

By: Representatives Janus, Bentz, Dedeaux,
Fredericks, Guice, Ishee, Patterson,
Peranich, Simpson, Upshaw

To: Local and Private
Legislation; Ways and Means

HOUSE BILL NO. 1823
(As Sent to Governor)

1 AN ACT TO PROVIDE FOR A TAX ON GROSS PROCEEDS OF ROOM RENTALS
2 BY HOTELS AND MOTELS IN HARRISON COUNTY, MISSISSIPPI, TO BE
3 EXPENDED TO RETIRE BONDS AUTHORIZED TO BE ISSUED BY THE COUNTY
4 PURSUANT TO THIS ACT; TO AUTHORIZE THE ISSUANCE OF GENERAL
5 OBLIGATION BONDS OF THE COUNTY IN THE AMOUNT OF \$68,000,000.00 TO
6 DEFRAY THE COSTS OF EXPANDING AND RENOVATING THE MISSISSIPPI COAST
7 COLISEUM AND CONVENTION CENTER AND TO RETIRE BONDS PREVIOUSLY
8 ISSUED BY THE COUNTY TO EXPAND THE MISSISSIPPI COAST COLISEUM AND
9 CONVENTION CENTER; TO AMEND CHAPTER 58, LAWS OF THE EXTRAORDINARY
10 SESSION OF 1954, AS LAST AMENDED BY CHAPTER 989, LOCAL AND PRIVATE
11 LAWS OF 1999, TO AUTHORIZE A PORTION OF THE PROCEEDS OF THE TAX
12 LEVIED ON CERTAIN ROOM RENTALS TO BE UTILIZED TO PAY THE DEBT
13 SERVICE ON CERTAIN GENERAL OBLIGATION BONDS OF THE COUNTY ISSUED
14 FOR THE PURPOSE OF DEFRAYING THE COST OF CONSTRUCTING, REPAIRING,
15 EQUIPPING, REMODELING, ENLARGING, EXPANDING OR IMPROVING THE
16 MISSISSIPPI COAST COLISEUM AND CONVENTION CENTER; TO REVISE THE
17 ALLOCATION OF THE PROCEEDS OF THE TAX UPON THE RETIREMENT OF ALL
18 BONDS ISSUED UNDER THIS ACT; AND FOR RELATED PURPOSES.

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

20 **SECTION 1.** For the purposes of Sections 1 through 12 of this
21 act:

22 (a) "Board of supervisors" means the Board of
23 Supervisors of Harrison County, Mississippi.

24 (b) "County" means Harrison County, Mississippi.

25 (c) "Hotel" or "motel" means and includes any
26 establishment engaged in the business of furnishing or providing
27 more than ten (10) rooms intended or designed for dwelling,
28 lodging or sleeping purposes that at any one time will accommodate
29 transient guests on a daily or weekly basis and that are known to
30 the trade as such.

31 **SECTION 2.** (1) Before the issuance of bonds provided for in
32 Section 6 of this act, the board of supervisors shall levy, assess
33 and collect from every person, firm, corporation or other entity
34 operating hotels or motels in the county, a tax, in addition to
35 all other taxes or assessments now imposed, which shall be equal

36 to two percent (2%) of the gross proceeds from room rentals of all
37 hotels or motels in the county.

38 (2) Persons, firms, corporations or other entities liable
39 for the tax imposed by subsection (1) of this section shall add
40 the amount of such tax to the room rental and in addition thereto
41 shall collect, insofar as practicable, the amount of the tax due
42 from the person renting the room at the time of payment therefor.

43 **SECTION 3.** (1) Before any tax authorized under Sections 1
44 through 12 of this act may be imposed, the governing authorities
45 shall adopt a resolution declaring its intention to levy the
46 taxes, setting forth the amount of such tax to be imposed, the
47 date upon which such taxes shall become effective and calling for
48 a referendum to be held on the question. The date of the
49 referendum shall be the first Tuesday after the first Monday in
50 November 2004. Notice of such intention shall be published once
51 each week for at least three (3) consecutive weeks in a newspaper
52 published or having a general circulation in the county, with the
53 first publication of such notice to be made not less than
54 twenty-one (21) days before the date fixed in the resolution for
55 the referendum and the last publication to be made not more than
56 seven (7) days before the referendum. At the referendum, all
57 qualified electors of the county may vote, and the ballots used in
58 such referendum shall have printed thereon a brief statement of
59 the amount and purposes of the proposed tax levy and the words
60 "FOR THE HOTEL-MOTEL TAX TO FUND THE IMPROVEMENT AND EXPANSION OF
61 THE MISSISSIPPI COAST COLISEUM AND CONVENTION CENTER" and, on a
62 separate line, "AGAINST THE HOTEL-MOTEL TAX TO FUND THE
63 IMPROVEMENT AND EXPANSION OF THE MISSISSIPPI COAST COLISEUM AND
64 CONVENTION CENTER", and the voters shall vote by placing a cross
65 (X) or check (✓) opposite their choice on the proposition. When
66 the results of any such referendum shall have been canvassed by
67 the election commission and certified, the county may levy the
68 taxes beginning on the first day of the second month following the

69 referendum, only if at least sixty percent (60%) of the qualified
70 electors who vote in the election vote in favor of the tax. No
71 public funds shall be used for the purpose of promoting the
72 adoption of the referendum and no employee of the county or any
73 city located in the county, other than elected public officials,
74 may promote the referendum during business hours.

75 (2) If a referendum has been held under the provisions of
76 subsection (1) of this section, and the authority of the county to
77 impose the convention center taxes has been denied by the electors
78 of the county, a subsequent referendum on the issue may be held on
79 the first Tuesday after the first Monday in November 2006. If a
80 second referendum is held, and the authority to impose the
81 convention center taxes has been denied again by the electors of
82 the county, no further referendum may be held.

83 **SECTION 4.** (1) On or before the fifteenth day of the month
84 prior to the imposition of the tax authorized in Section 2 of this
85 act, the board of supervisors shall give written notification to
86 the Chairman of the State Tax Commission of the date on which the
87 tax will become effective.

88 (2) The tax shall be collected by and paid to the State Tax
89 Commission in the same manner as state sales taxes are computed,
90 collected and paid, and full enforcement provisions and all other
91 provisions of Chapter 65, Title 27, Mississippi Code of 1972,
92 shall apply as necessary to the implementation of Sections 1
93 through 12 of this act.

94 (3) Except as otherwise provided in Section 27-3-58, the
95 revenue from the special tax collected under the provisions of
96 this section during the preceding month shall be paid to the
97 county on or before the fifteenth day of each month.

98 (4) The proceeds of such taxes shall be placed into a
99 separate fund apart from the county general fund and any other
100 funds of the county, and shall be expended by the county as
101 provided in Section 10(1) of this act.

102 (5) The tax imposed by Sections 1 through 12 of this act
103 shall stand repealed on the first day of the month immediately
104 succeeding the date the payment of the principal of, redemption
105 premium, if any, and interest on the bonds issued pursuant to
106 Sections 1 through 12 of this act have been paid in full. Any
107 revenue from the tax remaining after the payment of the principal
108 of, redemption premium, if any, and interest on the bonds issued
109 pursuant to Sections 1 through 12 of this act have been paid in
110 full shall be transferred to the county general fund.

111 **SECTION 5.** The proceeds of the bonds issued pursuant to
112 Sections 1 through 12 of this act shall be utilized:

113 (a) For the purpose of defraying the cost of
114 constructing, repairing, equipping, remodeling, enlarging,
115 expanding or improving the Mississippi Coast Coliseum and
116 Convention Center; and

117 (b) To retire bonds issued by the county after May 1,
118 1995, but prior to the effective date of this act, to defray the
119 cost of expanding the Mississippi Coast Coliseum and Convention
120 Center.

121 **SECTION 6.** The board of supervisors is authorized and
122 empowered, in its discretion, to issue general obligation bonds of
123 the county in the aggregate principal amount not to exceed
124 Sixty-eight Million Dollars (\$68,000,000.00) for the purposes
125 provided for in Section 5 of this act. As used in Sections 1
126 through 12 of this act, "bonds" shall be deemed to mean and
127 include bonds, refunding bonds, notes or certificates of
128 participation. The full faith and credit of the county shall be
129 irrevocably pledged for the payment of the principal of and
130 interest on the bonds.

131 **SECTION 7.** Bonds authorized by Sections 1 through 12 of this
132 act, other than refunding bonds, shall be issued pursuant to
133 Sections 19-9-1 through 19-9-31 or as may be otherwise provided by
134 law; however, no election shall be held under the provisions of

135 Sections 19-9-1 through 19-9-31, upon the question of the issuance
136 of bonds authorized under Sections 1 through 12 of this act.

137 **SECTION 8.** Bonds issued pursuant to Sections 1 through 12 of
138 this act shall not be deemed indebtedness within the meaning of
139 Section 19-9-5. Bonds issued pursuant to Sections 1 through 12 of
140 this act shall be submitted by validation under Sections 31-13-1
141 through 31-13-11.

142 **SECTION 9.** Bonds issued under Sections 1 through 12 of this
143 act may be refunded at any time and from time to time by the
144 county pursuant to an authorizing resolution of the board of
145 supervisors, directing issuance of refunding bonds in accordance
146 with the "Mississippi Bond Refinancing Act" (Section 31-27-1 et
147 seq., Mississippi Code of 1972).

148 **SECTION 10.** (1) The avails of the tax provided for in
149 Sections 1 through 12 of this act shall be used solely for the
150 payment of the principal of, redemption premium, if any, and
151 interest on the bonds, and for the payment of expenses of issuance
152 thereof or reserve funds therefor.

153 (2) To the extent the proceeds of the tax provided for in
154 Sections 1 through 12 of this act and any other amounts which may,
155 from time to time, be available for the payment of the principal
156 of, redemption premium, if any, and interest on the bonds,
157 including any available revenues of the project, are not
158 sufficient for such purpose, the board of supervisors shall levy a
159 special ad valorem tax upon all of the taxable property within the
160 county which shall be sufficient, together with other money
161 available for such purpose, to provide for the payment of the
162 principal of, redemption premium, if any, and interest on such
163 bonds according to the terms thereof.

164 **SECTION 11.** Sections 1 through 12 of this act shall be
165 liberally construed for the purposes herein set out, the power
166 hereby granted shall be deemed to be full and complete authority
167 for the issuance of bonds under Sections 1 through 12 of this act

168 and shall be construed as additional, cumulative and supplemental
169 to any power granted to the county by any general or local and
170 private act of the Legislature.

171 **SECTION 12.** The provisions of Sections 1 through 12 of this
172 act shall be repealed in the event that two (2) referenda on the
173 question of imposing convention center taxes have been denied by
174 the electors of the county. If this event occurs, the Circuit
175 Clerk of Harrison County shall notify the Chairmen of the Local
176 and Private Committees of the House of Representatives and Senate
177 of the Mississippi State Legislature.

178 **SECTION 13.** Chapter 58, Laws of the Extraordinary Session of
179 1954, as amended by Chapter 810, Local and Private Laws of 1966,
180 as amended by Chapter 820, Local and Private Laws of 1972, as
181 amended by Chapter 973, Local and Private Laws of 1979, as amended
182 by Chapter 881, Local and Private Laws of 1980, as amended by
183 Chapter 918, Local and Private Laws of 1990, as amended by Chapter
184 882, Local and Private Laws of 1991, as amended by Chapter 937,
185 Local and Private Laws of 1995, as amended by Chapter 989, Local
186 and Private Laws of 1999, is amended as follows:

187 Section 1. The Board of Supervisors of Harrison County,
188 Mississippi, in its discretion, may levy a special ad valorem tax
189 not in excess of one (1) mill upon all the taxable property within
190 said county to provide funds for the Harrison County Tourism
191 Commission for the purpose of advertising, promoting conventions,
192 and bringing into favorable notice the opportunities,
193 possibilities and tourism resources of said county.

194 Section 2. (1) For the purposes of providing funds to
195 promote tourism and conventions in Harrison County, there is
196 hereby levied and assessed against and shall be collected from
197 every person, firm or corporation operating hotels or motels in
198 Harrison County an assessment, in addition to all other taxes now
199 imposed, which shall be equal to three percent (3%) of the gross
200 proceeds from room rental of all such hotels or motels in Harrison

201 County. Persons liable for the tax imposed herein shall add the
202 amount of tax to the room rental and in addition thereto shall
203 collect, insofar as practicable, the amount of the tax due by him
204 from the person receiving the services or goods at the time of
205 payment therefor.

206 (2) For the purposes of this act, the words "hotel" and
207 "motel" shall mean a place of lodging that at any one time will
208 accommodate transient guests on a daily or weekly basis and that
209 are known to the trade as such, including hotels, motels, bed and
210 breakfast inns, time-share condominiums, tourist courts, rooming
211 houses or other places where sleeping accommodations are furnished
212 or offered for pay if more than ten (10) rooms are available for
213 transient guests, excluding nursing homes or institutions for the
214 aged or infirm as defined in Section 43-11-1 and personal care
215 homes. Hotels and motels with ten (10) or less rental units are
216 exempt.

217 (3) Such tax shall be collected by and paid to the State Tax
218 Commission on a form to be prescribed by the State Tax Commission
219 in the same manner that state sales taxes are collected and paid;
220 and the full enforcement provisions and all other provisions of
221 the Mississippi Sales Tax Law shall apply as necessary for the
222 implementation and administration of this act.

223 (4) On or before the fifteenth day of the month following
224 the month in which collected, the proceeds of such tax, less three
225 percent (3%) to be retained by the State Tax Commission to defray
226 the costs of collection, shall be paid by the commission, as
227 follows, for expenditure as authorized in this act:

228 (a) Until the date that the bonds issued by the board
229 of supervisors after May 1, 1995, and prior to the effective date
230 of House Bill No. 1823, 2004 Regular Session, for the purpose of
231 defraying the cost of expanding the Mississippi Coast Coliseum and
232 Convention Center are retired:

233 (i) Two-thirds (2/3) of the proceeds shall be paid
234 to the Harrison County Tourism Commission.

235 (ii) One-third (1/3) of the proceeds shall be paid
236 to the Board of Supervisors of Harrison County.

237 (b) From and after the date that the bonds issued by
238 the board of supervisors after May 1, 1995, and prior to the
239 effective date of House Bill No. 1823, 2004 Regular Session, for
240 the purpose of defraying the cost of expanding the Mississippi
241 Coast Coliseum and Convention Center, are retired:

242 (i) Two-thirds (2/3) of the proceeds shall be paid
243 to the Harrison County Tourism Commission.

244 (ii) Twenty-five percent (25%) of the remaining
245 one-third (1/3) of the proceeds shall be paid to the Harrison
246 County Tourism Commission and seventy-five percent (75%) of the
247 remaining one-third (1/3) of the proceeds shall be paid to the
248 Board of Supervisors of Harrison County.

249 Section 3. The Harrison County Tourism Commission shall be
250 composed of seven (7) members, appointed as hereinafter provided.
251 The board of supervisors shall appoint two (2) members of the
252 commission who are qualified electors of the City of Biloxi; two
253 (2) members who are qualified electors of the City of Gulfport;
254 one (1) member who is a qualified elector of the City of Pass
255 Christian; one (1) member who is a qualified elector of the City
256 of Long Beach; and one (1) member who is a qualified elector of
257 the County of Harrison outside of the boundaries of the four (4)
258 municipalities in the county. In the selection of commissioners,
259 the board shall make every effort to select individuals who are
260 knowledgeable of, or actively involved in, the tourism industry.
261 The said commission shall be appointed within sixty (60) days of
262 the effective date of this act, in the following manner:

263 (1) Two (2) members for one (1) year.

264 (2) Two (2) members for two (2) years.

265 (3) One (1) member for three (3) years.

266 (4) One (1) member for four (4) years.

267 (5) One (1) member for five (5) years.

268 The board shall draw lots to determine which of the seven (7)
269 members of the commission shall be appointed for the various
270 initial terms of office. Provided, however, that all subsequent
271 appointments shall be made for five-year terms, except that the
272 board shall appoint a member to fill a vacancy for the unexpired
273 term only. Within sixty (60) days after the effective date of
274 House Bill No. 1716, 1990 Regular Session, the board of
275 supervisors shall appoint two (2) additional members to the
276 Tourism Commission. The board of supervisors shall appoint one
277 (1) member who is a qualified elector of the City of D'Iberville
278 and one (1) member who is a qualified elector of the County of
279 Harrison for a term of five (5) years. All subsequent
280 appointments shall be for a term of five (5) years and an
281 appointment to fill a vacancy shall be for the unexpired term
282 only. Before entering on the duties of the office each appointed
283 member of the Tourism Commission shall enter into and give bond to
284 be approved by the Secretary of State of the State of Mississippi
285 in the sum of Fifty Thousand Dollars (\$50,000.00) conditioned on
286 the satisfactory performance of his duties. This bond's premium
287 shall be paid from the Tourism Commission Fund. Such bond shall
288 be payable to Harrison County and in the event of a breach
289 thereof, suit may be brought by the county for the benefit of the
290 Tourism Commission. The commission may authorize the payment of
291 per diem not to exceed the uniform per diem rate provided in
292 Section 25-3-69, Mississippi Code of 1972, to commission members
293 for each day in the discharge of their official duties. Such per
294 diem expenditures shall be included in the annual budget of the
295 commission and shall be subject to approval of the Harrison County
296 Board of Supervisors. The commission shall elect officers and
297 adopt rules and regulations; and shall fix a regular meeting date,
298 but may provide for special meetings. The commission shall keep

299 minutes of its proceedings, as are necessary to carry out its
300 responsibilities under this act. It is the intent of this
301 enactment to supersede the Advisory Commission and those duties
302 performed by the board of supervisors pursuant to Chapter 820,
303 Local and Private Laws of 1972, with the commission herein
304 created, and to provide for the orderly transfer of all duties and
305 powers heretofore exercised by those bodies to the Harrison County
306 Tourism Commission, which shall have the sole authority to budget
307 and contract for expenditures for the fiscal year beginning
308 October 1, 1979, subject to the approval of the board of
309 supervisors as herein provided.

310 Section 4. Before the expenditures of funds allocated to it
311 by this act, the Tourism Commission shall annually adopt a budget
312 that will reflect the anticipated expenditures for promotion,
313 advertising and operation. Such budget shall be subject to the
314 approval of the Harrison County Board of Supervisors and shall
315 comply with all the requirements of the general laws of the State
316 of Mississippi covering the advertisement for bids and the
317 expenditure of funds.

318 Section 5. The Harrison County Tourism Commission
319 established hereunder shall have the authority to promote tourism
320 and in this regard the commission is empowered:

321 (a) To receive and expend revenues from any sources
322 including, but not limited to, private enterprise;

323 (b) To own, lease or contract for the use, purchase or
324 lease of any real or personal property, including, but not limited
325 to, furnishings, fixtures and any equipment useful and necessary
326 in the promotion of tourism and convention business;

327 (c) To sell, convey or otherwise dispose of all or any
328 part of its property and assets in accordance with general laws of
329 the State of Mississippi providing for such disposal;

330 (d) To have and exercise all powers necessary or
331 convenient to effect any and all of the purposes for which the

332 commission is organized, and further, to appoint and employ
333 individuals and agencies acting in its behalf for any and all of
334 the aforementioned powers and responsibilities;

335 (e) To have and exercise all powers necessary and
336 convenient to conduct the business of promoting and managing
337 conventions and to carry out the purposes of the convention staff
338 of the Mississippi Coast Coliseum Commission by agreement between
339 the two (2) commissions.

340 Section 6. The Advisory Commission, created and established
341 under the provisions of Chapter 820, Local and Private Laws of
342 1972, shall be and the same is hereby abolished effective October
343 1, 1979, and the commissioners and all members, agents,
344 representatives and employees of the said Advisory Commission and
345 the Harrison County Board of Supervisors are required and directed
346 to cooperate with the Harrison County Tourism Commission to
347 effectuate an orderly transfer of its duties to that commission in
348 accordance with this act, and to deliver to the Harrison County
349 Tourism Commission all property, funds, money, accounts, records,
350 etc., now in their possession, which were transferred to the board
351 of supervisors pursuant to Chapter 820, Local and Private Laws of
352 1972, such delivery to be made not later than October 1, 1979, and
353 where required, in such cases as real property, if any, the
354 Chairman of the said Advisory Commission and the Secretary thereof
355 or the President of the Harrison County Board of Supervisors are
356 authorized, empowered and directed to make, execute and deliver in
357 favor of the Harrison County Tourism Commission any bill of sale,
358 deed or other document required to transfer title of any property
359 transferred pursuant to Chapter 820, Local and Private Laws of
360 1972, which was held in the name of the County Advertising
361 Commission. Nothing herein shall be construed to waive the rights
362 of compelling such action by a writ of mandamus in accordance with
363 the laws of Mississippi. Provided further, that on October 1,
364 1979, all rights of office of any of the commissioners of the

365 Advisory Commission, its attorneys or agents, be and the same are
366 hereby finally determined and ended, and its former employees
367 shall serve at the pleasure of the Tourism Commission.

368 Section 7. (1) Until the date the bonds issued by the
369 county after May 1, 1995, but prior to the effective date of House
370 Bill No. 1823, 2004 Regular Session, to defray the costs of
371 expanding the Mississippi Coast Coliseum and Convention Center
372 have been retired, and the bonds issued under the provisions of
373 Sections 1 through 12 of House Bill No. 1823, 2004 Regular
374 Session, have been retired, the Board of Supervisors of Harrison
375 County shall deposit the funds allocated to it by Section
376 2(4) * * * of this act into a special fund in the county treasury.

377 (2) Monies in the special fund shall be expended by the
378 board of supervisors to:

379 (a) Pay the principal of and interest on up to Ten
380 Million Dollars (\$10,000,000.00) of general obligation bonds
381 issued by the county after May 1, 1995, but prior to the effective
382 date of House Bill No. 1823, 2004 Regular Session, to defray the
383 costs of expanding the Mississippi Coast Coliseum and Convention
384 Center, and/or

385 (b) Pay the principal of and interest on general
386 obligation bonds issued by the county pursuant to Sections 1
387 through 12 of House Bill No. 1823, 2004 Regular Session.

388 **SECTION 14.** This act shall take effect and be in force from
389 and after its passage.