

By: Representative Woods

To: Interstate Cooperation;  
Ways and Means

HOUSE BILL NO. 1054

1 AN ACT TO AMEND SECTION 57-36-1, MISSISSIPPI CODE OF 1972, TO  
2 DELETE ARTICLE XXXI OF THE CHICKASAW TRAIL ECONOMIC DEVELOPMENT  
3 COMPACT WHICH PROVIDES THAT THE COMPACT SHALL REMAIN IN FORCE AND  
4 REMAIN BINDING UPON THE STATE OF MISSISSIPPI AND THE STATE OF  
5 TENNESSEE UNTIL THE GOVERNOR OF EITHER STATE, WITH THE CONSENT OF  
6 THE RESPECTIVE LEGISLATIVE BODY, TAKES ACTION TO WITHDRAW FROM THE  
7 COMPACT; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** Section 57-36-1, Mississippi Code of 1972, is  
10 amended as follows:

11 57-36-1. The Governor, on behalf of this state, is hereby  
12 authorized to execute a compact, in substantially the following  
13 form, with the State of Tennessee; and the Legislature hereby  
14 signifies in advance its approval and ratification of such  
15 compact, which compact is as follows:

16 **CHICKASAW TRAIL ECONOMIC DEVELOPMENT COMPACT**

17 **Article I.** The purpose of this compact is to promote the  
18 development of an undeveloped rural area of Marshall County,  
19 Mississippi, and Fayette County, Tennessee (hereinafter referred  
20 to as "Chickasaw Trail Economic Development Area"), and to create  
21 a development authority which incorporates public and private  
22 partnerships to facilitate the economic growth of such areas by  
23 providing developed sites for the location and construction of  
24 manufacturing plants, distribution facilities, research  
25 facilities, regional and national offices with supportive services  
26 and facilities, and to establish a joint interstate authority to  
27 assist in these efforts.



28           **Article II.** This compact shall become effective immediately  
29 whenever the states of Tennessee and Mississippi have ratified it  
30 and Congress has given consent thereto.

31           **Article III.** The states which are parties to this compact  
32 (hereinafter referred to as "party states") do hereby establish  
33 and create a joint agency which shall be known as the Chickasaw  
34 Trail Economic Development Authority (hereinafter referred to as  
35 the "authority"). It shall be the duty of the authority in  
36 general to promote, encourage and coordinate the efforts of the  
37 party states to secure the development of the Chickasaw Trail  
38 Economic Development Area. Toward this end, the authority shall  
39 have power to hold hearings; to conduct studies and surveys of all  
40 problems, benefits and any other matter associated with the  
41 development of the Chickasaw Trail Economic Development Area, and  
42 to make reports thereon; to acquire, by gift or otherwise, and  
43 hold and dispose of such money and property as may be provided for  
44 the proper performance of their function; to cooperate with other  
45 public or private groups, whether local, state, regional or  
46 national, having an interest in economic development; to formulate  
47 and execute plans and policies for emphasizing the purpose of this  
48 compact before the Congress of the United States and other  
49 appropriate officers and agencies of the United States and of the  
50 states of Mississippi and Tennessee; and to exercise such other  
51 powers as may be appropriate to enable it to accomplish its  
52 functions and duties in connection with the development of the  
53 Chickasaw Trail Economic Development Area and to carry out the  
54 purposes of this compact.

55           **Article IV. Definitions.** Whenever used in this chapter, the  
56 following words and terms shall have the following respective  
57 meanings unless a different meaning clearly appears from the  
58 context:

59                   (a) "Board" means the board of directors of the  
60 authority.



61           (b) "Bonds" means either revenue bonds, bond  
62 anticipation notes, or other types of debt instruments issued by  
63 the compact unless the reference to bonds clearly indicates which  
64 type of bonds are being referred to, such as "revenue bonds,"  
65 "general obligation bonds," "bond anticipation notes" or other  
66 specific forms of debt instruments.

67           (c) "Compact authority" means the Chickasaw Trail  
68 Economic Development Authority, an entity created jointly by the  
69 State Legislatures of Mississippi and Tennessee under the  
70 constitutions of the respective states and approved by the United  
71 States Congress, which may be referred to as the "authority."

72           (d) "Compact area" means all that land area actually  
73 owned or controlled by the authority by deed, lease, option, right  
74 of first refusal, or other legal or accepted instrument of land  
75 exchange.

76           (e) "Compact study area" means that area described as  
77 follows:

78           The general area for the Chickasaw Trail Economic  
79 Development Compact consists of approximately eight  
80 thousand (8,000) acres, located on both sides of  
81 the Tennessee/Mississippi state line at the point  
82 where Shelby County and Fayette County adjoin  
83 Marshall County, Mississippi. The project  
84 boundaries are Highway 72 on the north, Quinn Road  
85 on the west, the proposed extension of Goodman Road  
86 on the south, and Redbanks Road on the east.

87           Approximately one thousand one hundred (1,100)  
88 acres of the study area are in southeast Shelby  
89 County; six hundred (600) acres are in southwest  
90 Fayette County; and the balance of six thousand  
91 three hundred (6,300) acres is in north Marshall  
92 County.



93 (f) "Cost of project" means all costs of site  
94 preparation and other start-up costs; all costs of construction;  
95 all costs of real and personal property acquired for the purposes  
96 of the project and facilities related thereto, including land and  
97 any rights or undivided interest therein, easements, franchises,  
98 fees, permits, approvals, licenses, and certificates and the  
99 securing of such permits, approvals, licenses and certificates;  
100 all machinery and equipment, including any cost associated with  
101 financing charges and interest before and during construction and  
102 during such additional period as the compact authority reasonably  
103 may determine to be necessary for the placing of the project in  
104 operation; costs of engineering, geotechnical, architectural and  
105 legal services; costs of plans, testing, development and  
106 specifications and all expenses necessary or incident to  
107 determining the feasibility or practicability of the project;  
108 administrative expenses; and all expenses as may be necessary or  
109 incidental to the financing. The costs of any project also may  
110 include funds for the creation of a debt service reserve, a  
111 renewal and replacement reserve, and such other reserves as may be  
112 reasonably required by a specific bond issue for the operation of  
113 its projects and as may be authorized by bond resolution or trust  
114 agreement or indenture under the provisions of which the issuance  
115 of any such bonds may be authorized. Any obligation or expense  
116 incurred for any of the foregoing purposes shall be regarded as a  
117 part of the project and may be paid or reimbursed out of the  
118 proceeds of user fees, of revenue bonds or notes issued for such  
119 project, or from other revenues obtained by the compact authority.

120 (g) "County" means Marshall County, Mississippi, or  
121 Fayette County, Tennessee.

122 (h) "Enterprise" means any for profit or nonprofit  
123 venture, business, service provided, industrial facility or  
124 utility located within the compact area under any agreement or  
125 contract with the authority.



126           (i) "Facilities" mean any plant, structure, building,  
127 improvement, land or any other real or personal property of the  
128 compact or authority or used or useful in a project under this  
129 chapter.

130           (j) "Governing body" means the elected or duly  
131 appointed officials constituting the governing body of a  
132 municipality or county.

133           (k) "Municipality" means any incorporated city or town  
134 within a county.

135           (l) "Person" means any natural person, corporation,  
136 association, partnership, receiver, trustee, guardian, executor,  
137 administrator, fiduciary, governmental unit, public agency,  
138 political subdivision or any other group acting as a unit, and the  
139 plural as well as the singular.

140           (m) "Project" means any industrial, commercial,  
141 research and development, warehousing, distribution,  
142 transportation, processing, United States or state government or  
143 tourism enterprise, facility or service, together with all real  
144 property required for construction, maintenance and operation of  
145 the enterprise together with all buildings, and other supporting  
146 land and facilities, structures or improvements of whatever kind  
147 required or useful for construction, maintenance and operation of  
148 the enterprise, or any addition to or expansion of an existing  
149 enterprise.

150           (n) "Property owner group" means those property owners  
151 who have sold, leased or allowed the use of their land or  
152 otherwise entered into an agreement for the development of the  
153 project or facilities thereof as a part of the compact area.

154           (o) "Public agency" means:

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

157               (ii) Any city, town, county, political  
158 subdivision, school district or other district created or existing



159 under the laws of the state or any public agency of any such city,  
160 town, county, political subdivision or district; and

161 (iii) Any department, commission, agency or  
162 instrumentality of the United States of America.

163 (p) "Related facility" means any facility related to a  
164 project and includes any of the following, as the same may pertain  
165 to the project of the authority within the compact area:

166 (i) Facilities to provide utilities, as defined  
167 herein;

168 (ii) Airports, airfields and air terminals;

169 (iii) Rail lines;

170 (iv) Highways, streets and other roadways;

171 (v) Conference centers, classrooms and  
172 instructional facilities, including any functionally related  
173 facilities;

174 (vi) Parks and outdoor recreation facilities;

175 (vii) Auditoriums, pavilions, art centers,  
176 cultural centers, office complex and other public facilities; and

177 (viii) Public or private health care facilities.

178 (q) "Revenues" means all rentals, receipts, income and  
179 other charges derived or received or to be derived or received by  
180 the authority from any of the following: the operation by the  
181 authority of a facility or facilities, or a part thereof; the  
182 sale, including installment sales or conditional sales, lease,  
183 sublease or use or other disposition of any property or facility  
184 or portion thereof; the sale, lease or other disposition of  
185 recovered resources; contracts, agreements or franchises with  
186 respect to a facility or portion thereof, with respect to  
187 recovered resources, or with respect to a facility or portion  
188 thereof and recovered resources, including but not limited to  
189 charges with respect to the management of any project received  
190 with respect to a facility, income received as a result of the  
191 sale or other disposition of recovered resources, services or



192 utilities; any gift or grant received with respect thereto;  
193 proceeds of bonds to the extent of use thereof for payment of  
194 principal of premium, if any, or interest on the bonds as  
195 authorized by the authority; proceeds from any insurance,  
196 condemnation or guaranty pertaining to a facility or property  
197 mortgaged to secure bonds or pertaining to the financing of a  
198 facility; income and profit from the investment of the proceeds of  
199 bonds or of any revenues and the proceeds of any special tax to  
200 which it may be entitled.

201 (r) "State" means the State of Mississippi or the State  
202 of Tennessee.

203 (s) "Unit of local government" means a county or  
204 municipality within a county of the State of Mississippi or the  
205 State of Tennessee.

206 (t) Except as used in Article XXXI herein, "utility" or  
207 "utilities" means potable and industrial water supply systems and  
208 sewage and water disposal systems.

209 **Article V. Composition of the authority.** (1) All powers of  
210 the compact shall be vested in a board of directors which will  
211 exercise all powers delegated to the authority under the laws of  
212 Mississippi and Tennessee.

213 The membership of the board of the authority shall consist of  
214 an appointee of the Governor of each party state, each state's  
215 chief economic development official or his representative, an  
216 appointee of each of the member counties' governing body selected  
217 from nominees proposed by the respective county's industrial  
218 development board, and an appointee who shall serve for a  
219 three-year term and who shall be appointed by the Governor of each  
220 party state on a rotating basis with the initial appointment being  
221 made by the Governor of Tennessee. With the exception of the  
222 gubernatorial appointment made on a rotating basis, each  
223 appointment shall be for a four-year term and for such period  
224 thereafter until a successor shall be duly appointed and



225 qualified. However, with respect to the Fayette County,  
226 Tennessee, appointee, if the City of Piperton annexes a majority  
227 of the compact study area in Fayette County, the Mayor of Piperton  
228 shall nominate the appointee, and the city commission shall  
229 confirm the nomination of such appointee.

230 Each member of the board shall be eligible for reappointment.  
231 All vacancies shall be filled by appointment in the same manner,  
232 except that any person appointed to fill a vacancy shall serve  
233 only for the unexpired term. Any director may be removed at any  
234 time before the expiration of the member's term of office for  
235 misfeasance, malfeasance or willful neglect of duty, as determined  
236 by the appointing political subdivision or a majority of the  
237 board. Before assuming office, each director shall take and  
238 subscribe to the constitutional oath of office before a chancery  
239 clerk in Mississippi or the corresponding appropriate official in  
240 Tennessee, and a record of such oath shall be filed with the  
241 Secretary of State in Mississippi and in Tennessee. The board  
242 annually shall select a chairman and vice chairman.

243 (2) The board may employ such personnel and appoint and  
244 prescribe the duties of such officers as the board deems necessary  
245 or advisable, including a general manager and a secretary of the  
246 compact. The general manager also may serve as secretary and  
247 shall be a person of good moral character and of proven ability as  
248 an administrator with a minimum of five (5) years experience in  
249 management and economic development or comparable experience. The  
250 general manager shall administer, manage and direct the affairs  
251 and business of the authority, subject to the policies, control  
252 and direction of the board. The general manager and any director  
253 not bonded in another capacity shall give bond executed by a  
254 surety company or companies authorized to do business in the  
255 respective states in the penal sum of Fifty Thousand Dollars  
256 (\$50,000.00) payable to the authority, conditioned upon the  
257 faithful performance of his duties and the proper accounting for





258 all funds. The board may require any of its employees to be  
259 bonded. The cost of any bond required by this section or by the  
260 board shall be paid from funds of the authority. The secretary  
261 shall keep a record of the proceedings of the authority and shall  
262 be custodian of all books, documents and papers filed with the  
263 authority, the minute book or journal, and the official seal. The  
264 secretary may make copies of all minutes and other records and  
265 documents of the compact and certify under the seal of the  
266 authority that such copies are true and accurate copies, and all  
267 persons dealing with the compact authority may rely upon such  
268 certification.

269 (3) Regular meetings of the board shall be held as set forth  
270 in its bylaws, rules or regulations. Additional meetings of the  
271 board shall be held at the call of the chairman or general manager  
272 whenever any three (3) members of the board so request in writing.  
273 Members of the property owner group shall be notified of the  
274 meetings of the board in the same manner as board members are  
275 notified.

276 (4) Members of the board shall not receive any compensation,  
277 but may receive reimbursement for actual and necessary expenses  
278 incurred or per diem in lieu thereof.

279 (5) The board shall prepare a budget for the authority for  
280 each fiscal year at least sixty (60) days before the beginning of  
281 each fiscal year, which shall be from July 1 to June 30 of each  
282 year.

283 **Article VI. General powers and duties of compact**

284 **authority.** From and after the creation of the compact, the  
285 authority shall be a public corporation, body politic with all the  
286 rights and powers now or hereafter conferred as may be deemed  
287 necessary to carry out the purposes of this chapter including the  
288 following:

289 (a) To maintain an office at a place or places within  
290 either state.



291 (b) To sue and be sued in its own name.

292 (c) To adopt and use a corporate seal.

293 (d) To employ or contract with architects, engineers,  
294 attorneys, accountants, construction and financial experts and  
295 such other advisors, consultants and agents as may be necessary in  
296 its judgment and to fix and pay their compensation.

297 (e) To make, adopt, enforce, amend and repeal bylaws  
298 and rules and regulations for the management of its business and  
299 affairs for the use, maintenance and operation of the compact, any  
300 of the project facilities and any other of its properties.

301 (f) To borrow money and to issue bonds, notes and other  
302 evidence of indebtedness, without the authority to levy ad valorem  
303 taxes, for any of its purposes and to provide for and secure the  
304 payment thereof and to provide for the rights of the holders  
305 thereof.

306 (g) To invest any monies of the authority, including  
307 proceeds from the sale of any bonds subject to any agreements with  
308 bondholders, on such terms and in such manner as the compact deems  
309 proper.

310 (h) To exercise any one or more of the powers, rights  
311 and privileges under this chapter, either alone or jointly or in  
312 common with one or more other public or private parties. In any  
313 such exercise of such powers, rights and privileges jointly or in  
314 common with others for the development, construction, operation  
315 and maintenance of facilities within the compact area, the  
316 authority may own an undivided interest in such facilities with  
317 any other party, public or private, with which it may jointly or  
318 in common exercise the rights and privileges conferred by this  
319 chapter and may enter into an agreement or agreements with respect  
320 to any such facility with the other party or parties, public or  
321 private, participating therein including development agreements,  
322 joint ventures and real estate investment trusts. An agreement  
323 may contain such terms, conditions and provisions, consistent with



324 this paragraph, as the parties thereto shall deem to be in their  
325 best interest, including, but not limited to, provisions for the  
326 construction, operation and maintenance of such facility by any  
327 one or more parties to such agreement. The party or parties may  
328 be designated in or under such agreement as agent or agents on  
329 behalf of itself and one or more of the other parties thereto, or  
330 by such other means as may be determined by the parties thereto,  
331 and including provisions for a method or methods of determining  
332 and allocating, among or between the parties, costs of  
333 construction, operation, maintenance, renewals, replacements and  
334 improvements related to such facility. In carrying out its  
335 functions and activities as the agent with respect to  
336 construction, operation and maintenance of such a facility, the  
337 agent shall be governed by the laws and regulations applicable to  
338 the agent as a separate legal entity and not by any laws or  
339 regulations which may be applicable to any of the other  
340 participating parties. The agent shall act for the benefit of the  
341 public. Under any such agreement, the authority may delegate its  
342 powers and duties related to the construction, operation and  
343 maintenance of such facility to the party acting as agent and all  
344 actions taken by such agent in accordance with the agreement may  
345 be binding upon the authority without further action or approval  
346 of the board.

347 (i) To make such applications and enter into such  
348 contracts for financial assistance as may be appropriate under  
349 applicable federal or state law.

350 (j) To apply for, accept and utilize grants, gifts,  
351 donations and other funds or aid from any source for any purpose  
352 contemplated by this chapter, and to comply, subject to the  
353 provisions of this chapter, with the terms and conditions thereof.

354 (k) To acquire by purchase, lease, gift, investment,  
355 trade, exchange or in other manner, including eminent domain as  
356 may be authorized under this chapter, or obtain options to



357 acquire, and to own, maintain, use, operate and convey any and all  
358 property of any kind, real, personal or mixed or easement therein  
359 or any interest or estate therein, within the compact area,  
360 necessary for the project or any facility related to the project.

361 (l) To make or cause to be made such examinations and  
362 surveys as may be necessary to the planning, design, construction  
363 and operation of the project.

364 (m) To enter into a development agreement with any  
365 public agency, private firm or person for the development of the  
366 compact area, compact property, or any portion thereof upon such  
367 terms as the parties might agree to carry out the purposes of this  
368 chapter.

369 (n) To negotiate, with the proper governmental agency  
370 or regulated utility or transportation provider, any necessary  
371 relocation or rerouting of roads and highways, railroad, telephone  
372 and telegraph lines and properties, electric power lines,  
373 pipelines and related facilities, or to require the anchoring or  
374 other protection of any of these, provided due compensation is  
375 paid to the owners thereof or an agreement is made with such  
376 owners regarding the payment of the cost of such relocation.

377 (o) To enter into joint agreements, development  
378 agreements or other agreements with any person or participant in a  
379 joint venture with any private firm, person or public agency to  
380 form and participate in real estate investment trusts and limited  
381 liability partnerships, joint ventures, joint ownerships and  
382 agreements for the construction and operation of any project of  
383 the authority with the compact area.

384 (p) To construct, extend, improve, maintain and  
385 reconstruct, to cause to be constructed, extended, improved,  
386 maintained and reconstructed, and to use and operate any and all  
387 components of the project or any facility related to a project,  
388 subject to the concurrence and approval of the affected public  
389 agency, within the compact area, necessary to the project and to



390 the exercise of such powers, rights and privileges granted the  
391 authority.

392 (q) To incur or defray any designated portion of the  
393 cost of any component of the project or any facility related to  
394 the project acquired or constructed by any public agency.

395 (r) To lease, sell, mortgage, pledge, trade, exchange  
396 or otherwise convey any or all property acquired by the authority  
397 under the provisions of this chapter to the enterprise, its  
398 successors or assigns, and in connection therewith to pay the  
399 costs of title search, perfection of title, title insurance and  
400 recording fees as may be required. The authority may provide in  
401 the instrument conveying such property a provision that the  
402 property shall revert to the authority if, as and when the  
403 property is declared by the enterprise to be no longer needed.

404 (s) To enter into an agreement with the counties and  
405 units of local government adjoining the compact area to promote,  
406 develop, contract or operate projects which will contribute to the  
407 economic development of the area.

408 (t) To enter into contracts with any private firm,  
409 person or public agency including, but not limited to, in  
410 furtherance of any of the purposes authorized by this chapter upon  
411 such consideration as the authority and such person or public  
412 agency may agree. Any such contract may extend over any period of  
413 time, notwithstanding any rule of law to the contrary, may be upon  
414 such terms as the parties thereto shall agree, and may provide  
415 that it shall continue in effect until bonds specified therein,  
416 refunding bonds issued in lieu of such bonds, and all other  
417 obligations specified therein are paid or terminated. Any such  
418 contract shall be binding upon the parties thereto according to  
419 its terms. Such contracts may include an agreement to reimburse  
420 the enterprise, its successors and assigns for any assistance  
421 provided by the enterprise in the acquisition of real property for  
422 the project or any facility related to the project.



423 (u) To establish and maintain reasonable rates and  
424 charges for the use of any facility within the compact area owned  
425 or operated by or under the authority, or services provided by the  
426 authority and from time to time to adjust such rates and to impose  
427 penalties for failure to pay such rates and charges when due.

428 (v) To adopt and enforce exclusively all necessary and  
429 reasonable rules and regulations to carry out and effectuate the  
430 implementation of this chapter, the purpose of the authority and  
431 any project and any land use plan classification adopted for the  
432 compact area, including but not limited to, rules, regulations,  
433 zoning and restrictions concerning mining, construction,  
434 excavation or any other activity the occurrence of which may  
435 endanger the structure or operation of the authority or any  
436 project. However, the exercise of this power shall not conflict  
437 with the provisions of Article VII, subsection (2) of this  
438 section.

439 (w) To plan, design, coordinate and implement measures  
440 and programs to mitigate impacts on the natural environment caused  
441 by a project or any facility related to a project.

442 (x) To develop plans for technology transfer activities  
443 to ensure private sector conduits for exchange of information,  
444 technology and expertise related to a project to generate  
445 opportunities for commercial development within the compact area.

446 (y) To consult with the State Department of Education  
447 and other public agencies for the purpose of improving public  
448 schools and curricula and training programs within the compact  
449 area.

450 (z) To consult with the State Board of Health and other  
451 public agencies for the purpose of improving medical centers,  
452 hospitals and public health centers in order to provide  
453 appropriate health care facilities within the compact area.

454 (aa) To do any and all things necessary or proper for  
455 the accomplishment of the objectives of this chapter and to



456 exercise any power usually possessed by private corporations  
457 performing similar functions which is not in conflict with the  
458 constitutions and laws of the respective states, including the  
459 power to employ professional and administrative staff and  
460 personnel and to retain legal, engineering, fiscal, accounting and  
461 other professional services; the power to purchase all kinds of  
462 insurance, including without limitations, insurance against tort  
463 liability and against risks of damage to property; and the power  
464 to act as self-insurer with respect to any loss or liability.

465 **Article VII. Promulgation of rules and regulations.** (1)

466 The authority may adopt and promulgate all reasonable rules and  
467 regulations regarding the operation of the authority, its  
468 projects, the compact area, and the specifications and standards  
469 relating to the construction, operation and maintenance of any  
470 facility.

471 (2) The board shall have jurisdiction for the development of  
472 any land use planning or the promulgation of land use  
473 restrictions, regulations or zoning ordinance which shall govern  
474 all land use within the compact area. Any land use rule, plan,  
475 regulation or zoning ordinance adopted by the board affecting land  
476 within or adjoining any unit of local government, and within  
477 one-third (1/3) mile thereof, shall be consistent with the land  
478 use plan of the unit of local government and subject to the  
479 approval of the governing body of that unit of local government.

480 **Article VIII. Bonds of authority.** (1) The authority is  
481 empowered and authorized, from time to time, to issue bonds in  
482 such principal amounts as shall be necessary to provide sufficient  
483 funds for achieving any of its corporate purposes, including  
484 without limiting the generality of the foregoing, the financing of  
485 the acquisition, construction, improvement of facilities or any  
486 combination thereof, the payment of interest on bonds of the  
487 authority, establishment of reserves to secure such bonds,  
488 expenses incident to the issuance of such bonds, including bond



489 insurance and to the implementation of programs or projects, and  
490 any other capital expenditures but not operating costs of the  
491 authority incident to or necessary or convenient to carry out its  
492 corporate purposes and powers.

493 (2) The authority may issue such types of bonds or notes, in  
494 its discretion, subject only to any agreement with the holders of  
495 particular bonds, including bonds as to which the principal and  
496 interest are payable exclusively from all or a portion of the  
497 revenues derived from one or more facilities under the contracts  
498 entered into by public agencies, and other persons, or any  
499 combination of any of the foregoing, or which may be secured by a  
500 pledge or any grant, subsidy or contribution from any public  
501 agency or other person, or a pledge of an income or revenues,  
502 funds or monies of the authority from any source whatsoever,  
503 except that the authority may not issue bonds or notes that are  
504 secured by ad valorem taxes.

505 (3) Bonds shall be authorized by a resolution or resolutions  
506 of the board. Such bonds shall bear such date or dates, mature at  
507 such time or times (either serially, term or a combination  
508 thereof), bear interest at such rate or rates, be in such  
509 denomination or denominations, be in such registered form, carry  
510 such conversion or registration privileges, have such rank or  
511 priority, be executed in such manner and by such officers, be  
512 payable from sources other than ad valorem taxes, in such medium  
513 of payment at such place or places within or without the state,  
514 provided that one (1) such place shall be within the state, be  
515 subject to such terms of redemption before maturity, all as may be  
516 provided by resolution or resolutions of the compact.

517 (4) Any bonds of the authority may be sold at such price or  
518 prices, at public or private sale, in such manner and at such  
519 times as may be determined by the authority to be in the public  
520 interest, and the authority may pay all expenses, premiums, fees





521 and commissions which it may deem necessary and advantageous in  
522 connection with the issuance and sale thereof.

523 (5) Any pledge of earnings, revenues or other monies made by  
524 the authority shall be valid and binding from the time the pledge  
525 is made and the earnings, revenues or other monies so pledged and  
526 thereafter received by the authority immediately shall be subject  
527 to the lien of such pledge without any physical delivery thereof  
528 or further act. The lien of any such pledge shall be valid and  
529 binding as against all parties having claims of any kind in tort,  
530 contract or otherwise against the authority regardless of whether  
531 such parties have notice thereof. Neither the resolution nor any  
532 other instrument by which a pledge is created need be recorded.

533 (6) Neither the board members nor any person executing the  
534 bonds shall be personally liable on the bonds or be subject to any  
535 personal liability or accountability by reason of the issuance  
536 thereof.

537 (7) Whenever any bonds shall have been signed by the  
538 officers of the board designated by resolution of the authority to  
539 sign the bonds who were in office at the time of such signing but  
540 who may have ceased to be such officers prior to the sale and  
541 delivery of such bonds, or who may not have been in office on the  
542 date such bonds may bear, the manual or facsimile signatures of  
543 such officers upon such bonds and the coupons appertaining  
544 thereto, shall nevertheless be valid and sufficient for all  
545 purposes and have the same effect as if the person so officially  
546 executing such bonds had remained in office until the delivery of  
547 the same to the purchaser or had been in office on the date such  
548 bonds may bear.

549 (8) The bonds issued by the authority under authority of the  
550 compact shall be limited obligations of such compact. The  
551 principal, interest and redemption premium, if any, shall be  
552 payable solely out of the monies to be derived by the compact.  
553 Revenue bonds and interest coupons issued under authority of this



554 chapter shall never constitute an indebtedness of the state or any  
555 county or municipality within the meaning of any state  
556 constitutional provision or statutory limitation and shall never  
557 constitute nor give rise to a pecuniary liability of a county or  
558 municipality or the state, or a charge against its general credit  
559 or taxing powers, and such fact shall be plainly stated on the  
560 face of each bond.

561       **Article IX. Temporary borrowing by authority.** (1) Pending  
562 the issuance of revenue bonds by the authority, the board is  
563 authorized to make temporary borrowings not to exceed two (2)  
564 years in anticipation of the issue of bonds in order to provide  
565 funds in such amounts as may, from time to time, be deemed  
566 advisable prior to the issue of bonds. To provide for such  
567 temporary borrowings, the authority may enter into any purchase,  
568 loan or credit agreement, or agreements or other agreement or  
569 agreements with any banks or trust companies or other lending  
570 institutions, investment banking firms or persons in the United  
571 States having power to enter into the same.

572       (2) All temporary borrowings made under this section shall  
573 be evidenced by notes of the authority which shall be issued, from  
574 time to time, for such amounts, in such form and in such  
575 denominations and subject to terms and conditions of sale and  
576 issue, prepayment or redemption and maturity, rate or rates of  
577 interest and time of payment of interest as the board shall  
578 authorize and direct. Such authorization and direction may  
579 provide for the subsequent issuance of replacement notes to  
580 refund, upon issuance thereof, such notes, and may specify such  
581 other terms and conditions with respect to the notes and  
582 replacement notes thereby authorized for issuance as the board may  
583 determine and direct.

584       **Article X. Refunding bonds.** The authority may issue  
585 refunding bonds for the purpose of paying any of its bonds at or  
586 prior to maturity or upon acceleration or redemption. Refunding



587 bonds may be issued at such time prior to the maturity or  
588 redemption of the refunded bonds as the authority deems to be in  
589 the public interest. The refunding bonds may be issued in  
590 sufficient amounts to pay or provide the principal of the bonds  
591 being refunded, together with any redemption premium thereof, any  
592 interest accrued or to accrue to the date of payment of such  
593 bonds, the expenses of issue of the refunding bonds, the expenses  
594 of redeeming the bonds being refunded, and such reserves for debt  
595 service or other capital or current expenses from the proceeds of  
596 such refunding bonds as may be required by the resolution, trust  
597 indenture or other security instruments.

598 **Article XI. General terms and conditions of bonds**

599 **of compact.** The authority shall have power in the issuance of its  
600 bonds to:

601 (a) Covenant as to the use of any or all of its  
602 property, real or personal.

603 (b) Redeem the bonds, to covenant for their redemption  
604 and to provide the terms and conditions thereof.

605 (c) Covenant to charge rates, fees and charges  
606 sufficient to meet operating and maintenance expenses, renewals  
607 and replacements, principal and debt service on bonds, creation  
608 and maintenance of any reserves required by a bond resolution,  
609 trust indenture or other security instrument and to provide for  
610 any margins or coverages over and above debt service on the bonds  
611 deemed desirable for the marketability of the bonds.

612 (d) Covenant and prescribe as to events of default and  
613 terms and conditions upon which any or all of its bonds shall  
614 become or may be declared due before maturity, as to the terms and  
615 conditions upon which such declaration and its consequences may be  
616 waived and as to the consequences of default and the remedies of  
617 bondholders.

618 (e) Covenant as to the mortgage or pledge of or the  
619 grant of a security interest in any real or personal property and



620 all or any part of the revenues from any facilities or any  
621 revenue-producing contract or contracts made by the compact with  
622 any person to secure the payment of bonds, subject to such  
623 agreements with the holders of bonds as may then exist.

624 (f) Covenant as to the custody, collection, securing,  
625 investment and payment of any revenue assets, monies, funds or  
626 property with respect to which the compact may have any rights or  
627 interest.

628 (g) Covenant as to the purpose to which the proceeds  
629 from the sale of any bonds then or thereafter to be issued may be  
630 applied, and the pledge of such proceeds to secure the payment of  
631 the bonds.

632 (h) Covenant as to the limitations on the issuance of  
633 any additional bonds, the terms upon which additional bonds may be  
634 issued and secured, and the refunding of outstanding bonds.

635 (i) Covenant as to the rank or priority of any bonds  
636 with respect to any lien or security.

637 (j) Covenant as to the procedure by which the terms of  
638 any contract with or for the benefit of the holders of bonds may  
639 be amended or abrogated, the amount of bonds the holders of which  
640 must consent thereto, and the manner in which such consent may be  
641 given.

642 (k) Covenant as to the custody of any of its properties  
643 or investments, the safekeeping thereof, the insurance to be  
644 carried thereon, and the use and disposition of insurance  
645 proceeds.

646 (l) Covenant as to the vesting in a trustee or  
647 trustees, within or outside the state, of such properties, rights,  
648 powers and duties in trust as the authority may determine.

649 (m) Covenant as to the appointing and providing for the  
650 duties and obligations of a paying agent or paying agents or other  
651 fiduciaries within or outside the state.



652           (n) Make all other covenants and to do any and all such  
653 acts and things as may be necessary or convenient or desirable in  
654 order to secure its bonds without a pledge of ad valorem taxes, or  
655 in the absolute discretion of the authority tend to make the bonds  
656 more marketable, notwithstanding that such covenants, acts or  
657 things may not be enumerated herein; it being the intention hereof  
658 to give the authority power to do all things in the issuance of  
659 bonds and in the provisions for security thereof which are not  
660 inconsistent with the Constitution of the state.

661           (o) Execute all instruments necessary or convenient in  
662 the exercise of the powers herein granted or in the performance of  
663 covenants or duties, which may contain such covenants and  
664 provisions, as any purchaser of the bonds of the authority may  
665 reasonably require.

666           **Article XII. Appointment of trustee or receiver for**  
667 **enforcement or protection of rights of bondholders.** The authority  
668 may, in any authorizing resolution of the board of directors,  
669 trust indenture or other security instrument relating to its  
670 bonds, provide for the appointment of a trustee who shall have  
671 such powers as are provided therein to represent the bondholders  
672 of any issue of bonds in the enforcement or protection of their  
673 rights under any such resolution, trust indenture or security  
674 instrument. The authority may also provide in such resolution,  
675 trust indenture or other security instrument that the trustee, or  
676 if the trustee so appointed fails or declines to protect and  
677 enforce such bondholders' rights then the percentage of  
678 bondholders as shall be set forth in, and subject to the  
679 provisions of, such resolution, trust indenture or other security  
680 instrument, may petition the court of proper jurisdiction for the  
681 appointment of a receiver of the facilities, the revenues of which  
682 are pledged to the payment of the principal of and interest on the  
683 bonds held by such bondholders. Such receiver may exercise any  
684 power as may be granted in any such resolution, trust indenture or



685 security instrument to enter upon and take possession of, acquire,  
686 construct or reconstruct, or operate and maintain such facilities,  
687 fix, charge, collect, enforce and receive all revenues derived  
688 from such facilities, and perform the public duties and carry out  
689 the contracts and obligations of the authority in the same manner  
690 as the authority itself might do, all under the direction of such  
691 a proper court.

692 **Article XIII. Exemption from taxation.** (1) The exercise of  
693 the powers granted by this chapter will be in all respects for the  
694 benefit of the people of the states for their well-being and  
695 prosperity and for the improvement of their social and economic  
696 conditions, and neither the compact or authority shall be required  
697 to pay any tax or assessment on any property owned by the compact  
698 or the authority upon the income therefrom.

699 (2) Any bonds issued by the authority under the compact,  
700 their transfer and the income therefrom shall at all times be free  
701 from taxation by the state or any unit of local government or  
702 other instrumentality of the state, except for inheritance and  
703 gift taxes.

704 **Article XIV. Powers of counties, municipalities or other**  
705 **political subdivisions and agencies and instrumentalities thereof**  
706 **as to assistance and cooperation with the compact.** For the  
707 purpose of attaining the objectives of this chapter, any county,  
708 municipality or other unit of local government, public  
709 corporation, agency or instrumentality of the state, a county or  
710 municipality or person may, upon terms and with or without  
711 consideration, as it may determine, do any or all of the  
712 following:

713 (a) Lend, contribute or donate money to the authority  
714 or perform services for the benefit thereof;

715 (b) Donate, sell, convey, transfer, lease, option or  
716 grant upon such terms as the parties may agree, without the



717 necessity of authorization at any election of qualified voters,  
718 any property of any kind; and

719 (c) Do any and all things, whether or not specifically  
720 authorized in this section, not otherwise prohibited by law, that  
721 are necessary or convenient to aid and cooperate with any  
722 authority in attaining the objectives of this chapter.

723 **Article XV. Contracting for projects.** Contracts for  
724 acquisition, purchase, construction or installation of a project  
725 shall be effected in the manner prescribed by law for public  
726 contracts, except when:

727 (a) The authority finds and records such finding on its  
728 minutes, that because of availability or particular nature of a  
729 project, it would not be in the public interest or would less  
730 effectively achieve the purposes of this chapter to enter into  
731 such contracts upon the basis of public bidding pursuant to  
732 advertising;

733 (b) The industry concurs in such finding; and

734 (c) Such finding is approved by the board, public  
735 bidding pursuant to advertisement may be dispensed with and such  
736 contracts may be entered into based upon negotiation; and provided  
737 further, that the industry or enterprise locating within the  
738 compact area, at its option, may negotiate such contracts in the  
739 name of the compact or authority.

740 **Article XVI. Contracts with public agencies.** For the  
741 purpose of aiding in the planning, design, undertaking and  
742 carrying out of the project or any facility related to the  
743 project, any public agency is authorized and empowered upon such  
744 terms, with or without consideration, as it may determine:

745 (a) To enter into agreements, which may extend over any  
746 period, with the authority respecting action to be taken by such  
747 public agency with respect to the acquisition, planning,  
748 construction, improvement, operation, maintenance or funding of  
749 the project or any such facility, and which agreements may include



750 (i) the appropriation or payment of funds to the compact or  
751 authority or to a trustee in amounts which shall be sufficient to  
752 enable the authority to defray any designated portion or  
753 percentage of the expenses of administering, planning, designing,  
754 constructing, acquiring, improving, operating and maintaining the  
755 project or any facility related to the project, and (ii) the  
756 furnishing of other assistance in connection with the project or  
757 facility related to the project;

758 (b) To dedicate, sell, donate, convey or lease any  
759 property or interest in property to the authority or grant  
760 easements, licenses or other rights or privileges therein to the  
761 authority;

762 (c) To incur the expense of any public improvements  
763 made or to be made by such public agency in exercising the powers  
764 granted in this section;

765 (d) To lend, grant or contribute funds to the  
766 authority;

767 (e) To cause public buildings and public facilities,  
768 including parks, playgrounds, recreational areas, community  
769 meeting facilities, water, sewer or drainage facilities, or any  
770 other works which it is otherwise empowered to undertake, to be  
771 furnished to or with respect to the project or any such facility;

772 (f) To furnish, dedicate, close, vacate, pave, install,  
773 upgrade or improve highways, streets, roads, sidewalks, airports,  
774 railroads or ports with the approval of the proper state, federal  
775 or local regulatory authority;

776 (g) To plan or replan, zone or rezone any parcel of  
777 land within the public agency or make exceptions from land use,  
778 building and zoning regulations; and

779 (h) To cause administrative and other services to be  
780 furnished to the authority, including services pertaining to the  
781 acquisition of real property and the furnishing of relocation  
782 assistance. Any contract between a public agency entered into





783 with the authority pursuant to any of the powers granted by this  
784 chapter shall be binding upon the public agency according to its  
785 terms, and the public agency shall have the power to enter into  
786 such contracts as in the discretion of the governing authorities  
787 thereof, would be to the best interest of the people of the public  
788 agency. If at any time title to or possession of the project or  
789 any such facility is held by any public body or governmental  
790 agency other than the authority, including any agency or  
791 instrumentality of the United States of America, the agreements  
792 referred to in this section shall inure to the benefit of and may  
793 be enforced by such public body or governmental agency.

794 **Article XVII. Establishment of joint venture.** The board is  
795 empowered to establish and create such nonprofit corporations,  
796 joint ventures, limited liability companies as from time to time  
797 the board may deem necessary or desirable in the performance of  
798 any acts or other things necessary to the exercise of the powers  
799 provided in this chapter, and to delegate to such departments,  
800 boards or other agencies such administrative duties and other  
801 powers as the board deems necessary or desirable.

802 **Article XVIII. Ownership and disposition of property.**  
803 The authority is authorized to acquire property, real, personal or  
804 mixed, within or without its territorial limits, in fee simple or  
805 any lesser interest or estate, by purchase, gift, devise or lease,  
806 on such terms and conditions as the board may deem necessary or  
807 desirable; to acquire mineral rights and leases; to acquire title  
808 to submerged lands and riparian rights and easements or  
809 rights-of-way with or without restrictions within or without the  
810 limits of the authority; to accept the dedication of streets and  
811 other rights-of-way on such terms and conditions as the authority  
812 may approve; to make purchase money mortgages and deed trusts and  
813 other forms of encumbrance on any property acquired by the  
814 authority and to purchase property subject to purchase money  
815 mortgages, or other encumbrances; and to mortgage, hold, manage,



816 control, convey, lease, sell, grant or otherwise dispose of the  
817 same, and of any of the assets and properties of the authority,  
818 with or without consideration.

819 **Article XIX. Lease of facilities.** Whenever deemed necessary  
820 or desirable by the authority, the authority may lease as lessor  
821 or lessee to or from any person, firm, corporation, association or  
822 body public or private, any projects of the type that the  
823 authority is authorized to undertake and facilities or property of  
824 any nature for the use of the authority and to carry out any of  
825 the purposes of the compact.

826 **Article XX. Authority services authorized.** (1) The  
827 authority, in furtherance of its purposes and to facilitate or  
828 provide the necessary services for the development of the compact  
829 area is authorized by agreement, ownership, contract, lease, joint  
830 venture or otherwise to do the following within the compact or  
831 service area.

832 (a) Reclamation and drainage. To adopt a plan of  
833 reclamation, and own, acquire, construct, reconstruct, equip,  
834 operate, maintain, extend and improve canals, ditches, drains,  
835 dikes, levees, pumps, plants and pumping systems and other works,  
836 machinery and plants.

837 (b) Water and sewer systems. To facilitate the  
838 development or own, acquire, construct, reconstruct, equip,  
839 operate, maintain, extend and improve water systems and sewer  
840 systems or combined water and sewer systems; to cooperate with the  
841 proper public agency to regulate the use of sewers and the supply  
842 of water within the compact area and cooperate with the proper  
843 public agency in prohibiting or regulating the use and maintenance  
844 of outhouses, privies, septic tanks or other sanitary structures  
845 or appliances within the compact area; to coordinate with the  
846 proper public agencies in prescribing methods of pretreatment of  
847 wastes not amenable to treatment with domestic sewage before  
848 accepting such wastes for treatment and to refuse to accept such



849 wastes when not sufficiently pretreated as may be prescribed by  
850 the proper public agency; to sell or otherwise dispose of the  
851 effluent, sludge or other by-products as a result of sewage  
852 treatment; and to construct and operate connecting, intercepting  
853 or outlet sewers and sewer mains and pipes and water mains,  
854 conduits or pipelines in, along or under any street, alleys,  
855 highways or other public places or ways within the compact  
856 services area, when deemed necessary or desirable by the authority  
857 and the proper public agency in accomplishing the purposes of this  
858 chapter.

859           (c) Waste collection and disposal. To own, acquire,  
860 construct, reconstruct, equip, operate, maintain, extend and  
861 improve a waste collection and disposal system, and to sell or  
862 otherwise dispose of any effluent, residue or other by-products of  
863 such systems, provided that such actions comply with existing  
864 state and federal laws and regulations.

865           (d) Recreation facilities. To provide, acquire,  
866 construct, equip, operate, maintain, if necessary, extend and  
867 improve parks, playgrounds, picnic grounds, golf courses,  
868 auditoriums, libraries, recreational centers, convention halls and  
869 facilities, and cultural, recreational and other appropriate  
870 projects.

871           (e) Parking facilities. To own, acquire, construct,  
872 reconstruct, equip, operate, maintain, extend and improve parking  
873 facilities, to install or cause to be installed parking meters at  
874 or near the curbs of streets, roads and other public ways within  
875 the compact area, and to adopt such regulations and impose such  
876 charges in connection with any parking facilities as the board may  
877 deem necessary or desirable.

878           (f) Fire protection. To provide for or own, acquire,  
879 construct, reconstruct, equip, maintain, operate, extend and  
880 improve fire control facilities for the compact, including fire  
881 stations, water mains and plugs, fire trucks and other vehicles



882 and equipment, and to undertake such works and construct such  
883 facilities as may be determined necessary by the board to carry  
884 out a program of fire prevention and fire control within the  
885 compact or service area.

886 (g) Conservation areas and sanctuaries. To designate,  
887 set aside and maintain lands and areas within the compact area as  
888 conservation areas; to promulgate and enforce rules and  
889 regulations with respect thereto and to protect and preserve the  
890 natural beauty thereof.

891 (2) The authority may contract with a county or a unit of  
892 local government located within such county for any services  
893 authorized by this section when doing so would result in lower or  
894 comparable costs to the authority.

895 **Article XXI. Pursuit of eminent domain.** The authority shall  
896 not have the power to exercise eminent domain. The authority  
897 shall have the authority to request and pursue eminent domain  
898 through the state or a unit of local government for the particular  
899 purpose of the acquisition of property designated by plan to  
900 sufficiently accommodate the location of the specific facilities  
901 and utilities, and such requirements related directly thereto  
902 pursuant to the provisions of applicable state law. However,  
903 before the exercise of this power, the board shall enter on its  
904 minutes the determination of the need to pursue the power of  
905 eminent domain through the state or unit of local government for  
906 the acquisition of a part of the acreage involved, not to exceed  
907 ten percent (10%) of the acreage involved, and the board shall so  
908 specify in its minutes.

909 **Article XXII. Short term borrowings.** The authority at any  
910 time may obtain loans, in such amount and on such terms and  
911 conditions as the board may approve, for the purpose of paying any  
912 of the expenses of the authority or any costs incurred or that may  
913 be incurred in connection with any of the projects of the  
914 authority, which loans shall have a term not exceeding two (2)



915 years from the date of issuance thereof, and may be renewable for  
916 a like term or terms, and may be payable from and secured by a  
917 pledge of such funds, revenues and assessments, other than a levy  
918 of ad valorem taxes, as the board may determine.

919 **Article XXIII. Cooperation agreements with the state,**  
920 **counties and municipalities.** (1) The states of Mississippi and  
921 Tennessee and the counties, municipalities and other political  
922 subdivisions and public bodies and agencies thereof, or any of  
923 them, whether now existing or hereafter created, are authorized to  
924 aid and cooperate with the compact in carrying out any of the  
925 purposes and projects of the authority to enter into cooperation  
926 agreements with the authority, to provide in any such cooperation  
927 agreement for the making of loans, gifts, grants or contributions  
928 to the authority and the granting and conveyance to the authority  
929 of real or personal property of any kind or nature, or any  
930 interest therein, for the carrying out of the purposes and  
931 projects of the authority, to covenant in any such cooperation  
932 agreement to pay all or any part of the costs of acquisition,  
933 construction, reconstruction, extension, improvement, operation  
934 and maintenance of any of the projects of the authority, and to  
935 pay all or any part of the principal and interest on any bonds of  
936 the authority and all or any part of the deposits required to be  
937 made into any reserve, renewal and replacement or other funds  
938 created and established by the indenture, resolution, deed of  
939 trust or other instrument securing such bonds.

940 (2) The authority is empowered to enter into a joint venture  
941 development agreement or other agreement to provide services,  
942 facilities or to invest such available funds of the authority in a  
943 project which contributes to the economic growth and development  
944 of Fayette County, Tennessee, or Marshall County, Mississippi, as  
945 may be determined by the board.

946 **Article XXIV. Interstate and federal cooperation.** The  
947 authority is authorized to cooperate and coordinate with economic



948 development commissions, travel, and other similar commissions and  
949 boards, or other similar agencies of other states, the federal  
950 government, and with county, municipal, and regional economic  
951 development, travel, and other similar commissions or boards, or  
952 other agencies thereof, for the purposes of securing economic  
953 development within the states of Mississippi and Tennessee, and to  
954 accomplish this purpose.

955       **Article XXV. Publicity and advertising.** It shall be the  
956 duty of the authority to prepare and execute a program of  
957 publicity and advertising that will bring into favorable notice  
958 the industrial, commercial, recreational, educational and social  
959 advantages, opportunities, possibilities, resources and facilities  
960 of the compact, and in the preparation and execution of such  
961 program the compact may use any funds which may be appropriated or  
962 otherwise made available.

963       **Article XXVI. Sale, lease or other disposal of enterprises.**  
964 When authorized by the board, the authority is empowered, in its  
965 discretion, to sell, lease or otherwise dispose of any industrial  
966 enterprise or other enterprises of the authority, in whole or in  
967 part, on such terms and conditions and with such safeguards as  
968 will best promote and protect the public interest. Further, the  
969 authority is authorized, acting with the approval of the general  
970 manager by and through the board, to transfer title or possession  
971 to such industry or to any property utilized therein, by warranty  
972 deed, lease, bill of sale, contract or other customary business  
973 instrument, in the same manner and to the same extent that any  
974 private corporation, association or person may contract, with  
975 reference to such property of a similar nature. Such disposition  
976 shall not be made except by the affirmative vote of at least  
977 two-thirds (2/3) of the board, and all votes shall be of record.  
978 All income from any lease or contract for the operation or from  
979 the disposition of an industrial enterprise may be used by the  
980 authority for any authorized purpose, except that if bonds have



981 been issued for the enterprise, the proceeds shall be paid into  
982 the bond sinking funds provided for any bonds issued for the  
983 retirement of such bonds if any are outstanding for the sale year  
984 and the interest thereon. Such income or proceeds related to a  
985 bond issue shall not be used by the authority for any other  
986 purpose except as to disposition of surplus income authorized  
987 above, and shall be subject to all of the provisions regarding the  
988 sinking fund.

989 **Article XXVII. Requirements respecting lease of projects.**

990 Before the leasing of any project, enterprise or facilities for  
991 which bonds have been issued, the board must determine and find  
992 the following: the amount necessary in each year to pay the  
993 principal of and the interest on the bonds proposed to be issued  
994 to finance such project; the amount necessary to be paid each year  
995 into any reserve funds, which amounts may include deposits in  
996 escrow or reserve amounts as advance sums for the payment of  
997 insurance, which the board may deem it advisable to establish in  
998 connection with the retirement of the proposed bonds and the  
999 maintenance of the project; and, unless the terms under which the  
1000 project is to be leased provide that the lessee shall maintain the  
1001 project and carry all proper insurance with respect thereto, the  
1002 estimated cost of maintaining the project in good repair and  
1003 keeping it properly insured. The determinations and findings of  
1004 the board required to be made in the preceding sentence shall be  
1005 set forth in the proceedings under which the proposed bonds are to  
1006 be issued; and before the issuance of such bonds, the authority  
1007 shall lease the project to a lessee under an agreement conditioned  
1008 upon completion of the project and providing for payment to the  
1009 authority of such rentals as, upon the basis of such  
1010 determinations and findings, will be sufficient (a) to pay the  
1011 principal of and interest on the bonds issued to finance the  
1012 project, (b) to build up and maintain any reserve deemed by the  
1013 board to be advisable in connection therewith, and (c) unless the



1014 agreement of lease obligated the lessee to pay for the maintenance  
1015 and insurance of the project, to pay the cost of maintaining the  
1016 project in good repair and keeping it properly insured. Such  
1017 lease shall be made upon such other terms and conditions and for  
1018 the time which may be determined by the authority and may contain  
1019 provisions authorizing the purchase of the entire project or any  
1020 portion thereof by the industry or its assignee after all bonds  
1021 issued thereunder have been paid in full, for such consideration  
1022 and upon such terms and conditions as the authority may determine.

1023 **Article XXVIII. Plans for industrial plant training and**  
1024 **recruitment.** The authority is authorized and empowered to  
1025 formulate plans for industrial plant training, workplace skills or  
1026 other educational activities to aid in recruitment for new and  
1027 expanded industries, or both, and to enter into agreements for  
1028 such training with a college, university or training institution  
1029 in either or both member states.

1030 **Article XXIX. Lease/sale agreements between compact**  
1031 **and industries.** Any agreement made under this chapter may provide  
1032 that the project will be owned by the authority, and leased to the  
1033 industry; may provide the industry with an option to purchase the  
1034 project upon such terms and conditions as the board and the  
1035 industry shall agree upon, at a price which represents the fair  
1036 market value at the time of purchase or may provide that the  
1037 project shall become the property of the industry upon the  
1038 acquisition thereof. Any such agreement may also, but is not  
1039 required to, include a guaranty agreement whereby a corporation,  
1040 foreign or domestic, other than the industry guarantees in whole  
1041 or in part the obligations of the industry under the lease or sale  
1042 upon such terms and conditions as the board may deem appropriate.

1043 **Article XXX.** Nothing in this section shall be construed so  
1044 as to conflict with or modify any existing statute, or to limit  
1045 the powers of any party state, or to repeal or prevent  
1046 legislation, or to authorize or permit curtailment or diminution





1047 of any other economic development project, or to affect any  
1048 existing or future cooperative arrangement or relationship between  
1049 any federal agency and a party state. The authority conferred by  
1050 this compact shall not be construed as an exemption from the  
1051 provisions of Tennessee Code Annotated, Title 65, or from the  
1052 provisions of Section 77-3-1 et seq., Mississippi Code of 1972, as  
1053 to the requirements for obtaining a certificate of public  
1054 convenience and necessity, the jurisdiction of the Tennessee  
1055 Regulatory Authority or the jurisdiction of the Mississippi Public  
1056 Service Commission to regulate rates or any other provisions of  
1057 the laws of either state, and to the extent that the authority  
1058 provides telephone, telegraph and telecommunications services or  
1059 any similar services in Tennessee, the authority is deemed to be a  
1060 public utility subject to the jurisdiction of the Tennessee  
1061 Regulatory Authority. Furthermore, nothing in this compact shall  
1062 be construed to deprive, prevent, or hinder an electric or other  
1063 public utility from exclusively providing its services in those  
1064 portions of the compact area that are now or hereafter included  
1065 within a certificate of public convenience and necessity issued to  
1066 the public utility by the Tennessee Regulatory Authority, the  
1067 Mississippi Public Service Commission or other appropriate  
1068 regulatory agency. The authority conferred by this compact shall  
1069 not be construed as a grant of authority to provide electric,  
1070 telephone, telegraph, telecommunications services, cable  
1071 television, video transmission, video programming services or  
1072 other similar service, and this compact shall be subject to all  
1073 federal, state and local laws, ordinances, rules and regulations  
1074 governing such services.

1075 \* \* \*

1076 **SECTION 2.** This act shall take effect and be in force from  
1077 and after July 1, 2003.

