

By: Senator(s) Minor

To: Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 2757

1 AN ACT TO AMEND SECTION 57-36-1, MISSISSIPPI CODE OF 1972, TO
2 REPEAL THE CHICKASAW TRAIL ECONOMIC DEVELOPMENT COMPACT EFFECTIVE
3 JULY 1, 2003; AND FOR RELATED PURPOSES.

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

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

7 57-36-1. (1) The Governor, on behalf of this state, is
8 hereby authorized to execute a compact, in substantially the
9 following form, with the State of Tennessee; and the Legislature
10 hereby signifies in advance its approval and ratification of such
11 compact, which compact is as follows:

12 **CHICKASAW TRAIL ECONOMIC DEVELOPMENT COMPACT**

13 **Article I.**

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

24 **Article II.**

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



28 **Article III.**

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

53 **Article IV. Definitions.**

54 Whenever used in this chapter, the following words and terms
55 shall have the following respective meanings unless a different
56 meaning clearly appears from the context:

57 (a) "Board" means the board of directors of the
58 authority.

59 (b) "Bonds" means either revenue bonds, bond
60 anticipation notes, or other types of debt instruments issued by



61 the compact unless the reference to bonds clearly indicates which
62 type of bonds are being referred to, such as "revenue bonds,"
63 "general obligation bonds," "bond anticipation notes" or other
64 specific forms of debt instruments.

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

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

74 (e) "Compact study area" means that area described as
75 follows:

76 The general area for the Chickasaw Trail Economic Development
77 Compact consists of approximately eight thousand (8,000) acres,
78 located on both sides of the Tennessee/Mississippi state line at
79 the point where Shelby County and Fayette County adjoin Marshall
80 County, Mississippi. The project boundaries are Highway 72 on the
81 north, Quinn Road on the west, the proposed extension of Goodman
82 Road on the south, and Redbanks Road on the east. Approximately
83 one thousand one hundred (1,100) acres of the study area are in
84 southeast Shelby County; six hundred (600) acres are in southwest
85 Fayette County; and the balance of six thousand three hundred
86 (6,300) acres is in north Marshall County.

87 (f) "Cost of project" means all costs of site
88 preparation and other start-up costs; all costs of construction;
89 all costs of real and personal property acquired for the purposes
90 of the project and facilities related thereto, including land and
91 any rights or undivided interest therein, easements, franchises,
92 fees, permits, approvals, licenses, and certificates and the
93 securing of such permits, approvals, licenses and certificates;



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

114 (g) "County" means Marshall County, Mississippi, or
115 Fayette County, Tennessee.

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

120 (i) "Facilities" mean any plant, structure, building,
121 improvement, land or any other real or personal property of the
122 compact or authority or used or useful in a project under this
123 chapter.

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



127 (k) "Municipality" means any incorporated city or town
128 within a county.

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

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

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

148 (o) "Public agency" means:

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

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

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

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



160 (i) Facilities to provide utilities, as defined
161 herein;

162 (ii) Airports, airfields and air terminals;
163 (iii) Rail lines;
164 (iv) Highways, streets and other roadways;
165 (v) Conference centers, classrooms and
166 instructional facilities, including any functionally related
167 facilities;

168 (vi) Parks and outdoor recreation facilities;
169 (vii) Auditoriums, pavilions, art centers,
170 cultural centers, office complex and other public facilities; and
171 (viii) Public or private health care facilities.

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



193 bonds or of any revenues and the proceeds of any special tax to
194 which it may be entitled.

195 (r) "State" means the State of Mississippi or the State
196 of Tennessee.

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

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

203 Article V. Composition of the authority.

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

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

224 Each member of the board shall be eligible for reappointment.

225 All vacancies shall be filled by appointment in the same manner,



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

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



259 documents of the compact and certify under the seal of the
260 authority that such copies are true and accurate copies, and all
261 persons dealing with the compact authority may rely upon such
262 certification.

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

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

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

277 **Article VI.** General powers and duties of compact authority.

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

282 (a) To maintain an office at a place or places within
283 either state.

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

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

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

290 (e) To make, adopt, enforce, amend and repeal bylaws
291 and rules and regulations for the management of its business and



292 affairs for the use, maintenance and operation of the compact, any
293 of the project facilities and any other of its properties.

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

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

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



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

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

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

347 (k) To acquire by purchase, lease, gift, investment,
348 trade, exchange or in other manner, including eminent domain as
349 may be authorized under this chapter, or obtain options to
350 acquire, and to own, maintain, use, operate and convey any and all
351 property of any kind, real, personal or mixed or easement therein
352 or any interest or estate therein, within the compact area,
353 necessary for the project or any facility related to the project.

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



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

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

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

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

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

388 (r) To lease, sell, mortgage, pledge, trade, exchange
389 or otherwise convey any or all property acquired by the authority



390 under the provisions of this chapter to the enterprise, its
391 successors or assigns, and in connection therewith to pay the
392 costs of title search, perfection of title, title insurance and
393 recording fees as may be required. The authority may provide in
394 the instrument conveying such property a provision that the
395 property shall revert to the authority if, as and when the
396 property is declared by the enterprise to be no longer needed.

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

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

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

421 (v) To adopt and enforce exclusively all necessary and
422 reasonable rules and regulations to carry out and effectuate the



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

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

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

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

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

447 (aa) To do any and all things necessary or proper for
448 the accomplishment of the objectives of this chapter and to
449 exercise any power usually possessed by private corporations
450 performing similar functions which is not in conflict with the
451 constitutions and laws of the respective states, including the
452 power to employ professional and administrative staff and
453 personnel and to retain legal, engineering, fiscal, accounting and
454 other professional services; the power to purchase all kinds of
455 insurance, including without limitations, insurance against tort



456 liability and against risks of damage to property; and the power
457 to act as self-insurer with respect to any loss or liability.

458 **Article VII. Promulgation of rules and regulations.**

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

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

473 **Article VIII. Bonds of authority.**

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

486 (2) The authority may issue such types of bonds or notes, in
487 its discretion, subject only to any agreement with the holders of
488 particular bonds, including bonds as to which the principal and



489 interest are payable exclusively from all or a portion of the
490 revenues derived from one or more facilities under the contracts
491 entered into by public agencies, and other persons, or any
492 combination of any of the foregoing, or which may be secured by a
493 pledge or any grant, subsidy or contribution from any public
494 agency or other person, or a pledge of an income or revenues,
495 funds or monies of the authority from any source whatsoever,
496 except that the authority may not issue bonds or notes that are
497 secured by ad valorem taxes.

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

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

516 (5) Any pledge of earnings, revenues or other monies made by
517 the authority shall be valid and binding from the time the pledge
518 is made and the earnings, revenues or other monies so pledged and
519 thereafter received by the authority immediately shall be subject
520 to the lien of such pledge without any physical delivery thereof
521 or further act. The lien of any such pledge shall be valid and



522 binding as against all parties having claims of any kind in tort,
523 contract or otherwise against the authority regardless of whether
524 such parties have notice thereof. Neither the resolution nor any
525 other instrument by which a pledge is created need be recorded.

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

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

542 (8) The bonds issued by the authority under authority of the
543 compact shall be limited obligations of such compact. The
544 principal, interest and redemption premium, if any, shall be
545 payable solely out of the monies to be derived by the compact.
546 Revenue bonds and interest coupons issued under authority of this
547 chapter shall never constitute an indebtedness of the state or any
548 county or municipality within the meaning of any state
549 constitutional provision or statutory limitation and shall never
550 constitute nor give rise to a pecuniary liability of a county or
551 municipality or the state, or a charge against its general credit
552 or taxing powers, and such fact shall be plainly stated on the
553 face of each bond.

554 **Article IX. Temporary borrowing by authority.**



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

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

577 **Article X. Refunding bonds.**

578 The authority may issue refunding bonds for the purpose of
579 paying any of its bonds at or prior to maturity or upon
580 acceleration or redemption. Refunding bonds may be issued at such
581 time prior to the maturity or redemption of the refunded bonds as
582 the authority deems to be in the public interest. The refunding
583 bonds may be issued in sufficient amounts to pay or provide the
584 principal of the bonds being refunded, together with any
585 redemption premium thereof, any interest accrued or to accrue to
586 the date of payment of such bonds, the expenses of issue of the
587 refunding bonds, the expenses of redeeming the bonds being



588 refunded, and such reserves for debt service or other capital or
589 current expenses from the proceeds of such refunding bonds as may
590 be required by the resolution, trust indenture or other security
591 instruments.

592 **Article XI. General terms and conditions of bonds of**
593 **compact.**

594 The authority shall have power in the issuance of its bonds
595 to:

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

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

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

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

613 (e) Covenant as to the mortgage or pledge of or the
614 grant of a security interest in any real or personal property and
615 all or any part of the revenues from any facilities or any
616 revenue-producing contract or contracts made by the compact with
617 any person to secure the payment of bonds, subject to such
618 agreements with the holders of bonds as may then exist.

619 (f) Covenant as to the custody, collection, securing,
620 investment and payment of any revenue assets, monies, funds or



621 property with respect to which the compact may have any rights or
622 interest.

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

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

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

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

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

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

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

647 (n) Make all other covenants and to do any and all such
648 acts and things as may be necessary or convenient or desirable in
649 order to secure its bonds without a pledge of ad valorem taxes, or
650 in the absolute discretion of the authority tend to make the bonds
651 more marketable, notwithstanding that such covenants, acts or
652 things may not be enumerated herein; it being the intention hereof
653 to give the authority power to do all things in the issuance of



654 bonds and in the provisions for security thereof which are not
655 inconsistent with the Constitution of the state.

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

661 **Article XII. Appointment of trustee or receiver for**
662 **enforcement or protection of rights of bondholders.**

663 The authority may, in any authorizing resolution of the board
664 of directors, trust indenture or other security instrument
665 relating to its bonds, provide for the appointment of a trustee
666 who shall have such powers as are provided therein to represent
667 the bondholders of any issue of bonds in the enforcement or
668 protection of their rights under any such resolution, trust
669 indenture or security instrument. The authority may also provide
670 in such resolution, trust indenture or other security instrument
671 that the trustee, or if the trustee so appointed fails or declines
672 to protect and enforce such bondholders' rights then the
673 percentage of bondholders as shall be set forth in, and subject to
674 the provisions of, such resolution, trust indenture or other
675 security instrument, may petition the court of proper jurisdiction
676 for the appointment of a receiver of the facilities, the revenues
677 of which are pledged to the payment of the principal of and
678 interest on the bonds held by such bondholders. Such receiver may
679 exercise any power as may be granted in any such resolution, trust
680 indenture or security instrument to enter upon and take possession
681 of, acquire, construct or reconstruct, or operate and maintain
682 such facilities, fix, charge, collect, enforce and receive all
683 revenues derived from such facilities, and perform the public
684 duties and carry out the contracts and obligations of the
685 authority in the same manner as the authority itself might do, all
686 under the direction of such a proper court.



687 **Article XIII. Exemption from taxation.**

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

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

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

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

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

711 (b) Donate, sell, convey, transfer, lease, option or
712 grant upon such terms as the parties may agree, without the
713 necessity of authorization at any election of qualified voters,
714 any property of any kind; and

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

719 **Article XV. Contracting for projects.**



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

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

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

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

736 **Article XVI. Contracts with public agencies.**

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

742 (a) To enter into agreements, which may extend over any
743 period, with the authority respecting action to be taken by such
744 public agency with respect to the acquisition, planning,
745 construction, improvement, operation, maintenance or funding of
746 the project or any such facility, and which agreements may include
747 (i) the appropriation or payment of funds to the compact or
748 authority or to a trustee in amounts which shall be sufficient to
749 enable the authority to defray any designated portion or
750 percentage of the expenses of administering, planning, designing,
751 constructing, acquiring, improving, operating and maintaining the
752 project or any facility related to the project, and (ii) the



753 furnishing of other assistance in connection with the project or
754 facility related to the project;

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

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

762 (d) To lend, grant or contribute funds to the
763 authority;

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

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

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

776 (h) To cause administrative and other services to be
777 furnished to the authority, including services pertaining to the
778 acquisition of real property and the furnishing of relocation
779 assistance. Any contract between a public agency entered into
780 with the authority pursuant to any of the powers granted by this
781 chapter shall be binding upon the public agency according to its
782 terms, and the public agency shall have the power to enter into
783 such contracts as in the discretion of the governing authorities
784 thereof, would be to the best interest of the people of the public
785 agency. If at any time title to or possession of the project or



786 any such facility is held by any public body or governmental
787 agency other than the authority, including any agency or
788 instrumentality of the United States of America, the agreements
789 referred to in this section shall inure to the benefit of and may
790 be enforced by such public body or governmental agency.

791 **Article XVII. Establishment of joint venture.**

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

799 **Article XVIII. Ownership and disposition of property.**

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

816 **Article XIX. Lease of facilities.**

817 Whenever deemed necessary or desirable by the authority, the
818 authority may lease as lessor or lessee to or from any person,



819 firm, corporation, association or body public or private, any
820 projects of the type that the authority is authorized to undertake
821 and facilities or property of any nature for the use of the
822 authority and to carry out any of the purposes of the compact.

823 **Article XX. Authority services authorized.**

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

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

834 (b) Water and sewer systems. To facilitate the
835 development or own, acquire, construct, reconstruct, equip,
836 operate, maintain, extend and improve water systems and sewer
837 systems or combined water and sewer systems; to cooperate with the
838 proper public agency to regulate the use of sewers and the supply
839 of water within the compact area and cooperate with the proper
840 public agency in prohibiting or regulating the use and maintenance
841 of outhouses, privies, septic tanks or other sanitary structures
842 or appliances within the compact area; to coordinate with the
843 proper public agencies in prescribing methods of pretreatment of
844 wastes not amenable to treatment with domestic sewage before
845 accepting such wastes for treatment and to refuse to accept such
846 wastes when not sufficiently pretreated as may be prescribed by
847 the proper public agency; to sell or otherwise dispose of the
848 effluent, sludge or other by-products as a result of sewage
849 treatment; and to construct and operate connecting, intercepting
850 or outlet sewers and sewer mains and pipes and water mains,
851 conduits or pipelines in, along or under any street, alleys,



852 highways or other public places or ways within the compact
853 services area, when deemed necessary or desirable by the authority
854 and the proper public agency in accomplishing the purposes of this
855 chapter.

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

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

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

875 (f) Fire protection. To provide for or own, acquire,
876 construct, reconstruct, equip, maintain, operate, extend and
877 improve fire control facilities for the compact, including fire
878 stations, water mains and plugs, fire trucks and other vehicles
879 and equipment, and to undertake such works and construct such
880 facilities as may be determined necessary by the board to carry
881 out a program of fire prevention and fire control within the
882 compact or service area.

883 (g) Conservation areas and sanctuaries. To designate,
884 set aside and maintain lands and areas within the compact area as



885 conservation areas; to promulgate and enforce rules and
886 regulations with respect thereto and to protect and preserve the
887 natural beauty thereof.

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

892 **Article XXI. Pursuit of eminent domain.**

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

906 **Article XXII. Short term borrowings.**

907 The authority at any time may obtain loans, in such amount
908 and on such terms and conditions as the board may approve, for the
909 purpose of paying any of the expenses of the authority or any
910 costs incurred or that may be incurred in connection with any of
911 the projects of the authority, which loans shall have a term not
912 exceeding two (2) years from the date of issuance thereof, and may
913 be renewable for a like term or terms, and may be payable from and
914 secured by a pledge of such funds, revenues and assessments, other
915 than a levy of ad valorem taxes, as the board may determine.

916 **Article XXIII. Cooperation agreements with the state,**
917 **counties and municipalities.**



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

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

944 **Article XXIV. Interstate and federal cooperation.**

945 The authority is authorized to cooperate and coordinate with
946 economic development commissions, travel, and other similar
947 commissions and boards, or other similar agencies of other states,
948 the federal government, and with county, municipal, and regional
949 economic development, travel, and other similar commissions or
950 boards, or other agencies thereof, for the purposes of securing



951 economic development within the states of Mississippi and
952 Tennessee, and to accomplish this purpose.

953 **Article XXV. Publicity and advertising.**

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

961 **Article XXVI. Sale, lease or other disposal of enterprises.**

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



984 purpose except as to disposition of surplus income authorized
985 above, and shall be subject to all of the provisions regarding the
986 sinking fund.

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

988 Before the leasing of any project, enterprise or facilities
989 for which bonds have been issued, the board must determine and
990 find the following: the amount necessary in each year to pay the
991 principal of and the interest on the bonds proposed to be issued
992 to finance such project; the amount necessary to be paid each year
993 into any reserve funds, which amounts may include deposits in
994 escrow or reserve amounts as advance sums for the payment of
995 insurance, which the board may deem it advisable to establish in
996 connection with the retirement of the proposed bonds and the
997 maintenance of the project; and, unless the terms under which the
998 project is to be leased provide that the lessee shall maintain the
999 project and carry all proper insurance with respect thereto, the
1000 estimated cost of maintaining the project in good repair and
1001 keeping it properly insured. The determinations and findings of
1002 the board required to be made in the preceding sentence shall be
1003 set forth in the proceedings under which the proposed bonds are to
1004 be issued; and before the issuance of such bonds, the authority
1005 shall lease the project to a lessee under an agreement conditioned
1006 upon completion of the project and providing for payment to the
1007 authority of such rentals as, upon the basis of such
1008 determinations and findings, will be sufficient (a) to pay the
1009 principal of and interest on the bonds issued to finance the
1010 project, (b) to build up and maintain any reserve deemed by the
1011 board to be advisable in connection therewith, and (c) unless the
1012 agreement of lease obligated the lessee to pay for the maintenance
1013 and insurance of the project, to pay the cost of maintaining the
1014 project in good repair and keeping it properly insured. Such
1015 lease shall be made upon such other terms and conditions and for
1016 the time which may be determined by the authority and may contain



1017 provisions authorizing the purchase of the entire project or any
1018 portion thereof by the industry or its assignee after all bonds
1019 issued thereunder have been paid in full, for such consideration
1020 and upon such terms and conditions as the authority may determine.

1021 **Article XXVIII. Plans for industrial plant training and**
1022 **recruitment.**

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

1029 **Article XXIX. Lease/sale agreements between compact and**
1030 **industries.**

1031 Any agreement made under this chapter may provide that the
1032 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.**

1044 Nothing in this section shall be construed so as to conflict
1045 with or modify any existing statute, or to limit the powers of any
1046 party state, or to repeal or prevent legislation, or to authorize
1047 or permit curtailment or diminution of any other economic
1048 development project, or to affect any existing or future
1049 cooperative arrangement or relationship between any federal agency



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

1076 **Article XXXI.**

1077 This compact shall continue in force and remain binding upon
1078 each party state until the Governor, with the consent of the
1079 Legislature, of each or either state takes action to withdraw
1080 therefrom; provided that such withdrawal shall not become
1081 effective until six (6) months after the date of the action taken.



1082 Notice of such action shall be given by the Secretary of State of
1083 the party state which takes such action.

1084 (2) This Section shall stand repealed from and after July 1,
1085 2003.

1086 **SECTION 2.** This act shall take effect and be in force from
1087 and after its passage.

