

By: Representatives Robinson (63rd), Brown, Clarke, Banks, Calhoun, Coleman (65th), Evans, Flaggs, Fleming, Holloway, Middleton, Smith (27th)

To: Local and Private Legislation; Ways and Means

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 1832

1 AN ACT TO CREATE THE CAPITAL CITY CONVENTION CENTER  
2 COMMISSION; TO PROVIDE FOR THE MEMBERSHIP OF THE COMMISSION; TO  
3 PROVIDE THAT THE COMMISSION SHALL HAVE JURISDICTION AND AUTHORITY  
4 OVER ALL MATTERS RELATING TO THE ESTABLISHMENT, DEVELOPMENT,  
5 CONSTRUCTION, FURNISHING, EQUIPPING, OPERATING AND PROMOTING OF A  
6 CONVENTION CENTER WITHIN THE CITY OF JACKSON; TO AUTHORIZE THE  
7 IMPOSITION OF A TAX ON THE GROSS PROCEEDS OF RESTAURANTS, HOTELS  
8 AND MOTELS AND ON EACH CAR RENTAL AGREEMENT ENTERED INTO BY MOTOR  
9 VEHICLE RENTAL BUSINESSES, FOR THE PURPOSE OF PROVIDING FUNDS FOR  
10 THE ACQUISITION, CONSTRUCTION, FURNISHING, EQUIPPING, ERECTION,  
11 OPERATION, MAINTENANCE AND PROMOTING OF A CONVENTION CENTER AND  
12 FOR THE PAYMENT OF ANY DEBT INCURRED FOR THE ACQUISITION,  
13 CONSTRUCTION, EQUIPPING AND FURNISHING OF A CONVENTION CENTER; TO  
14 AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF JACKSON,  
15 MISSISSIPPI, TO INCUR DEBT FOR THE PURPOSE OF ACQUIRING,  
16 CONSTRUCTING, EQUIPPING AND FURNISHING OF A CONVENTION CENTER IN  
17 AN AMOUNT NOT TO EXCEED \$65,000,000.00; TO REQUIRE A REFERENDUM ON  
18 THE QUESTION OF THE IMPOSITION OF ANY TAX AUTHORIZED UNDER THIS  
19 ACT; AND FOR RELATED PURPOSES.

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

21 **SECTION 1.** As used in this act, the following words shall  
22 have the meanings ascribed to them in this section unless  
23 otherwise clearly indicated by the context in which they are used:

24 (a) "Commission" means the Capital City Convention  
25 Center Commission.

26 (b) "Convention center" means the Capital City  
27 Convention Center and other related and ancillary facilities.

28 (c) "Hotel" or "motel" means and includes a place of  
29 lodging that at any one time will accommodate transient guests on  
30 a daily or weekly basis and that is known to the trade as such,  
31 and which is located within the city limits of Jackson,  
32 Mississippi.

33 (d) "Mayor" means the Mayor of the City of Jackson,  
34 Mississippi.

35           (e) "Motor vehicle rental business" means a person,  
36 firm or corporation engaged in or continuing in the business of  
37 renting motor vehicles under rental agreements with a term of not  
38 more than thirty (30) continuous days each, and which are located  
39 within the city limits of Jackson, Mississippi, including, but not  
40 limited to, businesses located at the Jackson International  
41 Airport.

42           (f) "Restaurant" means and includes all places where  
43 prepared food is sold and whose annual gross proceeds of sales or  
44 gross income for the preceding calendar year equals or exceeds One  
45 Hundred Thousand Dollars (\$100,000.00), and which are located  
46 within the city limits of Jackson, Mississippi. For the purpose  
47 of calculating gross proceeds of sales or gross income, the sales  
48 or income of all establishments owned, operated or controlled by  
49 the same person, persons or corporation shall be aggregated.

50           **SECTION 2.** (1) There is hereby created and established in  
51 the City of Jackson, Mississippi, a convention center to be named  
52 the "Capital City Convention Center."

53           (2) The commission shall be domiciled in the City of  
54 Jackson. It shall have the authority to promulgate and enact all  
55 rules and regulations necessary or advantageous to the purpose of  
56 the commission.

57           **SECTION 3.** (1) The commission shall be composed of nine (9)  
58 members, appointed directly by the mayor subject only to the  
59 provisions set forth in this section, who shall be known as  
60 commissioners.

61           (a) Two (2) hotel/motel members representing hotel or  
62 motel properties located within the city limits of Jackson,  
63 Mississippi, appointed by the mayor for initial terms of one (1)  
64 and three (3) years, respectively. These members and their  
65 successors shall be appointed by the mayor after being selected  
66 from a panel of two (2) names for each membership position

67 submitted by the Central Mississippi Chapter of Mississippi  
68 Lodging Association.

69 (b) Two (2) restaurant members representing restaurants  
70 located within the city limits of Jackson appointed by the mayor  
71 for initial terms of two (2) and four (4) years, respectively.  
72 These members and their successors shall be appointed by the mayor  
73 after being selected from a panel of two (2) names for each  
74 membership position submitted by the Jackson Chapter of the  
75 Mississippi Restaurant Association.

76 (c) One (1) member representing the business community  
77 in the City of Jackson appointed by the mayor for an initial term  
78 of five (5) years. This member and her/his successors shall be  
79 appointed by the mayor after being selected from a panel of two  
80 (2) names submitted by the Metro Jackson Chamber of Commerce. The  
81 names submitted by the Metro Jackson Chamber of Commerce shall be  
82 those of persons who represent businesses located within the city  
83 limits of Jackson, Mississippi.

84 (d) Four (4) members shall be appointed at large by the  
85 mayor for initial terms of one (1), two (2), three (3) and four  
86 (4) years each. All such appointees by the mayor pursuant to this  
87 section shall be residents of the City of Jackson.

88 (e) All succeeding appointments shall be made for a  
89 term of five (5) years from the date of expiration of the initial  
90 appointment. Any vacancy which may occur shall be filled by the  
91 mayor within ninety (90) days after such vacancy occurs in the  
92 same manner as the original appointment and shall be made for the  
93 unexpired term. Each member of the commission shall serve until  
94 his successor is appointed and qualified.

95 (f) The mayor shall designate a chairman of the  
96 commission from among the membership of the commission. The  
97 chairman shall serve in that capacity for two (2) years and may be  
98 reappointed only after the expiration of two (2) intervening

99 years. The mayor shall designate a vice chairman and secretary in  
100 the same manner and for the same term as the chairman.

101 (g) The commissioners shall serve without compensation.

102 (2) Any commissioner shall be disqualified and shall be  
103 removed from office for either of the following reasons:

104 (a) Conviction of a felony in any state court or in  
105 federal court; or

106 (b) Failure to attend three (3) consecutive meetings  
107 without just cause.

108 If a commissioner is removed for any of the above reasons,  
109 the vacancy shall be filled in the manner prescribed in this  
110 section and shall be made for the unexpired term.

111 (3) Before assuming the duties of office, each commissioner  
112 shall take the oath prescribed by law and shall enter into and  
113 give bond, to be approved by the Secretary of State of the State  
114 of Mississippi, in the sum of Twenty-five Thousand Dollars  
115 (\$25,000.00), conditioned upon the faithful performance of his  
116 duties. Such bond shall be payable to the State of Mississippi,  
117 and, in the event of a breach thereof, suit may be brought by the  
118 State of Mississippi for the benefit of the commission. The  
119 premiums on such bonds shall be paid from the funds received by  
120 the commission under the provisions of this act.

121 (4) A quorum shall consist of five (5) members of the  
122 commission. The commission shall adopt such rules and regulations  
123 as may govern the time and place for holding meetings, regular and  
124 special, and other rules and regulations to administer, operate  
125 and promote the convention center not inconsistent with the  
126 provisions of this act.

127 **SECTION 4.** The commission shall have jurisdiction and  
128 authority over all matters relating to the establishment,  
129 development, construction, furnishing, equipping, operating and  
130 promoting of a convention center within the City of Jackson to be  
131 connected to the Mississippi Telecommunication Conference and

132 Training Center located in the City of Jackson, including the  
133 authority to enter into such contracts and agreements as may be  
134 necessary to carry out the intent of this act. The commission  
135 shall adhere to the provisions of the public purchasing laws,  
136 public works contracts laws and public bid laws as provided by the  
137 laws of the State of Mississippi.

138 The commission is authorized to contract for the  
139 construction, furnishing, equipping, operation and promotion of a  
140 convention center and to receive and expend, subject to the  
141 provisions of this act, revenues from any source.

142 **SECTION 5.** (1) For the purpose of providing funds for the  
143 acquisition, construction, furnishing, equipping, erection,  
144 operation, maintenance and promotion of a convention center and  
145 for the payment of any debt incurred for the acquisition,  
146 construction, equipping and furnishing of a convention center,  
147 there is hereby levied and assessed and shall be collected from  
148 every person engaging in or doing business in the City of Jackson,  
149 in addition to all other taxes currently being levied, assessed  
150 and collected:

151 (a) A tax of one percent (1%) of the gross proceeds of  
152 sales of restaurants and of sales of food and beverages in the  
153 hotels and motels, including, but not limited to, sales of beer  
154 and alcoholic beverages sold to be consumed on the premises;

155 (b) A tax of three percent (3%) of the gross proceeds  
156 of sales of hotel and motel rooms and lodging;

157 (c) A tax of Two Dollars (\$2.00) on each motor vehicle  
158 rental agreement entered into by a motor vehicle rental business;  
159 however, this tax shall not apply to motor vehicles with a gross  
160 vehicle weight exceeding ten thousand pounds (10,000).

161 (2) Persons liable for the taxes imposed in this section  
162 shall add the amount of tax to the sales price or gross income  
163 and, in addition thereto, shall collect, insofar as practicable,

164 the amount of the tax due by them from the person receiving the  
165 services or goods at the time of payment therefor.

166 (3) The tax shall be collected by and paid to the State Tax  
167 Commission on a form prescribed by the State Tax Commission, in  
168 the same manner that state sales taxes are computed, collected and  
169 paid; and the full enforcement provisions of Chapter 65, Title 27,  
170 Mississippi Code of 1972, shall apply as necessary to the  
171 implementation and administration of this act.

172 (4) The proceeds of the tax shall be paid to the City of  
173 Jackson on or before the fifteenth day of the month following the  
174 month in which they were collected.

175 (5) The proceeds of the tax shall not be considered by the  
176 City of Jackson as general fund revenues and shall be placed into  
177 a special fund. Money in the special fund shall first be used to  
178 pay the debt service on any debt incurred by the city for the  
179 acquisition, construction, equipping and furnishing the convention  
180 center. The proceeds of the tax shall be used by the commission  
181 for the following purposes in the priority set forth:

182 (a) First, to pay debt service on debt incurred  
183 pursuant to this act;

184 (b) Second, to fund a trust fund to pay any deficit  
185 that may occur with respect to the operation of the convention  
186 center, not to exceed the amount of Five Hundred Thousand Dollars  
187 (\$500,000.00) per year; and

188 (c) The remainder shall be used for the operation,  
189 maintenance and promotion of the convention center.

190 (6) The provisions of this section shall be repealed upon  
191 the payment in full of any debt incurred pursuant to the  
192 provisions of Section 6 of this act.

193 **SECTION 6.** The governing authorities of the City of Jackson,  
194 Mississippi, are authorized to incur debt under any existing law  
195 authorizing the issuance of bonds, notes or other evidences of  
196 debt, for the purpose of acquiring, constructing, equipping and

197 furnishing of a convention center in an amount not to exceed  
198 Sixty-five Million Dollars (\$65,000,000.00). In the event that  
199 the city elects to issue bonds pursuant to Section 21-33-301 et  
200 seq., the bonds shall not be subject to the limitation on  
201 indebtedness imposed by Section 21-33-303, to the extent that the  
202 bonds are paid with the proceeds of the taxes authorized by this  
203 act.

204       **SECTION 7.** (1) Before any tax authorized under this act may  
205 be imposed, the governing authorities of the City of Jackson shall  
206 adopt a resolution declaring its intention to levy the taxes,  
207 setting forth the amount of such tax to be imposed, the date upon  
208 which such taxes shall become effective and calling for a  
209 referendum to be held on the question. The date of the referendum  
210 shall be set in the resolution. Notice of such intention shall be  
211 published once each week for at least three (3) consecutive weeks  
212 in a newspaper published or having a general circulation in the  
213 county, with the first publication of such notice to be made not  
214 less than twenty-one (21) days before the date fixed in the  
215 resolution for the referendum and the last publication to be made  
216 not more than seven (7) days before the referendum. At the  
217 referendum, all qualified electors of the City of Jackson may  
218 vote, and the ballots used in such referendum shall have printed  
219 thereon a brief statement of the amount and purposes of the  
220 proposed tax levy and the words "FOR THE CONVENTION CENTER TAX"  
221 and, on a separate line, "AGAINST THE CONVENTION CENTER TAX", and  
222 the voters shall vote by placing a cross (X) or check (✓) opposite  
223 their choice on the proposition. When the results of any such  
224 referendum shall have been canvassed by the election commission  
225 and certified, the city may levy the taxes beginning on the first  
226 day of the second month following the referendum, only if at least  
227 sixty percent (60%) of the qualified electors who vote in the  
228 election vote in favor of the tax. In the event that sixty  
229 percent (60%) of the qualified electors who vote at the referendum

230 vote for the convention center tax and the city elects to issue  
231 bonds pursuant to Section 21-33-301 et seq., the city shall not be  
232 required to comply with the provisions of Section 21-33-307. No  
233 public funds shall be used for the purpose of promoting the  
234 adoption of the referendum. At least thirty (30) days before the  
235 effective date of the taxes, the governing authorities of the City  
236 of Jackson shall furnish to the State Tax Commission a certified  
237 copy of the resolution evidencing the taxes.

238 (2) If a referendum has been held under the provisions of  
239 subsection (1) of this section, and the authority of the city to  
240 impose the convention center taxes has been denied by the electors  
241 of the city, a subsequent referendum on the issue of imposing  
242 convention center taxes may be held within two (2) years from the  
243 date of the first referendum. If a second referendum is held, and  
244 the authority to impose the convention center taxes has been  
245 denied again by the electors of the city, no further referendum  
246 may be held.

247 **SECTION 8.** Accounting for receipts and expenditures of the  
248 funds described in this act must be made separately from the  
249 accounting of receipts and expenditures of the general fund and  
250 any other funds of the City of Jackson. The records reflecting  
251 the receipts and expenditures of the funds prescribed in this act  
252 shall be audited annually by an independent certified public  
253 accountant, and the accountant shall make a written report of his  
254 audit to the council and the commission. The audit shall be made  
255 and completed as soon as practicable after the close of the fiscal  
256 year, and expenses of such audit shall be paid from the funds  
257 derived pursuant to this act.

258 **SECTION 9.** The provisions of this act shall be repealed in  
259 the event that two (2) referenda on the question of imposing  
260 convention center taxes have been denied by the electors of the  
261 city. If this event occurs, the Clerk of the City of Jackson

262 shall notify the Chairmen of the House and Senate Local and  
263 Private Committees.

264         **SECTION 10.** The governing authorities of the City of Jackson  
265 shall submit this act, immediately upon approval by the Governor,  
266 or upon approval by the Legislature subsequent to a veto, to the  
267 Attorney General of the United States or to the United States  
268 District Court for the District of Columbia in accordance with the  
269 provisions of the Voting Rights Act of 1965, as amended and  
270 extended.

271         **SECTION 11.** This act shall take effect and be in force from  
272 and after the date it is effectuated under Section 5 of the Voting  
273 Rights Act of 1965, as amended and extended.