents utilizing a price adjustment clause shall  
1907 contain the basis and method of adjusting unit prices for the  
1908 change in the cost of such commodities, equipment and public  
1909 construction.

1910           (o) **Purchase law violation prohibition and vendor**  
1911 **penalty.** No contract or purchase as herein authorized shall be  
1912 made for the purpose of circumventing the provisions of this  
1913 section requiring competitive bids, nor shall it be lawful for any  
1914 person or concern to submit individual invoices for amounts within  
1915 those authorized for a contract or purchase where the actual value  
1916 of the contract or commodity purchased exceeds the authorized  
1917 amount and the invoices therefor are split so as to appear to be  
1918 authorized as purchases for which competitive bids are not  
1919 required. Submission of such invoices shall constitute a  
1920 misdemeanor punishable by a fine of not less than Five Hundred  
1921 Dollars (\$500.00) nor more than One Thousand Dollars (\$1,000.00),  
1922 or by imprisonment for thirty (30) days in the county jail, or  
1923 both such fine and imprisonment. In addition, the claim or claims  
1924 submitted shall be forfeited.

1925           (p) **Electrical utility petroleum-based equipment**  
1926 **purchase procedure.** When in response to a proper advertisement  
1927 therefor, no bid firm as to price is submitted to an electric  
1928 utility for power transformers, distribution transformers, power  
1929 breakers, reclosers or other articles containing a petroleum  
1930 product, the electric utility may accept the lowest and best bid  
1931 therefor although the price is not firm.

1932           (q) **Fuel management system bidding procedure.** Any  
1933 governing authority or agency of the state shall, before

1934 contracting for the services and products of a fuel management or  
1935 fuel access system, enter into negotiations with not fewer than  
1936 two (2) sellers of fuel management or fuel access systems for  
1937 competitive written bids to provide the services and products for  
1938 the systems. In the event that the governing authority or agency  
1939 cannot locate two (2) sellers of such systems or cannot obtain  
1940 bids from two (2) sellers of such systems, it shall show proof  
1941 that it made a diligent, good-faith effort to locate and negotiate  
1942 with two (2) sellers of such systems. Such proof shall include,  
1943 but not be limited to, publications of a request for proposals and  
1944 letters soliciting negotiations and bids. For purposes of this  
1945 paragraph (q), a fuel management or fuel access system is an  
1946 automated system of acquiring fuel for vehicles as well as  
1947 management reports detailing fuel use by vehicles and drivers, and  
1948 the term "competitive written bid" shall have the meaning as  
1949 defined in paragraph (b) of this section. Governing authorities  
1950 and agencies shall be exempt from this process when contracting  
1951 for the services and products of a fuel management or fuel access  
1952 systems under the terms of a state contract established by the  
1953 Office of Purchasing and Travel.

1954           (r) **Solid waste contract proposal procedure.** Before  
1955 entering into any contract for garbage collection or disposal,  
1956 contract for solid waste collection or disposal or contract for  
1957 sewage collection or disposal, which involves an expenditure of  
1958 more than Fifty Thousand Dollars (\$50,000.00), a governing  
1959 authority or agency shall issue publicly a request for proposals  
1960 concerning the specifications for such services which shall be  
1961 advertised for in the same manner as provided in this section for

1962 seeking bids for purchases which involve an expenditure of more  
1963 than Ten Thousand Dollars (\$10,000.00). Any request for proposals  
1964 when issued shall contain terms and conditions relating to price,  
1965 financial responsibility, technology, legal responsibilities and  
1966 other relevant factors as are determined by the governing  
1967 authority or agency to be appropriate for inclusion; all factors  
1968 determined relevant by the governing authority or agency or  
1969 required by this paragraph (r) shall be duly included in the  
1970 advertisement to elicit proposals. After responses to the request  
1971 for proposals have been duly received, the governing authority or  
1972 agency shall select the most qualified proposal or proposals on  
1973 the basis of price, technology and other relevant factors and from  
1974 such proposals, but not limited to the terms thereof, negotiate  
1975 and enter contracts with one or more of the persons or firms  
1976 submitting proposals. If the governing authority or agency deems  
1977 none of the proposals to be qualified or otherwise acceptable, the  
1978 request for proposals process may be reinitiated. Notwithstanding  
1979 any other provisions of this paragraph, where a county with at  
1980 least thirty-five thousand (35,000) nor more than forty thousand  
1981 (40,000) population, according to the 1990 federal decennial  
1982 census, owns or operates a solid waste landfill, the governing  
1983 authorities of any other county or municipality may contract with  
1984 the governing authorities of the county owning or operating the  
1985 landfill, pursuant to a resolution duly adopted and spread upon  
1986 the minutes of each governing authority involved, for garbage or  
1987 solid waste collection or disposal services through contract  
1988 negotiations.

1989 (s) **Minority set aside authorization.** Notwithstanding

1990 any provision of this section to the contrary, any agency or  
1991 governing authority, by order placed on its minutes, may, in its  
1992 discretion, set aside not more than twenty percent (20%) of its  
1993 anticipated annual expenditures for the purchase of commodities  
1994 from minority businesses; however, all such set-aside purchases  
1995 shall comply with all purchasing regulations promulgated by the  
1996 Department of Finance and Administration and shall be subject to  
1997 bid requirements under this section. Set-aside purchases for  
1998 which competitive bids are required shall be made from the lowest  
1999 and best minority business bidder. For the purposes of this  
2000 paragraph, the term "minority business" means a business which is  
2001 owned by a majority of persons who are United States citizens or  
2002 permanent resident aliens (as defined by the Immigration and  
2003 Naturalization Service) of the United States, and who are Asian,  
2004 Black, Hispanic or Native American, according to the following  
2005 definitions:

2006 (i) "Asian" means persons having origins in any of  
2007 the original people of the Far East, Southeast Asia, the Indian  
2008 subcontinent, or the Pacific Islands.

2009 (ii) "Black" means persons having origins in any  
2010 black racial group of Africa.

2011 (iii) "Hispanic" means persons of Spanish or  
2012 Portuguese culture with origins in Mexico, South or Central  
2013 America, or the Caribbean Islands, regardless of race.

2014 (iv) "Native American" means persons having  
2015 origins in any of the original people of North America, including  
2016 American Indians, Eskimos and Aleuts.

2017 (t) **Construction punch list restriction.** The

2018 architect, engineer or other representative designated by the  
2019 agency or governing authority that is contracting for public  
2020 construction or renovation may prepare and submit to the  
2021 contractor only one (1) preliminary punch list of items that do  
2022 not meet the contract requirements at the time of substantial  
2023 completion and one (1) final list immediately before final  
2024 completion and final payment.

2025 (u) **Purchase authorization clarification.** Nothing in  
2026 this section shall be construed as authorizing any purchase not  
2027 authorized by law.

2028 SECTION 14. Section 27-65-101, Mississippi Code of 1972, is  
2029 amended as follows:[JWB8]

2030 27-65-101. (1) The exemptions from the provisions of this  
2031 chapter which are of an industrial nature or which are more  
2032 properly classified as industrial exemptions than any other  
2033 exemption classification of this chapter shall be confined to  
2034 those persons or property exempted by this section or by the  
2035 provisions of the Constitution of the United States or the State  
2036 of Mississippi. No industrial exemption as now provided by any  
2037 other section except Section 57-3-33 shall be valid as against the  
2038 tax herein levied. Any subsequent industrial exemption from the  
2039 tax levied hereunder shall be provided by amendment to this  
2040 section. No exemption provided in this section shall apply to  
2041 taxes levied by Section 27-65-15 or 27-65-21.

2042 The tax levied by this chapter shall not apply to the  
2043 following:

2044 (a) Sales of boxes, crates, cartons, cans, bottles and  
2045 other packaging materials to manufacturers and wholesalers for use

2046 as containers or shipping materials to accompany goods sold by  
2047 said manufacturers or wholesalers where possession thereof will  
2048 pass to the customer at the time of sale of the goods contained  
2049 therein and sales to anyone of containers or shipping materials  
2050 for use in ships engaged in international commerce.

2051 (b) Sales of raw materials, catalysts, processing  
2052 chemicals, welding gases or other industrial processing gases  
2053 (except natural gas) to a manufacturer for use directly in  
2054 manufacturing or processing a product for sale or rental or  
2055 repairing or reconditioning vessels or barges of fifty (50) tons  
2056 load displacement and over. This exemption shall not apply to any  
2057 property used as fuel except to the extent that such fuel  
2058 comprises by-products which have no market value.

2059 (c) The gross proceeds of sales of dry docks, offshore  
2060 drilling equipment for use in oil exploitation or production,  
2061 vessels or barges of fifty (50) tons load displacement and over,  
2062 when sold by the manufacturer or builder thereof.

2063 (d) Sales to commercial fishermen of commercial fishing  
2064 boats of over five (5) tons load displacement and not more than  
2065 fifty (50) tons load displacement as registered with the United  
2066 States Coast Guard and licensed by the Mississippi Commission on  
2067 Marine Resources.

2068 (e) The gross income from repairs to vessels and barges  
2069 engaged in foreign trade or interstate transportation.

2070 (f) Sales of petroleum products to vessels or barges  
2071 for consumption in marine international commerce or interstate  
2072 transportation businesses.

2073 (g) Sales and rentals of rail rolling stock (and



2074 component parts thereof) for ultimate use in interstate commerce  
2075 and gross income from services with respect to manufacturing,  
2076 repairing, cleaning, altering, reconditioning or improving such  
2077 rail rolling stock (and component parts thereof).

2078 (h) Sales of raw materials, catalysts, processing  
2079 chemicals, welding gases or other industrial processing gases  
2080 (except natural gas) used or consumed directly in manufacturing,  
2081 repairing, cleaning, altering, reconditioning or improving such  
2082 rail rolling stock (and component parts thereof). This exemption  
2083 shall not apply to any property used as fuel.

2084 (i) Sales of machinery or tools or repair parts  
2085 therefor or replacements thereof, fuel or supplies used directly  
2086 in manufacturing, converting or repairing ships of three thousand  
2087 (3,000) tons load displacement and over, but not to include office  
2088 and plant supplies or other equipment not directly used on the  
2089 ship being built, converted or repaired.

2090 (j) Sales of tangible personal property to persons  
2091 operating ships in international commerce for use or consumption  
2092 on board such ships. This exemption shall be limited to cases in  
2093 which procedures satisfactory to the commissioner, ensuring  
2094 against use in this state other than on such ships, are  
2095 established.

2096 (k) Sales of materials used in the construction of a  
2097 building, or any addition or improvement thereon, and sales of any  
2098 machinery and equipment not later than three (3) months after the  
2099 completion of construction of the building, or any addition  
2100 thereon, to be used therein, to qualified businesses, as defined  
2101 in Section 57-51-5, which are located in a county or portion

2102 thereof designated as an enterprise zone pursuant to Sections  
2103 57-51-1 through 57-51-15.

2104 (l) Sales of materials used in the construction of a  
2105 building, or any addition or improvement thereon, and sales of any  
2106 machinery and equipment not later than three (3) months after the  
2107 completion of construction of the building, or any addition  
2108 thereon, to be used therein, to qualified businesses, as defined  
2109 in Section 57-54-5.

2110 (m) Income from storage and handling of perishable  
2111 goods by a public storage warehouse.

2112 (n) The value of natural gas lawfully injected into the  
2113 earth for cycling, repressuring or lifting of oil, or lawfully  
2114 vented or flared in connection with the production of oil;  
2115 however, if any gas so injected into the earth is sold for such  
2116 purposes, then the gas so sold shall not be exempt.

2117 (o) The gross collections from self-service commercial  
2118 laundering, drying, cleaning and pressing equipment.

2119 (p) Sales of materials used in the construction of a  
2120 building, or any addition or improvement thereon, and sales of any  
2121 machinery and equipment not later than three (3) months after the  
2122 completion of construction of the building, or any addition  
2123 thereon, to be used therein, to qualified companies, certified as  
2124 such by the Mississippi Development Authority under Section  
2125 57-53-1.

2126 (q) Sales of component materials used in the  
2127 construction of a building, or any addition or improvement  
2128 thereon, sales of machinery and equipment to be used therein, and  
2129 sales of manufacturing or processing machinery and equipment which

2130 is permanently attached to the ground or to a permanent foundation  
2131 and which is not by its nature intended to be housed within a  
2132 building structure, not later than three (3) months after the  
2133 initial start-up date, to permanent business enterprises engaging  
2134 in manufacturing or processing in Tier Three areas (as such term  
2135 is defined in Section 57-73-21), which businesses are certified by  
2136 the State Tax Commission as being eligible for the exemption  
2137 granted in this paragraph (q).

2138           (r) Sales of component materials used in the  
2139 construction of a building, or any addition or improvement  
2140 thereon, and sales of any machinery and equipment not later than  
2141 three (3) months after the completion of the building, addition or  
2142 improvement thereon, to be used therein, for any company  
2143 establishing or transferring its national or regional headquarters  
2144 from within or outside the State of Mississippi and creating a  
2145 minimum of thirty-five (35) jobs at the new headquarters in this  
2146 state. The Tax Commission shall establish criteria and prescribe  
2147 procedures to determine if a company qualifies as a national or  
2148 regional headquarters for the purpose of receiving the exemption  
2149 provided in this paragraph.

2150           (s) The gross proceeds from the sale of semitrailers,  
2151 trailers, boats, travel trailers, motorcycles and all-terrain  
2152 cycles if exported from this state within forty-eight (48) hours  
2153 and registered and first used in another state.

2154           (t) Gross income from the storage and handling of  
2155 natural gas in underground salt domes and in other underground  
2156 reservoirs, caverns, structures and formations suitable for such  
2157 storage.

2158           (u) Sales of machinery and equipment to nonprofit  
2159 organizations if the organization: (i) is tax-exempt pursuant to  
2160 Section 501(c)(4) of the Internal Revenue Code of 1986, as  
2161 amended; (ii) assists in the implementation of the national  
2162 contingency plan or area contingency plan, and which is created in  
2163 response to the requirements of Title IV, Subtitle B of the Oil  
2164 Pollution Act of 1990, P.L. 101-380; and (iii) engages primarily  
2165 in programs to contain, clean up and otherwise mitigate spills of  
2166 oil or other substances occurring in the United States coastal and  
2167 tidal waters. For purposes of this exemption, "machinery and  
2168 equipment" means any ocean-going vessels, barges, booms, skimmers  
2169 and other capital equipment used primarily in the operations of  
2170 nonprofit organizations referred to herein.

2171           (v) Sales of component materials and equipment to  
2172 approved business enterprises as provided under the Growth and  
2173 Prosperity Act.

2174           (w) From and after July 1, 2001, sales of pollution  
2175 control equipment to manufacturers or custom processors for  
2176 industrial use. For the purposes of this exemption, "pollution  
2177 control equipment" means equipment, devices, machinery or systems  
2178 used or acquired to prevent, control, monitor or reduce air, water  
2179 or groundwater pollution, or solid or hazardous waste as required  
2180 by federal or state law or regulation.

2181           (x) Sales or leases to a manufacturer of motor vehicles  
2182 operating a project that has been certified by the Mississippi  
2183 Major Economic Impact Authority as a project as defined in Section  
2184 57-75-5(f)(iv)1 of machinery and equipment; special tooling such  
2185 as dies, molds, jigs and similar items treated as special tooling

2186 for federal income tax purposes; or repair parts therefor or  
2187 replacements thereof; repair services thereon; fuel, supplies,  
2188 electricity, coal and natural gas used directly in the manufacture  
2189 of motor vehicles or motor vehicle parts or used to provide  
2190 climate control for manufacturing areas.

2191 (y) Sales or leases of component materials, machinery  
2192 and equipment used in the construction of a building, or any  
2193 addition or improvement thereon to an enterprise operating a  
2194 project that has been certified by the Mississippi Major Economic  
2195 Impact Authority as a project as defined in Section  
2196 57-75-5(f)(iv)1 and any other sales or leases required to  
2197 establish or operate such project.

2198 (2) Sales of component materials used in the construction of  
2199 a building, or any addition or improvement thereon, sales of  
2200 machinery and equipment to be used therein, and sales of  
2201 manufacturing or processing machinery and equipment which is  
2202 permanently attached to the ground or to a permanent foundation  
2203 and which is not by its nature intended to be housed within a  
2204 building structure, not later than three (3) months after the  
2205 initial start-up date, to permanent business enterprises engaging  
2206 in manufacturing or processing in Tier Two areas and Tier One  
2207 areas (as such areas are designated in accordance with Section  
2208 57-73-21), which businesses are certified by the State Tax  
2209 Commission as being eligible for the exemption granted in this  
2210 paragraph, shall be exempt from one-half (1/2) of the taxes  
2211 imposed on such transactions under this chapter.

2212 SECTION 15. Section 27-67-7, Mississippi Code of 1972, is  
2213 amended as follows:[CR9]

2214           27-67-7. The tax levied by this article shall not be  
2215 collected in the following instances:

2216           (a) On the use, storage or consumption of any tangible  
2217 personal property if the sale thereof has already been included in  
2218 the measure of this tax or the tax imposed by Section 27-65-24 or  
2219 Section 27-65-17, 27-65-19 or 27-65-25, or has already been  
2220 included in the measure of a sales tax imposed by another state in  
2221 which the property was sold or use tax imposed by some other state  
2222 in which the property was used. If the rate of sales or use tax  
2223 paid another state by the person using the property in Mississippi  
2224 is not equal to or greater than the rate imposed by this article,  
2225 then the user or purchaser shall apply the difference in these  
2226 rates to the purchase price or value of the property and pay to  
2227 the commissioner the amount of tax thus computed. Persons using  
2228 business property in this state which has been used by them in  
2229 other states shall be entitled to a credit for sales and/or use  
2230 tax paid to other states equal to the aggregate of all such state  
2231 rates multiplied by the value of the property at the time of  
2232 importation into this state. Persons using business property in  
2233 this state which was acquired from another person who used it in  
2234 other states shall be entitled to a credit equal to the applicable  
2235 rate in the state of last prior use multiplied by the value of the  
2236 property at the time of importation into this state. Provided,  
2237 however, that credit for use tax paid to another state shall not  
2238 apply on the purchase price of tangible personal property that has  
2239 been only stored or warehoused in the other state and the first  
2240 use of the property occurs in Mississippi. Provided, further,  
2241 that credit for sales or use tax paid to another state shall not

2242 apply on the purchase price or value of automobiles, trucks,  
2243 truck-tractors and semitrailers imported and first used in  
2244 Mississippi.

2245 Credit for sales or use tax paid to another state as provided  
2246 above shall be evidenced by an invoice clearly and correctly  
2247 showing the amount of such tax as a separate item, and no credit  
2248 shall be allowed otherwise.

2249 (b) On the use, storage or consumption of tangible  
2250 personal property to the extent that sales of similar property in  
2251 Mississippi are either excluded or specifically exempt from sales  
2252 tax or are taxed at the wholesale rate.

2253 This exemption shall be confined to the use of property the  
2254 sale of which is an itemized exemption in the Mississippi Sales  
2255 Tax Law, or to use by persons who are listed in said law as being  
2256 exempt from sales tax.

2257 (c) On the use, storage or consumption of tangible  
2258 personal property brought into this state by a nonresident for his  
2259 or her use or enjoyment while temporarily within the state, but  
2260 not including tangible personal property brought in for use in  
2261 connection with a business activity. This exemption shall not  
2262 apply to property which remains situated in this state for the  
2263 repeated use, storage or consumption by out-of-state visitors, or  
2264 which is acquired by visitors and first used in this state.

2265 (d) On the use of a motor vehicle for which a  
2266 registration is required by the motor vehicle law, when such motor  
2267 vehicle was purchased by a natural person for his personal or  
2268 family use while such person was a bona fide resident of another  
2269 state and who thereafter became a resident of this state, but not

2270 to include a motor vehicle which is transferred by the owner  
2271 thereof for commercial use or for use by another person within  
2272 this state.

2273 (e) On the use of personal and household effects by a  
2274 natural person acquired while such person was a bona fide resident  
2275 of another state, and who thereafter became a resident of this  
2276 state.

2277 (f) On the use or rental of motion picture film,  
2278 video-audio tapes and phonograph records for exhibition either by  
2279 a person paying Mississippi sales tax on gross income from  
2280 admissions for such exhibitions or by a person operating a  
2281 television or radio broadcasting station.

2282 (g) On any vehicle purchased in another state for use  
2283 outside of this state by a Mississippi citizen serving in the  
2284 Armed Forces and stationed in another state who elects to license  
2285 the vehicle in Mississippi.

2286 (h) On the cost or value and on the use, storage and  
2287 consumption of rail rolling stock and component parts thereof.

2288 (i) On the use, storage or consumption of literature,  
2289 video tapes and photographic slides used by religious institutions  
2290 for the propagation of their creeds or for carrying on their  
2291 customary nonprofit religious activities, and on the use of any  
2292 tangible personal property purchased and first used in another  
2293 state by religious institutions for the propagation of their  
2294 creeds or for carrying on their customary nonprofit religious  
2295 activities. "Religious institution," for the purpose of this  
2296 exemption, means any religious institution granted an exemption  
2297 under 26 USCS Section 501(c)(3). Any exemption under this



2298 paragraph obtained by fraud, misstatement or misrepresentation,  
2299 shall be cancelled by the State Tax Commission, and the person  
2300 committing the fraud, misstatement or misrepresentation shall be  
2301 liable for prosecution for fraud on the assessment, and, on  
2302 conviction, shall be fined not less than One Thousand Dollars  
2303 (\$1,000.00), or punished by imprisonment in the State Penitentiary  
2304 for a term not to exceed five (5) years, or both, within the  
2305 discretion of the court.

2306 (j) The tax on the cost or value of farm machinery used  
2307 in the harvesting of agricultural products shall be limited to the  
2308 ratio of use within this state to the life of the property.

2309 (k) On the use, storage or consumption, between July 1,  
2310 1993, and June 30, 1994, of machinery and equipment to  
2311 corporations qualified as tax-exempt organizations under Section  
2312 501(c)(4) of the Internal Revenue Code and established in response  
2313 to the Federal Oil Pollution Act of 1990 to provide a private  
2314 capability to respond to major oil spills. For purposes of this  
2315 exemption, "machinery and equipment" means property with a useful  
2316 life of at least three (3) years which is used primarily in the  
2317 operations of the Marine Oil Spill Response Corporation and shall  
2318 include, without limitation, vessels, barges, booms and skimmers.  
2319 This paragraph shall stand repealed on July 1, 1995.

2320 (l) On the use of machinery and equipment; special  
2321 tooling such as dies, molds, jigs and similar items treated as  
2322 special tooling for federal income tax purposes; or repair parts  
2323 therefor or replacements thereof; or repair services thereon; by a  
2324 taxpayer other than the manufacturer when the manufacturer still  
2325 holds title to the items and the items are purchased by the

2326 manufacturer as a part of a project as defined in Section  
2327 57-75-5(f)(iv)1.

2328 (m) On the use, storage or consumption of utilities  
2329 purchased by a manufacturer described in Section 27-65-101(x).

2330 SECTION 16. Section 28, Chapter 1, Laws of 2000, Second  
2331 Extraordinary Session, is amended as follows:

2332 Section 28. (1) Except as otherwise provided in this  
2333 section, a qualified business or industry that meets the  
2334 qualifications specified in the Mississippi Advantage Jobs Act may  
2335 receive quarterly incentive payments for a period not to exceed  
2336 ten (10) years from the State Tax Commission pursuant to the  
2337 provisions of the Mississippi Advantage Jobs Act in an amount  
2338 which shall be equal to the net benefit rate multiplied by the  
2339 actual gross payroll of new direct jobs for a calendar quarter as  
2340 verified by the Mississippi Employment Security Commission, but  
2341 not to exceed the amount of money previously paid into the fund by  
2342 the employer. A qualified business or industry that is a project  
2343 as defined in Section 57-75-5(f)(iv)1 may elect the date upon  
2344 which the ten-year period will begin. Such date may not be later  
2345 than sixty (60) months after the date the business or industry  
2346 applied for incentive payments.

2347 (2) (a) A qualified business or industry that is a project  
2348 as defined in Section 57-75-5(f)(iv)1 may apply to the MDA to  
2349 receive incentive payments for an additional period not to exceed  
2350 five (5) years beyond the expiration date of the initial ten-year  
2351 period if:

2352 (i) The qualified business or industry creates at  
2353 least three thousand (3,000) new direct jobs within five (5) years

2354 after the date the business or industry commences commercial  
2355 production;

2356 (ii) Within five (5) years after the date the  
2357 business or industry commences commercial production, the average  
2358 annual wage of the jobs is at least one hundred fifty percent  
2359 (150%) of the most recently published state average annual wage or  
2360 the most recently published average annual wage of the county in  
2361 which the qualified business or industry is located as determined  
2362 by the Mississippi Employment Security Commission, whichever is  
2363 the lesser. The criteria for the average annual wage requirement  
2364 shall be based upon the state average annual wage or the average  
2365 annual wage of the county whichever is appropriate, at the time of  
2366 creation of the minimum number of jobs, and the threshold  
2367 established at that time will remain constant for the duration of  
2368 the additional period; and

2369 (iii) The qualified business or industry meets and  
2370 maintains the job and wage requirements of subparagraphs (i) and  
2371 (ii) of this paragraph (a) for four (4) consecutive calendar  
2372 quarters.

2373 (b) A qualified business or industry that is a project  
2374 as defined in Section 57-75-5(f)(iv)1 and qualified to receive  
2375 incentive payments for the additional period provided in paragraph  
2376 (a) of this subsection (2) may apply to the MDA to receive  
2377 incentive payments for an additional period not to exceed ten (10)  
2378 years beyond the expiration date of the additional period provided  
2379 in paragraph (a) of this subsection (2) if:

2380 (i) The qualified business or industry creates at  
2381 least four thousand (4,000) new direct jobs after qualifying for

2382 the additional incentive period provided in paragraph (a) of this  
2383 subsection (2) but before the expiration of the additional period.

2384 For purposes of determining whether the business or industry  
2385 meets the minimum jobs requirement of this subparagraph (i), the  
2386 number of jobs the business or industry created in order to meet  
2387 the minimum jobs requirement of paragraph (a) of this subsection  
2388 (2) shall be subtracted from the minimum jobs requirement of this  
2389 subparagraph (i);

2390 (ii) The average annual wage of the jobs is at  
2391 least one hundred fifty percent (150%) of the most recently  
2392 published state average annual wage or the most recently published  
2393 average annual wage of the county in which the qualified business  
2394 or industry is located as determined by the Mississippi Employment  
2395 Security Commission, whichever is the lesser. The criteria for  
2396 the average annual wage requirement shall be based upon the state  
2397 average annual wage or the average annual wage of the county  
2398 whichever is appropriate, at the time of creation of the minimum  
2399 number of jobs, and the threshold established at that time will  
2400 remain constant for the duration of the additional period; and

2401 (iii) The qualified business or industry meets and  
2402 maintains the job and wage requirements of subparagraphs (i) and  
2403 (ii) of this paragraph (b) for four (4) consecutive calendar  
2404 quarters.

2405 (3) In order to receive incentive payments, an establishment  
2406 shall apply to the MDA. The application shall be on a form  
2407 prescribed by the MDA and shall contain such information as may be  
2408 required by the MDA to determine if the applicant is qualified.

2409 (4) In order to qualify to receive such payments, the

2410 establishment applying shall be required to:

2411 (a) Be engaged in a qualified business or industry;

2412 (b) Provide an average salary, excluding benefits which  
2413 are not subject to Mississippi income taxes, of at least one  
2414 hundred twenty-five percent (125%) of the most recently published  
2415 state average annual wage or the most recently published average  
2416 annual wage of the county in which the qualified business or  
2417 industry is located as determined by the Mississippi Employment  
2418 Security Commission, whichever is the lesser. The criteria for  
2419 this requirement shall be based upon the state average annual wage  
2420 or the average annual wage of the county whichever is appropriate,  
2421 at the time of application, and the threshold established upon  
2422 application will remain constant for the duration of the project;

2423 (c) The business or industry must create and maintain a  
2424 minimum of ten (10) full-time jobs in counties that have an  
2425 average unemployment rate over the previous twelve-month period  
2426 which is at least one hundred fifty percent (150%) of the most  
2427 recently published state unemployment rate, as determined by the  
2428 Mississippi Employment Security Commission or in Tier Three  
2429 counties as determined under Section 57-73-21. In all other  
2430 counties, the business or industry must create and maintain a  
2431 minimum of twenty-five (25) full-time jobs. The criteria for this  
2432 requirement shall be based on the designation of the county at the  
2433 time of the application. The threshold established upon the  
2434 application will remain constant for the duration of the project.  
2435 The business or industry must meet its job creation commitment  
2436 within twenty-four (24) months of the application approval.

2437 However, if the qualified business or industry is applying for

2438 incentive payments for an additional period under subsection (2)  
2439 of this section, the business or industry must comply with the  
2440 applicable job and wage requirements of subsection (2) of this  
2441 section.

2442 (5) The MDA shall determine if the applicant is qualified to  
2443 receive incentive payments. If the applicant is determined to be  
2444 qualified by the MDA, the MDA shall conduct a cost/benefit  
2445 analysis to determine the estimated net direct state benefits and  
2446 the net benefit rate applicable for a period not to exceed ten  
2447 (10) years and to estimate the amount of gross payroll for the  
2448 period. If the applicant is determined to be qualified to receive  
2449 incentive payments for an additional period under subsection (2)  
2450 of this section, the MDA shall conduct a cost/benefit analysis to  
2451 determine the estimated net direct state benefits and the net  
2452 benefit rate applicable for the appropriate additional period and  
2453 to estimate the amount of gross payroll for the additional period.

2454 In conducting such cost/benefit analysis, the MDA shall consider  
2455 quantitative factors, such as the anticipated level of new tax  
2456 revenues to the state along with the cost to the state of the  
2457 qualified business or industry, and such other criteria as deemed  
2458 appropriate by the MDA, including the adequacy of retirement  
2459 benefits that the business or industry provides to individuals it  
2460 employs in new direct jobs in this state. In no event shall  
2461 incentive payments, cumulatively, exceed the estimated net direct  
2462 state benefits. Once the qualified business or industry is  
2463 approved by the MDA, an agreement shall be deemed to exist between  
2464 the qualified business or industry and the State of Mississippi,  
2465 requiring the continued incentive payment to be made as long as

2466 the qualified business or industry retains its eligibility.

2467       (6) Upon approval of such an application, the MDA shall  
2468 notify the State Tax Commission and shall provide it with a copy  
2469 of the approved application and the estimated net direct state  
2470 benefits. The State Tax Commission may require the qualified  
2471 business or industry to submit such additional information as may  
2472 be necessary to administer the provisions of Sections 24 through  
2473 33 of this act. The qualified business or industry shall report  
2474 to the State Tax Commission periodically to show its continued  
2475 eligibility for incentive payments. The qualified business or  
2476 industry may be audited by the State Tax Commission to verify such  
2477 eligibility.

2478       SECTION 17. Section 30, Chapter 1, Laws of 2000, Second  
2479 Extraordinary Session, is amended as follows:

2480       Section 30. (1) As soon as practicable after the end of a  
2481 calendar quarter for which a qualified business or industry has  
2482 qualified to receive an incentive payment, the qualified business  
2483 or industry shall file a claim for the payment with the State Tax  
2484 Commission and shall specify the actual number of full-time jobs  
2485 created and maintained by the business or industry for the  
2486 calendar quarter and the gross payroll thereof. The State Tax  
2487 Commission shall verify the actual number of full-time jobs  
2488 created and maintained by the business or industry and compliance  
2489 with the average annual wage requirements for such business or  
2490 industry under Section 28(4) of this act. If the qualified  
2491 business or industry files a claim for an incentive payment during  
2492 an additional incentive period provided under Section 28(2) of  
2493 this act, the State Tax Commission shall verify the actual number

2494 of full-time jobs created and maintained by the business or  
2495 industry and compliance with the average annual wage requirements  
2496 for such business or industry under Section 28(2) of this act. If  
2497 the State Tax Commission is not able to provide such verification  
2498 utilizing all available resources, the State Tax Commission may  
2499 request such additional information from the business or industry  
2500 as may be necessary.

2501 (2) (a) The business or industry must meet the salary and  
2502 job requirements of Section 28(4) of this act for four (4)  
2503 consecutive calendar quarters prior to payment of the first  
2504 incentive payment. If the business or industry does not maintain  
2505 the salary or job requirements of Section 28(4) of this act at any  
2506 other time during the ten-year period after the date the first  
2507 payment was made, the incentive payments shall not be made and  
2508 shall not be resumed until such time as the actual verified number  
2509 of full-time jobs created and maintained by the business or  
2510 industry equals or exceeds the amounts specified in Section 28(4)  
2511 of this act for one (1) calendar quarter.

2512 (b) If the business or industry is qualified to receive  
2513 incentive payments for an additional period provided under Section  
2514 28(2) of this act, the business or industry must meet the wage and  
2515 job requirements of Section 28(2) of this act, for four (4)  
2516 consecutive calendar quarters prior to payment of the first  
2517 incentive payment. If the business or industry does not maintain  
2518 the wage or job requirements of Section 28(2) of this act, at any  
2519 other time during the appropriate additional period after the date  
2520 the first payment was made, the incentive payments shall not be  
2521 made and shall not be resumed until such time as the actual



2522 verified number of full-time jobs created and maintained by the  
2523 business or industry equals or exceeds the amounts specified in  
2524 Section 28(2) of this act, for one (1) calendar quarter.

2525 (3) An establishment that has qualified pursuant to Sections  
2526 24 through 33 of this act may receive payments only in accordance  
2527 with the provision under which it initially applied and was  
2528 approved. If an establishment that is receiving incentive  
2529 payments expands, it may apply for additional incentive payments  
2530 based on the new gross payroll for new direct jobs anticipated  
2531 from the expansion only, pursuant to Sections 24 through 33 of  
2532 this act.

2533 (4) As soon as practicable after verification of the  
2534 qualified business or industry meeting the requirements of  
2535 Sections 24 through 33 of this act and all rules and regulations,  
2536 the Department of Finance and Administration, upon requisition of  
2537 the State Tax Commission, shall issue a warrant drawn on the  
2538 Mississippi Advantage Jobs Incentive Payment Fund to the  
2539 establishment in the amount of the net benefit rate multiplied by  
2540 the actual gross payroll as determined pursuant to subsection (1)  
2541 of this section for the calendar quarter.

2542 SECTION 18. Section 21-1-59, Mississippi Code of 1972, is  
2543 amended as follows:[CR10]

2544 21-1-59. (1) No municipality shall be created or shall  
2545 change its boundaries so as to include within the limits of such  
2546 municipality any of the buildings or grounds of any state  
2547 institution, unless consent thereto shall be obtained in writing  
2548 from the board of trustees of such institution or such other  
2549 governing board or body as may be created for the control of such

2550 institution. Inclusion of the buildings or grounds of any state  
2551 institution within the area of a municipal incorporation or  
2552 expansion without the consent hereinabove required shall be  
2553 voidable at the option of the affected institution within six (6)  
2554 months after the institution becomes aware of the inclusion. Upon  
2555 consent to inclusion within the area of a municipal incorporation  
2556 or expansion, a state institution may require, subject to  
2557 agreement of the municipality involved, conditions relating to  
2558 land use development, zoning requirements, building codes and  
2559 delivery of governmental services which shall be applicable to the  
2560 buildings or grounds of the institution included in the  
2561 municipality.

2562        Provided further, that any future changes in the boundaries  
2563 of a presently existing municipality which extends into or further  
2564 extends into a county other than the county in which the  
2565 municipality's principal office is located shall not affect the  
2566 public school district located in the annexed area, unless and  
2567 until consent thereto shall have first been obtained in writing  
2568 from the board of trustees of the school district proposed to be  
2569 partially or wholly included in the change of municipal  
2570 boundaries.

2571        Provided further, that any change in the boundaries of a  
2572 presently existing municipality of any Class 1 county having two  
2573 (2) judicial districts, being traversed by U.S. Highway 11 which  
2574 intersects U.S. Highway 84, shall not affect the public school  
2575 district located in the annexed area and shall not change the  
2576 governmental unit to which the school taxes are paid, unless  
2577 approved by referendum as hereinafter provided.

2578           In the event that twenty percent (20%) of the registered  
2579 voters residing within the area to be annexed by a municipality  
2580 petition the governing body of such municipality for a referendum  
2581 on the question of inclusion in the municipal school district  
2582 within sixty (60) days of public notice of the adoption of such  
2583 ordinance, such notice given in the same manner and for the same  
2584 length of time as is provided in Section 21-1-15 with regard to  
2585 the creation of municipal corporations, the governing body of the  
2586 county in which the area to be annexed is located shall hold a  
2587 referendum of all registered voters residing within the area to be  
2588 annexed on the question of inclusion in the municipal school  
2589 district. Approval of the ordinance shall be made by a majority  
2590 vote of the qualified electors voting in said referendum to be  
2591 held within ninety (90) days from the date of filing and  
2592 certification of the petition provided for herein on the question  
2593 of such extension or contraction. The referendum shall be held in  
2594 the same manner as are other county elections.

2595           The inclusion of buildings or grounds of any state  
2596 institution within the area of a municipal incorporation or  
2597 expansion in any proceedings creating a municipality or enlarging  
2598 the boundaries of a municipality prior to the effective date of  
2599 Senate Bill 2307, 1987 Regular Session (Chapter 359, eff March 18,  
2600 1987), is hereby ratified, confirmed and validated, regardless of  
2601 whether such inclusion was in conformity with the requirements of  
2602 this section at the time of such proceedings, and such inclusion  
2603 shall not be void or voidable by any affected state institution on  
2604 or after the effective date of Senate Bill 2307, 1987 Regular  
2605 Session (Chapter 359, eff March 18, 1987). This paragraph shall

2606 not be applicable to and shall not be construed to validate the  
2607 inclusion of buildings or grounds of any state institution within  
2608 the area of a municipal incorporation or expansion where such  
2609 inclusion or the proceedings involving such inclusion were  
2610 declared invalid or void in a final adjudication of a court of  
2611 competent jurisdiction prior to the effective date of Senate Bill  
2612 2307, 1987 Regular Session (Chapter 359, eff March 18, 1987), and  
2613 the decision of such court was not appealed within the applicable  
2614 time period for appeals from such court or was not overturned by  
2615 any court to which an appeal may have been made.

2616 (2) The governing authorities of a municipality may enter  
2617 into an agreement with an enterprise operating a project as  
2618 defined in Section 57-75-5(f)(iv)1 providing that the municipality  
2619 shall not change its boundaries so as to include within the limits  
2620 of such municipality the project site of such a project unless  
2621 consent thereto shall be obtained in writing from the enterprise  
2622 operating the project. Such agreement may be for a period not to  
2623 exceed thirty (30) years. Such agreement shall be binding on  
2624 future governing authorities of such municipality.

2625 SECTION 19. Section 27-19-309, Mississippi Code of 1972, is  
2626 amended as follows:[CR11]

2627 27-19-309. (1) An application for a motor vehicle dealer  
2628 tag permit, new or used, must be accompanied by a fee of One  
2629 Hundred Dollars (\$100.00). The State Tax Commission shall furnish  
2630 distinguishing number tags at a fee of Thirty-five Dollars  
2631 (\$35.00) each and a tag fee of Three Dollars and Seventy-five  
2632 Cents (\$3.75). A dealer shall be limited to twelve (12) tags at  
2633 Thirty-five Dollars (\$35.00) each and any additional tags shall be

2634 Seventy-five Dollars (\$75.00) each, plus a tag fee of Three  
2635 Dollars and Seventy-five Cents (\$3.75) for each tag. Provided,  
2636 that the application required herein shall have a space on same  
2637 for the inclusion of the sales tax number of the applicant.

2638 (2) If a motor vehicle dealer is engaged only in buying,  
2639 selling or exchanging motorcycles, the application for a motor  
2640 vehicle dealer tag permit must be accompanied by a fee of Fifty  
2641 Dollars (\$50.00). The State Tax Commission shall furnish  
2642 motorcycle dealer tags at a fee of Six Dollars (\$6.00) each, and  
2643 Three Dollars and Seventy-five Cents (\$3.75) for each tag fee.  
2644 Such dealer shall be issued only motorcycle dealer distinguishing  
2645 number tags, and the tags shall be displayed only upon a  
2646 motorcycle.

2647 (3) A motor vehicle dealer engaged only in buying, selling,  
2648 or exchanging of trailers, semitrailers or house trailers shall  
2649 pay a fee of Seventy-five Dollars (\$75.00) for his permit. The  
2650 State Tax Commission shall furnish distinguishing number tags for  
2651 such at a fee of Ten Dollars (\$10.00) each, plus Three Dollars and  
2652 Seventy-five Cents (\$3.75) for each tag fee. Such dealer shall be  
2653 issued only trailer dealer distinguishing number tags, and the  
2654 tags shall be displayed only upon a trailer, semitrailer or house  
2655 trailer.

2656 (4) A manufacturer or manufacturer's branch, who is engaged  
2657 only in delivering to and from the factory and located within the  
2658 State of Mississippi, shall pay a fee of Fifty Dollars (\$50.00)  
2659 for his permit and may purchase a distinguishing number tag upon  
2660 making application to the State Tax Commission for a fee of Ten  
2661 Dollars (\$10.00), plus Three Dollars and Seventy-five Cents

2662 (\$3.75) for a tag fee. Such manufacturer shall be issued only  
2663 manufacturer tags, and the tags shall be displayed only upon those  
2664 manufactured vehicles.

2665 (5) A heavy truck dealer shall pay a fee of One Hundred  
2666 Dollars (\$100.00) for his permit and may purchase, for use in  
2667 accordance with Section 27-19-319, distinguishing number tags for  
2668 a fee of One Hundred Twenty-five Dollars (\$125.00) each, plus a  
2669 tag fee of Three Dollars and Seventy-five Cents (\$3.75) each.  
2670 Such dealer shall be issued only heavy truck tags and the tags  
2671 shall be displayed only upon a heavy truck.

2672 (6) A manufacturer whose distribution or import companies  
2673 operate a regional vehicle parts warehouse, distribution or  
2674 preparation facilities located in a county wherein U.S. Highway 51  
2675 and State Highway 4 intersect within the State of Mississippi,  
2676 shall pay an annual fee of One Hundred Dollars (\$100.00) for a  
2677 permit and may purchase a distinguishing number tag upon making  
2678 application to the State Tax Commission for a fee of Fifty Dollars  
2679 (\$50.00), plus Three Dollars and Seventy-five Cents (\$3.75) for a  
2680 tag fee. Such manufacturer shall be issued tags to be utilized by  
2681 vehicles owned by the manufacturer and which are used by the  
2682 manufacturer for testing, distribution, evaluation, incentives and  
2683 promotion. The number of tags issued to a manufacturer by the  
2684 State Tax Commission shall not exceed fifty (50).

2685 (7) Beginning July 1, 1987, and until the date specified in  
2686 Section 65-39-35, there shall be levied a tag fee of Five Dollars  
2687 (\$5.00) in addition to the tag fee of Three Dollars and  
2688 Seventy-five Cents (\$3.75) levied in this section. Such  
2689 additional fee shall be levied in the same manner as the tag fee

2690 of Three Dollars and Seventy-five Cents (\$3.75).

2691       (8) A motor vehicle manufacturer operating a project as  
2692 defined in Section 57-75-5(f)(iv)1 shall pay an annual fee of One  
2693 Hundred Dollars (\$100.00) for a permit and may purchase a  
2694 distinguishing number tag upon making application to the State Tax  
2695 Commission for a fee of Fifty Dollars (\$50.00), plus Three Dollars  
2696 and Seventy-five Cents (\$3.75) for a tag fee. Such manufacturer  
2697 shall be issued tags to be utilized by vehicles owned by the  
2698 manufacturer and which are used by the manufacturer primarily for  
2699 maintenance at the project site and for testing, demonstration,  
2700 evaluation, incentives and promotion. The number of tags issued  
2701 to such manufacturer by the State Tax Commission shall not exceed  
2702 three hundred (300).

2703       (9) The number of distinguishing number tags issued to each  
2704 dealer shall be determined by the State Tax Commission. In  
2705 addition, only those dealer distinguishing number tags authorized  
2706 and purchased by the State Tax Commission will be considered as a  
2707 valid dealer distinguishing number tag and any tag manufactured by  
2708 any other means and held out to the public as being a dealer  
2709 distinguishing number tag shall be a violation of this section and  
2710 a penalty of Five Hundred Dollars (\$500.00) shall be assessed by  
2711 the State Tax Commission, which shall be in addition to any  
2712 penalty authorized by law. Display of the tag in question on a  
2713 vehicle shall be considered prima facia evidence of the violation.

2714       SECTION 20. Section 63-17-55, Mississippi Code of 1972, is  
2715 amended as follows:[CR12]

2716       63-17-55. The following words, terms and phrases, when used  
2717 in the Mississippi Motor Vehicle Commission Law, shall have the

2718 meanings respectively ascribed to them in this section, except  
2719 where the context clearly indicates a different meaning:

2720           (a) "Motor vehicle" means any motor-driven vehicle of  
2721 the sort and kind required to have a Mississippi road or bridge  
2722 privilege license, and shall include, but not be limited to,  
2723 motorcycles.

2724           (b) "Motor vehicle dealer" means any person, firm,  
2725 partnership, copartnership, association, corporation, trust or  
2726 legal entity, not excluded by subsection (c) of this section, who  
2727 holds a bona fide contract or franchise in effect with a  
2728 manufacturer, distributor or wholesaler of new motor vehicles, and  
2729 a license under the provisions of the Mississippi Motor Vehicle  
2730 Commission Law, and such duly franchised and licensed motor  
2731 vehicle dealers shall be the sole and only persons, firms,  
2732 partnerships, copartnerships, associations, corporations, trusts  
2733 or legal entities entitled to sell and publicly or otherwise  
2734 solicit and advertise for sale new motor vehicles as such.

2735           (c) The term "motor vehicle dealer" does not include:

2736                   (i) Receivers, trustees, administrators,  
2737 executors, guardians or other persons appointed by or acting under  
2738 judgment, decree or order of any court; \* \* \*

2739                   (ii) Public officers while performing their duties  
2740 as such officers; \* \* \*

2741                   (iii) Employees of persons, corporations or  
2742 associations enumerated in subsection (c)(i) of this section when  
2743 engaged in the specific performance of their duties as such  
2744 employees; or

2745                   (iv) A motor vehicle manufacturer operating a



2746 project as defined in Section 57-75-5(f)(iv)1; and the provisions  
2747 of the Mississippi Motor Vehicle Commission Law shall not apply  
2748 to:

2749 1. a. Any lease by such a motor vehicle  
2750 manufacturer of three (3) or fewer motor vehicles at any one time  
2751 and related vehicle maintenance, of any line of vehicle produced  
2752 by the manufacturer or its subsidiaries, to any one (1) employee  
2753 of the motor vehicle manufacturer on a direct basis; or

2754 b. Any sale or other disposition of such  
2755 motor vehicles by the motor vehicle manufacturer at the end of a  
2756 lease through direct sales to employees of the manufacturer or  
2757 through an open auction or auction limited to dealers of the  
2758 manufacturer's vehicle line or its subsidiaries' vehicle lines; or

2759 2. Any sale or other disposition by such a  
2760 motor vehicle manufacturer of motor vehicles for which the  
2761 manufacturer obtained distinguishing number tags under Section  
2762 27-19-309(8).

2763 (d) "New motor vehicle" means a motor vehicle which has  
2764 not been previously sold to any person except a distributor or  
2765 wholesaler or motor vehicle dealer for resale.

2766 (e) "Ultimate purchaser" means, with respect to any new  
2767 motor vehicle, the first person, other than a motor vehicle dealer  
2768 purchasing in his capacity as such dealer, who in good faith  
2769 purchases such new motor vehicle for purposes other than for  
2770 resale.

2771 (f) "Retail sale" or "sale at retail" means the act or  
2772 attempted act of selling, bartering, exchanging or otherwise  
2773 disposing of a new motor vehicle to an ultimate purchaser for use

2774 as a consumer.

2775 (g) "Motor vehicle salesman" means any person who is  
2776 employed as a salesman by a motor vehicle dealer whose duties  
2777 include the selling or offering for sale of new motor vehicles.

2778 (h) "Commission" means the Mississippi Motor Vehicle  
2779 Commission.

2780 (i) "Manufacturer" means any person, firm, association,  
2781 corporation or trust, resident or nonresident, who manufactures or  
2782 assembles new motor vehicles.

2783 (j) "Distributor" or "wholesaler" means any person,  
2784 firm, association, corporation or trust, resident or nonresident,  
2785 who in whole or in part sells or distributes new motor vehicles to  
2786 motor vehicle dealers, or who maintains distributor  
2787 representatives.

2788 (k) "Factory branch" means a branch or division office  
2789 maintained by a person, firm, association, corporation or trust  
2790 who manufactures or assembles new motor vehicles for sale to  
2791 distributors or wholesalers, to motor vehicle dealers, or for  
2792 directing or supervising, in whole or in part, its  
2793 representatives.

2794 (l) "Distributor branch" means a branch or division  
2795 office similarly maintained by a distributor or wholesaler for the  
2796 same purposes a factory branch or division is maintained.

2797 (m) "Factory representative" means a representative  
2798 employed by a person, firm, association, corporation or trust who  
2799 manufactures or assembles new motor vehicles, or by a factory  
2800 branch, for the purpose of making or promoting the sale of his,  
2801 its or their new motor vehicles, or for supervising or contacting

2802 his, its or their dealers or prospective dealers.

2803           (n) "Distributor representative" means a representative  
2804 similarly employed by a distributor, distributor branch or  
2805 wholesaler.

2806           (o) "Person" means and includes, individually and  
2807 collectively, individuals, firms, partnerships, copartnerships,  
2808 associations, corporations and trusts, or any other forms of  
2809 business enterprise, or any legal entity.

2810           (p) "Good faith" means the duty of each party to any  
2811 franchise, and all officers, employees or agents thereof, to act  
2812 in a fair and equitable manner toward each other so as to  
2813 guarantee the one party freedom from coercion, intimidation or  
2814 threats of coercion or intimidation from the other party.  
2815 However, recommendation, endorsement, exposition, persuasion,  
2816 urging or argument shall not be deemed to constitute a lack of  
2817 good faith.

2818           (q) "Coerce" means the failure to act in good faith in  
2819 performing or complying with any terms or provisions of the  
2820 franchise or agreement. However, recommendation, exposition,  
2821 persuasion, urging or argument shall not be deemed to constitute a  
2822 lack of good faith.

2823           (r) "Special tools" are those which a dealer was  
2824 required to purchase by the manufacturer or distributor for  
2825 service on that manufacturer's product.

2826           (s) "Motor vehicle lessor" means any person, not  
2827 excluded by subsection (c) of this section, engaged in the motor  
2828 vehicle leasing or rental business.

2829           (t) "Specialty vehicle" means a motor vehicle

2830 manufactured by a second stage manufacturer by purchasing motor  
2831 vehicle components, e.g. frame and drive train, and completing the  
2832 manufacturer of finished motor vehicles for the purpose of resale  
2833 with the primary manufacturer warranty unimpaired, to a limited  
2834 commercial market rather than the consuming public. Specialty  
2835 vehicles include garbage trucks, ambulances, fire trucks, buses,  
2836 limousines, hearses and other similar limited purpose vehicles as  
2837 the commission may by regulation provide.

2838           (u) "Auto auction" means (i) any person who provides a  
2839 place of business or facilities for the wholesale exchange of  
2840 motor vehicles by and between duly licensed motor vehicle dealers,  
2841 (ii) any motor vehicle dealer licensed to sell used motor vehicles  
2842 selling motor vehicles using an auction format but not on  
2843 consignment, or (iii) any person who provides the facilities for  
2844 or is in the business of selling in an auction format motor  
2845 vehicles.

2846           (v) "Motor home" means a motor vehicle that is designed  
2847 and constructed primarily to provide temporary living quarters for  
2848 recreational, camping or travel use.

2849           (w) "Dealer-operator" means the individual designated  
2850 in the franchise agreement as the operator of the motor vehicle  
2851 dealership.

2852           (x) "Franchise" or "franchise agreement" means a  
2853 written contract or agreement between a motor vehicle dealer and a  
2854 manufacturer or its distributor or factory branch by which the  
2855 motor vehicle dealer is authorized to engage in the business of  
2856 selling or leasing the specific makes, models or classifications  
2857 of new motor vehicles marketed or leased by the manufacturer and

2858 designated in the agreement or any addendum to such agreement.

2859 SECTION 21. Section 63-17-103, Mississippi Code of 1972, is  
2860 amended as follows:[CR13]

2861 63-17-103. (1) Nothing in the Mississippi Motor Vehicle  
2862 Commission Law shall be construed to prohibit the sale of a new  
2863 motor vehicle by any person who is not required to be licensed  
2864 under said law. However, only a motor vehicle dealer as defined  
2865 in Section 63-17-55 shall have the right to advertise or  
2866 represent, publicly or otherwise, that a motor vehicle is new in  
2867 connection with its sale, exchange or other disposition. Any  
2868 person who is not such a motor vehicle dealer and who advertises  
2869 or represents that a motor vehicle is new in connection with its  
2870 sale, exchange or other disposition shall be guilty of a  
2871 misdemeanor and upon conviction shall be punished in the manner  
2872 provided for by Section 63-17-105. However, nothing in this  
2873 section shall apply to (a) any lease by a motor vehicle  
2874 manufacturer operating a project as defined in Section  
2875 57-75-5(f)(iv)1 of three (3) or fewer motor vehicles at any one  
2876 time and related vehicle maintenance, of any line of vehicle  
2877 produced by the manufacturer or its subsidiaries, to any one (1)  
2878 employee of the motor vehicle manufacturer on a direct basis, or  
2879 any sale or other disposition of such motor vehicles by the motor  
2880 vehicle manufacturer at the end of a lease through direct sales to  
2881 employees of the manufacturer or through an open auction or  
2882 auction limited to dealers of the manufacturer's vehicle line or  
2883 its subsidiaries' vehicle lines; or (b) any sale or other  
2884 disposition by such a motor vehicle manufacturer of motor vehicles  
2885 for which the manufacturer obtained distinguishing number tags

2886 under Section 27-19-309(8).

2887           (2) Any person who violates the provisions of subsection (1)  
2888 of this section may be enjoined from further violations of such  
2889 provisions by writ of injunction issued out of a court of equity  
2890 upon a bill filed in the name of the state by the Attorney  
2891 General, or any district or county attorney whose duty requires  
2892 him to prosecute criminal cases on behalf of the state, in the  
2893 county where such violation occurred.

2894           SECTION 22. The following shall be codified as Section  
2895 57-75-22, Mississippi Code of 1972:

2896           57-75-22. Any highways or highway segments constructed or  
2897 improved by the Mississippi Department of Transportation under the  
2898 provisions of this chapter for a project as defined in Section  
2899 57-75-5(f)(iv) shall become a state highway and shall be placed  
2900 under the jurisdiction of the Mississippi Transportation  
2901 Commission for construction and maintenance.

2902           SECTION 23. Section 27-31-1, Mississippi Code of 1972, is  
2903 amended as follows:[CR14]

2904           27-31-1. The following shall be exempt from taxation:

2905                   (a) All cemeteries used exclusively for burial  
2906 purposes.

2907                   (b) All property, real or personal, belonging to the  
2908 State of Mississippi or any of its political subdivisions, except  
2909 property of a municipality not being used for a proper municipal  
2910 purpose and located outside the county or counties in which such  
2911 municipality is located. A proper municipal purpose within the  
2912 meaning of this section shall be any authorized governmental or  
2913 corporate function of a municipality.

2914           (c) All property, real or personal, owned by units of  
2915 the Mississippi National Guard, or title to which is vested in  
2916 trustees for the benefit of any unit of the Mississippi National  
2917 Guard; provided such property is used exclusively for such unit,  
2918 or for public purposes, and not for profit.

2919           (d) All property, real or personal, belonging to any  
2920 religious society, or ecclesiastical body, or any congregation  
2921 thereof, or to any charitable society, or to any historical or  
2922 patriotic association or society, or to any garden or pilgrimage  
2923 club or association and used exclusively for such society or  
2924 association and not for profit; not exceeding, however, the amount  
2925 of land which such association or society may own as provided in  
2926 Section 79-11-33. All property, real or personal, belonging to  
2927 any rural waterworks system or rural sewage disposal system  
2928 incorporated under the provisions of Section 79-11-1. All  
2929 property, real or personal, belonging to any college or  
2930 institution for the education of youths, used directly and  
2931 exclusively for such purposes, provided that no such college or  
2932 institution for the education of youths shall have exempt from  
2933 taxation more than six hundred forty (640) acres of land;  
2934 provided, however, this exemption shall not apply to commercial  
2935 schools and colleges or trade institutions or schools where the  
2936 profits of same inure to individuals, associations or  
2937 corporations. All property, real or personal, belonging to an  
2938 individual, institution or corporation and used for the operation  
2939 of a grammar school, junior high school, high school or military  
2940 school. All property, real or personal, owned and occupied by a  
2941 fraternal and benevolent organization, when used by such

2942 organization, and from which no rentals or other profits accrue to  
2943 the organization, but any part rented or from which revenue is  
2944 received shall be taxed.

2945 (e) All property, real or personal, held and occupied  
2946 by trustees of public schools, and school lands of the respective  
2947 townships for the use of public schools, and all property kept in  
2948 storage for the convenience and benefit of the State of  
2949 Mississippi in warehouses owned or leased by the State of  
2950 Mississippi, wherein said property is to be sold by the Alcoholic  
2951 Beverage Control Division of the State Tax Commission of the State  
2952 of Mississippi.

2953 (f) All property, real or personal, whether belonging  
2954 to religious or charitable or benevolent organizations, which is  
2955 used for hospital purposes, and nurses' homes where a part  
2956 thereof, and which maintain one or more charity wards that are for  
2957 charity patients, and where all the income from said hospitals and  
2958 nurses' homes is used entirely for the purposes thereof and no  
2959 part of the same for profit.

2960 (g) The wearing apparel of every person; and also  
2961 jewelry and watches kept by the owner for personal use to the  
2962 extent of One Hundred Dollars (\$100.00) in value for each owner.

2963 (h) Provisions on hand for family consumption.

2964 (i) All farm products grown in this state for a period  
2965 of two (2) years after they are harvested, when in the possession  
2966 of or the title to which is in the producer, except the tax of  
2967 one-fifth of one percent (1/5 of 1%) per pound on lint cotton now  
2968 levied by the Board of Commissioners of the Mississippi Levee  
2969 District; and lint cotton for five (5) years, and cottonseed,



2970 soybeans, oats, rice and wheat for one (1) year regardless of  
2971 ownership.

2972 (j) All guns and pistols kept by the owner for private  
2973 use.

2974 (k) All poultry in the hands of the producer.

2975 (l) Household furniture, including all articles kept in  
2976 the home by the owner for his own personal or family use; but this  
2977 shall not apply to hotels, rooming houses or rented or leased  
2978 apartments.

2979 (m) All cattle and oxen.

2980 (n) All sheep, goats and hogs.

2981 (o) All horses, mules and asses.

2982 (p) Farming tools, implements and machinery, when used  
2983 exclusively in the cultivation or harvesting of crops or timber.

2984 (q) All property of agricultural and mechanical  
2985 associations and fairs used for promoting their objects, and where  
2986 no part of the proceeds is used for profit.

2987 (r) The libraries of all persons.

2988 (s) All pictures and works of art, not kept for or  
2989 offered for sale as merchandise.

2990 (t) The tools of any mechanic necessary for carrying on  
2991 his trade.

2992 (u) All state, county, municipal, levee, drainage and  
2993 all school bonds or other governmental obligations, and all bonds  
2994 and/or evidences of debts issued by any church or church  
2995 organization in this state, and all notes and evidences of  
2996 indebtedness which bear a rate of interest not greater than the  
2997 maximum rate per annum applicable under the law; and all money

2998 loaned at a rate of interest not exceeding the maximum rate per  
2999 annum applicable under the law; and all stock in or bonds of  
3000 foreign corporations or associations shall be exempt from all ad  
3001 valorem taxes.

3002 (v) All lands and other property situated or located  
3003 between the Mississippi River and the levee shall be exempt from  
3004 the payment of any and all road taxes levied or assessed under any  
3005 road laws of this state.

3006 (w) Any and all money on deposit in either national  
3007 banks, state banks or trust companies, on open account, savings  
3008 account or time deposit.

3009 (x) All wagons, carts, drays, carriages and other horse  
3010 drawn vehicles, kept for the use of the owner.

3011 (y) (1) Boats, seines and fishing equipment used in  
3012 fishing and shrimping operations and in the taking or catching of  
3013 oysters.

3014 (2) All towboats, tugboats and barges documented  
3015 under the laws of the United States, except watercraft of every  
3016 kind and character used in connection with gaming operations.

3017 (z) All materials used in the construction and/or  
3018 conversion of vessels in this state; vessels while under  
3019 construction and/or conversion; vessels while in the possession of  
3020 the manufacturer, builder or converter, for a period of twelve  
3021 (12) months after completion of construction and/or conversion,  
3022 and as used herein the term "vessel" shall include ships, offshore  
3023 drilling equipment, dry docks, boats and barges, except watercraft  
3024 of every kind and character used in connection with gaming  
3025 operations.

3026           (aa) Sixty-six and two-thirds percent (66-2/3%) of  
3027 nuclear fuel and reprocessed, recycled or residual nuclear fuel  
3028 by-products, fissionable or otherwise, used or to be used in  
3029 generation of electricity by persons defined as public utilities  
3030 in Section 77-3-3.

3031           (bb) All growing nursery stock.

3032           (cc) A semitrailer used in interstate commerce.

3033           (dd) All property, real or personal, used exclusively  
3034 for the housing of and provision of services to elderly persons,  
3035 disabled persons, mentally impaired persons or as a nursing home,  
3036 which is owned, operated and managed by a not-for-profit  
3037 corporation, qualified under Section 501(c)(3) of the Internal  
3038 Revenue Code, whose membership or governing body is appointed or  
3039 confirmed by a religious society or ecclesiastical body or any  
3040 congregation thereof.

3041           (ee) All vessels while in the hands of bona fide  
3042 dealers as merchandise and which are not being operated upon the  
3043 waters of this state shall be exempt from ad valorem taxes. As  
3044 used in this paragraph the terms "vessel" and "waters of this  
3045 state" shall have the meaning ascribed to such terms in Section  
3046 59-21-3.

3047           (ff) All property, real or personal, owned by a  
3048 nonprofit organization that: (i) is qualified as tax exempt under  
3049 Section 501(c)(4) of the Internal Revenue Code of 1986, as  
3050 amended; (ii) assists in the implementation of the national  
3051 contingency plan or area contingency plan, and which is created in  
3052 response to the requirements of Title IV, Subtitle B of the Oil  
3053 Pollution Act of 1990, P.L. 101-380; (iii) engages primarily in

3054 programs to contain, clean up and otherwise mitigate spills of oil  
3055 or other substances occurring in the United States coastal or  
3056 tidal waters; and (iv) is used for the purposes of the  
3057 organization.

3058           (qq) If a municipality changes its boundaries so as to  
3059 include within the boundaries of such municipality the project  
3060 site of any project as defined in Section 57-75-5(f)(iv)1, all  
3061 real and personal property located on the project site within the  
3062 boundaries of such municipality that is owned by a business  
3063 enterprise operating such project, shall be exempt from ad valorem  
3064 taxation for a period of time not to exceed thirty (30) years upon  
3065 receiving approval for such exemption by the Mississippi Major  
3066 Economic Impact Authority. The provisions of this subsection  
3067 shall not be construed to authorize a breach of any agreement  
3068 entered into pursuant to Section 21-1-59.

3069           SECTION 24. This act shall take effect and be in force from  
3070 and after its passage.