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To: Finance

SENATE BILL NO. 2001

1 AN ACT TO AMEND SECTION 57-75-5, MISSISSIPPI CODE OF 1972, TO
 2 REVISE THE DEFINITION OF THE TERM "PROJECT" UNDER THE MISSISSIPPI
 3 MAJOR ECONOMIC IMPACT ACT TO INCLUDE CERTAIN MAJOR POWERTRAIN
 4 COMPONENT MANUFACTURING AND ASSEMBLY PLANTS WITH AN INITIAL
 5 CAPITAL INVESTMENT FROM PRIVATE SOURCES OF NOT LESS THAN
 6 \$300,000,000.00 WHICH WILL CREATE AT LEAST 500 NEW FULL-TIME JOBS
 7 MEETING CRITERIA ESTABLISHED BY THE MISSISSIPPI MAJOR ECONOMIC
 8 IMPACT AUTHORITY; TO AMEND SECTION 57-75-9, MISSISSIPPI CODE OF
 9 1972, TO PROVIDE THAT CONTRACTS BY THE MISSISSIPPI MAJOR ECONOMIC
 10 IMPACT AUTHORITY OR A PUBLIC AGENCY FOR SITE PREPARATION,
 11 UTILITIES, REAL ESTATE IMPROVEMENTS, WASTEWATER OR PUBLIC WORKS
 12 FOR SUCH A PROJECT SHALL BE EXEMPT FROM THE PROVISIONS OF SECTION
 13 31-7-13 AND TO PROVIDE AN ALTERNATE PROCEDURE FOR THE AWARD OF
 14 SUCH CONTRACTS; TO AMEND SECTION 57-75-11, MISSISSIPPI CODE OF
 15 1972, TO GRANT THE MISSISSIPPI MAJOR ECONOMIC IMPACT AUTHORITY
 16 CERTAIN ADDITIONAL POWERS AND DUTIES WITH REGARD TO SUCH PROJECTS;
 17 TO AMEND SECTION 57-75-15, MISSISSIPPI CODE OF 1972, TO AUTHORIZE
 18 THE ISSUANCE OF STATE GENERAL OBLIGATION BONDS FOR SUCH PROJECTS
 19 AND TO SPECIFY THE PURPOSES FOR WHICH THE PROCEEDS OF SUCH BONDS
 20 MAY BE UTILIZED; TO AMEND SECTION 57-75-33, MISSISSIPPI CODE OF
 21 1972, TO PROVIDE THAT THE BOARD OF SUPERVISORS OF A COUNTY OR THE
 22 GOVERNING AUTHORITIES OF A MUNICIPALITY MAY EACH ENTER INTO AN
 23 AGREEMENT WITH AN ENTERPRISE OPERATING SUCH A PROJECT PROVIDING
 24 THAT THE COUNTY OR MUNICIPALITY WILL NOT LEVY ANY TAXES, FEES OR
 25 ASSESSMENTS UPON THE ENTERPRISE OTHER THAN TAXES, FEES OR
 26 ASSESSMENTS THAT ARE GENERALLY LEVIED UPON ALL TAXPAYERS AND THE
 27 BOARD OF SUPERVISORS OR THE GOVERNING AUTHORITIES ALSO MAY EACH
 28 ENTER INTO A FEE-IN-LIEU AGREEMENT; TO AMEND SECTION 11-27-81,
 29 MISSISSIPPI CODE OF 1972, TO AUTHORIZE COUNTIES TO EXERCISE THE
 30 RIGHT OF IMMEDIATE POSSESSION WITH REGARD TO CERTAIN PROJECTS
 31 UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO AMEND SECTION
 32 11-27-85, MISSISSIPPI CODE OF 1972, TO AUTHORIZE COUNTIES TO
 33 EXERCISE THE RIGHT OF IMMEDIATE TITLE AND POSSESSION WITH REGARD
 34 TO CERTAIN PROJECTS UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT
 35 ACT; TO AMEND SECTION 57-31-5, MISSISSIPPI CODE OF 1972, TO REMOVE
 36 THE PROVISION THAT REQUIRES CERTAIN INDUSTRIAL DEVELOPMENT
 37 AUTHORITIES TO TRANSFER TITLE TO PROPERTY BY LEASE-PURCHASE
 38 AGREEMENT WITH CERTAIN STIPULATIONS; TO AMEND SECTION 57-31-9,
 39 MISSISSIPPI CODE OF 1972, TO AUTHORIZE CERTAIN INDUSTRIAL
 40 DEVELOPMENT AUTHORITIES TO ISSUE PROMISSORY NOTES IN AN AMOUNT NOT
 41 TO EXCEED \$15,000,000.00 FOR CERTAIN PROJECTS DESCRIBED IN THE
 42 MISSISSIPPI MAJOR ECONOMIC IMPACT ACT UPON FINDING THAT THE NOTE
 43 WILL BE PAID BY BONDS ISSUED BY THE BOARD OF SUPERVISORS; TO
 44 PROVIDE AN INCOME TAX CREDIT IN THE AMOUNT OF \$5,000.00 FOR EACH
 45 NET NEW FULL-TIME EMPLOYEE JOB CREATED BY A QUALIFIED BUSINESS OR
 46 INDUSTRY THAT IS A PROJECT UNDER THE MISSISSIPPI MAJOR ECONOMIC
 47 IMPACT ACT WITH AN INITIAL CAPITAL INVESTMENT OF NOT LESS THAN
 48 \$300,000,000.00 AND CREATES AT LEAST 500 JOBS; TO PROVIDE THAT THE

49 BUSINESS OR INDUSTRY MAY UTILIZE THE CREDIT FOR A PERIOD OF 20
50 YEARS FROM THE DATE THE CREDIT COMMENCES; TO PROVIDE THAT THE
51 ENTERPRISE MAY SELECT THE COMMENCEMENT DATE BUT THE COMMENCEMENT
52 DATE MAY NOT BE MORE THAN SIX YEARS FROM THE DATE THE BUSINESS
53 COMMENCES COMMERCIAL PRODUCTION; TO PROVIDE THAT EXCESS CREDITS
54 MAY BE CARRIED FORWARD; TO AMEND SECTION 27-65-101, MISSISSIPPI
55 CODE OF 1972, TO PROVIDE AN EXEMPTION FROM SALES TAXATION FOR
56 SALES TO CERTAIN MANUFACTURERS OF POWERTRAIN COMPONENTS OF
57 MACHINERY AND CERTAIN SPECIAL TOOLS OR REPAIR PARTS THEREFOR, FUEL
58 AND SUPPLIES USED DIRECTLY IN THE MANUFACTURE OF SUCH MOTOR
59 VEHICLE PARTS; TO REVISE THE EXEMPTION FROM SALES TAXATION FOR THE
60 SALE OF MATERIALS, MACHINERY AND EQUIPMENT USED IN THE
61 CONSTRUCTION OF A BUILDING, OR AN ADDITION OR IMPROVEMENT THEREON
62 TO AN ENTERPRISE OPERATING CERTAIN PROJECTS DEFINED UNDER THE
63 MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO AMEND SECTION 27-67-7,
64 MISSISSIPPI CODE OF 1972, TO REVISE THE EXEMPTION FROM USE
65 TAXATION FOR CERTAIN PERSONAL PROPERTY USED BY A TAXPAYER OTHER
66 THAN THE MANUFACTURER, WHEN THE MANUFACTURER STILL HOLDS TITLE TO
67 THE ITEMS AND THE ITEMS ARE PURCHASED AS PART OF CERTAIN PROJECTS
68 DEVELOPED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO
69 AMEND SECTIONS 17 AND 18 OF SENATE BILL NO. 3215, 2007 REGULAR
70 SESSION, TO REVISE THE ENTITIES THAT MAY BE ELIGIBLE FOR INCENTIVE
71 PAYMENTS TO QUALIFIED BUSINESSES THAT ARE BASED ON THE AMOUNT OF
72 WAGES AND TAXABLE BENEFITS OR THE AMOUNT OF STATE INCOME TAX
73 WITHHELD FOR QUALIFIED JOBS CREATED; TO AMEND SECTION 27-65-75,
74 MISSISSIPPI CODE OF 1972, TO CLARIFY PROVISIONS REGARDING CERTAIN
75 DIVERSIONS OF STATE SALES TAX REVENUE; AND FOR RELATED PURPOSES.

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

77 **SECTION 1.** Section 57-75-5, Mississippi Code of 1972, is
78 amended as follows:

79 57-75-5. Words and phrases used in this chapter shall have
80 meanings as follows, unless the context clearly indicates a
81 different meaning:

82 (a) "Act" means the Mississippi Major Economic Impact
83 Act as originally enacted or as hereafter amended.

84 (b) "Authority" means the Mississippi Major Economic
85 Impact Authority created pursuant to the act.

86 (c) "Bonds" means general obligation bonds, interim
87 notes and other evidences of debt of the State of Mississippi
88 issued pursuant to this chapter.

89 (d) "Facility related to the project" means and
90 includes any of the following, as the same may pertain to the
91 project within the project area: (i) facilities to provide
92 potable and industrial water supply systems, sewage and waste
93 disposal systems and water, natural gas and electric transmission
94 systems to the site of the project; (ii) airports, airfields and

95 air terminals; (iii) rail lines; (iv) port facilities; (v)
96 highways, streets and other roadways; (vi) public school
97 buildings, classrooms and instructional facilities, training
98 facilities and equipment, including any functionally related
99 facilities; (vii) parks, outdoor recreation facilities and
100 athletic facilities; (viii) auditoriums, pavilions, campgrounds,
101 art centers, cultural centers, folklore centers and other public
102 facilities; (ix) health care facilities, public or private; and
103 (x) fire protection facilities, equipment and elevated water
104 tanks.

105 (e) "Person" means any natural person, corporation,
106 association, partnership, receiver, trustee, guardian, executor,
107 administrator, fiduciary, governmental unit, public agency,
108 political subdivision, or any other group acting as a unit, and
109 the plural as well as the singular.

110 (f) "Project" means:

111 (i) Any industrial, commercial, research and
112 development, warehousing, distribution, transportation,
113 processing, mining, United States government or tourism enterprise
114 together with all real property required for construction,
115 maintenance and operation of the enterprise with an initial
116 capital investment of not less than Three Hundred Million Dollars
117 (\$300,000,000.00) from private or United States government sources
118 together with all buildings, and other supporting land and
119 facilities, structures or improvements of whatever kind required
120 or useful for construction, maintenance and operation of the
121 enterprise; or with an initial capital investment of not less than
122 One Hundred Fifty Million Dollars (\$150,000,000.00) from private
123 or United States government sources together with all buildings
124 and other supporting land and facilities, structures or
125 improvements of whatever kind required or useful for construction,
126 maintenance and operation of the enterprise and which creates at
127 least one thousand (1,000) net new full-time jobs; or which

128 creates at least one thousand (1,000) net new full-time jobs which
129 provides an average salary, excluding benefits which are not
130 subject to Mississippi income taxation, of at least one hundred
131 twenty-five percent (125%) of the most recently published average
132 annual wage of the state as determined by the Mississippi
133 Department of Employment Security. "Project" shall include any
134 addition to or expansion of an existing enterprise if such
135 addition or expansion has an initial capital investment of not
136 less than Three Hundred Million Dollars (\$300,000,000.00) from
137 private or United States government sources, or has an initial
138 capital investment of not less than One Hundred Fifty Million
139 Dollars (\$150,000,000.00) from private or United States government
140 sources together with all buildings and other supporting land and
141 facilities, structures or improvements of whatever kind required
142 or useful for construction, maintenance and operation of the
143 enterprise and which creates at least one thousand (1,000) net new
144 full-time jobs; or which creates at least one thousand (1,000) net
145 new full-time jobs which provides an average salary, excluding
146 benefits which are not subject to Mississippi income taxation, of
147 at least one hundred twenty-five percent (125%) of the most
148 recently published average annual wage of the state as determined
149 by the Mississippi Department of Employment Security. "Project"
150 shall also include any ancillary development or business resulting
151 from the enterprise, of which the authority is notified, within
152 three (3) years from the date that the enterprise entered into
153 commercial production, that the project area has been selected as
154 the site for the ancillary development or business.

155 (ii) 1. Any major capital project designed to
156 improve, expand or otherwise enhance any active duty or reserve
157 United States armed services bases and facilities or any major
158 Mississippi National Guard training installations, their support
159 areas or their military operations, upon designation by the
160 authority that any such base was or is at risk to be recommended

161 for closure or realignment pursuant to the Defense Base Closure
162 and Realignment Act of 1990, as amended, or other applicable
163 federal law; or any major development project determined by the
164 authority to be necessary to acquire or improve base properties
165 and to provide employment opportunities through construction of
166 projects as defined in Section 57-3-5, which shall be located on
167 or provide direct support service or access to such military
168 installation property in the event of closure or reduction of
169 military operations at the installation.

170 2. Any major study or investigation related
171 to such a facility, installation or base, upon a determination by
172 the authority that the study or investigation is critical to the
173 expansion, retention or reuse of the facility, installation or
174 base.

175 3. Any project as defined in Section 57-3-5,
176 any business or enterprise determined to be in the furtherance of
177 the public purposes of this act as determined by the authority or
178 any facility related to such project each of which shall be,
179 directly or indirectly, related to any military base or other
180 military-related facility no longer operated by the United States
181 armed services or the Mississippi National Guard.

182 (iii) Any enterprise to be maintained, improved or
183 constructed in Tishomingo County by or for a National Aeronautics
184 and Space Administration facility in such county.

185 (iv) 1. Any major capital project with an initial
186 capital investment from private sources of not less than Seven
187 Hundred Fifty Million Dollars (\$750,000,000.00) which will create
188 at least three thousand (3,000) jobs meeting criteria established
189 by the Mississippi Development Authority.

190 2. "Project" shall also include any ancillary
191 development or business resulting from an enterprise operating a
192 project as defined in item 1 of this paragraph (f)(iv), of which
193 the authority is notified, within three (3) years from the date

194 that the enterprise entered into commercial production, that the
195 state has been selected as the site for the ancillary development
196 or business.

197 (v) Any manufacturing, processing or industrial
198 project determined by the authority, in its sole discretion, to
199 contribute uniquely and significantly to the economic growth and
200 development of the state, and which meets the following criteria:

201 1. The project shall create at least two
202 thousand (2,000) net new full-time jobs meeting criteria
203 established by the authority, which criteria shall include, but
204 not be limited to, the requirement that such jobs must be held by
205 persons eligible for employment in the United States under
206 applicable state and federal law.

207 2. The project and any facility related to
208 the project shall include a total investment from private sources
209 of not less than Sixty Million Dollars (\$60,000,000.00), or from
210 any combination of sources of not less than Eighty Million Dollars
211 (\$80,000,000.00).

212 (vi) Any real property owned or controlled by the
213 National Aeronautics and Space Administration, the United States
214 government, or any agency thereof, which is legally conveyed to
215 the State of Mississippi or to the State of Mississippi for the
216 benefit of the Mississippi Major Economic Impact Authority, its
217 successors and assigns pursuant to Section 212 of Public Law
218 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

219 (vii) Any major capital project related to the
220 establishment, improvement, expansion and/or other enhancement of
221 any active duty military installation and having a minimum capital
222 investment from any source or combination of sources other than
223 the State of Mississippi of at least Forty Million Dollars
224 (\$40,000,000.00), and which will create at least four hundred
225 (400) military installation related full-time jobs, which jobs may
226 be military jobs, civilian jobs or a combination of military and

227 civilian jobs. The authority shall require that binding
228 commitments be entered into requiring that the minimum
229 requirements for the project provided for in this subparagraph
230 shall be met not later than July 1, 2008.

231 (viii) Any major capital project with an initial
232 capital investment from any source or combination of sources of
233 not less than Ten Million Dollars (\$10,000,000.00) which will
234 create at least eighty (80) full-time jobs which provide an
235 average annual salary, excluding benefits which are not subject to
236 Mississippi income taxes, of at least one hundred thirty-five
237 percent (135%) of the most recently published average annual wage
238 of the state or the most recently published average annual wage of
239 the county in which the project is located as determined by the
240 Mississippi Department of Employment Security, whichever is the
241 lesser. The authority shall require that binding commitments be
242 entered into requiring that:

243 1. The minimum requirements for the project
244 provided for in this subparagraph shall be met; and

245 2. That if such commitments are not met, all
246 or a portion of the funds provided by the state for the project as
247 determined by the authority shall be repaid.

248 (ix) Any regional retail shopping mall with an
249 initial capital investment from private sources in excess of One
250 Hundred Fifty Million Dollars (\$150,000,000.00), with a square
251 footage in excess of eight hundred thousand (800,000) square feet,
252 which will create at least seven hundred (700) full-time jobs with
253 an average hourly wage of Eleven Dollars (\$11.00) per hour. The
254 authority shall require that binding commitments be entered into
255 requiring that:

256 1. The minimum requirements for the project
257 provided for in this subparagraph shall be met; and

258 2. That if such commitments are not met, all
259 or a portion of the funds provided by the state for the project as
260 determined by the authority shall be repaid.

261 (x) Any major capital project with an initial
262 capital investment from any source or combination of sources of
263 not less than Seventy-five Million Dollars (\$75,000,000.00) which
264 will create at least one hundred twenty-five (125) full-time jobs
265 which provide an average annual salary, excluding benefits which
266 are not subject to Mississippi income taxes, of at least one
267 hundred thirty-five percent (135%) of the most recently published
268 average annual wage of the state or the most recently published
269 average annual wage of the county in which the project is located
270 as determined by the Mississippi Department of Employment
271 Security, whichever is the greater. The authority shall require
272 that binding commitments be entered into requiring that:

273 1. The minimum requirements for the project
274 provided for in this subparagraph shall be met; and

275 2. That if such commitments are not met, all
276 or a portion of the funds provided by the state for the project as
277 determined by the authority shall be repaid.

278 (xi) Any potential major capital project that the
279 authority has determined is feasible to recruit.

280 (xii) Any project built according to the
281 specifications and federal provisions set forth by the National
282 Aeronautics and Space Administration Center Operations Directorate
283 at Stennis Space Center for the purpose of consolidating common
284 services from National Aeronautics and Space Administration
285 centers in human resources, procurement, financial management and
286 information technology located on land owned or controlled by the
287 National Aeronautics and Space Administration, which will create
288 at least four hundred seventy (470) full-time jobs.

289 (xiii) Any major capital project with an initial
290 capital investment from any source or combination of sources of

291 not less than Ten Million Dollars (\$10,000,000.00) which will
292 create at least two hundred fifty (250) full-time jobs. The
293 authority shall require that binding commitments be entered into
294 requiring that:

295 1. The minimum requirements for the project
296 provided for in this subparagraph shall be met; and

297 2. That if such commitments are not met, all
298 or a portion of the funds provided by the state for the project as
299 determined by the authority shall be repaid.

300 (xiv) Any major pharmaceutical facility with a
301 capital investment of not less than Fifty Million Dollars
302 (\$50,000,000.00) made after July 1, 2002, through four (4) years
303 after the initial date of any loan or grant made by the authority
304 for such project, which will maintain at least seven hundred fifty
305 (750) full-time employees. The authority shall require that
306 binding commitments be entered into requiring that:

307 1. The minimum requirements for the project
308 provided for in this subparagraph shall be met; and

309 2. That if such commitments are not met, all
310 or a portion of the funds provided by the state for the project as
311 determined by the authority shall be repaid.

312 (xv) Any pharmaceutical manufacturing, packaging
313 and distribution facility with an initial capital investment from
314 any local or federal sources of not less than Five Hundred
315 Thousand Dollars (\$500,000.00) which will create at least ninety
316 (90) full-time jobs. The authority shall require that binding
317 commitments be entered into requiring that:

318 1. The minimum requirements for the project
319 provided for in this subparagraph shall be met; and

320 2. That if such commitments are not met, all
321 or a portion of the funds provided by the state for the project as
322 determined by the authority shall be repaid.

323 (xvi) Any major industrial wood processing
324 facility with an initial capital investment of not less than One
325 Hundred Million Dollars (\$100,000,000.00) which will create at
326 least one hundred twenty-five (125) full-time jobs which provide
327 an average annual salary, excluding benefits which are not subject
328 to Mississippi income taxes, of at least Thirty Thousand Dollars
329 (\$30,000.00). The authority shall require that binding
330 commitments be entered into requiring that:

331 1. The minimum requirements for the project
332 provided for in this subparagraph shall be met; and

333 2. That if such commitments are not met, all
334 or a portion of the funds provided by the state for the project as
335 determined by the authority shall be repaid.

336 (xvii) Any technical, engineering,
337 manufacturing-logistic service provider with an initial capital
338 investment of not less than One Million Dollars (\$1,000,000.00)
339 which will create at least ninety (90) full-time jobs. The
340 authority shall require that binding commitments be entered into
341 requiring that:

342 1. The minimum requirements for the project
343 provided for in this subparagraph shall be met; and

344 2. That if such commitments are not met, all
345 or a portion of the funds provided by the state for the project as
346 determined by the authority shall be repaid.

347 (xviii) Any major capital project with an initial
348 capital investment from any source or combination of sources other
349 than the State of Mississippi of not less than Six Hundred Million
350 Dollars (\$600,000,000.00) which will create at least four hundred
351 fifty (450) full-time jobs with an average annual salary,
352 excluding benefits which are not subject to Mississippi income
353 taxes, of at least Seventy Thousand Dollars (\$70,000.00). The
354 authority shall require that binding commitments be entered into
355 requiring that:

356 1. The minimum requirements for the project
357 provided for in this subparagraph shall be met; and

358 2. That if such commitments are not met, all
359 or a portion of the funds provided by the state for the project as
360 determined by the authority shall be repaid.

361 (xix) Any major coal and/or petroleum coke
362 gasification project with an initial capital investment from any
363 source or combination of sources other than the State of
364 Mississippi of not less than Eight Hundred Million Dollars
365 (\$800,000,000.00), which will create at least two hundred (200)
366 full-time jobs with an average annual salary, excluding benefits
367 which are not subject to Mississippi income taxes, of at least
368 Forty-five Thousand Dollars (\$45,000.00). The authority shall
369 require that binding commitments be entered into requiring that:

370 1. The minimum requirements for the project
371 provided for in this subparagraph shall be met; and

372 2. That if such commitments are not met, all
373 or a portion of the funds provided by the state for the project as
374 determined by the authority shall be repaid.

375 (xx) Any planned mixed use development located on
376 not less than four thousand (4,000) acres of land that will
377 consist of commercial, recreational, resort, tourism and
378 residential development with a capital investment from private
379 sources of not less than Four Hundred Seventy-five Million Dollars
380 (\$475,000,000.00) in the aggregate in any one (1) or any
381 combination of tourism projects that will create at least three
382 thousand five hundred (3,500) jobs in the aggregate. For the
383 purposes of this paragraph (f)(xx), the term "tourism project"
384 means and has the same definition as that term has in Section
385 57-28-1. In order to meet the minimum capital investment required
386 under this paragraph (f)(xx), at least Two Hundred Thirty-seven
387 Million Five Hundred Thousand Dollars (\$237,500,000.00) of such
388 investment must be made not later than three (3) years after the

389 date that construction for the initial phase of development of the
390 project begins, or June 1, 2010, whichever date is earlier; and
391 the remainder of the minimum capital investment must be made not
392 later than five (5) years after the date that construction for the
393 initial phase of development of the project begins, or June 1,
394 2012, whichever date is earlier. In order to meet the minimum
395 number of jobs required to be created under this paragraph
396 (f)(xx), at least one thousand seven hundred fifty (1,750) of such
397 jobs must be created not later than three (3) years after the date
398 that construction for the initial phase of development of the
399 project begins, or June 1, 2010, whichever date is earlier; and
400 the remainder of the jobs must be created not later than five (5)
401 years after the date that construction for the initial phase of
402 development of the project begins, or June 1, 2012, whichever date
403 is earlier. The authority shall require that binding commitments
404 be entered into requiring that:

405 1. The minimum requirements for the project
406 provided for in this subparagraph shall be met; and

407 2. That if such commitments are not met, all
408 or a portion of the funds provided by the state for the project as
409 determined by the authority shall be repaid.

410 (xxi) Any enterprise owning or operating an
411 automotive manufacturing and assembly plant and its affiliates for
412 which construction begins after March 2, 2007, and not later than
413 December 1, 2007, with an initial capital investment from private
414 sources of not less than Five Hundred Million Dollars
415 (\$500,000,000.00) which will create at least one thousand five
416 hundred (1,500) jobs meeting criteria established by the
417 authority, which criteria shall include, but not be limited to,
418 the requirement that such jobs must be held by persons eligible
419 for employment in the United States under applicable state and
420 federal law. The authority shall require that binding commitments
421 be entered into requiring that:

422 1. The minimum requirements for the project
423 provided for in this subparagraph shall be met; and

424 2. That if such commitments are not met, all
425 or a portion of the funds provided by the state for the project as
426 determined by the authority shall be repaid.

427 (xxii) Any enterprise owning or operating a major
428 powertrain component manufacturing and assembly plant for which
429 construction begins after the effective date of Senate Bill No.
430 2001, 2007 First Extraordinary Session, and not later than
431 December 1, 2007, with an initial capital investment from private
432 sources of not less than Three Hundred Million Dollars
433 (\$300,000,000.00) which will create at least five hundred (500)
434 new full-time jobs meeting criteria established by the authority,
435 which criteria shall include, but not be limited to, the
436 requirement that such jobs must be held by persons eligible for
437 employment in the United States under applicable state and federal
438 law, and the requirement that the average annual wages and taxable
439 benefits of such jobs shall be at least one hundred twenty-five
440 percent (125%) of the most recently published average annual wage
441 of the state or the most recently published average annual wage of
442 the county in which the project is located as determined by the
443 Mississippi Department of Employment Security, whichever is the
444 lesser. The authority shall require that binding commitments be
445 entered into requiring that:

446 1. The minimum requirements for the project
447 provided for in this subparagraph shall be met; and

448 2. That if such commitments are not met, all
449 or a portion of the funds provided by the state for the project as
450 determined by the authority shall be repaid.

451 (g) (i) "Project area" means the project site,
452 together with any area or territory within the state lying within
453 sixty-five (65) miles of any portion of the project site whether
454 or not such area or territory be contiguous; however, for the

455 project defined in paragraph (f)(iv) of this section the term
456 "project area" means any area or territory within the state. The
457 project area shall also include all territory within a county if
458 any portion of such county lies within sixty-five (65) miles of
459 any portion of the project site. "Project site" means the real
460 property on which the principal facilities of the enterprise will
461 operate. The provisions of this subparagraph (i) shall not apply
462 to a project as defined in paragraph (f)(xxi) of this section.

463 (ii) For the purposes of a project as defined in
464 paragraph (f)(xxi) of this section, the term "project area" means
465 the acreage authorized in the certificate of convenience and
466 necessity issued by the Mississippi Development Authority to a
467 regional economic development alliance under Section 57-64-1 et
468 seq.

469 (h) "Public agency" means:

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

472 (ii) Any city, town, county, political
473 subdivision, school district or other district created or existing
474 under the laws of the state or any public agency of any such city,
475 town, county, political subdivision or district or any other
476 public entity created or existing under local and private
477 legislation;

478 (iii) Any department, commission, agency or
479 instrumentality of the United States of America; and

480 (iv) Any other state of the United States of
481 America which may be cooperating with respect to location of the
482 project within the state, or any agency thereof.

483 (i) "State" means State of Mississippi.

484 (j) "Fee-in-lieu" means a negotiated fee to be paid by
485 the project in lieu of any franchise taxes imposed on the project
486 by Chapter 13, Title 27, Mississippi Code of 1972. The
487 fee-in-lieu shall not be less than Twenty-five Thousand Dollars

488 (\$25,000.00) annually. A fee-in-lieu may be negotiated with an
489 enterprise operating an existing project defined in Section
490 57-75-5(f)(iv)1; however, a fee-in-lieu shall not be negotiated
491 for other existing enterprises that fall within the definition of
492 the term "project."

493 (k) "Affiliate" means a subsidiary or related business
494 entity which shares a common direct or indirect ownership with the
495 enterprise owning or operating a project as defined in Section
496 57-75-5(f)(xxi). The subsidiary or related business must provide
497 services directly related to the core activities of the project.

498 (l) "Tier One supplier" means a supplier of a project
499 as defined in Section 57-75-5(f)(xxi) that is certified by the
500 enterprise owning the project and creates a minimum of fifty (50)
501 new full-time jobs.

502 **SECTION 2.** Section 57-75-9, Mississippi Code of 1972, is
503 amended as follows:

504 57-75-9. (1) The authority is hereby designated and
505 empowered to act on behalf of the state in submitting a siting
506 proposal for any project eligible for assistance under this act.
507 The authority is empowered to take all steps appropriate or
508 necessary to effect the siting, development, and operation of the
509 project within the state, including the negotiation of a
510 fee-in-lieu. If the state is selected as the preferred site for
511 the project, the authority is hereby designated and empowered to
512 act on behalf of the state and to represent the state in the
513 planning, financing, development, construction and operation of
514 the project or any facility related to the project, with the
515 concurrence of the affected public agency. The authority may take
516 affirmative steps to coordinate fully all aspects of the
517 submission of a siting proposal for the project and, if the state
518 is selected as the preferred site, to coordinate fully, with the
519 concurrence of the affected public agency, the development of the
520 project or any facility related to the project with private

521 business, the United States government and other public agencies.
522 All public agencies are encouraged to cooperate to the fullest
523 extent possible to effectuate the duties of the authority;
524 however, the development of the project or any facility related to
525 the project by the authority may be done only with the concurrence
526 of the affected public agency.

527 (2) (a) Contracts, by the authority or a public agency,
528 including, but not limited to, design and construction contracts,
529 for the acquisition, purchase, construction or installation of a
530 project defined in Section 57-75-5(f)(iv)1 or any facility related
531 to the project shall be exempt from the provisions of Section
532 31-7-13 if:

533 (i) The authority finds and records such finding
534 on its minutes, that because of availability or the particular
535 nature of a project, it would not be in the public interest or
536 would less effectively achieve the purposes of this chapter to
537 enter into such contracts on the basis of Section 31-7-13; and

538 (ii) The enterprise that is involved in the
539 project concurs in such finding.

540 (b) When the requirements of paragraph (a) of this
541 subsection are met:

542 (i) The requirements of Section 31-7-13 shall not
543 apply to such contracts; and

544 (ii) The contracts may be entered into on the
545 basis of negotiation.

546 (c) The enterprise involved with the project may, upon
547 approval of the authority, negotiate such contracts in the name of
548 the authority.

549 (d) The provisions of this subsection (2) shall not
550 apply to contracts by the authority for excavation, fill dirt and
551 compaction for the preparation of the site of a project as defined
552 in Section 57-75-5(f)(iv)1 and such contracts may be entered into
553 pursuant to subsection (3) of this section.

554 (3) (a) Contracts by the authority for excavation, fill
555 dirt and compaction for the preparation of the site of a project
556 defined in Section 57-75-5(f)(iv)1 shall be exempt from the
557 provisions of Section 31-7-13 and the following procedure shall be
558 followed in the award of such contracts:

559 (i) The authority shall advertise for a period of
560 time to be set by the authority, but in no event less than one (1)
561 business day, the date, time and place of a meeting with the
562 authority to receive specifications on a request for proposals on
563 excavation, fill dirt and compaction for the preparation of the
564 site of the project defined in Section 57-75-5(f)(iv)1.

565 (ii) The authority shall set the minimum
566 qualifications necessary to be considered for award of the
567 contract and the advertisement shall set forth such minimum
568 qualifications.

569 (iii) Following the meeting the authority shall,
570 in its discretion, select one or more of the qualified contractors
571 with whom to negotiate or award the contract. The decision of the
572 authority concerning the selection of the contractor shall be
573 final.

574 (b) Contracts by the authority or a public agency for
575 site preparation, utilities, real estate improvements, wastewater
576 or for public works for a project defined in Section
577 57-75-5(f)(xxi) or Section 57-75-5(f)(xxii) shall be exempt from
578 the provisions of Section 31-7-13 and the following procedure
579 shall be followed in the award of such contracts:

580 (i) The authority or the public agency shall
581 advertise for a period of time to be set by the authority or the
582 public agency, but in no event less than one (1) nor more than
583 five (5) calendar days, the date, time and place of a meeting with
584 the authority or the public agency to receive specifications on
585 the preparation of the site of the project defined in Section
586 57-75-5(f)(xxi) or Section 57-75-5(f)(xxii).

587 (ii) The authority or the public agency shall set
588 the minimum qualifications necessary to be considered for award of
589 the contract and the advertisement shall set forth such minimum
590 qualifications.

591 (iii) Following the meeting the authority or the
592 public agency shall, in its discretion, select one or more of the
593 qualified contractors with whom to negotiate or award the
594 contract. The decision of the authority or the public agency
595 concerning the selection of the contractor shall be final.

596 **SECTION 3.** Section 57-75-11, Mississippi Code of 1972, is
597 amended as follows:

598 57-75-11. The authority, in addition to any and all powers
599 now or hereafter granted to it, is empowered and shall exercise
600 discretion and the use of these powers depending on the
601 circumstances of the project or projects:

602 (a) To maintain an office at a place or places within
603 the state.

604 (b) To employ or contract with architects, engineers,
605 attorneys, accountants, construction and financial experts and
606 such other advisors, consultants and agents as may be necessary in
607 its judgment and to fix and pay their compensation.

608 (c) To make such applications and enter into such
609 contracts for financial assistance as may be appropriate under
610 applicable federal or state law.

611 (d) To apply for, accept and utilize grants, gifts and
612 other funds or aid from any source for any purpose contemplated by
613 the act, and to comply, subject to the provisions of this act,
614 with the terms and conditions thereof.

615 (e) (i) To acquire by purchase, lease, gift, or in
616 other manner, including quick-take eminent domain, or obtain
617 options to acquire, and to own, maintain, use, operate and convey
618 any and all property of any kind, real, personal, or mixed, or any
619 interest or estate therein, within the project area, necessary for

620 the project or any facility related to the project. The
621 provisions of this paragraph that allow the acquisition of
622 property by quick-take eminent domain shall be repealed by
623 operation of law on July 1, 1994; and

624 (ii) Notwithstanding any other provision of this
625 paragraph (e), from and after November 6, 2000, to exercise the
626 right of immediate possession pursuant to the provisions of
627 Sections 11-27-81 through 11-27-89 for the purpose of acquiring
628 land, property and/or rights-of-way in the county in which a
629 project as defined in Section 57-75-5(f)(iv)1 is located, that are
630 necessary for such project or any facility related to the project.

631 (f) To acquire by purchase or lease any public lands
632 and public property, including sixteenth section lands and lieu
633 lands, within the project area, which are necessary for the
634 project. Sixteenth section lands or lieu lands acquired under
635 this act shall be deemed to be acquired for the purposes of
636 industrial development thereon and such acquisition will serve a
637 higher public interest in accordance with the purposes of this
638 act.

639 (g) If the authority identifies any land owned by the
640 state as being necessary, for the location or use of the project,
641 or any facility related to the project, to recommend to the
642 Legislature the conveyance of such land or any interest therein,
643 as the Legislature deems appropriate.

644 (h) To make or cause to be made such examinations and
645 surveys as may be necessary to the planning, design, construction
646 and operation of the project.

647 (i) From and after the date of notification to the
648 authority by the enterprise that the state has been finally
649 selected as the site of the project, to acquire by condemnation
650 and to own, maintain, use, operate and convey or otherwise dispose
651 of any and all property of any kind, real, personal or mixed, or
652 any interest or estate therein, within the project area, necessary

653 for the project or any facility related to the project, with the
654 concurrence of the affected public agency, and the exercise of the
655 powers granted by this act, according to the procedures provided
656 by Chapter 27, Title 11, Mississippi Code of 1972, except as
657 modified by this act.

658 (i) Except as otherwise provided in subparagraph
659 (iii) of this paragraph (i), in acquiring lands by condemnation,
660 the authority shall not acquire minerals or royalties in minerals
661 unless a competent registered professional engineer shall have
662 certified that the acquisition of such minerals and royalties in
663 minerals is necessary for purposes of the project; provided that
664 limestone, clay, chalk, sand and gravel shall not be considered as
665 minerals for the purposes of subparagraphs (i) and (ii) of this
666 paragraph (i);

667 (ii) Unless minerals or royalties in minerals have
668 been acquired by condemnation or otherwise, no person or persons
669 owning the drilling rights or the right to share in production of
670 minerals shall be prevented from exploring, developing, or
671 producing oil or gas with necessary rights-of-way for ingress and
672 egress, pipelines and other means of transporting interests on any
673 land or interest therein of the authority held or used for the
674 purposes of this act; but any such activities shall be under such
675 reasonable regulation by the authority as will adequately protect
676 the project contemplated by this act as provided in paragraph (r)
677 of this section; and

678 (iii) In acquiring lands by condemnation,
679 including the exercise of immediate possession, for a project, as
680 defined in Section 57-75-5(f)(iv)1, the authority may acquire
681 minerals or royalties in minerals.

682 (j) To negotiate the necessary relocation or rerouting
683 of roads and highways, railroad, telephone and telegraph lines and
684 properties, electric power lines, pipelines and related
685 facilities, or to require the anchoring or other protection of any

686 of these, provided due compensation is paid to the owners thereof
687 or agreement is had with such owners regarding the payment of the
688 cost of such relocation, and to acquire by condemnation or
689 otherwise easements or rights-of-way for such relocation or
690 rerouting and to convey the same to the owners of the facilities
691 being relocated or rerouted in connection with the purposes of
692 this act.

693 (k) To negotiate the necessary relocation of graves and
694 cemeteries and to pay all reasonable costs thereof.

695 (l) To perform or have performed any and all acts and
696 make all payments necessary to comply with all applicable federal
697 laws, rules or regulations including, but not limited to, the
698 Uniform Relocation Assistance and Real Property Acquisition
699 Policies Act of 1970 (42 USCS 4601, 4602, 4621 to 4638, and 4651
700 to 4655) and relocation rules and regulations promulgated by any
701 agency or department of the federal government.

702 (m) To construct, extend, improve, maintain, and
703 reconstruct, to cause to be constructed, extended, improved,
704 maintained, and reconstructed, and to use and operate any and all
705 components of the project or any facility related to the project,
706 with the concurrence of the affected public agency, within the
707 project area, necessary to the project and to the exercise of such
708 powers, rights, and privileges granted the authority.

709 (n) To incur or defray any designated portion of the
710 cost of any component of the project or any facility related to
711 the project acquired or constructed by any public agency.

712 (o) (i) To lease, sell or convey any or all property
713 acquired by the authority under the provisions of this act to the
714 enterprise, its successors or assigns, and in connection therewith
715 to pay the costs of title search, perfection of title, title
716 insurance and recording fees as may be required. The authority
717 may provide in the instrument conveying such property a provision

718 that such property shall revert to the authority if, as and when
719 the property is declared by the enterprise to be no longer needed.

720 (ii) To lease, sell, transfer or convey on any
721 terms agreed upon by the authority any or all real and personal
722 property, improvements, leases, funds and contractual obligations
723 of a project as defined in Section 57-75-5(f)(vi) and conveyed to
724 the State of Mississippi by a Quitclaim Deed from the United
725 States of America dated February 23, 1996, filed of record at
726 pages 511 to 524, Deed Book Number B179, Chancery Clerk's Office,
727 Tishomingo County, Mississippi, to any governmental authority
728 located within the geographic boundaries of the county wherein
729 such project exists upon agreement of such governmental authority
730 to undertake and assume from the State of Mississippi all
731 obligations and responsibilities in connection with ownership and
732 operation of the project. Property leased, sold, transferred or
733 otherwise conveyed by the authority under this paragraph (o) shall
734 be used only for economic development purposes.

735 (p) To enter into contracts with any person or public
736 agency, including, but not limited to, contracts authorized by
737 Section 57-75-17, in furtherance of any of the purposes authorized
738 by this act upon such consideration as the authority and such
739 person or public agency may agree. Any such contract may extend
740 over any period of time, notwithstanding any rule of law to the
741 contrary, may be upon such terms as the parties thereto shall
742 agree, and may provide that it shall continue in effect until
743 bonds specified therein, refunding bonds issued in lieu of such
744 bonds, and all other obligations specified therein are paid or
745 terminated. Any such contract shall be binding upon the parties
746 thereto according to its terms. Such contracts may include an
747 agreement to reimburse the enterprise, its successors and assigns
748 for any assistance provided by the enterprise in the acquisition
749 of real property for the project or any facility related to the
750 project.

751 (q) To establish and maintain reasonable rates and
752 charges for the use of any facility within the project area owned
753 or operated by the authority, and from time to time, to adjust
754 such rates and to impose penalties for failure to pay such rates
755 and charges when due.

756 (r) To adopt and enforce with the concurrence of the
757 affected public agency all necessary and reasonable rules and
758 regulations to carry out and effectuate the implementation of the
759 project and any land use plan or zoning classification adopted for
760 the project area, including, but not limited to, rules,
761 regulations, and restrictions concerning mining, construction,
762 excavation or any other activity the occurrence of which may
763 endanger the structure or operation of the project. Such rules
764 may be enforced within the project area and without the project
765 area as necessary to protect the structure and operation of the
766 project. The authority is authorized to plan or replan, zone or
767 rezone, and make exceptions to any regulations, whether local or
768 state, with the concurrence of the affected public agency which
769 are inconsistent with the design, planning, construction or
770 operation of the project and facilities related to the project.

771 (s) To plan, design, coordinate and implement measures
772 and programs to mitigate impacts on the natural environment caused
773 by the project or any facility related to the project.

774 (t) To develop plans for technology transfer activities
775 to ensure private sector conduits for exchange of information,
776 technology and expertise related to the project to generate
777 opportunities for commercial development within the state.

778 (u) To consult with the State Department of Education
779 and other public agencies for the purpose of improving public
780 schools and curricula within the project area.

781 (v) To consult with the State Board of Health and other
782 public agencies for the purpose of improving medical centers,

783 hospitals and public health centers in order to provide
784 appropriate health care facilities within the project area.

785 (w) To consult with the Office of Minority Business
786 Enterprise Development and other public agencies for the purpose
787 of developing plans for technical assistance and loan programs to
788 maximize the economic impact related to the project for minority
789 business enterprises within the State of Mississippi.

790 (x) To deposit into the "Yellow Creek Project Area
791 Fund" created pursuant to Section 57-75-31:

792 (i) Any funds or aid received as authorized in
793 this section for the project described in Section 57-75-5(f)(vi),
794 and

795 (ii) Any funds received from the sale or lease of
796 property from the project described in Section 57-75-5(f)(vi)
797 pursuant to the powers exercised under this section.

798 (y) To manage and develop the project described in
799 Section 57-75-5(f)(vi).

800 (z) To promulgate rules and regulations necessary to
801 effectuate the purposes of this act.

802 (aa) To negotiate a fee-in-lieu with the owners of the
803 project.

804 (bb) To enter into contractual agreements to warrant
805 any site work for a project defined in Section 57-75-5(f)(iv)1;
806 provided, however, that the aggregate amount of such warranties
807 shall not exceed Fifteen Million Dollars (\$15,000,000.00).

808 (cc) To provide grant funds to an enterprise operating
809 a project defined in Section 57-75-5(f)(iv)1 in an amount not to
810 exceed Thirty-nine Million Dollars (\$39,000,000.00).

811 (dd) (i) To own surface water transmission lines
812 constructed with the proceeds of bonds issued pursuant to this act
813 and in connection therewith to purchase and provide water to any
814 project defined in Section 57-75-5(f)(iv) and to certificated
815 water providers; and

816 (ii) To lease such surface water transmission
817 lines to a public agency or public utility to provide water to
818 such project and to certificated water providers.

819 (ee) To provide grant funds to an enterprise operating
820 a project defined in Section 57-75-5(f)(v) or, in connection with
821 a facility related to such a project, for job training, recruiting
822 and infrastructure.

823 (ff) To enter into negotiations with persons proposing
824 projects defined in Section 57-75-5(f)(xi) and execute acquisition
825 options and conduct planning, design and environmental impact
826 studies with regard to such project.

827 (gg) To establish such guidelines, rules and
828 regulations as the authority may deem necessary and appropriate
829 from time to time in its sole discretion, to promote the purposes
830 of this act.

831 (hh) In connection with projects defined in Section
832 57-75-5(f)(ii):

833 (i) To provide grant funds or loans to a public
834 agency or an enterprise owning, leasing or operating a project
835 defined in Section 57-75-5(f)(ii) in amounts not to exceed the
836 amount authorized in Section 57-75-15(3)(b);

837 (ii) To supervise the use of all such grant funds
838 or loans; and

839 (iii) To requisition money in the Mississippi
840 Major Economic Impact Authority Revolving Loan Fund in connection
841 with such loans.

842 (ii) In connection with projects defined under Section
843 57-75-5(f)(xiv):

844 (i) To provide grant funds or loans to an
845 enterprise owning, leasing or operating a project defined in
846 Section 57-75-5(f)(xiv); however, the aggregate amount of any such
847 loans under this paragraph (ii) shall not exceed Eighteen Million
848 Dollars (\$18,000,000.00) and the aggregate amount of any such

849 grants under this paragraph (ii) shall not exceed Six Million
850 Dollars (\$6,000,000.00);

851 (ii) To supervise the use of all such grant funds
852 or loans; and

853 (iii) Notwithstanding any provision of this act to
854 the contrary, such loans shall be for a term not to exceed twenty
855 (20) years as may be determined by the authority, shall bear
856 interest at such rates as may be determined by the authority,
857 shall, in the sole discretion of the authority, be secured in an
858 amount and a manner as may be determined by the authority.

859 (jj) In connection with projects defined under Section
860 57-75-5(f)(xviii):

861 (i) To provide grant funds of Twenty-five Million
862 Dollars (\$25,000,000.00) to an enterprise owning or operating a
863 project defined in Section 57-75-5(f)(xviii) to be used for real
864 estate improvements and which may be disbursed as determined by
865 the authority;

866 (ii) To provide loans to an enterprise owning or
867 operating a project defined in Section 57-75-5(f)(xviii) or make
868 payments to a lender providing financing to the enterprise;
869 subject to the following provisions:

870 1. Not more than Ten Million Dollars
871 (\$10,000,000.00) may be loaned to such an enterprise for the
872 purpose of defraying costs incurred by the enterprise for site
873 preparation and real property improvements during the construction
874 of the project in excess of budgeted costs; however, the amount of
875 any such loan shall not exceed fifty percent (50%) of such excess
876 costs;

877 2. Not more than Sixty Million Dollars
878 (\$60,000,000.00) may be loaned to such an enterprise or paid to a
879 lender providing financing to the enterprise for purposes
880 determined appropriate by the authority, and the enterprise shall
881 be obligated to repay the amount of the loan or payment plus any

882 expenses incurred by the state as a result of the issuance of
883 bonds pursuant to Section 57-75-15(3)(p); however, no such loan or
884 payment may be made before the beginning of the fifth year after
885 issuance by the enterprise of debt in like amount the proceeds of
886 which are to be used in connection with the project;

887 (iii) To supervise the use of all such loan funds;

888 (iv) Loans under this paragraph (jj) may be for
889 any term determined appropriate by the authority provided that the
890 payments on any loan must be in an amount sufficient to pay the
891 state's debt service on bonds issued for the purpose of providing
892 funds for such a loan; and

893 (v) The repayment obligation of the enterprise for
894 any loan or payment authorized under this paragraph (jj) shall, in
895 the discretion of the authority, be secured in an amount and a
896 manner as may be determined by the authority.

897 (kk) In connection with projects defined in Section
898 57-75-5(f)(xxi) or a facility related to such a project:

899 (i) To provide grant funds to reimburse public
900 agencies, Itawamba Community College, Northeast Mississippi
901 Community College, and/or East Mississippi Community College,
902 public or private nonprofits or an enterprise owning or operating
903 a project as defined in Section 57-75-5(f)(xxi) for site
904 preparation, real estate improvements, utilities, railroads,
905 roads, infrastructure, job training, recruiting and any other
906 expenses approved by the authority in amounts not to exceed the
907 amount authorized in Section 57-75-15(3)(s);

908 (ii) To supervise the use of all such grant funds
909 so reimbursed; and

910 (iii) To enter into contractual agreements to
911 warrant site preparation and availability for a project defined in
912 Section 57-75-5(f)(xxi).

913 (ll) In connection with a project related to a Tier One
914 supplier:

915 (i) To provide grant funds to reimburse public
916 agencies, public or private nonprofits and Tier One suppliers for
917 site preparation, real estate improvements, utilities, railroads,
918 roads, infrastructure, job training, recruiting and any other
919 expenses approved by the authority in amounts not to exceed the
920 amount authorized in Section 57-75-15(3)(t);

921 (ii) To supervise the use of all such grant funds
922 so reimbursed.

923 (mm) In connection with projects defined in Section
924 57-75-5(f)(xxii) or a facility related to such a project:

925 (i) To provide grant funds to reimburse public
926 agencies or an enterprise owning or operating a project as defined
927 in Section 57-75-5(f)(xxii) for site preparation, real estate
928 improvements, utilities, fire protection, wastewater, railroads,
929 roads, infrastructure, job training, recruiting and any other
930 expenses approved by the authority in amounts not to exceed the
931 amount authorized in Section 57-75-15(3)(u); and

932 (ii) To supervise the use of all such grant funds
933 so reimbursed.

934 (nn) It is the policy of the authority and the
935 authority is authorized to accommodate and support any enterprise
936 owning or operating a project defined in Section
937 57-75-5(f)(xviii), 57-75-5(f)(xxi) or 57-75-5(f)(xxii) or an
938 enterprise developing or owning a project defined in Section
939 57-75-5(f)(xx), that wishes to have a program of diversity in
940 contracting, and/or that wishes to do business with or cause its
941 prime contractor to do business with Mississippi companies,
942 including those companies that are small business concerns owned
943 and controlled by socially and economically disadvantaged
944 individuals. The term "socially and economically disadvantaged
945 individuals" shall have the meaning ascribed to such term under
946 Section 8(d) of the Small Business Act (15 USCS 637(d)) and
947 relevant subcontracting regulations promulgated pursuant thereto;

948 except that women shall be presumed to be socially and
949 economically disadvantaged individuals for the purposes of this
950 paragraph.

951 (oo) To provide grant funds to an enterprise developing
952 or owning a project defined in Section 57-75-5(f)(xx) for
953 reimbursement of costs incurred by such enterprise for
954 infrastructure improvements in the initial phase of development of
955 the project, upon dedication of such improvements to the
956 appropriate public agency.

957 (pp) (i) In addition to any other requirements or
958 conditions under this chapter, the authority shall require that
959 any application for assistance regarding a project under this
960 chapter include, at a minimum:

961 1. A two-year business plan (which shall
962 include pro forma balance sheets, income statements and monthly
963 cash flow statements);

964 2. Financial statements or tax returns for
965 the three (3) years immediately prior to the application (if the
966 project is a new company or enterprise, personal financial
967 statements or tax returns will be required);

968 3. Credit reports on all persons or entities
969 with a twenty percent (20%) or greater interest in the project;

970 4. Data supporting the expertise of the
971 project's principals;

972 5. A cost benefit analysis of the project
973 performed by a state institution of higher learning or other
974 entity selected by the authority; and

975 6. Any other information required by the
976 authority.

977 (ii) The authority shall require that binding
978 commitments be entered into requiring that:

979 1. The applicable minimum requirements of
980 this chapter and such other requirements as the authority
981 considers proper shall be met; and

982 2. If the agreed upon commitments are not
983 met, all or a portion of the funds provided under this chapter as
984 determined by the authority shall be repaid.

985 (iii) Where appropriate, in the discretion of the
986 authority, the authority shall acquire a security interest in or
987 other lien upon any applicable collateral.

988 **SECTION 4.** Section 57-75-15, Mississippi Code of 1972, is
989 amended as follows:

990 57-75-15. (1) Upon notification to the authority by the
991 enterprise that the state has been finally selected as the site
992 for the project, the State Bond Commission shall have the power
993 and is hereby authorized and directed, upon receipt of a
994 declaration from the authority as hereinafter provided, to borrow
995 money and issue general obligation bonds of the state in one or
996 more series for the purposes herein set out. Upon such
997 notification, the authority may thereafter from time to time
998 declare the necessity for the issuance of general obligation bonds
999 as authorized by this section and forward such declaration to the
1000 State Bond Commission, provided that before such notification, the
1001 authority may enter into agreements with the United States
1002 government, private companies and others that will commit the
1003 authority to direct the State Bond Commission to issue bonds for
1004 eligible undertakings set out in subsection (4) of this section,
1005 conditioned on the siting of the project in the state.

1006 (2) Upon receipt of any such declaration from the authority,
1007 the State Bond Commission shall verify that the state has been
1008 selected as the site of the project and shall act as the issuing
1009 agent for the series of bonds directed to be issued in such
1010 declaration pursuant to authority granted in this section.

1011 (3) (a) Bonds issued under the authority of this section
1012 for projects as defined in Section 57-75-5(f)(i) shall not exceed
1013 an aggregate principal amount in the sum of Sixty-seven Million
1014 Three Hundred Fifty Thousand Dollars (\$67,350,000.00).

1015 (b) Bonds issued under the authority of this section
1016 for projects as defined in Section 57-75-5(f)(ii) shall not exceed
1017 Sixty-one Million Dollars (\$61,000,000.00). The authority, with
1018 the express direction of the State Bond Commission, is authorized
1019 to expend any remaining proceeds of bonds issued under the
1020 authority of this act prior to January 1, 1998, for the purpose of
1021 financing projects as then defined in Section 57-75-5(f)(ii) or
1022 for any other projects as defined in Section 57-75-5(f)(ii), as it
1023 may be amended from time to time. If there are any monetary
1024 proceeds derived from the disposition of any improvements located
1025 on real property in Kemper County purchased pursuant to this act
1026 for projects related to the NAAS and if there are any monetary
1027 proceeds derived from the disposition of any timber located on
1028 real property in Kemper County purchased pursuant to this act for
1029 projects related to the NAAS, all of such proceeds (both from the
1030 disposition of improvements and the disposition of timber)
1031 commencing July 1, 1996, through June 30, 2010, shall be paid to
1032 the Board of Education of Kemper County, Mississippi, for
1033 expenditure by such board of education to benefit the public
1034 schools of Kemper County. No bonds shall be issued under this
1035 paragraph (b) until the State Bond Commission by resolution adopts
1036 a finding that the issuance of such bonds will improve, expand or
1037 otherwise enhance the military installation, its support areas or
1038 military operations, or will provide employment opportunities to
1039 replace those lost by closure or reductions in operations at the
1040 military installation or will support critical studies or
1041 investigations authorized by Section 57-75-5(f)(ii).

1042 (c) Bonds issued under the authority of this section
1043 for projects as defined in Section 57-75-5(f)(iii) shall not

1044 exceed Ten Million Dollars (\$10,000,000.00). No bonds shall be
1045 issued under this paragraph after December 31, 1996.

1046 (d) Bonds issued under the authority of this section
1047 for projects defined in Section 57-75-5(f)(iv) shall not exceed
1048 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An
1049 additional amount of bonds in an amount not to exceed Twelve
1050 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be
1051 issued under the authority of this section for the purpose of
1052 defraying costs associated with the construction of surface water
1053 transmission lines for a project defined in Section 57-75-5(f)(iv)
1054 or for any facility related to the project. No bonds shall be
1055 issued under this paragraph after June 30, 2005.

1056 (e) Bonds issued under the authority of this section
1057 for projects defined in Section 57-75-5(f)(v) and for facilities
1058 related to such projects shall not exceed Thirty-eight Million
1059 Five Hundred Thousand Dollars (\$38,500,000.00). No bonds shall be
1060 issued under this paragraph after April 1, 2005.

1061 (f) Bonds issued under the authority of this section
1062 for projects defined in Section 57-75-5(f)(vii) shall not exceed
1063 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
1064 under this paragraph after June 30, 2006.

1065 (g) Bonds issued under the authority of this section
1066 for projects defined in Section 57-75-5(f)(viii) shall not exceed
1067 Four Million Five Hundred Thousand Dollars (\$4,500,000.00). No
1068 bonds shall be issued under this paragraph after June 30, 2008.

1069 (h) Bonds issued under the authority of this section
1070 for projects defined in Section 57-75-5(f)(ix) shall not exceed
1071 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
1072 under this paragraph after June 30, 2007.

1073 (i) Bonds issued under the authority of this section
1074 for projects defined in Section 57-75-5(f)(x) shall not exceed
1075 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
1076 under this paragraph after April 1, 2005.

1077 (j) Bonds issued under the authority of this section
1078 for projects defined in Section 57-75-5(f)(xii) shall not exceed
1079 Thirty-three Million Dollars (\$33,000,000.00). The amount of
1080 bonds that may be issued under this paragraph for projects defined
1081 in Section 57-75-5(f)(xii) may be reduced by the amount of any
1082 federal or local funds made available for such projects. No bonds
1083 shall be issued under this paragraph until local governments in or
1084 near the county in which the project is located have irrevocably
1085 committed funds to the project in an amount of not less than Two
1086 Million Five Hundred Thousand Dollars (\$2,500,000.00) in the
1087 aggregate; however, this irrevocable commitment requirement may be
1088 waived by the authority upon a finding that due to the unforeseen
1089 circumstances created by Hurricane Katrina, the local governments
1090 are unable to comply with such commitment. No bonds shall be
1091 issued under this paragraph after June 30, 2008.

1092 (k) Bonds issued under the authority of this section
1093 for projects defined in Section 57-75-5(f)(xiii) shall not exceed
1094 Three Million Dollars (\$3,000,000.00). No bonds shall be issued
1095 under this paragraph after June 30, 2009.

1096 (l) Bonds issued under the authority of this section
1097 for projects defined in Section 57-75-5(f)(xiv) shall not exceed
1098 Twenty-four Million Dollars (\$24,000,000.00). No bonds shall be
1099 issued under this paragraph until local governments in the county
1100 in which the project is located have irrevocably committed funds
1101 to the project in an amount of not less than Two Million Dollars
1102 (\$2,000,000.00). No bonds shall be issued under this paragraph
1103 after June 30, 2009.

1104 (m) Bonds issued under the authority of this section
1105 for projects defined in Section 57-75-5(f)(xv) shall not exceed
1106 Five Hundred Thousand Dollars (\$500,000.00). No bonds shall be
1107 issued under this paragraph after June 30, 2009.

1108 (n) Bonds issued under the authority of this section
1109 for projects defined in Section 57-75-5(f)(xvi) shall not exceed

1110 Ten Million Dollars (\$10,000,000.00). No bonds shall be issued
1111 under this paragraph after June 30, 2009.

1112 (o) Bonds issued under the authority of this section
1113 for projects defined in Section 57-75-5(f)(xvii) shall not exceed
1114 Three Million Five Hundred Thousand Dollars (\$3,500,000.00). No
1115 bonds shall be issued under this paragraph after June 30, 2009.

1116 (p) Bonds issued under the authority of this section
1117 for projects defined in Section 57-75-5(f)(xviii) shall not exceed
1118 Ninety-six Million Dollars (\$96,000,000.00). No bonds shall be
1119 issued under this paragraph after June 30, 2016.

1120 (q) Bonds issued under the authority of this section
1121 for projects defined in Section 57-75-5(f)(xix) shall not exceed
1122 Fifteen Million Dollars (\$15,000,000.00). No bonds shall be
1123 issued under this paragraph after June 30, 2010.

1124 (r) Bonds issued under the authority of this section
1125 for projects defined in Section 57-75-5(f)(xx) shall not exceed
1126 Twenty-three Million Dollars (\$23,000,000.00). No bonds shall be
1127 issued under this paragraph after June 30, 2010.

1128 (s) Bonds issued under the authority of this section
1129 for projects defined in Section 57-75-5(f)(xxi) shall not exceed
1130 Two Hundred Ninety-three Million Nine Hundred Thousand Dollars
1131 (\$293,900,000.00). No bonds shall be issued under this paragraph
1132 after July 1, 2020.

1133 (t) Bonds issued under the authority of this section
1134 for Tier One suppliers shall not exceed Thirty Million Dollars
1135 (\$30,000,000.00). No bonds shall be issued under this paragraph
1136 after July 1, 2020.

1137 (u) Bonds issued under the authority of this section
1138 for projects defined in Section 57-75-5(f)(xxii) shall not exceed
1139 Forty-eight Million Four Hundred Thousand Dollars
1140 (\$48,400,000.00). No bonds shall be issued under this paragraph
1141 after July 1, 2020.

1142 (4) (a) The proceeds from the sale of the bonds issued
1143 under this section may be applied for the following purposes:
1144 (i) Defraying all or any designated portion of the
1145 costs incurred with respect to acquisition, planning, design,
1146 construction, installation, rehabilitation, improvement,
1147 relocation and with respect to state-owned property, operation and
1148 maintenance of the project and any facility related to the project
1149 located within the project area, including costs of design and
1150 engineering, all costs incurred to provide land, easements and
1151 rights-of-way, relocation costs with respect to the project and
1152 with respect to any facility related to the project located within
1153 the project area, and costs associated with mitigation of
1154 environmental impacts and environmental impact studies;
1155 (ii) Defraying the cost of providing for the
1156 recruitment, screening, selection, training or retraining of
1157 employees, candidates for employment or replacement employees of
1158 the project and any related activity;
1159 (iii) Reimbursing the Mississippi Development
1160 Authority for expenses it incurred in regard to projects defined
1161 in Section 57-75-5(f)(iv) prior to November 6, 2000. The
1162 Mississippi Development Authority shall submit an itemized list of
1163 expenses it incurred in regard to such projects to the Chairmen of
1164 the Finance and Appropriations Committees of the Senate and the
1165 Chairmen of the Ways and Means and Appropriations Committees of
1166 the House of Representatives;
1167 (iv) Providing grants to enterprises operating
1168 projects defined in Section 57-75-5(f)(iv)1;
1169 (v) Paying any warranty made by the authority
1170 regarding site work for a project defined in Section
1171 57-75-5(f)(iv)1;
1172 (vi) Defraying the cost of marketing and promotion
1173 of a project as defined in Section 57-75-5(f)(iv)1, Section
1174 57-75-5(f)(xxi) or Section 57-75-5(f)(xxii). The authority shall

1175 submit an itemized list of costs incurred for marketing and
1176 promotion of such project to the Chairmen of the Finance and
1177 Appropriations Committees of the Senate and the Chairmen of the
1178 Ways and Means and Appropriations Committees of the House of
1179 Representatives;

1180 (vii) Providing for the payment of interest on the
1181 bonds;

1182 (viii) Providing debt service reserves;

1183 (ix) Paying underwriters' discount, original issue
1184 discount, accountants' fees, engineers' fees, attorneys' fees,
1185 rating agency fees and other fees and expenses in connection with
1186 the issuance of the bonds;

1187 (x) For purposes authorized in paragraphs (b),
1188 (c), (d), (e) and (f) of this subsection (4);

1189 (xi) Providing grants to enterprises operating
1190 projects defined in Section 57-75-5(f)(v), or, in connection with
1191 a facility related to such a project, for any purposes deemed by
1192 the authority in its sole discretion to be necessary and
1193 appropriate;

1194 (xii) Providing grant funds or loans to a public
1195 agency or an enterprise owning, leasing or operating a project
1196 defined in Section 57-75-5(f)(ii);

1197 (xiii) Providing grant funds or loans to an
1198 enterprise owning, leasing or operating a project defined in
1199 Section 57-75-5(f)(xiv);

1200 (xiv) Providing grants, loans and payments to or
1201 for the benefit of an enterprise owning or operating a project
1202 defined in Section 57-75-5(f)(xviii);

1203 (xv) Purchasing equipment for a project defined in
1204 Section 57-75-5(f)(viii) subject to such terms and conditions as
1205 the authority considers necessary and appropriate;

1206 (xvi) Providing grant funds to an enterprise
1207 developing or owning a project defined in Section 57-75-5(f)(xx);
1208 and

1209 (xvii) Providing grants for projects as authorized
1210 in Section 57-75-11(kk), (ll) and (mm), or, in connection with a
1211 facility related to such a project, for any purposes deemed by the
1212 authority in its sole discretion to be necessary and appropriate.

1213 Such bonds shall be issued from time to time and in such
1214 principal amounts as shall be designated by the authority, not to
1215 exceed in aggregate principal amounts the amount authorized in
1216 subsection (3) of this section. Proceeds from the sale of the
1217 bonds issued under this section may be invested, subject to
1218 federal limitations, pending their use, in such securities as may
1219 be specified in the resolution authorizing the issuance of the
1220 bonds or the trust indenture securing them, and the earning on
1221 such investment applied as provided in such resolution or trust
1222 indenture.

1223 (b) (i) The proceeds of bonds issued after June 21,
1224 2002, under this section for projects described in Section
1225 57-75-5(f)(iv) may be used to reimburse reasonable actual and
1226 necessary costs incurred by the Mississippi Development Authority
1227 in providing assistance related to a project for which funding is
1228 provided from the use of proceeds of such bonds. The Mississippi
1229 Development Authority shall maintain an accounting of actual costs
1230 incurred for each project for which reimbursements are sought.
1231 Reimbursements under this paragraph (b)(i) shall not exceed Three
1232 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
1233 Reimbursements under this paragraph (b)(i) shall satisfy any
1234 applicable federal tax law requirements.

1235 (ii) The proceeds of bonds issued after June 21,
1236 2002, under this section for projects described in Section
1237 57-75-5(f)(iv) may be used to reimburse reasonable actual and
1238 necessary costs incurred by the Department of Audit in providing

1239 services related to a project for which funding is provided from
1240 the use of proceeds of such bonds. The Department of Audit shall
1241 maintain an accounting of actual costs incurred for each project
1242 for which reimbursements are sought. The Department of Audit may
1243 escalate its budget and expend such funds in accordance with rules
1244 and regulations of the Department of Finance and Administration in
1245 a manner consistent with the escalation of federal funds.
1246 Reimbursements under this paragraph (b)(ii) shall not exceed One
1247 Hundred Thousand Dollars (\$100,000.00) in the aggregate.
1248 Reimbursements under this paragraph (b)(ii) shall satisfy any
1249 applicable federal tax law requirements.

1250 (c) (i) The proceeds of bonds issued under this
1251 section for projects described in Section 57-75-5(f)(ix) may be
1252 used to reimburse reasonable actual and necessary costs incurred
1253 by the Mississippi Development Authority in providing assistance
1254 related to a project for which funding is provided for the use of
1255 proceeds of such bonds. The Mississippi Development Authority
1256 shall maintain an accounting of actual costs incurred for each
1257 project for which reimbursements are sought. Reimbursements under
1258 this paragraph shall not exceed Twenty-five Thousand Dollars
1259 (\$25,000.00) in the aggregate.

1260 (ii) The proceeds of bonds issued under this
1261 section for projects described in Section 57-75-5(f)(ix) may be
1262 used to reimburse reasonable actual and necessary costs incurred
1263 by the Department of Audit in providing services related to a
1264 project for which funding is provided from the use of proceeds of
1265 such bonds. The Department of Audit shall maintain an accounting
1266 of actual costs incurred for each project for which reimbursements
1267 are sought. The Department of Audit may escalate its budget and
1268 expend such funds in accordance with rules and regulations of the
1269 Department of Finance and Administration in a manner consistent
1270 with the escalation of federal funds. Reimbursements under this
1271 paragraph shall not exceed Twenty-five Thousand Dollars

1272 (\$25,000.00) in the aggregate. Reimbursements under this
1273 paragraph shall satisfy any applicable federal tax law
1274 requirements.

1275 (d) (i) The proceeds of bonds issued under this
1276 section for projects described in Section 57-75-5(f)(x) may be
1277 used to reimburse reasonable actual and necessary costs incurred
1278 by the Mississippi Development Authority in providing assistance
1279 related to a project for which funding is provided for the use of
1280 proceeds of such bonds. The Mississippi Development Authority
1281 shall maintain an accounting of actual costs incurred for each
1282 project for which reimbursements are sought. Reimbursements under
1283 this paragraph shall not exceed Twenty-five Thousand Dollars
1284 (\$25,000.00) in the aggregate.

1285 (ii) The proceeds of bonds issued under this
1286 section for projects described in Section 57-75-5(f)(x) may be
1287 used to reimburse reasonable actual and necessary costs incurred
1288 by the Department of Audit in providing services related to a
1289 project for which funding is provided from the use of proceeds of
1290 such bonds. The Department of Audit shall maintain an accounting
1291 of actual costs incurred for each project for which reimbursements
1292 are sought. The Department of Audit may escalate its budget and
1293 expend such funds in accordance with rules and regulations of the
1294 Department of Finance and Administration in a manner consistent
1295 with the escalation of federal funds. Reimbursements under this
1296 paragraph shall not exceed Twenty-five Thousand Dollars
1297 (\$25,000.00) in the aggregate. Reimbursements under this
1298 paragraph shall satisfy any applicable federal tax law
1299 requirements.

1300 (e) (i) The proceeds of bonds issued under this
1301 section for projects described in Section 57-75-5(f)(xii) may be
1302 used to reimburse reasonable actual and necessary costs incurred
1303 by the Mississippi Development Authority in providing assistance
1304 related to a project for which funding is provided from the use of

1305 proceeds of such bonds. The Mississippi Development Authority
1306 shall maintain an accounting of actual costs incurred for each
1307 project for which reimbursements are sought. Reimbursements under
1308 this paragraph (e)(i) shall not exceed Twenty-five Thousand
1309 Dollars (\$25,000.00) in the aggregate.

1310 (ii) The proceeds of bonds issued under this
1311 section for projects described in Section 57-75-5(f)(xii) may be
1312 used to reimburse reasonable actual and necessary costs incurred
1313 by the Department of Audit in providing services related to a
1314 project for which funding is provided from the use of proceeds of
1315 such bonds. The Department of Audit shall maintain an accounting
1316 of actual costs incurred for each project for which reimbursements
1317 are sought. The Department of Audit may escalate its budget and
1318 expend such funds in accordance with rules and regulations of the
1319 Department of Finance and Administration in a manner consistent
1320 with the escalation of federal funds. Reimbursements under this
1321 paragraph (e)(ii) shall not exceed Twenty-five Thousand Dollars
1322 (\$25,000.00) in the aggregate. Reimbursements under this
1323 paragraph (e)(ii) shall satisfy any applicable federal tax law
1324 requirements.

1325 (f) (i) The proceeds of bonds issued under this
1326 section for projects described in Section 57-75-5(f)(xiii),
1327 (f)(xiv), (f)(xv), (f)(xvi), (f)(xvii), (f)(xviii) and (f)(xx) may
1328 be used to reimburse reasonable actual and necessary costs
1329 incurred by the Mississippi Development Authority in providing
1330 assistance related to a project for which funding is provided from
1331 the use of proceeds of such bonds. The Mississippi Development
1332 Authority shall maintain an accounting of actual costs incurred
1333 for each project for which reimbursements are sought.
1334 Reimbursements under this paragraph (f)(i) shall not exceed
1335 Twenty-five Thousand Dollars (\$25,000.00) for each project.

1336 (ii) The proceeds of bonds issued under this
1337 section for projects described in Section 57-75-5(f)(xiii),

1338 (f)(xiv), (f)(xv), (f)(xvi), (f)(xvii), (f)(xviii) and (f)(xx) may
1339 be used to reimburse reasonable actual and necessary costs
1340 incurred by the Department of Audit in providing services related
1341 to a project for which funding is provided from the use of
1342 proceeds of such bonds. The Department of Audit shall maintain an
1343 accounting of actual costs incurred for each project for which
1344 reimbursements are sought. The Department of Audit may escalate
1345 its budget and expend such funds in accordance with rules and
1346 regulations of the Department of Finance and Administration in a
1347 manner consistent with the escalation of federal funds.
1348 Reimbursements under this paragraph (f)(ii) shall not exceed
1349 Twenty-five Thousand Dollars (\$25,000.00) for each project.
1350 Reimbursements under this paragraph (f)(ii) shall satisfy any
1351 applicable federal tax law requirements.

1352 (g) (i) The proceeds of bonds issued under this
1353 section for projects described in Section 57-75-5(f)(xxi) or
1354 projects for a Tier One supplier may be used to reimburse
1355 reasonable actual and necessary costs incurred by the Mississippi
1356 Development Authority in providing assistance related to a project
1357 for which funding is provided from the use of proceeds of such
1358 bonds. The Mississippi Development Authority shall maintain an
1359 accounting of actual costs incurred for each project for which
1360 reimbursements are sought. Reimbursements under this paragraph
1361 (g)(i) shall not exceed Twenty-five Thousand Dollars (\$25,000.00)
1362 in the aggregate.

1363 (ii) The proceeds of bonds issued under this
1364 section for projects described in Section 57-75-5(f)(xxi) or
1365 projects for a Tier One supplier may be used to reimburse
1366 reasonable actual and necessary costs incurred by the Department
1367 of Audit in providing services related to a project for which
1368 funding is provided from the use of proceeds of such bonds. The
1369 Department of Audit shall maintain an accounting of actual costs
1370 incurred for each project for which reimbursements are sought.

1371 The Department of Audit may escalate its budget and expend such
1372 funds in accordance with rules and regulations of the Department
1373 of Finance and Administration in a manner consistent with the
1374 escalation of federal funds. Reimbursements under this paragraph
1375 (g)(ii) shall not exceed Twenty-five Thousand Dollars (\$25,000.00)
1376 in the aggregate. Reimbursements under this paragraph (g)(ii)
1377 shall satisfy any applicable federal tax law requirements.

1378 (h) (i) The proceeds of bonds issued under this
1379 section for projects described in Section 57-75-5(f)(xxii) may be
1380 used to reimburse reasonable actual and necessary costs incurred
1381 by the Mississippi Development Authority in providing assistance
1382 related to a project for which funding is provided from the use of
1383 proceeds of such bonds. The Mississippi Development Authority
1384 shall maintain an accounting of actual costs incurred for each
1385 project for which reimbursements are sought. Reimbursements under
1386 this paragraph (h)(i) shall not exceed Twenty-five Thousand
1387 Dollars (\$25,000.00) in the aggregate.

1388 (ii) The proceeds of bonds issued under this
1389 section for projects described in Section 57-75-5(f)(xxii) may be
1390 used to reimburse reasonable actual and necessary costs incurred
1391 by the Department of Audit in providing services related to a
1392 project for which funding is provided from the use of proceeds of
1393 such bonds. The Department of Audit shall maintain an accounting
1394 of actual costs incurred for each project for which reimbursements
1395 are sought. The Department of Audit may escalate its budget and
1396 expend such funds in accordance with rules and regulations of the
1397 Department of Finance and Administration in a manner consistent
1398 with the escalation of federal funds. Reimbursements under this
1399 paragraph (h)(ii) shall not exceed Twenty-five Thousand Dollars
1400 (\$25,000.00) in the aggregate. Reimbursements under this
1401 paragraph (h)(ii) shall satisfy any applicable federal tax law
1402 requirements.

1403 (5) The principal of and the interest on the bonds shall be
1404 payable in the manner hereinafter set forth. The bonds shall bear
1405 date or dates; be in such denomination or denominations; bear
1406 interest at such rate or rates; be payable at such place or places
1407 within or without the state; mature absolutely at such time or
1408 times; be redeemable before maturity at such time or times and
1409 upon such terms, with or without premium; bear such registration
1410 privileges; and be substantially in such form; all as shall be
1411 determined by resolution of the State Bond Commission except that
1412 such bonds shall mature or otherwise be retired in annual
1413 installments beginning not more than five (5) years from the date
1414 thereof and extending not more than twenty-five (25) years from
1415 the date thereof. The bonds shall be signed by the Chairman of
1416 the State Bond Commission, or by his facsimile signature, and the
1417 official seal of the State Bond Commission shall be imprinted on
1418 or affixed thereto, attested by the manual or facsimile signature
1419 of the Secretary of the State Bond Commission. Whenever any such
1420 bonds have been signed by the officials herein designated to sign
1421 the bonds, who were in office at the time of such signing but who
1422 may have ceased to be such officers before the sale and delivery
1423 of such bonds, or who may not have been in office on the date such
1424 bonds may bear, the signatures of such officers upon such bonds
1425 shall nevertheless be valid and sufficient for all purposes and
1426 have the same effect as if the person so officially signing such
1427 bonds had remained in office until the delivery of the same to the
1428 purchaser, or had been in office on the date such bonds may bear.

1429 (6) All bonds issued under the provisions of this section
1430 shall be and are hereby declared to have all the qualities and
1431 incidents of negotiable instruments under the provisions of the
1432 Uniform Commercial Code and in exercising the powers granted by
1433 this chapter, the State Bond Commission shall not be required to
1434 and need not comply with the provisions of the Uniform Commercial
1435 Code.

1436 (7) The State Bond Commission shall sell the bonds on sealed
1437 bids at public sale, and for such price as it may determine to be
1438 for the best interest of the State of Mississippi, but no such
1439 sale shall be made at a price less than par plus accrued interest
1440 to date of delivery of the bonds to the purchaser. The bonds
1441 shall bear interest at such rate or rates not exceeding the limits
1442 set forth in Section 75-17-101 as shall be fixed by the State Bond
1443 Commission. All interest accruing on such bonds so issued shall
1444 be payable semiannually or annually; provided that the first
1445 interest payment may be for any period of not more than one (1)
1446 year.

1447 Notice of the sale of any bonds shall be published at least
1448 one time, the first of which shall be made not less than ten (10)
1449 days prior to the date of sale, and shall be so published in one
1450 or more newspapers having a general circulation in the City of
1451 Jackson and in one or more other newspapers or financial journals
1452 with a large national circulation, to be selected by the State
1453 Bond Commission.

1454 The State Bond Commission, when issuing any bonds under the
1455 authority of this section, may provide that the bonds, at the
1456 option of the state, may be called in for payment and redemption
1457 at the call price named therein and accrued interest on such date
1458 or dates named therein.

1459 (8) State bonds issued under the provisions of this section
1460 shall be the general obligations of the state and backed by the
1461 full faith and credit of the state. The Legislature shall
1462 appropriate annually an amount sufficient to pay the principal of
1463 and the interest on such bonds as they become due. All bonds
1464 shall contain recitals on their faces substantially covering the
1465 foregoing provisions of this section.

1466 (9) The State Treasurer is authorized to certify to the
1467 Department of Finance and Administration the necessity for
1468 warrants, and the Department of Finance and Administration is

1469 authorized and directed to issue such warrants payable out of any
1470 funds appropriated by the Legislature under this section for such
1471 purpose, in such amounts as may be necessary to pay when due the
1472 principal of and interest on all bonds issued under the provisions
1473 of this section. The State Treasurer shall forward the necessary
1474 amount to the designated place or places of payment of such bonds
1475 in ample time to discharge such bonds, or the interest thereon, on
1476 the due dates thereof.

1477 (10) The bonds may be issued without any other proceedings
1478 or the happening of any other conditions or things other than
1479 those proceedings, conditions and things which are specified or
1480 required by this chapter. Any resolution providing for the
1481 issuance of general obligation bonds under the provisions of this
1482 section shall become effective immediately upon its adoption by
1483 the State Bond Commission, and any such resolution may be adopted
1484 at any regular or special meeting of the State Bond Commission by
1485 a majority of its members.

1486 (11) In anticipation of the issuance of bonds hereunder, the
1487 State Bond Commission is authorized to negotiate and enter into
1488 any purchase, loan, credit or other agreement with any bank, trust
1489 company or other lending institution or to issue and sell interim
1490 notes for the purpose of making any payments authorized under this
1491 section. All borrowings made under this provision shall be
1492 evidenced by notes of the state which shall be issued from time to
1493 time, for such amounts not exceeding the amount of bonds
1494 authorized herein, in such form and in such denomination and
1495 subject to such terms and conditions of sale and issuance,
1496 prepayment or redemption and maturity, rate or rates of interest
1497 not to exceed the maximum rate authorized herein for bonds, and
1498 time of payment of interest as the State Bond Commission shall
1499 agree to in such agreement. Such notes shall constitute general
1500 obligations of the state and shall be backed by the full faith and
1501 credit of the state. Such notes may also be issued for the

1502 purpose of refunding previously issued notes. No note shall
1503 mature more than three (3) years following the date of its
1504 issuance. The State Bond Commission is authorized to provide for
1505 the compensation of any purchaser of the notes by payment of a
1506 fixed fee or commission and for all other costs and expenses of
1507 issuance and service, including paying agent costs. Such costs
1508 and expenses may be paid from the proceeds of the notes.

1509 (12) The bonds and interim notes authorized under the
1510 authority of this section may be validated in the First Judicial
1511 District of the Chancery Court of Hinds County, Mississippi, in
1512 the manner and with the force and effect provided now or hereafter
1513 by Chapter 13, Title 31, Mississippi Code of 1972, for the
1514 validation of county, municipal, school district and other bonds.
1515 The necessary papers for such validation proceedings shall be
1516 transmitted to the State Bond Attorney, and the required notice
1517 shall be published in a newspaper published in the City of
1518 Jackson, Mississippi.

1519 (13) Any bonds or interim notes issued under the provisions
1520 of this chapter, a transaction relating to the sale or securing of
1521 such bonds or interim notes, their transfer and the income
1522 therefrom shall at all times be free from taxation by the state or
1523 any local unit or political subdivision or other instrumentality
1524 of the state, excepting inheritance and gift taxes.

1525 (14) All bonds issued under this chapter shall be legal
1526 investments for trustees, other fiduciaries, savings banks, trust
1527 companies and insurance companies organized under the laws of the
1528 State of Mississippi; and such bonds shall be legal securities
1529 which may be deposited with and shall be received by all public
1530 officers and bodies of the state and all municipalities and other
1531 political subdivisions thereof for the purpose of securing the
1532 deposit of public funds.

1533 (15) The Attorney General of the State of Mississippi shall
1534 represent the State Bond Commission in issuing, selling and

1535 validating bonds herein provided for, and the Bond Commission is
1536 hereby authorized and empowered to expend from the proceeds
1537 derived from the sale of the bonds authorized hereunder all
1538 necessary administrative, legal and other expenses incidental and
1539 related to the issuance of bonds authorized under this chapter.

1540 (16) There is hereby created a special fund in the State
1541 Treasury to be known as the Mississippi Major Economic Impact
1542 Authority Fund wherein shall be deposited the proceeds of the
1543 bonds issued under this chapter and all monies received by the
1544 authority to carry out the purposes of this chapter. Expenditures
1545 authorized herein shall be paid by the State Treasurer upon
1546 warrants drawn from the fund, and the Department of Finance and
1547 Administration shall issue warrants upon requisitions signed by
1548 the director of the authority.

1549 (17) (a) There is hereby created the Mississippi Economic
1550 Impact Authority Sinking Fund from which the principal of and
1551 interest on such bonds shall be paid by appropriation. All monies
1552 paid into the sinking fund not appropriated to pay accruing bonds
1553 and interest shall be invested by the State Treasurer in such
1554 securities as are provided by law for the investment of the
1555 sinking funds of the state.

1556 (b) In the event that all or any part of the bonds and
1557 notes are purchased, they shall be cancelled and returned to the
1558 loan and transfer agent as cancelled and paid bonds and notes and
1559 thereafter all payments of interest thereon shall cease and the
1560 cancelled bonds, notes and coupons, together with any other
1561 cancelled bonds, notes and coupons, shall be destroyed as promptly
1562 as possible after cancellation but not later than two (2) years
1563 after cancellation. A certificate evidencing the destruction of
1564 the cancelled bonds, notes and coupons shall be provided by the
1565 loan and transfer agent to the seller.

1566 (c) The State Treasurer shall determine and report to
1567 the Department of Finance and Administration and Legislative

1568 Budget Office by September 1 of each year the amount of money
1569 necessary for the payment of the principal of and interest on
1570 outstanding obligations for the following fiscal year and the
1571 times and amounts of the payments. It shall be the duty of the
1572 Governor to include in every executive budget submitted to the
1573 Legislature full information relating to the issuance of bonds and
1574 notes under the provisions of this chapter and the status of the
1575 sinking fund for the payment of the principal of and interest on
1576 the bonds and notes.

1577 (d) Any monies repaid to the state from loans
1578 authorized in Section 57-75-11(hh) shall be deposited into the
1579 Mississippi Major Economic Impact Authority Sinking Fund unless
1580 the State Bond Commission, at the request of the authority, shall
1581 determine that such loan repayments are needed to provide
1582 additional loans as authorized under Section 57-75-11(hh). For
1583 purposes of providing additional loans, there is hereby created
1584 the Mississippi Major Economic Impact Authority Revolving Loan
1585 Fund and loan repayments shall be deposited into the fund. The
1586 fund shall be maintained for such period as determined by the
1587 State Bond Commission for the sole purpose of making additional
1588 loans as authorized by Section 57-75-11(hh). Unexpended amounts
1589 remaining in the fund at the end of a fiscal year shall not lapse
1590 into the State General Fund and any interest earned on amounts in
1591 such fund shall be deposited to the credit of the fund.

1592 (e) Any monies repaid to the state from loans
1593 authorized in Section 57-75-11(ii) shall be deposited into the
1594 Mississippi Major Economic Impact Authority Sinking Fund.

1595 (f) Any monies repaid to the state from loans
1596 authorized in Section 57-75-11(jj) shall be deposited into the
1597 Mississippi Major Economic Impact Authority Sinking Fund.

1598 (18) (a) Upon receipt of a declaration by the authority
1599 that it has determined that the state is a potential site for a
1600 project, the State Bond Commission is authorized and directed to

1601 authorize the State Treasurer to borrow money from any special
1602 fund in the State Treasury not otherwise appropriated to be
1603 utilized by the authority for the purposes provided for in this
1604 subsection.

1605 (b) The proceeds of the money borrowed under this
1606 subsection may be utilized by the authority for the purpose of
1607 defraying all or a portion of the costs incurred by the authority
1608 with respect to acquisition options and planning, design and
1609 environmental impact studies with respect to a project defined in
1610 Section 57-75-5(f)(xi). The authority may escalate its budget and
1611 expend the proceeds of the money borrowed under this subsection in
1612 accordance with rules and regulations of the Department of Finance
1613 and Administration in a manner consistent with the escalation of
1614 federal funds.

1615 (c) The authority shall request an appropriation or
1616 additional authority to issue general obligation bonds to repay
1617 the borrowed funds and establish a date for the repayment of the
1618 funds so borrowed.

1619 (d) Borrowings made under the provisions of this
1620 subsection shall not exceed Five Hundred Thousand Dollars
1621 (\$500,000.00) at any one time.

1622 **SECTION 5.** Section 57-75-33, Mississippi Code of 1972, is
1623 amended as follows:

1624 57-75-33. The board of supervisors of a county or the
1625 governing authorities of a municipality may each enter into an
1626 agreement with an enterprise operating a project as defined in
1627 Section 57-75-5(f)(iv)1, Section 57-75-5(f)(xxi) or Section
1628 57-75-5(f)(xxii), providing that the county or municipality will
1629 not levy any taxes, fees or assessments upon the enterprise other
1630 than taxes, fees or assessments that are generally levied upon all
1631 taxpayers and the board of supervisors or the governing
1632 authorities also may each enter into a fee-in-lieu agreement as

1633 provided in Section 27-31-104. Such agreements may be for a
1634 period not to exceed thirty (30) years.

1635 **SECTION 6.** Section 11-27-81, Mississippi Code of 1972, is
1636 amended as follows:

1637 11-27-81. The right of immediate possession pursuant to
1638 Sections 11-27-81 through 11-27-89, Mississippi Code of 1972, may
1639 be exercised only:

1640 (a) By the State Highway Commission for the acquisition
1641 of highway rights-of-way only;

1642 (b) By any county or municipality for the purpose of
1643 acquiring rights-of-way to connect existing roads and streets to
1644 highways constructed or to be constructed by the State Highway
1645 Commission;

1646 (c) By any county or municipality for the purpose of
1647 acquiring rights-of-way for widening existing roads and streets of
1648 such county or municipality; provided, however, that said
1649 rights-of-way shall not displace a property owner from his
1650 dwelling or place of business;

1651 (d) By the boards of supervisors of any county of this
1652 state for the acquisition of highway or road rights-of-way in
1653 connection with a state-aid project designated and approved in
1654 accordance with Sections 65-9-1 through 65-9-31, Mississippi Code
1655 of 1972;

1656 (e) By the Mississippi Wayport Authority for the
1657 purposes of acquiring land and easements for the Southeastern
1658 United States Wayport Project as authorized by Sections 61-4-1
1659 through 61-4-13, Mississippi Code of 1972;

1660 (f) By any county or municipality for the purpose of
1661 acquiring rights-of-way for water, sewer, drainage and other
1662 public utility purposes; provided, however, that such acquisition
1663 shall not displace a property owner from his dwelling or place of
1664 business;

1665 (g) By any county authorized to exercise the power of
1666 eminent domain under Section 19-7-41 for the purpose of acquiring
1667 land for construction of a federal correctional facility or other
1668 federal penal institution;

1669 (h) By the Mississippi Major Economic Impact Authority
1670 for the purpose of acquiring land, property and rights-of-way for
1671 a project as defined in Section 57-75-5(f)(iv)1 or any facility
1672 related to the project as provided in Section 57-75-11(e)(ii);

1673 (i) By the boards of supervisors of any county of this
1674 state for the purpose of constructing dams or low-water control
1675 structures on lakes or bodies of water under the provisions of
1676 Section 19-5-92;

1677 (j) By the board of supervisors of any county of this
1678 state for the purpose of acquiring land, property and/or
1679 rights-of-way for any project the board of supervisors, by a duly
1680 adopted resolution, determines to be related to a project as
1681 defined in Section 57-75-5(f)(iv). The board of supervisors of a
1682 county may not exercise the right to immediate possession under
1683 this item (j) after July 1, 2003; * * *

1684 (k) By a regional economic development alliance created
1685 under Section 57-64-1 et seq., for the purpose of acquiring land,
1686 property and/or rights-of-way within the project area and
1687 necessary for any project such an alliance, by a duly adopted
1688 resolution, determines to be related to a project as defined in
1689 Section 57-75-5(f)(xxi). An alliance may not exercise the right
1690 to immediate possession under this item (k) after July 1, 2012; or

1691 (l) By the board of supervisors of any county of this
1692 state for the purpose of acquiring or clearing title to real
1693 property, property and/or rights-of-way within the project site
1694 and necessary for any project such board of supervisors, by a duly
1695 adopted resolution, determines to be related to a project as
1696 defined in Section 57-75-5(f)(xxii). A county may not exercise

1697 the right to immediate possession under this item (1) after July
1698 1, 2012.

1699 **SECTION 7.** Section 11-27-85, Mississippi Code of 1972, is
1700 amended as follows:

1701 11-27-85. (1) Upon the filing of the report of the
1702 appraiser, the clerk shall within three (3) days mail notice to
1703 the parties and the court that the report has been filed. The
1704 court shall review the report of the appraiser and shall, after
1705 not less than five (5) days' notice thereof to the defendants,
1706 enter an order granting to the plaintiff title to the property,
1707 less and except all oil, gas and other minerals which may be
1708 produced through a well bore, and the right to immediate entry
1709 unless, for other cause shown or for uncertainty concerning the
1710 immediate public need for such property pursuant to Section
1711 11-27-83, the judge shall determine that such passing of title,
1712 and right of entry should be denied. However, no person lawfully
1713 occupying real property shall be required to move from a dwelling
1714 or to move his business or farm operation without at least ninety
1715 (90) days' written notice prior to the date by which such move is
1716 required.

1717 (2) Upon entry of said order, the plaintiff may deposit not
1718 less than eighty-five percent (85%) of the amount of the
1719 compensation and damages as determined by the appraiser with the
1720 clerk of the court, and upon so doing, the plaintiff shall be
1721 granted title to the property, less and except all oil, gas and
1722 other minerals which may be produced through a well bore, and
1723 shall have the right to immediate entry to said property. The
1724 defendant, or defendants, shall be entitled to receive the amount
1725 so paid to the clerk of the court, which shall be disbursed as
1726 their interest may appear, pursuant to order of the court.

1727 (3) Notwithstanding any provisions of subsections (1) and
1728 (2) of this section to the contrary, title and immediate
1729 possession to real property, including oil, gas and other mineral

1730 interests, may be granted under this section to (a) any county
1731 authorized to exercise the power of eminent domain under Section
1732 19-7-41 for the purpose of acquiring land for construction of a
1733 federal correctional facility or other federal penal institution,
1734 (b) the Mississippi Major Economic Impact Authority for the
1735 purpose of acquiring land, property and rights-of-way for a
1736 project as defined in Section 57-75-5(f)(iv)1 and any facility
1737 related to such project, * * * (c) a regional economic development
1738 alliance for the purpose of acquiring land, property and
1739 rights-of-way for a project as defined in Section 57-75-5(f)(xxi)
1740 and any facility related to the project, and (d) any county for
1741 the purpose of acquiring or clearing title to real property,
1742 property and rights-of-way for a project as defined in Section
1743 57-75-5(f)(xxii).

1744 **SECTION 8.** Section 57-31-5, Mississippi Code of 1972, is
1745 amended as follows:

1746 57-31-5. (1) The industrial development authority is hereby
1747 expressly authorized and empowered to acquire by gift, purchase or
1748 otherwise, and to own, hold, maintain, control and develop real
1749 estate situated within the county, either within or without the
1750 corporate limits of a municipality for development, use and
1751 operation and shall be referred to herein as the "project." The
1752 industrial development authority is further authorized and
1753 empowered to engage in works of internal improvement, including,
1754 but not limited to, construction or contracting for the
1755 construction of streets, roads, railroads, site improvements,
1756 water, sewerage, drainage, pollution and other related facilities
1757 necessary or required for industrial or commercial use and
1758 development within the county, and to acquire, purchase, install,
1759 lease, construct, own, hold, equip, control, maintain, use,
1760 operate, and repair other structures and facilities necessary and
1761 convenient for the planning, development, use, operation and
1762 maintenance within the county for industrial or commercial

1763 purposes, including, but not limited to, utility installations,
1764 elevators, compressors, warehouses, air, rail, and other
1765 transportation terminals and pollution control facilities.

1766 (2) The authority is authorized and empowered to sell,
1767 lease, trade, exchange or otherwise dispose of industrial sites
1768 situated within the county to individuals, firms or corporations,
1769 public or private, for industrial or commercial use upon such
1770 terms and conditions for consideration and with safeguards as will
1771 best promote and protect the public interest, convenience and
1772 necessity, and to execute deeds, leases, contracts, easements, and
1773 other legal instruments necessary or convenient.

1774 (3) The authority is authorized and empowered to fix and
1775 prescribe fees, charges and rates for the use of any water,
1776 sewerage, pollution or other facilities constructed and operated
1777 within the county and to collect the same from persons, firms and
1778 corporations using the same for industrial or commercial purposes.

1779 (4) The authority is authorized and empowered to employ
1780 engineers, attorneys, accountants, consultants and such personnel
1781 as shall be reasonably necessary to carry out the duties and
1782 authority authorized by this chapter.

1783 (5) The authority is expressly authorized and empowered to
1784 borrow money and issue negotiable promissory notes evidencing the
1785 same under the provisions of Section 57-31-9. In addition to or
1786 in lieu of the pledges authorized in Section 57-31-23, the
1787 authority may secure such notes by the execution of a deed of
1788 trust upon any real estate belonging to the authority not
1789 otherwise encumbered.

1790 (6) The enumeration of any specific rights and powers
1791 contained herein, and elsewhere in this chapter, where followed by
1792 general powers, shall not be construed in a restrictive sense, but
1793 rather in as broad and comprehensive a sense as possible to
1794 effectuate the purposes of this chapter.

1795 (7) (a) Any such sale, lease, trade, exchange or other
1796 disposition of industrial sites may be made, completed or executed
1797 upon such terms and conditions and for such monetary or other
1798 consideration as may be found adequate and approved by the
1799 authority in orders or resolutions authorizing the same subject to
1800 the provisions of paragraphs (b) and (c) of this subsection.

1801 (b) In cases involving the lease of industrial sites,
1802 any covenants and obligations of the lessee to make expenditures
1803 in determined amounts, and within such time or times, for
1804 improvements to be erected on the land by such lessee and to
1805 conduct thereon industrial operations in such aggregate payroll
1806 amounts and for such period of time or times as may be determined
1807 by the authority and defined in the transaction documents, and to
1808 give preference in employment where practicable to qualified
1809 residents of the county, shall, if included in the transaction
1810 documents, constitute and be deemed sufficient consideration for
1811 the execution of any such transaction document in the absence of a
1812 monetary or other considerations. A lease may contain reasonable
1813 provisions giving the lessee the right to remove its or his
1814 improvements upon termination of the lease.

1815 (c) In cases other than a lease of an industrial site,
1816 any covenants and obligations of the grantee to make expenditures
1817 in determined amounts, and within such time or times, for
1818 improvements to be erected on the land by such grantee and to
1819 conduct thereon industrial operations in such aggregate payroll
1820 amounts and for such period of time or times as may be determined
1821 by the authority and defined in the transaction documents, and to
1822 give preference in employment where practicable to qualified
1823 residents of the county, shall, if included in the transaction
1824 documents, constitute and be deemed sufficient consideration for
1825 the execution of any such transaction document in the absence of a
1826 monetary or other considerations * * *.

1827 **SECTION 9.** Section 57-31-9, Mississippi Code of 1972, is
1828 amended as follows:

1829 57-31-9. The authority shall have power and is hereby
1830 authorized with the approval and consent of the board of
1831 supervisors of such county, at one time or from time to time, to
1832 provide by resolution for the issuance of negotiable promissory
1833 notes or revenue bonds of the authority to provide funds for the
1834 purpose of paying all or any part of the cost of any project
1835 authorized by this chapter, but in no event shall the amount of
1836 such bonds issued for any project exceed the estimated cost of any
1837 such project nor shall the amount of such bonds exceed the amount
1838 which can be repaid, together with interest accruing thereon, from
1839 funds pledged to said authority under Section 27-39-329. The
1840 principal of and the interest on such revenue bonds shall be
1841 payable solely from a special fund to be provided for that purpose
1842 in the manner hereinafter set forth. Such bonds shall bear date
1843 or dates, be in such denomination or denominations, bear interest
1844 at such rate or rates, be payable at such place or places within
1845 or without the State of Mississippi, shall mature absolutely at
1846 such time or times, be redeemable prior to maturity at such time
1847 or times and upon such terms, with or without premium, shall bear
1848 such registration privileges, and shall be substantially in such
1849 form, all as shall be determined by resolution of the
1850 authority; * * * however, * * * such bonds shall mature in annual
1851 installments extending not more than thirty (30) years from date
1852 thereof. Such bonds shall be signed by the president of the
1853 authority, or by his facsimile signature, and the official seal of
1854 the authority shall be affixed thereto, attested by the secretary
1855 of the authority. The interest coupons, if any, to be attached to
1856 such bonds may be executed by the facsimile signatures of said
1857 officers. Whenever any such bonds shall have been signed by the
1858 officials herein designated to sign the bonds who were in office
1859 at the time of such signing but who may have ceased to be such

1860 officers prior to the sale and delivery of such bonds, or who may
1861 not have been in office on the date such bonds may bear, the
1862 signatures of such officers upon such bonds and coupons shall
1863 nevertheless be valid and sufficient for all purposes and have the
1864 same effect as if the person so officially signing such bonds had
1865 remained in office until the delivery of the same to purchaser or
1866 had been in office on the date such bonds may bear. Prior to
1867 approval being granted by the board for bonds to be issued by the
1868 authority, the board shall comply with the provisions of Section
1869 19-9-11. The bonds of any issue shall not bear a greater overall
1870 maximum interest rate to maturity than that allowed in Section
1871 75-17-103. No bond shall bear more than one (1) rate of interest;
1872 each bond shall bear interest from its date to its stated maturity
1873 date at the interest rate specified in the bid; all bonds of the
1874 same maturity shall bear the same rate of interest from date to
1875 maturity; all interest accruing on such bonds so issued shall be
1876 payable semiannually or annually, except that the first interest
1877 coupon attached to any such bond may be for any period not
1878 exceeding one (1) year.

1879 No interest payment shall be evidenced by more than one (1)
1880 coupon and neither cancelled nor supplemental coupons shall be
1881 permitted; the lowest interest rate specified for any bonds issued
1882 shall not be less than seventy percent (70%) of the highest
1883 interest rate specified for the same bond issue.

1884 Each interest rate specified in any bid must be in multiples
1885 of one-eighth of one percent (1/8 of 1%) or in multiples of
1886 one-tenth of one percent (1/10 of 1%). The denomination, form,
1887 and place, or places, of payment of such bonds shall be fixed in
1888 the resolution or order of the authority issuing such bonds.

1889 In addition to the other powers and authority granted by this
1890 section, the authority is granted the authority, with the approval
1891 and consent of the board of supervisors of the county, to provide
1892 by resolution for the issuance of a negotiable promissory note in

1893 an amount not to exceed Fifteen Million Dollars (\$15,000,000.00)
1894 to provide funds for a project described in Section
1895 57-75-5(f)(xxii) provided the authority makes a finding that the
1896 promissory note will be paid by bonds issued by the board of
1897 supervisors of the county. Compliance with the notice provisions
1898 of Section 19-9-11 shall not be required for the approval of such
1899 promissory note.

1900 **SECTION 10.** (1) As used in this section, "qualified
1901 business or industry" means any company that has been certified by
1902 the Mississippi Major Economic Impact Authority as a project as
1903 defined in Section 57-75-5(f)(xxii).

1904 (2) A qualified business or industry shall be allowed a job
1905 tax credit for taxes imposed by Section 27-7-5 equal to Five
1906 Thousand Dollars (\$5,000.00) annually for each net new full-time
1907 employee job for a period of twenty (20) years from the date the
1908 credit commences; however, if the qualified business or industry
1909 is located in an area that has been declared by the Governor to be
1910 a disaster area and as a direct result of the disaster the
1911 business or industry is unable to maintain the required number of
1912 employees, the commissioner may extend this time period for not
1913 more than two (2) years. The credit shall commence on the date
1914 selected by the business or industry; however, the commencement
1915 date shall not be more than six (6) years from the date the
1916 business or industry commences commercial production. For the
1917 year in which the commencement date occurs, the number of new
1918 full-time jobs shall be determined by using the monthly average
1919 number of full-time employees subject to the Mississippi income
1920 tax withholding. Thereafter, the number of new full-time jobs
1921 shall be determined by comparing the monthly average number of
1922 full-time employees subject to the Mississippi income tax
1923 withholding for the taxable year with the corresponding period of
1924 the prior taxable year. Once a qualified business or industry
1925 creates or increases employment by five hundred (500) or more,

1926 such business or industry shall be eligible for the credit. The
1927 credit is not allowed for any year of the twenty-year period in
1928 which the overall monthly average number of full-time employees
1929 subject to the Mississippi income tax withholding falls below five
1930 hundred (500); however, if the qualified business or industry is
1931 located in an area that has been declared by the Governor to be a
1932 disaster area and as a direct result of the disaster the business
1933 or industry is unable to maintain the required number of
1934 employees, the commissioner may waive the employment requirement
1935 for a period of time not to exceed two (2) years. The State Tax
1936 Commission shall adjust the credit allowed each year for the net
1937 new employment fluctuations above five hundred (500).

1938 (3) Any tax credit claimed under this section but not used
1939 in any taxable year may be carried forward for five (5)
1940 consecutive years from the close of the tax year in which the
1941 credits were earned; however, if the qualified business or
1942 industry is located in an area that has been declared by the
1943 Governor to be a disaster area and as a direct result of the
1944 disaster the business or industry is unable to use the existing
1945 carryforward, the commissioner may extend the period that the
1946 credit may be carried forward for a period of time not to exceed
1947 two (2) years. The credit that may be utilized each year shall be
1948 limited to an amount not greater than the total state income tax
1949 liability of the qualified business or industry that is generated
1950 by, or arises out of, the project.

1951 (4) The tax credits provided for in this section shall be in
1952 lieu of the tax credits provided for in Section 57-73-21 and any
1953 qualified business or industry utilizing the tax credit authorized
1954 in this section shall not utilize the tax credit authorized in
1955 Section 57-73-21.

1956 **SECTION 11.** Section 12 of this act shall be codified in
1957 Chapter 7, Title 27, Mississippi Code of 1972.

1958 **SECTION 12.** Section 27-65-101, Mississippi Code of 1972, as
1959 amended by Senate Bill No. 3070, 2007 Regular Session, is amended
1960 as follows:

1961 **[Through June 30, 2007, this section shall read as follows:]**

1962 27-65-101. (1) The exemptions from the provisions of this
1963 chapter which are of an industrial nature or which are more
1964 properly classified as industrial exemptions than any other
1965 exemption classification of this chapter shall be confined to
1966 those persons or property exempted by this section or by the
1967 provisions of the Constitution of the United States or the State
1968 of Mississippi. No industrial exemption as now provided by any
1969 other section except Section 57-3-33 shall be valid as against the
1970 tax herein levied. Any subsequent industrial exemption from the
1971 tax levied hereunder shall be provided by amendment to this
1972 section. No exemption provided in this section shall apply to
1973 taxes levied by Section 27-65-15 or 27-65-21.

1974 The tax levied by this chapter shall not apply to the
1975 following:

1976 (a) Sales of boxes, crates, cartons, cans, bottles and
1977 other packaging materials to manufacturers and wholesalers for use
1978 as containers or shipping materials to accompany goods sold by
1979 said manufacturers or wholesalers where possession thereof will
1980 pass to the customer at the time of sale of the goods contained
1981 therein and sales to anyone of containers or shipping materials
1982 for use in ships engaged in international commerce.

1983 (b) Sales of raw materials, catalysts, processing
1984 chemicals, welding gases or other industrial processing gases
1985 (except natural gas) to a manufacturer for use directly in
1986 manufacturing or processing a product for sale or rental or
1987 repairing or reconditioning vessels or barges of fifty (50) tons
1988 load displacement and over. For the purposes of this exemption,
1989 electricity used directly in the electrolysis process in the
1990 production of sodium chlorate shall be considered a raw material.

1991 This exemption shall not apply to any property used as fuel except
1992 to the extent that such fuel comprises by-products which have no
1993 market value.

1994 (c) The gross proceeds of sales of dry docks, offshore
1995 drilling equipment for use in oil exploitation or production,
1996 vessels or barges of fifty (50) tons load displacement and over,
1997 when sold by the manufacturer or builder thereof.

1998 (d) Sales to commercial fishermen of commercial fishing
1999 boats of over five (5) tons load displacement and not more than
2000 fifty (50) tons load displacement as registered with the United
2001 States Coast Guard and licensed by the Mississippi Commission on
2002 Marine Resources.

2003 (e) The gross income from repairs to vessels and barges
2004 engaged in foreign trade or interstate transportation.

2005 (f) Sales of petroleum products to vessels or barges
2006 for consumption in marine international commerce or interstate
2007 transportation businesses.

2008 (g) Sales and rentals of rail rolling stock (and
2009 component parts thereof) for ultimate use in interstate commerce
2010 and gross income from services with respect to manufacturing,
2011 repairing, cleaning, altering, reconditioning or improving such
2012 rail rolling stock (and component parts thereof).

2013 (h) Sales of raw materials, catalysts, processing
2014 chemicals, welding gases or other industrial processing gases
2015 (except natural gas) used or consumed directly in manufacturing,
2016 repairing, cleaning, altering, reconditioning or improving such
2017 rail rolling stock (and component parts thereof). This exemption
2018 shall not apply to any property used as fuel.

2019 (i) Sales of machinery or tools or repair parts
2020 therefor or replacements thereof, fuel or supplies used directly
2021 in manufacturing, converting or repairing ships, vessels or barges
2022 of three thousand (3,000) tons load displacement and over, but not
2023 to include office and plant supplies or other equipment not

2024 directly used on the ship, vessel or barge being built, converted
2025 or repaired. For purposes of this exemption, "ships, vessels or
2026 barges" shall not include floating structures described in Section
2027 27-65-18.

2028 (j) Sales of tangible personal property to persons
2029 operating ships in international commerce for use or consumption
2030 on board such ships. This exemption shall be limited to cases in
2031 which procedures satisfactory to the commissioner, ensuring
2032 against use in this state other than on such ships, are
2033 established.

2034 (k) Sales of materials used in the construction of a
2035 building, or any addition or improvement thereon, and sales of any
2036 machinery and equipment not later than three (3) months after the
2037 completion of construction of the building, or any addition
2038 thereon, to be used therein, to qualified businesses, as defined
2039 in Section 57-51-5, which are located in a county or portion
2040 thereof designated as an enterprise zone pursuant to Sections
2041 57-51-1 through 57-51-15.

2042 (l) Sales of materials used in the construction of a
2043 building, or any addition or improvement thereon, and sales of any
2044 machinery and equipment not later than three (3) months after the
2045 completion of construction of the building, or any addition
2046 thereon, to be used therein, to qualified businesses, as defined
2047 in Section 57-54-5.

2048 (m) Income from storage and handling of perishable
2049 goods by a public storage warehouse.

2050 (n) The value of natural gas lawfully injected into the
2051 earth for cycling, repressuring or lifting of oil, or lawfully
2052 vented or flared in connection with the production of oil;
2053 however, if any gas so injected into the earth is sold for such
2054 purposes, then the gas so sold shall not be exempt.

2055 (o) The gross collections from self-service commercial
2056 laundering, drying, cleaning and pressing equipment.

2057 (p) Sales of materials used in the construction of a
2058 building, or any addition or improvement thereon, and sales of any
2059 machinery and equipment not later than three (3) months after the
2060 completion of construction of the building, or any addition
2061 thereon, to be used therein, to qualified companies, certified as
2062 such by the Mississippi Development Authority under Section
2063 57-53-1.

2064 (q) Sales of component materials used in the
2065 construction of a building, or any addition or improvement
2066 thereon, sales of machinery and equipment to be used therein, and
2067 sales of manufacturing or processing machinery and equipment which
2068 is permanently attached to the ground or to a permanent foundation
2069 and which is not by its nature intended to be housed within a
2070 building structure, not later than three (3) months after the
2071 initial start-up date, to permanent business enterprises engaging
2072 in manufacturing or processing in Tier Three areas (as such term
2073 is defined in Section 57-73-21), which businesses are certified by
2074 the State Tax Commission as being eligible for the exemption
2075 granted in this paragraph (q).

2076 (r) Sales of component materials used in the
2077 construction of a building, or any addition or improvement
2078 thereon, and sales of any machinery and equipment not later than
2079 three (3) months after the completion of the building, addition or
2080 improvement thereon, to be used therein, for any company
2081 establishing or transferring its national or regional headquarters
2082 from within or outside the State of Mississippi and creating a
2083 minimum of thirty-five (35) jobs at the new headquarters in this
2084 state. The Tax Commission shall establish criteria and prescribe
2085 procedures to determine if a company qualifies as a national or
2086 regional headquarters for the purpose of receiving the exemption
2087 provided in this paragraph.

2088 (s) The gross proceeds from the sale of semitrailers,
2089 trailers, boats, travel trailers, motorcycles and all-terrain

2090 cycles if exported from this state within forty-eight (48) hours
2091 and registered and first used in another state.

2092 (t) Gross income from the storage and handling of
2093 natural gas in underground salt domes and in other underground
2094 reservoirs, caverns, structures and formations suitable for such
2095 storage.

2096 (u) Sales of machinery and equipment to nonprofit
2097 organizations if the organization:

2098 (i) Is tax exempt pursuant to Section 501(c)(4) of
2099 the Internal Revenue Code of 1986, as amended;

2100 (ii) Assists in the implementation of the national
2101 contingency plan or area contingency plan, and which is created in
2102 response to the requirements of Title IV, Subtitle B of the Oil
2103 Pollution Act of 1990, Public Law 101-380; and

2104 (iii) Engages primarily in programs to contain,
2105 clean up and otherwise mitigate spills of oil or other substances
2106 occurring in the United States coastal and tidal waters.

2107 For purposes of this exemption, "machinery and equipment"
2108 means any ocean-going vessels, barges, booms, skimmers and other
2109 capital equipment used primarily in the operations of nonprofit
2110 organizations referred to herein.

2111 (v) Sales or leases of materials and equipment to
2112 approved business enterprises as provided under the Growth and
2113 Prosperity Act.

2114 (w) From and after July 1, 2001, sales of pollution
2115 control equipment to manufacturers or custom processors for
2116 industrial use. For the purposes of this exemption, "pollution
2117 control equipment" means equipment, devices, machinery or systems
2118 used or acquired to prevent, control, monitor or reduce air, water
2119 or groundwater pollution, or solid or hazardous waste as required
2120 by federal or state law or regulation.

2121 (x) Sales or leases to a manufacturer of motor vehicles
2122 or powertrain components operating a project that has been

2123 certified by the Mississippi Major Economic Impact Authority as a
2124 project as defined in Section 57-75-5(f)(iv)1, Section
2125 57-75-5(f)(xxi) or Section 57-75-5(f)(xxii) of machinery and
2126 equipment; special tooling such as dies, molds, jigs and similar
2127 items treated as special tooling for federal income tax purposes;
2128 or repair parts therefor or replacements thereof; repair services
2129 thereon; fuel, supplies, electricity, coal and natural gas used
2130 directly in the manufacture of motor vehicles or motor vehicle
2131 parts or used to provide climate control for manufacturing areas.

2132 (y) Sales or leases of component materials, machinery
2133 and equipment used in the construction of a building, or any
2134 addition or improvement thereon to an enterprise operating a
2135 project that has been certified by the Mississippi Major Economic
2136 Impact Authority as a project as defined in Section
2137 57-75-5(f)(iv)1, Section 57-75-5(f)(xxi) or Section
2138 57-75-5(f)(xxii) and any other sales or leases required to
2139 establish or operate such project.

2140 (z) Sales of component materials and equipment to a
2141 business enterprise as provided under Section 57-64-33.

2142 (aa) The gross income from the stripping and painting
2143 of commercial aircraft engaged in foreign or interstate
2144 transportation business.

2145 (bb) Sales of production items used in the production
2146 of motion pictures such as film; videotape; component building
2147 materials used in the construction of a set; makeup; fabric used
2148 as or in the making of costumes; clothing, including, shoes,
2149 accessories and jewelry used as wardrobes; materials used as set
2150 dressing; materials used as props on a set or by an actor;
2151 materials used in the creation of special effects; and expendable
2152 items purchased for limited use by grip, electric and camera
2153 departments such as tape, fasteners and compressed air. For the
2154 purposes of this paragraph (bb), the term "motion picture" means a
2155 nationally distributed feature-length film, video, television

2156 series or commercial made in Mississippi, in whole or in part, for
2157 theatrical or television viewing or as a television pilot. The
2158 term "motion picture" shall not include the production of
2159 television coverage of news and athletic events, or a film, video,
2160 television series or commercial that contains any material or
2161 performance defined in Section 97-29-103.

2162 (cc) Sales or leases to an enterprise owning or
2163 operating a project that has been designated by the Mississippi
2164 Major Economic Impact Authority as a project as defined in Section
2165 57-75-5(f)(xviii) of machinery and equipment; special tooling such
2166 as dies, molds, jigs and similar items treated as special tooling
2167 for federal income tax purposes; or repair parts therefor or
2168 replacements thereof; repair services thereon; fuel, supplies,
2169 electricity, coal and natural gas used directly in the
2170 manufacturing/production operations of the project or used to
2171 provide climate control for manufacturing/production areas.

2172 (dd) Sales or leases of component materials, machinery
2173 and equipment used in the construction of a building, or any
2174 addition or improvement thereon to an enterprise owning or
2175 operating a project that has been designated by the Mississippi
2176 Major Economic Impact Authority as a project as defined in Section
2177 57-75-5(f)(xviii) and any other sales or leases required to
2178 establish or operate such project.

2179 (ee) Sales of parts used in the repair and servicing of
2180 aircraft not registered in Mississippi engaged exclusively in the
2181 business of foreign or interstate transportation to businesses
2182 engaged in aircraft repair and maintenance.

2183 (ff) Sales of component materials used in the
2184 construction of a facility, or any addition or improvement
2185 thereon, and sales or leases of machinery and equipment not later
2186 than three (3) months after the completion of construction of the
2187 facility, or any addition or improvement thereto, to be used in
2188 the building or any addition or improvement thereto, to a

2189 permanent business enterprise operating a data/information
2190 enterprise in Tier Three areas (as such areas are designated in
2191 accordance with Section 57-73-21), meeting minimum criteria
2192 established by the Mississippi Development Authority.

2193 (gg) Sales of component materials used in the
2194 construction of a facility, or any addition or improvement
2195 thereto, and sales of machinery and equipment not later than three
2196 (3) months after the completion of construction of the facility,
2197 or any addition or improvement thereto, to be used in the facility
2198 or any addition or improvement thereto, to technology intensive
2199 enterprises for industrial purposes in Tier Three areas (as such
2200 areas are designated in accordance with Section 57-73-21), as
2201 certified by the State Tax Commission. For purposes of this
2202 paragraph, an enterprise must meet the criteria provided for in
2203 Section 27-65-17(1)(f) in order to be considered a technology
2204 intensive enterprise.

2205 (2) Sales of component materials used in the construction of
2206 a building, or any addition or improvement thereon, sales of
2207 machinery and equipment to be used therein, and sales of
2208 manufacturing or processing machinery and equipment which is
2209 permanently attached to the ground or to a permanent foundation
2210 and which is not by its nature intended to be housed within a
2211 building structure, not later than three (3) months after the
2212 initial start-up date, to permanent business enterprises engaging
2213 in manufacturing or processing in Tier Two areas and Tier One
2214 areas (as such areas are designated in accordance with Section
2215 57-73-21), which businesses are certified by the State Tax
2216 Commission as being eligible for the exemption granted in this
2217 paragraph, shall be exempt from one-half (1/2) of the taxes
2218 imposed on such transactions under this chapter.

2219 (3) Sales of component materials used in the construction of
2220 a facility, or any addition or improvement thereon, and sales or
2221 leases of machinery and equipment not later than three (3) months

2222 after the completion of construction of the facility, or any
2223 addition or improvement thereto, to be used in the building or any
2224 addition or improvement thereto, to a permanent business
2225 enterprise operating a data/information enterprise in Tier Two
2226 areas and Tier One areas (as such areas are designated in
2227 accordance with Section 57-73-21), which businesses meet minimum
2228 criteria established by the Mississippi Development Authority,
2229 shall be exempt from one-half (1/2) of the taxes imposed on such
2230 transaction under this chapter.

2231 (4) Sales of component materials used in the construction of
2232 a facility, or any addition or improvement thereto, and sales of
2233 machinery and equipment not later than three (3) months after the
2234 completion of construction of the facility, or any addition or
2235 improvement thereto, to be used in the building or any addition or
2236 improvement thereto, to technology intensive enterprises for
2237 industrial purposes in Tier Two areas and Tier One areas (as such
2238 areas are designated in accordance with Section 57-73-21), which
2239 businesses are certified by the State Tax Commission as being
2240 eligible for the exemption granted in this paragraph, shall be
2241 exempt from one-half (1/2) of the taxes imposed on such
2242 transactions under this chapter. For purposes of this subsection,
2243 an enterprise must meet the criteria provided for in Section
2244 27-65-17(1)(f) in order to be considered a technology intensive
2245 enterprise.

2246 (5) (a) For purposes of this subsection:

2247 (i) "Telecommunications enterprises" shall have
2248 the meaning ascribed to such term in Section 57-73-21;

2249 (ii) "Tier One areas" mean counties designated as
2250 Tier One areas pursuant to Section 57-73-21;

2251 (iii) "Tier Two areas" mean counties designated as
2252 Tier Two areas pursuant to Section 57-73-21;

2253 (iv) "Tier Three areas" mean counties designated
2254 as Tier Three areas pursuant to Section 57-73-21; and

2255 (v) "Equipment used in the deployment of broadband
2256 technologies" means any equipment capable of being used for or in
2257 connection with the transmission of information at a rate, prior
2258 to taking into account the effects of any signal degradation, that
2259 is not less than three hundred eighty-four (384) kilobits per
2260 second in at least one direction, including, but not limited to,
2261 asynchronous transfer mode switches, digital subscriber line
2262 access multiplexers, routers, servers, multiplexers, fiber optics
2263 and related equipment.

2264 (b) Sales of equipment to telecommunications
2265 enterprises after June 30, 2003, and before July 1, 2013, that is
2266 installed in Tier One areas and used in the deployment of
2267 broadband technologies shall be exempt from one-half (1/2) of the
2268 taxes imposed on such transactions under this chapter.

2269 (c) Sales of equipment to telecommunications
2270 enterprises after June 30, 2003, and before July 1, 2013, that is
2271 installed in Tier Two and Tier Three areas and used in the
2272 deployment of broadband technologies shall be exempt from the
2273 taxes imposed on such transactions under this chapter.

2274 **[From and after July 1, 2007, this section shall read as**
2275 **follows:]**

2276 27-65-101. (1) The exemptions from the provisions of this
2277 chapter which are of an industrial nature or which are more
2278 properly classified as industrial exemptions than any other
2279 exemption classification of this chapter shall be confined to
2280 those persons or property exempted by this section or by the
2281 provisions of the Constitution of the United States or the State
2282 of Mississippi. No industrial exemption as now provided by any
2283 other section except Section 57-3-33 shall be valid as against the
2284 tax herein levied. Any subsequent industrial exemption from the
2285 tax levied hereunder shall be provided by amendment to this
2286 section. No exemption provided in this section shall apply to
2287 taxes levied by Section 27-65-15 or 27-65-21.

2288 The tax levied by this chapter shall not apply to the
2289 following:

2290 (a) Sales of boxes, crates, cartons, cans, bottles and
2291 other packaging materials to manufacturers and wholesalers for use
2292 as containers or shipping materials to accompany goods sold by
2293 said manufacturers or wholesalers where possession thereof will
2294 pass to the customer at the time of sale of the goods contained
2295 therein and sales to anyone of containers or shipping materials
2296 for use in ships engaged in international commerce.

2297 (b) Sales of raw materials, catalysts, processing
2298 chemicals, welding gases or other industrial processing gases
2299 (except natural gas) to a manufacturer for use directly in
2300 manufacturing or processing a product for sale or rental or
2301 repairing or reconditioning vessels or barges of fifty (50) tons
2302 load displacement and over. For the purposes of this exemption,
2303 electricity used directly in the electrolysis process in the
2304 production of sodium chlorate shall be considered a raw material.
2305 This exemption shall not apply to any property used as fuel except
2306 to the extent that such fuel comprises by-products which have no
2307 market value.

2308 (c) The gross proceeds of sales of dry docks, offshore
2309 drilling equipment for use in oil exploitation or production,
2310 vessels or barges of fifty (50) tons load displacement and over,
2311 when sold by the manufacturer or builder thereof.

2312 (d) Sales to commercial fishermen of commercial fishing
2313 boats of over five (5) tons load displacement and not more than
2314 fifty (50) tons load displacement as registered with the United
2315 States Coast Guard and licensed by the Mississippi Commission on
2316 Marine Resources.

2317 (e) The gross income from repairs to vessels and barges
2318 engaged in foreign trade or interstate transportation.

2319 (f) Sales of petroleum products to vessels or barges
2320 for consumption in marine international commerce or interstate
2321 transportation businesses.

2322 (g) Sales and rentals of rail rolling stock (and
2323 component parts thereof) for ultimate use in interstate commerce
2324 and gross income from services with respect to manufacturing,
2325 repairing, cleaning, altering, reconditioning or improving such
2326 rail rolling stock (and component parts thereof).

2327 (h) Sales of raw materials, catalysts, processing
2328 chemicals, welding gases or other industrial processing gases
2329 (except natural gas) used or consumed directly in manufacturing,
2330 repairing, cleaning, altering, reconditioning or improving such
2331 rail rolling stock (and component parts thereof). This exemption
2332 shall not apply to any property used as fuel.

2333 (i) Sales of machinery or tools or repair parts
2334 therefor or replacements thereof, fuel or supplies used directly
2335 in manufacturing, converting or repairing ships, vessels or barges
2336 of three thousand (3,000) tons load displacement and over, but not
2337 to include office and plant supplies or other equipment not
2338 directly used on the ship, vessel or barge being built, converted
2339 or repaired. For purposes of this exemption, "ships, vessels or
2340 barges" shall not include floating structures described in Section
2341 27-65-18.

2342 (j) Sales of tangible personal property to persons
2343 operating ships in international commerce for use or consumption
2344 on board such ships. This exemption shall be limited to cases in
2345 which procedures satisfactory to the commissioner, ensuring
2346 against use in this state other than on such ships, are
2347 established.

2348 (k) Sales of materials used in the construction of a
2349 building, or any addition or improvement thereon, and sales of any
2350 machinery and equipment not later than three (3) months after the
2351 completion of construction of the building, or any addition

2352 thereon, to be used therein, to qualified businesses, as defined
2353 in Section 57-51-5, which are located in a county or portion
2354 thereof designated as an enterprise zone pursuant to Sections
2355 57-51-1 through 57-51-15.

2356 (l) Sales of materials used in the construction of a
2357 building, or any addition or improvement thereon, and sales of any
2358 machinery and equipment not later than three (3) months after the
2359 completion of construction of the building, or any addition
2360 thereon, to be used therein, to qualified businesses, as defined
2361 in Section 57-54-5.

2362 (m) Income from storage and handling of perishable
2363 goods by a public storage warehouse.

2364 (n) The value of natural gas lawfully injected into the
2365 earth for cycling, repressuring or lifting of oil, or lawfully
2366 vented or flared in connection with the production of oil;
2367 however, if any gas so injected into the earth is sold for such
2368 purposes, then the gas so sold shall not be exempt.

2369 (o) The gross collections from self-service commercial
2370 laundering, drying, cleaning and pressing equipment.

2371 (p) Sales of materials used in the construction of a
2372 building, or any addition or improvement thereon, and sales of any
2373 machinery and equipment not later than three (3) months after the
2374 completion of construction of the building, or any addition
2375 thereon, to be used therein, to qualified companies, certified as
2376 such by the Mississippi Development Authority under Section
2377 57-53-1.

2378 (q) Sales of component materials used in the
2379 construction of a building, or any addition or improvement
2380 thereon, sales of machinery and equipment to be used therein, and
2381 sales of manufacturing or processing machinery and equipment which
2382 is permanently attached to the ground or to a permanent foundation
2383 and which is not by its nature intended to be housed within a
2384 building structure, not later than three (3) months after the

2385 initial start-up date, to permanent business enterprises engaging
2386 in manufacturing or processing in Tier Three areas (as such term
2387 is defined in Section 57-73-21), which businesses are certified by
2388 the State Tax Commission as being eligible for the exemption
2389 granted in this paragraph (q).

2390 (r) Sales of component materials used in the
2391 construction of a building, or any addition or improvement
2392 thereon, and sales of any machinery and equipment not later than
2393 three (3) months after the completion of the building, addition or
2394 improvement thereon, to be used therein, for any company
2395 establishing or transferring its national or regional headquarters
2396 from within or outside the State of Mississippi and creating a
2397 minimum of thirty-five (35) jobs at the new headquarters in this
2398 state. The Tax Commission shall establish criteria and prescribe
2399 procedures to determine if a company qualifies as a national or
2400 regional headquarters for the purpose of receiving the exemption
2401 provided in this paragraph.

2402 (s) The gross proceeds from the sale of semitrailers,
2403 trailers, boats, travel trailers, motorcycles and all-terrain
2404 cycles if exported from this state within forty-eight (48) hours
2405 and registered and first used in another state.

2406 (t) Gross income from the storage and handling of
2407 natural gas in underground salt domes and in other underground
2408 reservoirs, caverns, structures and formations suitable for such
2409 storage.

2410 (u) Sales of machinery and equipment to nonprofit
2411 organizations if the organization:

2412 (i) Is tax exempt pursuant to Section 501(c)(4) of
2413 the Internal Revenue Code of 1986, as amended;

2414 (ii) Assists in the implementation of the national
2415 contingency plan or area contingency plan, and which is created in
2416 response to the requirements of Title IV, Subtitle B of the Oil
2417 Pollution Act of 1990, Public Law 101-380; and

2418 (iii) Engages primarily in programs to contain,
2419 clean up and otherwise mitigate spills of oil or other substances
2420 occurring in the United States coastal and tidal waters.

2421 For purposes of this exemption, "machinery and equipment"
2422 means any ocean-going vessels, barges, booms, skimmers and other
2423 capital equipment used primarily in the operations of nonprofit
2424 organizations referred to herein.

2425 (v) Sales or leases of materials and equipment to
2426 approved business enterprises as provided under the Growth and
2427 Prosperity Act.

2428 (w) From and after July 1, 2001, sales of pollution
2429 control equipment to manufacturers or custom processors for
2430 industrial use. For the purposes of this exemption, "pollution
2431 control equipment" means equipment, devices, machinery or systems
2432 used or acquired to prevent, control, monitor or reduce air, water
2433 or groundwater pollution, or solid or hazardous waste as required
2434 by federal or state law or regulation.

2435 (x) Sales or leases to a manufacturer of motor vehicles
2436 or powertrain components operating a project that has been
2437 certified by the Mississippi Major Economic Impact Authority as a
2438 project as defined in Section 57-75-5(f)(iv)1, Section
2439 57-75-5(f)(xxi) or Section 57-75-5(f)(xxii) of machinery and
2440 equipment; special tooling such as dies, molds, jigs and similar
2441 items treated as special tooling for federal income tax purposes;
2442 or repair parts therefor or replacements thereof; repair services
2443 thereon; fuel, supplies, electricity, coal and natural gas used
2444 directly in the manufacture of motor vehicles or motor vehicle
2445 parts or used to provide climate control for manufacturing areas.

2446 (y) Sales or leases of component materials, machinery
2447 and equipment used in the construction of a building, or any
2448 addition or improvement thereon to an enterprise operating a
2449 project that has been certified by the Mississippi Major Economic
2450 Impact Authority as a project as defined in Section

2451 57-75-5(f)(iv)1, Section 57-75-5(f)(xxi) or Section
2452 57-75-5(f)(xxii) and any other sales or leases required to
2453 establish or operate such project.

2454 (z) Sales of component materials and equipment to a
2455 business enterprise as provided under Section 57-64-33.

2456 (aa) The gross income from the stripping and painting
2457 of commercial aircraft engaged in foreign or interstate
2458 transportation business.

2459 (bb) Sales of production items used in the production
2460 of motion pictures such as film; videotape; component building
2461 materials used in the construction of a set; makeup; fabric used
2462 as or in the making of costumes; clothing, including, shoes,
2463 accessories and jewelry used as wardrobes; materials used as set
2464 dressing; materials used as props on a set or by an actor;
2465 materials used in the creation of special effects; and expendable
2466 items purchased for limited use by grip, electric and camera
2467 departments such as tape, fasteners and compressed air. For the
2468 purposes of this paragraph (bb), the term "motion picture" means a
2469 nationally distributed feature-length film, video, television
2470 series or commercial made in Mississippi, in whole or in part, for
2471 theatrical or television viewing or as a television pilot. The
2472 term "motion picture" shall not include the production of
2473 television coverage of news and athletic events, or a film, video,
2474 television series or commercial that contains any material or
2475 performance defined in Section 97-29-103.

2476 (cc) Sales or leases to an enterprise owning or
2477 operating a project that has been designated by the Mississippi
2478 Major Economic Impact Authority as a project as defined in Section
2479 57-75-5(f)(xviii) of machinery and equipment; special tooling such
2480 as dies, molds, jigs and similar items treated as special tooling
2481 for federal income tax purposes; or repair parts therefor or
2482 replacements thereof; repair services thereon; fuel, supplies,
2483 electricity, coal and natural gas used directly in the

2484 manufacturing/production operations of the project or used to
2485 provide climate control for manufacturing/production areas.

2486 (dd) Sales or leases of component materials, machinery
2487 and equipment used in the construction of a building, or any
2488 addition or improvement thereon to an enterprise owning or
2489 operating a project that has been designated by the Mississippi
2490 Major Economic Impact Authority as a project as defined in Section
2491 57-75-5(f)(xviii) and any other sales or leases required to
2492 establish or operate such project.

2493 (ee) Sales of parts used in the repair and servicing of
2494 aircraft not registered in Mississippi engaged exclusively in the
2495 business of foreign or interstate transportation to businesses
2496 engaged in aircraft repair and maintenance.

2497 (ff) Sales of component materials used in the
2498 construction of a facility, or any addition or improvement
2499 thereon, and sales or leases of machinery and equipment not later
2500 than three (3) months after the completion of construction of the
2501 facility, or any addition or improvement thereto, to be used in
2502 the building or any addition or improvement thereto, to a
2503 permanent business enterprise operating a data/information
2504 enterprise in Tier Three areas (as such areas are designated in
2505 accordance with Section 57-73-21), meeting minimum criteria
2506 established by the Mississippi Development Authority.

2507 (gg) Sales of component materials used in the
2508 construction of a facility, or any addition or improvement
2509 thereto, and sales of machinery and equipment not later than three
2510 (3) months after the completion of construction of the facility,
2511 or any addition or improvement thereto, to be used in the facility
2512 or any addition or improvement thereto, to technology intensive
2513 enterprises for industrial purposes in Tier Three areas (as such
2514 areas are designated in accordance with Section 57-73-21), as
2515 certified by the State Tax Commission. For purposes of this
2516 paragraph, an enterprise must meet the criteria provided for in

2517 Section 27-65-17(1)(f) in order to be considered a technology
2518 intensive enterprise.

2519 (hh) Sales of component materials used in the
2520 replacement, reconstruction or repair of a building or facility
2521 that has been destroyed or sustained extensive damage as a result
2522 of a disaster declared by the Governor, sales of machinery and
2523 equipment to be used therein to replace machinery or equipment
2524 damaged or destroyed as a result of such disaster, including, but
2525 not limited to, manufacturing or processing machinery and
2526 equipment which is permanently attached to the ground or to a
2527 permanent foundation and which is not by its nature intended to be
2528 housed within a building structure, to enterprises or companies
2529 that were eligible for the exemptions authorized in paragraph (q),
2530 (r), (ff) or (gg) of this subsection during initial construction
2531 of the building that was destroyed or damaged, which enterprises
2532 or companies are certified by the State Tax Commission as being
2533 eligible for the exemption granted in this paragraph.

2534 (2) Sales of component materials used in the construction of
2535 a building, or any addition or improvement thereon, sales of
2536 machinery and equipment to be used therein, and sales of
2537 manufacturing or processing machinery and equipment which is
2538 permanently attached to the ground or to a permanent foundation
2539 and which is not by its nature intended to be housed within a
2540 building structure, not later than three (3) months after the
2541 initial start-up date, to permanent business enterprises engaging
2542 in manufacturing or processing in Tier Two areas and Tier One
2543 areas (as such areas are designated in accordance with Section
2544 57-73-21), which businesses are certified by the State Tax
2545 Commission as being eligible for the exemption granted in this
2546 paragraph, shall be exempt from one-half (1/2) of the taxes
2547 imposed on such transactions under this chapter.

2548 (3) Sales of component materials used in the construction of
2549 a facility, or any addition or improvement thereon, and sales or

2550 leases of machinery and equipment not later than three (3) months
2551 after the completion of construction of the facility, or any
2552 addition or improvement thereto, to be used in the building or any
2553 addition or improvement thereto, to a permanent business
2554 enterprise operating a data/information enterprise in Tier Two
2555 areas and Tier One areas (as such areas are designated in
2556 accordance with Section 57-73-21), which businesses meet minimum
2557 criteria established by the Mississippi Development Authority,
2558 shall be exempt from one-half (1/2) of the taxes imposed on such
2559 transaction under this chapter.

2560 (4) Sales of component materials used in the construction of
2561 a facility, or any addition or improvement thereto, and sales of
2562 machinery and equipment not later than three (3) months after the
2563 completion of construction of the facility, or any addition or
2564 improvement thereto, to be used in the building or any addition or
2565 improvement thereto, to technology intensive enterprises for
2566 industrial purposes in Tier Two areas and Tier One areas (as such
2567 areas are designated in accordance with Section 57-73-21), which
2568 businesses are certified by the State Tax Commission as being
2569 eligible for the exemption granted in this paragraph, shall be
2570 exempt from one-half (1/2) of the taxes imposed on such
2571 transactions under this chapter. For purposes of this subsection,
2572 an enterprise must meet the criteria provided for in Section
2573 27-65-17(1)(f) in order to be considered a technology intensive
2574 enterprise.

2575 (5) (a) For purposes of this subsection:

2576 (i) "Telecommunications enterprises" shall have
2577 the meaning ascribed to such term in Section 57-73-21;

2578 (ii) "Tier One areas" mean counties designated as
2579 Tier One areas pursuant to Section 57-73-21;

2580 (iii) "Tier Two areas" mean counties designated as
2581 Tier Two areas pursuant to Section 57-73-21;

2582 (iv) "Tier Three areas" mean counties designated
2583 as Tier Three areas pursuant to Section 57-73-21; and

2584 (v) "Equipment used in the deployment of broadband
2585 technologies" means any equipment capable of being used for or in
2586 connection with the transmission of information at a rate, prior
2587 to taking into account the effects of any signal degradation, that
2588 is not less than three hundred eighty-four (384) kilobits per
2589 second in at least one direction, including, but not limited to,
2590 asynchronous transfer mode switches, digital subscriber line
2591 access multiplexers, routers, servers, multiplexers, fiber optics
2592 and related equipment.

2593 (b) Sales of equipment to telecommunications
2594 enterprises after June 30, 2003, and before July 1, 2013, that is
2595 installed in Tier One areas and used in the deployment of
2596 broadband technologies shall be exempt from one-half (1/2) of the
2597 taxes imposed on such transactions under this chapter.

2598 (c) Sales of equipment to telecommunications
2599 enterprises after June 30, 2003, and before July 1, 2013, that is
2600 installed in Tier Two and Tier Three areas and used in the
2601 deployment of broadband technologies shall be exempt from the
2602 taxes imposed on such transactions under this chapter.

2603 (6) Sales of component materials used in the replacement,
2604 reconstruction or repair of a building that has been destroyed or
2605 sustained extensive damage as a result of a disaster declared by
2606 the Governor, sales of machinery and equipment to be used therein
2607 to replace machinery or equipment damaged or destroyed as a result
2608 of such disaster, including, but not limited to, manufacturing or
2609 processing machinery and equipment which is permanently attached
2610 to the ground or to a permanent foundation and which is not by its
2611 nature intended to be housed within a building structure, to
2612 enterprises that were eligible for the partial exemptions provided
2613 for in subsections (2), (3) and (4) of this section during initial
2614 construction of the building that was destroyed or damaged, which

2615 enterprises are certified by the State Tax Commission as being
2616 eligible for the partial exemption granted in this subsection,
2617 shall be exempt from one-half (1/2) of the taxes imposed on such
2618 transactions under this chapter.

2619 **SECTION 13.** Section 27-67-7, Mississippi Code of 1972, is
2620 amended as follows:

2621 27-67-7. The tax levied by this article shall not be
2622 collected in the following instances:

2623 (a) On the use, storage or consumption of any tangible
2624 personal property if the sale thereof has already been included in
2625 the measure of this tax or the tax imposed by Section 27-65-24 or
2626 Section 27-65-17, 27-65-19 or 27-65-25, or has already been
2627 included in the measure of a sales tax imposed by another state in
2628 which the property was sold or use tax imposed by some other state
2629 in which the property was used. If the rate of sales or use tax
2630 paid another state by the person using the property in Mississippi
2631 is not equal to or greater than the rate imposed by this article,
2632 then the user or purchaser shall apply the difference in these
2633 rates to the purchase price or value of the property and pay to
2634 the commissioner the amount of tax thus computed. Persons using
2635 business property in this state which has been used by them in
2636 other states shall be entitled to a credit for sales and/or use
2637 tax paid to other states equal to the aggregate of all such state
2638 rates multiplied by the value of the property at the time of
2639 importation into this state. Persons using business property in
2640 this state which was acquired from another person who used it in
2641 other states shall be entitled to a credit equal to the applicable
2642 rate in the state of last prior use multiplied by the value of the
2643 property at the time of importation into this state. However,
2644 credit for use tax paid to another state shall not apply on the
2645 purchase price of tangible personal property that has been only
2646 stored or warehoused in the other state and the first use of the
2647 property occurs in Mississippi. Provided further, that credit for

2648 sales or use tax paid to another state shall not apply on the
2649 purchase price or value of automobiles, trucks, truck-tractors,
2650 semitrailers, trailers, boats, travel trailers, motorcycles and
2651 all-terrain cycles imported and first used in Mississippi.

2652 Credit for sales or use tax paid to another state as provided
2653 in this paragraph (a) shall be evidenced by an invoice clearly and
2654 correctly showing the amount of the tax as a separate item, and no
2655 credit shall be allowed otherwise.

2656 (b) On the use, storage or consumption of tangible
2657 personal property to the extent that sales of similar property in
2658 Mississippi are either excluded or specifically exempt from sales
2659 tax or are taxed at the wholesale rate.

2660 This exemption shall be confined to the use of property the
2661 sale of which is an itemized exemption in the Mississippi Sales
2662 Tax Law, or to use by persons who are listed in the Mississippi
2663 Sales Tax Law as being exempt from sales tax.

2664 (c) On the use, storage or consumption of tangible
2665 personal property brought into this state by a nonresident for his
2666 or her use or enjoyment while temporarily within the state, but
2667 not including tangible personal property brought in for use in
2668 connection with a business activity. This exemption shall not
2669 apply to property which remains situated in this state for the
2670 repeated use, storage or consumption by out-of-state visitors, or
2671 which is acquired by visitors and first used in this state.

2672 (d) On the use of a motor vehicle for which a
2673 registration is required by the motor vehicle law, when such motor
2674 vehicle was purchased by a natural person for his personal or
2675 family use while such person was a bona fide resident of another
2676 state and who thereafter became a resident of this state, but not
2677 to include a motor vehicle which is transferred by the owner for
2678 commercial use or for use by another person within this state.

2679 (e) On the use of personal and household effects by a
2680 natural person acquired while the person was a bona fide resident

2681 of another state, and who thereafter became a resident of this
2682 state.

2683 (f) On the use or rental of motion picture film,
2684 video-audio tapes and phonograph records for exhibition either by
2685 a person paying Mississippi sales tax on gross income from
2686 admissions for the exhibitions or by a person operating a
2687 television or radio broadcasting station.

2688 (g) On any vehicle purchased in another state for use
2689 outside of this state by a Mississippi citizen serving in the
2690 Armed Forces and stationed in another state who elects to license
2691 the vehicle in Mississippi.

2692 (h) On the cost or value and on the use, storage and
2693 consumption of rail rolling stock and component parts thereof.

2694 (i) On the use, storage or consumption of literature,
2695 video tapes and photographic slides used by religious institutions
2696 for the propagation of their creeds or for carrying on their
2697 customary nonprofit religious activities, and on the use of any
2698 tangible personal property purchased and first used in another
2699 state by religious institutions for the propagation of their
2700 creeds or for carrying on their customary nonprofit religious
2701 activities. "Religious institution," for the purpose of this
2702 exemption, means any religious institution granted an exemption
2703 under 26 USCS Section 501(c)(3). Any exemption under this
2704 paragraph obtained by fraud, misstatement or misrepresentation,
2705 shall be cancelled by the State Tax Commission, and the person
2706 committing the fraud, misstatement or misrepresentation shall be
2707 liable for prosecution for fraud on the assessment, and, on
2708 conviction, shall be fined not less than One Thousand Dollars
2709 (\$1,000.00), or punished by imprisonment in the State Penitentiary
2710 for a term not to exceed five (5) years, or both, within the
2711 discretion of the court.

2712 (j) The tax on the cost or value of farm machinery used
2713 in the harvesting of agricultural products shall be limited to the
2714 ratio of use within this state to the life of the property.

2715 (k) On the use, storage or consumption, between July 1,
2716 1993, and June 30, 1994, of machinery and equipment to
2717 corporations qualified as tax-exempt organizations under Section
2718 501(c)(4) of the Internal Revenue Code and established in response
2719 to the Federal Oil Pollution Act of 1990 to provide a private
2720 capability to respond to major oil spills. For purposes of this
2721 exemption, "machinery and equipment" means property with a useful
2722 life of at least three (3) years which is used primarily in the
2723 operations of the Marine Oil Spill Response Corporation and shall
2724 include, without limitation, vessels, barges, booms and skimmers.
2725 This paragraph shall stand repealed on July 1, 1995.

2726 (l) On the use of machinery and equipment; special
2727 tooling such as dies, molds, jigs and similar items treated as
2728 special tooling for federal income tax purposes; or repair parts
2729 therefor or replacements thereof; or repair services thereon; by a
2730 taxpayer other than the manufacturer when the manufacturer still
2731 holds title to the items and the items are purchased by the
2732 manufacturer as a part of a project as defined in Section
2733 57-75-5(f)(iv)1, Section 57-75-5(f)(xxi) or Section
2734 57-75-5(f)(xxii).

2735 (m) On the use, storage or consumption of utilities
2736 purchased by a manufacturer described in Section 27-65-101(x).

2737 (n) On the use, storage or consumption of utilities
2738 purchased by an enterprise described in Section 27-65-101(cc).

2739 (o) On the use, storage or consumption of jet aircraft
2740 engines that are temporarily located within the State of
2741 Mississippi and are brought into the state for research and/or
2742 testing purposes at a jet aircraft engine research and testing
2743 facility.

2744 **SECTION 14.** Section 17 of Senate Bill No. 3215, 2007 Regular
2745 Session, is amended as follows:

2746 Section 17. As used in Sections 17 through 21 of this act,
2747 the following words and phrases shall have the meanings ascribed
2748 in this section unless the context clearly indicates otherwise:

2749 (a) "Qualified business or industry" means any company
2750 and affiliates thereof, pursuant to rules and regulations of the
2751 MDA, which is (i) a project that has been certified by the
2752 Mississippi Major Economic Impact Authority (MMEIA) as a project
2753 defined in Section 57-75-5(f)(xxi) and creates at least one
2754 thousand five hundred (1,500) jobs within sixty (60) months of the
2755 beginning of the project or (ii) a project that has been certified
2756 by the MMEIA as a project defined in Section 57-75-5(f)(xxii) and
2757 creates at least five hundred (500) jobs within seventy-two (72)
2758 months of the beginning of the project.

2759 (b) "Qualified job" means full-time employment in this
2760 state within the project site of a qualified business or industry
2761 that has qualified to receive an incentive payment pursuant to
2762 Sections 17 through 21 of this act, which employment did not exist
2763 in this state before the date of approval by the MDA of the
2764 application of the qualified business or industry pursuant to the
2765 provisions of Sections 17 through 21 of this act. "Qualified job"
2766 also shall include full-time employment in this state of employees
2767 who are employed by an entity other than the establishment that
2768 has qualified to receive an incentive payment such as employees
2769 who are leased to and managed by the qualified business or
2770 industry, if such employment did not exist in this state before
2771 the date of approval by the MDA of the application of the
2772 establishment; provided, however, that in order for a qualified
2773 business or industry to receive incentive payments for such
2774 employees, the actual employer of the employees must agree to such
2775 payments being made to the qualified business or industry.

2776 (c) "Full-time employment" means a job of at least
2777 thirty-five (35) hours per week.

2778 (d) "Rebate amount" means the amount of Mississippi
2779 income taxes withheld from employees in qualified jobs that is
2780 available for rebate to the qualified business or industry,
2781 provided that:

2782 (i) Except as otherwise provided in this paragraph
2783 (d), the rebate amount shall be three and one-half percent
2784 (3-1/2%) of the wages and taxable benefits for qualified jobs; and

2785 (ii) In no event shall incentive payments exceed
2786 the actual Mississippi income taxes withheld from employees in
2787 qualified jobs that are available for rebate to the qualified
2788 business or industry.

2789 (e) "MDA" means the Mississippi Development Authority.

2790 **SECTION 15.** Section 18 of Senate Bill No. 3215, 2007 Regular
2791 Session, is amended as follows:

2792 Section 18. (1) Except as otherwise provided in this
2793 section, a qualified business or industry that meets the
2794 qualifications specified in Sections 17 through 21 of this act may
2795 receive quarterly incentive payments for a period not to exceed
2796 twenty-five (25) years from the State Tax Commission pursuant to
2797 the provisions of Sections 17 through 21 of this act in an amount
2798 which shall be equal to the lesser of three and one-half percent
2799 (3-1/2%) of the wages and taxable benefits for qualified jobs or
2800 the actual amount of Mississippi income tax withheld by the
2801 employer for the qualified jobs. A qualified business or industry
2802 may elect the date upon which the incentive rebate period will
2803 begin. Such date may not be later than sixty (60) months after
2804 the date the business or industry applied for incentive payments;
2805 however, in the case of a qualified business or industry described
2806 in Section 17(a)(ii) of this act, such date may not be later than
2807 seventy-two (72) months after the date the business or industry
2808 applied for incentive payments.

2809 (2) In order to receive incentive payments, an establishment
2810 shall apply to the MDA. The application shall be on a form
2811 prescribed by the MDA and shall contain such information as may be
2812 required by the MDA to determine if the applicant is qualified.

2813 (3) In order to qualify to receive such payments, the
2814 establishment applying shall be required to:

2815 (a) Be engaged in a qualified business or industry; and

2816 (b) The business or industry must create and maintain
2817 the minimum number of qualified jobs as set forth in Section 17 of
2818 this act. Establishments that are approved as a qualified
2819 business or industry under Sections 17 through 21 of this act may
2820 not receive incentive payments under Section 57-62-1 et seq.

2821 (4) Upon approval of such an application, the MDA shall
2822 notify the State Tax Commission and shall provide it with a copy
2823 of the approved application. The State Tax Commission may require
2824 the qualified business or industry to submit such additional
2825 information as may be necessary to administer the provisions of
2826 Sections 17 through 21 of this act. The qualified business or
2827 industry shall report to the State Tax Commission periodically to
2828 show its continued eligibility for incentive payments. The
2829 qualified business or industry may be audited by the State Tax
2830 Commission to verify such eligibility.

2831 **SECTION 16.** Section 27-65-75, Mississippi Code of 1972, as
2832 amended by House Bill No. 861, 2007 Regular Session, and House
2833 Bill No. 1142, 2007 Regular Session, is amended as follows:

2834 27-65-75. On or before the fifteenth day of each month, the
2835 revenue collected under the provisions of this chapter during the
2836 preceding month shall be paid and distributed as follows:

2837 (1) (a) On or before August 15, 1992, and each succeeding
2838 month thereafter through July 15, 1993, eighteen percent (18%) of
2839 the total sales tax revenue collected during the preceding month
2840 under the provisions of this chapter, except that collected under
2841 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on

2842 business activities within a municipal corporation shall be
2843 allocated for distribution to the municipality and paid to the
2844 municipal corporation. On or before August 15, 1993, and each
2845 succeeding month thereafter, eighteen and one-half percent
2846 (18-1/2%) of the total sales tax revenue collected during the
2847 preceding month under the provisions of this chapter, except that
2848 collected under the provisions of Sections 27-65-15, 27-65-19(3)
2849 and 27-65-21, on business activities within a municipal
2850 corporation shall be allocated for distribution to the
2851 municipality and paid to the municipal corporation.

2852 A municipal corporation, for the purpose of distributing the
2853 tax under this subsection, shall mean and include all incorporated
2854 cities, towns and villages.

2855 Monies allocated for distribution and credited to a municipal
2856 corporation under this subsection may be pledged as security for a
2857 loan if the distribution received by the municipal corporation is
2858 otherwise authorized or required by law to be pledged as security
2859 for such a loan.

2860 In any county having a county seat that is not an
2861 incorporated municipality, the distribution provided under this
2862 subsection shall be made as though the county seat was an
2863 incorporated municipality; however, the distribution to the
2864 municipality shall be paid to the county treasury in which the
2865 municipality is located, and those funds shall be used for road,
2866 bridge and street construction or maintenance in the county.

2867 (b) On or before August 15, 2006, and each succeeding
2868 month thereafter, eighteen and one-half percent (18-1/2%) of the
2869 total sales tax revenue collected during the preceding month under
2870 the provisions of this chapter, except that collected under the
2871 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
2872 business activities on the campus of a state institution of higher
2873 learning or community or junior college whose campus is not
2874 located within the corporate limits of a municipality, shall be

2875 allocated for distribution to the state institution of higher
2876 learning or community or junior college and paid to the state
2877 institution of higher learning or community or junior college.

2878 (2) On or before September 15, 1987, and each succeeding
2879 month thereafter, from the revenue collected under this chapter
2880 during the preceding month, One Million One Hundred Twenty-five
2881 Thousand Dollars (\$1,125,000.00) shall be allocated for
2882 distribution to municipal corporations as defined under subsection
2883 (1) of this section in the proportion that the number of gallons
2884 of gasoline and diesel fuel sold by distributors to consumers and
2885 retailers in each such municipality during the preceding fiscal
2886 year bears to the total gallons of gasoline and diesel fuel sold
2887 by distributors to consumers and retailers in municipalities
2888 statewide during the preceding fiscal year. The State Tax
2889 Commission shall require all distributors of gasoline and diesel
2890 fuel to report to the commission monthly the total number of
2891 gallons of gasoline and diesel fuel sold by them to consumers and
2892 retailers in each municipality during the preceding month. The
2893 State Tax Commission shall have the authority to promulgate such
2894 rules and regulations as is necessary to determine the number of
2895 gallons of gasoline and diesel fuel sold by distributors to
2896 consumers and retailers in each municipality. In determining the
2897 percentage allocation of funds under this subsection for the
2898 fiscal year beginning July 1, 1987, and ending June 30, 1988, the
2899 State Tax Commission may consider gallons of gasoline and diesel
2900 fuel sold for a period of less than one (1) fiscal year. For the
2901 purposes of this subsection, the term "fiscal year" means the
2902 fiscal year beginning July 1 of a year.

2903 (3) On or before September 15, 1987, and on or before the
2904 fifteenth day of each succeeding month, until the date specified
2905 in Section 65-39-35, the proceeds derived from contractors' taxes
2906 levied under Section 27-65-21 on contracts for the construction or
2907 reconstruction of highways designated under the highway program

2908 created under Section 65-3-97 shall, except as otherwise provided
2909 in Section 31-17-127, be deposited into the State Treasury to the
2910 credit of the State Highway Fund to be used to fund that highway
2911 program. The Mississippi Department of Transportation shall
2912 provide to the State Tax Commission such information as is
2913 necessary to determine the amount of proceeds to be distributed
2914 under this subsection.

2915 (4) On or before August 15, 1994, and on or before the
2916 fifteenth day of each succeeding month through July 15, 1999, from
2917 the proceeds of gasoline, diesel fuel or kerosene taxes as
2918 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
2919 (\$4,000,000.00) shall be deposited in the State Treasury to the
2920 credit of a special fund designated as the "State Aid Road Fund,"
2921 created by Section 65-9-17. On or before August 15, 1999, and on
2922 or before the fifteenth day of each succeeding month, from the
2923 total amount of the proceeds of gasoline, diesel fuel or kerosene
2924 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
2925 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
2926 one-fourth percent (23-1/4%) of those funds, whichever is the
2927 greater amount, shall be deposited in the State Treasury to the
2928 credit of the "State Aid Road Fund," created by Section 65-9-17.
2929 Those funds shall be pledged to pay the principal of and interest
2930 on state aid road bonds heretofore issued under Sections 19-9-51
2931 through 19-9-77, in lieu of and in substitution for the funds
2932 previously allocated to counties under this section. Those funds
2933 may not be pledged for the payment of any state aid road bonds
2934 issued after April 1, 1981; however, this prohibition against the
2935 pledging of any such funds for the payment of bonds shall not
2936 apply to any bonds for which intent to issue those bonds has been
2937 published, for the first time, as provided by law before March 29,
2938 1981. From the amount of taxes paid into the special fund under
2939 this subsection and subsection (9) of this section, there shall be
2940 first deducted and paid the amount necessary to pay the expenses

2941 of the Office of State Aid Road Construction, as authorized by the
2942 Legislature for all other general and special fund agencies. The
2943 remainder of the fund shall be allocated monthly to the several
2944 counties in accordance with the following formula:

2945 (a) One-third (1/3) shall be allocated to all counties
2946 in equal shares;

2947 (b) One-third (1/3) shall be allocated to counties
2948 based on the proportion that the total number of rural road miles
2949 in a county bears to the total number of rural road miles in all
2950 counties of the state; and

2951 (c) One-third (1/3) shall be allocated to counties
2952 based on the proportion that the rural population of the county
2953 bears to the total rural population in all counties of the state,
2954 according to the latest federal decennial census.

2955 For the purposes of this subsection, the term "gasoline,
2956 diesel fuel or kerosene taxes" means such taxes as defined in
2957 paragraph (f) of Section 27-5-101.

2958 The amount of funds allocated to any county under this
2959 subsection for any fiscal year after fiscal year 1994 shall not be
2960 less than the amount allocated to the county for fiscal year 1994.

2961 Any reference in the general laws of this state or the
2962 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
2963 construed to refer and apply to subsection (4) of Section
2964 27-65-75.

2965 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
2966 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
2967 the special fund known as the "State Public School Building Fund"
2968 created and existing under the provisions of Sections 37-47-1
2969 through 37-47-67. Those payments into that fund are to be made on
2970 the last day of each succeeding month hereafter.

2971 (6) An amount each month beginning August 15, 1983, through
2972 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
2973 of 1983, shall be paid into the special fund known as the

2974 Correctional Facilities Construction Fund created in Section 6 of
2975 Chapter 542, Laws of 1983.

2976 (7) On or before August 15, 1992, and each succeeding month
2977 thereafter through July 15, 2000, two and two hundred sixty-six
2978 one-thousandths percent (2.266%) of the total sales tax revenue
2979 collected during the preceding month under the provisions of this
2980 chapter, except that collected under the provisions of Section
2981 27-65-17(2) shall be deposited by the commission into the School
2982 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
2983 or before August 15, 2000, and each succeeding month thereafter,
2984 two and two hundred sixty-six one-thousandths percent (2.266%) of
2985 the total sales tax revenue collected during the preceding month
2986 under the provisions of this chapter, except that collected under
2987 the provisions of Section 27-65-17(2), shall be deposited into the
2988 School Ad Valorem Tax Reduction Fund created under Section
2989 37-61-35 until such time that the total amount deposited into the
2990 fund during a fiscal year equals Forty-two Million Dollars
2991 (\$42,000,000.00). Thereafter, the amounts diverted under this
2992 subsection (7) during the fiscal year in excess of Forty-two
2993 Million Dollars (\$42,000,000.00) shall be deposited into the
2994 Education Enhancement Fund created under Section 37-61-33 for
2995 appropriation by the Legislature as other education needs and
2996 shall not be subject to the percentage appropriation requirements
2997 set forth in Section 37-61-33.

2998 (8) On or before August 15, 1992, and each succeeding month
2999 thereafter, nine and seventy-three one-thousandths percent
3000 (9.073%) of the total sales tax revenue collected during the
3001 preceding month under the provisions of this chapter, except that
3002 collected under the provisions of Section 27-65-17(2), shall be
3003 deposited into the Education Enhancement Fund created under
3004 Section 37-61-33.

3005 (9) On or before August 15, 1994, and each succeeding month
3006 thereafter, from the revenue collected under this chapter during

3007 the preceding month, Two Hundred Fifty Thousand Dollars
3008 (\$250,000.00) shall be paid into the State Aid Road Fund.

3009 (10) On or before August 15, 1994, and each succeeding month
3010 thereafter through August 15, 1995, from the revenue collected
3011 under this chapter during the preceding month, Two Million Dollars
3012 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
3013 Valorem Tax Reduction Fund established in Section 27-51-105.

3014 (11) Notwithstanding any other provision of this section to
3015 the contrary, on or before February 15, 1995, and each succeeding
3016 month thereafter, the sales tax revenue collected during the
3017 preceding month under the provisions of Section 27-65-17(2) and
3018 the corresponding levy in Section 27-65-23 on the rental or lease
3019 of private carriers of passengers and light carriers of property
3020 as defined in Section 27-51-101 shall be deposited, without
3021 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
3022 established in Section 27-51-105.

3023 (12) Notwithstanding any other provision of this section to
3024 the contrary, on or before August 15, 1995, and each succeeding
3025 month thereafter, the sales tax revenue collected during the
3026 preceding month under the provisions of Section 27-65-17(1) on
3027 retail sales of private carriers of passengers and light carriers
3028 of property, as defined in Section 27-51-101 and the corresponding
3029 levy in Section 27-65-23 on the rental or lease of these vehicles,
3030 shall be deposited, after diversion, into the Motor Vehicle Ad
3031 Valorem Tax Reduction Fund established in Section 27-51-105.

3032 (13) On or before July 15, 1994, and on or before the
3033 fifteenth day of each succeeding month thereafter, that portion of
3034 the avails of the tax imposed in Section 27-65-22 that is derived
3035 from activities held on the Mississippi State Fairgrounds Complex,
3036 shall be paid into a special fund that is created in the State
3037 Treasury and shall be expended upon legislative appropriation
3038 solely to defray the costs of repairs and renovation at the Trade
3039 Mart and Coliseum.

3040 (14) On or before August 15, 1998, and each succeeding month
3041 thereafter through July 15, 2005, that portion of the avails of
3042 the tax imposed in Section 27-65-23 that is derived from sales by
3043 cotton compresses or cotton warehouses and that would otherwise be
3044 paid into the General Fund, shall be deposited in an amount not to
3045 exceed Two Million Dollars (\$2,000,000.00) into the special fund
3046 created under Section 69-37-39. On or before August 15, 2007, and
3047 each succeeding month thereafter, that portion of the avails of
3048 the tax imposed in Section 27-65-23 that is derived from sales by
3049 cotton compresses or cotton warehouses and that would otherwise be
3050 paid into the General Fund, shall be deposited in an amount not to
3051 exceed Two Million Dollars (\$2,000,000.00) into the special fund
3052 created under Section 69-37-39 until all debts or other
3053 obligations incurred by the Certified Cotton Growers Organization
3054 under the Mississippi Boll Weevil Management Act before January 1,
3055 2007, are satisfied in full.

3056 (15) Notwithstanding any other provision of this section to
3057 the contrary, on or before September 15, 2000, and each succeeding
3058 month thereafter, the sales tax revenue collected during the
3059 preceding month under the provisions of Section 27-65-19(1)(f) and
3060 (g)(i)2, shall be deposited, without diversion, into the
3061 Telecommunications Ad Valorem Tax Reduction Fund established in
3062 Section 27-38-7.

3063 (16) (a) On or before August 15, 2000, and each succeeding
3064 month thereafter, the sales tax revenue collected during the
3065 preceding month under the provisions of this chapter on the gross
3066 proceeds of sales of a project as defined in Section 57-30-1 shall
3067 be deposited, after all diversions except the diversion provided
3068 for in subsection (1) of this section, into the Sales Tax
3069 Incentive Fund created in Section 57-30-3.

3070 (b) On or before August 15, 2007, and each succeeding
3071 month thereafter, eighty percent (80%) of the sales tax revenue
3072 collected during the preceding month under the provisions of this

3073 chapter from the operation of a tourism project under the
3074 provisions of Sections 1 through 3 of House Bill No. 1142, 2007
3075 Regular Session, shall be deposited, after the diversions required
3076 in subsections (7) and (8) of this section, into the Tourism
3077 Project Sales Tax Incentive Fund created in Section 2 of House
3078 Bill No. 1142, 2007 Regular Session.

3079 (17) Notwithstanding any other provision of this section to
3080 the contrary, on or before April 15, 2002, and each succeeding
3081 month thereafter, the sales tax revenue collected during the
3082 preceding month under Section 27-65-23 on sales of parking
3083 services of parking garages and lots at airports shall be
3084 deposited, without diversion, into the special fund created under
3085 Section 27-5-101(d).

3086 (18) On or before August 15, 2007, and each succeeding month
3087 thereafter through July 15, 2008, from the sales tax revenue
3088 collected during the preceding month under the provisions of this
3089 chapter, Two Million Five Hundred Thousand Dollars (\$2,500,000.00)
3090 shall be deposited into the Special Funds Transfer Fund created in
3091 Section 4 of Chapter 556, Laws of 2003. This subsection shall
3092 stand repealed from and after the effective date of Senate Bill
3093 No. 2001, 2007 First Extraordinary Session.

3094 (19) (a) On or before August 15, 2005, and each succeeding
3095 month thereafter, the sales tax revenue collected during the
3096 preceding month under the provisions of this chapter on the gross
3097 proceeds of sales of a business enterprise located within a
3098 redevelopment project area under the provisions of Sections
3099 57-91-1 through 57-91-11, and the revenue collected on the gross
3100 proceeds of sales from sales made to a business enterprise located
3101 in a redevelopment project area under the provisions of Sections
3102 57-91-1 through 57-91-11 (provided that such sales made to a
3103 business enterprise are made on the premises of the business
3104 enterprise), shall, except as otherwise provided in this
3105 subsection (19), be deposited, after all diversions, into the

3106 Redevelopment Project Incentive Fund as created in Section
3107 57-91-9.

3108 (b) For a municipality participating in the Economic
3109 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
3110 the diversion provided for in subsection (1) of this section
3111 attributable to the gross proceeds of sales of a business
3112 enterprise located within a redevelopment project area under the
3113 provisions of Sections 57-91-1 through 57-91-11, and attributable
3114 to the gross proceeds of sales from sales made to a business
3115 enterprise located in a redevelopment project area under the
3116 provisions of Sections 57-91-1 through 57-91-11 (provided that
3117 such sales made to a business enterprise are made on the premises
3118 of the business enterprise), shall be deposited into the
3119 Redevelopment Project Incentive Fund as created in Section
3120 57-91-9, as follows:

3121 (i) For the first six (6) years in which payments
3122 are made to a developer from the Redevelopment Project Incentive
3123 Fund, one hundred percent (100%) of the diversion shall be
3124 deposited into the fund;

3125 (ii) For the seventh year in which such payments
3126 are made to a developer from the Redevelopment Project Incentive
3127 Fund, eighty percent (80%) of the diversion shall be deposited
3128 into the fund;

3129 (iii) For the eighth year in which such payments
3130 are made to a developer from the Redevelopment Project Incentive
3131 Fund, seventy percent (70%) of the diversion shall be deposited
3132 into the fund;

3133 (iv) For the ninth year in which such payments are
3134 made to a developer from the Redevelopment Project Incentive Fund,
3135 sixty percent (60%) of the diversion shall be deposited into the
3136 fund; and

3137 (v) For the tenth year in which such payments are
3138 made to a developer from the Redevelopment Project Incentive Fund,
3139 fifty percent (50%) of the funds shall be deposited into the fund.

3140 (20) On or before January 15, 2007, and each succeeding
3141 month thereafter, eighty percent (80%) of the sales tax revenue
3142 collected during the preceding month under the provisions of this
3143 chapter from the operation of a tourism project under the
3144 provisions of Sections 57-28-1 through 57-28-5, shall be
3145 deposited, after the diversions required in subsections (7) and
3146 (8) of this section, into the Tourism Sales Tax Incentive Fund
3147 created in Section 57-28-3.

3148 (21) On or before April 15, 2007, and each succeeding month
3149 thereafter, One Hundred Fifty Thousand Dollars (\$150,000.00) of
3150 the sales tax revenue collected during the preceding month under
3151 the provisions of this chapter shall be deposited into the MMEIA
3152 Tax Incentive Fund created in Section 24 of Senate Bill No. 3215,
3153 2007 Regular Session.

3154 (22) The remainder of the amounts collected under the
3155 provisions of this chapter shall be paid into the State Treasury
3156 to the credit of the General Fund.

3157 (23) It shall be the duty of the municipal officials of any
3158 municipality that expands its limits, or of any community that
3159 incorporates as a municipality, to notify the commissioner of that
3160 action thirty (30) days before the effective date. Failure to so
3161 notify the commissioner shall cause the municipality to forfeit
3162 the revenue that it would have been entitled to receive during
3163 this period of time when the commissioner had no knowledge of the
3164 action. If any funds have been erroneously disbursed to any
3165 municipality or any overpayment of tax is recovered by the
3166 taxpayer, the commissioner may make correction and adjust the
3167 error or overpayment with the municipality by withholding the
3168 necessary funds from any later payment to be made to the
3169 municipality.

3170 **SECTION 17.** This act shall take effect and be in force from
3171 and after its passage.