

By: Senator(s) Simmons

To: Local and Private;
Finance

SENATE BILL NO. 3007

1 AN ACT TO ESTABLISH THE INDIANOLA TOURISM COMMISSION; TO
2 PROVIDE FOR THE COMPOSITION OF THE COMMISSION; TO PRESCRIBE THE
3 POWERS AND DUTIES OF THE COMMISSION; TO AUTHORIZE THE GOVERNING
4 AUTHORITIES TO LEVY A TAX TO FUND THE COMMISSION; TO PROVIDE THAT
5 THE GOVERNING AUTHORITIES PROVIDE NOTICE OF INTENT TO LEVY TAX; TO
6 PROVIDE THAT IF A CERTAIN NUMBER OF QUALIFIED ELECTORS FILE A
7 PETITION AGAINST THE LEVY OF THE TAX, THEN THE CITY SHALL HAVE AN
8 ELECTION ON THE ISSUE OF THE TAX; AND FOR RELATED PURPOSES.

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

10 **SECTION 1.** For the purposes of this act, the following terms
11 shall have the following meanings:

12 (a) "Bar" means any bar, tavern or lounge where
13 alcoholic beverages are sold for consumption on the premises;

14 (b) "Commission" means the Indianola Tourism
15 Commission;

16 (c) "City" means the City of Indianola, Mississippi;

17 (d) "Governing authorities" means the Mayor and Board
18 of Aldermen of the City of Indianola;

19 (e) "Hotel" or "motel" means any establishment engaged
20 in the business of furnishing or providing rooms intended or
21 designed for lodging or sleeping purposes for transient guests,
22 which establishment consists of ten (10) or more guest rooms and
23 does not encompass any hospital, convalescent or nursing home or
24 sanitarium, or any hotel-like facility operated by or in
25 connection with a hospital or medical clinic providing rooms
26 exclusively for patients and their families;

27 (f) "Prepared food" means food prepared on the premises
28 of a restaurant; and

29 (g) "Restaurant" means any place, including hotel and
30 motel dining rooms, cafeterias, cafes and lunch stands, where



31 prepared food and drink are sold for consumption either upon or
32 off the premises.

33 **SECTION 2.** (1) There is created the Indianola Tourism
34 Commission which shall be domiciled in Indianola, Mississippi.
35 The commission shall function in an advisory capacity as a part of
36 the executive branch of the municipal government of the City of
37 Indianola and shall study and advise the executive branch in the
38 areas of promoting conventions and tourism. The commission may
39 carry out other tasks as the mayor, by executive order, may assign
40 to it from time to time. The city attorney shall be the attorney
41 for the commission.

42 (2) The commission shall be composed of the following
43 members:

44 (a) One (1) member from each of the five (5) wards in
45 the city to be chosen by the Board of Aldermen. The mayor may
46 nominate persons and each alderman may nominate one (1) person
47 from his or her ward;

48 (b) A member of the Executive Committee of the
49 Indianola Chamber of Commerce selected by the executive committee,
50 who shall serve as an ex officio voting member;

51 (c) A member of the Board of B.B. King Museum
52 Foundation, to be selected by that board, who shall serve as an ex
53 officio voting member;

54 (d) A representative of the owners of hotels/motels
55 operating within the City of Indianola to be chosen by the Board
56 of Aldermen. The mayor may nominate a person and each alderman
57 may nominate a person from his or her ward; and

58 (e) A representative of the owners of restaurants and
59 bars operating within the City of Indianola to be chosen by the
60 Board of Aldermen. The mayor may nominate a person and each
61 alderman may nominate a person from his or her ward.

62 (3) The five (5) appointed members of the commission who
63 represent the five (5) city wards and the two (2) members



64 appointed to represent the hotel/motel owners and restaurant/bar
65 owners shall each serve a one-year term of office beginning and
66 ending on dates established by the Board of Aldermen. The members
67 from the Chamber of Commerce and the B.B. King Museum Foundation
68 shall serve so long as they hold their respective positions with
69 the organization they represent. Vacancies on the council shall
70 be filled in the same manner as the original appointment for the
71 unexpired term.

72 (4) Any member may be disqualified and removed from office
73 for conviction of a felony or for failure to attend three (3)
74 consecutive meetings without just cause.

75 (5) Before entering upon the duties of office, each member
76 shall enter into and give bond to be approved by the Secretary of
77 State in the sum of Twenty-five Thousand Dollars (\$25,000.00),
78 conditioned on the satisfactory performance of his duties. This
79 bond premium shall be paid from the commission's funds. Such bond
80 shall be payable to the county and in the event of a breach
81 thereof, suit may be brought by the county for the benefit of the
82 council.

83 (6) When the members of the commission have been appointed
84 and qualified, they shall meet in the City of Indianola after
85 giving not less than ten (10) days' notice of the time and place
86 of the meeting by registered mail, postage prepaid, directed to
87 each member of the commission at his regular address at the time
88 of his qualification and posting bond. The notice shall be given
89 by the Mayor of Indianola. The notice of such meeting may be
90 waived if all members sign a written waiver of notice. Any waiver
91 shall be attached to the minutes of the meeting.

92 (7) The members shall elect from among themselves a
93 chairman. The chairman of the commission shall serve a term of
94 not more than one (1) year, with the first election to be held at
95 the first scheduled meeting after the members are appointed and
96 subsequent elections shall be held annually thereafter. The



97 person elected as chairman may serve consecutive terms. The
98 commission shall elect from its membership a vice chairman,
99 secretary and treasurer. The offices of secretary and treasurer
100 may be combined, if the commission elects. The commission may
101 promulgate and adopt bylaws governing its operations and
102 procedures. Five (5) members shall constitute a quorum for the
103 transaction of any business of the commission.

104 **SECTION 3.** The council shall be domiciled in the City of
105 Indianola, Mississippi, and shall have the following powers:

106 (a) To exercise authority over matters related to
107 establishing, promoting and developing tourism and economic
108 development within the City of Indianola;

109 (b) To acquire, own, lease, furnish, equip, staff and
110 operate any and all facilities and equipment necessary or useful
111 in the promotion of tourism and economic development within the
112 city;

113 (c) To receive and expend revenues from any sources;

114 (d) To own, lease or contract for any equipment or
115 office space useful and necessary in the promotion of tourism and
116 economic development;

117 (e) To sell, convey or otherwise dispose of all or any
118 part of its property and assets in accordance with the general
119 laws of the State of Mississippi providing for such disposal;

120 (f) To contribute funds for the operation of any
121 visitor information center in the designated area for the repair,
122 restoration and maintenance of buildings and grounds owned by
123 governmental entities and nonprofit corporations which would tend
124 to promote tourism or economic development in the city and the
125 county; and

126 (g) To have and exercise all powers necessary or
127 convenient to effect any and all of the purposes for which the
128 council is organized.



129 **SECTION 4.** (1) For the purpose of providing funds for the
130 promotion of tourism and economic development in the City of
131 Indianola, the governing authorities of the City of Indianola,
132 Mississippi, are authorized, in their discretion, to levy and
133 collect a tax upon every person, firm or corporation operating a
134 hotel or motel in the City of Indianola, Mississippi, which shall
135 be in addition to all other taxes and assessments imposed, which
136 shall not exceed two percent (2%) of the gross proceeds of sales
137 derived from room rentals of such hotels or motels.

138 (2) In addition to the authority in subsection (1) of this
139 section, the governing authorities of the City of Indianola,
140 Mississippi, are authorized, in their discretion, to levy and
141 collect a tax upon every person, firm or corporation operating a
142 restaurant or bar in the City of Indianola, Mississippi, which
143 shall be in addition to all other taxes and assessments imposed,
144 which shall not exceed two percent (2%) of the gross proceeds of
145 restaurant sales of prepared food, beer or any other alcoholic
146 beverage.

147 (3) Persons, firms or corporations liable for the tax
148 imposed under subsections (1) and (2) of this section shall add
149 the amount of the tax to the sales price and shall collect,
150 insofar as is practicable, the amount of the tax due by him from
151 the person receiving the services or product at the time of
152 payment.

153 (4) Such tax shall be collected by and paid to the State Tax
154 Commission on a form prescribed by the State Tax Commission in the
155 same manner that state sales taxes are computed, collected and
156 paid; and the full enforcement provisions and all other provisions
157 of Chapter 65, Title 27, Mississippi Code of 1972, shall apply as
158 necessary to the implementation and administration of this act.

159 (5) The proceeds of the tax, less three percent (3%) which
160 shall be retained by the State Tax Commission to defray the costs
161 of collection, shall be paid to the governing authorities on or



162 before the fifteenth day of the month following the month in which
163 they are collected.

164 (6) The proceeds of the tax shall not be considered by the
165 City of Indianola as general fund revenues but shall be dedicated
166 to and expended solely for the purposes specified in this section.

167 (7) The tax may be discontinued by the adoption of a
168 resolution to that effect by the Mayor and Board of Aldermen of
169 the City of Indianola. The resolution shall be effective on the
170 last day of a month and a certified copy of such resolution shall
171 be furnished to the Chairman of the State Tax Commission.

172 **SECTION 5.** Before the tax authorized by this act may be
173 imposed, the governing authorities shall adopt a resolution
174 declaring their intention to levy the tax, setting forth the
175 amount of such tax and establishing the date on which the tax
176 initially shall be levied and collected. Notice of the proposed
177 tax shall be published once each week for at least three (3)
178 consecutive weeks in a newspaper having a general circulation in
179 the City of Indianola. The first publication of the notice shall
180 be made not less than twenty-one (21) days before the date fixed
181 in the resolution on which the tax initially is to be levied and
182 collected, and the last publication of the notice shall be made
183 not more than seven (7) days before the date. If, within the time
184 of giving notice, twenty percent (20%) or fifteen hundred (1500),
185 whichever is less, of the qualified electors of the City of
186 Indianola file a written petition against the levy of the tax,
187 then the tax shall not be levied unless authorized by a majority
188 of the qualified electors of the City of Indianola, voting at an
189 election to be called and held for that purpose. At least thirty
190 (30) days before the effective date of the tax, the governing
191 authorities shall furnish to the State Tax Commission a certified
192 copy of the resolution evidencing such tax.

193 **SECTION 6.** (1) The commission annually shall adopt a budget
194 of receipts and expenditures. The first budget of receipts and



195 expenditures shall be prepared and adopted by the commission
196 within thirty (30) days after the election of its first chairman
197 and, upon approval by the Mayor and Board of Aldermen of the City
198 of Indianola, the budget shall constitute the budget for the
199 remainder of the current fiscal year. Thereafter, the budget
200 shall be on the same fiscal year basis as the budget of the city.
201 The annual proposed budget of the council shall be submitted to
202 the Mayor and Board of Aldermen of the City of Indianola for
203 review and, upon approval by the mayor and board of aldermen, such
204 budget shall constitute the budget of the commission for that
205 fiscal year.

206 (2) The commission may borrow money to pay its operating
207 obligations that cannot be paid at maturity out of current revenue
208 from the tax authorized in this act, but the amount so borrowed
209 shall in no case exceed the estimated income of the commission as
210 shown by the budget adopted prior to that time, and the tax income
211 of the commission, as shown by the budget, shall be dedicated and
212 set aside to the payment of the indebtedness.

213 (3) The books of the council shall be audited annually by an
214 independent certified public accountant who shall make a written
215 report of his audit to the council and submit a copy of such
216 report to the governing authorities of the City of Indianola and
217 the State Department of Audit. Such audit shall be made and
218 completed as soon as practicable after the close of the fiscal
219 year and copies of the report of the audit shall be filed with the
220 city and State Department of Audit within fifteen (15) days after
221 receipt by the council.

222 **SECTION 7.** This act shall take effect and be in force from
223 and after its passage, and shall stand repealed from and after
224 September 30, 2007.

