

By: Senator(s) Minor

To: Finance

SENATE BILL NO. 2757

1 AN ACT TO AMEND SECTION 57-36-1, MISSISSIPPI CODE OF 1972, TO  
2 REMOVE ARTICLE XXXI OF THE CHICKASAW TRAIL ECONOMIC DEVELOPMENT  
3 COMPACT WHICH PROVIDES THAT THE COMPACT SHALL REMAIN BINDING UNTIL  
4 CERTAIN ACTION IS TAKEN TO WITHDRAW FROM IT; AND FOR RELATED  
5 PURPOSES.

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

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

9 57-36-1. The Governor, on behalf of this state, is hereby  
10 authorized to execute a compact, in substantially the following  
11 form, with the State of Tennessee; and the Legislature hereby  
12 signifies in advance its approval and ratification of such  
13 compact, which compact is as follows:

14 CHICKASAW TRAIL ECONOMIC DEVELOPMENT COMPACT

15 Article I.

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

26 Article II.



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

30           Article III.

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

55           Article IV. Definitions.

56           Whenever used in this chapter, the following words and terms  
57 shall have the following respective meanings unless a different  
58 meaning clearly appears from the 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 Development  
79 Compact consists of approximately eight thousand (8,000) acres,  
80 located on both sides of the Tennessee/Mississippi state line at  
81 the point where Shelby County and Fayette County adjoin Marshall  
82 County, Mississippi. The project boundaries are Highway 72 on the  
83 north, Quinn Road on the west, the proposed extension of Goodman  
84 Road on the south, and Redbanks Road on the east. Approximately  
85 one thousand one hundred (1,100) acres of the study area are in  
86 southeast Shelby County; six hundred (600) acres are in southwest  
87 Fayette County; and the balance of six thousand three hundred  
88 (6,300) acres is in north Marshall County.

89 (f) "Cost of project" means all costs of site  
90 preparation and other start-up costs; all costs of construction;  
91 all costs of real and personal property acquired for the purposes



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

116 (g) "County" means Marshall County, Mississippi, or  
117 Fayette County, Tennessee.

118 (h) "Enterprise" means any for profit or nonprofit  
119 venture, business, service provided, industrial facility or  
120 utility located within the compact area under any agreement or  
121 contract with the authority.

122 (i) "Facilities" mean any plant, structure, building,  
123 improvement, land or any other real or personal property of the



124 compact or authority or used or useful in a project under this  
125 chapter.

126 (j) "Governing body" means the elected or duly  
127 appointed officials constituting the governing body of a  
128 municipality or county.

129 (k) "Municipality" means any incorporated city or town  
130 within a county.

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

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

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

150 (o) "Public agency" means:

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

153 (ii) Any city, town, county, political  
154 subdivision, school district or other district created or existing  
155 under the laws of the state or any public agency of any such city,  
156 town, county, political subdivision or district; and



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

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

162 (i) Facilities to provide utilities, as defined  
163 herein;

164 (ii) Airports, airfields and air terminals;

165 (iii) Rail lines;

166 (iv) Highways, streets and other roadways;

167 (v) Conference centers, classrooms and  
168 instructional facilities, including any functionally related  
169 facilities;

170 (vi) Parks and outdoor recreation facilities;

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

173 (viii) Public or private health care facilities.

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



190 principal of premium, if any, or interest on the bonds as  
191 authorized by the authority; proceeds from any insurance,  
192 condemnation or guaranty pertaining to a facility or property  
193 mortgaged to secure bonds or pertaining to the financing of a  
194 facility; income and profit from the investment of the proceeds of  
195 bonds or of any revenues and the proceeds of any special tax to  
196 which it may be entitled.

197 (r) "State" means the State of Mississippi or the State  
198 of Tennessee.

199 (s) "Unit of local government" means a county or  
200 municipality within a county of the State of Mississippi or the  
201 State of Tennessee.

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

205 Article V. Composition of the authority.

206 (1) All powers of the compact shall be vested in a board of  
207 directors which will exercise all powers delegated to the  
208 authority under the laws of Mississippi and Tennessee.

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



223 of the compact study area in Fayette County, the Mayor of Piperton  
224 shall nominate the appointee, and the city commission shall  
225 confirm the nomination of such appointee.

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

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





256 board shall be paid from funds of the authority. The secretary  
257 shall keep a record of the proceedings of the authority and shall  
258 be custodian of all books, documents and papers filed with the  
259 authority, the minute book or journal, and the official seal. The  
260 secretary may make copies of all minutes and other records and  
261 documents of the compact and certify under the seal of the  
262 authority that such copies are true and accurate copies, and all  
263 persons dealing with the compact authority may rely upon such  
264 certification.

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

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

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

279 Article VI. General powers and duties of compact authority.

280 From and after the creation of the compact, the authority  
281 shall be a public corporation, body politic with all the rights  
282 and powers now or hereafter conferred as may be deemed necessary  
283 to carry out the purposes of this chapter including the following:

284 (a) To maintain an office at a place or places within  
285 either state.

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

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



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

292 (e) To make, adopt, enforce, amend and repeal bylaws  
293 and rules and regulations for the management of its business and  
294 affairs for the use, maintenance and operation of the compact, any  
295 of the project facilities and any other of its properties.

296 (f) To borrow money and to issue bonds, notes and other  
297 evidence of indebtedness, without the authority to levy ad valorem  
298 taxes, for any of its purposes and to provide for and secure the  
299 payment thereof and to provide for the rights of the holders  
300 thereof.

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

305 (h) To exercise any one or more of the powers, rights  
306 and privileges under this chapter, either alone or jointly or in  
307 common with one or more other public or private parties. In any  
308 such exercise of such powers, rights and privileges jointly or in  
309 common with others for the development, construction, operation  
310 and maintenance of facilities within the compact area, the  
311 authority may own an undivided interest in such facilities with  
312 any other party, public or private, with which it may jointly or  
313 in common exercise the rights and privileges conferred by this  
314 chapter and may enter into an agreement or agreements with respect  
315 to any such facility with the other party or parties, public or  
316 private, participating therein including development agreements,  
317 joint ventures and real estate investment trusts. An agreement  
318 may contain such terms, conditions and provisions, consistent with  
319 this paragraph, as the parties thereto shall deem to be in their  
320 best interest, including, but not limited to, provisions for the



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

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

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

349 (k) To acquire by purchase, lease, gift, investment,  
350 trade, exchange or in other manner, including eminent domain as  
351 may be authorized under this chapter, or obtain options to  
352 acquire, and to own, maintain, use, operate and convey any and all  
353 property of any kind, real, personal or mixed or easement therein



354 or any interest or estate therein, within the compact area,  
355 necessary for the project or any facility related to the project.

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

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

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

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

379 (p) To construct, extend, improve, maintain and  
380 reconstruct, to cause to be constructed, extended, improved,  
381 maintained and reconstructed, and to use and operate any and all  
382 components of the project or any facility related to a project,  
383 subject to the concurrence and approval of the affected public  
384 agency, within the compact area, necessary to the project and to  
385 the exercise of such powers, rights and privileges granted the  
386 authority.



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

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

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

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

418           (u) To establish and maintain reasonable rates and  
419 charges for the use of any facility within the compact area owned



420 or operated by or under the authority, or services provided by the  
421 authority and from time to time to adjust such rates and to impose  
422 penalties for failure to pay such rates and charges when due.

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

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

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

441 (y) To consult with the State Department of Education  
442 and other public agencies for the purpose of improving public  
443 schools and curricula and training programs within the compact  
444 area.

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

449 (aa) To do any and all things necessary or proper for  
450 the accomplishment of the objectives of this chapter and to  
451 exercise any power usually possessed by private corporations  
452 performing similar functions which is not in conflict with the



453 constitutions and laws of the respective states, including the  
454 power to employ professional and administrative staff and  
455 personnel and to retain legal, engineering, fiscal, accounting and  
456 other professional services; the power to purchase all kinds of  
457 insurance, including without limitations, insurance against tort  
458 liability and against risks of damage to property; and the power  
459 to act as self-insurer with respect to any loss or liability.

460 Article VII. Promulgation of rules and regulations.

461 (1) The authority may adopt and promulgate all reasonable  
462 rules and regulations regarding the operation of the authority,  
463 its projects, the compact area, and the specifications and  
464 standards relating to the construction, operation and maintenance  
465 of any facility.

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

475 Article VIII. Bonds of authority.

476 (1) The authority is empowered and authorized, from time to  
477 time, to issue bonds in such principal amounts as shall be  
478 necessary to provide sufficient funds for achieving any of its  
479 corporate purposes, including without limiting the generality of  
480 the foregoing, the financing of the acquisition, construction,  
481 improvement of facilities or any combination thereof, the payment  
482 of interest on bonds of the authority, establishment of reserves  
483 to secure such bonds, expenses incident to the issuance of such  
484 bonds, including bond insurance and to the implementation of  
485 programs or projects, and any other capital expenditures but not



486 operating costs of the authority incident to or necessary or  
487 convenient to carry out its corporate purposes and powers.

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

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

512 (4) Any bonds of the authority may be sold at such price or  
513 prices, at public or private sale, in such manner and at such  
514 times as may be determined by the authority to be in the public  
515 interest, and the authority may pay all expenses, premiums, fees  
516 and commissions which it may deem necessary and advantageous in  
517 connection with the issuance and sale thereof.





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

528           (6) Neither the board members nor any person executing the  
529 bonds shall be personally liable on the bonds or be subject to any  
530 personal liability or accountability by reason of the issuance  
531 thereof.

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

544           (8) The bonds issued by the authority under authority of the  
545 compact shall be limited obligations of such compact. The  
546 principal, interest and redemption premium, if any, shall be  
547 payable solely out of the monies to be derived by the compact.  
548 Revenue bonds and interest coupons issued under authority of this  
549 chapter shall never constitute an indebtedness of the state or any  
550 county or municipality within the meaning of any state



551 constitutional provision or statutory limitation and shall never  
552 constitute nor give rise to a pecuniary liability of a county or  
553 municipality or the state, or a charge against its general credit  
554 or taxing powers, and such fact shall be plainly stated on the  
555 face of each bond.

556 Article IX. Temporary borrowing by authority.

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

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

579 Article X. Refunding bonds.

580 The authority may issue refunding bonds for the purpose of  
581 paying any of its bonds at or prior to maturity or upon  
582 acceleration or redemption. Refunding bonds may be issued at such  
583 time prior to the maturity or redemption of the refunded bonds as



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

594 Article XI. General terms and conditions of bonds of  
595 compact.

596 The authority shall have power in the issuance of its bonds  
597 to:

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

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

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

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

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



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

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

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

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

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

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

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

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

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



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

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

663           Article XII. Appointment of trustee or receiver for  
664 enforcement or protection of rights of bondholders.

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



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

689 Article XIII. Exemption from taxation.

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

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

702 Article XIV. Powers of counties, municipalities or other  
703 political subdivisions and agencies and instrumentalities thereof  
704 as to assistance and cooperation with the compact.

705 For the purpose of attaining the objectives of this chapter,  
706 any county, municipality or other unit of local government, public  
707 corporation, agency or instrumentality of the state, a county or  
708 municipality or person may, upon terms and with or without  
709 consideration, as it may determine, do any or all of the  
710 following:

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

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



715 necessity of authorization at any election of qualified voters,  
716 any property of any kind; and

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

721 Article XV. Contracting for projects.

722 Contracts for acquisition, purchase, construction or  
723 installation of a project shall be effected in the manner  
724 prescribed by law for public contracts, except when:

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

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

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

738 Article XVI. Contracts with public agencies.

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

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



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

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

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

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

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

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

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

778 (h) To cause administrative and other services to be  
779 furnished to the authority, including services pertaining to the  
780 acquisition of real property and the furnishing of relocation





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

793 Article XVII. Establishment of joint venture.

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

801 Article XVIII. Ownership and disposition of property.

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



814 purchase money mortgages, or other encumbrances; and to mortgage,  
815 hold, manage, control, convey, lease, sell, grant or otherwise  
816 dispose of the same, and of any of the assets and properties of  
817 the authority, with or without consideration.

818 Article XIX. Lease of facilities.

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

825 Article XX. Authority services authorized.

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

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

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



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

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

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

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

877           (f) Fire protection. To provide for or own, acquire,  
878 construct, reconstruct, equip, maintain, operate, extend and  
879 improve fire control facilities for the compact, including fire



880 stations, water mains and plugs, fire trucks and other vehicles  
881 and equipment, and to undertake such works and construct such  
882 facilities as may be determined necessary by the board to carry  
883 out a program of fire prevention and fire control within the  
884 compact or service area.

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

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

894 Article XXI. Pursuit of eminent domain.

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

908 Article XXII. Short term borrowings.

909 The authority at any time may obtain loans, in such amount  
910 and on such terms and conditions as the board may approve, for the  
911 purpose of paying any of the expenses of the authority or any  
912 costs incurred or that may be incurred in connection with any of



913 the projects of the authority, which loans shall have a term not  
914 exceeding two (2) years from the date of issuance thereof, and may  
915 be renewable for a like term or terms, and may be payable from and  
916 secured by a pledge of such funds, revenues and assessments, other  
917 than a levy of ad valorem taxes, as the board may determine.

918 Article XXIII. Cooperation agreements with the state,  
919 counties and municipalities.

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

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

955 Article XXV. Publicity and advertising.

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

963 Article XXVI. Sale, lease or other disposal of enterprises.

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



979 or from the disposition of an industrial enterprise may be used by  
980 the authority for any authorized purpose, except that if bonds  
981 have been issued for the enterprise, the proceeds shall be paid  
982 into 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  
991 for which bonds have been issued, the board must determine and  
992 find 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.

1025 The authority is authorized and empowered to formulate plans  
1026 for industrial plant training, workplace skills or other  
1027 educational activities to aid in recruitment for new and expanded  
1028 industries, or both, and to enter into agreements for such  
1029 training with a college, university or training institution in  
1030 either or both member states.

1031 Article XXIX. Lease/sale agreements between compact and  
1032 industries.

1033 Any agreement made under this chapter may provide that the  
1034 project will be owned by the authority, and leased to the  
1035 industry; may provide the industry with an option to purchase the  
1036 project upon such terms and conditions as the board and the  
1037 industry shall agree upon, at a price which represents the fair  
1038 market value at the time of purchase or may provide that the  
1039 project shall become the property of the industry upon the  
1040 acquisition thereof. Any such agreement may also, but is not  
1041 required to, include a guaranty agreement whereby a corporation,  
1042 foreign or domestic, other than the industry guarantees in whole  
1043 or in part the obligations of the industry under the lease or sale  
1044 upon such terms and conditions as the board may deem appropriate.





1045 Article XXX.

1046 Nothing in this section shall be construed so as to conflict  
1047 with or modify any existing statute, or to limit the powers of any  
1048 party state, or to repeal or prevent legislation, or to authorize  
1049 or permit curtailment or diminution of any other economic  
1050 development project, or to affect any existing or future  
1051 cooperative arrangement or relationship between any federal agency  
1052 and a party state. The authority conferred by this compact shall  
1053 not be construed as an exemption from the provisions of Tennessee  
1054 Code Annotated, Title 65, or from the provisions of Section 77-3-1  
1055 et seq., Mississippi Code of 1972, as to the requirements for  
1056 obtaining a certificate of public convenience and necessity, the  
1057 jurisdiction of the Tennessee Regulatory Authority or the  
1058 jurisdiction of the Mississippi Public Service Commission to  
1059 regulate rates or any other provisions of the laws of either  
1060 state, and to the extent that the authority provides telephone,  
1061 telegraph and telecommunications services or any similar services  
1062 in Tennessee, the authority is deemed to be a public utility  
1063 subject to the jurisdiction of the Tennessee Regulatory Authority.  
1064 Furthermore, nothing in this compact shall be construed to  
1065 deprive, prevent, or hinder an electric or other public utility  
1066 from exclusively providing its services in those portions of the  
1067 compact area that are now or hereafter included within a  
1068 certificate of public convenience and necessity issued to the  
1069 public utility by the Tennessee Regulatory Authority, the  
1070 Mississippi Public Service Commission or other appropriate  
1071 regulatory agency. The authority conferred by this compact shall  
1072 not be construed as a grant of authority to provide electric,  
1073 telephone, telegraph, telecommunications services, cable  
1074 television, video transmission, video programming services or  
1075 other similar service, and this compact shall be subject to all  
1076 federal, state and local laws, ordinances, rules and regulations  
1077 governing such services.



1078 \* \* \*

1079           **SECTION 2.** This act shall take effect and be in force from  
1080 and after its passage.

