

By: Senator(s) Blackwell, Barnett, Butler  
(36th), Butler (38th), DeLano, Hickman,  
Horhn, Jackson (11th), Simmons (12th),  
Simmons (13th)

To: Public Health and  
Welfare

SENATE BILL NO. 2095  
(As Passed the Senate)

1 AN ACT TO ENACT THE MISSISSIPPI MEDICAL CANNABIS ACT; TO  
2 AUTHORIZE MEDICAL CANNABIS USE BY CERTAIN PATIENTS WHO HAVE  
3 DEBILITATING MEDICAL CONDITIONS; TO REQUIRE A PATIENT TO RECEIVE A  
4 WRITTEN CERTIFICATION FROM A QUALIFIED PRACTITIONER TO QUALIFY FOR  
5 A REGISTRY IDENTIFICATION CARD FOR THE USE OF MEDICAL CANNABIS; TO  
6 PROVIDE FOR THE PROCESS BY WHICH A PATIENT MAY REGISTER AS A  
7 CARDHOLDER FOR THE USE OF MEDICAL CANNABIS; TO PROVIDE CERTAIN  
8 PROTECTIONS TO PATIENTS, CAREGIVERS, MEDICAL PROVIDERS AND MEDICAL  
9 CANNABIS ESTABLISHMENTS FOR THE MEDICAL USE OF CANNABIS; TO  
10 PROVIDE FOR THE ALLOWABLE AMOUNT OF MEDICAL CANNABIS BY A  
11 QUALIFIED PATIENT; TO PROVIDE THAT THE STATE DEPARTMENT OF HEALTH  
12 WILL ISSUE REGISTRY IDENTIFICATION CARDS TO QUALIFYING PATIENTS  
13 AND REGISTRATIONS TO QUALIFYING FACILITIES; TO PROVIDE FOR THE  
14 LICENSING OF CANNABIS RESEARCH FACILITIES, TESTING FACILITIES,  
15 TRANSPORTATION ENTITIES AND PROCESSING FACILITIES; TO ALLOW FOR A  
16 DEDUCTION FROM INCOME TAXES FOR ALL OF THE ORDINARY AND NECESSARY  
17 EXPENSES PAID OR INCURRED DURING THE TAXABLE YEAR IN CARRYING ON A  
18 BUSINESS AS A MEDICAL CANNABIS ESTABLISHMENT; TO PROVIDE THAT THE  
19 MISSISSIPPI DEPARTMENT OF HEALTH SHALL HAVE THE ULTIMATE AUTHORITY  
20 FOR OVERSIGHT OF THE ADMINISTRATION OF THE MEDICAL CANNABIS  
21 PROGRAM; TO REQUIRE THE DEPARTMENT OF HEALTH TO DELEGATE THE  
22 RESPONSIBILITIES FOR INSPECTION, REGULATION AND ENFORCEMENT OF  
23 CANNABIS CULTIVATION FACILITIES, CANNABIS PROCESSING FACILITIES,  
24 CANNABIS TRANSPORTATION ENTITIES AND CANNABIS DISPOSAL ENTITIES TO  
25 THE MISSISSIPPI DEPARTMENT OF AGRICULTURE AND COMMERCE; TO PROVIDE  
26 THAT THE DEPARTMENT OF HEALTH SHALL LICENSE THESE ENTITIES,  
27 CANNABIS TESTING FACILITIES AND CANNABIS RESEARCH FACILITIES; TO  
28 REQUIRE THE DEPARTMENT OF HEALTH TO REGISTER QUALIFIED  
29 PRACTITIONERS AND GRANT REGISTRY IDENTIFICATION CARDS TO QUALIFIED  
30 PATIENTS AND DESIGNATED CAREGIVERS; TO PROVIDE FOR A STATEWIDE  
31 SEED-TO-SALE TRACKING SYSTEM; TO PROVIDE FOR DEADLINES FOR THE  
32 IMPLEMENTATION OF THE PROGRAM; TO PROVIDE FOR CERTAIN LIMITATIONS  
33 OF THE APPLICATION OF THE ACT; TO PROVIDE THAT THE ACT DOES NOT  
34 AUTHORIZE ANY INDIVIDUAL TO ENGAGE IN NOR PREVENT THE IMPOSITION



35 OF ANY CIVIL, CRIMINAL OR OTHER PENALTIES FOR CERTAIN ACTS RELATED  
36 TO THE USE OF MEDICAL CANNABIS; TO PROVIDE THAT CERTAIN  
37 DISCRIMINATORY ACTS AGAINST MEDICAL CANNABIS CARDHOLDERS ARE  
38 PROHIBITED; TO PROVIDE FOR PROCESS OF THE ADDITION OF DEBILITATING  
39 MEDICAL CONDITIONS BY THE DEPARTMENT OF HEALTH; TO PROVIDE THAT  
40 NOTHING IN THE ACT PROHIBITS AN EMPLOYER FROM DISCIPLINING AN  
41 EMPLOYEE FOR INGESTING MEDICAL CANNABIS IN THE WORKPLACE OR FOR  
42 WORKING WHILE UNDER THE INFLUENCE OF MEDICAL CANNABIS; TO PROVIDE  
43 THAT NOTHING IN THE ACT REQUIRES A GOVERNMENT MEDICAL ASSISTANCE  
44 PROGRAM OR PRIVATE INSURER TO REIMBURSE A PERSON FOR COSTS  
45 ASSOCIATED WITH THE MEDICAL USE OF MEDICAL CANNABIS; TO REQUIRE  
46 THE DEPARTMENT OF HEALTH, DEPARTMENT OF AGRICULTURE AND COMMERCE  
47 AND THE DEPARTMENT OF REVENUE TO PROVIDE ANNUAL REPORTS TO THE  
48 GOVERNOR AND CERTAIN MEMBERS OF THE LEGISLATURE; TO REQUIRE THE  
49 DEPARTMENT OF HEALTH TO MAINTAIN A CONFIDENTIAL LIST OF REGISTRY  
50 IDENTIFICATION CARDS; TO REQUIRE CERTAIN NOTIFICATIONS FROM  
51 QUALIFYING PATIENTS; TO PROVIDE FOR THE FEES FOR LICENSES OF  
52 MEDICAL CANNABIS ESTABLISHMENTS; TO ALLOW MUNICIPALITIES AND  
53 COUNTIES TO ENACT ORDINANCES OR REGULATIONS NOT IN CONFLICT WITH  
54 THE ACT; TO PROHIBIT MEDICAL CANNABIS ESTABLISHMENTS FROM BEING  
55 LOCATED WITHIN 1,000 FEET OF THE NEAREST BOUNDARY LINE OF ANY  
56 SCHOOL, CHURCH OR CHILD CARE FACILITY UNLESS IT HAS RECEIVED A  
57 WAIVER; TO PROVIDE CERTAIN REQUIREMENTS, PROHIBITIONS AND  
58 PENALTIES FOR MEDICAL CANNABIS ESTABLISHMENTS; TO PROVIDE THAT NO  
59 MEDICAL CANNABIS ESTABLISHMENT SHALL SELL CANNABIS FLOWER OR TRIM  
60 THAT HAS A POTENCY OF GREATER THAN 30% TOTAL THC; TO REQUIRE ALL  
61 MEDICAL CANNABIS PRODUCTS TO CONTAIN A NOTICE OF HARM REGARDING  
62 THE USE OF MEDICAL CANNABIS; TO PROVIDE FOR THE WEEKLY AND MONTHLY  
63 ALLOWABLE AMOUNT OF MEDICAL CANNABIS; TO PROVIDE THE POSSESSION  
64 LIMIT OF MEDICAL CANNABIS FOR RESIDENT AND NONRESIDENT  
65 CARDHOLDERS; TO REQUIRE THE DEPARTMENT OF HEALTH, DEPARTMENT OF  
66 AGRICULTURE AND COMMERCE AND THE DEPARTMENT OF REVENUE TO  
67 ESTABLISH AND PROMULGATE RULES AND REGULATIONS RELATING TO THE  
68 PROGRAM; TO ESTABLISH VIOLATIONS RELATED TO THE USE OF MEDICAL  
69 CANNABIS AND THE PROGRAM; TO PROVIDE FOR FINES, SUSPENSIONS AND  
70 REVOCATIONS FOR VIOLATIONS OF THE ACT; TO PROVIDE THAT BANKS SHALL  
71 NOT BE HELD LIABLE FOR PROVIDING FINANCIAL SERVICES TO A MEDICAL  
72 CANNABIS ESTABLISHMENT; TO IMPOSE AN EXCISE TAX ON MEDICAL  
73 CANNABIS CULTIVATION FACILITIES AT A RATE OF 5% OF THE SALE PRICE  
74 OF CANNABIS TRIM OR CANNABIS FLOWER; TO REQUIRE DISPENSARIES TO  
75 COLLECT AND REMIT THE SALES TAX LEVIED IN SECTION 27-65-17(1) (a)  
76 FROM THE GROSS PROCEEDS OF EACH SALE OF MEDICAL CANNABIS; TO ALLOW  
77 THE GOVERNING AUTHORITIES OF MUNICIPALITIES AND BOARD OF  
78 SUPERVISORS OF COUNTIES TO OPT OUT OF ALLOWING THE PROCESSING,  
79 SALE AND DISTRIBUTION OF MEDICAL CANNABIS WITHIN 90 DAYS AFTER THE  
80 EFFECTIVE DATE OF THE ACT; TO PROVIDE FOR THE REFERENDUM PROCESS  
81 FOR A MUNICIPALITY OR COUNTY TO OPT INTO ALLOWING THE CULTIVATION,  
82 PROCESSING, SALE AND DISTRIBUTION OF MEDICAL CANNABIS IN A  
83 MUNICIPALITY OR COUNTY THAT HAS OPTED OUT; TO PROVIDE FOR THE  
84 JUDICIAL REVIEW FOR THOSE AGGRIEVED BY A FINAL DECISION OR ORDER  
85 RELATED TO THE MEDICAL CANNABIS PROGRAM; TO REQUIRE ALL FINES AND



86 FEES COLLECTED BY THE DEPARTMENT OF HEALTH AND DEPARTMENT OF  
87 REVENUE TO BE DEPOSITED INTO THE STATE GENERAL FUND; TO ESTABLISH  
88 A MEDICAL CANNABIS ADVISORY COMMITTEE; TO AMEND SECTION 25-53-5,  
89 MISSISSIPPI CODE OF 1972, TO TEMPORARILY EXEMPT ACQUISITIONS OF  
90 INFORMATION TECHNOLOGY EQUIPMENT AND SERVICES MADE BY THE  
91 MISSISSIPPI DEPARTMENT OF AGRICULTURE AND COMMERCE, THE  
92 MISSISSIPPI DEPARTMENT OF HEALTH AND THE MISSISSIPPI DEPARTMENT OF  
93 REVENUE FOR THE PURPOSES OF IMPLEMENTING, ADMINISTERING AND  
94 ENFORCING THE PROVISIONS OF THE MISSISSIPPI MEDICAL CANNABIS ACT,  
95 FROM MISSISSIPPI DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES  
96 PROCUREMENT LAWS, RULES, AND REGULATIONS; TO AMEND SECTION  
97 27-104-203, MISSISSIPPI CODE OF 1972, TO AUTHORIZE GRANTS,  
98 CONTRACTS, PASS-THROUGH FUNDS, PROJECT FEES OR CHARGES FOR  
99 SERVICES BETWEEN THE STATE DEPARTMENT OF HEALTH, STATE DEPARTMENT  
100 OF AGRICULTURE AND COMMERCE, STATE DEPARTMENT OF REVENUE, AND  
101 OTHER STATE AGENCIES OR ENTITIES FOR THE OPERATION OF THE MEDICAL  
102 MARIJUANA PROGRAM ESTABLISHED UNDER THIS ACT; TO AMEND SECTION  
103 37-11-29, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE TERM  
104 CONTROLLED SUBSTANCE SHALL NOT INCLUDE THE POSSESSION OR USE OF  
105 MEDICAL CANNABIS THAT IS LAWFUL UNDER THIS ACT; TO AMEND SECTIONS  
106 27-7-17, 27-65-111, 33-13-520, 41-29-125, 41-29-127, 41-29-136,  
107 41-29-137, 41-29-139; 41-29-141, 41-29-143, 43-21-301, 43-21-303,  
108 45-9-101, 59-23-7, 63-11-30, 71-3-7, 71-3-121, 73-15-29, 73-19-23,  
109 73-21-127, 73-25-29 AND 83-9-22, MISSISSIPPI CODE OF 1972, TO  
110 CONFORM TO THE PROVISIONS OF THIS ACT; TO BRING FORWARD SECTIONS  
111 17-1-3, 19-5-9, 25-43-1.103, 25-43-2.101, 25-43-3.102,  
112 25-43-3.103, 25-43-3.104, 25-43-3.105, 25-43-3.106, 25-43-3.107,  
113 25-43-3.109, 25-43-3.110 AND 25-43-3.113, MISSISSIPPI CODE OF  
114 1972, WHICH ARE SECTIONS OF THE MISSISSIPPI ADMINISTRATIVE  
115 PROCEDURES LAW AND THE PROVISIONS RELATING TO THE ADOPTION OF  
116 BUILDING CODES IN COUNTIES, FOR THE PURPOSES OF POSSIBLE  
117 AMENDMENT; TO AMEND SECTION 25-43-3.108, MISSISSIPPI CODE OF 1972,  
118 TO MAKE SOME MINOR NONSUBSTANTIVE CHANGES; TO BRING FORWARD  
119 SECTION 41-3-15, MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR  
120 POWERS AND DUTIES OF THE STATE BOARD OF HEALTH, FOR THE PURPOSES  
121 OF POSSIBLE AMENDMENT; TO AMEND SECTIONS 27-7-22.5 AND 27-7-22.30,  
122 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT MEDICAL CANNABIS  
123 ESTABLISHMENTS ARE NOT ELIGIBLE FOR CERTAIN INCOME TAX CREDITS  
124 AUTHORIZED BY SUCH SECTIONS; TO AMEND SECTIONS 27-31-51 AND  
125 27-31-53, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT PERSONAL  
126 PROPERTY OF MEDICAL CANNABIS ESTABLISHMENTS IS NOT ELIGIBLE FOR  
127 FREEPORT WAREHOUSE AD VALOREM TAX EXEMPTIONS; TO AMEND SECTIONS  
128 27-31-101 AND 27-31-104, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT  
129 COUNTY BOARDS OF SUPERVISORS AND MUNICIPAL AUTHORITIES CANNOT  
130 GRANT CERTAIN AD VALOREM TAX EXEMPTIONS FOR MEDICAL CANNABIS  
131 ESTABLISHMENTS OR ENTER INTO FEE-IN-LIEU OF AD VALOREM TAX  
132 AGREEMENTS WITH MEDICAL CANNABIS ESTABLISHMENTS; TO AMEND SECTION  
133 27-65-17, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT MEDICAL  
134 CANNABIS ESTABLISHMENTS ARE NOT CONSIDERED TO BE TECHNOLOGY  
135 INTENSIVE ENTERPRISES FOR PURPOSES OF THE REDUCED SALES TAX RATE  
136 AUTHORIZED FOR SALES OF MACHINERY AND MACHINE PARTS TO TECHNOLOGY



137 INTENSIVE ENTERPRISES; TO AMEND SECTION 27-65-101, MISSISSIPPI  
138 CODE OF 1972, TO PROVIDE THAT CERTAIN INDUSTRIAL SALES TAX  
139 EXEMPTIONS DO NOT APPLY TO SALES TO MEDICAL CANNABIS  
140 ESTABLISHMENTS; TO AMEND SECTION 37-148-3, MISSISSIPPI CODE OF  
141 1972, TO EXCLUDE MEDICAL CANNABIS ESTABLISHMENTS FROM THE  
142 DEFINITION OF THE TERM "INVESTOR" UNDER THE STRENGTHENING  
143 MISSISSIPPI ACADEMIC RESEARCH THROUGH BUSINESS ACT; TO AMEND  
144 SECTION 57-1-16, MISSISSIPPI CODE OF 1972, TO EXCLUDE MEDICAL  
145 CANNABIS ESTABLISHMENTS FROM THE DEFINITION OF THE TERM  
146 "EXTRAORDINARY ECONOMIC DEVELOPMENT OPPORTUNITY" FOR PURPOSES OF  
147 THE ACE FUND; TO AMEND SECTION 57-1-221, MISSISSIPPI CODE OF 1972,  
148 TO EXCLUDE MEDICAL CANNABIS ESTABLISHMENTS FROM THE DEFINITION OF  
149 THE TERM "PROJECT" FOR PURPOSES OF THE MISSISSIPPI INDUSTRY  
150 INCENTIVE FINANCING REVOLVING FUND; TO AMEND SECTION 57-10-401,  
151 MISSISSIPPI CODE OF 1972, TO EXCLUDE MEDICAL CANNABIS  
152 ESTABLISHMENTS FROM THE DEFINITION OF THE TERM "ELIGIBLE COMPANY"  
153 FOR PURPOSES OF THE SECTIONS OF LAW THAT PROVIDE FOR THE ISSUANCE  
154 OF BONDS BY THE MISSISSIPPI BUSINESS FINANCE CORPORATION TO  
155 FINANCE ECONOMIC DEVELOPMENT PROJECTS IN ORDER TO INDUCE THE  
156 LOCATION OR EXPANSION OF CERTAIN BUSINESSES WITHIN THIS STATE; TO  
157 AMEND SECTION 57-61-5, MISSISSIPPI CODE OF 1972, TO EXCLUDE  
158 MEDICAL CANNABIS ESTABLISHMENTS FROM THE DEFINITION OF THE TERM  
159 "PRIVATE COMPANY" UNDER THE MISSISSIPPI BUSINESS INVESTMENT ACT;  
160 TO AMEND SECTION 57-62-5, MISSISSIPPI CODE OF 1972, TO EXCLUDE  
161 MEDICAL CANNABIS ESTABLISHMENTS FROM THE DEFINITION OF THE TERM  
162 "QUALIFIED BUSINESS OR INDUSTRY" UNDER THE MISSISSIPPI ADVANTAGE  
163 JOBS ACT; TO AMEND SECTION 57-69-3, MISSISSIPPI CODE OF 1972, TO  
164 EXCLUDE MEDICAL CANNABIS ESTABLISHMENTS FROM THE DEFINITION OF THE  
165 TERMS "MINORITY BUSINESS ENTERPRISE" AND "MINORITY BUSINESS  
166 ENTERPRISE SUPPLIER" UNDER THE MISSISSIPPI MINORITY BUSINESS  
167 ENTERPRISE ACT; TO AMEND SECTION 57-71-5, MISSISSIPPI CODE OF  
168 1972, TO EXCLUDE MEDICAL CANNABIS ESTABLISHMENTS FROM THE  
169 DEFINITION OF PRIVATE COMPANY; TO AMEND SECTION 57-73-21,  
170 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT MEDICAL CANNABIS  
171 ESTABLISHMENTS ARE NOT ELIGIBLE FOR CERTAIN INCOME TAX CREDITS  
172 AUTHORIZED BY SUCH SECTION; TO AMEND SECTION 57-80-5, MISSISSIPPI  
173 CODE OF 1972, TO EXCLUDE MEDICAL CANNABIS ESTABLISHMENTS FROM THE  
174 DEFINITION OF THE TERM "BUSINESS ENTERPRISE" UNDER THE GROWTH AND  
175 PROSPERITY ACT; TO AMEND SECTION 57-85-5, MISSISSIPPI CODE OF  
176 1972, TO EXCLUDE MEDICAL CANNABIS ESTABLISHMENTS FROM THE  
177 DEFINITION OF THE TERMS "PROJECT" AND "RURAL BUSINESS" UNDER THE  
178 MISSISSIPPI RURAL IMPACT ACT; TO AMEND SECTION 57-91-5,  
179 MISSISSIPPI CODE OF 1972, TO EXCLUDE MEDICAL CANNABIS  
180 ESTABLISHMENTS FROM THE DEFINITION OF THE TERM "BUSINESS  
181 ENTERPRISE" UNDER THE ECONOMIC REDEVELOPMENT ACT; TO AMEND SECTION  
182 57-117-3, MISSISSIPPI CODE OF 1972, TO EXCLUDE MEDICAL CANNABIS  
183 ESTABLISHMENTS FROM THE DEFINITION OF THE TERMS "HEALTH CARE  
184 INDUSTRY FACILITY" AND "QUALIFIED BUSINESS" UNDER THE MISSISSIPPI  
185 HEALTH CARE INDUSTRY ZONE ACT; TO AMEND SECTION 57-119-11,  
186 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE MISSISSIPPI  
187 DEVELOPMENT AUTHORITY SHALL NOT PROVIDE FINANCIAL ASSISTANCE FROM



188 THE GULF COAST RESTORATION FUND FOR PROJECTS THAT ARE MEDICAL  
189 CANNABIS ESTABLISHMENTS OR PROJECTS RELATED TO MEDICAL CANNABIS  
190 ESTABLISHMENTS; TO AMEND SECTION 65-4-5, MISSISSIPPI CODE OF 1972,  
191 TO EXCLUDE MEDICAL CANNABIS ESTABLISHMENTS FROM THE DEFINITION OF  
192 THE TERMS "HIGH ECONOMIC BENEFIT PROJECT" AND "PRIVATE COMPANY"  
193 UNDER THE ECONOMIC DEVELOPMENT HIGHWAY ACT; TO AMEND SECTIONS  
194 69-2-11 AND 69-2-13, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE  
195 MISSISSIPPI DEVELOPMENT AUTHORITY SHALL NOT PROVIDE FINANCIAL  
196 ASSISTANCE TO MEDICAL CANNABIS ESTABLISHMENTS UNDER THE  
197 MISSISSIPPI FARM REFORM ACT OF 1987; AND FOR RELATED PURPOSES.

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

199 **SECTION 1. Title.** This chapter shall be known and may be  
200 cited as the "Mississippi Medical Cannabis Act."

201 **SECTION 2. Definitions.** For purposes of this chapter,  
202 unless the context requires otherwise, the following terms shall  
203 have the meanings ascribed herein:

204 (a) "Allowable amount of medical cannabis" means an  
205 amount not to exceed the maximum amount of Mississippi Medical  
206 Cannabis Equivalency Units ("MMCEU").

207 (b) "Bona fide practitioner-patient relationship"  
208 means:

209 (i) A practitioner and patient have a treatment or  
210 consulting relationship, during the course of which the  
211 practitioner, within his or her scope of practice, has completed  
212 an in-person assessment of the patient's medical history and  
213 current mental health and medical condition and has documented  
214 their certification in the patient's medical file;

215 (ii) The practitioner has consulted in person with  
216 the patient with respect to the patient's debilitating medical  
217 condition; and



218 (iii) The practitioner is available to or offers  
219 to provide follow-up care and treatment to the patient.

220 (c) "Cannabis" means all parts of the plant of the  
221 genus cannabis, the flower, the seeds thereof, the resin extracted  
222 from any part of the plant and every compound, manufacture, salt,  
223 derivative, mixture or preparation of the plant, its seeds or its  
224 resin, including whole plant extracts. Such term shall not mean  
225 cannabis derived drug products approved by the federal Food and  
226 Drug Administration under Section 505 of the Federal Food, Drug,  
227 and Cosmetic Act.

228 (d) "Cannabis cultivation facility" means a business  
229 entity licensed and registered by the Mississippi Department of  
230 Health that acquires, grows, cultivates and harvests medical  
231 cannabis in an indoor, enclosed, locked and secure area.

232 (e) "Cannabis disposal entity" means a business  
233 licensed and registered by the Mississippi Department of Health  
234 that is involved in the commercial disposal or destruction of  
235 medical cannabis.

236 (f) "Cannabis processing facility" means a business  
237 entity that is licensed and registered by the Mississippi  
238 Department of Health that:

239 (i) Acquires or intends to acquire cannabis from a  
240 cannabis cultivation facility;

241 (ii) Possesses cannabis with the intent to  
242 manufacture a cannabis product;



243 (iii) Manufactures or intends to manufacture a  
244 cannabis product from unprocessed cannabis or a cannabis extract;  
245 and

246 (iv) Sells or intends to sell a cannabis product  
247 to a medical cannabis dispensary, cannabis testing facility or  
248 cannabis research facility.

249 (g) "Cannabis products" means cannabis flower,  
250 concentrated cannabis, cannabis extracts and products that are  
251 infused with cannabis or an extract thereof and are intended for  
252 use or consumption by humans. The term includes, without  
253 limitation, edible cannabis products, beverages, topical products,  
254 ointments, oils, tinctures and suppositories that contain  
255 tetrahydrocannabinol (THC) and/or cannabidiol (CBD) except those  
256 products excluded from control under Sections 41-29-113 and  
257 41-29-136.

258 (h) "Cannabis research facility" or "research facility"  
259 means a research facility at any university or college in this  
260 state or an independent entity licensed and registered by the  
261 Mississippi Department of Health pursuant to this chapter that  
262 acquires cannabis from cannabis cultivation facilities and  
263 cannabis processing facilities in order to research cannabis,  
264 develop best practices for specific medical conditions, develop  
265 medicines and provide commercial access for medical use.

266 (i) "Cannabis testing facility" or "testing facility"  
267 means an independent entity licensed and registered by the



268 Mississippi Department of Health that analyzes the safety and  
269 potency of cannabis.

270 (j) "Cannabis transportation entity" means an  
271 independent entity licensed and registered by the Mississippi  
272 Department of Health that is involved in the commercial  
273 transportation of medical cannabis.

274 (k) "Canopy" means the total surface area within a  
275 cultivation area that is dedicated to the cultivation of flowering  
276 cannabis plants. The surface area of the plant canopy must be  
277 calculated in square feet and measured and must include all of the  
278 area within the boundaries where the cultivation of the flowering  
279 cannabis plants occurs. If the surface area of the plant canopy  
280 consists of noncontiguous areas, each component area must be  
281 separated by identifiable boundaries. If a tiered or shelving  
282 system is used in the cultivation area the surface area of each  
283 tier or shelf must be included in calculating the area of the  
284 plant canopy. Calculation of the area of the plant canopy may not  
285 include the areas within the cultivation area that are used to  
286 cultivate immature cannabis plants and seedlings, prior to  
287 flowering, and that are not used at any time to cultivate mature  
288 cannabis plants.

289 (l) "Cardholder" means a registered qualifying patient  
290 or a registered designated caregiver who has been issued and  
291 possesses a valid registry identification card.





292 (m) "Chronic pain" means a pain state in which the  
293 cause of the pain cannot be removed or otherwise treated, and  
294 which in the generally accepted course of medical practice, no  
295 relief or cure of the cause of the pain is possible, or none has  
296 been found after reasonable efforts by a practitioner.

297 (n) "Concentrate" means a substance obtained by  
298 separating cannabinoids from cannabis by:

299 (i) A mechanical extraction process;

300 (ii) A chemical extraction process using a  
301 nonhydrocarbon-based or other solvent, such as water, vegetable  
302 glycerin, vegetable oils, animal fats, food-grade ethanol or steam  
303 distillation; or

304 (iii) A chemical extraction process using the  
305 hydrocarbon-based solvent carbon dioxide, provided that the  
306 process does not involve the use of high heat or pressure.

307 (o) "Debilitating medical condition" means:

308 (i) Cancer, Parkinson's disease, Huntington's  
309 disease, muscular dystrophy, glaucoma, spastic quadriplegia,  
310 positive status for human immunodeficiency virus (HIV), acquired  
311 immune deficiency syndrome (AIDS), hepatitis, amyotrophic lateral  
312 sclerosis (ALS), Crohn's disease, ulcerative colitis, sickle-cell  
313 anemia, Alzheimer's disease, agitation of dementia, post-traumatic  
314 stress disorder (PTSD), autism, pain refractory to appropriate  
315 opioid management, diabetic/peripheral neuropathy, spinal cord  
316 disease or severe injury, or the treatment of these conditions;



317 (ii) A chronic, terminal or debilitating disease  
318 or medical condition, or its treatment, that produces one or more  
319 of the following: cachexia or wasting syndrome, chronic pain,  
320 severe or intractable nausea, seizures, or severe and persistent  
321 muscle spasms, including, but not limited to, those characteristic  
322 of multiple sclerosis; or

323 (iii) Any other serious medical condition or its  
324 treatment added by the Mississippi Department of Health, as  
325 provided for in Section 9 of this act.

326 (p) "Designated caregiver" means a person who:

327 (i) Has agreed to assist with a registered  
328 qualifying patient's medical use of medical cannabis;

329 (ii) Assists no more than five (5) registered  
330 qualifying patients with their medical use of medical cannabis,  
331 unless the designated caregiver's registered qualifying patients  
332 each reside in or are admitted to a health care facility or  
333 facility providing residential care services or day care services  
334 where the designated caregiver is employed;

335 (iii) Is at least twenty-one (21) years of age  
336 unless the person is the parent or legal guardian of each  
337 qualifying patient the person assists; and

338 (iv) Has not been convicted of a disqualifying  
339 felony offense.

340 (q) "Disqualifying felony offense" means:



341 (i) A conviction for a crime of violence, as  
342 defined in Section 97-3-2;

343 (ii) A conviction for a crime that was defined as  
344 a violent crime in the law of the jurisdiction in which the  
345 offense was committed, and that was classified as a felony in the  
346 jurisdiction where the person was convicted; or

347 (iii) A conviction for a violation of a state or  
348 federal controlled substances law that was classified as a felony  
349 in the jurisdiction where the person was convicted, including the  
350 service of any term of probation, incarceration or supervised  
351 release within the previous five (5) years and the offender has  
352 not committed another similar offense since the conviction. Under  
353 this subparagraph (iii), a disqualifying felony offense shall not  
354 include a conviction that consisted of conduct for which this  
355 chapter would likely have prevented the conviction but for the  
356 fact that the conduct occurred before the effective date of this  
357 act.

358 (r) "Edible cannabis products" means products that:

359 (i) Contain or are infused with cannabis or an  
360 extract thereof;

361 (ii) Are intended for human consumption by oral  
362 ingestion; and

363 (iii) Are presented in the form of foodstuffs,  
364 beverages, extracts, oils, tinctures, lozenges and other similar  
365 products.



366 (s) "Entity" means a corporation, general partnership,  
367 limited partnership or limited liability company that has been  
368 registered with the Secretary of State as applicable.

369 (t) "MMCEU" means Mississippi Medical Cannabis  
370 Equivalency Unit. One unit of MMCEU shall be considered equal to:

371 (i) Three and one-half (3.5) grams of medical  
372 cannabis flower;

373 (ii) One (1) gram of medical cannabis concentrate;  
374 or

375 (iii) One hundred (100) milligrams of THC in an  
376 infused product.

377 (u) "MDAC" means the Mississippi Department of  
378 Agriculture and Commerce.

379 (v) "MDOH" means the Mississippi Department of Health.

380 (w) "MDOR" means the Mississippi Department of Revenue.

381 (x) "Medical cannabis" means cannabis, cannabis  
382 products and edible cannabis that are intended to be used by  
383 registered qualifying patients as provided in this chapter.

384 (y) "Medical cannabis dispensary" or "dispensary" means  
385 an entity licensed and registered with the MDOR that acquires,  
386 possesses, stores, transfers, sells, supplies or dispenses medical  
387 cannabis, equipment used for medical cannabis, or related supplies  
388 and educational materials to cardholders.

389 (z) "Medical cannabis establishment" means a cannabis  
390 cultivation facility, cannabis processing facility, cannabis



391 testing facility, cannabis dispensary, cannabis transportation  
392 entity, cannabis disposal entity or cannabis research facility  
393 licensed and registered by the appropriate agency.

394 (aa) "Medical cannabis establishment agent" means an  
395 owner, officer, board member, employee, volunteer or agent of a  
396 medical cannabis establishment.

397 (bb) "Medical use" includes the acquisition,  
398 administration, cultivation, processing, delivery, harvest,  
399 possession, preparation, transfer, transportation, or use of  
400 medical cannabis or equipment relating to the administration of  
401 medical cannabis to treat or alleviate a registered qualifying  
402 patient's debilitating medical condition or symptoms associated  
403 with the patient's debilitating medical condition. The term  
404 "medical use" does not include:

405 (i) The cultivation of cannabis unless the  
406 cultivation is done by a cannabis cultivation facility; or

407 (ii) The extraction of resin from cannabis by  
408 mechanical or chemical extraction unless the extraction is done by  
409 a cannabis processing facility.

410 (cc) "Nonresident cardholder" means a person who:

411 (i) Has been diagnosed with a debilitating medical  
412 condition by a practitioner in his or her respective state or  
413 territory, or is the parent, guardian, conservator or other person  
414 with authority to consent to the medical use of medical cannabis



415 by a person who has been diagnosed with a debilitating medical  
416 condition;

417 (ii) Is not a resident of Mississippi or who has  
418 been a resident of Mississippi for less than forty-five (45) days;  
419 and

420 (iii) Has submitted any documentation required by  
421 MDOH rules and regulations and has received confirmation of  
422 registration.

423 (dd) "Practitioner" means a physician, certified nurse  
424 practitioner, physician assistant or optometrist who is licensed  
425 to prescribe medicine under the licensing requirements of their  
426 respective occupational boards and the laws of this state. In  
427 relation to a nonresident cardholder, the term means a physician,  
428 certified nurse practitioner, physician assistant or optometrist  
429 who is licensed to prescribe medicine under the licensing  
430 requirements of their respective occupational boards and under the  
431 laws of the state or territory in which the nonresident patient  
432 resides. For registered qualifying patients who are minors,  
433 "practitioner" shall mean a physician or doctor of osteopathic  
434 medicine who is licensed to prescribe medicine under the licensing  
435 requirements of their respective occupational boards and the laws  
436 of this state.

437 (ee) "Public place" means a church or any area to which  
438 the general public is invited or in which the general public is  
439 permitted, regardless of the ownership of the area, and any area



440 owned or controlled by a municipality, county, state or federal  
441 government, including, but not limited to, streets, sidewalks or  
442 other forms of public transportation. Such term shall not mean a  
443 private residential dwelling.

444 (ff) "Qualifying patient" means a person who has been  
445 diagnosed by a practitioner as having a debilitating medical  
446 condition and has been issued a written certification.

447 (gg) "Registry identification card" means a document  
448 issued by the MDOH that identifies a person as a registered  
449 qualifying patient, nonresident registered qualifying patient or  
450 registered designated caregiver.

451 (hh) "School" means an institution for the teaching of  
452 children, consisting of a physical location, whether owned or  
453 leased, including instructional staff members and students, and  
454 which is in session each school year. This definition shall  
455 include, but not be limited to, public, private, church and  
456 parochial programs for kindergarten, elementary, junior high and  
457 high schools. Such term shall not mean a home instruction  
458 program.

459 (ii) "Scope of practice" means the defined parameters  
460 of various duties, services or activities that may be provided or  
461 performed by a certified nurse practitioner as authorized under  
462 Sections 73-15-5 and 73-15-20, by an optometrist as authorized  
463 under Section 73-19-1, by a physician as authorized under Section  
464 73-25-33, or by a physician assistant under Section 73-26-5, and



465 rules and regulations adopted by the respective licensing boards  
466 for those practitioners.

467 (jj) "THC" or "Tetrahydrocannabinol" means any and all  
468 forms of tetrahydrocannabinol that are contained naturally in the  
469 cannabis plant, as well as synthesized forms of THC and derived  
470 variations, derivatives, isomers and allotropes that have similar  
471 molecular and physiological characteristics of  
472 tetrahydrocannabinol, including, but not limited to THCA, THC  
473 Delta 9, THC Delta 8, THC Delta 10 and THC Delta 6.

474 (kk) "Written certification" means a form approved by  
475 the MDOH, signed and dated by a practitioner, certifying that a  
476 person has a debilitating medical condition. A written  
477 certification shall include the following:

478 (i) The date of issue and the effective date  
479 of the recommendation;

480 (ii) The patient's name, date of birth and  
481 address;

482 (iii) The practitioner's name, address, and  
483 federal Drug Enforcement Agency number; and

484 (iv) The practitioner's signature.

485 **SECTION 3. Authorization to use medical cannabis;**

486 **requirements.** (1) No person shall be authorized to use medical  
487 cannabis in this state unless the person (a) has been diagnosed by  
488 a practitioner, with whom the person has a bona fide  
489 practitioner-patient relationship within his or her scope of





490 practice, as having a debilitating medical condition for which the  
491 practitioner believes, in his or her professional opinion, that  
492 the person would likely receive medical or palliative benefit from  
493 the medical use of medical cannabis to treat or alleviate the  
494 person's debilitating medical condition or symptoms associated  
495 with the person's debilitating medical condition, (b) has received  
496 a written certification of that diagnosis from the practitioner,  
497 and (c) has been issued a registry identification card from the  
498 MDOH under Section 12 of this act. A person who has been  
499 diagnosed by a practitioner as specified in paragraph (a) of this  
500 subsection shall be a qualifying patient, and the practitioner who  
501 has diagnosed the patient shall document that diagnosis with a  
502 written certification. However, nothing herein shall require a  
503 practitioner to issue a written certification.

504 (2) A written certification shall:

505 (a) Affirm that it is made in the course of a bona fide  
506 practitioner-patient relationship;

507 (b) Remain current for twelve (12) months, unless the  
508 practitioner specifies a shorter period of time;

509 (c) Be issued only after an in-person assessment of the  
510 patient by a practitioner;

511 (d) Only be issued on behalf of a minor when the  
512 minor's parent or guardian is present and provides signed consent;

513 and



514 (e) Be limited to the allowable amount of cannabis in a  
515 thirty-day period.

516 (3) After a qualifying patient receives a written  
517 certification from a practitioner, the patient shall be required  
518 to make a follow-up visit with the practitioner not less than six  
519 (6) months after the date of issuance of the certification for the  
520 practitioner to evaluate and determine the effectiveness of the  
521 patient's medical use of medical cannabis to treat or alleviate  
522 the patient's debilitating medical condition or symptoms  
523 associated with the patient's debilitating medical condition.

524 (4) Before dispensing medical cannabis to a cardholder, the  
525 dispensary from which the cardholder is obtaining medical cannabis  
526 shall verify the identity of the cardholder and the authority of  
527 the cardholder to use medical cannabis as provided in Section 20  
528 of this act and shall determine the maximum amount of medical  
529 cannabis that a cardholder is eligible to receive and the amount  
530 of medical cannabis that the cardholder has received from all  
531 dispensaries during a specified period of time using the statewide  
532 seed-to-sale tracking system under Section 6 of this act.

533 (5) A practitioner shall be registered to issue written  
534 certifications to qualifying patients by completing the required  
535 application process as set forth by the MDOH. The MDOH shall  
536 require a practitioner to complete a minimum of eight (8) hours of  
537 continuing education in medical cannabis in order to issue written  
538 certifications. After the first year of registration, these



539 practitioners shall complete five (5) hours of continuing  
540 education in medical cannabis annually to maintain this  
541 registration.

542 (6) Only physicians and doctors of osteopathic medicine may  
543 issue written certifications to registered qualifying patients who  
544 are minors.

545 **SECTION 4. General Responsibilities of Departments.** (1)

546 The MDOH shall have the ultimate authority for oversight of the  
547 administration of the medical cannabis program, and the MDOH shall  
548 coordinate the activities of the MDOH, MDAC and MDOR under the  
549 provisions of this chapter in order to best effectuate the purpose  
550 and intent of this chapter.

551 (2) (a) The MDOH shall delegate the responsibilities for  
552 the inspection, regulation and enforcement of cannabis cultivation  
553 facilities, cannabis processing facilities, cannabis  
554 transportation entities and cannabis disposal entities to the  
555 MDAC, and the MDAC shall accept the delegation of and perform  
556 those responsibilities. The MDAC shall be ultimately responsible  
557 for the performance of its powers and duties under this chapter  
558 and the responsibilities delegated to the MDAC under this  
559 subsection.

560 (b) The MDAC may contract with other governmental  
561 agencies and public or private third parties to assist the MDAC  
562 with carrying out any of the responsibilities delegated to the  
563 MDAC under this subsection. However, the MDAC shall be ultimately



564 responsible for the performance of the responsibilities delegated  
565 to the MDAC under this subsection that are exercised by any agency  
566 or third party with which the MDAC has contracted under the  
567 authority of this subsection.

568 (3) The MDOH shall be responsible for:

569 (a) The licensing, oversight and inspection of cannabis  
570 testing facilities and cannabis research facilities;

571 (b) The licensing of cannabis cultivation facilities,  
572 cannabis processing facilities, cannabis transportation entities  
573 and cannabis disposal entities;

574 (c) The application and licensing of registry  
575 identification cards for qualifying patients and designated  
576 caregivers;

577 (d) The registering of practitioners in accordance with  
578 this chapter; and

579 (e) The selection, certification and oversight of the  
580 statewide seed-to-sale tracking system as provided for in Section  
581 6 of this act.

582 (4) Unless otherwise provided herein, the MDOR shall be  
583 responsible for the licensing, inspection and oversight of medical  
584 cannabis dispensaries.

585 (5) The MDOR and MDOH shall accept applications for and  
586 award licenses according to their respective duties as provided  
587 for in this chapter, subject to the following:



588 (a) After one hundred twenty (120) days from the  
589 effective date of this act, the MDOH shall begin accepting  
590 applications, registering and licensing registry identification  
591 cards and practitioners.

592 (b) After one hundred twenty (120) days from the  
593 effective date of this act, the MDOH shall begin licensing and  
594 registering cannabis cultivation facilities, cannabis processing  
595 facilities, cannabis testing facilities, cannabis research  
596 facilities, cannabis disposal entities and cannabis transportation  
597 entities. After one hundred fifty (150) days from the effective  
598 date of this act, the MDOR shall issue licenses for medical  
599 cannabis dispensaries as provided for in this chapter within  
600 thirty (30) days of receipt of the application from an applicant  
601 or within thirty (30) days after the initial one hundred fifty  
602 (150) day period, whichever is the later date.

603 (6) The MDOR and MDOH shall issue a registration certificate  
604 and a random ten-digit alphanumeric identification number to each  
605 licensed medical cannabis establishment, as applicable.

606 (7) After one hundred twenty (120) days from the effective  
607 date of this act, the MDOH shall issue licenses according to their  
608 respective duties as provided for in this chapter within thirty  
609 (30) days of receipt of the application from an applicant or  
610 within thirty (30) days after the initial one hundred twenty (120)  
611 day period, whichever is the later date. After one hundred fifty  
612 (150) days from the effective date of this act, the MDOR shall



613 issue licenses according to their respective duties as provided  
614 for in this chapter within thirty (30) days of receipt of the  
615 application from an applicant or within thirty (30) days after the  
616 initial one-hundred-fifty-day period, whichever is the later date.

617 (8) It is the intent of the Legislature that the MDOH, MDAC,  
618 MDOR and any other state agency, as needed, shall cooperate and  
619 collaborate together to accomplish the purposes of this chapter.

620 (9) (a) Subject to paragraph (b) of this subsection, the  
621 Department of Public Safety shall not be involved in or have any  
622 role regarding the administration, regulation or oversight of the  
623 medical cannabis program established under this chapter; however,  
624 this provision does not prohibit the department from carrying out  
625 any law enforcement activities that a law enforcement agency may  
626 exercise under this chapter or that the department may exercise  
627 under the authority of any other law.

628 (b) The Department of Public Safety may assist the MDOH  
629 in conducting background checks of individuals as required under  
630 this chapter.

631 **SECTION 5. Protections for the medical use of cannabis.** (1)

632 There is a presumption that a registered qualifying patient is  
633 engaged in the medical use of medical cannabis under this chapter  
634 if the person is in possession of a registry identification card  
635 and an amount of medical cannabis that does not exceed the  
636 allowable amount of medical cannabis. There is a presumption that  
637 a registered designated caregiver is assisting in the medical use



638 of medical cannabis under this chapter if the person is in  
639 possession of a registry identification card and an amount of  
640 medical cannabis that does not exceed the allowable amount of  
641 medical cannabis. These presumptions may be rebutted by evidence  
642 that conduct related to medical cannabis was not for the purpose  
643 of treating or alleviating a registered qualifying patient's  
644 debilitating medical condition or symptoms associated with the  
645 registered qualifying patient's debilitating medical condition  
646 under this chapter.

647 (2) Subject to the conditions, limitations, requirements and  
648 exceptions set forth in this chapter, the following activities  
649 related to medical cannabis shall be considered lawful:

650 (a) The purchase, transportation or possession of up to  
651 the allowable amount or medical use of medical cannabis;

652 (b) Financial reimbursement by a registered qualifying  
653 patient to the patient's registered designated caregiver for  
654 direct costs incurred by the registered designated caregiver for  
655 assisting with the registered qualifying patient's medical use of  
656 medical cannabis;

657 (c) Compensating a dispensary for goods or services  
658 provided;

659 (d) The provision, by a professional or occupational  
660 licensee, of advice or services related to medical cannabis  
661 activities allowed under this chapter, to the extent such advice



662 or services meet or exceed the applicable professional or  
663 occupational standard of care;

664 (e) Providing or selling equipment used to ingest  
665 medical cannabis to a cardholder, nonresident cardholder or to a  
666 medical cannabis establishment;

667 (f) Acting as a designated caregiver to assist a  
668 registered qualifying patient with the act of using or  
669 administering medical cannabis;

670 (g) Activities by a medical cannabis establishment or a  
671 medical cannabis establishment agent that are allowed by its  
672 license and registration;

673 (h) Activities by a dispensary or a dispensary agent to  
674 possess, store or sell medical cannabis products, educational  
675 materials and products used to ingest medical cannabis to  
676 cardholders, nonresident cardholders and other dispensaries, or to  
677 purchase or otherwise acquire medical cannabis products from  
678 cannabis cultivation facilities, cannabis processing facilities,  
679 cannabis research facilities or other dispensaries;

680 (i) Activities by a cannabis cultivation facility,  
681 cannabis processing facility or agents of these facilities to:

682 (i) Possess, plant, propagate, cultivate, grow,  
683 harvest, produce, process, manufacture, compound, convert,  
684 prepare, pack, repack or store medical cannabis;





685 (ii) Purchase or otherwise acquire medical  
686 cannabis and cannabis products from medical cannabis  
687 establishments; or

688 (iii) Sell, supply or transfer medical cannabis  
689 products, equipment used to ingest medical cannabis, and related  
690 supplies and educational materials to other cannabis cultivation  
691 facilities, cannabis processing facilities or dispensaries.

692 (j) Activities by a cannabis research facility, a  
693 cannabis testing facility or agents of these facilities to:

694 (i) Purchase or otherwise acquire medical cannabis  
695 from medical cannabis establishments;

696 (ii) Possess, produce, process, compound, convert,  
697 prepare, pack, test, repack and store medical cannabis and  
698 cannabis products obtained from medical cannabis establishments;  
699 or

700 (iii) Sell, supply or transfer medical cannabis,  
701 educational materials and equipment used to ingest medical  
702 cannabis to cannabis cultivation facilities, cannabis processing  
703 facilities, cannabis testing facilities and cannabis research  
704 facilities.

705 (k) Activities by a cannabis transportation entity or a  
706 cannabis disposal entity to transport, supply, deliver, dispose of  
707 or destroy cannabis, as applicable.

708 (3) Any medical cannabis, cannabis product, equipment used  
709 to ingest medical cannabis, or other interest in or right to



710 property that is possessed, owned or used in connection with the  
711 medical use of medical cannabis as authorized by this chapter, or  
712 acts incidental to such use, shall not be seized or forfeited.  
713 This chapter shall not prevent the seizure or forfeiture of  
714 medical cannabis exceeding the allowable amounts of medical  
715 cannabis, nor shall it prevent seizure or forfeiture if the basis  
716 for the action is unrelated to the medical cannabis that is  
717 possessed, processed, transferred or used pursuant to this  
718 chapter.

719 (4) Possession of, or application for, a registry  
720 identification card shall not:

721 (a) Constitute probable cause or reasonable suspicion;

722 (b) Be used to support a search of the person or  
723 property of the person possessing or applying for the registry  
724 identification card; or

725 (c) Subject the person or property of the person to  
726 inspection by any governmental agency.

727 (5) It is the public policy of the State of Mississippi that  
728 contracts related to medical cannabis that are entered into by  
729 cardholders, medical cannabis establishments, medical cannabis  
730 establishment agents and those who allow property to be used by  
731 those persons, should be enforceable to the extent that those  
732 activities comply with the other provisions of this chapter. It  
733 is the public policy of the State of Mississippi that no contract  
734 entered into by a cardholder, a medical cannabis establishment, or



735 a medical cannabis establishment agent, or by a person who allows  
736 property to be used for activities that are authorized under this  
737 chapter, shall be unenforceable on the basis that activities  
738 related to cannabis are prohibited by federal law.

739 (6) An applicant for a professional or occupational license  
740 shall not be denied a license based on previous employment related  
741 to medical cannabis activities that are allowed under this  
742 chapter.

743 **SECTION 6. Seed-to-sale tracking system.** (1) Each medical  
744 cannabis establishment shall use a statewide seed-to-sale tracking  
745 system certified by the MDAC and MDOH to track medical cannabis  
746 from seed or immature plant stage until the medical cannabis is  
747 purchased by a registered qualifying patient or registered  
748 designated caregiver or destroyed. Records entered into the  
749 seed-to-sale tracking system shall include each day's beginning  
750 inventory, harvests, acquisitions, sales, disbursements,  
751 remediations, disposals, transfers, ending inventory, and any  
752 other data necessary for inventory control records in the  
753 statewide seed-to-sale tracking system. Each medical cannabis  
754 dispensary shall be responsible for ensuring that all medical  
755 cannabis sold or disbursed to a registered qualifying patient or  
756 registered designated caregiver is recorded in the seed-to-sale  
757 tracking system as a purchase by or on behalf of the applicable  
758 registered qualifying patients.



759           (2) Amounts of medical cannabis shall be recorded in the  
760 following manner:

761                   (a) For dried, unprocessed cannabis, in ounces or  
762 grams;

763                   (b) For concentrates, in grams; or

764                   (c) For infused products, by milligrams of THC.

765           (3) The seed-to-sale tracking system used by cannabis  
766 cultivation facilities, dispensaries, cannabis processing  
767 facilities, cannabis testing facilities, cannabis research  
768 facilities, cannabis transportation entities and cannabis disposal  
769 entities shall be capable of:

770                   (a) Allowing those facilities and entities to interface  
771 with the statewide system such that a facility may enter and  
772 access information in the statewide system;

773                   (b) Providing the MDAC, MDOR and MDOH with access to  
774 all information stored in the system's database;

775                   (c) Maintaining the confidentiality of all patient and  
776 caregiver data and records accessed or stored by the system such  
777 that all persons or entities other than the MDAC, MDOR and MDOH  
778 may only access the information in the system that they are  
779 authorized by law to access;

780                   (d) Producing analytical reports to the MDAC, MDOR and  
781 MDOH regarding the total quantity of daily, monthly, and yearly  
782 sales at the facility per product type; the average prices of  
783 daily, monthly, and yearly sales at the facility per product type;



784 and total inventory or sales record adjustments at the facility;  
785 and

786 (e) The ability to determine the amount of medical  
787 cannabis that a registered qualifying patient or registered  
788 designated caregiver has purchased that day in real time by  
789 searching a patient registration number.

790 (4) Banks and other financial institutions may be allowed  
791 access to specific limited information from the seed-to-sale  
792 tracking system. The information that may be available to these  
793 institutions shall be limited to financial data of individuals and  
794 business entities that have a business relationship with these  
795 institutions. This information shall be limited to the  
796 information needed for banks to comply with applicable federal  
797 regulations and shall not disclose any medical or personal  
798 information about registered cardholders or designated caregivers.

799 **SECTION 7. Limitations.** (1) This chapter shall not be  
800 construed to do any of the following:

801 (a) Require an organization for managed care, health  
802 benefit plan, private health insurer, government medical  
803 assistance program, employer, property and casualty, or workers'  
804 compensation insurer or self-insured group providing coverage for  
805 a medical, pharmacy or health care service to pay for or reimburse  
806 any other individual or entity for costs associated with the  
807 medical use of cannabis;



808           (b) Require any employer to permit, accommodate, or  
809 allow the medical use of medical cannabis, or to modify any job or  
810 working conditions of any employee who engages in the medical use  
811 of medical cannabis or who for any reason seeks to engage in the  
812 medical use of medical cannabis;

813           (c) Prohibit any employer from refusing to hire,  
814 discharging, disciplining, or otherwise taking an adverse  
815 employment action against an individual with respect to hiring,  
816 discharging, tenure, terms, conditions, or privileges of  
817 employment as a result, in whole or in part, of that individual's  
818 medical use of medical cannabis, regardless of the individual's  
819 impairment or lack of impairment resulting from the medical use of  
820 medical cannabis;

821           (d) Prohibit or limit the ability of any employer from  
822 establishing or enforcing a drug testing policy;

823           (e) Interfere with, impair or impede any federal  
824 restrictions or requirements on employment or contracting,  
825 including, but not limited to, regulations adopted by the United  
826 States Department of Transportation in Title 49, Code of Federal  
827 Regulations;

828           (f) Permit, authorize, or establish any individual's  
829 right to commence or undertake any legal action against an  
830 employer for refusing to hire, discharging, disciplining or  
831 otherwise taking an adverse employment action against an  
832 individual with respect to hiring, discharging, tenure, terms,



833 conditions or privileges of employment due to the individual's  
834 medical use of medical cannabis;

835 (g) Affect, alter or otherwise impact the workers'  
836 compensation premium discount available to employers who establish  
837 a drug-free workplace program in accordance with Section 71-3-201  
838 et seq.;

839 (h) Affect, alter or otherwise impact an employer's  
840 right to deny or establish legal defenses to the payment of  
841 workers' compensation benefits to an employee on the basis of a  
842 positive drug test or refusal to submit to or cooperate with a  
843 drug test, as provided under Section 71-3-7 and Section 71-3-121;  
844 or

845 (i) Affect, alter or supersede any obligation or  
846 condition imposed on a parolee, probationer or an individual  
847 participating in a pretrial diversion program or other  
848 court-ordered substance abuse rehabilitation program.

849 (2) This chapter does not authorize any individual to engage  
850 in, and does not prevent the imposition of any civil, criminal or  
851 other penalties for engaging in, the following conduct:

852 (a) Acting with negligence, gross negligence,  
853 recklessness, in breach of any applicable professional or  
854 occupational standard of care, or to effect an intentional wrong,  
855 as a result, in whole or in part, of that individual's medical use  
856 of medical cannabis;



857 (b) Possessing medical cannabis or otherwise engaging  
858 in the medical use of medical cannabis in any correctional  
859 facility, unless the correctional facility has elected to allow  
860 the cardholder to engage in the use of medical cannabis;

861 (c) Smoking medical cannabis in a public place or in a  
862 motor vehicle; for purposes of this paragraph (c), the term  
863 "smoking" includes vaping and any other method of inhalation of  
864 medical cannabis;

865 (d) Operating, navigating, or being in actual physical  
866 control of any motor vehicle, aircraft, train, motorboat or other  
867 conveyance in a manner that would violate Section 59-23-7, Section  
868 63-11-30 or federal law as a result, in whole or in part, of that  
869 individual's medical use of medical cannabis;

870 (e) Possessing medical cannabis in excess of the  
871 allowable amount of medical cannabis; or

872 (f) Consumption, by a registered designated caregiver,  
873 of cannabis provided for use to a registered qualifying patient.

874 **SECTION 8. Discrimination prohibited.** (1) A person shall  
875 not be denied custody of or visitation rights or parenting time  
876 with a minor solely for the person's status as a cardholder.

877 (2) No school, landlord or employer may be penalized or  
878 denied any benefit under state law for enrolling, leasing to or  
879 employing a cardholder.

880 (3) A registered qualifying patient or registered designated  
881 caregiver shall not be denied the right to own, purchase or





882 possess a firearm, firearm accessory or ammunition based solely on  
883 his or her status as a registered qualifying patient or registered  
884 designated caregiver. No state or local agency, municipal or  
885 county governing authority shall restrict, revoke, suspend or  
886 otherwise infringe upon the right of a person to own, purchase or  
887 possess a firearm, firearm accessory or ammunition or any related  
888 firearms license or certification based solely on his or her  
889 status as a registered qualifying patient or registered designated  
890 caregiver.

891 (4) Facilities such as schools, child care facilities and  
892 temporary care providers shall be allowed to administer medical  
893 cannabis in the same manner as with medical prescriptions.

894 (5) Nothing in this chapter shall be construed as to create  
895 a private right of action by an employee against an employer.

896 (6) Nothing in this chapter shall be construed to affect the  
897 existing legal relationship between an employer and employee or  
898 any existing law or regulation relating to such relationship.

899 **SECTION 9. Addition of debilitating medical conditions.** (1)

900 Any resident of Mississippi may petition the MDOH to add serious  
901 medical conditions or their treatments to the list of debilitating  
902 medical conditions listed in Section 2 of this act. The MDOH  
903 shall consider petitions in accordance with its rules and  
904 regulations, including public notices and hearings. The MDOH  
905 shall approve or deny a petition within sixty (60) days of its  
906 submission.



907 (2) The approval or denial of any petition is a final  
908 decision of the MDOH. Any person aggrieved by a final decision  
909 may obtain judicial review thereof in accordance with Section 31  
910 of this act.

911 **SECTION 10. Acts not required and acts not prohibited.** (1)

912 Nothing in this chapter requires a government medical assistance  
913 program or private insurer to reimburse a person for costs  
914 associated with the medical use of medical cannabis.

915 (2) Nothing in this chapter prohibits an employer from  
916 disciplining an employee for ingesting medical cannabis in the  
917 workplace or for working while under the influence of medical  
918 cannabis.

919 (3) Any person or establishment that is in lawful possession  
920 of property may allow a guest, client, customer or other visitor  
921 to use medical cannabis on or in that property as authorized under  
922 this chapter.

923 (4) A landlord may, but shall not be required to, allow the  
924 lawful cultivation, processing, testing, research, sale or use of  
925 medical cannabis on rental property as authorized under this  
926 chapter.

927 **SECTION 11. Facility restrictions.** (1) Any nursing  
928 facility, hospital, hospice, assisted living facility, personal  
929 care home, adult day care facility, or adult foster care facility  
930 may adopt reasonable restrictions on the use of medical cannabis  
931 by registered qualifying patients who are receiving health care



932 services, residential care services, or day care services from the  
933 facility, including:

934 (a) That the facility will not store or maintain the  
935 patient's supply of medical cannabis;

936 (b) That the facility, caregivers, or hospice agencies  
937 serving the facility's residents are not responsible for providing  
938 the medical cannabis for registered qualifying patients; and

939 (c) That medical cannabis be consumed only in a place  
940 specified by the facility.

941 (2) Nothing in this section requires a facility listed in  
942 subsection (1) of this section to adopt restrictions on the  
943 medical use of medical cannabis.

944 (3) A facility listed in subsection (1) of this section may  
945 not unreasonably limit a registered qualifying patient's access to  
946 or medical use of medical cannabis authorized under this chapter  
947 unless failing to do so would cause the facility to lose a  
948 monetary or licensing-related benefit under federal law or  
949 regulations.

950 **SECTION 12. Issuance and denial of registry identification**

951 **cards.** (1) No later than one hundred twenty (120) days after the  
952 effective date of this act, the MDOH shall begin issuing registry  
953 identification cards to qualifying patients who submit the  
954 following:



955           (a) A written certification issued by a practitioner  
956 within sixty (60) days immediately preceding the date of the  
957 application;

958           (b) The application or renewal fee;

959           (c) The name, address, social security number, and date  
960 of birth of the qualifying patient;

961           (d) The name, address, and telephone number of the  
962 qualifying patient's practitioner issuing the written  
963 certification;

964           (e) The name, address, social security number, and date  
965 of birth of the designated caregiver, or designated caregivers,  
966 chosen by the qualifying patient; and

967           (f) If more than one (1) designated caregiver is  
968 designated at any given time, documentation demonstrating that a  
969 greater number of designated caregivers is needed due to the  
970 patient's age or medical condition.

971           (2) If the qualifying patient is unable to submit the  
972 information required by subsection (1) of this section due to the  
973 person's age or medical condition, the person responsible for  
974 making medical decisions for the qualifying patient may do so on  
975 behalf of the qualifying patient.

976           (3) Except as provided in subsection (5) of this section,  
977 the MDOH shall:

978           (a) Verify the information contained in an application  
979 or renewal submitted under this section and approve or deny an



980 application or renewal within thirty (30) days of receiving a  
981 completed application or renewal application; and

982 (b) Issue registry identification cards to a qualifying  
983 patient and his or her designated caregiver(s), if any, within  
984 five (5) days of approving the application or renewal. A  
985 designated caregiver must have a registry identification card for  
986 each of his or her qualifying patients.

987 (4) The MDOH shall conduct a background check of the  
988 prospective designated caregiver or caregivers in order to carry  
989 out the provisions of this section. The Department of Public  
990 Safety may assist the MDOH in conducting background checks.

991 (5) The MDOH shall not issue a registry identification card  
992 to a qualifying patient who is younger than eighteen (18) years of  
993 age unless:

994 (a) The qualifying patient's practitioner has explained  
995 the potential risks and benefits of the medical use of medical  
996 cannabis to the custodial parent or legal guardian with  
997 responsibility for health care decisions for the qualifying  
998 patient; and

999 (b) The custodial parent or legal guardian with  
1000 responsibility for health care decisions for the qualifying  
1001 patient consents in writing to:

1002 (i) Acknowledge the potential harms related to the  
1003 use of medical cannabis;



1004 (ii) Allow the qualifying patient's medical use of  
1005 medical cannabis;

1006 (iii) Serve as the qualifying patient's designated  
1007 caregiver; and

1008 (iv) Control the acquisition of the medical  
1009 cannabis, the dosage and the frequency of the use of medical  
1010 cannabis by the qualifying patient.

1011 (6) If a designated caregiver is an entity licensed to  
1012 provide health care services, residential care services or day  
1013 care services, then:

1014 (a) The MDOH may provide a single registry  
1015 identification card to the entity, regardless of the number of  
1016 registered qualifying patients the entity serves; and

1017 (b) The MDOH may issue individual registry  
1018 identification cards for employees of the entity that may  
1019 transport medical cannabis.

1020 (7) The MDOH shall provide an electronic or physical list of  
1021 registered qualifying patients who have designated the entity as  
1022 their caregiver. This list shall be updated with each additional  
1023 designation.

1024 (8) The MDOH may deny an application or renewal of a  
1025 qualifying patient's registry identification card only if the  
1026 applicant:

1027 (a) Did not provide the required information or  
1028 materials;



1029 (b) Previously had a registry identification card  
1030 revoked;

1031 (c) Provided false information; or

1032 (d) Failed to meet the other requirements of this  
1033 chapter.

1034 (9) The MDOH may deny an application or renewal for a  
1035 designated caregiver chosen by a qualifying patient whose registry  
1036 identification card was granted only if the applicant:

1037 (a) Does not meet the definition of "designated  
1038 caregiver" under Section 2 of this act;

1039 (b) Did not provide the information required;

1040 (c) Previously had a registry identification card  
1041 revoked;

1042 (d) Provided false information;

1043 (e) Is younger than twenty-one (21) years of age and is  
1044 not the parent or legal guardian of the qualifying patient who the  
1045 designated caregiver would assist; or

1046 (f) Failed to meet the other requirements of this  
1047 chapter.

1048 (10) The MDOH shall give written notice to the qualifying  
1049 patient of the reason for denying a registry identification card  
1050 to the qualifying patient or to the qualifying patient's  
1051 designated caregiver.



1052 (11) Denial of an application or renewal is considered a  
1053 final MDOH action, subject to judicial review in accordance with  
1054 Section 31 of this act.

1055 **SECTION 13. Registry identification cards.** (1) Registry  
1056 identification cards must contain all of the following:

1057 (a) The name of the cardholder;

1058 (b) A designation of whether the cardholder is a  
1059 qualifying patient, a designated caregiver or a nonresident;

1060 (c) The date of issuance and expiration date of the  
1061 registry identification card;

1062 (d) A random ten-digit alphanumeric identification  
1063 number, containing at least four (4) numbers and at least four (4)  
1064 letters, that is unique to the cardholder;

1065 (e) If the cardholder is a designated caregiver, the  
1066 random identification number of the qualifying patient the  
1067 designated caregiver will assist;

1068 (f) A photograph of the cardholder;

1069 (g) The toll-free phone number or internet address  
1070 where the card can be verified;

1071 (h) A notice of the potential harm caused by medical  
1072 cannabis; and

1073 (i) A notice of the MMCEU daily, monthly and possession  
1074 limit.

1075 (2) The expiration date shall be visible on the registry  
1076 identification card. Except as provided in subsection (3) or





1077 subsection (4) of this section, the expiration date for registry  
1078 identification cards for residents shall be one (1) year after the  
1079 date of issuance. The expiration date for registry identification  
1080 cards for nonresidents shall be fifteen (15) days after the date  
1081 of issuance, except as provided in subsection (4) of this section.

1082 (3) If the practitioner stated in the written certification  
1083 that the qualifying patient would benefit from the medical use of  
1084 medical cannabis until a specified earlier date, then the registry  
1085 identification card shall expire on that date, except as provided  
1086 in subsection (4) of this section.

1087 (4) (a) The expiration date for registry identification  
1088 cards for residents that are issued not later than one hundred  
1089 fifty (150) days after the effective date of this act shall be one  
1090 (1) year after the initial one-hundred-fifty-day period.

1091 (b) If the practitioner specified an earlier date for  
1092 the expiration of the registry identification card as provided  
1093 under subsection (3) of this section, then the registry  
1094 identification card shall be valid for the period specified by the  
1095 practitioner, which shall begin after the initial  
1096 one-hundred-fifty-day period.

1097 (c) The expiration date for registry identification  
1098 cards for nonresidents that are issued not later than one hundred  
1099 fifty (150) days after the effective date of this act shall be  
1100 fifteen (15) days after the initial one-hundred-fifty-day period.



1101           **SECTION 14. Annual reports.** (1) No later than December 31,  
1102 2022, and every December 31 thereafter, the MDOH, MDAC and MDOR  
1103 shall provide an annual report to the Governor, Lieutenant  
1104 Governor, Speaker of the House of Representatives, Chairman of the  
1105 Senate Public Health and Welfare Committee, Chairman of the House  
1106 of Representatives Public Health and Human Services Committee and  
1107 the Chairmen of the Drug Policy Committees and Appropriation  
1108 Committees of the Senate and House of Representatives.

1109           (2) The MDOH, MDAC and MDOR shall report every year to the  
1110 Governor, Lieutenant Governor, Speaker of the House of  
1111 Representatives, Chairman of the Senate Public Health and Welfare  
1112 Committee, Chairman of the House of Representatives Public Health  
1113 and Human Services Committee and the Chairmen of the Drug Policy  
1114 Committees and Appropriation Committees of the Senate and House of  
1115 Representatives on the number of applications for registry  
1116 identification cards received, the amount of fees, fines and taxes  
1117 collected, any changes to the fees allowed to be charged under  
1118 this chapter, any addition to the list of debilitating medical  
1119 conditions, the number of qualifying patients and designated  
1120 caregivers approved, the number of registry identification cards  
1121 revoked and expenses incurred by the MDOH, MDAC and MDOR. The  
1122 MDOH shall not include identifying information on qualifying  
1123 patients, designated caregivers or practitioners in the report.

1124           (3) The MDOR shall provide quarterly reports for all sales  
1125 of medical cannabis sold by dispensaries to registered qualified



1126 patients to the Governor, Lieutenant Governor, Speaker of the  
1127 House of Representatives, Chairman of the Senate Public Health and  
1128 Welfare Committee, Chairman of the House of Representatives Public  
1129 Health and Human Services Committee, and the Chairmen of the Drug  
1130 Policy Committees and Appropriation Committees of the Senate and  
1131 House of Representatives. The MDOR shall report every year on the  
1132 number of each type of medical cannabis establishments that are  
1133 licensed and registered and the expenses incurred and revenues  
1134 generated from the medical cannabis program to the Governor,  
1135 Lieutenant Governor, Speaker of the House of Representatives,  
1136 Chairman of the Senate Public Health and Welfare Committee,  
1137 Chairman of the House of Representatives Public Health and Human  
1138 Services Committee, and the Chairmen of the Drug Policy Committees  
1139 and Appropriation Committees of the Senate and House of  
1140 Representatives.

1141       **SECTION 15. Verification system.** (1) The MDOH shall  
1142 maintain a confidential list of the persons to whom the MDOH has  
1143 issued registry identification cards and their addresses, phone  
1144 numbers, and registry identification numbers. This confidential  
1145 list shall not be combined or linked in any manner with any other  
1146 lists or databases, nor shall it be used for any purpose not  
1147 provided for in this chapter.

1148       (2) All records containing the identity of registered  
1149 qualifying patients, registered designated caregivers or  
1150 practitioners shall be confidential and exempt from disclosure



1151 under the Mississippi Public Records Act or any related statute,  
1152 rule or regulation pertaining to public disclosure of records.  
1153 Within one hundred twenty (120) days after the effective date of  
1154 this act, the MDOH shall establish a secure phone and  
1155 internet-based verification system. The verification system must  
1156 allow law enforcement personnel and medical cannabis  
1157 establishments to enter a registry identification number to  
1158 determine whether the number corresponds with a current, valid  
1159 registry identification card. The system may disclose only:  
1160 (a) Whether the identification card is valid;  
1161 (b) The name of the cardholder;  
1162 (c) Whether the cardholder is a registered qualifying  
1163 patient, a registered designated caregiver, or a nonresident; and  
1164 (d) If a cardholder is a registered designated  
1165 caregiver, the registry identification number of any affiliated  
1166 registered qualifying patient.

1167 **SECTION 16. Notifications to department and responses.** (1)

1168 The following notifications and MDOH responses are required:

1169 (a) A registered qualifying patient shall notify the  
1170 MDOH of any change in his or her name or address, or if the  
1171 registered qualifying patient ceases to have his or her diagnosed  
1172 debilitating medical condition, within twenty (20) days of the  
1173 change.

1174 (b) A registered designated caregiver shall notify the  
1175 MDOH of any change in his or her name or address, or if the



1176 designated caregiver becomes aware that the registered qualifying  
1177 patient passed away, within twenty (20) days of the change.

1178 (c) Before a registered qualifying patient changes his  
1179 or her registered designated caregiver, the registered qualifying  
1180 patient must notify the MDOH.

1181 (d) If a cardholder loses his or her registry  
1182 identification card, he or she shall notify the MDOH within ten  
1183 (10) days of becoming aware that the card has been lost.

1184 (2) Each notification that a registered qualifying patient  
1185 is required to make shall instead be made by the patient's  
1186 registered designated caregiver if the qualifying patient is  
1187 unable to make the notification due to his or her age or medical  
1188 condition.

1189 (3) When a cardholder notifies the MDOH of any of the  
1190 circumstances listed in subsection (1) of this section but remains  
1191 eligible under this chapter, the MDOH shall issue the cardholder a  
1192 new registry identification card within ten (10) days of receiving  
1193 the updated information and a Twenty-five Dollar (\$25.00) fee. If  
1194 the person notifying the MDOH is a registered qualifying patient,  
1195 the MDOH shall also issue his or her registered designated  
1196 caregiver, if any, a new registry identification card within ten  
1197 (10) days of receiving the updated information.

1198 (4) If the registered qualifying patient's certifying  
1199 practitioner notifies the patient and the MDOH in writing that  
1200 either the registered qualifying patient has ceased to have a



1201 debilitating medical condition or that the practitioner no longer  
1202 believes, in his or her professional opinion and within his or her  
1203 scope of practice, that the patient would likely receive medical  
1204 or palliative benefit from the medical use of medical cannabis to  
1205 treat or alleviate the patient's debilitating medical condition or  
1206 symptoms associated with the patient's debilitating medical  
1207 condition, the card shall become null and void.

1208 (5) A medical cannabis establishment shall notify the MDOH  
1209 within one (1) business day of any theft or loss of medical  
1210 cannabis.

1211 (6) A medical cannabis establishment shall notify its  
1212 licensing agency within one (1) business day if there is a change  
1213 of ownership or closure of the entity.

1214 **SECTION 17. Reporting requirement of dispensaries.** Medical  
1215 cannabis dispensaries shall report medical cannabis dispensing  
1216 information every twenty-four (24) hours to the Prescription  
1217 Monitoring Program provided for in Section 73-21-127.

1218 Dispensaries shall submit information as required by the  
1219 Prescription Monitoring Program, including, but not limited to,  
1220 the qualified patient's registry identification card number and  
1221 the amount of medical cannabis dispensed to the patient.

1222 **SECTION 18. Licensing of medical cannabis establishments.**

1223 (1) The MDOH shall issue licenses for cannabis cultivation  
1224 facilities, cannabis processing facilities, cannabis  
1225 transportation entities, cannabis disposal entities, cannabis



1226 research facilities and cannabis testing facilities. The MDOR  
1227 shall issue licenses for medical cannabis dispensaries.

1228 (2) The cannabis cultivation facility license application  
1229 fee shall be subject to the following tiers:

1230 (a) Micro-cultivators.

1231 (i) Tier 1. A cannabis cultivation facility with  
1232 a canopy of one thousand (1,000) square feet or less shall be  
1233 subject to a one-time nonrefundable license application fee of One  
1234 Thousand Five Hundred Dollars (\$1,500.00). The annual license fee  
1235 shall be a nonrefundable fee of Two Thousand Dollars (\$2,000.00).

1236 (ii) Tier 2. A cannabis cultivation facility with  
1237 a canopy of more than one thousand (1,000) square feet but not  
1238 more than two thousand (2,000) square feet shall be subject to a  
1239 one-time nonrefundable license application fee of Two Thousand  
1240 Five Hundred Dollars (\$2,500.00). The annual license fee shall be  
1241 a nonrefundable fee of Three Thousand Five Hundred Dollars  
1242 (\$3,500.00).

1243 (b) Cultivators.

1244 (i) Tier 1. A cannabis cultivation facility with  
1245 a canopy of not less than two thousand (2,000) square feet but not  
1246 more than five thousand (5,000) square feet shall be subject to a  
1247 one-time nonrefundable license application fee of Five Thousand  
1248 Dollars (\$5,000.00). The annual license fee shall be a  
1249 nonrefundable fee of Fifteen Thousand Dollars (\$15,000.00).



1250 (ii) Tier 2. A cannabis cultivation facility with  
1251 a canopy of not less than five thousand (5,000) square feet but  
1252 not more than fifteen thousand (15,000) square feet shall be  
1253 subject to a one-time nonrefundable license application fee of Ten  
1254 Thousand Dollars (\$10,000.00). The annual license fee shall be a  
1255 nonrefundable fee of Twenty-five Thousand Dollars (\$25,000.00).

1256 (iii) Tier 3. A cannabis cultivation facility  
1257 with a canopy of not less than fifteen thousand (15,000) square  
1258 feet but not more than thirty thousand (30,000) square feet shall  
1259 be subject to a one-time nonrefundable license application fee of  
1260 Twenty Thousand Dollars (\$20,000.00). The annual license fee  
1261 shall be a nonrefundable fee of Fifty Thousand Dollars  
1262 (\$50,000.00).

1263 (iv) Tier 4. A cannabis cultivation facility with  
1264 a canopy of not less than thirty thousand (30,000) square feet but  
1265 not more than sixty thousand (60,000) square feet shall be subject  
1266 to a onetime nonrefundable license application fee of Thirty  
1267 Thousand Dollars (\$30,000.00). The annual license fee shall be a  
1268 nonrefundable fee of Seventy-five Thousand Dollars (\$75,000.00).

1269 (v) Tier 5. A cannabis cultivation facility with  
1270 a canopy of not less than sixty thousand (60,000) square feet but  
1271 not more than one hundred thousand (100,000) square feet shall be  
1272 subject to a one-time nonrefundable license application fee of  
1273 Forty Thousand Dollars (\$40,000.00). The annual license fee shall





1274 be a nonrefundable fee of One Hundred Thousand Dollars  
1275 (\$100,000.00).

1276 (vi) Tier 6. A cannabis cultivation facility with  
1277 a canopy of one hundred thousand (100,000) square feet or more  
1278 shall be subject to a one-time nonrefundable license application  
1279 fee of Sixty Thousand Dollars (\$60,000.00). The annual license  
1280 fee shall be a nonrefundable fee of One Hundred Fifty Thousand  
1281 Dollars (\$150,000.00).

1282 (3) The cannabis processing facility license application fee  
1283 shall be subject to the following tiers:

1284 (a) Micro-processors.

1285 (i) Tier 1. A cannabis processing facility which  
1286 processes less than two thousand (2,000) pounds of dried biomass  
1287 cannabis material annually shall be subject to a one-time  
1288 nonrefundable license application fee of Two Thousand Dollars  
1289 (\$2,000.00). The annual license fee shall be a nonrefundable fee  
1290 of Three Thousand Five Hundred Dollars (\$3,500.00).

1291 (ii) Tier 2. A cannabis processing facility which  
1292 processes not less than two thousand (2,000) pounds but less than  
1293 three thousand (3,000) pounds of dried biomass cannabis material  
1294 annually shall be subject to a one-time nonrefundable license  
1295 application fee of Two Thousand Five Hundred Dollars (\$2,500.00).  
1296 The annual license fee shall be a nonrefundable fee of Five  
1297 Thousand Dollars (\$5,000.00).



1298 (b) Processors. A cannabis processing facility which  
1299 processes not less than three thousand (3,000) pounds of biomass  
1300 cannabis material annually shall be subject to a one-time  
1301 nonrefundable license application fee of Fifteen Thousand Dollars  
1302 (\$15,000.00). The annual license fee shall be a nonrefundable fee  
1303 of Twenty Thousand Dollars (\$20,000.00).

1304 (4) A medical cannabis dispensary shall be subject to a  
1305 one-time nonrefundable license application fee of Fifteen Thousand  
1306 Dollars (\$15,000.00). The annual license fee shall be a  
1307 nonrefundable fee of Twenty-five Thousand Dollars (\$25,000.00).

1308 (5) Cannabis transportation entities shall be subject to a  
1309 one-time nonrefundable application fee of Five Thousand Dollars  
1310 (\$5,000.00). The annual license fee shall be a nonrefundable fee  
1311 of Seven Thousand Five Hundred Dollars (\$7,500.00).

1312 (6) Cannabis disposal entities shall be subject to a  
1313 one-time nonrefundable application fee of Five Thousand Dollars  
1314 (\$5,000.00). The annual license fee shall be a nonrefundable fee  
1315 of Seven Thousand Five Hundred Dollars (\$7,500.00).

1316 (7) Cannabis testing facilities shall be subject to a  
1317 one-time nonrefundable application fee of Ten Thousand Dollars  
1318 (\$10,000.00), and an annual license fee of Fifteen Thousand  
1319 Dollars (\$15,000.00). A cannabis testing facility shall not  
1320 employ an agent or employee who also is employed or has ownership  
1321 at any other medical cannabis establishment.



1322 (8) Cannabis research facilities shall be subject to a  
1323 one-time nonrefundable application fee of Ten Thousand Dollars  
1324 (\$10,000.00), and an annual license fee of Fifteen Thousand  
1325 Dollars (\$15,000.00). A research facility at any university or  
1326 college in this state shall be exempt from all fees imposed under  
1327 this section.

1328 (9) No individual or business entity shall have a direct or  
1329 indirect ownership or economic interest of greater than ten  
1330 percent (10%) in:

1331 (a) More than one (1) cannabis cultivation facility  
1332 license;

1333 (b) More than one (1) cannabis processing facility  
1334 license; and

1335 (c) More than five (5) medical cannabis dispensary  
1336 licenses.

1337 (10) Minimum qualifications for applicants for a cannabis  
1338 cultivation facility, a cannabis processing facility, a medical  
1339 cannabis dispensary, a medical cannabis transportation entity or a  
1340 medical cannabis disposal entity license(s) are as follows:

1341 (a) An individual applicant for a cannabis cultivation  
1342 facility, cannabis processing facility, medical cannabis  
1343 dispensary, medical cannabis transportation entity or medical  
1344 cannabis disposal license shall be a natural person who:

1345 (i) Is at least twenty-one (21) years of age;



1346 (ii) Has not previously held a license for a  
1347 cannabis cultivation facility, cannabis processing facility,  
1348 medical cannabis dispensary, medical cannabis transportation  
1349 entity or medical cannabis disposal entity that has been revoked;

1350 (iii) Has not been convicted of a disqualifying  
1351 felony offense;

1352 (iv) If possessing a professional or occupational  
1353 license, that the license is in good standing;

1354 (v) Has submitted a sworn statement indicating  
1355 that he or she is a true and actual owner of the entity for which  
1356 the license is desired, and that he or she intends to carry on the  
1357 business authorized for himself or herself and the entity and not  
1358 as the agent for any other entity.

1359 (vi) Has no outstanding tax delinquencies owed to  
1360 the State of Mississippi;

1361 (vii) Is not serving as a member of the  
1362 Mississippi Senate or Mississippi House of Representatives through  
1363 December 31, 2022;

1364 (viii) Is not the spouse of a person serving as a  
1365 member of the Mississippi Senate or Mississippi House of  
1366 Representatives through December 31, 2022; and

1367 (b) If the applicant is applying on behalf of an  
1368 entity, in addition to paragraph (a) of this subsection, the  
1369 individual applicant shall:



1370 (i) Be legally authorized to submit an application  
1371 on behalf of the entity;

1372 (ii) Serve as the primary point of contact with  
1373 the MDAC, MDOR and MDOH;

1374 (iii) Submit sufficient proof that the entity has  
1375 no owner, board member, officer, or anyone with an economic  
1376 interest in the entity who:

1377 1. Is under the age of twenty-one (21);

1378 2. Has previously been an owner of a medical  
1379 cannabis dispensary, cannabis cultivation facility, a cannabis  
1380 processing facility, medical cannabis transportation entity or  
1381 medical cannabis disposal entity that has had its license revoked;

1382 3. Has been convicted of a disqualifying  
1383 felony offense;

1384 4. Owes delinquent taxes to the State of  
1385 Mississippi;

1386 5. Is serving as a member of the Mississippi  
1387 Senate or Mississippi House of Representatives through December  
1388 31, 2022; and

1389 6. Is the spouse of a person serving as a  
1390 member of the Mississippi Senate or Mississippi House of  
1391 Representatives through December 31, 2022; and

1392 (iv) Submit sufficient proof that if an owner,  
1393 board member, officer or anyone with an economic interest in the



1394 entity has or had a professional or occupational license, that the  
1395 license is in good standing.

1396 (11) Applicants for cannabis cultivation facility licenses  
1397 and cannabis processing facility licenses shall both meet the  
1398 minimum qualifications in subsection (10) of this section and  
1399 shall also submit sufficient proof of the following:

1400 (a) If a natural person, proof that the person has been  
1401 a resident of the State of Mississippi and a citizen of the United  
1402 States of America for at least three (3) years prior to the  
1403 application date; or

1404 (b) If a business entity, proof that at least  
1405 thirty-five percent (35%) of the equity ownership interests in the  
1406 entity are held by individuals who have been residents of the  
1407 State of Mississippi and citizens of the United States of America  
1408 for at least three (3) consecutive years prior to the application  
1409 date.

1410 This subsection (11) shall stand repealed on December 31,  
1411 2022.

1412 (12) A micro-cultivator or a micro-processor shall both meet  
1413 the minimum qualifications in subsection (10) of this section and  
1414 shall also submit sufficient proof of the following:

1415 (a) If a natural person, proof that the person has been  
1416 a resident of the State of Mississippi and a citizen of the United  
1417 States of America for at least three (3) years prior to the  
1418 application date; or



1419 (b) If a business entity, provide proof that:  
1420 (i) It was registered as an entity with the  
1421 Secretary of State in Mississippi; and  
1422 (ii) One-hundred percent (100%) of the equity  
1423 ownership interests in the entity are held by individuals who have  
1424 been residents of the State of Mississippi and citizens of the  
1425 United States of America for at least three (3) consecutive years  
1426 prior to the application date.

1427 (13) For purposes of this section, it shall be sufficient to  
1428 prove Mississippi residency for the individual(s) to submit two  
1429 (2) of the following source documents:

1430 (a) Mississippi Tax Return Form 80-105 or Form 80-205  
1431 for each of the three (3) years preceding the application without  
1432 schedules, worksheets, or attachments, and redacted to remove all  
1433 financial information and all but the last four (4) digits of the  
1434 individual's social security number for the three (3) years  
1435 preceding the application;

1436 (b) Ownership, lease, or rental documents for place of  
1437 primary domicile for the three (3) years preceding the  
1438 application;

1439 (c) Billing statements, including utility bills for the  
1440 three (3) years preceding the application; or

1441 (d) Vehicle registration for the three (3) years  
1442 preceding the application.



1443           (14) Ownership in a cannabis cultivation facility license,  
1444 cannabis processing facility license or a medical cannabis  
1445 dispensary license or investment in a business that supports or  
1446 benefits from such a license shall not disqualify or otherwise  
1447 negatively impact the license or finding of suitability of such  
1448 owner who is otherwise engaged in any other form of business  
1449 operation in the state, if such business requires the owner to  
1450 hold a license or be found suitable under state law.

1451           (15) Any business or state entity applying for registration  
1452 as a medical cannabis establishment must meet all the requirements  
1453 specified in this chapter.

1454           (16) A prospective medical cannabis establishment shall  
1455 submit all of the following:

1456                   (a) An application, including:

1457                           (i) The legal name of the prospective medical  
1458 cannabis establishment;

1459                           (ii) The physical address of the prospective  
1460 medical cannabis establishment, which shall not be within one  
1461 thousand (1,000) feet of the nearest property boundary line of a  
1462 school, church or child care facility which exists or has acquired  
1463 necessary real property for the operation of such facility before  
1464 the date of the medical cannabis establishment application unless  
1465 the entity has received approval from the school, church or child  
1466 care facility and received the applicable waiver from their  
1467 licensing agency, provided that the main point of entry of the





1468 cannabis establishment is not located within five hundred (500)  
1469 feet of the nearest property boundary line of any school, church  
1470 or child care facility;

1471 (iii) The name of each principal officer and board  
1472 member of the proposed medical cannabis establishment; and

1473 (iv) Any additional information requested by the  
1474 MDAC, MDOR and MDOH.

1475 (b) Operating procedures consistent with rules and  
1476 regulations for oversight of the proposed medical cannabis  
1477 establishment, including procedures to ensure accurate record  
1478 keeping and adequate security measures.

1479 (c) If the municipality or county where the proposed  
1480 medical cannabis establishment would be located has enacted zoning  
1481 restrictions, a sworn statement certifying that the proposed  
1482 medical cannabis establishment is in compliance with the  
1483 restrictions.

1484 (d) If the municipality or county where the proposed  
1485 medical cannabis establishment would be located requires a local  
1486 registration, license, or permit, then proof of receiving such  
1487 registration, license or permit.

1488 (e) If the application is on behalf of an entity,  
1489 verification that none of the principal officers or board members  
1490 have served as a principal officer or board member for a medical  
1491 cannabis establishment that has had its license revoked.



1492 (f) If the application is on behalf of an entity,  
1493 verification that none of the principal officers or board members  
1494 is under twenty-one (21) years of age.

1495 (17) The MDOR and MDOH shall issue a renewal registration  
1496 certificate within ten (10) days of receipt of the prescribed  
1497 renewal application and renewal fee from a medical cannabis  
1498 establishment if its license is not under suspension and has not  
1499 been revoked.

1500 (18) A licensing agency shall require disclosure only of  
1501 persons, entities or affiliated entities who directly or  
1502 indirectly own ten percent (10%) or more of a medical cannabis  
1503 establishment issued a license by the licensing agency.

1504 (19) Otherwise eligible applicants for licenses to operate  
1505 as medical cannabis establishments under this chapter shall not be  
1506 disqualified from receipt of a license based on:

1507 (a) Their location on Mississippi Choctaw Indian  
1508 Reservation Lands; or

1509 (b) The involvement of the Mississippi Band of Choctaw  
1510 Indians or any entity owned or operated by the Mississippi Band of  
1511 Choctaw Indians as an owner or co-owner of such license, provided  
1512 that such license shall be subject to revocation for material  
1513 noncompliance with this chapter on the same basis as any other  
1514 license.

1515 (20) A cannabis processing facility that produces edible  
1516 cannabis products shall hold a permit to operate as a food



1517 establishment and shall comply with all applicable requirements  
1518 for food establishments as set by the MDOH.

1519 (21) Denial of an application or renewal is considered a  
1520 final MDOH or MDOR action, subject to judicial review in  
1521 accordance with Section 31 of this act.

1522 **SECTION 19. Local ordinances.** (1) A municipality or county  
1523 may enact ordinances or regulations not in conflict with this  
1524 chapter, or with regulations enacted under this chapter, governing  
1525 the time, place, and manner of medical cannabis establishment  
1526 operations in the locality. A municipality or county may  
1527 establish penalties for violation of an ordinance or regulation  
1528 governing the time, place and manner of a medical cannabis  
1529 establishment that may operate in the municipality or county.

1530 (2) No municipality or county may prohibit dispensaries  
1531 either expressly or through the enactment of ordinances or  
1532 regulations that make their operation impracticable in the  
1533 jurisdiction. The main point of entry of a medical cannabis  
1534 establishment shall not be located within one thousand (1,000)  
1535 feet of the nearest property boundary line of any school, church  
1536 or child care facility. A medical cannabis establishment may  
1537 receive a waiver to this distance restriction by receiving  
1538 approval from the school, church or child care facility and by  
1539 applying for a waiver with its respective licensing agency,  
1540 provided that the main point of entry of the cannabis  
1541 establishment is not located within five hundred (500) feet of the



1542 nearest property boundary line of any school, church or child care  
1543 facility.

1544 (3) A dispensary, cannabis research facility or cannabis  
1545 testing facility may be located in any area in a municipality or  
1546 county that is zoned as commercial or for which commercial use is  
1547 otherwise authorized or not prohibited, provided that it being  
1548 located there does not violate any other provisions of this  
1549 chapter. A cannabis cultivation facility and/or cannabis  
1550 processing facility may be located in any area in a municipality  
1551 or county that is zoned as agricultural or industrial or for which  
1552 agricultural or industrial use is otherwise authorized or not  
1553 prohibited, provided that it being there does not violate any  
1554 other provision of this chapter.

1555 (4) A municipality or county may require a medical cannabis  
1556 establishment to obtain a local license, permit or registration to  
1557 operate, and may charge a reasonable fee for the local license,  
1558 permit or registration, provided that this fee is consistent with  
1559 fees charged to businesses that are not involved in the cannabis  
1560 industry.

1561 (5) No medical cannabis dispensary may be located within a  
1562 one-thousand-five-hundred-foot radius from the main point of entry  
1563 of the dispensary to the main point of entry of another medical  
1564 cannabis dispensary. If the sole basis of denial by the licensing  
1565 agency in refusing to issue the medical cannabis dispensary a  
1566 license to operate is that the dispensary fails the distance



1567 requirement of this subsection (5), then the licensing agency may  
1568 refund all or part of the license application fee in Section 18(5)  
1569 of this act to the applicant.

1570 **SECTION 20. Requirements, prohibitions and penalties.** (1)

1571 Medical cannabis establishments shall conduct a background check  
1572 into the criminal history of every person seeking to become a  
1573 principal officer, board member, agent, volunteer, or employee  
1574 before the person begins working at or for the medical cannabis  
1575 establishment.

1576 (2) A medical cannabis establishment may not employ any  
1577 person who:

1578 (a) Was convicted of a disqualifying felony offense;  
1579 or

1580 (b) Is under twenty-one (21) years of age.

1581 (3) The operating documents of a medical cannabis  
1582 establishment must include procedures for the oversight of the  
1583 medical cannabis establishment and procedures to ensure accurate  
1584 record keeping and adequate security measures.

1585 (4) A medical cannabis establishment shall implement  
1586 appropriate security measures designed to deter and prevent the  
1587 theft of medical cannabis and unauthorized entrance into areas  
1588 containing medical cannabis.

1589 (5) All cultivation, harvesting, processing and packaging of  
1590 medical cannabis must take place in an enclosed, locked and secure  
1591 facility with a physical address provided to the MDOH during the



1592 licensing and registration process. The facility shall be  
1593 equipped with locks or other security devices that permit access  
1594 only by agents of the medical cannabis establishment, emergency  
1595 personnel or adults who are twenty-one (21) years of age and older  
1596 and who are accompanied by medical cannabis establishment agents.

1597 (6) No medical cannabis establishment other than a cannabis  
1598 processing facility or cannabis research facility may produce  
1599 cannabis concentrates, cannabis extractions, or other cannabis  
1600 products.

1601 (7) A medical cannabis establishment may not share office  
1602 space with or refer patients to a practitioner.

1603 (8) Medical cannabis establishments are subject to  
1604 inspection by the MDAC, MDOR and MDOH during business hours.

1605 (9) Before medical cannabis may be dispensed to a  
1606 cardholder, a dispensary agent must:

1607 (a) Require that the individual present a registry  
1608 identification card;

1609 (b) Make a diligent effort to verify that the registry  
1610 identification card presented to the dispensary is valid;

1611 (c) Make a diligent effort to verify that the person  
1612 presenting the registry identification card is the person  
1613 identified on the registry identification card presented to the  
1614 dispensary agent; and



1615 (d) Not believe that the amount of medical cannabis  
1616 dispensed would cause the person to possess more than the  
1617 allowable amount of medical cannabis.

1618 (10) A medical cannabis establishment shall not sell more  
1619 than the allowable amount of medical cannabis to a cardholder. A  
1620 resident cardholder shall not obtain more than a total of seven  
1621 (7) MMCEUs of allowable medical cannabis in a week from a  
1622 dispensary or a combination of dispensaries. A resident  
1623 cardholder shall not obtain more than a total of twenty-eight (28)  
1624 MMCEUs of allowable medical cannabis in thirty (30) days from a  
1625 dispensary or a combination of dispensaries.

1626 The possession limit for resident cardholders of the  
1627 allowable amount of medical cannabis shall be a total of  
1628 thirty-two (32) MMCEUs. There shall not be a possession limit on  
1629 nonconsumable medical cannabis, including, but not limited to,  
1630 suppositories, ointments, soaps, and lotions or other topical  
1631 agents.

1632 (11) For purposes of this chapter, total THC is defined as  
1633 THCA multiplied by .877 plus THC Delta 9 and all other  
1634 psychoactive forms or isomers of THC added together. A medical  
1635 cannabis establishment shall not sell cannabis flower or trim that  
1636 has a potency of greater than thirty percent (30%) total THC. A  
1637 medical cannabis dispensary shall not sell cannabis tinctures,  
1638 oils or concentrates that have a potency of greater than sixty  
1639 percent (60%) total THC. Cannabis products that have a potency of



1640 over thirty percent (30%) total THC shall be clearly labeled as  
1641 "extremely potent." Edible cannabis products, including food or  
1642 drink products, that have been combined with usable cannabis or  
1643 cannabis products shall be physically demarked and labeled with a  
1644 clear determination of how much total THC is in a single-serving  
1645 size and how much THC is in the entire package.

1646 A medical cannabis product shall contain a notice of harm  
1647 regarding the use of cannabis products. Edible cannabis products  
1648 shall be homogenized to ensure uniform disbursement of  
1649 cannabinoids throughout the product. All molded edible cannabis  
1650 products shall be presented in the form of geometric shapes and  
1651 shall not be molded to contain any images or characters designed  
1652 or likely to appeal to minors, such as cartoons, toys, animals or  
1653 children.

1654 (12) A dispensary may not dispense more than the allowable  
1655 amount of cannabis to a registered qualifying patient or a  
1656 nonresident cardholder, directly or via a registered designated  
1657 caregiver. Dispensaries shall ensure compliance with this  
1658 limitation by maintaining internal, confidential records that  
1659 include records specifying how much medical cannabis is being  
1660 dispensed to the registered qualifying patient or nonresident  
1661 cardholder and whether it was dispensed directly to a registered  
1662 qualifying patient, nonresident cardholder or to the registered  
1663 designated caregiver.





1664 (13) A nonresident cardholder shall not obtain more than a  
1665 total of seven (7) MMCEUs of allowable medical cannabis in a week  
1666 from a dispensary or a combination of dispensaries. A nonresident  
1667 cardholder shall not obtain more than a total of fourteen (14)  
1668 MMCEUs of allowable cannabis from a dispensary or a combination of  
1669 dispensaries in a fifteen-day period.

1670 (14) A nonresident may apply to receive a nonresident  
1671 registry identification card up to thirty (30) days before  
1672 arriving in Mississippi. A nonresident registry identification  
1673 card shall be valid for fifteen (15) days. After the expiration  
1674 of the card, a nonresident may apply for a renewal of the card and  
1675 may be granted another card which shall be valid for another  
1676 fifteen-day period. A nonresident registry identification card  
1677 shall only be valid, at a maximum, for two (2) separate periods of  
1678 fifteen (15) days in a three-hundred-sixty-five-day period. An  
1679 applicant may indicate on his or her application the specific time  
1680 period that he or she wishes for the card to be valid. The  
1681 possession limit of the allowable amount of medical cannabis for  
1682 nonresident cardholders shall be sixteen (16) MMCEUs.

1683 (15) A medical cannabis dispensary agent or employee shall  
1684 not issue a written certification. Employees and agents of a  
1685 medical cannabis dispensary shall complete at least eight (8)  
1686 hours of continuing education in medical cannabis as regulated by  
1687 the MDOR in order to be certified to work at a medical cannabis  
1688 dispensary. After the first year of employment, these employees



1689 shall complete five (5) hours of continuing education in medical  
1690 cannabis annually to maintain this certification.

1691 (16) Notwithstanding any other provision to the contrary, a  
1692 patient with a debilitating medical condition who is between  
1693 eighteen (18) years to twenty-five (25) years of age is not  
1694 eligible for a medical cannabis registry identification card  
1695 unless two (2) practitioners from separate medical practices have  
1696 diagnosed the patient as having a debilitating medical condition  
1697 after an in-person consultation. One (1) of these practitioners  
1698 must be a physician or doctor of osteopathic medicine.

1699 If one (1) of the recommending practitioners is not the  
1700 patient's primary care practitioner, the recommending practitioner  
1701 shall review the records of a diagnosing practitioner. The  
1702 requirement that the two (2) practitioners be from separate  
1703 medical practices does not apply if the patient is homebound or if  
1704 the patient had a registry identification card before the age of  
1705 eighteen (18).

1706 (17) A medical cannabis establishment shall not allow an  
1707 individual who is younger than twenty-one (21) years old to enter  
1708 the premises of the establishment unless the individual possesses  
1709 a registry identification card and is accompanied by his or her  
1710 legal guardian.

1711 (18) A medical cannabis establishment shall only purchase,  
1712 grow, cultivate, and use cannabis that is grown and cultivated in



1713 this state. Any medical cannabis that is grown and cultivated in  
1714 this state shall not be transported outside of this state.

1715 (19) Employees of all medical cannabis establishments shall  
1716 apply for a work permit with the MDOH and MDOR, as applicable,  
1717 before beginning employment with any establishment. The licensing  
1718 agency for the respective medical cannabis establishment may issue  
1719 work permits to these individuals. These licensing agencies shall  
1720 maintain a work registry of all applicants and work permits  
1721 issued. The fee for a work permit shall be Twenty-five Dollars  
1722 (\$25.00) and the permit shall be valid for five (5) years. Work  
1723 permits shall be the property of the employee and shall not be  
1724 transferable to other employees.

1725 (20) For purposes of this subsection, "plant growth  
1726 regulator cannabis" shall mean a cannabis plant whose growth and  
1727 structure has been modified using plant growth hormones. A  
1728 cannabis cultivation facility shall not cultivate and a cannabis  
1729 dispensary shall not sell, transfer or provide for consumption  
1730 plant growth regulator cannabis.

1731 (21) A medical cannabis dispensary shall only make sales to  
1732 cardholders inside the dispensary. A medical cannabis dispensary  
1733 shall not sell or otherwise convey medical cannabis to a  
1734 cardholder through the means of a drive-through, curbside delivery  
1735 or other delivery outside the premises of the dispensary.

1736 (22) Any and all contracts or agreements entered into by the  
1737 MDOH, MDOR and MDAC for information technology software, hardware,



1738 and/or services for the purpose of implementing and/or operating  
1739 under the Mississippi Medical Cannabis Act shall include language  
1740 reasonably limiting the ability of the vendor to escalate the  
1741 ongoing cost of such software, hardware, and/or services during  
1742 the term of the contract, including any amendments and/or  
1743 extensions.

1744 (23) The MDOR, MDAC and MDOH shall not share the name,  
1745 address or personal data of a registry identification cardholder  
1746 to any federal government entity.

1747 **SECTION 21. Agencies to issue rules and regulations.** (1)

1748 From and after the effective date of this act, the MDOH, MDAC and  
1749 MDOR shall each, where relevant to the role of that particular  
1750 agency, establish and promulgate the following rules and  
1751 regulations:

1752 (a) Governing the manner in which it shall consider  
1753 petitions from the public to add debilitating medical conditions  
1754 or treatments to the list of debilitating medical conditions set  
1755 forth in Section 2 of this act, including public notice of and  
1756 opportunities to comment in public hearings on the petitions;

1757 (b) Establishing the form and content of license and  
1758 renewal applications and written certifications submitted under  
1759 this chapter;

1760 (c) Governing the manner in which it shall consider  
1761 applications for and renewals of registry identification cards,



1762 which may include creating a standardized written certification  
1763 form;

1764 (d) Governing medical cannabis establishments with the  
1765 goals of ensuring the health and safety of registered qualifying  
1766 patients and preventing diversion and theft of medical cannabis  
1767 without imposing an undue burden or compromising the  
1768 confidentiality of cardholders, including:

1769 (i) Oversight requirements;

1770 (ii) Recordkeeping requirements;

1771 (iii) Qualifications that are directly and  
1772 demonstrably related to the operation of medical cannabis  
1773 establishments;

1774 (iv) Security requirements, including lighting,  
1775 physical security, and alarm requirements;

1776 (v) Health and safety regulations, including  
1777 restrictions on the use of pesticides, herbicides or other  
1778 chemicals that are injurious to human health;

1779 (vi) Standards for the processing of cannabis  
1780 products and the indoor cultivation of cannabis by cannabis  
1781 cultivation facilities;

1782 (vii) Requirements for the transportation and  
1783 storage of cannabis by medical cannabis establishments;

1784 (viii) Employment and training requirements,  
1785 including requiring that each medical cannabis establishment



1786 create an identification badge for each agent of the  
1787 establishment;

1788 (ix) Standards for the safe processing of medical  
1789 cannabis products, including extracts and concentrates;

1790 (x) Restrictions on the advertising, signage, and  
1791 display of medical cannabis, provided that the restrictions may  
1792 not prevent appropriate signs on the property of a dispensary,  
1793 listings in business directories, including phone books, listings  
1794 in cannabis-related or medical publications, or the sponsorship of  
1795 health or not-for-profit charity or advocacy events;

1796 (xi) Requirements and procedures for the safe and  
1797 accurate packaging and labeling of medical cannabis, including  
1798 prohibiting the use of any images designed or likely to appeal to  
1799 minors, such as cartoons, packaging that resembles popular candy  
1800 brands, toys, animals or children, or any other likeness or image  
1801 containing characters or phrases to advertise to minors;

1802 (xii) Standards for cannabis testing facilities,  
1803 including requirements for equipment and qualifications for  
1804 personnel;

1805 (xiii) Protocol development for the safe delivery  
1806 of medical cannabis from dispensaries to cardholders;

1807 (xiv) Reasonable requirements to ensure the  
1808 applicant has sufficient property or capital to operate the  
1809 applicant's proposed medical cannabis establishment;



1810 (xv) Procedures for suspending or terminating the  
1811 licenses or registry identification cards of cardholders and  
1812 medical cannabis establishments that commit multiple or serious  
1813 violations of the provisions of this chapter or the rules and  
1814 regulations promulgated pursuant to this section;

1815 (xvi) Procedures for the selection, certification  
1816 and oversight of a seed-to-sale tracking system as provided for in  
1817 Section 6 of this act;

1818 (xvii) Requirements for labeling medical cannabis  
1819 and cannabis products, including requiring medical cannabis  
1820 product labels to include the following:

1821 1. The length of time it typically takes for  
1822 the product to take effect;

1823 2. Disclosure of ingredients and possible  
1824 allergens;

1825 3. A nutritional fact panel;

1826 4. The amount of THC and CBD in the product;

1827 5. A notice of the potential harm caused by  
1828 consuming medical cannabis; and

1829 6. For edible cannabis products, when  
1830 practicable, a standard symbol indicating that the product  
1831 contains cannabis;

1832 (xviii) Procedures for the registration of  
1833 nonresident cardholders, which must require the submission of:



1834 1. A practitioner's statement confirming that  
1835 the patient has a debilitating medical condition; and

1836 2. Documentation demonstrating that the  
1837 nonresident cardholder is allowed to possess medical cannabis or  
1838 cannabis preparations in the jurisdiction where he or she resides;

1839 (xix) The amount of cannabis products, including  
1840 the amount of concentrated cannabis, each cardholder and  
1841 nonresident cardholder can possess;

1842 (xx) Reasonable application and renewal fees for  
1843 registry identification cards and registration certificates,  
1844 according to the following:

1845 1. The fee schedule shall be set as follows:

1846 a. The qualifying patient registry  
1847 identification card application fee shall be Twenty-five Dollars  
1848 (\$25.00);

1849 b. The designated caregiver registry  
1850 identification card application fee shall be Twenty-five Dollars  
1851 (\$25.00);

1852 c. The designated caregiver criminal  
1853 background fee shall be Thirty-seven Dollars (\$37.00);

1854 d. The fee for a renewal or replacement  
1855 of a card shall be Twenty-five Dollars (\$25.00);

1856 e. The fee for a card for a nonresident  
1857 patient shall be Seventy-five Dollars (\$75.00);





1858 f. The qualifying patient registry  
1859 identification card application fee for a Medicaid participant  
1860 shall be Fifteen Dollars (\$15.00) and the fee for a renewal of  
1861 such card shall be Fifteen Dollars (\$15.00); and

1862 g. The application fee for a qualifying  
1863 patient registry identification card for disabled veterans or  
1864 disabled first responders shall be waived. A disabled veteran or  
1865 first responder may prove their disability by providing written  
1866 documentation from their practitioner attesting to their  
1867 debilitating medical condition, documentation from the Social  
1868 Security Disability Office, or documentation that attests the  
1869 applicant is a one-hundred percent (100%) disabled veteran as  
1870 determined by the U.S. Department of Veteran Affairs and codified  
1871 at 38 C.F.R., Section 3.340(a) (2013); and

1872 2. The MDOH may accept donations from private  
1873 sources to reduce the amount of the application and renewal fees;

1874 (xxi) Any other rules and regulations necessary to  
1875 implement and administer this chapter.

1876 (2) The initial rules filed by the MDOH to implement the  
1877 medical cannabis program in accordance with this chapter shall be  
1878 effective immediately upon their filing.

1879 **SECTION 22. Public registry.** (1) The MDOH and MDOR shall  
1880 jointly create and maintain a public registry of medical cannabis  
1881 establishments, which shall include, but shall not be limited to,  
1882 the following information:



1883 (a) The name of the establishment;  
1884 (b) The owner and, if applicable, the beneficial owner  
1885 of the establishment;  
1886 (c) The physical address, including municipality and  
1887 zip code, of the establishment;  
1888 (d) The mailing address, including municipality and zip  
1889 code, of the establishment;  
1890 (e) The county in which the establishment is domiciled;  
1891 (f) The phone number of the establishment;  
1892 (g) The electronic mail address of the establishment;  
1893 (h) The license number of the establishment;  
1894 (i) The issuance date of the establishment's license;  
1895 (j) The expiration date of the establishment's license;  
1896 (k) The NAICS code of the establishment;  
1897 (l) Any changes to the license holder's status; and  
1898 (m) Any other information determined necessary by the  
1899 MDOH and MDOR.

1900 (2) The public registry shall not include personal  
1901 information of an owner of a medical cannabis establishment.

1902 (3) The public registry shall be maintained electronically  
1903 and shall be easily accessible to the public.

1904 **SECTION 23. Violations.** (1) It shall be unlawful for any  
1905 person or entity to cultivate, process, transport, use, possess,  
1906 purchase, sell or transfer cannabis except as authorized by this  
1907 chapter.



1908           (2) A cardholder or medical cannabis establishment that  
1909 purposely or knowingly fails to provide a notice required by  
1910 Section 16 of this act is guilty of a civil offense, punishable by  
1911 a fine of no more than One Thousand Five Hundred Dollars  
1912 (\$1,500.00), which may be assessed and collected by the licensing  
1913 agency.

1914           (3) A medical cannabis establishment or an agent of a  
1915 medical cannabis establishment that purposely, knowingly, or  
1916 recklessly sells or otherwise transfers medical cannabis other  
1917 than to a cardholder, a nonresident cardholder, or to a medical  
1918 cannabis establishment or its agent as authorized under this  
1919 chapter is guilty of a felony punishable by a fine of not more  
1920 than Ten Thousand Dollars (\$10,000.00), or by commitment to the  
1921 custody of the Department of Corrections for not more than two (2)  
1922 years, or both. A person convicted under this subsection may not  
1923 continue to be affiliated with the medical cannabis establishment  
1924 and is disqualified from further participation in the medical  
1925 cannabis program under this chapter.

1926           (4) A cardholder or nonresident cardholder who purposely,  
1927 knowingly, or recklessly sells or otherwise transfers medical  
1928 cannabis to a person or other entity is guilty of a felony  
1929 punishable by a fine of not more than Three Thousand Dollars  
1930 (\$3,000.00), or by commitment to the custody of the Department of  
1931 Corrections for not more than two (2) years, or both. A person  
1932 convicted under this subsection is disqualified from further



1933 participation in the medical cannabis program under this chapter.

1934 (5) A person who purposely, knowingly, or recklessly makes a  
1935 false statement to a law enforcement official about any fact or  
1936 circumstance relating to the medical use of cannabis to avoid  
1937 arrest or prosecution is guilty of a misdemeanor punishable by a  
1938 fine of not more than One Thousand Dollars (\$1,000.00), by  
1939 imprisonment in the county jail for not more than ninety (90)  
1940 days, or both. If a person convicted of violating this subsection  
1941 is a cardholder, the person is disqualified from further  
1942 participation in the medical cannabis program under this chapter.

1943 (6) A person who purposely submits false records or  
1944 documentation for an application for a license for a medical  
1945 cannabis establishment under this chapter is guilty of a felony  
1946 punishable by a fine of not more than Five Thousand Dollars  
1947 (\$5,000.00), or by commitment to the custody of the Department of  
1948 Corrections for not more than two (2) years, or both. A person  
1949 convicted under this subsection may not continue to be affiliated  
1950 with the medical cannabis establishment and is disqualified from  
1951 further participation in the medical cannabis program under this  
1952 chapter.

1953 (7) A practitioner who purposely refers patients to a  
1954 specific medical cannabis establishment or to a registered  
1955 designated caregiver, who advertises in a medical cannabis  
1956 establishment, or who issues written certifications while holding  
1957 a financial interest in a medical cannabis establishment, is



1958 guilty of a civil offense for every false certification and shall  
1959 be fined up to Five Thousand Dollars (\$5,000.00) by the MDOH.

1960 (8) Any person, including an employee or official of an  
1961 agency or local government, who purposely, knowingly, or  
1962 recklessly breaches the confidentiality of information obtained  
1963 under this chapter is guilty of a misdemeanor punishable by a fine  
1964 of not more than One Thousand Dollars (\$1,000.00), or by  
1965 imprisonment for not more than one hundred eighty (180) days in  
1966 the county jail, or both.

1967 (9) No person, other than a cannabis processing facility or  
1968 its agents, complying with this chapter and the rules and  
1969 regulations promulgated under it, may extract compounds from  
1970 cannabis that involves a chemical extraction process using a  
1971 nonhydrocarbon-based or other solvent, such as water, vegetable  
1972 glycerin, vegetable oils, animal fats, steam distillation,  
1973 food-grade ethanol, or hydrocarbon-based solvent carbon dioxide.  
1974 No person may extract compounds from cannabis using ethanol in the  
1975 presence or vicinity of an open flame. It shall be a felony  
1976 punishable by commitment to the custody of the Mississippi  
1977 Department of Corrections for up to three (3) years and a Ten  
1978 Thousand Dollar (\$10,000.00) fine for any person to purposely,  
1979 knowingly, or recklessly violate this subsection.

1980 (10) A medical cannabis establishment is guilty of a civil  
1981 offense for any purposeful, knowing or reckless violation of this  
1982 chapter or the rules and regulations issued under this chapter



1983 where no penalty has been specified, and shall be fined not more  
1984 than Five Thousand Dollars (\$5,000.00) for each such violation by  
1985 its licensing agency.

1986 (11) The penalties provided for under this section are in  
1987 addition to any other criminal, civil or administrative penalties  
1988 provided for under law, rule or regulation.

1989 (12) In addition to peace officers within their  
1990 jurisdiction, all law enforcement officers of MDOH, MDAC and MDOR  
1991 may enforce the provisions made unlawful by this chapter.

1992 **SECTION 24. Fines, suspensions and revocations.** (1) The  
1993 licensing agency may fine, suspend or revoke a license at its  
1994 discretion for a violation of this chapter or any rules and  
1995 regulations under this chapter by the licensee or any of its  
1996 employees or agents. If a licensee wishes to appeal this  
1997 decision, the licensee shall file its administrative appeal within  
1998 twenty (20) days of receipt of the initial notice. The licensing  
1999 agency shall then conduct a hearing on the record pursuant to the  
2000 licensing agency's rules and regulations governing such hearings,  
2001 at which time the burden shall be on the licensee to prove that  
2002 the agency's decision was:

- 2003 (a) Unsupported by substantial evidence;  
2004 (b) Arbitrary or capricious;  
2005 (c) Beyond the power of the administrative agency to  
2006 make; or



2007 (d) Violated some statutory or constitutional right of  
2008 the aggrieved party.

2009 If the licensee fails to appeal the initial notice within the  
2010 prescribed time, the decision becomes final and cannot be further  
2011 appealed.

2012 (2) The licensing agency shall provide its initial notice of  
2013 suspension, revocation, fine or other sanction by personal  
2014 delivery or mailing by certified mail, signature required, to the  
2015 medical cannabis establishment at the address on the registration  
2016 certificate. A suspension shall not be for a longer period than  
2017 six (6) months.

2018 (3) A medical cannabis establishment may continue to possess  
2019 and cultivate cannabis as otherwise authorized to do so under its  
2020 license during a suspension, but it may not dispense, transfer or  
2021 sell cannabis.

2022 (4) The MDOH shall immediately revoke the registry  
2023 identification card of any cardholder who sells or otherwise  
2024 transfers medical cannabis to a person or other entity, and the  
2025 cardholder shall be disqualified from further participation in the  
2026 medical cannabis program under this chapter.

2027 (5) Except as otherwise provided in subsection (4) of this  
2028 section, the MDOH may revoke the registry identification card of  
2029 any cardholder who knowingly commits a violation of this chapter.

2030 (6) The hearing decision of the agency on a revocation,  
2031 suspension or fine is a final decision of the applicable agency



2032 subject to judicial review in accordance with Section 31 of this  
2033 act.

2034 (7) No license issued by the MDOH or MDOR shall be  
2035 transferred by the license holder to any other person or entity  
2036 except with the written consent of the applicable licensing  
2037 agency.

2038 **SECTION 25. Confidentiality.** (1) Data in license and  
2039 registration applications and supporting data submitted by  
2040 registered qualifying patients, registered designated caregivers,  
2041 medical cannabis establishments and nonresident cardholders,  
2042 including data on registered designated caregivers and  
2043 practitioners, shall be considered private data on individuals  
2044 that is confidential and exempt from disclosure under the  
2045 Mississippi Public Records Act of 1983, Sections 25-61-1 through  
2046 25-61-17.

2047 (2) Data kept or maintained by an agency shall not be used  
2048 for any purpose not provided for in this chapter and shall not be  
2049 combined or linked in any manner with any other list or database.

2050 (3) Data kept or maintained by an agency may be disclosed as  
2051 necessary for:

2052 (a) The verification of registration certificates and  
2053 registry identification cards under this chapter;

2054 (b) Submission of the annual report required by this  
2055 chapter;





2056 (c) Notification of state or local law enforcement of  
2057 apparent criminal violations of this chapter;

2058 (d) Notification of state and local law enforcement  
2059 about falsified or fraudulent information submitted for purposes  
2060 of obtaining or renewing a registry identification card; or

2061 (e) Notification of the State Board of Medical  
2062 Licensure or other occupational or professional licensing board or  
2063 entity if there is reason to believe that a practitioner provided  
2064 a written certification in violation of this chapter, or if the  
2065 MDOH has reason to believe the practitioner otherwise violated the  
2066 standard of care for evaluating medical conditions.

2067 (4) Any information kept or maintained by medical cannabis  
2068 establishments must identify cardholders by their registry  
2069 identification numbers and must not contain names or other  
2070 personally identifying information.

2071 (5) At a cardholder's request, the MDOH may confirm the  
2072 cardholder's status as a registered qualifying patient or a  
2073 registered designated caregiver to a third party, such as a  
2074 landlord, school, medical professional, or court.

2075 (6) Any agency hard drives or other data-recording media  
2076 that are no longer in use and that contain cardholder information  
2077 shall be destroyed.

2078 **SECTION 26. Business expenses, deductions.** Notwithstanding  
2079 any federal tax law to the contrary, in computing net income for  
2080 medical cannabis establishments, there shall be allowed as a



2081 deduction from income taxes imposed under Section 27-7-5,  
2082 Mississippi Code of 1972, all the ordinary and necessary expenses  
2083 paid or incurred during the taxable year in carrying on a trade or  
2084 business as a medical cannabis establishment, including reasonable  
2085 allowance for salaries or other compensation for personal services  
2086 actually rendered.

2087       **SECTION 27. Banks to be held harmless.** (1) A bank may  
2088 provide any services to any person or entity licensed in this  
2089 state to engage in the business of medical cannabis, or with any  
2090 person or entity engaging in business dealings with such licensee,  
2091 if the bank provides those services to any other business.

2092       (2) A bank and its officers, directors, agents and employees  
2093 shall not be held liable pursuant to any state law or regulation  
2094 solely for:

2095               (a) Providing financial services to a licensed medical  
2096 cannabis establishment; or

2097               (b) Investing any income derived from providing  
2098 financial services to a licensed medical cannabis establishment.

2099       (3) Nothing in this section shall require a bank to provide  
2100 financial services to a licensed medical cannabis establishment.

2101       **SECTION 28. Not applicable to CBD solution.** This chapter  
2102 does not apply to or supersede any of the provisions of Section  
2103 41-29-136.

2104       **SECTION 29. Medical cannabis taxes.** (1) (a) For purposes  
2105 of this section:



2106 (i) "Cannabis cultivation facility," "dispensary,"  
2107 "medical cannabis" and "medical cannabis establishments" shall be  
2108 defined as provided in Section 2 of this act.

2109 (ii) "Cannabis flower" means the flower, including  
2110 abnormal and immature flowers, of a plant of the genus cannabis  
2111 that has been harvested, dried and cured, and prior to any  
2112 processing whereby the flower material is transformed into a  
2113 cannabis product. "Cannabis flower" does not include the leaves  
2114 or stem of such plant or hemp.

2115 (iii) "Cannabis trim" means all parts, including  
2116 abnormal or immature parts, of a plant of the genus cannabis,  
2117 other than cannabis flower, that have been harvested, dried and  
2118 cured, and prior to any processing whereby the plant material is  
2119 transformed into a cannabis product. "Cannabis trim" does not  
2120 include hemp.

2121 (2) (a) There is hereby imposed, levied and assessed an  
2122 excise tax on medical cannabis cultivation facilities. A cannabis  
2123 cultivation facility shall collect and remit an excise tax on  
2124 forms and in a manner specified by the Commissioner of Revenue.

2125 (b) The excise tax on cannabis cultivation facilities  
2126 shall be based on the sales price for which a cannabis cultivation  
2127 facility first sells cannabis flower or cannabis trim, as the case  
2128 may be, to a medical cannabis establishment, and the rate of the  
2129 excise tax shall be five percent (5%) of such sales price.

2130 However, if there is common ownership or other interest between



2131 the cannabis cultivation facility and the medical cannabis  
2132 establishment to which the cannabis cultivation facility first  
2133 sells or transfers the cannabis flower or cannabis trim, as the  
2134 case may be, the excise tax shall be based on the fair market  
2135 value of the cannabis flower or cannabis trim, as the case may be,  
2136 at the time that the cannabis cultivation facility first sells or  
2137 transfers the cannabis flower or cannabis trim to the medical  
2138 cannabis establishment, and the rate of the excise tax shall be  
2139 five percent (5%) of such fair market value. The fair market  
2140 value of cannabis flower and cannabis trim shall initially be  
2141 determined by the MDOR not later than November 1, 2022. Beginning  
2142 January 1, 2023, the MDOR shall recalculate and adjust the fair  
2143 market value of cannabis flower and cannabis trim twice per  
2144 calendar year on January 1 and July 1.

2145 (c) The excise tax imposed by this subsection shall  
2146 apply regardless of the ownership of the medical cannabis  
2147 establishment to which the cannabis cultivation facility sells or  
2148 transfers the cannabis flower or cannabis trim, as the case may  
2149 be.

2150 (d) All administrative provisions of the sales tax law  
2151 and amendments thereto, including those which fix damages,  
2152 penalties and interest for nonpayment of taxes and for  
2153 noncompliance with the provision of said sales tax law, and all  
2154 other requirements and duties imposed upon a taxpayer, shall apply  
2155 to all persons liable for taxes under the provisions of this



2156 subsection. The commissioner shall exercise all power and  
2157 authority and perform all duties with respect to taxpayers under  
2158 this subsection as are provided in said sales tax law, except  
2159 where there is conflict, then the provisions of this subsection  
2160 shall control.

2161 (e) All excise taxes collected under the provisions of  
2162 this subsection shall be deposited into the State General Fund.

2163 (3) A dispensary, on forms and in a manner specified by the  
2164 Commissioner of Revenue, shall collect and remit the sales tax  
2165 levied in Section 27-65-17(1)(a) from the gross proceeds derived  
2166 from each retail sale of medical cannabis.

2167 **SECTION 30. Local government option.** (1) The cultivation,  
2168 processing, sale and distribution of medical cannabis and cannabis  
2169 products, as performed in accordance to the provisions of this  
2170 chapter, shall be legal in every county and municipality of this  
2171 state unless a county or municipality opts out through a vote by  
2172 the board of supervisors of the county or governing authorities of  
2173 the municipality, as applicable, within ninety (90) days after the  
2174 effective date of this act. The governing authorities of the  
2175 municipality or the board of supervisors of the county, as  
2176 applicable, shall provide a notice in accordance with the Open  
2177 Meetings Act (Section 25-41-1 et seq.) of its intent of holding a  
2178 vote regarding opting out of allowing the cultivation, processing,  
2179 sale and/or distribution of medical cannabis and cannabis  
2180 products, as applicable. The governing authorities of the



2181 municipality or the board of supervisors of the county, as  
2182 applicable, may opt out of allowing one or more of the following:  
2183 cultivation, processing, sale or distribution of medical cannabis  
2184 and cannabis products. The governing authorities of a  
2185 municipality, by a vote entered upon their minutes, may opt out of  
2186 allowing the cultivation, processing, sale and/or distribution of  
2187 medical cannabis and cannabis products, as applicable, in the  
2188 municipality. The board of supervisors of a county, by a vote  
2189 entered upon its minutes, may opt out of allowing the cultivation,  
2190 processing, sale and/or distribution of medical cannabis and  
2191 cannabis products, as applicable, in the unincorporated areas of  
2192 the county.

2193 (2) If the board of supervisors of a county or the governing  
2194 authorities of a municipality do not opt out of allowing the  
2195 cultivation, processing, sale and/or distribution of medical  
2196 cannabis and cannabis products, as applicable, within ninety (90)  
2197 days after the effective date of this act, then no vote by the  
2198 board of supervisors or governing authorities, as applicable, may  
2199 be held to so opt out, and the provisions of this chapter shall  
2200 remain applicable and operative in the county or municipality, as  
2201 applicable. If the board of supervisors of a county or governing  
2202 authorities of a municipality have opted out of allowing the  
2203 cultivation, processing, sale and/or distribution of medical  
2204 cannabis and cannabis products, as applicable, then the board of  
2205 supervisors or governing authorities of a municipality may later



2206 opt in regarding the same through a vote by the board of  
2207 supervisors or governing authorities, as applicable, entered upon  
2208 its or their minutes, or an election duly held according to  
2209 subsection (3) or (4) of this section, as applicable.

2210 (3) (a) Upon presentation and filing of a proper petition  
2211 requesting that the cultivation, processing, sale and/or  
2212 distribution of medical cannabis and cannabis products, as  
2213 applicable, be legal in the unincorporated areas of the county  
2214 signed by at least twenty percent (20%) or fifteen hundred (1500),  
2215 whichever number is the lesser, of the qualified electors of the  
2216 county, it shall be the duty of the board of supervisors to call  
2217 an election at which there shall be submitted to the qualified  
2218 electors of the county the question of whether or not the  
2219 cultivation, processing, sale and/or distribution of medical  
2220 cannabis and cannabis products, as applicable, shall be legal in  
2221 the unincorporated areas of such county as provided in this  
2222 chapter. Such election shall be held and conducted by the county  
2223 election commissioners on a date fixed by the order of the board  
2224 of supervisors, which date shall not be more than sixty (60) days  
2225 from the date of the filing of the petition. Notice thereof shall  
2226 be given by publishing such notice once each week for at least  
2227 three (3) consecutive weeks in some newspaper published in the  
2228 county or if no newspaper be published therein, by such  
2229 publication in a newspaper in an adjoining county and having a  
2230 general circulation in the county involved. The election shall be



2231 held not earlier than fifteen (15) days from the first publication  
2232 of such notice.

2233 (b) The election shall be held and conducted as far as  
2234 may be possible in the same manner as is provided by law for the  
2235 holding of general elections. The ballots used at the election  
2236 shall contain a brief statement of the proposition submitted and,  
2237 on separate lines, the words "I vote FOR allowing the cultivation,  
2238 processing, sale and/or distribution of medical cannabis and  
2239 cannabis products, as applicable, in the unincorporated areas of  
2240 \_\_\_\_\_ [Name of County] ( )" or "I vote AGAINST allowing the  
2241 cultivation, processing, sale and/or distribution of medical  
2242 cannabis and cannabis products, as applicable, in the  
2243 unincorporated areas of \_\_\_\_\_ [Name of County] ( )" with  
2244 appropriate boxes in which the voters may express their choice.  
2245 All qualified electors may vote by marking the ballot with a cross  
2246 (x) or check (√) mark opposite the words of their choice.

2247 (c) The election commissioners shall canvass and  
2248 determine the results of the election and shall certify the same  
2249 to the board of supervisors which shall adopt and spread upon its  
2250 minutes an order declaring such results. If, in such election, a  
2251 majority of the qualified electors participating therein vote in  
2252 favor of allowing the cultivation, processing, sale and/or  
2253 distribution of medical cannabis and cannabis products, as  
2254 applicable, in the unincorporated areas of the county, this  
2255 chapter shall be applicable and operative in the unincorporated





2256 areas of such county, and the cultivation, processing, sale and/or  
2257 distribution of medical cannabis and cannabis products, as  
2258 applicable, in the unincorporated areas of the county shall be  
2259 lawful to the extent and in the manner permitted in this chapter.  
2260 If, on the other hand, a majority of the qualified electors  
2261 participating in the election vote against allowing the  
2262 cultivation, processing, sale and/or distribution of medical  
2263 cannabis and cannabis products, as applicable, then it shall be  
2264 illegal to cultivate, process, sell and/or distribute medical  
2265 cannabis and cannabis products, as applicable, in the  
2266 unincorporated areas of the county. In either case, no further  
2267 election shall be held in the county under the provisions of this  
2268 section for a period of two (2) years from the date of the prior  
2269 election and then only upon the filing of a petition requesting  
2270 same signed by at least twenty percent (20%) or fifteen hundred  
2271 (1500), whichever number is the lesser, of the qualified electors  
2272 of the county as provided in this section.

2273 (4) (a) Upon presentation and filing of a proper petition  
2274 requesting that the cultivation, processing, sale and/or  
2275 distribution of medical cannabis and cannabis products, as  
2276 applicable, be legal in the municipality signed by at least twenty  
2277 percent (20%) or fifteen hundred (1500), whichever number is the  
2278 lesser, of the qualified electors of the municipality, it shall be  
2279 the duty of the governing authorities of the municipality to call  
2280 an election at which there shall be submitted to the qualified



2281 electors of the municipality the question of whether or not the  
2282 cultivation, processing, sale and/or distribution of medical  
2283 cannabis and cannabis products, as applicable, shall be legal in  
2284 the municipality as provided in this chapter. Such election shall  
2285 be held and conducted on a date fixed by the order of the  
2286 governing authorities of the municipality, which date shall not be  
2287 more than sixty (60) days from the date of the filing of the  
2288 petition. Notice thereof shall be given by publishing such notice  
2289 once each week for at least three (3) consecutive weeks in some  
2290 newspaper published in the municipality or if no newspaper be  
2291 published therein, by such publication in a newspaper having a  
2292 general circulation in the municipality involved. The election  
2293 shall be held not earlier than fifteen (15) days from the first  
2294 publication of such notice.

2295 (b) The election shall be held and conducted as far as  
2296 may be possible in the same manner as is provided by law for the  
2297 holding of municipal elections. The ballots used at the election  
2298 shall contain a brief statement of the proposition submitted and,  
2299 on separate lines, the words "I vote FOR allowing the cultivation,  
2300 processing, sale and/or distribution of medical cannabis and  
2301 cannabis products, as applicable, in \_\_\_\_\_ [Name of  
2302 Municipality] ( )" or "I vote AGAINST allowing the cultivation,  
2303 processing, sale and/or distribution of medical cannabis and  
2304 cannabis products, as applicable, in \_\_\_\_\_ [Name of  
2305 Municipality] ( )" with appropriate boxes in which the voters may



2306 express their choice. All qualified electors may vote by marking  
2307 the ballot with a cross (x) or check (√) mark opposite the words  
2308 of their choice.

2309 (c) The election commissioners shall canvass and  
2310 determine the results of the election and shall certify the same  
2311 to the governing authorities which shall adopt and spread upon  
2312 their minutes an order declaring such results. If, in such  
2313 election, a majority of the qualified electors participating  
2314 therein vote in favor of allowing the cultivation, processing,  
2315 sale and/or distribution of medical cannabis and cannabis  
2316 products, as applicable, this chapter shall be applicable and  
2317 operative in such municipality and the cultivation, processing,  
2318 sale, and/or distribution of medical cannabis and cannabis  
2319 products, as applicable, therein shall be lawful to the extent and  
2320 in the manner permitted in this chapter. If, on the other hand, a  
2321 majority of the qualified electors participating in the election  
2322 vote against allowing the cultivation, processing, sale and/or  
2323 distribution of medical cannabis and cannabis products, as  
2324 applicable, then it shall be illegal to cultivate, process, sell  
2325 and/or distribute medical cannabis and cannabis products, as  
2326 applicable, in the municipality. In either case, no further  
2327 election shall be held in the municipality under the provisions of  
2328 this section for a period of two (2) years from the date of the  
2329 prior election and then only upon the filing of a petition  
2330 requesting same signed by at least twenty percent (20%) or fifteen



2331 hundred (1500), whichever number is the lesser, of the qualified  
2332 electors of the municipality as provided in this section.

2333 (5) Regardless of whether a county or municipality opts out  
2334 of allowing the cultivation, processing, sale and/or distribution  
2335 of medical cannabis and cannabis products, cardholders, cannabis  
2336 testing facilities, cannabis research facilities, cannabis  
2337 transportation entities and cannabis disposal entities may possess  
2338 medical cannabis in the municipality or county if done in  
2339 accordance with this chapter.

2340 (6) (a) If a municipality that has opted out under this  
2341 section annexes a geographic area which contains a licensed entity  
2342 operating under the provisions of this chapter, then the licensed  
2343 entity may continue its operation in that municipality's newly  
2344 annexed geographic area.

2345 (b) If a licensed entity operating under the provisions  
2346 of this chapter is located in a municipality that contracts its  
2347 corporate boundaries thereby causing the geographic area in which  
2348 the licensed entity is located to no longer be in the municipality  
2349 and instead in an unincorporated area of a county that has opted  
2350 out under this section, then the licensed entity may continue its  
2351 operation in that area of the county.

2352 **SECTION 31. Judicial review.** (1) Any person or entity  
2353 aggrieved by a final decision or order of an agency under the  
2354 provisions of this chapter may petition for judicial review of the  
2355 final decision or order.



2356           (2)   (a)   The petition shall be filed within twenty (20) days  
2357 after the issuance of the agency's final decision or order. The  
2358 petition shall be filed in the circuit court of the county in  
2359 which the appellant resides. If the appellant is a nonresident of  
2360 this state, the appeal shall be made to the Circuit Court of the  
2361 First Judicial District of Hinds County, Mississippi.

2362           (b)   Any person or entity aggrieved by the decision of  
2363 the circuit court may appeal to the Mississippi Supreme Court.

2364           **SECTION 32. Fees and fines allocation.** All fees and fines  
2365 collected by the MDOR and MDOH according to the provisions of this  
2366 chapter shall be deposited into the State General Fund.

2367           **SECTION 33. Medical Cannabis Advisory Committee.** (1) (a)  
2368 There is established a Medical Cannabis Advisory Committee, which  
2369 shall be the committee that is required to advise the Legislature  
2370 about medical cannabis and cannabis product, patient care,  
2371 services and industry.

2372           (b)   The advisory committee shall consist of nine (9)  
2373 members, as follows:

2374           (i)   The Governor shall appoint three (3) members  
2375 to the committee, as follows:

- 2376                   1. One (1) representative from the MDAC;  
2377                   2. One (1) registered qualifying patient; and  
2378                   3. One (1) physician with experience in  
2379 medical cannabis issues;



2380 (ii) The Lieutenant Governor shall appoint three  
2381 (3) members, as follows:

2382 1. One (1) owner or agent of a medical  
2383 cannabis cultivation facility;

2384 2. One (1) representative from the MDOH; and

2385 3. One (1) qualified certified nurse  
2386 practitioner, physician assistant or optometrist;

2387 (iii) The Speaker of the House shall appoint three  
2388 (3) members, as follows:

2389 1. One (1) owner or agent of a medical  
2390 cannabis processing facility;

2391 2. One (1) owner or agent of a medical  
2392 cannabis dispensary; and

2393 3. One (1) representative from the MDOR.

2394 (c) The advisory committee shall meet at least two (2)  
2395 times per year for the purpose of evaluating and making  
2396 recommendations to the Legislature and the MDOH, MDOR and MDAC  
2397 regarding:

2398 (i) The ability of qualifying patients in all  
2399 areas of the state to obtain timely access to high-quality medical  
2400 cannabis;

2401 (ii) The effectiveness of the medical cannabis  
2402 establishments in serving the needs of registered qualifying  
2403 patients, including the provision of educational and support  
2404 services by dispensaries, the reasonableness of their prices,



2405 security issues, and the sufficiency of the number operating to  
2406 serve the state's registered qualifying patients;

2407 (iii) The effectiveness of the cannabis testing  
2408 facilities, including whether a sufficient number are operating;

2409 (iv) The sufficiency of the regulatory and  
2410 security safeguards contained in this chapter and adopted by the  
2411 MDOH and MDAC to ensure that access to and use of cannabis  
2412 cultivated is provided only to cardholders;

2413 (v) Any recommended additions or revisions to the  
2414 MDAC, MDOH and MDOR rules and regulations or this chapter,  
2415 including relating to security, safe handling, labeling,  
2416 nomenclature, and whether additional types of licenses should be  
2417 made available; and

2418 (vi) Any research studies regarding health effects  
2419 of medical cannabis for patients.

2420 (d) The advisory committee shall accept public comment  
2421 in writing and in-person at least once per year. The advisory  
2422 committee shall meet at least two (2) times per year and advisory  
2423 committee members shall be furnished written notice of the  
2424 meetings at least ten (10) days before the date of the meeting.

2425 (e) The chairman of the advisory committee shall be  
2426 elected by the voting members of the committee annually and shall  
2427 not serve more than two (2) consecutive years as chairman.

2428 (f) The members of the advisory committee specified in  
2429 paragraph (b) of this subsection shall serve for terms that are



2430 concurrent with the terms of members of the Legislature, and any  
2431 member appointed under paragraph (b) may be reappointed to the  
2432 advisory committee. The members of the advisory committee  
2433 specified in paragraph (b) shall serve without compensation, but  
2434 shall receive reimbursement to defray actual expenses incurred in  
2435 the performance of committee business as authorized by law.

2436 (2) This section shall stand repealed on December 31, 2025.

2437 **SECTION 34.** Section 25-53-5, Mississippi Code of 1972, is  
2438 amended as follows:

2439 25-53-5. The authority shall have the following powers,  
2440 duties, and responsibilities:

2441 (a) (i) The authority shall provide for the  
2442 development of plans for the efficient acquisition and utilization  
2443 of computer equipment and services by all agencies of state  
2444 government, and provide for their implementation. In so doing,  
2445 the authority may use the MDITS' staff, at the discretion of the  
2446 executive director of the authority, or the authority may contract  
2447 for the services of qualified consulting firms in the field of  
2448 information technology and utilize the service of such consultants  
2449 as may be necessary for such purposes. Pursuant to Section  
2450 25-53-1, the provisions of this section shall not apply to the  
2451 Department of Human Services for a period of three (3) years  
2452 beginning on July 1, 2017. Pursuant to Section 25-53-1, the  
2453 provisions of this section shall not apply to the Department of





2454 Child Protection Services for a period of three (3) years  
2455 beginning July 1, 2017.

2456 (ii) [Repealed]

2457 (b) The authority shall immediately institute  
2458 procedures for carrying out the purposes of this chapter and  
2459 supervise the efficient execution of the powers and duties of the  
2460 office of executive director of the authority. In the execution  
2461 of its functions under this chapter, the authority shall maintain  
2462 as a paramount consideration the successful internal organization  
2463 and operation of the several agencies so that efficiency existing  
2464 therein shall not be adversely affected or impaired. In executing  
2465 its functions in relation to the institutions of higher learning  
2466 and junior colleges in the state, the authority shall take into  
2467 consideration the special needs of such institutions in relation  
2468 to the fields of teaching and scientific research.

2469 (c) Title of whatever nature of all computer equipment  
2470 now vested in any agency of the State of Mississippi is hereby  
2471 vested in the authority, and no such equipment shall be disposed  
2472 of in any manner except in accordance with the direction of the  
2473 authority or under the provisions of such rules and regulations as  
2474 may hereafter be adopted by the authority in relation thereto.

2475 (d) The authority shall adopt rules, regulations, and  
2476 procedures governing the acquisition of computer and  
2477 telecommunications equipment and services which shall, to the  
2478 fullest extent practicable, insure the maximum of competition



2479 between all manufacturers of supplies or equipment or services.  
2480 In the writing of specifications, in the making of contracts  
2481 relating to the acquisition of such equipment and services, and in  
2482 the performance of its other duties the authority shall provide  
2483 for the maximum compatibility of all information systems hereafter  
2484 installed or utilized by all state agencies and may require the  
2485 use of common computer languages where necessary to accomplish the  
2486 purposes of this chapter. The authority may establish by  
2487 regulation and charge reasonable fees on a nondiscriminatory basis  
2488 for the furnishing to bidders of copies of bid specifications and  
2489 other documents issued by the authority.

2490 (e) The authority shall adopt rules and regulations  
2491 governing the sharing with, or the sale or lease of information  
2492 technology services to any nonstate agency or person. Such  
2493 regulations shall provide that any such sharing, sale or lease  
2494 shall be restricted in that same shall be accomplished only where  
2495 such services are not readily available otherwise within the  
2496 state, and then only at a charge to the user not less than the  
2497 prevailing rate of charge for similar services by private  
2498 enterprise within this state.

2499 (f) The authority may, in its discretion, establish a  
2500 special technical advisory committee or committees to study and  
2501 make recommendations on technology matters within the competence  
2502 of the authority as the authority may see fit. Persons serving on  
2503 the Information Resource Council, its task forces, or any such



2504 technical advisory committees shall be entitled to receive their  
2505 actual and necessary expenses actually incurred in the performance  
2506 of such duties, together with mileage as provided by law for state  
2507 employees, provided the same has been authorized by a resolution  
2508 duly adopted by the authority and entered on its minutes prior to  
2509 the performance of such duties.

2510 (g) The authority may provide for the development and  
2511 require the adoption of standardized computer programs and may  
2512 provide for the dissemination of information to and the  
2513 establishment of training programs for the personnel of the  
2514 various information technology centers of state agencies and  
2515 personnel of the agencies utilizing the services thereof.

2516 (h) The authority shall adopt reasonable rules and  
2517 regulations requiring the reporting to the authority through the  
2518 office of executive director of such information as may be  
2519 required for carrying out the purposes of this chapter and may  
2520 also establish such reasonable procedures to be followed in the  
2521 presentation of bills for payment under the terms of all contracts  
2522 for the acquisition of computer equipment and services now or  
2523 hereafter in force as may be required by the authority or by the  
2524 executive director in the execution of their powers and duties.

2525 (i) The authority shall require such adequate  
2526 documentation of information technology procedures utilized by the  
2527 various state agencies and may require the establishment of such  
2528 organizational structures within state agencies relating to



2529 information technology operations as may be necessary to  
2530 effectuate the purposes of this chapter.

2531 (j) The authority may adopt such further reasonable  
2532 rules and regulations as may be necessary to fully implement the  
2533 purposes of this chapter. All rules and regulations adopted by  
2534 the authority shall be published and disseminated in readily  
2535 accessible form to all affected state agencies, and to all current  
2536 suppliers of computer equipment and services to the state, and to  
2537 all prospective suppliers requesting the same. Such rules and  
2538 regulations shall be kept current, be periodically revised, and  
2539 copies thereof shall be available at all times for inspection by  
2540 the public at reasonable hours in the offices of the authority.  
2541 Whenever possible no rule, regulation or any proposed amendment to  
2542 such rules and regulations shall be finally adopted or enforced  
2543 until copies of the proposed rules and regulations have been  
2544 furnished to all interested parties for their comment and  
2545 suggestions.

2546 (k) The authority shall establish rules and regulations  
2547 which shall provide for the submission of all contracts proposed  
2548 to be executed by the executive director for computer equipment or  
2549 services to the authority for approval before final execution, and  
2550 the authority may provide that such contracts involving the  
2551 expenditure of less than such specified amount as may be  
2552 established by the authority may be finally executed by the



2553 executive director without first obtaining such approval by the  
2554 authority.

2555 (l) The authority is authorized to purchase, lease, or  
2556 rent computer equipment or services and to operate that equipment  
2557 and use those services in providing services to one or more state  
2558 agencies when in its opinion such operation will provide maximum  
2559 efficiency and economy in the functions of any such agency or  
2560 agencies.

2561 (m) Upon the request of the governing body of a  
2562 political subdivision or instrumentality, the authority shall  
2563 assist the political subdivision or instrumentality in its  
2564 development of plans for the efficient acquisition and utilization  
2565 of computer equipment and services. An appropriate fee shall be  
2566 charged the political subdivision by the authority for such  
2567 assistance.

2568 (n) The authority shall adopt rules and regulations  
2569 governing the protest procedures to be followed by any actual or  
2570 prospective bidder, offerer or contractor who is aggrieved in  
2571 connection with the solicitation or award of a contract for the  
2572 acquisition of computer equipment or services. Such rules and  
2573 regulations shall prescribe the manner, time and procedure for  
2574 making protests and may provide that a protest not timely filed  
2575 shall be summarily denied. The authority may require the  
2576 protesting party, at the time of filing the protest, to post a  
2577 bond, payable to the state, in an amount that the authority



2578 determines sufficient to cover any expense or loss incurred by the  
2579 state, the authority or any state agency as a result of the  
2580 protest if the protest subsequently is determined by a court of  
2581 competent jurisdiction to have been filed without any substantial  
2582 basis or reasonable expectation to believe that the protest was  
2583 meritorious; however, in no event may the amount of the bond  
2584 required exceed a reasonable estimate of the total project cost.  
2585 The authority, in its discretion, also may prohibit any  
2586 prospective bidder, offerer or contractor who is a party to any  
2587 litigation involving any such contract with the state, the  
2588 authority or any agency of the state to participate in any other  
2589 such bid, offer or contract, or to be awarded any such contract,  
2590 during the pendency of the litigation.

2591 (o) The authority shall make a report in writing to the  
2592 Legislature each year in the month of January. Such report shall  
2593 contain a full and detailed account of the work of the authority  
2594 for the preceding year as specified in Section 25-53-29(3).

2595 All acquisitions of computer equipment and services involving  
2596 the expenditure of funds in excess of the dollar amount  
2597 established in Section 31-7-13(c), or rentals or leases in excess  
2598 of the dollar amount established in Section 31-7-13(c) for the  
2599 term of the contract, shall be based upon competitive and open  
2600 specifications, and contracts therefor shall be entered into only  
2601 after advertisements for bids are published in one or more daily  
2602 newspapers having a general circulation in the state not less than



2603 fourteen (14) days prior to receiving sealed bids therefor. The  
2604 authority may reserve the right to reject any or all bids, and if  
2605 all bids are rejected, the authority may negotiate a contract  
2606 within the limitations of the specifications so long as the terms  
2607 of any such negotiated contract are equal to or better than the  
2608 comparable terms submitted by the lowest and best bidder, and so  
2609 long as the total cost to the State of Mississippi does not exceed  
2610 the lowest bid. If the authority accepts one (1) of such bids, it  
2611 shall be that which is the lowest and best. Through December 31,  
2612 2022, the provisions of this paragraph shall not apply to  
2613 acquisitions of information technology equipment and services made  
2614 by the Mississippi Department of Agriculture and Commerce, the  
2615 Mississippi Department of Health and/or the Mississippi Department  
2616 of Revenue for the purposes of implementing, administering and/or  
2617 enforcing the provisions of the Mississippi Medical Cannabis Act.

2618 (p) When applicable, the authority may procure  
2619 equipment, systems and related services in accordance with the law  
2620 or regulations, or both, which govern the Bureau of Purchasing of  
2621 the Office of General Services or which govern the Mississippi  
2622 Department of Information Technology Services procurement of  
2623 telecommunications equipment, software and services.

2624 (q) The authority is authorized to purchase, lease, or  
2625 rent information technology and services for the purpose of  
2626 establishing pilot projects to investigate emerging technologies.  
2627 These acquisitions shall be limited to new technologies and shall



2628 be limited to an amount set by annual appropriation of the  
2629 Legislature. These acquisitions shall be exempt from the  
2630 advertising and bidding requirement.

2631 (r) All fees collected by the Mississippi Department of  
2632 Information Technology Services shall be deposited into the  
2633 Mississippi Department of Information Technology Services  
2634 Revolving Fund unless otherwise specified by the Legislature.

2635 (s) The authority shall work closely with the council  
2636 to bring about effective coordination of policies, standards and  
2637 procedures relating to procurement of remote sensing and  
2638 geographic information systems (GIS) resources. In addition, the  
2639 authority is responsible for development, operation and  
2640 maintenance of a delivery system infrastructure for geographic  
2641 information systems data. The authority shall provide a warehouse  
2642 for Mississippi's geographic information systems data.

2643 (t) The authority shall manage one or more State Data  
2644 Centers to provide information technology services on a  
2645 cost-sharing basis. In determining the appropriate services to be  
2646 provided through the State Data Center, the authority should  
2647 consider those services that:

2648 (i) Result in savings to the state as a whole;

2649 (ii) Improve and enhance the security and  
2650 reliability of the state's information and business systems; and

2651 (iii) Optimize the efficient use of the state's  
2652 information technology assets, including, but not limited to,





2653 promoting partnerships with the state institutions of higher  
2654 learning and community colleges to capitalize on advanced  
2655 information technology resources.

2656 (u) The authority shall increase federal participation  
2657 in the cost of the State Data Center to the extent provided by law  
2658 and its shared technology infrastructure through providing such  
2659 shared services to agencies that receive federal funds. With  
2660 regard to state institutions of higher learning and community  
2661 colleges, the authority may provide shared services when mutually  
2662 agreeable, following a determination by both the authority and the  
2663 Board of Trustees of State Institutions of Higher Learning or the  
2664 Mississippi Community College Board, as the case may be, that the  
2665 sharing of services is mutually beneficial.

2666 (v) The authority, in its discretion, may require new  
2667 or replacement agency business applications to be hosted at the  
2668 State Data Center. With regard to state institutions of higher  
2669 learning and community colleges, the authority and the Board of  
2670 Trustees of State Institutions of Higher Learning or the  
2671 Mississippi Community College Board, as the case may be, may agree  
2672 that institutions of higher learning or community colleges may  
2673 utilize business applications that are hosted at the State Data  
2674 Center, following a determination by both the authority and the  
2675 applicable board that the hosting of those applications is  
2676 mutually beneficial. In addition, the authority may establish  
2677 partnerships to capitalize on the advanced technology resources of



2678 the Board of Trustees of State Institutions of Higher Learning or  
2679 the Mississippi Community College Board, following a determination  
2680 by both the authority and the applicable board that such a  
2681 partnership is mutually beneficial.

2682 (w) The authority shall provide a periodic update  
2683 regarding reform-based information technology initiatives to the  
2684 Chairmen of the House and Senate Accountability, Efficiency and  
2685 Transparency Committees.

2686 From and after July 1, 2018, the expenses of this agency  
2687 shall be defrayed by appropriation from the State General Fund.  
2688 In addition, in order to receive the maximum use and benefit from  
2689 information technology and services, expenses for the provision of  
2690 statewide shared services that facilitate cost-effective  
2691 information processing and telecommunication solutions shall be  
2692 defrayed by pass-through funding and shall be deposited into the  
2693 Mississippi Department of Information Technology Services  
2694 Revolving Fund unless otherwise specified by the Legislature.  
2695 These funds shall only be utilized to pay the actual costs  
2696 incurred by the Mississippi Department of Information Technology  
2697 Services for providing these shared services to state agencies.  
2698 Furthermore, state agencies shall work in full cooperation with  
2699 the Board of the Mississippi Department of Information Technology  
2700 Services to identify computer equipment or services to minimize  
2701 duplication, reduce costs, and improve the efficiency of providing  
2702 common technology services across agency boundaries.



2703           **SECTION 35.** Section 27-104-203, Mississippi Code of 1972, is  
2704 amended as follows:

2705           27-104-203. \* \* \* From and after July 1, 2016, no state  
2706 agency shall charge another state agency a fee, assessment, rent,  
2707 audit fee, personnel fee or other charge for services or resources  
2708 received. The provisions of this section shall not apply (a) to  
2709 grants, contracts, pass-through funds, project fees or other  
2710 charges for services between state agencies and the Board of  
2711 Trustees of State Institutions of Higher Learning, any public  
2712 university, the Mississippi Community College Board, any public  
2713 community or junior college, and the State Department of  
2714 Education, nor (b) to charges for services between the Board of  
2715 Trustees of State Institutions of Higher Learning, any public  
2716 university, the Mississippi Community College Board, any public  
2717 community or junior college, and the State Department of  
2718 Education, nor (c) to federal grants, pass-through funds, cost  
2719 allocation charges, surplus property charges or project fees  
2720 between state agencies as approved or determined by the State  
2721 Fiscal Officer, nor (d) telecommunications, data center services,  
2722 and/or other information technology services that are used on an  
2723 as-needed basis and those costs shall be passed through to the  
2724 using agency, nor (e) to federal grants, special funds, or  
2725 pass-through funds, available for payment by state agencies to the  
2726 Department of Finance and Administration related to Mississippi  
2727 Management and Reporting Systems (MMRS) Statewide Application



2728 charges and utilities as approved or determined by the State  
2729 Fiscal Officer, nor (f) \* \* \* to grants, contracts, pass-through  
2730 funds, project fees or charges for services between the State  
2731 Department of Health, State Department of Agriculture and  
2732 Commerce, and State Department of Revenue, and other state  
2733 agencies or entities, including, but not limited to, the Board of  
2734 Trustees of State Institutions of Higher Learning, any public  
2735 university, the Mississippi Community College Board, any public  
2736 community or junior college, and the State Department of  
2737 Education, for the operation of the \* \* \* medical \* \* \* cannabis  
2738 program as established by \* \* \* the Mississippi Medical Cannabis  
2739 Act. The Board of Trustees of State Institutions of Higher  
2740 Learning, any public university, the Mississippi Community College  
2741 Board, any public community or junior college, and the State  
2742 Department of Education shall retain the authority to charge and  
2743 be charged for expenditures that they deemed nonrecurring in  
2744 nature by the State Fiscal Officer.

2745 \* \* \*

2746 **SECTION 36.** Section 17-1-3, Mississippi Code of 1972, is  
2747 brought forward as follows:

2748 17-1-3. (1) Except as otherwise provided in Section  
2749 17-1-21(2) and in Article VII of the Chickasaw Trail Economic  
2750 Development Compact described in Section 57-36-1, for the purpose  
2751 of promoting health, safety, morals, or the general welfare of the  
2752 community, the governing authority of any municipality, and, with



2753 respect to the unincorporated part of any county, the governing  
2754 authority of any county, in its discretion, are empowered to  
2755 regulate the height, number of stories and size of building and  
2756 other structures, the percentage of lot that may be occupied, the  
2757 size of the yards, courts and other open spaces, the density of  
2758 population, and the location and use of buildings, structures and  
2759 land for trade, industry, residence or other purposes, but no  
2760 permits shall be required with reference to land used for  
2761 agricultural purposes, including forestry activities as defined in  
2762 Section 95-3-29(2)(b), or for the erection, maintenance, repair or  
2763 extension of farm buildings or farm structures, including forestry  
2764 buildings and structures, outside the corporate limits of  
2765 municipalities. The governing authority of each county and  
2766 municipality may create playgrounds and public parks, and for  
2767 these purposes, each of such governing authorities shall possess  
2768 the power, where requisite, of eminent domain and the right to  
2769 apply public money thereto, and may issue bonds therefor as  
2770 otherwise permitted by law.

2771 (2) Local land use regulation ordinances involving the  
2772 placement, screening, or height of amateur radio antenna  
2773 structures must reasonably accommodate amateur communications and  
2774 must constitute the minimum practicable regulation to accomplish  
2775 local authorities' legitimate purposes of addressing health,  
2776 safety, welfare and aesthetic considerations. Judgments as to the  
2777 types of reasonable accommodation to be made and the minimum



2778 practicable regulation necessary to address these purposes will be  
2779 determined by local governing authorities within the parameters of  
2780 the law. This legislation supports the amateur radio service in  
2781 preparing for and providing emergency communications for the State  
2782 of Mississippi and local emergency management agencies.

2783         **SECTION 37.** Section 19-5-9, Mississippi Code of 1972, is  
2784 brought forward as follows:

2785         19-5-9. The construction codes published by a nationally  
2786 recognized code group which sets minimum standards and has the  
2787 proper provisions to maintain up-to-date amendments are adopted as  
2788 minimum standard guides for building, plumbing, electrical, gas,  
2789 sanitary, and other related codes in Mississippi. Any county  
2790 within the State of Mississippi, in the discretion of the board of  
2791 supervisors, may adopt building codes, plumbing codes, electrical  
2792 codes, sanitary codes, or other related codes dealing with general  
2793 public health, safety or welfare, or a combination of the same,  
2794 within but not exceeding the provisions of the construction codes  
2795 published by nationally recognized code groups, by order or  
2796 resolution in the manner prescribed in this section, but those  
2797 codes so adopted shall apply only to the unincorporated areas of  
2798 the county. However, those codes shall not apply to the erection,  
2799 maintenance, repair or extension of farm buildings or farm  
2800 structures, except as may be required under the terms of the  
2801 "Flood Disaster Protection Act of 1973," and shall apply to a  
2802 master planned community as defined in Section 19-5-10 only to the



2803 extent allowed in Section 19-5-10. The provisions of this section  
2804 shall not be construed to authorize the adoption of any code which  
2805 applies to the installation, repair or maintenance of electric  
2806 wires, pipelines, apparatus, equipment or devices by or for a  
2807 utility rendering public utility services, required by it to be  
2808 utilized in the rendition of its duly authorized service to the  
2809 public. Before any such code shall be adopted, it shall be either  
2810 printed or typewritten and shall be presented in pamphlet form to  
2811 the board of supervisors at a regular meeting. The order or  
2812 resolution adopting the code shall not set out the code in full,  
2813 but shall merely identify the same. The vote or passage of the  
2814 order or resolution shall be the same as on any other order or  
2815 resolution. After its adoption, the code or codes shall be  
2816 certified to by the president and clerk of the board of  
2817 supervisors and shall be filed as a permanent record in the office  
2818 of the clerk who shall not be required to transcribe and record  
2819 the same in the minute book as other orders and resolutions.

2820 If the board of supervisors of any county adopts or has  
2821 adopted construction codes which do not have proper provisions to  
2822 maintain up-to-date amendments, specifications in such codes for  
2823 cements used in portland cement concrete shall be superseded by  
2824 nationally recognized specifications referenced in any code  
2825 adopted by the Mississippi Building Code Council.

2826 All provisions of this section shall apply to amendments and  
2827 revisions of the codes mentioned in this section. The provisions



2828 of this section shall be in addition and supplemental to any  
2829 existing laws authorizing the adoption, amendment or revision of  
2830 county orders, resolutions or codes.

2831 Any code adopted under the provisions of this section shall  
2832 not be in operation or force until sixty (60) days have elapsed  
2833 from the adoption of same; however, any code adopted for the  
2834 immediate preservation of the public health, safety and general  
2835 welfare may be effective from and after its adoption by a  
2836 unanimous vote of the members of the board. Within five (5) days  
2837 after the adoption or passage of an order or resolution adopting  
2838 that code or codes the clerk of the board of supervisors shall  
2839 publish in a legal newspaper published in the county the full text  
2840 of the order or resolution adopting and approving the code, and  
2841 the publication shall be inserted at least three (3) times, and  
2842 shall be completed within thirty (30) days after the passage of  
2843 the order or resolution.

2844 Any person or persons objecting to the code or codes may  
2845 object in writing to the provisions of the code or codes within  
2846 sixty (60) days after the passage of the order or resolution  
2847 approving same, and if the board of supervisors adjudicates that  
2848 ten percent (10%) or more of the qualified electors residing in  
2849 the affected unincorporated areas of the county have objected in  
2850 writing to the code or codes, then in such event the code shall be  
2851 inoperative and not in effect unless adopted for the immediate  
2852 preservation of the public health, safety and general welfare





2853 until approved by a special election called by the board of  
2854 supervisors as other special elections are called and conducted by  
2855 the election commissioners of the county as other special  
2856 elections are conducted, the special election to be participated  
2857 in by all the qualified electors of the county residing in the  
2858 unincorporated areas of the county. If the voters approve the  
2859 code or codes in the special election it shall be in force and in  
2860 operation thereafter until amended or modified as provided in this  
2861 section. If the majority of the qualified electors voting in the  
2862 special election vote against the code or codes, then, in such  
2863 event, the code or codes shall be void and of no force and effect,  
2864 and no other code or codes dealing with that subject shall be  
2865 adopted under the provisions of this section until at least two  
2866 (2) years thereafter.

2867 After any such code shall take effect the board of  
2868 supervisors is authorized to employ such directors and other  
2869 personnel as the board, in its discretion, deems necessary and to  
2870 expend general county funds or any other funds available to the  
2871 board to fulfill the purposes of this section.

2872 For the purpose of promoting health, safety, morals or the  
2873 general welfare of the community, the governing authority of any  
2874 municipality, and, with respect to the unincorporated part of any  
2875 county, the governing authority of any county, in its discretion,  
2876 is empowered to regulate the height, number of stories and size of  
2877 building and other structures, the percentage of lot that may be



2878 occupied, the size of the yards, courts and other open spaces, the  
2879 density or population, and the location and use of buildings,  
2880 structures and land for trade, industry, residence or other  
2881 purposes, but no permits shall be required except as may be  
2882 required under the terms of the "Flood Disaster Protection Act of  
2883 1973" for the erection, maintenance, repair or extension of farm  
2884 buildings or farm structures outside the corporate limits of  
2885 municipalities.

2886         The authority granted in this section is cumulative and  
2887 supplemental to any other authority granted by law.

2888         Notwithstanding any provision of this section to the  
2889 contrary, any code adopted by a county before or after April 12,  
2890 2001, is subject to the provisions of Section 41-26-14(10).

2891         Notwithstanding any provision of this section to the  
2892 contrary, the Boards of Supervisors of Jackson, Harrison, Hancock,  
2893 Stone and Pearl River Counties shall enforce the requirements  
2894 imposed under Section 17-2-1 as provided in such section.

2895         **SECTION 38.** Section 25-43-1.103, Mississippi Code of 1972,  
2896 is brought forward as follows:

2897         25-43-1.103. (1) This chapter applies to all agencies and  
2898 all proceedings not expressly exempted under this chapter.

2899         (2) This chapter creates only procedural rights and imposes  
2900 only procedural duties. They are in addition to those created and  
2901 imposed by other statutes.



2902           (3) Specific statutory provisions which govern agency  
2903 proceedings and which are in conflict with any of the provisions  
2904 of this chapter shall continue to be applied to all proceedings of  
2905 any such agency to the extent of such conflict only.

2906           (4) The provisions of this chapter shall not be construed to  
2907 amend, repeal or supersede the provisions of any other law; and,  
2908 to the extent that the provisions of any other law conflict or are  
2909 inconsistent with the provisions of this chapter, the provisions  
2910 of such other law shall govern and control.

2911           (5) An agency may grant procedural rights to persons in  
2912 addition to those conferred by this chapter so long as rights  
2913 conferred upon other persons by any provision of law are not  
2914 substantially prejudiced.

2915           **SECTION 39.** Section 25-43-2.101, Mississippi Code of 1972,  
2916 is brought forward as follows:

2917           25-43-2.101. (1) Subject to the provisions of this chapter,  
2918 the Secretary of State shall prescribe a uniform numbering system,  
2919 form, style and transmitting format for all proposed and adopted  
2920 rules caused to be published by him and, with prior approval of  
2921 each respective agency involved, may edit rules for publication  
2922 and codification without changing the meaning or effect of any  
2923 rule.

2924           (2) The Secretary of State shall cause an administrative  
2925 bulletin to be published in a format and at such regular intervals  
2926 as the Secretary of State shall prescribe by rule. Upon proper



2927 filing of proposed rules, the Secretary of State shall publish  
2928 them in the administrative bulletin as expeditiously as possible.  
2929 The administrative bulletin must contain:

2930 (a) Notices of proposed rule adoption prepared so that  
2931 the text of the proposed rule shows the text of any existing rule  
2932 proposed to be changed and the change proposed;

2933 (b) Any other notices and materials designated by law  
2934 for publication therein; and

2935 (c) An index to its contents by subject.

2936 (3) The Secretary of State shall cause an administrative  
2937 bulletin to be published in a format and at such regular intervals  
2938 as the Secretary of State shall prescribe by rule. Upon proper  
2939 filing of newly adopted rules, the Secretary of State shall  
2940 publish them as expeditiously as possible. The administrative  
2941 bulletin must contain:

2942 (a) Newly filed adopted rules prepared so that the text  
2943 shows the text of any existing rule being changed and the change  
2944 being made;

2945 (b) Any other notices and materials designated by law  
2946 for publication therein; and

2947 (c) An index to its contents by subject.

2948 (4) The Secretary of State retains the authority to reject  
2949 proposed and newly adopted rules not properly filed in accordance  
2950 with the Secretary of State's rules prescribing the numbering  
2951 system, form, style or transmitting format for such filings. The



2952 Secretary of State shall not be empowered to reject filings for  
2953 reasons of the substance or content or any proposed or newly  
2954 adopted rule. The Secretary of State shall notify the agency of  
2955 its rejection of a proposed or newly adopted rule as expeditiously  
2956 as possible and accompany such notification with a stated reason  
2957 for the rejection. A rejected filing of a proposed or newly  
2958 adopted rule does not constitute filing pursuant to Section  
2959 25-43-3.101 et seq. of this chapter.

2960 (5) (a) The Secretary of State shall cause an  
2961 administrative code to be compiled, indexed by subject and  
2962 published in a format prescribed by the Secretary of State by  
2963 rule. All of the effective rules of each agency must be published  
2964 and indexed in that publication. The Secretary of State shall  
2965 also cause supplements to the administrative code to be published  
2966 in a format and at such regular intervals as the Secretary of  
2967 State shall prescribe by rule.

2968 (b) The Joint Legislative Committee on Compilation,  
2969 Revision and Publication of Legislation is hereby authorized to  
2970 contract with a reputable and competent publishing company on such  
2971 terms and conditions and at such prices as may be deemed proper to  
2972 digest, compile, annotate, index and publish the state agency  
2973 rules and regulations.

2974 (6) (a) Copyrights of the Mississippi Administrative Code,  
2975 including, but not limited to, cross references, tables of cases,  
2976 notes of decisions, tables of contents, indices, source notes,



2977 authority notes, numerical lists and codification guides, other  
2978 than the actual text of rules or regulations, shall be taken by  
2979 and in the name of the publishers of said compilation. Such  
2980 publishers shall thereafter promptly assign the same to the State  
2981 of Mississippi and said copyright shall be owned by the state.

2982 (b) Any information appearing on the same leaf with the  
2983 text of any rule or regulation may be incidentally reproduced in  
2984 connection with the reproduction of such rule or regulation, if  
2985 such reproduction is for private use and not for resale.

2986 (7) The Secretary of State may omit from the administrative  
2987 bulletin or code any proposed or filed adopted rule, the  
2988 publication in hard copy of which would be unduly cumbersome,  
2989 expensive or otherwise inexpedient, if:

2990 (a) Knowledge of the rule is likely to be important to  
2991 only a small class of persons;

2992 (b) On application to the issuing agency, the proposed  
2993 or adopted rule in printed or processed form is made available at  
2994 no more than its cost of reproduction; and

2995 (c) The administrative bulletin or code contains a  
2996 notice stating in detail the specific subject matter of the  
2997 omitted proposed or adopted rule and how a copy of the omitted  
2998 material may be obtained.

2999 (8) The administrative bulletin and administrative code with  
3000 supplements must be furnished to designated officials without  
3001 charge and to all subscribers at a reasonable cost to be



3002 determined by the Secretary of State. Each agency shall also make  
3003 available for public inspection and copying those portions of the  
3004 administrative bulletin and administrative code containing all  
3005 rules adopted or used by the agency in the discharge of its  
3006 functions, and the index to those rules.

3007 **SECTION 40.** Section 25-43-3.102, Mississippi Code of 1972,  
3008 is brought forward as follows:

3009 25-43-3.102. (1) Each agency shall maintain a current,  
3010 public rule-making docket.

3011 (2) The rule-making docket may, but need not, contain a  
3012 listing of the subject matter of possible rules currently under  
3013 active consideration within the agency for proposal under Section  
3014 25-43-3.103 and the name and address of agency personnel with whom  
3015 persons may communicate with respect to the matter.

3016 (3) The rule-making docket must list each pending  
3017 rule-making proceeding. A rule-making proceeding is pending from  
3018 the time it is commenced, by proper filing with the Secretary of  
3019 State of a notice of proposed rule adoption, to the time it is  
3020 terminated by the filing with the Secretary of State of a notice  
3021 of termination or the rule becoming effective. For each pending  
3022 rule-making proceeding, the docket must indicate:

3023 (a) The subject matter of the proposed rule;

3024 (b) A citation to all published notices relating to the  
3025 proceeding;



3026 (c) Where written submissions or written requests for  
3027 an opportunity to make oral presentations on the proposed rule may  
3028 be inspected;

3029 (d) The time during which written submissions may be  
3030 made;

3031 (e) If applicable, where and when oral presentations  
3032 may be made;

3033 (f) Where any economic impact statement and written  
3034 requests for the issuance of and other information concerning an  
3035 economic impact statement of the proposed rule may be inspected;

3036 (g) The current status of the proposed rule;

3037 (h) The date of the rule's adoption; and

3038 (i) When the rule will become effective.

3039 **SECTION 41.** Section 25-43-3.103, Mississippi Code of 1972,  
3040 is brought forward as follows:

3041 25-43-3.103. (1) At least twenty-five (25) days before the  
3042 adoption of a rule an agency shall cause notice of its  
3043 contemplated action to be properly filed with the Secretary of  
3044 State for publication in the administrative bulletin. The notice  
3045 of proposed rule adoption must include:

3046 (a) A short explanation of the purpose of the proposed  
3047 rule and the agency's reasons for proposing the rule;

3048 (b) The specific legal authority authorizing the  
3049 promulgation of rules;





3050 (c) A reference to all rules repealed, amended or  
3051 suspended by the proposed rule;

3052 (d) Subject to Section 25-43-2.101(5), the text of the  
3053 proposed rule;

3054 (e) Where, when and how persons may present their views  
3055 on the proposed rule; and

3056 (f) Where, when and how persons may demand an oral  
3057 proceeding on the proposed rule if the notice does not already  
3058 provide for one.

3059 (2) Within three (3) days after its proper filing with the  
3060 Secretary of State for publication in the administrative bulletin,  
3061 the agency shall cause a copy of the notice of proposed rule  
3062 adoption to be provided to each person who has made a timely  
3063 request to the agency to be placed on the mailing list maintained  
3064 by the agency of persons who have requested notices of proposed  
3065 rule adoptions. An agency may mail the copy to the person and may  
3066 charge the person a reasonable fee for such service, which fee may  
3067 be in excess of the actual cost of providing the person with a  
3068 mailed copy. Alternatively, the agency may provide the copy via  
3069 the Internet or by transmitting it to the person by electronic  
3070 means, including, but not limited to, facsimile transfer or e-mail  
3071 at no charge to the person, if the person consents to this form of  
3072 delivery.

3073 **SECTION 42.** Section 25-43-3.104, Mississippi Code of 1972,  
3074 is brought forward as follows:



3075           25-43-3.104. (1) For at least twenty-five (25) days after  
3076 proper filing with the Secretary of State of the notice of  
3077 proposed rule adoption, an agency shall afford persons the  
3078 opportunity to submit, in writing, argument, data and views on the  
3079 proposed rule.

3080           (2) (a) An agency, in its discretion, may schedule an oral  
3081 proceeding on any proposed rule. However, an agency shall  
3082 schedule an oral proceeding on a proposed rule if, within twenty  
3083 (20) days after the proper filing of the notice of proposed rule  
3084 adoption, a written request for an oral proceeding is submitted by  
3085 a political subdivision, an agency or ten (10) persons. At that  
3086 proceeding, persons may present oral or written argument, data and  
3087 views on the proposed rule.

3088           (b) An oral proceeding on a proposed rule, if required,  
3089 may not be held earlier than twenty (20) days after notice of its  
3090 location and time is properly filed with the Secretary of State  
3091 for publication in the administrative bulletin. Within three (3)  
3092 days after its proper filing with the Secretary of State for  
3093 publication in the administrative bulletin, the agency shall cause  
3094 a copy of the notice of the location and time of the oral  
3095 proceeding to be mailed to each person who has made a timely  
3096 request to the agency to be placed on the mailing list maintained  
3097 by the agency of persons who have requested notices of proposed  
3098 rule adoptions.



3099           (c) The agency, a member of the agency, or another  
3100 presiding officer designated by the agency shall preside at a  
3101 required oral proceeding on a proposed rule. Oral proceedings  
3102 must be open to the public and may be recorded by stenographic or  
3103 other means.

3104           (d) An agency may issue rules for the conduct of oral  
3105 rule-making proceedings or prepare reasonable guidelines or  
3106 procedures for the conduct of any such proceedings. Those rules  
3107 may include, but not be limited to, provisions calculated to  
3108 prevent undue repetition in the oral proceedings.

3109           **SECTION 43.** Section 25-43-3.105, Mississippi Code of 1972,  
3110 is brought forward as follows:

3111           25-43-3.105. (1) Prior to giving the notice required in  
3112 Section 25-43-3.103, each agency proposing the adoption of a rule  
3113 or significant amendment of an existing rule imposing a duty,  
3114 responsibility or requirement on any person shall consider the  
3115 economic impact the rule will have on the citizens of our state  
3116 and the benefits the rule will cause to accrue to those citizens.  
3117 For purposes of this section, a "significant amendment" means any  
3118 amendment to a rule for which the total aggregate cost to all  
3119 persons required to comply with that rule exceeds One Hundred  
3120 Thousand Dollars (\$100,000.00).

3121           (2) Each agency shall prepare a written report providing an  
3122 economic impact statement for the adoption of a rule or  
3123 significant amendment to an existing rule imposing a duty,



3124 responsibility or requirement on any person, except as provided in  
3125 subsection (7) of this section. The economic impact statement  
3126 shall include the following:

3127 (a) A description of the need for and the benefits  
3128 which will likely accrue as the result of the proposed action;

3129 (b) An estimate of the cost to the agency, and to any  
3130 other state or local government entities, of implementing and  
3131 enforcing the proposed action, including the estimated amount of  
3132 paperwork, and any anticipated effect on state or local revenues;

3133 (c) An estimate of the cost or economic benefit to all  
3134 persons directly affected by the proposed action;

3135 (d) An analysis of the impact of the proposed rule on  
3136 small business;

3137 (e) A comparison of the costs and benefits of the  
3138 proposed rule to the probable costs and benefits of not adopting  
3139 the proposed rule or significantly amending an existing rule;

3140 (f) A determination of whether less costly methods or  
3141 less intrusive methods exist for achieving the purpose of the  
3142 proposed rule where reasonable alternative methods exist which are  
3143 not precluded by law;

3144 (g) A description of reasonable alternative methods,  
3145 where applicable, for achieving the purpose of the proposed action  
3146 which were considered by the agency and a statement of reasons for  
3147 rejecting those alternatives in favor of the proposed rule; and



3148 (h) A detailed statement of the data and methodology  
3149 used in making estimates required by this subsection.

3150 (3) No rule or regulation shall be declared invalid based on  
3151 a challenge to the economic impact statement for the rule unless  
3152 the issue is raised in the agency proceeding. No person shall  
3153 have standing to challenge a rule, based upon the economic impact  
3154 statement or lack thereof, unless that person provided the agency  
3155 with information sufficient to make the agency aware of specific  
3156 concerns regarding the statement in an oral proceeding or in  
3157 written comments regarding the rule. The grounds for invalidation  
3158 of an agency action, based upon the economic impact statement, are  
3159 limited to the agency's failure to adhere to the procedure for  
3160 preparation of the economic impact statement as provided in this  
3161 section, or the agency's failure to consider information submitted  
3162 to the agency regarding specific concerns about the statement, if  
3163 that failure substantially impairs the fairness of the rule-making  
3164 proceeding.

3165 (4) A concise summary of the economic impact statement must  
3166 be properly filed with the Secretary of State for publication in  
3167 the administrative bulletin and the period during which persons  
3168 may make written submissions on the proposed rule shall not expire  
3169 until at least twenty (20) days after the date of such proper  
3170 filing.

3171 (5) The properly filed summary of the economic impact  
3172 statement must also indicate where persons may obtain copies of



3173 the full text of the economic impact statement and where, when and  
3174 how persons may present their views on the proposed rule and  
3175 demand an oral proceeding on the proposed rule if one is not  
3176 already provided.

3177 (6) If the agency has made a good-faith effort to comply  
3178 with the requirements of subsections (1) and (2) of this section,  
3179 the rule may not be invalidated on the ground that the contents of  
3180 the economic impact statement are insufficient or inaccurate.

3181 (7) This section does not apply to the adoption of:

3182 (a) Any rule which is required by the federal  
3183 government pursuant to a state/federal program delegation  
3184 agreement or contract;

3185 (b) Any rule which is expressly required by state law;  
3186 and

3187 (c) A temporary rule adopted pursuant to Section  
3188 25-43-3.108.

3189 **SECTION 44.** Section 25-43-3.106, Mississippi Code of 1972,  
3190 is brought forward as follows:

3191 25-43-3.106. (1) An agency may not adopt a rule until the  
3192 period for making written submissions and oral presentations has  
3193 expired.

3194 (2) Following the proper filing with the Secretary of State  
3195 of the notice of proposed rule adoption, an agency shall adopt a  
3196 rule pursuant to the rule-making proceeding or terminate the  
3197 proceeding by proper filing with the Secretary of State of a



3198 notice to that effect for publication in the administrative  
3199 bulletin.

3200 (3) Before the adoption of a rule, an agency shall consider  
3201 the written submissions, oral submissions or any memorandum  
3202 summarizing oral submissions, and any economic impact statement,  
3203 provided for by this Article III.

3204 (4) Within the scope of its delegated authority, an agency  
3205 may use its own experience, technical competence, specialized  
3206 knowledge and judgment in the adoption of a rule.

3207 **SECTION 45.** Section 25-43-3.107, Mississippi Code of 1972,  
3208 is brought forward as follows:

3209 25-43-3.107. (1) An agency shall not adopt a rule that  
3210 differs from the rule proposed in the notice of proposed rule  
3211 adoption on which the rule is based unless all of the following  
3212 apply:

3213 (a) The differences are within the scope of the matter  
3214 announced in the notice of proposed rule adoption and are in  
3215 character with the issues raised in that notice;

3216 (b) The differences are a logical outgrowth of the  
3217 contents of that notice of proposed rule adoption and the comments  
3218 submitted in response thereto; and

3219 (c) The notice of proposed rule adoption provided fair  
3220 warning that the outcome of that rulemaking proceeding could be  
3221 the rule in question.



3222 (2) In determining whether the notice of proposed rule  
3223 adoption provided fair warning that the outcome of that rulemaking  
3224 proceeding could be the rule in question, an agency shall consider  
3225 all of the following factors:

3226 (a) The extent to which persons who will be affected by  
3227 the rule should have understood that the rulemaking proceeding on  
3228 which it is based could affect their interests;

3229 (b) The extent to which the subject matter of the rule  
3230 or issues determined by the rule are different from the subject  
3231 matter or issues contained in the notice of proposed rule  
3232 adoption; and

3233 (c) The extent to which the effects of the rule differ  
3234 from the effects of the proposed rule contained in the notice of  
3235 proposed rule adoption.

3236 **SECTION 46.** Section 25-43-3.108, Mississippi Code of 1972,  
3237 is amended as follows:

3238 25-43-3.108. If an agency finds that an imminent peril to  
3239 the public health, safety or welfare requires adoption of a rule  
3240 upon fewer than twenty-five (25) days' notice and states in  
3241 writing its reasons for that finding, it may proceed without prior  
3242 notice of hearing or upon any abbreviated notice and hearing that  
3243 it finds practicable to adopt an emergency rule. The rule may be  
3244 effective for a period of not longer than one hundred twenty (120)  
3245 days, renewable once for a period not exceeding ninety (90) days,





3246 but the adoption of an identical rule under \* \* \* this Article III  
3247 is not precluded.

3248         **SECTION 47.** Section 25-43-3.109, Mississippi Code of 1972,  
3249 is brought forward as follows:

3250             25-43-3.109. (1) Each rule adopted by an agency must  
3251 contain the text of the rule and:

3252                     (a) The date the agency adopted the rule;

3253                     (b) An indication of any change between the text of the  
3254 proposed rule contained in the published notice of proposed rule  
3255 adoption and the text of the rule as finally adopted, with the  
3256 reasons for any substantive change;

3257                     (c) Any changes to the information contained in the  
3258 notice of proposed rule adoption as required by subsection (1)(a),  
3259 (b) or (c) of Section 25-43-3.103;

3260                     (d) Any findings required by any provision of law as a  
3261 prerequisite to adoption or effectiveness of the rule; and

3262                     (e) The effective date of the rule if other than that  
3263 specified in Section 25-43-3.113(1).

3264             (2) To the extent feasible, each rule should be written in  
3265 clear and concise language understandable to persons who may be  
3266 affected by it.

3267             (3) An agency may incorporate, by reference in its rules and  
3268 without publishing the incorporated matter in full, all or any  
3269 part of a code, standard, rule or regulation that has been adopted  
3270 by an agency of the United States or of this state, another state



3271 or by a nationally recognized organization or association, if  
3272 incorporation of its text in agency rules would be unduly  
3273 cumbersome, expensive or otherwise inexpedient. The reference in  
3274 the agency rules must fully identify the incorporated matter with  
3275 an appropriate citation. An agency may incorporate by reference  
3276 such matter in its rules only if the agency, organization or  
3277 association originally issuing that matter makes copies of it  
3278 readily available to the public. The rules must state if copies  
3279 of the incorporated matter are available from the agency issuing  
3280 the rule or where copies of the incorporated matter are available  
3281 from the agency of the United States, this state, another state or  
3282 the organization or association originally issuing that matter.

3283 (4) In preparing its rules pursuant to this Article III,  
3284 each agency shall follow the uniform numbering system, form and  
3285 style prescribed by the Secretary of State.

3286 **SECTION 48.** Section 25-43-3.110, Mississippi Code of 1972,  
3287 is brought forward as follows:

3288 25-43-3.110. (1) An agency shall maintain an official  
3289 rule-making record for each rule it (a) proposes or (b) adopts.  
3290 The agency has the exclusive authority to prepare and exclusive  
3291 authority to certify the record or any part thereof, including,  
3292 but not limited to, any transcript of the proceedings, and the  
3293 agency's certificate shall be accepted by the court and by any  
3294 other agency. The record must be available for public inspection.

3295 (2) The agency rule-making record must contain:



3296 (a) Copies of all notices of proposed rule-making or  
3297 oral proceedings or other publications in the administrative  
3298 bulletin with respect to the rule or the proceeding upon which the  
3299 rule is based;

3300 (b) Copies of any portions of the agency's public  
3301 rule-making docket containing entries relating to the rule or the  
3302 proceeding upon which the rule is based;

3303 (c) All written requests, submissions and comments  
3304 received by the agency and all other written materials considered  
3305 by the agency in connection with the formulation, proposal or  
3306 adoption of the rule or the proceeding upon which the rule is  
3307 based;

3308 (d) Any official transcript of oral presentations made  
3309 in the proceeding upon which the rule is based or, if not  
3310 transcribed, any tape recording or stenographic record of those  
3311 presentations, and any memorandum prepared by a presiding official  
3312 summarizing the contents of those presentations. The word  
3313 "transcript" includes a written transcript, a printed transcript,  
3314 an audible audiotape or videotape that is indexed and annotated so  
3315 that it is readily accessible and any other means that the agency  
3316 may have by rule provided for the reliable and accessible  
3317 preservation of the proceeding;

3318 (e) A copy of any economic impact statement prepared  
3319 for the proceeding upon which the rule is based; and



3320 (f) A copy of the rule and related information set out  
3321 in Section 25-43-3.109 as filed in the Office of the Secretary of  
3322 State.

3323 (3) The agency shall have authority to engage such persons  
3324 and acquire such equipment as may be reasonably necessary to  
3325 record and preserve in any technically and practicably feasible  
3326 manner all matters and all proceedings had at any rule-making  
3327 proceeding.

3328 (4) Upon judicial review, the record required by this  
3329 section constitutes the official agency rule-making record with  
3330 respect to a rule. Except as otherwise required by a provision of  
3331 law, the agency rule-making record need not constitute the  
3332 exclusive basis for agency action on that rule or for judicial  
3333 review thereof.

3334 **SECTION 49.** Section 25-43-3.113, Mississippi Code of 1972,  
3335 is brought forward as follows:

3336 25-43-3.113. (1) Except to the extent subsection (2) or (3)  
3337 of this section provides otherwise, each rule adopted after July  
3338 1, 2005, becomes effective thirty (30) days after its proper  
3339 filing in the Office of the Secretary of State.

3340 (2) (a) A rule becomes effective on a date later than that  
3341 established by subsection (1) of this section if a later date is  
3342 required by another statute or specified in the rule.

3343 (b) A rule may become effective immediately upon its  
3344 filing or on any subsequent date earlier than that established by



3345 subsection (1) of this section if the agency establishes such an  
3346 effective date and finds that:

3347 (i) It is required by Constitution, statute or  
3348 court order;

3349 (ii) The rule only confers a benefit or removes a  
3350 restriction on the public or some segment thereof;

3351 (iii) The rule only delays the effective date of  
3352 another rule that is not yet effective; or

3353 (iv) The earlier effective date is necessary  
3354 because of imminent peril to the public health, safety or welfare.

3355 (c) The finding and a brief statement of the reasons  
3356 therefor required by paragraph (b) of this subsection must be made  
3357 a part of the rule. In any action contesting the effective date  
3358 of a rule made effective under paragraph (b) of this subsection,  
3359 the burden is on the agency to justify its finding.

3360 (d) A temporary rule may become effective immediately  
3361 upon its filing or on any subsequent date earlier than that  
3362 established by subsection (1) of this section.

3363 (e) Each agency shall make a reasonable effort to make  
3364 known to persons who may be affected by it a rule made effective  
3365 before any date established by subsection (1) of this section.

3366 (3) This section does not relieve an agency from compliance  
3367 with any provision of law requiring that some or all of its rules  
3368 be approved by other designated officials or bodies before they  
3369 become effective.



3370           **SECTION 50.** Section 27-7-17, Mississippi Code of 1972, is  
3371 amended as follows:

3372           27-7-17. In computing taxable income, there shall be allowed  
3373 as deductions:

3374           (1) **Business deductions.**

3375           (a) **Business expenses.** All the ordinary and necessary  
3376 expenses paid or incurred during the taxable year in carrying on  
3377 any trade or business, including a reasonable allowance for  
3378 salaries or other compensation for personal services actually  
3379 rendered; nonreimbursable traveling expenses incident to current  
3380 employment, including a reasonable amount expended for meals and  
3381 lodging while away from home in the pursuit of a trade or  
3382 business; and rentals or other payments required to be made as a  
3383 condition of the continued use or possession, for purposes of the  
3384 trade or business of property to which the taxpayer has not taken  
3385 or is not taking title or in which he had no equity. Expense  
3386 incurred in connection with earning and distributing nontaxable  
3387 income is not an allowable deduction. Limitations on  
3388 entertainment expenses shall conform to the provisions of the  
3389 Internal Revenue Code of 1986. There shall also be allowed a  
3390 deduction for expenses as provided in Section 26 of this act.

3391           (b) **Interest.** All interest paid or accrued during the  
3392 taxable year on business indebtedness, except interest upon the  
3393 indebtedness for the purchase of tax-free bonds, or any stocks,  
3394 the dividends from which are nontaxable under the provisions of



3395 this article; provided, however, in the case of securities  
3396 dealers, interest payments or accruals on loans, the proceeds of  
3397 which are used to purchase tax-exempt securities, shall be  
3398 deductible if income from otherwise tax-free securities is  
3399 reported as income. Investment interest expense shall be limited  
3400 to investment income. Interest expense incurred for the purchase  
3401 of treasury stock, to pay dividends, or incurred as a result of an  
3402 undercapitalized affiliated corporation may not be deducted unless  
3403 an ordinary and necessary business purpose can be established to  
3404 the satisfaction of the commissioner. For the purposes of this  
3405 paragraph, the phrase "interest upon the indebtedness for the  
3406 purchase of tax-free bonds" applies only to the indebtedness  
3407 incurred for the purpose of directly purchasing tax-free bonds and  
3408 does not apply to any other indebtedness incurred in the regular  
3409 course of the taxpayer's business. Any corporation, association,  
3410 organization or other entity taxable under Section 27-7-23(c)  
3411 shall allocate interest expense as provided in Section  
3412 27-7-23(c) (3) (I).

3413 (c) **Taxes.** Taxes paid or accrued within the taxable  
3414 year, except state and federal income taxes, excise taxes based on  
3415 or measured by net income, estate and inheritance taxes, gift  
3416 taxes, cigar and cigarette taxes, gasoline taxes, and sales and  
3417 use taxes unless incurred as an item of expense in a trade or  
3418 business or in the production of taxable income. In the case of  
3419 an individual, taxes permitted as an itemized deduction under the



3420 provisions of subsection (3)(a) of this section are to be claimed  
3421 thereunder.

3422 (d) **Business losses.**

3423 (i) Losses sustained during the taxable year not  
3424 compensated for by insurance or otherwise, if incurred in trade or  
3425 business, or nonbusiness transactions entered into for profit.

3426 (ii) Limitations on losses from passive activities  
3427 and rental real estate shall conform to the provisions of the  
3428 Internal Revenue Code of 1986.

3429 (e) **Bad debts.** Losses from debts ascertained to be  
3430 worthless and charged off during the taxable year, if sustained in  
3431 the conduct of the regular trade or business of the taxpayer;  
3432 provided, that such losses shall be allowed only when the taxpayer  
3433 has reported as income, on the accrual basis, the amount of such  
3434 debt or account.

3435 (f) **Depreciation.** A reasonable allowance for  
3436 exhaustion, wear and tear of property used in the trade or  
3437 business, or rental property, and depreciation upon buildings  
3438 based upon their reasonable value as of March 16, 1912, if  
3439 acquired prior thereto, and upon cost if acquired subsequent to  
3440 that date. In the case of new or used aircraft, equipment,  
3441 engines, or other parts and tools used for aviation, allowance for  
3442 bonus depreciation conforms with the federal bonus depreciation  
3443 rates and reasonable allowance for depreciation under this section  
3444 is no less than one hundred percent (100%).





3445           (g) **Depletion.** In the case of mines, oil and gas  
3446 wells, other natural deposits and timber, a reasonable allowance  
3447 for depletion and for depreciation of improvements, based upon  
3448 cost, including cost of development, not otherwise deducted, or  
3449 fair market value as of March 16, 1912, if acquired prior to that  
3450 date, such allowance to be made upon regulations prescribed by the  
3451 commissioner, with the approval of the Governor.

3452           (h) **Contributions or gifts.** Except as otherwise  
3453 provided in paragraph (p) of this subsection or subsection (3) (a)  
3454 of this section for individuals, contributions or gifts made by  
3455 corporations within the taxable year to corporations,  
3456 organizations, associations or institutions, including Community  
3457 Chest funds, foundations and trusts created solely and exclusively  
3458 for religious, charitable, scientific or educational purposes, or  
3459 for the prevention of cruelty to children or animals, no part of  
3460 the net earnings of which inure to the benefit of any private  
3461 stockholder or individual. This deduction shall be allowed in an  
3462 amount not to exceed twenty percent (20%) of the net income. Such  
3463 contributions or gifts shall be allowable as deductions only if  
3464 verified under rules and regulations prescribed by the  
3465 commissioner, with the approval of the Governor. Contributions  
3466 made in any form other than cash shall be allowed as a deduction,  
3467 subject to the limitations herein provided, in an amount equal to  
3468 the actual market value of the contributions at the time the  
3469 contribution is actually made and consummated.



3470 (i) **Reserve funds - insurance companies.** In the case  
3471 of insurance companies the net additions required by law to be  
3472 made within the taxable year to reserve funds when such reserve  
3473 funds are maintained for the purpose of liquidating policies at  
3474 maturity.

3475 (j) **Annuity income.** The sums, other than dividends,  
3476 paid within the taxpayer year on policy or annuity contracts when  
3477 such income has been included in gross income.

3478 (k) **Contributions to employee pension plans.**  
3479 Contributions made by an employer to a plan or a trust forming  
3480 part of a pension plan, stock bonus plan, disability or  
3481 death-benefit plan, or profit-sharing plan of such employer for  
3482 the exclusive benefit of some or all of his, their, or its  
3483 employees, or their beneficiaries, shall be deductible from his,  
3484 their, or its income only to the extent that, and for the taxable  
3485 year in which, the contribution is deductible for federal income  
3486 tax purposes under the Internal Revenue Code of 1986 and any other  
3487 provisions of similar purport in the Internal Revenue Laws of the  
3488 United States, and the rules, regulations, rulings and  
3489 determinations promulgated thereunder, provided that:

3490 (i) The plan or trust be irrevocable.

3491 (ii) The plan or trust constitute a part of a  
3492 pension plan, stock bonus plan, disability or death-benefit plan,  
3493 or profit-sharing plan for the exclusive benefit of some or all of  
3494 the employer's employees and/or officers, or their beneficiaries,



3495 for the purpose of distributing the corpus and income of the plan  
3496 or trust to such employees and/or officers, or their  
3497 beneficiaries.

3498 (iii) No part of the corpus or income of the plan  
3499 or trust can be used for purposes other than for the exclusive  
3500 benefit of employees and/or officers, or their beneficiaries.

3501 Contributions to all plans or to all trusts of real or  
3502 personal property (or real and personal property combined) or to  
3503 insured plans created under a retirement plan for which provision  
3504 has been made under the laws of the United States of America,  
3505 making such contributions deductible from income for federal  
3506 income tax purposes, shall be deductible only to the same extent  
3507 under the Income Tax Laws of the State of Mississippi.

3508 (1) **Net operating loss carrybacks and carryovers.** A  
3509 net operating loss for any taxable year ending after December 31,  
3510 1993, and taxable years thereafter, shall be a net operating loss  
3511 carryback to each of the three (3) taxable years preceding the  
3512 taxable year of the loss. If the net operating loss for any  
3513 taxable year is not exhausted by carrybacks to the three (3)  
3514 taxable years preceding the taxable year of the loss, then there  
3515 shall be a net operating loss carryover to each of the fifteen  
3516 (15) taxable years following the taxable year of the loss  
3517 beginning with any taxable year after December 31, 1991.

3518 For any taxable year ending after December 31, 1997, the  
3519 period for net operating loss carrybacks and net operating loss



3520 carryovers shall be the same as those established by the Internal  
3521 Revenue Code and the rules, regulations, rulings and  
3522 determinations promulgated thereunder as in effect at the taxable  
3523 year end or on December 31, 2000, whichever is earlier.

3524 A net operating loss for any taxable year ending after  
3525 December 31, 2001, and taxable years thereafter, shall be a net  
3526 operating loss carryback to each of the two (2) taxable years  
3527 preceding the taxable year of the loss. If the net operating loss  
3528 for any taxable year is not exhausted by carrybacks to the two (2)  
3529 taxable years preceding the taxable year of the loss, then there  
3530 shall be a net operating loss carryover to each of the twenty (20)  
3531 taxable years following the taxable year of the loss beginning  
3532 with any taxable year after the taxable year of the loss.

3533 The term "net operating loss," for the purposes of this  
3534 paragraph, shall be the excess of the deductions allowed over the  
3535 gross income; provided, however, the following deductions shall  
3536 not be allowed in computing same:

3537 (i) No net operating loss deduction shall be  
3538 allowed.

3539 (ii) No personal exemption deduction shall be  
3540 allowed.

3541 (iii) Allowable deductions which are not  
3542 attributable to taxpayer's trade or business shall be allowed only  
3543 to the extent of the amount of gross income not derived from such  
3544 trade or business.



3545 Any taxpayer entitled to a carryback period as provided by  
3546 this paragraph may elect to relinquish the entire carryback period  
3547 with respect to a net operating loss for any taxable year ending  
3548 after December 31, 1991. The election shall be made in the manner  
3549 prescribed by the Department of Revenue and shall be made by the  
3550 due date, including extensions of time, for filing the taxpayer's  
3551 return for the taxable year of the net operating loss for which  
3552 the election is to be in effect. The election, once made for any  
3553 taxable year, shall be irrevocable for that taxable year.

3554 (m) **Amortization of pollution or environmental control**  
3555 **facilities.** Allowance of deduction. Every taxpayer, at his  
3556 election, shall be entitled to a deduction for pollution or  
3557 environmental control facilities to the same extent as that  
3558 allowed under the Internal Revenue Code and the rules,  
3559 regulations, rulings and determinations promulgated thereunder.

3560 (n) **Dividend distributions - real estate investment**  
3561 **trusts.** "Real estate investment trust" (hereinafter referred to  
3562 as REIT) shall have the meaning ascribed to such term in Section  
3563 856 of the federal Internal Revenue Code of 1986, as amended. A  
3564 REIT is allowed a dividend distributed deduction if the dividend  
3565 distributions meet the requirements of Section 857 or are  
3566 otherwise deductible under Section 858 or 860, federal Internal  
3567 Revenue Code of 1986, as amended. In addition:

3568 (i) A dividend distributed deduction shall only be  
3569 allowed for dividends paid by a publicly traded REIT. A qualified



3570 REIT subsidiary shall be allowed a dividend distributed deduction  
3571 if its owner is a publicly traded REIT.

3572 (ii) Income generated from real estate contributed  
3573 or sold to a REIT by a shareholder or related party shall not give  
3574 rise to a dividend distributed deduction, unless the shareholder  
3575 or related party would have received the dividend distributed  
3576 deduction under this chapter.

3577 (iii) A holding corporation receiving a dividend  
3578 from a REIT shall not be allowed the deduction in Section  
3579 27-7-15(4)(t).

3580 (iv) Any REIT not allowed the dividend distributed  
3581 deduction in the federal Internal Revenue Code of 1986, as  
3582 amended, shall not be allowed a dividend distributed deduction  
3583 under this chapter.

3584 The commissioner is authorized to promulgate rules and  
3585 regulations consistent with the provisions in Section 269 of the  
3586 federal Internal Revenue Code of 1986, as amended, so as to  
3587 prevent the evasion or avoidance of state income tax.

3588 (o) **Contributions to college savings trust fund**  
3589 **accounts.** Contributions or payments to a Mississippi Affordable  
3590 College Savings Program account are deductible as provided under  
3591 Section 37-155-113. Payments made under a prepaid tuition  
3592 contract entered into under the Mississippi Prepaid Affordable  
3593 College Tuition Program are deductible as provided under Section  
3594 37-155-17.



3595                   (p)   **Contributions of human pharmaceutical products.** To  
3596 the extent that a "major supplier" as defined in Section  
3597 27-13-13(2) (d) contributes human pharmaceutical products in excess  
3598 of Two Hundred Fifty Million Dollars (\$250,000,000.00) as  
3599 determined under Section 170 of the Internal Revenue Code, the  
3600 charitable contribution limitation associated with those donations  
3601 shall follow the federal limitation but cannot result in the  
3602 Mississippi net income being reduced below zero.

3603                   (q)   **Contributions to ABLE trust fund accounts.**  
3604 Contributions or payments to a Mississippi Achieving a Better Life  
3605 Experience (ABLE) Program account are deductible as provided under  
3606 Section 43-28-13.

3607                   (2)   **Restrictions on the deductibility of certain intangible  
3608 expenses and interest expenses with a related member.**

3609                   (a)   As used in this subsection (2):

3610                               (i)   "Intangible expenses and costs" include:

3611                                       1. Expenses, losses and costs for, related  
3612 to, or in connection directly or indirectly with the direct or  
3613 indirect acquisition, use, maintenance or management, ownership,  
3614 sale, exchange or any other disposition of intangible property to  
3615 the extent such amounts are allowed as deductions or costs in  
3616 determining taxable income under this chapter;

3617                                       2. Expenses or losses related to or incurred  
3618 in connection directly or indirectly with factoring transactions  
3619 or discounting transactions;



3620 3. Royalty, patent, technical and copyright  
3621 fees;

3622 4. Licensing fees; and

3623 5. Other similar expenses and costs.

3624 (ii) "Intangible property" means patents, patent  
3625 applications, trade names, trademarks, service marks, copyrights  
3626 and similar types of intangible assets.

3627 (iii) "Interest expenses and cost" means amounts  
3628 directly or indirectly allowed as deductions for purposes of  
3629 determining taxable income under this chapter to the extent such  
3630 interest expenses and costs are directly or indirectly for,  
3631 related to, or in connection with the direct or indirect  
3632 acquisition, maintenance, management, ownership, sale, exchange or  
3633 disposition of intangible property.

3634 (iv) "Related member" means an entity or person  
3635 that, with respect to the taxpayer during all or any portion of  
3636 the taxable year, is a related entity, a component member as  
3637 defined in the Internal Revenue Code, or is an entity or a person  
3638 to or from whom there is attribution of stock ownership in  
3639 accordance with Section 1563(e) of the Internal Revenue Code.

3640 (v) "Related entity" means:

3641 1. A stockholder who is an individual or a  
3642 member of the stockholder's family, as defined in regulations  
3643 prescribed by the commissioner, if the stockholder and the members  
3644 of the stockholder's family own, directly, indirectly,





3645 beneficially or constructively, in the aggregate, at least fifty  
3646 percent (50%) of the value of the taxpayer's outstanding stock;

3647           2. A stockholder, or a stockholder's  
3648 partnership, limited liability company, estate, trust or  
3649 corporation, if the stockholder and the stockholder's  
3650 partnerships, limited liability companies, estates, trusts and  
3651 corporations own, directly, indirectly, beneficially or  
3652 constructively, in the aggregate, at least fifty percent (50%) of  
3653 the value of the taxpayer's outstanding stock;

3654           3. A corporation, or a party related to the  
3655 corporation in a manner that would require an attribution of stock  
3656 from the corporation to the party or from the party to the  
3657 corporation, if the taxpayer owns, directly, indirectly,  
3658 beneficially or constructively, at least fifty percent (50%) of  
3659 the value of the corporation's outstanding stock under regulation  
3660 prescribed by the commissioner;

3661           4. Any entity or person which would be a  
3662 related member under this section if the taxpayer were considered  
3663 a corporation for purposes of this section.

3664           (b) In computing net income, a taxpayer shall add back  
3665 otherwise deductible interest expenses and costs and intangible  
3666 expenses and costs directly or indirectly paid, accrued to or  
3667 incurred, in connection directly or indirectly with one or more  
3668 direct or indirect transactions with one or more related members.



3669           (c) The adjustments required by this subsection shall  
3670 not apply to such portion of interest expenses and costs and  
3671 intangible expenses and costs that the taxpayer can establish  
3672 meets one (1) of the following:

3673                   (i) The related member directly or indirectly  
3674 paid, accrued or incurred such portion to a person during the same  
3675 income year who is not a related member; or

3676                   (ii) The transaction giving rise to the interest  
3677 expenses and costs or intangible expenses and costs between the  
3678 taxpayer and related member was done primarily for a valid  
3679 business purpose other than the avoidance of taxes, and the  
3680 related member is not primarily engaged in the acquisition, use,  
3681 maintenance or management, ownership, sale, exchange or any other  
3682 disposition of intangible property.

3683           (d) Nothing in this subsection shall require a taxpayer  
3684 to add to its net income more than once any amount of interest  
3685 expenses and costs or intangible expenses and costs that the  
3686 taxpayer pays, accrues or incurs to a related member.

3687           (e) The commissioner may prescribe such regulations as  
3688 necessary or appropriate to carry out the purposes of this  
3689 subsection, including, but not limited to, clarifying definitions  
3690 of terms, rules of stock attribution, factoring and discount  
3691 transactions.

3692           (3) **Individual nonbusiness deductions.**



3693 (a) The amount allowable for individual nonbusiness  
3694 itemized deductions for federal income tax purposes where the  
3695 individual is eligible to elect, for the taxable year, to itemize  
3696 deductions on his federal return except the following:

3697 (i) The deduction for state income taxes paid or  
3698 other taxes allowed for federal purposes in lieu of state income  
3699 taxes paid;

3700 (ii) The deduction for gaming losses from gaming  
3701 establishments;

3702 (iii) The deduction for taxes collected by  
3703 licensed gaming establishments pursuant to Section 27-7-901;

3704 (iv) The deduction for taxes collected by gaming  
3705 establishments pursuant to Section 27-7-903.

3706 (b) In lieu of the individual nonbusiness itemized  
3707 deductions authorized in paragraph (a), for all purposes other  
3708 than ordinary and necessary expenses paid or incurred during the  
3709 taxable year in carrying on any trade or business, an optional  
3710 standard deduction of:

3711 (i) Three Thousand Four Hundred Dollars  
3712 (\$3,400.00) through calendar year 1997, Four Thousand Two Hundred  
3713 Dollars (\$4,200.00) for the calendar year 1998 and Four Thousand  
3714 Six Hundred Dollars (\$4,600.00) for each calendar year thereafter  
3715 in the case of married individuals filing a joint or combined  
3716 return;



3717 (ii) One Thousand Seven Hundred Dollars  
3718 (\$1,700.00) through calendar year 1997, Two Thousand One Hundred  
3719 Dollars (\$2,100.00) for the calendar year 1998 and Two Thousand  
3720 Three Hundred Dollars (\$2,300.00) for each calendar year  
3721 thereafter in the case of married individuals filing separate  
3722 returns;

3723 (iii) Three Thousand Four Hundred Dollars  
3724 (\$3,400.00) in the case of a head of family; or

3725 (iv) Two Thousand Three Hundred Dollars  
3726 (\$2,300.00) in the case of an individual who is not married.

3727 In the case of a husband and wife living together, having  
3728 separate incomes, and filing combined returns, the standard  
3729 deduction authorized may be divided in any manner they choose. In  
3730 the case of separate returns by a husband and wife, the standard  
3731 deduction shall not be allowed to either if the taxable income of  
3732 one of the spouses is determined without regard to the standard  
3733 deduction.

3734 (c) A nonresident individual shall be allowed the same  
3735 individual nonbusiness deductions as are authorized for resident  
3736 individuals in paragraph (a) or (b) of this subsection; however,  
3737 the nonresident individual is entitled only to that proportion of  
3738 the individual nonbusiness deductions as his net income from  
3739 sources within the State of Mississippi bears to his total or  
3740 entire net income from all sources.



3741 (4) Nothing in this section shall permit the same item to be  
3742 deducted more than once, either in fact or in effect.

3743 **SECTION 51.** Section 27-65-111, Mississippi Code of 1972, is  
3744 amended as follows:

3745 27-65-111. The exemptions from the provisions of this  
3746 chapter which are not industrial, agricultural or governmental, or  
3747 which do not relate to utilities or taxes, or which are not  
3748 properly classified as one (1) of the exemption classifications of  
3749 this chapter, shall be confined to persons or property exempted by  
3750 this section or by the Constitution of the United States or the  
3751 State of Mississippi. No exemptions as now provided by any other  
3752 section, except the classified exemption sections of this chapter  
3753 set forth herein, shall be valid as against the tax herein levied.  
3754 Any subsequent exemption from the tax levied hereunder, except as  
3755 indicated above, shall be provided by amendments to this section.

3756 No exemption provided in this section shall apply to taxes  
3757 levied by Section 27-65-15 or 27-65-21, Mississippi Code of 1972.

3758 The tax levied by this chapter shall not apply to the  
3759 following:

3760 (a) Sales of tangible personal property and services to  
3761 hospitals or infirmaries owned and operated by a corporation or  
3762 association in which no part of the net earnings inures to the  
3763 benefit of any private shareholder, group or individual, and which  
3764 are subject to and governed by Sections 41-7-123 through 41-7-127.



3765           Only sales of tangible personal property or services which  
3766 are ordinary and necessary to the operation of such hospitals and  
3767 infirmaries are exempted from tax.

3768           (b) Sales of daily or weekly newspapers, and  
3769 periodicals or publications of scientific, literary or educational  
3770 organizations exempt from federal income taxation under Section  
3771 501(c) (3) of the Internal Revenue Code of 1954, as it exists as of  
3772 March 31, 1975, and subscription sales of all magazines.

3773           (c) Sales of coffins, caskets and other materials used  
3774 in the preparation of human bodies for burial.

3775           (d) Sales of tangible personal property for immediate  
3776 export to a foreign country.

3777           (e) Sales of tangible personal property to an  
3778 orphanage, old men's or ladies' home, supported wholly or in part  
3779 by a religious denomination, fraternal nonprofit organization or  
3780 other nonprofit organization.

3781           (f) Sales of tangible personal property, labor or  
3782 services taxable under Sections 27-65-17, 27-65-19 and 27-65-23,  
3783 to a YMCA, YWCA, a Boys' or Girls' Club owned and operated by a  
3784 corporation or association in which no part of the net earnings  
3785 inures to the benefit of any private shareholder, group or  
3786 individual.

3787           (g) Sales to elementary and secondary grade schools,  
3788 junior and senior colleges owned and operated by a corporation or  
3789 association in which no part of the net earnings inures to the



3790 benefit of any private shareholder, group or individual, and which  
3791 are exempt from state income taxation, provided that this  
3792 exemption does not apply to sales of property or services which  
3793 are not to be used in the ordinary operation of the school, or  
3794 which are to be resold to the students or the public.

3795 (h) The gross proceeds of retail sales and the use or  
3796 consumption in this state of drugs and medicines:

3797 (i) Prescribed for the treatment of a human being  
3798 by a person authorized to prescribe the medicines, and dispensed  
3799 or prescription filled by a registered pharmacist in accordance  
3800 with law; or

3801 (ii) Furnished by a licensed physician, surgeon,  
3802 dentist or podiatrist to his own patient for treatment of the  
3803 patient; or

3804 (iii) Furnished by a hospital for treatment of any  
3805 person pursuant to the order of a licensed physician, surgeon,  
3806 dentist or podiatrist; or

3807 (iv) Sold to a licensed physician, surgeon,  
3808 podiatrist, dentist or hospital for the treatment of a human  
3809 being; or

3810 (v) Sold to this state or any political  
3811 subdivision or municipal corporation thereof, for use in the  
3812 treatment of a human being or furnished for the treatment of a  
3813 human being by a medical facility or clinic maintained by this



3814 state or any political subdivision or municipal corporation  
3815 thereof.

3816 "Medicines," as used in this paragraph (h), shall mean and  
3817 include any substance or preparation intended for use by external  
3818 or internal application to the human body in the diagnosis, cure,  
3819 mitigation, treatment or prevention of disease and which is  
3820 commonly recognized as a substance or preparation intended for  
3821 such use; provided that "medicines" do not include any auditory,  
3822 prosthetic, ophthalmic or ocular device or appliance, any dentures  
3823 or parts thereof or any artificial limbs or their replacement  
3824 parts, articles which are in the nature of splints, bandages,  
3825 pads, compresses, supports, dressings, instruments, apparatus,  
3826 contrivances, appliances, devices or other mechanical, electronic,  
3827 optical or physical equipment or article or the component parts  
3828 and accessories thereof, or any alcoholic beverage or any other  
3829 drug or medicine not commonly referred to as a prescription drug.

3830 Notwithstanding the preceding sentence of this paragraph (h),  
3831 "medicines" as used in this paragraph (h), shall mean and include  
3832 sutures, whether or not permanently implanted, bone screws, bone  
3833 pins, pacemakers and other articles permanently implanted in the  
3834 human body to assist the functioning of any natural organ, artery,  
3835 vein or limb and which remain or dissolve in the body.

3836 The exemption provided in this paragraph (h) shall not apply  
3837 to medical cannabis sold in accordance with the provisions of the





3838 Mississippi Medical Cannabis Act and in compliance with rules and  
3839 regulations adopted thereunder.

3840 "Hospital," as used in this paragraph (h), shall have the  
3841 meaning ascribed to it in Section 41-9-3, Mississippi Code of  
3842 1972.

3843 Insulin furnished by a registered pharmacist to a person for  
3844 treatment of diabetes as directed by a physician shall be deemed  
3845 to be dispensed on prescription within the meaning of this  
3846 paragraph (h).

3847 (i) Retail sales of automobiles, trucks and  
3848 truck-tractors if exported from this state within forty-eight (48)  
3849 hours and registered and first used in another state.

3850 (j) Sales of tangible personal property or services to  
3851 the Salvation Army and the Muscular Dystrophy Association, Inc.

3852 (k) From July 1, 1985, through December 31, 1992,  
3853 retail sales of "alcohol-blended fuel" as such term is defined in  
3854 Section 75-55-5. The gasoline-alcohol blend or the straight  
3855 alcohol eligible for this exemption shall not contain alcohol  
3856 distilled outside the State of Mississippi.

3857 (l) Sales of tangible personal property or services to  
3858 the Institute for Technology Development.

3859 (m) The gross proceeds of retail sales of food and  
3860 drink for human consumption made through vending machines serviced  
3861 by full-line vendors from and not connected with other taxable  
3862 businesses.



3863           (n) The gross proceeds of sales of motor fuel.

3864           (o) Retail sales of food for human consumption

3865 purchased with food stamps issued by the United States Department

3866 of Agriculture, or other federal agency, from and after October 1,

3867 1987, or from and after the expiration of any waiver granted

3868 pursuant to federal law, the effect of which waiver is to permit

3869 the collection by the state of tax on such retail sales of food

3870 for human consumption purchased with food stamps.

3871           (p) Sales of cookies for human consumption by the Girl

3872 Scouts of America no part of the net earnings from which sales

3873 inures to the benefit of any private group or individual.

3874           (q) Gifts or sales of tangible personal property or

3875 services to public or private nonprofit museums of art.

3876           (r) Sales of tangible personal property or services to

3877 alumni associations of state-supported colleges or universities.

3878           (s) Sales of tangible personal property or services to

3879 National Association of Junior Auxiliaries, Inc., and chapters of

3880 the National Association of Junior Auxiliaries, Inc.

3881           (t) Sales of tangible personal property or services to

3882 domestic violence shelters which qualify for state funding under

3883 Sections 93-21-101 through 93-21-113.

3884           (u) Sales of tangible personal property or services to

3885 the National Multiple Sclerosis Society, Mississippi Chapter.

3886           (v) Retail sales of food for human consumption

3887 purchased with food instruments issued the Mississippi Band of



3888 Choctaw Indians under the Women, Infants and Children Program  
3889 (WIC) funded by the United States Department of Agriculture.

3890 (w) Sales of tangible personal property or services to  
3891 a private company, as defined in Section 57-61-5, which is making  
3892 such purchases with proceeds of bonds issued under Section 57-61-1  
3893 et seq., the Mississippi Business Investment Act.

3894 (x) The gross collections from the operation of  
3895 self-service, coin-operated car washing equipment and sales of the  
3896 service of washing motor vehicles with portable high-pressure  
3897 washing equipment on the premises of the customer.

3898 (y) Sales of tangible personal property or services to  
3899 the Mississippi Technology Alliance.

3900 (z) Sales of tangible personal property to nonprofit  
3901 organizations that provide foster care, adoption services and  
3902 temporary housing for unwed mothers and their children if the  
3903 organization is exempt from federal income taxation under Section  
3904 501(c) (3) of the Internal Revenue Code.

3905 (aa) Sales of tangible personal property to nonprofit  
3906 organizations that provide residential rehabilitation for persons  
3907 with alcohol and drug dependencies if the organization is exempt  
3908 from federal income taxation under Section 501(c) (3) of the  
3909 Internal Revenue Code.

3910 (bb) (i) Retail sales of an article of clothing or  
3911 footwear designed to be worn on or about the human body and retail  
3912 sales of school supplies if the sales price of the article of



3913 clothing or footwear or school supply is less than One Hundred  
3914 Dollars (\$100.00) and the sale takes place during a period  
3915 beginning at 12:01 a.m. on the last Friday in July and ending at  
3916 12:00 midnight the following Saturday. This paragraph (bb) shall  
3917 not apply to:

3918                   1. Accessories including jewelry, handbags,  
3919 luggage, umbrellas, wallets, watches, briefcases, garment bags and  
3920 similar items carried on or about the human body, without regard  
3921 to whether worn on the body in a manner characteristic of  
3922 clothing;

3923                   2. The rental of clothing or footwear; and

3924                   3. Skis, swim fins, roller blades, skates and  
3925 similar items worn on the foot.

3926                   (ii) For purposes of this paragraph (bb), "school  
3927 supplies" means items that are commonly used by a student in a  
3928 course of study. The following is an all-inclusive list:

3929                   1. Backpacks;

3930                   2. Binder pockets;

3931                   3. Binders;

3932                   4. Blackboard chalk;

3933                   5. Book bags;

3934                   6. Calculators;

3935                   7. Cellophane tape;

3936                   8. Clays and glazes;

3937                   9. Compasses;



- 3938 10. Composition books;
- 3939 11. Crayons;
- 3940 12. Dictionaries and thesauruses;
- 3941 13. Dividers;
- 3942 14. Erasers;
- 3943 15. Folders: expandable, pocket, plastic and
- 3944 manila;
- 3945 16. Glue, paste and paste sticks;
- 3946 17. Highlighters;
- 3947 18. Index card boxes;
- 3948 19. Index cards;
- 3949 20. Legal pads;
- 3950 21. Lunch boxes;
- 3951 22. Markers;
- 3952 23. Notebooks;
- 3953 24. Paintbrushes for artwork;
- 3954 25. Paints: acrylic, tempera and oil;
- 3955 26. Paper: loose-leaf ruled notebook paper,
- 3956 copy paper, graph paper, tracing paper, manila paper, colored
- 3957 paper, poster board and construction paper;
- 3958 27. Pencil boxes and other school supply
- 3959 boxes;
- 3960 28. Pencil sharpeners;
- 3961 29. Pencils;
- 3962 30. Pens;



- 3963 31. Protractors;
- 3964 32. Reference books;
- 3965 33. Reference maps and globes;
- 3966 34. Rulers;
- 3967 35. Scissors;
- 3968 36. Sheet music;
- 3969 37. Sketch and drawing pads;
- 3970 38. Textbooks;
- 3971 39. Watercolors;
- 3972 40. Workbooks; and
- 3973 41. Writing tablets.

3974 (iii) From and after January 1, 2010, the  
3975 governing authorities of a municipality, for retail sales  
3976 occurring within the corporate limits of the municipality, may  
3977 suspend the application of the exemption provided for in this  
3978 paragraph (bb) by adoption of a resolution to that effect stating  
3979 the date upon which the suspension shall take effect. A certified  
3980 copy of the resolution shall be furnished to the Department of  
3981 Revenue at least ninety (90) days prior to the date upon which the  
3982 municipality desires such suspension to take effect.

3983 (cc) The gross proceeds of sales of tangible personal  
3984 property made for the sole purpose of raising funds for a school  
3985 or an organization affiliated with a school.



3986           As used in this paragraph (cc), "school" means any public or  
3987 private school that teaches courses of instruction to students in  
3988 any grade from Kindergarten through Grade 12.

3989           (dd) Sales of durable medical equipment and home  
3990 medical supplies when ordered or prescribed by a licensed  
3991 physician for medical purposes of a patient. As used in this  
3992 paragraph (dd), "durable medical equipment" and "home medical  
3993 supplies" mean equipment, including repair and replacement parts  
3994 for the equipment or supplies listed under Title XVIII of the  
3995 Social Security Act or under the state plan for medical assistance  
3996 under Title XIX of the Social Security Act, prosthetics,  
3997 orthotics, hearing aids, hearing devices, prescription eyeglasses,  
3998 oxygen and oxygen equipment. Payment does not have to be made, in  
3999 whole or in part, by any particular person to be eligible for this  
4000 exemption. Purchases of home medical equipment and supplies by a  
4001 provider of home health services or a provider of hospice services  
4002 are eligible for this exemption if the purchases otherwise meet  
4003 the requirements of this paragraph.

4004           (ee) Sales of tangible personal property or services to  
4005 Mississippi Blood Services.

4006           (ff) (i) Subject to the provisions of this paragraph  
4007 (ff), retail sales of firearms, ammunition and hunting supplies if  
4008 sold during the annual Mississippi Second Amendment Weekend  
4009 holiday beginning at 12:01 a.m. on the last Friday in August and  
4010 ending at 12:00 midnight the following Sunday. For the purposes



4011 of this paragraph (ff), "hunting supplies" means tangible personal  
4012 property used for hunting, including, and limited to, archery  
4013 equipment, firearm and archery cases, firearm and archery  
4014 accessories, hearing protection, holsters, belts and slings.  
4015 Hunting supplies does not include animals used for hunting.

4016 (ii) This paragraph (ff) shall apply only if one  
4017 or more of the following occur:

4018 1. Title to and/or possession of an eligible  
4019 item is transferred from a seller to a purchaser; and/or

4020 2. A purchaser orders and pays for an  
4021 eligible item and the seller accepts the order for immediate  
4022 shipment, even if delivery is made after the time period provided  
4023 in subparagraph (i) of this paragraph (ff), provided that the  
4024 purchaser has not requested or caused the delay in shipment.

4025 (gg) Sales of nonperishable food items to charitable  
4026 organizations that are exempt from federal income taxation under  
4027 Section 501(c)(3) of the Internal Revenue Code and operate a food  
4028 bank or food pantry or food lines.

4029 (hh) Sales of tangible personal property or services to  
4030 the United Way of the Pine Belt Region, Inc.

4031 (ii) Sales of tangible personal property or services to  
4032 the Mississippi Children's Museum or any subsidiary or affiliate  
4033 thereof operating a satellite or branch museum within this state.

4034 (jj) Sales of tangible personal property or services to  
4035 the Jackson Zoological Park.





4036                   (kk) Sales of tangible personal property or services to  
4037 the Hattiesburg Zoo.

4038                   (ll) Gross proceeds from sales of food, merchandise or  
4039 other concessions at an event held solely for religious or  
4040 charitable purposes at livestock facilities, agriculture  
4041 facilities or other facilities constructed, renovated or expanded  
4042 with funds for the grant program authorized under Section 18,  
4043 Chapter 530, Laws of 1995.

4044                   (mm) Sales of tangible personal property and services  
4045 to the Diabetes Foundation of Mississippi and the Mississippi  
4046 Chapter of the Juvenile Diabetes Research Foundation.

4047                   (nn) Sales of potting soil, mulch, or other soil  
4048 amendments used in growing ornamental plants which bear no fruit  
4049 of commercial value when sold to commercial plant nurseries that  
4050 operate exclusively at wholesale and where no retail sales can be  
4051 made.

4052                   (oo) Sales of tangible personal property or services to  
4053 the University of Mississippi Medical Center Research Development  
4054 Foundation.

4055                   (pp) Sales of tangible personal property or services to  
4056 Keep Mississippi Beautiful, Inc., and all affiliates of Keep  
4057 Mississippi Beautiful, Inc.

4058                   (qq) Sales of tangible personal property or services to  
4059 the Friends of Children's Hospital.



4060                   (rr) Sales of tangible personal property or services to  
4061 the Pinecrest Weekend Backpacks for Kids located in Corinth,  
4062 Mississippi.

4063                   (ss) Sales of hearing aids when ordered or prescribed  
4064 by a licensed physician, audiologist or hearing aid specialist for  
4065 the medical purposes of a patient.

4066                   (tt) Sales exempt under the Facilitating Business Rapid  
4067 Response to State Declared Disasters Act of 2015 (Sections  
4068 27-113-1 through 27-113-9).

4069                   (uu) Sales of tangible personal property or services to  
4070 the Junior League of Jackson.

4071                   (vv) Sales of tangible personal property or services to  
4072 the Mississippi's Toughest Kids Foundation for use in the  
4073 construction, furnishing and equipping of buildings and related  
4074 facilities and infrastructure at Camp Kamassa in Copiah County,  
4075 Mississippi. This paragraph (vv) shall stand repealed on July 1,  
4076 2022.

4077                   (wv) Sales of tangible personal property or services to  
4078 MS Gulf Coast Buddy Sports, Inc.

4079                   (xx) Sales of tangible personal property or services to  
4080 Biloxi Lions, Inc.

4081                   (yy) Sales of tangible personal property or services to  
4082 Lions Sight Foundation of Mississippi, Inc.



4083 (zz) Sales of tangible personal property and services  
4084 to the Goldring/Woldenberg Institute of Southern Jewish Life  
4085 (ISJL).

4086 **SECTION 52.** Section 33-13-520, Mississippi Code of 1972, is  
4087 amended as follows:

4088 33-13-520. (1) Any person subject to this code who uses,  
4089 while on duty, any controlled substance listed in the Uniform  
4090 Controlled Substances Law, not legally prescribed, or is found, by  
4091 a chemical analysis of such person's blood or urine, to have in  
4092 his blood, while on duty, any controlled substance described in  
4093 subsection (3), not legally prescribed, shall be punished as a  
4094 court-martial may direct.

4095 (2) Any person subject to this code who wrongfully uses,  
4096 possesses, manufactures, distributes, imports into the customs  
4097 territory of the United States, exports from the United States, or  
4098 introduces into an installation, vessel, vehicle or aircraft used  
4099 by or under the control of the state military forces a substance  
4100 described in subsection (3) shall be punished as a court-martial  
4101 may direct.

4102 (3) The substances referred to in subsections (1) and (2)  
4103 are the following:

4104 (a) Opium, heroin, cocaine, amphetamine, lysergic acid  
4105 diethylamide, methamphetamine, phencyclidine, barbituric acid, and  
4106 marijuana and any compound or derivative of any such substance.

4107 For the purposes of this paragraph (a), "marijuana" shall not



4108 include medical cannabis that is lawful under the Mississippi  
4109 Medical Cannabis Act and in compliance with rules and regulations  
4110 adopted thereunder.

4111 (b) Any substance not specified in paragraph (a) that  
4112 is listed on a schedule of controlled substance prescribed by the  
4113 President for the purposes of the federal Uniform Code of Military  
4114 Justice.

4115 (c) Any other substance not specified in paragraph (a)  
4116 or contained on a list prescribed by the President under paragraph  
4117 (b) that is listed in Schedules I through V of Section 202 of the  
4118 federal Controlled Substances Act (21 USCS 812).

4119 **SECTION 53.** Section 37-11-29, Mississippi Code of 1972, is  
4120 amended as follows:

4121 37-11-29. (1) Any principal, teacher or other school  
4122 employee who has knowledge of any unlawful activity which occurred  
4123 on educational property or during a school related activity or  
4124 which may have occurred shall report such activity to the  
4125 superintendent of the school district or his designee who shall  
4126 notify the appropriate law enforcement officials as required by  
4127 this section. In the event of an emergency or if the  
4128 superintendent or his designee is unavailable, any principal may  
4129 make a report required under this subsection.

4130 (2) Whenever any person who shall be an enrolled student in  
4131 any school or educational institution in this state supported in  
4132 whole or in part by public funds, or who shall be an enrolled



4133 student in any private school or educational institution, is  
4134 arrested for, and lawfully charged with, the commission of any  
4135 crime and convicted upon the charge for which he was arrested, or  
4136 convicted of any crime charged against him after his arrest and  
4137 before trial, the office or law enforcement department of which  
4138 the arresting officer is a member, and the justice court judge and  
4139 any circuit judge or court before whom such student is tried upon  
4140 said charge or charges, shall make or cause to be made a report  
4141 thereof to the superintendent or the president or chancellor, as  
4142 the case may be, of the school district or other educational  
4143 institution in which such student is enrolled.

4144 If the charge upon which such student was arrested, or any  
4145 other charges preferred against him are dismissed or nol prossed,  
4146 or if upon trial he is either convicted or acquitted of such  
4147 charge or charges, same shall be reported to said respective  
4148 superintendent or president, or chancellor, as the case may be. A  
4149 copy of said report shall be sent to the Secretary of the Board of  
4150 Trustees of State Institutions of Higher Learning of the State of  
4151 Mississippi, at Jackson, Mississippi.

4152 Said report shall be made within one (1) week after the  
4153 arrest of such student and within one (1) week after any charge  
4154 placed against him is dismissed or nol prossed, and within one (1)  
4155 week after he shall have pled guilty, been convicted, or have been  
4156 acquitted by trial upon any charge placed against him. This



4157 section shall not apply to ordinary traffic violations involving a  
4158 penalty of less than Fifty Dollars (\$50.00) and costs.

4159         The State Superintendent of Public Education shall gather  
4160 annually all of the reports provided under this section and  
4161 prepare a report on the number of students arrested as a result of  
4162 any unlawful activity which occurred on educational property or  
4163 during a school related activity. All data must be disaggregated  
4164 by race, ethnicity, gender, school, offense and law enforcement  
4165 agency involved. However, the report prepared by the State  
4166 Superintendent of Public Education shall not include the identity  
4167 of any student who was arrested.

4168         On or before January 1 of each year, the State Superintendent  
4169 of Public Education shall report to the Governor, the Lieutenant  
4170 Governor, the Speaker of the House of Representatives and the  
4171 Joint PEER Committee on this section. The report must include  
4172 data regarding arrests as a result of any unlawful activity which  
4173 occurred on educational property or during a school related  
4174 activity.

4175         (3) When the superintendent or his designee has a reasonable  
4176 belief that an act has occurred on educational property or during  
4177 a school related activity involving any of the offenses set forth  
4178 in subsection (6) of this section, the superintendent or his  
4179 designee shall immediately report the act to the appropriate local  
4180 law enforcement agency. For purposes of this subsection, "school  
4181 property" shall include any public school building, bus, public



4182 school campus, grounds, recreational area or athletic field in the  
4183 charge of the superintendent. The State Board of Education shall  
4184 prescribe a form for making reports required under this  
4185 subsection. Any superintendent or his designee who fails to make  
4186 a report required by this section shall be subject to the  
4187 penalties provided in Section 37-11-35.

4188 (4) The law enforcement authority shall immediately dispatch  
4189 an officer to the educational institution and with probable cause  
4190 the officer is authorized to make an arrest if necessary as  
4191 provided in Section 99-3-7.

4192 (5) Any superintendent, principal, teacher or other school  
4193 personnel participating in the making of a required report  
4194 pursuant to this section or participating in any judicial  
4195 proceeding resulting therefrom shall be presumed to be acting in  
4196 good faith. Any person reporting in good faith shall be immune  
4197 from any civil liability that might otherwise be incurred or  
4198 imposed.

4199 (6) For purposes of this section, "unlawful activity" means  
4200 any of the following:

4201 (a) Possession or use of a deadly weapon, as defined in  
4202 Section 97-37-1;

4203 (b) Possession, sale or use of any controlled  
4204 substance;

4205 (c) Aggravated assault, as defined in Section 97-3-7;



4206 (d) Simple assault, as defined in Section 97-3-7, upon  
4207 any school employee;  
4208 (e) Rape, as defined under Mississippi law;  
4209 (f) Sexual battery, as defined under Mississippi law;  
4210 (g) Murder, as defined under Mississippi law;  
4211 (h) Kidnapping, as defined under Mississippi law; or  
4212 (i) Fondling, touching, handling, etc., a child for  
4213 lustful purposes, as defined in Section 97-5-23.

4214 For the purposes of this subsection (6), the term "controlled  
4215 substance" does not include the possession or use of medical  
4216 cannabis that is lawful under the Mississippi Medical Cannabis Act  
4217 and in compliance with rules and regulations adopted thereunder.

4218 **SECTION 54.** Section 41-3-15, Mississippi Code of 1972, is  
4219 brought forward as follows:

4220 41-3-15. (1) (a) There shall be a State Department of  
4221 Health.

4222 (b) The State Board of Health shall have the following  
4223 powers and duties:

4224 (i) To formulate the policy of the State  
4225 Department of Health regarding public health matters within the  
4226 jurisdiction of the department;

4227 (ii) To adopt, modify, repeal and promulgate,  
4228 after due notice and hearing, and enforce rules and regulations  
4229 implementing or effectuating the powers and duties of the





4230 department under any and all statutes within the department's  
4231 jurisdiction, and as the board may deem necessary;

4232 (iii) To apply for, receive, accept and expend any  
4233 federal or state funds or contributions, gifts, trusts, devises,  
4234 bequests, grants, endowments or funds from any other source or  
4235 transfers of property of any kind;

4236 (iv) To enter into, and to authorize the executive  
4237 officer to execute contracts, grants and cooperative agreements  
4238 with any federal or state agency or subdivision thereof, or any  
4239 public or private institution located inside or outside the State  
4240 of Mississippi, or any person, corporation or association in  
4241 connection with carrying out the provisions of this chapter, if it  
4242 finds those actions to be in the public interest and the contracts  
4243 or agreements do not have a financial cost that exceeds the  
4244 amounts appropriated for those purposes by the Legislature;

4245 (v) To appoint, upon recommendation of the  
4246 Executive Officer of the State Department of Health, a Director of  
4247 Internal Audit who shall be either a Certified Public Accountant  
4248 or Certified Internal Auditor, and whose employment shall be  
4249 continued at the discretion of the board, and who shall report  
4250 directly to the board, or its designee; and

4251 (vi) To discharge such other duties,  
4252 responsibilities and powers as are necessary to implement the  
4253 provisions of this chapter.



4254 (c) The Executive Officer of the State Department of  
4255 Health shall have the following powers and duties:

4256 (i) To administer the policies of the State Board  
4257 of Health within the authority granted by the board;

4258 (ii) To supervise and direct all administrative  
4259 and technical activities of the department, except that the  
4260 department's internal auditor shall be subject to the sole  
4261 supervision and direction of the board;

4262 (iii) To organize the administrative units of the  
4263 department in accordance with the plan adopted by the board and,  
4264 with board approval, alter the organizational plan and reassign  
4265 responsibilities as he or she may deem necessary to carry out the  
4266 policies of the board;

4267 (iv) To coordinate the activities of the various  
4268 offices of the department;

4269 (v) To employ, subject to regulations of the State  
4270 Personnel Board, qualified professional personnel in the subject  
4271 matter or fields of each office, and such other technical and  
4272 clerical staff as may be required for the operation of the  
4273 department. The executive officer shall be the appointing  
4274 authority for the department, and shall have the power to delegate  
4275 the authority to appoint or dismiss employees to appropriate  
4276 subordinates, subject to the rules and regulations of the State  
4277 Personnel Board;



4278                   (vi) To recommend to the board such studies and  
4279 investigations as he or she may deem appropriate, and to carry out  
4280 the approved recommendations in conjunction with the various  
4281 offices;

4282                   (vii) To prepare and deliver to the Legislature  
4283 and the Governor on or before January 1 of each year, and at such  
4284 other times as may be required by the Legislature or Governor, a  
4285 full report of the work of the department and the offices thereof,  
4286 including a detailed statement of expenditures of the department  
4287 and any recommendations the board may have;

4288                   (viii) To prepare and deliver to the Chairmen of  
4289 the Public Health and Welfare/Human Services Committees of the  
4290 Senate and House on or before January 1 of each year, a plan for  
4291 monitoring infant mortality in Mississippi and a full report of  
4292 the work of the department on reducing Mississippi's infant  
4293 mortality and morbidity rates and improving the status of maternal  
4294 and infant health; and

4295                   (ix) To enter into contracts, grants and  
4296 cooperative agreements with any federal or state agency or  
4297 subdivision thereof, or any public or private institution located  
4298 inside or outside the State of Mississippi, or any person,  
4299 corporation or association in connection with carrying out the  
4300 provisions of this chapter, if he or she finds those actions to be  
4301 in the public interest and the contracts or agreements do not have  
4302 a financial cost that exceeds the amounts appropriated for those



4303 purposes by the Legislature. Each contract or agreement entered  
4304 into by the executive officer shall be submitted to the board  
4305 before its next meeting.

4306 (2) The State Board of Health shall have the authority to  
4307 establish an Office of Rural Health within the department. The  
4308 duties and responsibilities of this office shall include the  
4309 following:

4310 (a) To collect and evaluate data on rural health  
4311 conditions and needs;

4312 (b) To engage in policy analysis, policy development  
4313 and economic impact studies with regard to rural health issues;

4314 (c) To develop and implement plans and provide  
4315 technical assistance to enable community health systems to respond  
4316 to various changes in their circumstances;

4317 (d) To plan and assist in professional recruitment and  
4318 retention of medical professionals and assistants; and

4319 (e) To establish information clearinghouses to improve  
4320 access to and sharing of rural health care information.

4321 (3) The State Board of Health shall have general supervision  
4322 of the health interests of the people of the state and to exercise  
4323 the rights, powers and duties of those acts which it is authorized  
4324 by law to enforce.

4325 (4) The State Board of Health shall have authority:

4326 (a) To make investigations and inquiries with respect  
4327 to the causes of disease and death, and to investigate the effect



4328 of environment, including conditions of employment and other  
4329 conditions that may affect health, and to make such other  
4330 investigations as it may deem necessary for the preservation and  
4331 improvement of health.

4332 (b) To make such sanitary investigations as it may,  
4333 from time to time, deem necessary for the protection and  
4334 improvement of health and to investigate nuisance questions that  
4335 affect the security of life and health within the state.

4336 (c) To direct and control sanitary and quarantine  
4337 measures for dealing with all diseases within the state possible  
4338 to suppress same and prevent their spread.

4339 (d) To obtain, collect and preserve such information  
4340 relative to mortality, morbidity, disease and health as may be  
4341 useful in the discharge of its duties or may contribute to the  
4342 prevention of disease or the promotion of health in this state.

4343 (e) To charge and collect reasonable fees for health  
4344 services, including immunizations, inspections and related  
4345 activities, and the board shall charge fees for those services;  
4346 however, if it is determined that a person receiving services is  
4347 unable to pay the total fee, the board shall collect any amount  
4348 that the person is able to pay. Any increase in the fees charged  
4349 by the board under this paragraph shall be in accordance with the  
4350 provisions of Section 41-3-65.

4351 (f) (i) To establish standards for, issue permits and  
4352 exercise control over, any cafes, restaurants, food or drink



4353 stands, sandwich manufacturing establishments, and all other  
4354 establishments, other than churches, church-related and private  
4355 schools, and other nonprofit or charitable organizations, where  
4356 food or drink is regularly prepared, handled and served for pay;  
4357 and

4358 (ii) To require that a permit be obtained from the  
4359 Department of Health before those persons begin operation. If any  
4360 such person fails to obtain the permit required in this  
4361 subparagraph (ii), the State Board of Health, after due notice and  
4362 opportunity for a hearing, may impose a monetary penalty not to  
4363 exceed One Thousand Dollars (\$1,000.00) for each violation.  
4364 However, the department is not authorized to impose a monetary  
4365 penalty against any person whose gross annual prepared food sales  
4366 are less than Five Thousand Dollars (\$5,000.00). Money collected  
4367 by the board under this subparagraph (ii) shall be deposited to  
4368 the credit of the State General Fund of the State Treasury.

4369 (g) To promulgate rules and regulations and exercise  
4370 control over the production and sale of milk pursuant to the  
4371 provisions of Sections 75-31-41 through 75-31-49.

4372 (h) On presentation of proper authority, to enter into  
4373 and inspect any public place or building where the State Health  
4374 Officer or his representative deems it necessary and proper to  
4375 enter for the discovery and suppression of disease and for the  
4376 enforcement of any health or sanitary laws and regulations in the  
4377 state.



4378 (i) To conduct investigations, inquiries and hearings,  
4379 and to issue subpoenas for the attendance of witnesses and the  
4380 production of books and records at any hearing when authorized and  
4381 required by statute to be conducted by the State Health Officer or  
4382 the State Board of Health.

4383 (j) To promulgate rules and regulations, and to collect  
4384 data and information, on (i) the delivery of services through the  
4385 practice of telemedicine; and (ii) the use of electronic records  
4386 for the delivery of telemedicine services.

4387 (k) To enforce and regulate domestic and imported fish  
4388 as authorized under Section 69-7-601 et seq.

4389 (5) (a) The State Board of Health shall have the authority,  
4390 in its discretion, to establish programs to promote the public  
4391 health, to be administered by the State Department of Health.  
4392 Specifically, those programs may include, but shall not be limited  
4393 to, programs in the following areas:

- 4394 (i) Maternal and child health;
- 4395 (ii) Family planning;
- 4396 (iii) Pediatric services;
- 4397 (iv) Services to crippled and disabled children;
- 4398 (v) Control of communicable and noncommunicable  
4399 disease;
- 4400 (vi) Chronic disease;
- 4401 (vii) Accidental deaths and injuries;
- 4402 (viii) Child care licensure;



4403 (ix) Radiological health;  
4404 (x) Dental health;  
4405 (xi) Milk sanitation;  
4406 (xii) Occupational safety and health;  
4407 (xiii) Food, vector control and general  
4408 sanitation;  
4409 (xiv) Protection of drinking water;  
4410 (xv) Sanitation in food handling establishments  
4411 open to the public;  
4412 (xvi) Registration of births and deaths and other  
4413 vital events;  
4414 (xvii) Such public health programs and services as  
4415 may be assigned to the State Board of Health by the Legislature or  
4416 by executive order; and  
4417 (xviii) Regulation of domestic and imported fish  
4418 for human consumption.  
4419 (b) The State Board of Health and State Department of  
4420 Health shall not be authorized to sell, transfer, alienate or  
4421 otherwise dispose of any of the home health agencies owned and  
4422 operated by the department on January 1, 1995, and shall not be  
4423 authorized to sell, transfer, assign, alienate or otherwise  
4424 dispose of the license of any of those home health agencies,  
4425 except upon the specific authorization of the Legislature by an  
4426 amendment to this section. However, this paragraph (b) shall not  
4427 prevent the board or the department from closing or terminating





4428 the operation of any home health agency owned and operated by the  
4429 department, or closing or terminating any office, branch office or  
4430 clinic of any such home health agency, or otherwise discontinuing  
4431 the providing of home health services through any such home health  
4432 agency, office, branch office or clinic, if the board first  
4433 demonstrates that there are other providers of home health  
4434 services in the area being served by the department's home health  
4435 agency, office, branch office or clinic that will be able to  
4436 provide adequate home health services to the residents of the area  
4437 if the department's home health agency, office, branch office or  
4438 clinic is closed or otherwise discontinues the providing of home  
4439 health services. This demonstration by the board that there are  
4440 other providers of adequate home health services in the area shall  
4441 be spread at length upon the minutes of the board at a regular or  
4442 special meeting of the board at least thirty (30) days before a  
4443 home health agency, office, branch office or clinic is proposed to  
4444 be closed or otherwise discontinue the providing of home health  
4445 services.

4446 (c) The State Department of Health may undertake such  
4447 technical programs and activities as may be required for the  
4448 support and operation of those programs, including maintaining  
4449 physical, chemical, bacteriological and radiological laboratories,  
4450 and may make such diagnostic tests for diseases and tests for the  
4451 evaluation of health hazards as may be deemed necessary for the  
4452 protection of the people of the state.



4453           (6)   (a)   The State Board of Health shall administer the  
4454 local governments and rural water systems improvements loan  
4455 program in accordance with the provisions of Section 41-3-16.

4456                   (b)   The State Board of Health shall have authority:

4457                           (i)   To enter into capitalization grant agreements  
4458 with the United States Environmental Protection Agency, or any  
4459 successor agency thereto;

4460                           (ii)   To accept capitalization grant awards made  
4461 under the federal Safe Drinking Water Act, as amended;

4462                           (iii)   To provide annual reports and audits to the  
4463 United States Environmental Protection Agency, as may be required  
4464 by federal capitalization grant agreements; and

4465                           (iv)   To establish and collect fees to defray the  
4466 reasonable costs of administering the revolving fund or emergency  
4467 fund if the State Board of Health determines that those costs will  
4468 exceed the limitations established in the federal Safe Drinking  
4469 Water Act, as amended. The administration fees may be included in  
4470 loan amounts to loan recipients for the purpose of facilitating  
4471 payment to the board; however, those fees may not exceed five  
4472 percent (5%) of the loan amount.

4473           (7)   Notwithstanding any other provision to the contrary, the  
4474 State Department of Health shall have the following specific  
4475 powers: The department shall issue a license to Alexander Milne  
4476 Home for Women, Inc., a 501(c)(3) nonprofit corporation, for the  
4477 construction, conversion, expansion and operation of not more than



4478 forty-five (45) beds for developmentally disabled adults who have  
4479 been displaced from New Orleans, Louisiana, with the beds to be  
4480 located in a certified ICF-MR facility in the City of Laurel,  
4481 Mississippi. There shall be no prohibition or restrictions on  
4482 participation in the Medicaid program for the person receiving the  
4483 license under this subsection (7). The license described in this  
4484 subsection shall expire five (5) years from the date of its issue.  
4485 The license authorized by this subsection shall be issued upon the  
4486 initial payment by the licensee of an application fee of  
4487 Sixty-seven Thousand Dollars (\$67,000.00) and a monthly fee of  
4488 Sixty-seven Thousand Dollars (\$67,000.00) after the issuance of  
4489 the license, to be paid as long as the licensee continues to  
4490 operate. The initial and monthly licensing fees shall be  
4491 deposited by the State Department of Health into the special fund  
4492 created under Section 41-7-188.

4493 (8) Notwithstanding any other provision to the contrary, the  
4494 State Department of Health shall have the following specific  
4495 powers: The State Department of Health is authorized to issue a  
4496 license to an existing home health agency for the transfer of a  
4497 county from that agency to another existing home health agency,  
4498 and to charge a fee for reviewing and making a determination on  
4499 the application for such transfer not to exceed one-half (1/2) of  
4500 the authorized fee assessed for the original application for the  
4501 home health agency, with the revenue to be deposited by the State



4502 Department of Health into the special fund created under Section  
4503 41-7-188.

4504 (9) Notwithstanding any other provision to the contrary, the  
4505 State Department of Health shall have the following specific  
4506 powers: For the period beginning July 1, 2010, through July 1,  
4507 2017, the State Department of Health is authorized and empowered  
4508 to assess a fee in addition to the fee prescribed in Section  
4509 41-7-188 for reviewing applications for certificates of need in an  
4510 amount not to exceed twenty-five one-hundredths of one percent  
4511 (.25 of 1%) of the amount of a proposed capital expenditure, but  
4512 shall be not less than Two Hundred Fifty Dollars (\$250.00)  
4513 regardless of the amount of the proposed capital expenditure, and  
4514 the maximum additional fee permitted shall not exceed Fifty  
4515 Thousand Dollars (\$50,000.00). Provided that the total  
4516 assessments of fees for certificate of need applications under  
4517 Section 41-7-188 and this section shall not exceed the actual cost  
4518 of operating the certificate of need program.

4519 (10) Notwithstanding any other provision to the contrary,  
4520 the State Department of Health shall have the following specific  
4521 powers: The State Department of Health is authorized to extend  
4522 and renew any certificate of need that has expired, and to charge  
4523 a fee for reviewing and making a determination on the application  
4524 for such action not to exceed one-half (1/2) of the authorized fee  
4525 assessed for the original application for the certificate of need,



4526 with the revenue to be deposited by the State Department of Health  
4527 into the special fund created under Section 41-7-188.

4528 (11) Notwithstanding any other provision to the contrary,  
4529 the State Department of Health shall have the following specific  
4530 powers: The State Department of Health is authorized and  
4531 empowered, to revoke, immediately, the license and require closure  
4532 of any institution for the aged or infirm, including any other  
4533 remedy less than closure to protect the health and safety of the  
4534 residents of said institution or the health and safety of the  
4535 general public.

4536 (12) Notwithstanding any other provision to the contrary,  
4537 the State Department of Health shall have the following specific  
4538 powers: The State Department of Health is authorized and  
4539 empowered, to require the temporary detainment of individuals for  
4540 disease control purposes based upon violation of any order of the  
4541 State Health Officer, as provided in Section 41-23-5. For the  
4542 purpose of enforcing such orders of the State Health Officer,  
4543 persons employed by the department as investigators shall have  
4544 general arrest powers. All law enforcement officers are  
4545 authorized and directed to assist in the enforcement of such  
4546 orders of the State Health Officer.

4547 **SECTION 55.** Section 41-29-125, Mississippi Code of 1972, is  
4548 amended as follows:

4549 41-29-125. (1) The State Board of Pharmacy may promulgate  
4550 rules and regulations relating to the registration and control of



4551 the manufacture, distribution and dispensing of controlled  
4552 substances within this state and the distribution and dispensing  
4553 of controlled substances into this state from an out-of-state  
4554 location.

4555           (a) Every person who manufactures, distributes or  
4556 dispenses any controlled substance within this state or who  
4557 distributes or dispenses any controlled substance into this state  
4558 from an out-of-state location, or who proposes to engage in the  
4559 manufacture, distribution or dispensing of any controlled  
4560 substance within this state or the distribution or dispensing of  
4561 any controlled substance into this state from an out-of-state  
4562 location, must obtain a registration issued by the State Board of  
4563 Pharmacy, the State Board of Medical Licensure, the State Board of  
4564 Dental Examiners, the Mississippi Board of Nursing or the  
4565 Mississippi Board of Veterinary Medicine, as appropriate, in  
4566 accordance with its rules and the law of this state. Such  
4567 registration shall be obtained annually or biennially, as  
4568 specified by the issuing board, and a reasonable fee may be  
4569 charged by the issuing board for such registration.

4570           (b) Persons registered by the State Board of Pharmacy,  
4571 with the consent of the United States Drug Enforcement  
4572 Administration and the State Board of Medical Licensure, the State  
4573 Board of Dental Examiners, the Mississippi Board of Nursing or the  
4574 Mississippi Board of Veterinary Medicine to manufacture,  
4575 distribute, dispense or conduct research with controlled



4576 substances may possess, manufacture, distribute, dispense or  
4577 conduct research with those substances to the extent authorized by  
4578 their registration and in conformity with the other provisions of  
4579 this article.

4580 (c) The following persons need not register and may  
4581 lawfully possess controlled substances under this article:

4582 (1) An agent or employee of any registered  
4583 manufacturer, distributor or dispenser of any controlled substance  
4584 if he is acting in the usual course of his business or employment;

4585 (2) A common or contract carrier or warehouse, or  
4586 an employee thereof, whose possession of any controlled substance  
4587 is in the usual course of business or employment;

4588 (3) An ultimate user or a person in possession of  
4589 any controlled substance pursuant to a valid prescription or in  
4590 lawful possession of a Schedule V substance as defined in Section  
4591 41-29-121.

4592 (d) The State Board of Pharmacy may waive by rule the  
4593 requirement for registration of certain manufacturers,  
4594 distributors or dispensers if it finds it consistent with the  
4595 public health and safety.

4596 (e) A separate registration is required at each  
4597 principal place of business or professional practice where an  
4598 applicant within the state manufactures, distributes or dispenses  
4599 controlled substances and for each principal place of business or



4600 professional practice located out-of-state from which controlled  
4601 substances are distributed or dispensed into the state.

4602 (f) The State Board of Pharmacy, the Mississippi Bureau  
4603 of Narcotics, the State Board of Medical Licensure, the State  
4604 Board of Dental Examiners, the Mississippi Board of Nursing and  
4605 the Mississippi Board of Veterinary Medicine may inspect the  
4606 establishment of a registrant or applicant for registration in  
4607 accordance with the regulations of these agencies as approved by  
4608 the board.

4609 (2) Whenever a pharmacy ships, mails or delivers any  
4610 Schedule II controlled substance listed in Section 41-29-115 to a  
4611 private residence in this state, the pharmacy shall arrange with  
4612 the entity that will actually deliver the controlled substance to  
4613 a recipient in this state that the entity will: (a) deliver the  
4614 controlled substance only to a person who is eighteen (18) years  
4615 of age or older; and (b) obtain the signature of that person  
4616 before delivering the controlled substance. The requirements of  
4617 this subsection shall not apply to a pharmacy serving a nursing  
4618 facility or to a pharmacy owned and/or operated by a hospital,  
4619 nursing facility or clinic to which the general public does not  
4620 have access to purchase pharmaceuticals on a retail basis.

4621 (3) This section does not apply to any of the actions that  
4622 are lawful under the Mississippi Medical Cannabis Act and in  
4623 compliance with rules and regulations adopted thereunder.





4624           **SECTION 56.** Section 41-29-127, Mississippi Code of 1972, is  
4625 amended as follows:

4626           41-29-127. (a) The State Board of Pharmacy shall register  
4627 an applicant to manufacture or distribute controlled substances  
4628 included in Sections 41-29-113 through 41-29-121 unless it  
4629 determines that the issuance of that registration would be  
4630 inconsistent with the public interest. In determining the public  
4631 interest, the State Board of Pharmacy shall consider the following  
4632 factors:

4633                   (1) Maintenance of effective controls against diversion  
4634 of controlled substances into other than legitimate medical,  
4635 scientific, or industrial channels;

4636                   (2) Compliance with applicable state and local law;

4637                   (3) Any convictions of the applicant under any federal  
4638 and state laws relating to any controlled substance;

4639                   (4) Past experience in the manufacture or distribution  
4640 of controlled substances and the existence in the applicant's  
4641 establishment of effective controls against diversion;

4642                   (5) Furnishing by the applicant of false or fraudulent  
4643 material in any application filed under this article;

4644                   (6) Suspension or revocation of the applicant's federal  
4645 registration to manufacture, distribute, or dispense controlled  
4646 substances as authorized by federal law; and

4647                   (7) Any other factors relevant to and consistent with  
4648 the public health and safety.



4649           (b) Registration under subsection (a) does not entitle a  
4650 registrant to manufacture and distribute controlled substances in  
4651 Schedule I or II, as set out in Sections 41-29-113 and 41-29-115,  
4652 other than those specified in the registration.

4653           (c) Practitioners must be registered to dispense any  
4654 controlled substances or to conduct research with controlled  
4655 substances in Schedules II through V, as set out in Sections  
4656 41-29-115 through 41-29-121, if they are authorized to dispense or  
4657 conduct research under the law of this state. The State Board of  
4658 Pharmacy need not require separate registration under this section  
4659 for practitioners engaging in research with nonnarcotic controlled  
4660 substances in the said Schedules II through V where the registrant  
4661 is already registered therein in another capacity. Practitioners  
4662 registered under federal law to conduct research with Schedule I  
4663 substances, as set out in Section 41-29-113, may conduct research  
4664 with Schedule I substances within this state upon furnishing the  
4665 State Board of Health evidence of that federal registration.

4666           (d) Compliance by manufacturers and distributors with the  
4667 provisions of the federal law respecting registration (excluding  
4668 fees) entitles them to be registered under this article.

4669           (e) This section does not apply to any of the actions that  
4670 are lawful under the Mississippi Medical Cannabis Act and in  
4671 compliance with rules and regulations adopted thereunder.

4672           **SECTION 57.** Section 41-29-136, Mississippi Code of 1972, is  
4673 amended as follows:



4674 41-29-136. (1) "CBD solution" means a pharmaceutical  
4675 preparation consisting of processed cannabis plant extract in oil  
4676 or other suitable vehicle.

4677 (2) (a) CBD solution prepared from (i) cannabis plant  
4678 extract that is provided by the National Center for Natural  
4679 Products Research at the University of Mississippi under  
4680 appropriate federal and state regulatory approvals, or (ii)  
4681 cannabis extract from hemp produced pursuant to Sections 69-25-201  
4682 through 69-25-221, which is prepared and tested to meet compliance  
4683 with regulatory specifications, may be dispensed by the Department  
4684 of Pharmacy Services at the University of Mississippi Medical  
4685 Center (UMMC Pharmacy) after mixing the extract with a suitable  
4686 vehicle. The CBD solution may be prepared by the UMMC Pharmacy or  
4687 by another pharmacy or laboratory in the state under appropriate  
4688 federal and state regulatory approvals and registrations.

4689 (b) The patient or the patient's parent, guardian or  
4690 custodian must execute a hold-harmless agreement that releases  
4691 from liability the state and any division, agency, institution or  
4692 employee thereof involved in the research, cultivation,  
4693 processing, formulating, dispensing, prescribing or administration  
4694 of CBD solution obtained from entities authorized under this  
4695 section to produce or possess cannabidiol for research under  
4696 appropriate federal and state regulatory approvals and  
4697 registrations.



4698           (c) The National Center for Natural Products Research  
4699 at the University of Mississippi and the Mississippi Agricultural  
4700 and Forestry Experiment Station at Mississippi State University  
4701 are the only entities authorized to produce cannabis plants for  
4702 cannabidiol research.

4703           (d) Research of CBD solution under this section must  
4704 comply with the provisions of Section 41-29-125 regarding lawful  
4705 possession of controlled substances, of Section 41-29-137  
4706 regarding record-keeping requirements relative to the dispensing,  
4707 use or administration of controlled substances, and of Section  
4708 41-29-133 regarding inventory requirements, insofar as they are  
4709 applicable. Authorized entities may enter into public-private  
4710 partnerships to facilitate research.

4711           (3) (a) In a prosecution for the unlawful possession of  
4712 marijuana under the laws of this state, it is an affirmative and  
4713 complete defense to prosecution that:

4714                   (i) The defendant suffered from a debilitating  
4715 epileptic condition or related illness and the use or possession  
4716 of CBD solution was pursuant to the order of a physician as  
4717 authorized under this section; or

4718                   (ii) The defendant is the parent, guardian or  
4719 custodian of an individual who suffered from a debilitating  
4720 epileptic condition or related illness and the use or possession  
4721 of CBD solution was pursuant to the order of a physician as  
4722 authorized under this section.



4723 (b) An agency of this state or a political subdivision  
4724 thereof, including any law enforcement agency, may not initiate  
4725 proceedings to remove a child from the home based solely upon the  
4726 possession or use of CBD solution by the child or parent, guardian  
4727 or custodian of the child as authorized under this section.

4728 (c) An employee of the state or any division, agency,  
4729 institution thereof involved in the research, cultivation,  
4730 processing, formulation, dispensing, prescribing or administration  
4731 of CBD solution shall not be subject to prosecution for unlawful  
4732 possession, use, distribution or prescription of marijuana under  
4733 the laws of this state for activities arising from or related to  
4734 the use of CBD solution in the treatment of individuals diagnosed  
4735 with a debilitating epileptic condition.

4736 (4) This section does not apply to any of the actions that  
4737 are lawful under the Mississippi Medical Cannabis Act and in  
4738 compliance with rules and regulations adopted thereunder.

4739 ( \* \* \*5) This section shall be known as "Harper Grace's  
4740 Law."

4741 ( \* \* \*6) This section shall stand repealed from and after  
4742 July 1, 2024.

4743 **SECTION 58.** Section 41-29-137, Mississippi Code of 1972, is  
4744 amended as follows:

4745 41-29-137. (a) (1) Except when dispensed directly by a  
4746 practitioner, other than a pharmacy, to an ultimate user, no  
4747 controlled substance in Schedule II, as set out in Section



4748 41-29-115, may be dispensed without the written valid prescription  
4749 of a practitioner. A practitioner shall keep a record of all  
4750 controlled substances in Schedule I, II and III administered,  
4751 dispensed or professionally used by him otherwise than by  
4752 prescription.

4753 (2) In emergency situations, as defined by rule of the  
4754 State Board of Pharmacy, Schedule II drugs may be dispensed upon  
4755 the oral valid prescription of a practitioner, reduced promptly to  
4756 writing and filed by the pharmacy. Prescriptions shall be  
4757 retained in conformity with the requirements of Section 41-29-133.  
4758 No prescription for a Schedule II substance may be refilled unless  
4759 renewed by prescription issued by a licensed medical doctor.

4760 (b) Except when dispensed directly by a practitioner, other  
4761 than a pharmacy, to an ultimate user, a controlled substance  
4762 included in Schedule III or IV, as set out in Sections 41-29-117  
4763 and 41-29-119, shall not be dispensed without a written or oral  
4764 valid prescription of a practitioner. The prescription shall not  
4765 be filled or refilled more than six (6) months after the date  
4766 thereof or be refilled more than five (5) times, unless renewed by  
4767 the practitioner.

4768 (c) A controlled substance included in Schedule V, as set  
4769 out in Section 41-29-121, shall not be distributed or dispensed  
4770 other than for a medical purpose.

4771 (d) An optometrist certified to prescribe and use  
4772 therapeutic pharmaceutical agents under Sections 73-19-153 through



4773 73-19-165 shall be authorized to prescribe oral analgesic  
4774 controlled substances in Schedule IV or V, as pertains to  
4775 treatment and management of eye disease by written prescription  
4776 only.

4777 (e) Administration by injection of any pharmaceutical  
4778 product authorized in this section is expressly prohibited except  
4779 when dispensed directly by a practitioner other than a pharmacy.

4780 (f) (1) For the purposes of this article, Title 73, Chapter  
4781 21, and Title 73, Chapter 25, Mississippi Code of 1972, as it  
4782 pertains to prescriptions for controlled substances, a "valid  
4783 prescription" means a prescription that is issued for a legitimate  
4784 medical purpose in the usual course of professional practice by:

4785 (A) A practitioner who has conducted at least one  
4786 (1) in-person medical evaluation of the patient, except as  
4787 otherwise authorized by Section 41-29-137.1; or

4788 (B) A covering practitioner.

4789 (2) (A) "In-person medical evaluation" means a medical  
4790 evaluation that is conducted with the patient in the physical  
4791 presence of the practitioner, without regard to whether portions  
4792 of the evaluation are conducted by other health professionals.

4793 (B) "Covering practitioner" means a practitioner  
4794 who conducts a medical evaluation other than an in-person medical  
4795 evaluation at the request of a practitioner who has conducted at  
4796 least one (1) in-person medical evaluation of the patient or an  
4797 evaluation of the patient through the practice of telemedicine



4798 within the previous twenty-four (24) months and who is temporarily  
4799 unavailable to conduct the evaluation of the patient.

4800 (3) A prescription for a controlled substance based  
4801 solely on a consumer's completion of an online medical  
4802 questionnaire is not a valid prescription.

4803 (4) Nothing in this subsection (f) shall apply to:

4804 (A) A prescription issued by a practitioner  
4805 engaged in the practice of telemedicine as authorized under state  
4806 or federal law; or

4807 (B) The dispensing or selling of a controlled  
4808 substance pursuant to practices as determined by the United States  
4809 Attorney General by regulation.

4810 (g) This section does not apply to any of the actions that  
4811 are lawful under the Mississippi Medical Cannabis Act and in  
4812 compliance with rules and regulations adopted thereunder.

4813 **SECTION 59.** Section 41-29-139, Mississippi Code of 1972, is  
4814 amended as follows:

4815 41-29-139. (a) **Transfer and possession with intent to**  
4816 **transfer.** Except as authorized by this article, it is unlawful  
4817 for any person knowingly or intentionally:

4818 (1) To sell, barter, transfer, manufacture, distribute,  
4819 dispense or possess with intent to sell, barter, transfer,  
4820 manufacture, distribute or dispense, a controlled substance; or





4821           (2) To create, sell, barter, transfer, distribute,  
4822 dispense or possess with intent to create, sell, barter, transfer,  
4823 distribute or dispense, a counterfeit substance.

4824           (b) **Punishment for transfer and possession with intent to**  
4825 **transfer.** Except as otherwise provided in Section 41-29-142, any  
4826 person who violates subsection (a) of this section shall be, if  
4827 convicted, sentenced as follows:

4828           (1) For controlled substances classified in Schedule I  
4829 or II, as set out in Sections 41-29-113 and 41-29-115, other than  
4830 marijuana or synthetic cannabinoids:

4831           (A) If less than two (2) grams or ten (10) dosage  
4832 units, by imprisonment for not more than eight (8) years or a fine  
4833 of not more than Fifty Thousand Dollars (\$50,000.00), or both.

4834           (B) If two (2) or more grams or ten (10) or more  
4835 dosage units, but less than ten (10) grams or twenty (20) dosage  
4836 units, by imprisonment for not less than three (3) years nor more  
4837 than twenty (20) years or a fine of not more than Two Hundred  
4838 Fifty Thousand Dollars (\$250,000.00), or both.

4839           (C) If ten (10) or more grams or twenty (20) or  
4840 more dosage units, but less than thirty (30) grams or forty (40)  
4841 dosage units, by imprisonment for not less than five (5) years nor  
4842 more than thirty (30) years or a fine of not more than Five  
4843 Hundred Thousand Dollars (\$500,000.00), or both.

4844           (2) (A) For marijuana:



4845                   1. If thirty (30) grams or less, by  
4846 imprisonment for not more than three (3) years or a fine of not  
4847 more than Three Thousand Dollars (\$3,000.00), or both;

4848                   2. If more than thirty (30) grams but less  
4849 than two hundred fifty (250) grams, by imprisonment for not more  
4850 than five (5) years or a fine of not more than Five Thousand  
4851 Dollars (\$5,000.00), or both;

4852                   3. If two hundred fifty (250) or more grams  
4853 but less than five hundred (500) grams, by imprisonment for not  
4854 less than three (3) years nor more than ten (10) years or a fine  
4855 of not more than Fifteen Thousand Dollars (\$15,000.00), or both;

4856                   4. If five hundred (500) or more grams but  
4857 less than one (1) kilogram, by imprisonment for not less than five  
4858 (5) years nor more than twenty (20) years or a fine of not more  
4859 than Twenty Thousand Dollars (\$20,000.00), or both.

4860                   (B) For synthetic cannabinoids:

4861                   1. If ten (10) grams or less, by imprisonment  
4862 for not more than three (3) years or a fine of not more than Three  
4863 Thousand Dollars (\$3,000.00), or both;

4864                   2. If more than ten (10) grams but less than  
4865 twenty (20) grams, by imprisonment for not more than five (5)  
4866 years or a fine of not more than Five Thousand Dollars  
4867 (\$5,000.00), or both;

4868                   3. If twenty (20) or more grams but less than  
4869 forty (40) grams, by imprisonment for not less than three (3)



4870 years nor more than ten (10) years or a fine of not more than  
4871 Fifteen Thousand Dollars (\$15,000.00), or both;

4872                   4. If forty (40) or more grams but less than  
4873 two hundred (200) grams, by imprisonment for not less than five  
4874 (5) years nor more than twenty (20) years or a fine of not more  
4875 than Twenty Thousand Dollars (\$20,000.00), or both.

4876                   (3) For controlled substances classified in Schedules  
4877 III and IV, as set out in Sections 41-29-117 and 41-29-119:

4878                   (A) If less than two (2) grams or ten (10) dosage  
4879 units, by imprisonment for not more than five (5) years or a fine  
4880 of not more than Five Thousand Dollars (\$5,000.00), or both;

4881                   (B) If two (2) or more grams or ten (10) or more  
4882 dosage units, but less than ten (10) grams or twenty (20) dosage  
4883 units, by imprisonment for not more than eight (8) years or a fine  
4884 of not more than Fifty Thousand Dollars (\$50,000.00), or both;

4885                   (C) If ten (10) or more grams or twenty (20) or  
4886 more dosage units, but less than thirty (30) grams or forty (40)  
4887 dosage units, by imprisonment for not more than fifteen (15) years  
4888 or a fine of not more than One Hundred Thousand Dollars  
4889 (\$100,000.00), or both;

4890                   (D) If thirty (30) or more grams or forty (40) or  
4891 more dosage units, but less than five hundred (500) grams or two  
4892 thousand five hundred (2,500) dosage units, by imprisonment for  
4893 not more than twenty (20) years or a fine of not more than Two  
4894 Hundred Fifty Thousand Dollars (\$250,000.00), or both.



4895 (4) For controlled substances classified in Schedule V,  
4896 as set out in Section 41-29-121:

4897 (A) If less than two (2) grams or ten (10) dosage  
4898 units, by imprisonment for not more than one (1) year or a fine of  
4899 not more than Five Thousand Dollars (\$5,000.00), or both;

4900 (B) If two (2) or more grams or ten (10) or more  
4901 dosage units, but less than ten (10) grams or twenty (20) dosage  
4902 units, by imprisonment for not more than five (5) years or a fine  
4903 of not more than Ten Thousand Dollars (\$10,000.00), or both;

4904 (C) If ten (10) or more grams or twenty (20) or  
4905 more dosage units, but less than thirty (30) grams or forty (40)  
4906 dosage units, by imprisonment for not more than ten (10) years or  
4907 a fine of not more than Twenty Thousand Dollars (\$20,000.00), or  
4908 both;

4909 (D) For thirty (30) or more grams or forty (40) or  
4910 more dosage units, but less than five hundred (500) grams or two  
4911 thousand five hundred (2,500) dosage units, by imprisonment for  
4912 not more than fifteen (15) years or a fine of not more than Fifty  
4913 Thousand Dollars (\$50,000.00), or both.

4914 (c) **Simple possession.** Except as otherwise provided under  
4915 subsection (i) of this section for actions that are lawful under  
4916 the Mississippi Medical Cannabis Act and in compliance with rules  
4917 and regulations adopted thereunder, it is unlawful for any person  
4918 knowingly or intentionally to possess any controlled substance  
4919 unless the substance was obtained directly from, or pursuant to, a



4920 valid prescription or order of a practitioner while acting in the  
4921 course of his professional practice, or except as otherwise  
4922 authorized by this article. The penalties for any violation of  
4923 this subsection (c) with respect to a controlled substance  
4924 classified in Schedules I, II, III, IV or V, as set out in Section  
4925 41-29-113, 41-29-115, 41-29-117, 41-29-119 or 41-29-121, including  
4926 marijuana or synthetic cannabinoids, shall be based on dosage unit  
4927 as defined herein or the weight of the controlled substance as set  
4928 forth herein as appropriate:

4929 "Dosage unit (d.u.)" means a tablet or capsule, or in the  
4930 case of a liquid solution, one (1) milliliter. In the case of  
4931 lysergic acid diethylamide (LSD) the term, "dosage unit" means a  
4932 stamp, square, dot, microdot, tablet or capsule of a controlled  
4933 substance.

4934 For any controlled substance that does not fall within the  
4935 definition of the term "dosage unit," the penalties shall be based  
4936 upon the weight of the controlled substance.

4937 The weight set forth refers to the entire weight of any  
4938 mixture or substance containing a detectable amount of the  
4939 controlled substance.

4940 If a mixture or substance contains more than one (1)  
4941 controlled substance, the weight of the mixture or substance is  
4942 assigned to the controlled substance that results in the greater  
4943 punishment.



4944 A person shall be charged and sentenced as follows for a  
4945 violation of this subsection with respect to:

4946 (1) A controlled substance classified in Schedule I or  
4947 II, except marijuana and synthetic cannabinoids:

4948 (A) If less than one-tenth (0.1) gram or two (2)  
4949 dosage units, the violation is a misdemeanor and punishable by  
4950 imprisonment for not more than one (1) year or a fine of not more  
4951 than One Thousand Dollars (\$1,000.00), or both.

4952 (B) If one-tenth (0.1) gram or more or two (2) or  
4953 more dosage units, but less than two (2) grams or ten (10) dosage  
4954 units, by imprisonment for not more than three (3) years or a fine  
4955 of not more than Fifty Thousand Dollars (\$50,000.00), or both.

4956 (C) If two (2) or more grams or ten (10) or more  
4957 dosage units, but less than ten (10) grams or twenty (20) dosage  
4958 units, by imprisonment for not more than eight (8) years or a fine  
4959 of not more than Two Hundred Fifty Thousand Dollars (\$250,000.00),  
4960 or both.

4961 (D) If ten (10) or more grams or twenty (20) or  
4962 more dosage units, but less than thirty (30) grams or forty (40)  
4963 dosage units, by imprisonment for not less than three (3) years  
4964 nor more than twenty (20) years or a fine of not more than Five  
4965 Hundred Thousand Dollars (\$500,000.00), or both.

4966 (2) (A) Marijuana and synthetic cannabinoids:

4967 1. If thirty (30) grams or less of marijuana  
4968 or ten (10) grams or less of synthetic cannabinoids, by a fine of



4969 not less than One Hundred Dollars (\$100.00) nor more than Two  
4970 Hundred Fifty Dollars (\$250.00). The provisions of this paragraph  
4971 (2) (A) may be enforceable by summons if the offender provides  
4972 proof of identity satisfactory to the arresting officer and gives  
4973 written promise to appear in court satisfactory to the arresting  
4974 officer, as directed by the summons. A second conviction under  
4975 this section within two (2) years is a misdemeanor punishable by a  
4976 fine of Two Hundred Fifty Dollars (\$250.00), not more than sixty  
4977 (60) days in the county jail, and mandatory participation in a  
4978 drug education program approved by the Division of Alcohol and  
4979 Drug Abuse of the State Department of Mental Health, unless the  
4980 court enters a written finding that a drug education program is  
4981 inappropriate. A third or subsequent conviction under this  
4982 paragraph (2) (A) within two (2) years is a misdemeanor punishable  
4983 by a fine of not less than Two Hundred Fifty Dollars (\$250.00) nor  
4984 more than One Thousand Dollars (\$1,000.00) and confinement for not  
4985 more than six (6) months in the county jail.

4986       Upon a first or second conviction under this paragraph  
4987 (2) (A), the courts shall forward a report of the conviction to the  
4988 Mississippi Bureau of Narcotics which shall make and maintain a  
4989 private, nonpublic record for a period not to exceed two (2) years  
4990 from the date of conviction. The private, nonpublic record shall  
4991 be solely for the use of the courts in determining the penalties  
4992 which attach upon conviction under this paragraph (2) (A) and shall  
4993 not constitute a criminal record for the purpose of private or



4994 administrative inquiry and the record of each conviction shall be  
4995 expunged at the end of the period of two (2) years following the  
4996 date of such conviction;

4997                   2. Additionally, a person who is the operator  
4998 of a motor vehicle, who possesses on his person or knowingly keeps  
4999 or allows to be kept in a motor vehicle within the area of the  
5000 vehicle normally occupied by the driver or passengers, more than  
5001 one (1) gram, but not more than thirty (30) grams of marijuana or  
5002 not more than ten (10) grams of synthetic cannabinoids is guilty  
5003 of a misdemeanor and, upon conviction, may be fined not more than  
5004 One Thousand Dollars (\$1,000.00) or confined for not more than  
5005 ninety (90) days in the county jail, or both. For the purposes of  
5006 this subsection, such area of the vehicle shall not include the  
5007 trunk of the motor vehicle or the areas not normally occupied by  
5008 the driver or passengers if the vehicle is not equipped with a  
5009 trunk. A utility or glove compartment shall be deemed to be  
5010 within the area occupied by the driver and passengers \* \* \*.

5011                   (B) Marijuana:

5012                   1. If more than thirty (30) grams but less  
5013 than two hundred fifty (250) grams, by a fine of not more than One  
5014 Thousand Dollars (\$1,000.00), or confinement in the county jail  
5015 for not more than one (1) year, or both; or by a fine of not more  
5016 than Three Thousand Dollars (\$3,000.00), or imprisonment in the  
5017 custody of the Department of Corrections for not more than three  
5018 (3) years, or both;





5019                   2. If two hundred fifty (250) or more grams  
5020 but less than five hundred (500) grams, by imprisonment for not  
5021 less than two (2) years nor more than eight (8) years or by a fine  
5022 of not more than Fifty Thousand Dollars (\$50,000.00), or both;

5023                   3. If five hundred (500) or more grams but  
5024 less than one (1) kilogram, by imprisonment for not less than four  
5025 (4) years nor more than sixteen (16) years or a fine of not more  
5026 than Two Hundred Fifty Thousand Dollars (\$250,000.00), or both;

5027                   4. If one (1) kilogram or more but less than  
5028 five (5) kilograms, by imprisonment for not less than six (6)  
5029 years nor more than twenty-four (24) years or a fine of not more  
5030 than Five Hundred Thousand Dollars (\$500,000.00), or both;

5031                   5. If five (5) kilograms or more, by  
5032 imprisonment for not less than ten (10) years nor more than thirty  
5033 (30) years or a fine of not more than One Million Dollars  
5034 (\$1,000,000.00), or both.

5035                   (C) Synthetic cannabinoids:

5036                   1. If more than ten (10) grams but less than  
5037 twenty (20) grams, by a fine of not more than One Thousand Dollars  
5038 (\$1,000.00), or confinement in the county jail for not more than  
5039 one (1) year, or both; or by a fine of not more than Three  
5040 Thousand Dollars (\$3,000.00), or imprisonment in the custody of  
5041 the Department of Corrections for not more than three (3) years,  
5042 or both;



5043                   2. If twenty (20) or more grams but less than  
5044 forty (40) grams, by imprisonment for not less than two (2) years  
5045 nor more than eight (8) years or by a fine of not more than Fifty  
5046 Thousand Dollars (\$50,000.00), or both;

5047                   3. If forty (40) or more grams but less than  
5048 two hundred (200) grams, by imprisonment for not less than four  
5049 (4) years nor more than sixteen (16) years or a fine of not more  
5050 than Two Hundred Fifty Thousand Dollars (\$250,000.00), or both;

5051                   4. If two hundred (200) or more grams, by  
5052 imprisonment for not less than six (6) years nor more than  
5053 twenty-four (24) years or a fine of not more than Five Hundred  
5054 Thousand Dollars (\$500,000.00), or both.

5055                   (3) A controlled substance classified in Schedule III,  
5056 IV or V as set out in Sections 41-29-117 through 41-29-121, upon  
5057 conviction, may be punished as follows:

5058                   (A) If less than fifty (50) grams or less than one  
5059 hundred (100) dosage units, the offense is a misdemeanor and  
5060 punishable by not more than one (1) year or a fine of not more  
5061 than One Thousand Dollars (\$1,000.00), or both.

5062                   (B) If fifty (50) or more grams or one hundred  
5063 (100) or more dosage units, but less than one hundred fifty (150)  
5064 grams or five hundred (500) dosage units, by imprisonment for not  
5065 less than one (1) year nor more than four (4) years or a fine of  
5066 not more than Ten Thousand Dollars (\$10,000.00), or both.



5067 (C) If one hundred fifty (150) or more grams or  
5068 five hundred (500) or more dosage units, but less than three  
5069 hundred (300) grams or one thousand (1,000) dosage units, by  
5070 imprisonment for not less than two (2) years nor more than eight  
5071 (8) years or a fine of not more than Fifty Thousand Dollars  
5072 (\$50,000.00), or both.

5073 (D) If three hundred (300) or more grams or one  
5074 thousand (1,000) or more dosage units, but less than five hundred  
5075 (500) grams or two thousand five hundred (2,500) dosage units, by  
5076 imprisonment for not less than four (4) years nor more than  
5077 sixteen (16) years or a fine of not more than Two Hundred Fifty  
5078 Thousand Dollars (\$250,000.00), or both.

5079 (d) **Paraphernalia.** (1) Except as otherwise provided under  
5080 subsection (i) of this section for actions that are lawful under  
5081 the Mississippi Medical Cannabis Act and in compliance with rules  
5082 and regulations adopted thereunder, it is unlawful for a person  
5083 who is not authorized by the State Board of Medical Licensure,  
5084 State Board of Pharmacy, or other lawful authority to use, or to  
5085 possess with intent to use, paraphernalia to plant, propagate,  
5086 cultivate, grow, harvest, manufacture, compound, convert, produce,  
5087 process, prepare, test, analyze, pack, repack, store, contain,  
5088 conceal, inject, ingest, inhale or otherwise introduce into the  
5089 human body a controlled substance in violation of the Uniform  
5090 Controlled Substances Law. Any person who violates this  
5091 subsection (d) (1) is guilty of a misdemeanor and, upon conviction,



5092 may be confined in the county jail for not more than six (6)  
5093 months, or fined not more than Five Hundred Dollars (\$500.00), or  
5094 both; however, no person shall be charged with a violation of this  
5095 subsection when such person is also charged with the possession of  
5096 thirty (30) grams or less of marijuana under subsection (c) (2) (A)  
5097 of this section.

5098           (2) It is unlawful for any person to deliver, sell,  
5099 possess with intent to deliver or sell, or manufacture with intent  
5100 to deliver or sell, paraphernalia, knowing, or under circumstances  
5101 where one reasonably should know, that it will be used to plant,  
5102 propagate, cultivate, grow, harvest, manufacture, compound,  
5103 convert, produce, process, prepare, test, analyze, pack, repack,  
5104 store, contain, conceal, inject, ingest, inhale, or otherwise  
5105 introduce into the human body a controlled substance in violation  
5106 of the Uniform Controlled Substances Law. Except as provided in  
5107 subsection (d) (3), a person who violates this subsection (d) (2) is  
5108 guilty of a misdemeanor and, upon conviction, may be confined in  
5109 the county jail for not more than six (6) months, or fined not  
5110 more than Five Hundred Dollars (\$500.00), or both.

5111           (3) Any person eighteen (18) years of age or over who  
5112 violates subsection (d) (2) of this section by delivering or  
5113 selling paraphernalia to a person under eighteen (18) years of age  
5114 who is at least three (3) years his junior is guilty of a  
5115 misdemeanor and, upon conviction, may be confined in the county



5116 jail for not more than one (1) year, or fined not more than One  
5117 Thousand Dollars (\$1,000.00), or both.

5118 (4) It is unlawful for any person to place in any  
5119 newspaper, magazine, handbill, or other publication any  
5120 advertisement, knowing, or under circumstances where one  
5121 reasonably should know, that the purpose of the advertisement, in  
5122 whole or in part, is to promote the sale of objects designed or  
5123 intended for use as paraphernalia. Any person who violates this  
5124 subsection is guilty of a misdemeanor and, upon conviction, may be  
5125 confined in the county jail for not more than six (6) months, or  
5126 fined not more than Five Hundred Dollars (\$500.00), or both.

5127 (e) It shall be unlawful for any physician practicing  
5128 medicine in this state to prescribe, dispense or administer any  
5129 amphetamine or amphetamine-like anorectics and/or central nervous  
5130 system stimulants classified in Schedule II, pursuant to Section  
5131 41-29-115, for the exclusive treatment of obesity, weight control  
5132 or weight loss. Any person who violates this subsection, upon  
5133 conviction, is guilty of a misdemeanor and may be confined for a  
5134 period not to exceed six (6) months, or fined not more than One  
5135 Thousand Dollars (\$1,000.00), or both.

5136 (f) **Trafficking.** (1) Any person trafficking in controlled  
5137 substances shall be guilty of a felony and, upon conviction, shall  
5138 be imprisoned for a term of not less than ten (10) years nor more  
5139 than forty (40) years and shall be fined not less than Five  
5140 Thousand Dollars (\$5,000.00) nor more than One Million Dollars



5141 (\$1,000,000.00). The ten-year mandatory sentence shall not be  
5142 reduced or suspended. The person shall not be eligible for  
5143 probation or parole, the provisions of Sections 41-29-149,  
5144 47-5-139, 47-7-3 and 47-7-33, to the contrary notwithstanding.

5145 (2) "Trafficking in controlled substances" as used  
5146 herein means:

5147 (A) A violation of subsection (a) of this section  
5148 involving thirty (30) or more grams or forty (40) or more dosage  
5149 units of a Schedule I or II controlled substance except marijuana  
5150 and synthetic cannabinoids;

5151 (B) A violation of subsection (a) of this section  
5152 involving five hundred (500) or more grams or two thousand five  
5153 hundred (2,500) or more dosage units of a Schedule III, IV or V  
5154 controlled substance;

5155 (C) A violation of subsection (c) of this section  
5156 involving thirty (30) or more grams or forty (40) or more dosage  
5157 units of a Schedule I or II controlled substance except marijuana  
5158 and synthetic cannabinoids;

5159 (D) A violation of subsection (c) of this section  
5160 involving five hundred (500) or more grams or two thousand five  
5161 hundred (2,500) or more dosage units of a Schedule III, IV or V  
5162 controlled substance; or

5163 (E) A violation of subsection (a) of this section  
5164 involving one (1) kilogram or more of marijuana or two hundred  
5165 (200) grams or more of synthetic cannabinoids.



5166           (g) **Aggravated trafficking.** Any person trafficking in  
5167 Schedule I or II controlled substances, except marijuana and  
5168 synthetic cannabinoids, of two hundred (200) grams or more shall  
5169 be guilty of aggravated trafficking and, upon conviction, shall be  
5170 sentenced to a term of not less than twenty-five (25) years nor  
5171 more than life in prison and shall be fined not less than Five  
5172 Thousand Dollars (\$5,000.00) nor more than One Million Dollars  
5173 (\$1,000,000.00). The twenty-five-year sentence shall be a  
5174 mandatory sentence and shall not be reduced or suspended. The  
5175 person shall not be eligible for probation or parole, the  
5176 provisions of Sections 41-29-149, 47-5-139, 47-7-3 and 47-7-33, to  
5177 the contrary notwithstanding.

5178           (h) **Sentence mitigation.** (1) Notwithstanding any provision  
5179 of this section, a person who has been convicted of an offense  
5180 under this section that requires the judge to impose a prison  
5181 sentence which cannot be suspended or reduced and is ineligible  
5182 for probation or parole may, at the discretion of the court,  
5183 receive a sentence of imprisonment that is no less than  
5184 twenty-five percent (25%) of the sentence prescribed by the  
5185 applicable statute. In considering whether to apply the departure  
5186 from the sentence prescribed, the court shall conclude that:

5187                           (A) The offender was not a leader of the criminal  
5188 enterprise;

5189                           (B) The offender did not use violence or a weapon  
5190 during the crime;



5191 (C) The offense did not result in a death or  
5192 serious bodily injury of a person not a party to the criminal  
5193 enterprise; and

5194 (D) The interests of justice are not served by the  
5195 imposition of the prescribed mandatory sentence.

5196 The court may also consider whether information and  
5197 assistance were furnished to a law enforcement agency, or its  
5198 designee, which, in the opinion of the trial judge, objectively  
5199 should or would have aided in the arrest or prosecution of others  
5200 who violate this subsection. The accused shall have adequate  
5201 opportunity to develop and make a record of all information and  
5202 assistance so furnished.

5203 (2) If the court reduces the prescribed sentence  
5204 pursuant to this subsection, it must specify on the record the  
5205 circumstances warranting the departure.

5206 (i) This section does not apply to any of the actions that  
5207 are lawful under the Mississippi Medical Cannabis Act and in  
5208 compliance with rules and regulations adopted thereunder.

5209 **SECTION 60.** Section 41-29-141, Mississippi Code of 1972, is  
5210 amended as follows:

5211 41-29-141. It is unlawful for any person:

5212 (1) Who is subject to Section 41-29-125 to distribute  
5213 or dispense a controlled substance in violation of Section  
5214 41-29-137;





5215           (2) Who is a registrant under Section 41-29-125 to  
5216 manufacture a controlled substance not authorized by his  
5217 registration, or to distribute or dispense a controlled substance  
5218 not authorized by his registration to another registrant or other  
5219 authorized person;

5220           (3) To refuse or fail to make, keep or furnish any  
5221 record, notification, order form, statement, invoice or  
5222 information required under this article;

5223           (4) To refuse a lawful entry into any premises for any  
5224 inspection authorized by this article; or

5225           (5) Knowingly to keep or maintain any store, shop,  
5226 warehouse, dwelling, building, vehicle, boat, aircraft, or other  
5227 structure or place, which is resorted to by persons using  
5228 controlled substances in violation of this article for the purpose  
5229 of using these substances, or which is used for keeping or selling  
5230 them in violation of this article.

5231           Any person who violates this section shall, with respect to  
5232 such violation, be subject to a civil penalty payable to the State  
5233 of Mississippi of not more than Twenty-five Thousand Dollars  
5234 (\$25,000.00).

5235           In addition to the civil penalty provided in the preceding  
5236 paragraph, any person who knowingly or intentionally violates this  
5237 section shall be guilty of a crime and upon conviction thereof may  
5238 be confined for a period of not more than one (1) year or fined  
5239 not more than One Thousand Dollars (\$1,000.00), or both.



5240           This section does not apply to any of the actions that are  
5241 lawful under the Mississippi Medical Cannabis Act and in  
5242 compliance with rules and regulations adopted thereunder.

5243           **SECTION 61.** Section 41-29-143, Mississippi Code of 1972, is  
5244 amended as follows:

5245           41-29-143. It is unlawful for any person knowingly or  
5246 intentionally:

5247           (1) To distribute as a registrant a controlled  
5248 substance classified in Schedule I or II, as set out in Sections  
5249 41-29-113 and 41-29-115, except pursuant to an order form as  
5250 required by Section 41-29-135;

5251           (2) To use in the course of the manufacture or  
5252 distribution of a controlled substance a registration number which  
5253 is fictitious, revoked, suspended, or issued to another  
5254 person \* \* \*;

5255           (3) To furnish false or fraudulent material information  
5256 in, or omit any material information from, any application,  
5257 report, or other document required to be kept or filed under this  
5258 article, or any record required to be kept by this article; or

5259           (4) To make, distribute, or possess any punch, die,  
5260 plate, stone, or other thing designed to print, imprint, or  
5261 reproduce the trademark, trade name, or other identifying mark,  
5262 imprint or device of another or any likeness of any of the  
5263 foregoing upon any drug or container or labeling thereof so as to  
5264 render the drug a counterfeit substance.



5265 Any person who violates this section is guilty of a crime and  
5266 upon conviction may be confined for not more than one (1) year or  
5267 fined not more than One Thousand Dollars (\$1,000.00) or both.

5268 This section does not apply to any of the actions that are  
5269 lawful under the Mississippi Medical Cannabis Act and in  
5270 compliance with rules and regulations adopted thereunder.

5271 **SECTION 62.** Section 43-21-301, Mississippi Code of 1972, is  
5272 amended as follows:

5273 43-21-301. (1) No court other than the youth court shall  
5274 issue an arrest warrant or custody order for a child in a matter  
5275 in which the youth court has exclusive original jurisdiction but  
5276 shall refer the matter to the youth court.

5277 (2) Except as otherwise provided, no child in a matter in  
5278 which the youth court has exclusive original jurisdiction shall be  
5279 taken into custody by a law enforcement officer, the Department of  
5280 Human Services, the Department of Child Protection Services, or  
5281 any other person unless the judge or his designee has issued a  
5282 custody order to take the child into custody.

5283 (3) The judge or his designee may require a law enforcement  
5284 officer, the Department of Human Services, the Department of Child  
5285 Protection Services, or any suitable person to take a child into  
5286 custody for a period not longer than forty-eight (48) hours,  
5287 excluding Saturdays, Sundays, and statutory state holidays.

5288 (a) Custody orders under this subsection may be issued  
5289 if it appears that there is probable cause to believe that:



5290 (i) The child is within the jurisdiction of the  
5291 court;

5292 (ii) Custody is necessary because of any of the  
5293 following reasons: the child is in danger of a significant risk  
5294 of harm, any person would be in danger of a significant risk of  
5295 harm by the child, to ensure the child's attendance in court at  
5296 such time as required, or a parent, guardian or custodian is not  
5297 available to provide for the care and supervision of the child;  
5298 and

5299 (iii) There is no reasonable alternative to  
5300 custody.

5301 A finding of probable cause under this subsection (3) (a)  
5302 shall not be based solely upon a positive drug test of a newborn  
5303 or parent for marijuana or solely upon the status of a parent as a  
5304 cardholder under the Mississippi Medical Cannabis Act; however, a  
5305 finding of probable cause may be based upon an evidence-based  
5306 finding of harm to the child or a parent's inability to provide  
5307 for the care and supervision of the child due to the parent's use  
5308 of marijuana. Probable cause for unlawful use of any controlled  
5309 substance, except as otherwise provided in this subsection (3) (a)  
5310 for marijuana, may be based: 1. upon a parent's positive drug  
5311 test for unlawful use of a controlled substance only if the child  
5312 is in danger of a significant risk of harm or the parent is unable  
5313 to provide proper care or supervision of the child because of the  
5314 unlawful use and there is no reasonable alternative to custody;



5315 and 2. upon a newborn's positive drug screen for a controlled  
5316 substance that was used unlawfully only if the child is in danger  
5317 of a significant risk of harm or the parent is unable to provide  
5318 proper care or supervision of the child because of the unlawful  
5319 use and there is no reasonable alternative to custody.

5320 (b) Custody orders under this subsection shall be  
5321 written. In emergency cases, a judge or his designee may issue an  
5322 oral custody order, but the order shall be reduced to writing  
5323 within forty-eight (48) hours of its issuance.

5324 (c) Each youth court judge shall develop and make  
5325 available to law enforcement a list of designees who are available  
5326 after hours, on weekends and on holidays.

5327 (4) The judge or his designee may order, orally or in  
5328 writing, the immediate release of any child in the custody of any  
5329 person or agency. Except as otherwise provided in subsection (3)  
5330 of this section, custody orders as provided by this chapter and  
5331 authorizations of temporary custody may be written or oral, but,  
5332 if oral, reduced to writing within forty-eight (48) hours,  
5333 excluding Saturdays, Sundays and statutory state holidays. The  
5334 written order shall:

5335 (a) Specify the name and address of the child, or, if  
5336 unknown, designate him or her by any name or description by which  
5337 he or she can be identified with reasonable certainty;



5338           (b) Specify the age of the child, or, if unknown, that  
5339 he or she is believed to be of an age subject to the jurisdiction  
5340 of the youth court;

5341           (c) Except in cases where the child is alleged to be a  
5342 delinquent child or a child in need of supervision, state that the  
5343 effect of the continuation of the child's residing within his or  
5344 her own home would be contrary to the welfare of the child, that  
5345 the placement of the child in foster care is in the best interests  
5346 of the child, and unless the reasonable efforts requirement is  
5347 bypassed under Section 43-21-603(7)(c), also state that (i)  
5348 reasonable efforts have been made to maintain the child within his  
5349 or her own home, but that the circumstances warrant his removal  
5350 and there is no reasonable alternative to custody; or (ii) the  
5351 circumstances are of such an emergency nature that no reasonable  
5352 efforts have been made to maintain the child within his own home,  
5353 and that there is no reasonable alternative to custody. If the  
5354 court makes a finding in accordance with (ii) of this paragraph,  
5355 the court shall order that reasonable efforts be made toward the  
5356 reunification of the child with his or her family;

5357           (d) State that the child shall be brought immediately  
5358 before the youth court or be taken to a place designated by the  
5359 order to be held pending review of the order;

5360           (e) State the date issued and the youth court by which  
5361 the order is issued; and



5362 (f) Be signed by the judge or his designee with the  
5363 title of his office.

5364 (5) The taking of a child into custody shall not be  
5365 considered an arrest except for evidentiary purposes.

5366 (6) (a) No child who has been accused or adjudicated of any  
5367 offense that would not be a crime if committed by an adult shall  
5368 be placed in an adult jail or lockup. An accused status offender  
5369 shall not be held in secure detention longer than twenty-four (24)  
5370 hours prior to and twenty-four (24) hours after an initial court  
5371 appearance, excluding Saturdays, Sundays and statutory state  
5372 holidays, except under the following circumstances: a status  
5373 offender may be held in secure detention for violating a valid  
5374 court order pursuant to the criteria as established by the federal  
5375 Juvenile Justice and Delinquency Prevention Act of 2002, and any  
5376 subsequent amendments thereto, and out-of-state runaways may be  
5377 detained pending return to their home state.

5378 (b) No accused or adjudicated juvenile offender, except  
5379 for an accused or adjudicated juvenile offender in cases where  
5380 jurisdiction is waived to the adult criminal court, shall be  
5381 detained or placed into custody of any adult jail or lockup for a  
5382 period in excess of six (6) hours.

5383 (c) If any county violates the provisions of paragraph  
5384 (a) or (b) of this subsection, the state agency authorized to  
5385 allocate federal funds received pursuant to the Juvenile Justice  
5386 and Delinquency Prevention Act of 1974, 88 Stat. 2750 (codified in



5387 scattered Sections of 5, 18, 42 USCS), shall withhold the county's  
5388 share of such funds.

5389 (d) Any county that does not have a facility in which  
5390 to detain its juvenile offenders in compliance with the provisions  
5391 of paragraphs (a) and (b) of this subsection may enter into a  
5392 contractual agreement to detain or place into custody the juvenile  
5393 offenders of that county with any county or municipality that does  
5394 have such a facility, or with the State of Mississippi, or with  
5395 any private entity that maintains a juvenile correctional  
5396 facility.

5397 (e) Notwithstanding the provisions of paragraphs (a),  
5398 (b), (c) and (d) of this subsection, all counties shall be allowed  
5399 a one-year grace period from March 27, 1993, to comply with the  
5400 provisions of this subsection.

5401 **SECTION 63.** Section 43-21-303, Mississippi Code of 1972, is  
5402 amended as follows:

5403 43-21-303. (1) No child in a matter in which the youth  
5404 court has original exclusive jurisdiction shall be taken into  
5405 custody by any person without a custody order except that:

5406 (a) A law enforcement officer may take a child in  
5407 custody if:

5408 (i) Grounds exist for the arrest of an adult in  
5409 identical circumstances; and





5410 (ii) Such law enforcement officer has probable  
5411 cause to believe that custody is necessary as defined in Section  
5412 43-21-301; and

5413 (iii) Such law enforcement officer can find no  
5414 reasonable alternative to custody; or

5415 (b) A law enforcement officer or an agent of the  
5416 Department of Child Protection Services or the Department of Human  
5417 Services may take a child into immediate custody if:

5418 (i) There is probable cause to believe that the  
5419 child is in immediate danger of personal harm; however, probable  
5420 cause shall not be based solely upon a positive drug test of a  
5421 newborn or parent for marijuana or solely upon the status of a  
5422 parent as a cardholder under the Mississippi Medical Cannabis Act,  
5423 but a finding of probable cause may be based upon an  
5424 evidence-based finding of harm to the child or a parent's  
5425 inability to provide for the care and supervision of the child due  
5426 to the parent's use of marijuana. Probable cause for unlawful use  
5427 of any controlled substance, except as otherwise provided in this  
5428 subparagraph (i) for marijuana, may be based: 1. upon a parent's  
5429 positive drug test for unlawful use of a controlled substance only  
5430 if the child is in danger of a significant risk of harm or the  
5431 parent is unable to provide proper care or supervision of the  
5432 child because of the unlawful use and there is no reasonable  
5433 alternative to custody; and 2. upon a newborn's positive drug  
5434 screen for a controlled substance that was used unlawfully only if



5435 the child is in danger of a significant risk of harm or the parent  
5436 is unable to provide proper care or supervision of the child  
5437 because of the unlawful use and there is no reasonable alternative  
5438 to custody; and

5439 (ii) There is probable cause to believe that  
5440 immediate custody is necessary as set forth in Section  
5441 43-21-301(3); and

5442 (iii) There is no reasonable alternative to  
5443 custody; and

5444 (c) Any other person may take a child into custody if  
5445 grounds exist for the arrest of an adult in identical  
5446 circumstances. Such other person shall immediately surrender  
5447 custody of the child to the proper law enforcement officer who  
5448 shall thereupon continue custody only as provided in subsection  
5449 (1)(a) of this section.

5450 (2) When it is necessary to take a child into custody, the  
5451 least restrictive custody should be selected.

5452 (3) Unless the child is immediately released, the person  
5453 taking the child into custody shall immediately notify the judge  
5454 or his designee. A person taking a child into custody shall also  
5455 make continuing reasonable efforts to notify the child's parent,  
5456 guardian or custodian and invite the parent, guardian or custodian  
5457 to be present during any questioning.

5458 (4) A child taken into custody shall not be held in custody  
5459 for a period longer than reasonably necessary, but not to exceed



5460 twenty-four (24) hours, and shall be released to his parent,  
5461 guardian or custodian unless the judge or his designee authorizes  
5462 temporary custody.

5463           **SECTION 64.** Section 45-9-101, Mississippi Code of 1972, is  
5464 amended as follows:

5465           45-9-101. (1) (a) Except as otherwise provided, the  
5466 Department of Public Safety is authorized to issue licenses to  
5467 carry stun guns, concealed pistols or revolvers to persons  
5468 qualified as provided in this section. Such licenses shall be  
5469 valid throughout the state for a period of five (5) years from the  
5470 date of issuance, except as provided in subsection (25) of this  
5471 section. Any person possessing a valid license issued pursuant to  
5472 this section may carry a stun gun, concealed pistol or concealed  
5473 revolver.

5474           (b) The licensee must carry the license, together with  
5475 valid identification, at all times in which the licensee is  
5476 carrying a stun gun, concealed pistol or revolver and must display  
5477 both the license and proper identification upon demand by a law  
5478 enforcement officer. A violation of the provisions of this  
5479 paragraph (b) shall constitute a noncriminal violation with a  
5480 penalty of Twenty-five Dollars (\$25.00) and shall be enforceable  
5481 by summons.

5482           (2) The Department of Public Safety shall issue a license if  
5483 the applicant:



5484 (a) Is a resident of the state. However, this  
5485 residency requirement may be waived if the applicant possesses a  
5486 valid permit from another state, is a member of any active or  
5487 reserve component branch of the United States of America Armed  
5488 Forces stationed in Mississippi, is the spouse of a member of any  
5489 active or reserve component branch of the United States of America  
5490 Armed Forces stationed in Mississippi, or is a retired law  
5491 enforcement officer establishing residency in the state;

5492 (b) (i) Is twenty-one (21) years of age or older; or

5493 (ii) Is at least eighteen (18) years of age but  
5494 not yet twenty-one (21) years of age and the applicant:

5495 1. Is a member or veteran of the United  
5496 States Armed Forces, including National Guard or Reserve; and

5497 2. Holds a valid Mississippi driver's license  
5498 or identification card issued by the Department of Public Safety  
5499 or a valid and current tribal identification card issued by a  
5500 federally recognized Indian tribe containing a photograph of the  
5501 holder;

5502 (c) Does not suffer from a physical infirmity which  
5503 prevents the safe handling of a stun gun, pistol or revolver;

5504 (d) Is not ineligible to possess a firearm by virtue of  
5505 having been convicted of a felony in a court of this state, of any  
5506 other state, or of the United States without having been pardoned  
5507 or without having been expunged for same;



5508           (e) Does not chronically or habitually abuse controlled  
5509 substances to the extent that his normal faculties are impaired.  
5510 It shall be presumed that an applicant chronically and habitually  
5511 uses controlled substances to the extent that his faculties are  
5512 impaired if the applicant has been voluntarily or involuntarily  
5513 committed to a treatment facility for the abuse of a controlled  
5514 substance or been found guilty of a crime under the provisions of  
5515 the Uniform Controlled Substances Law or similar laws of any other  
5516 state or the United States relating to controlled substances  
5517 within a three-year period immediately preceding the date on which  
5518 the application is submitted;

5519           (f) Does not chronically and habitually use alcoholic  
5520 beverages to the extent that his normal faculties are impaired.  
5521 It shall be presumed that an applicant chronically and habitually  
5522 uses alcoholic beverages to the extent that his normal faculties  
5523 are impaired if the applicant has been voluntarily or  
5524 involuntarily committed as an alcoholic to a treatment facility or  
5525 has been convicted of two (2) or more offenses related to the use  
5526 of alcohol under the laws of this state or similar laws of any  
5527 other state or the United States within the three-year period  
5528 immediately preceding the date on which the application is  
5529 submitted;

5530           (g) Desires a legal means to carry a stun gun,  
5531 concealed pistol or revolver to defend himself;



5532 (h) Has not been adjudicated mentally incompetent, or  
5533 has waited five (5) years from the date of his restoration to  
5534 capacity by court order;

5535 (i) Has not been voluntarily or involuntarily committed  
5536 to a mental institution or mental health treatment facility unless  
5537 he possesses a certificate from a psychiatrist licensed in this  
5538 state that he has not suffered from disability for a period of  
5539 five (5) years;

5540 (j) Has not had adjudication of guilt withheld or  
5541 imposition of sentence suspended on any felony unless three (3)  
5542 years have elapsed since probation or any other conditions set by  
5543 the court have been fulfilled;

5544 (k) Is not a fugitive from justice; and

5545 (l) Is not disqualified to possess a weapon based on  
5546 federal law.

5547 (3) The Department of Public Safety may deny a license if  
5548 the applicant has been found guilty of one or more crimes of  
5549 violence constituting a misdemeanor unless three (3) years have  
5550 elapsed since probation or any other conditions set by the court  
5551 have been fulfilled or expunction has occurred prior to the date  
5552 on which the application is submitted, or may revoke a license if  
5553 the licensee has been found guilty of one or more crimes of  
5554 violence within the preceding three (3) years. The department  
5555 shall, upon notification by a law enforcement agency or a court  
5556 and subsequent written verification, suspend a license or the



5557 processing of an application for a license if the licensee or  
5558 applicant is arrested or formally charged with a crime which would  
5559 disqualify such person from having a license under this section,  
5560 until final disposition of the case. The provisions of subsection  
5561 (7) of this section shall apply to any suspension or revocation of  
5562 a license pursuant to the provisions of this section.

5563 (4) The application shall be completed, under oath, on a  
5564 form promulgated by the Department of Public Safety and shall  
5565 include only:

5566 (a) The name, address, place and date of birth, race,  
5567 sex and occupation of the applicant;

5568 (b) The driver's license number or social security  
5569 number of applicant;

5570 (c) Any previous address of the applicant for the two  
5571 (2) years preceding the date of the application;

5572 (d) A statement that the applicant is in compliance  
5573 with criteria contained within subsections (2) and (3) of this  
5574 section;

5575 (e) A statement that the applicant has been furnished a  
5576 copy of this section and is knowledgeable of its provisions;

5577 (f) A conspicuous warning that the application is  
5578 executed under oath and that a knowingly false answer to any  
5579 question, or the knowing submission of any false document by the  
5580 applicant, subjects the applicant to criminal prosecution; and



5581 (g) A statement that the applicant desires a legal  
5582 means to carry a stun gun, concealed pistol or revolver to defend  
5583 himself.

5584 (5) The applicant shall submit only the following to the  
5585 Department of Public Safety:

5586 (a) A completed application as described in subsection  
5587 (4) of this section;

5588 (b) A full-face photograph of the applicant taken  
5589 within the preceding thirty (30) days in which the head, including  
5590 hair, in a size as determined by the Department of Public Safety,  
5591 except that an applicant who is younger than twenty-one (21) years  
5592 of age must submit a photograph in profile of the applicant;

5593 (c) A nonrefundable license fee of Eighty Dollars  
5594 (\$80.00). Costs for processing the set of fingerprints as  
5595 required in paragraph (d) of this subsection shall be borne by the  
5596 applicant. Honorably retired law enforcement officers, disabled  
5597 veterans and active duty members of the Armed Forces of the United  
5598 States, and law enforcement officers employed with a law  
5599 enforcement agency of a municipality, county or state at the time  
5600 of application for the license, shall be exempt from the payment  
5601 of the license fee;

5602 (d) A full set of fingerprints of the applicant  
5603 administered by the Department of Public Safety; and

5604 (e) A waiver authorizing the Department of Public  
5605 Safety access to any records concerning commitments of the





5606 applicant to any of the treatment facilities or institutions  
5607 referred to in subsection (2) of this section and permitting  
5608 access to all the applicant's criminal records.

5609         (6) (a) The Department of Public Safety, upon receipt of  
5610 the items listed in subsection (5) of this section, shall forward  
5611 the full set of fingerprints of the applicant to the appropriate  
5612 agencies for state and federal processing.

5613         (b) The Department of Public Safety shall forward a  
5614 copy of the applicant's application to the sheriff of the  
5615 applicant's county of residence and, if applicable, the police  
5616 chief of the applicant's municipality of residence. The sheriff  
5617 of the applicant's county of residence, and, if applicable, the  
5618 police chief of the applicant's municipality of residence may, at  
5619 his discretion, participate in the process by submitting a  
5620 voluntary report to the Department of Public Safety containing any  
5621 readily discoverable prior information that he feels may be  
5622 pertinent to the licensing of any applicant. The reporting shall  
5623 be made within thirty (30) days after the date he receives the  
5624 copy of the application. Upon receipt of a response from a  
5625 sheriff or police chief, such sheriff or police chief shall be  
5626 reimbursed at a rate set by the department.

5627         (c) The Department of Public Safety shall, within  
5628 forty-five (45) days after the date of receipt of the items listed  
5629 in subsection (5) of this section:

5630                 (i) Issue the license;



5631                   (ii) Deny the application based solely on the  
5632 ground that the applicant fails to qualify under the criteria  
5633 listed in subsections (2) and (3) of this section. If the  
5634 Department of Public Safety denies the application, it shall  
5635 notify the applicant in writing, stating the ground for denial,  
5636 and the denial shall be subject to the appeal process set forth in  
5637 subsection (7); or

5638                   (iii) Notify the applicant that the department is  
5639 unable to make a determination regarding the issuance or denial of  
5640 a license within the forty-five-day period prescribed by this  
5641 subsection, and provide an estimate of the amount of time the  
5642 department will need to make the determination.

5643                   (d) In the event a legible set of fingerprints, as  
5644 determined by the Department of Public Safety and the Federal  
5645 Bureau of Investigation, cannot be obtained after a minimum of two  
5646 (2) attempts, the Department of Public Safety shall determine  
5647 eligibility based upon a name check by the Mississippi Highway  
5648 Safety Patrol and a Federal Bureau of Investigation name check  
5649 conducted by the Mississippi Highway Safety Patrol at the request  
5650 of the Department of Public Safety.

5651                   (7) (a) If the Department of Public Safety denies the  
5652 issuance of a license, or suspends or revokes a license, the party  
5653 aggrieved may appeal such denial, suspension or revocation to the  
5654 Commissioner of Public Safety, or his authorized agent, within  
5655 thirty (30) days after the aggrieved party receives written notice



5656 of such denial, suspension or revocation. The Commissioner of  
5657 Public Safety, or his duly authorized agent, shall rule upon such  
5658 appeal within thirty (30) days after the appeal is filed and  
5659 failure to rule within this thirty-day period shall constitute  
5660 sustaining such denial, suspension or revocation. Such review  
5661 shall be conducted pursuant to such reasonable rules and  
5662 regulations as the Commissioner of Public Safety may adopt.

5663 (b) If the revocation, suspension or denial of issuance  
5664 is sustained by the Commissioner of Public Safety, or his duly  
5665 authorized agent pursuant to paragraph (a) of this subsection, the  
5666 aggrieved party may file within ten (10) days after the rendition  
5667 of such decision a petition in the circuit or county court of his  
5668 residence for review of such decision. A hearing for review shall  
5669 be held and shall proceed before the court without a jury upon the  
5670 record made at the hearing before the Commissioner of Public  
5671 Safety or his duly authorized agent. No such party shall be  
5672 allowed to carry a stun gun, concealed pistol or revolver pursuant  
5673 to the provisions of this section while any such appeal is  
5674 pending.

5675 (8) The Department of Public Safety shall maintain an  
5676 automated listing of license holders and such information shall be  
5677 available online, upon request, at all times, to all law  
5678 enforcement agencies through the Mississippi Crime Information  
5679 Center. However, the records of the department relating to  
5680 applications for licenses to carry stun guns, concealed pistols or



5681 revolvers and records relating to license holders shall be exempt  
5682 from the provisions of the Mississippi Public Records Act of 1983,  
5683 and shall be released only upon order of a court having proper  
5684 jurisdiction over a petition for release of the record or records.

5685 (9) Within thirty (30) days after the changing of a  
5686 permanent address, or within thirty (30) days after having a  
5687 license lost or destroyed, the licensee shall notify the  
5688 Department of Public Safety in writing of such change or loss.  
5689 Failure to notify the Department of Public Safety pursuant to the  
5690 provisions of this subsection shall constitute a noncriminal  
5691 violation with a penalty of Twenty-five Dollars (\$25.00) and shall  
5692 be enforceable by a summons.

5693 (10) In the event that a stun gun, concealed pistol or  
5694 revolver license is lost or destroyed, the person to whom the  
5695 license was issued shall comply with the provisions of subsection  
5696 (9) of this section and may obtain a duplicate, or substitute  
5697 thereof, upon payment of Fifteen Dollars (\$15.00) to the  
5698 Department of Public Safety, and furnishing a notarized statement  
5699 to the department that such license has been lost or destroyed.

5700 (11) A license issued under this section shall be revoked if  
5701 the licensee becomes ineligible under the criteria set forth in  
5702 subsection (2) of this section.

5703 (12) (a) Except as provided in subsection (25) of this  
5704 section, no less than ninety (90) days prior to the expiration  
5705 date of the license, the Department of Public Safety shall mail to



5706 each licensee a written notice of the expiration and a renewal  
5707 form prescribed by the department. The licensee must renew his  
5708 license on or before the expiration date by filing with the  
5709 department the renewal form, a notarized affidavit stating that  
5710 the licensee remains qualified pursuant to the criteria specified  
5711 in subsections (2) and (3) of this section, and a full set of  
5712 fingerprints administered by the Department of Public Safety or  
5713 the sheriff of the county of residence of the licensee. The first  
5714 renewal may be processed by mail and the subsequent renewal must  
5715 be made in person. Thereafter every other renewal may be  
5716 processed by mail to assure that the applicant must appear in  
5717 person every ten (10) years for the purpose of obtaining a new  
5718 photograph.

5719 (i) Except as provided in this subsection, a  
5720 renewal fee of Forty Dollars (\$40.00) shall also be submitted  
5721 along with costs for processing the fingerprints;

5722 (ii) Honorably retired law enforcement officers,  
5723 disabled veterans, active duty members of the Armed Forces of the  
5724 United States and law enforcement officers employed with a law  
5725 enforcement agency of a municipality, county or state at the time  
5726 of renewal, shall be exempt from the renewal fee; and

5727 (iii) The renewal fee for a Mississippi resident  
5728 aged sixty-five (65) years of age or older shall be Twenty Dollars  
5729 (\$20.00).



5730           (b) The Department of Public Safety shall forward the  
5731 full set of fingerprints of the applicant to the appropriate  
5732 agencies for state and federal processing. The license shall be  
5733 renewed upon receipt of the completed renewal application and  
5734 appropriate payment of fees.

5735           (c) A licensee who fails to file a renewal application  
5736 on or before its expiration date must renew his license by paying  
5737 a late fee of Fifteen Dollars (\$15.00). No license shall be  
5738 renewed six (6) months or more after its expiration date, and such  
5739 license shall be deemed to be permanently expired. A person whose  
5740 license has been permanently expired may reapply for licensure;  
5741 however, an application for licensure and fees pursuant to  
5742 subsection (5) of this section must be submitted, and a background  
5743 investigation shall be conducted pursuant to the provisions of  
5744 this section.

5745           (13) No license issued pursuant to this section shall  
5746 authorize any person, except a law enforcement officer as defined  
5747 in Section 45-6-3 with a distinct license authorized by the  
5748 Department of Public Safety, to carry a stun gun, concealed pistol  
5749 or revolver into any place of nuisance as defined in Section  
5750 95-3-1, Mississippi Code of 1972; any police, sheriff or highway  
5751 patrol station; any detention facility, prison or jail; any  
5752 courthouse; any courtroom, except that nothing in this section  
5753 shall preclude a judge from carrying a concealed weapon or  
5754 determining who will carry a concealed weapon in his courtroom;



5755 any polling place; any meeting place of the governing body of any  
5756 governmental entity; any meeting of the Legislature or a committee  
5757 thereof; any school, college or professional athletic event not  
5758 related to firearms; any portion of an establishment, licensed to  
5759 dispense alcoholic beverages for consumption on the premises, that  
5760 is primarily devoted to dispensing alcoholic beverages; any  
5761 portion of an establishment in which beer, light spirit product or  
5762 light wine is consumed on the premises, that is primarily devoted  
5763 to such purpose; any elementary or secondary school facility; any  
5764 junior college, community college, college or university facility  
5765 unless for the purpose of participating in any authorized  
5766 firearms-related activity; inside the passenger terminal of any  
5767 airport, except that no person shall be prohibited from carrying  
5768 any legal firearm into the terminal if the firearm is encased for  
5769 shipment, for purposes of checking such firearm as baggage to be  
5770 lawfully transported on any aircraft; any church or other place of  
5771 worship, except as provided in Section 45-9-171; or any place  
5772 where the carrying of firearms is prohibited by federal law. In  
5773 addition to the places enumerated in this subsection, the carrying  
5774 of a stun gun, concealed pistol or revolver may be disallowed in  
5775 any place in the discretion of the person or entity exercising  
5776 control over the physical location of such place by the placing of  
5777 a written notice clearly readable at a distance of not less than  
5778 ten (10) feet that the "carrying of a pistol or revolver is  
5779 prohibited." No license issued pursuant to this section shall



5780 authorize the participants in a parade or demonstration for which  
5781 a permit is required to carry a stun gun, concealed pistol or  
5782 revolver.

5783 (14) A law enforcement officer as defined in Section 45-6-3,  
5784 chiefs of police, sheriffs and persons licensed as professional  
5785 bondsmen pursuant to Chapter 39, Title 83, Mississippi Code of  
5786 1972, shall be exempt from the licensing requirements of this  
5787 section.

5788 (a) The Commissioner of Public Safety shall promulgate  
5789 rules and regulations to provide licenses to law enforcement  
5790 officers as defined in Section 45-6-3 who choose to obtain a  
5791 license under the provisions of this section, which shall include  
5792 a distinction that the officer is an "active duty" law enforcement  
5793 officer and an endorsement that such officer is authorized to  
5794 carry in the locations listed in subsection (13). A law  
5795 enforcement officer shall provide the following information to  
5796 receive the license described in this subsection: (i) a letter,  
5797 with the official letterhead of the agency or department for which  
5798 the officer is employed at the time of application and (ii) a  
5799 letter with the official letterhead of the agency or department,  
5800 which explains that such officer has completed a certified law  
5801 enforcement training academy.

5802 (b) The licensing requirements of this section do not  
5803 apply to the carrying by any person of a stun gun, pistol or





5804 revolver, knife, or other deadly weapon that is not concealed as  
5805 defined in Section 97-37-1.

5806 (15) Any person who knowingly submits a false answer to any  
5807 question on an application for a license issued pursuant to this  
5808 section, or who knowingly submits a false document when applying  
5809 for a license issued pursuant to this section, shall, upon  
5810 conviction, be guilty of a misdemeanor and shall be punished as  
5811 provided in Section 99-19-31, Mississippi Code of 1972.

5812 (16) All fees collected by the Department of Public Safety  
5813 pursuant to this section shall be deposited into a special fund  
5814 hereby created in the State Treasury and shall be used for  
5815 implementation and administration of this section. After the  
5816 close of each fiscal year, the balance in this fund shall be  
5817 certified to the Legislature and then may be used by the  
5818 Department of Public Safety as directed by the Legislature.

5819 (17) All funds received by a sheriff or police chief  
5820 pursuant to the provisions of this section shall be deposited into  
5821 the general fund of the county or municipality, as appropriate,  
5822 and shall be budgeted to the sheriff's office or police department  
5823 as appropriate.

5824 (18) Nothing in this section shall be construed to require  
5825 or allow the registration, documentation or providing of serial  
5826 numbers with regard to any stun gun or firearm.

5827 (19) Any person holding a valid unrevoked and unexpired  
5828 license to carry stun guns, concealed pistols or revolvers issued



5829 in another state shall have such license recognized by this state  
5830 to carry stun guns, concealed pistols or revolvers. The  
5831 Department of Public Safety is authorized to enter into a  
5832 reciprocal agreement with another state if that state requires a  
5833 written agreement in order to recognize licenses to carry stun  
5834 guns, concealed pistols or revolvers issued by this state.

5835 (20) The provisions of this section shall be under the  
5836 supervision of the Commissioner of Public Safety. The  
5837 commissioner is authorized to promulgate reasonable rules and  
5838 regulations to carry out the provisions of this section.

5839 (21) For the purposes of this section, the term "stun gun"  
5840 means a portable device or weapon from which an electric current,  
5841 impulse, wave or beam may be directed, which current, impulse,  
5842 wave or beam is designed to incapacitate temporarily, injure,  
5843 momentarily stun, knock out, cause mental disorientation or  
5844 paralyze.

5845 (22) (a) From and after January 1, 2016, the Commissioner  
5846 of Public Safety shall promulgate rules and regulations which  
5847 provide that licenses authorized by this section for honorably  
5848 retired law enforcement officers and honorably retired  
5849 correctional officers from the Mississippi Department of  
5850 Corrections shall (i) include the words "retired law enforcement  
5851 officer" on the front of the license, and (ii) unless the licensee  
5852 chooses to have this license combined with a driver's license or  
5853 identification card under subsection (25) of this section, that



5854 the license itself have a red background to distinguish it from  
5855 other licenses issued under this section.

5856 (b) An honorably retired law enforcement officer and  
5857 honorably retired correctional officer shall provide the following  
5858 information to receive the license described in this section: (i)  
5859 a letter, with the official letterhead of the agency or department  
5860 from which such officer is retiring, which explains that such  
5861 officer is honorably retired, and (ii) a letter with the official  
5862 letterhead of the agency or department, which explains that such  
5863 officer has completed a certified law enforcement training  
5864 academy.

5865 (23) A disabled veteran who seeks to qualify for an  
5866 exemption under this section shall be required to provide a  
5867 veterans health services identification card issued by the United  
5868 States Department of Veterans Affairs indicating a  
5869 service-connected disability, which shall be sufficient proof of  
5870 such service-connected disability.

5871 (24) A license under this section is not required for a  
5872 loaded or unloaded pistol or revolver to be carried upon the  
5873 person in a sheath, belt holster or shoulder holster or in a  
5874 purse, handbag, satchel, other similar bag or briefcase or fully  
5875 enclosed case if the person is not engaged in criminal activity  
5876 other than a misdemeanor traffic offense, is not otherwise  
5877 prohibited from possessing a pistol or revolver under state or  
5878 federal law, and is not in a location prohibited under subsection



5879 (13) of this section. However, the medical use of medical  
5880 cannabis by a cardholder who is a registered qualifying patient  
5881 which is lawful under the provisions of the Mississippi Medical  
5882 Cannabis Act and in compliance with rules and regulations adopted  
5883 thereunder shall not disqualify a person under this subsection  
5884 (24) solely because the person is prohibited from possessing a  
5885 firearm under 18 USCS Section 922(g) (3) due to such medical use of  
5886 medical cannabis.

5887 (25) An applicant for a license under this section shall  
5888 have the option of, instead of being issued a separate card for  
5889 the license, having the license appear as a notation on the  
5890 individual's driver's license or identification card. If the  
5891 applicant chooses this option, the license issued under this  
5892 section shall have the same expiration date as the driver's  
5893 license or identification card, and renewal shall take place at  
5894 the same time and place as renewal of the driver's license or  
5895 identification card. The Commissioner of Public Safety shall have  
5896 the authority to promulgate rules and regulations which may be  
5897 necessary to ensure the effectiveness of the concurrent  
5898 application and renewal processes.

5899 **SECTION 65.** Section 59-23-7, Mississippi Code of 1972, is  
5900 amended as follows:

5901 59-23-7. (1) It is unlawful for any person to operate a  
5902 watercraft on the public waters of this state who:

5903 (a) Is under the influence of intoxicating liquor;



5904           (b) Is under the influence of any other substance which  
5905 has impaired such person's ability to operate a watercraft; or

5906           (c) Has eight one-hundredths percent (.08%) or more by  
5907 weight volume of alcohol in the person's blood based upon  
5908 milligrams of alcohol per one hundred (100) cubic centimeters of  
5909 blood as shown by a chemical analysis of such person's breath,  
5910 blood or urine administered as authorized by this chapter.

5911           (2) (a) Upon conviction of any person for the first offense  
5912 of violating subsection (1) of this section where chemical tests  
5913 provided for under Section 59-23-5 were given, or where chemical  
5914 test results are not available, such person shall be fined not  
5915 less than Two Hundred Fifty Dollars (\$250.00) nor more than One  
5916 Thousand Dollars (\$1,000.00), or imprisoned for not more than  
5917 twenty-four (24) hours in jail, or both; and the court shall order  
5918 such person to attend and complete a boating safety education  
5919 course developed by the Department of Wildlife, Fisheries and  
5920 Parks.

5921           (b) Upon any second conviction of any person violating  
5922 subsection (1) of this section, the offenses being committed  
5923 within a period of five (5) years, the person shall be fined not  
5924 less than Six Hundred Dollars (\$600.00) nor more than One Thousand  
5925 Dollars (\$1,000.00) and shall be imprisoned not less than  
5926 forty-eight (48) consecutive hours nor more than one (1) year or  
5927 sentenced to community service work for not less than ten (10)



5928 days nor more than one (1) year. The court shall order the person  
5929 not to operate a watercraft for one (1) year.

5930 (c) For any third conviction of any person violating  
5931 subsection (1) of this section, the offenses being committed  
5932 within a period of five (5) years, the person shall be fined not  
5933 less than Eight Hundred Dollars (\$800.00) nor more than One  
5934 Thousand Dollars (\$1,000.00) and shall be imprisoned not less than  
5935 thirty (30) days nor more than one (1) year. The court shall  
5936 order the person not to operate a watercraft for two (2) years.

5937 (d) Any fourth or subsequent violation of subsection  
5938 (1) of this section shall be a felony offense and, upon  
5939 conviction, the offenses being committed within a period of five  
5940 (5) years, the person shall be fined not less than Two Thousand  
5941 Dollars (\$2,000.00) nor more than Five Thousand Dollars  
5942 (\$5,000.00) and shall be imprisoned not less than ninety (90) days  
5943 nor more than five (5) years in the custody of the Department of  
5944 Corrections. The court shall order the person not to operate a  
5945 watercraft for three (3) years.

5946 (3) Any person convicted of operating any watercraft in  
5947 violation of subsection (1) of this section where the person (a)  
5948 refused a law enforcement officer's request to submit to a  
5949 chemical test, or (b) was unconscious at the time of a chemical  
5950 test and refused to consent to the introduction of the results of  
5951 such test in any prosecution, shall be punished consistent with  
5952 the penalties prescribed herein for persons submitting to the test



5953 and the court shall order the person not to operate a watercraft  
5954 for the time periods specified in subsection (2) of this section.

5955 (4) Any person who operates any watercraft in violation of  
5956 the provisions of subsection (1) of this section and who in a  
5957 negligent manner causes the death of another or mutilates,  
5958 disfigures, permanently disables or destroys the tongue, eye, lip,  
5959 nose or any other member or limb of another shall, upon  
5960 conviction, be guilty of a felony and shall be committed to the  
5961 custody of the Department of Corrections for a period of time not  
5962 to exceed ten (10) years.

5963 (5) Upon conviction of any violation of subsection (1) of  
5964 this section, the judge shall cause a copy of the citation and any  
5965 other pertinent documents concerning the conviction to be sent  
5966 immediately to the Mississippi Department of Wildlife, Fisheries  
5967 and Parks and the Department of Marine Resources. A copy of the  
5968 citation or other pertinent documents, having been attested as  
5969 true and correct by the Director of the Mississippi Department of  
5970 Wildlife, Fisheries and Parks, or his designee, or the Director of  
5971 the Department of Marine Resources, or his designee, shall be  
5972 sufficient proof of the conviction for purposes of determining the  
5973 enhanced penalty for any subsequent convictions of violations of  
5974 subsection (1) of this section.

5975 (6) The provisions of this section are fully applicable to  
5976 any person who is under the influence of medical cannabis that is  
5977 lawful under the Mississippi Medical Cannabis Act and in



5978 compliance with rules and regulations adopted thereunder which has  
5979 impaired the person's ability to operate a watercraft.

5980         **SECTION 66.** Section 63-11-30, Mississippi Code of 1972, is  
5981 amended as follows:

5982         63-11-30. (1) It is unlawful for a person to drive or  
5983 otherwise operate a vehicle within this state if the person:

5984                 (a) Is under the influence of intoxicating liquor;

5985                 (b) Is under the influence of any other substance that  
5986 has impaired the person's ability to operate a motor vehicle;

5987                 (c) Is under the influence of any drug or controlled  
5988 substance, the possession of which is unlawful under the  
5989 Mississippi Controlled Substances Law; or

5990                 (d) Has an alcohol concentration in the person's blood,  
5991 based upon grams of alcohol per one hundred (100) milliliters of  
5992 blood, or grams of alcohol per two hundred ten (210) liters of  
5993 breath, as shown by a chemical analysis of the person's breath,  
5994 blood or urine administered as authorized by this chapter, of:

5995                         (i) Eight one-hundredths percent (.08%) or more  
5996 for a person who is above the legal age to purchase alcoholic  
5997 beverages under state law;

5998                         (ii) Two one-hundredths percent (.02%) or more for  
5999 a person who is below the legal age to purchase alcoholic  
6000 beverages under state law; or

6001                         (iii) Four one-hundredths percent (.04%) or more  
6002 for a person operating a commercial motor vehicle.





6003 (2) Except as otherwise provided in subsection (3) of this  
6004 section (Zero Tolerance for Minors):

6005 (a) **First offense DUI.** (i) Upon conviction of any  
6006 person for the first offense of violating subsection (1) of this  
6007 section where chemical tests under Section 63-11-5 were given, or  
6008 where chemical test results are not available, the person shall be  
6009 fined not less than Two Hundred Fifty Dollars (\$250.00) nor more  
6010 than One Thousand Dollars (\$1,000.00), or imprisoned for not more  
6011 than forty-eight (48) hours in jail, or both; the court shall  
6012 order the person to attend and complete an alcohol safety  
6013 education program as provided in Section 63-11-32 within six (6)  
6014 months of sentencing. The court may substitute attendance at a  
6015 victim impact panel instead of forty-eight (48) hours in jail.

6016 (ii) Suspension of commercial driving privileges  
6017 is governed by Section 63-1-216.

6018 (iii) A qualifying first offense may be  
6019 nonadjudicated by the court under subsection (14) of this section.  
6020 The holder of a commercial driver's license or a commercial  
6021 learning permit at the time of the offense is ineligible for  
6022 nonadjudication.

6023 (iv) Eligibility for an interlock-restricted  
6024 license is governed by Section 63-11-31 and suspension of regular  
6025 driving privileges is governed by Section 63-11-23.

6026 (b) **Second offense DUI.** (i) Upon any second  
6027 conviction of any person violating subsection (1) of this section,



6028 the offenses being committed within a period of five (5) years,  
6029 the person shall be guilty of a misdemeanor, fined not less than  
6030 Six Hundred Dollars (\$600.00) nor more than One Thousand Five  
6031 Hundred Dollars (\$1,500.00), shall be imprisoned not less than  
6032 five (5) days nor more than six (6) months and sentenced to  
6033 community service work for not less than ten (10) days nor more  
6034 than six (6) months. The minimum penalties shall not be suspended  
6035 or reduced by the court and no prosecutor shall offer any  
6036 suspension or sentence reduction as part of a plea bargain.

6037 (ii) Suspension of commercial driving privileges  
6038 is governed by Section 63-1-216.

6039 (iii) Eligibility for an interlock-restricted  
6040 license is governed by Section 63-11-31 and suspension of regular  
6041 driving privileges is governed by Section 63-11-23.

6042 (c) **Third offense DUI.** (i) For a third conviction of  
6043 a person for violating subsection (1) of this section, the  
6044 offenses being committed within a period of five (5) years, the  
6045 person shall be guilty of a felony and fined not less than Two  
6046 Thousand Dollars (\$2,000.00) nor more than Five Thousand Dollars  
6047 (\$5,000.00), and shall serve not less than one (1) year nor more  
6048 than five (5) years in the custody of the Department of  
6049 Corrections. For any offense that does not result in serious  
6050 injury or death to any person, the sentence of incarceration may  
6051 be served in the county jail rather than in the State Penitentiary  
6052 at the discretion of the circuit court judge. The minimum



6053 penalties shall not be suspended or reduced by the court and no  
6054 prosecutor shall offer any suspension or sentence reduction as  
6055 part of a plea bargain.

6056 (ii) The suspension of commercial driving  
6057 privileges is governed by Section 63-1-216.

6058 (iii) The suspension of regular driving privileges  
6059 is governed by Section 63-11-23.

6060 (d) **Fourth and subsequent offense DUI.** (i) For any  
6061 fourth or subsequent conviction of a violation of subsection (1)  
6062 of this section, without regard to the time period within which  
6063 the violations occurred, the person shall be guilty of a felony  
6064 and fined not less than Three Thousand Dollars (\$3,000.00) nor  
6065 more than Ten Thousand Dollars (\$10,000.00), and shall serve not  
6066 less than two (2) years nor more than ten (10) years in the  
6067 custody of the Department of Corrections.

6068 (ii) The suspension of commercial driving  
6069 privileges is governed by Section 63-1-216.

6070 (iii) A person convicted of a fourth or subsequent  
6071 offense is ineligible to exercise the privilege to operate a motor  
6072 vehicle that is not equipped with an ignition-interlock device for  
6073 ten (10) years.

6074 (e) Any person convicted of a second or subsequent  
6075 violation of subsection (1) of this section shall receive an  
6076 in-depth diagnostic assessment, and if as a result of the  
6077 assessment is determined to be in need of treatment for alcohol or



6078 drug abuse, the person must successfully complete treatment at a  
6079 program site certified by the Department of Mental Health. Each  
6080 person who receives a diagnostic assessment shall pay a fee  
6081 representing the cost of the assessment. Each person who  
6082 participates in a treatment program shall pay a fee representing  
6083 the cost of treatment.

6084 (f) The use of ignition-interlock devices is governed  
6085 by Section 63-11-31.

6086 (3) **Zero Tolerance for Minors.** (a) This subsection shall  
6087 be known and may be cited as Zero Tolerance for Minors. The  
6088 provisions of this subsection shall apply only when a person under  
6089 the age of twenty-one (21) years has a blood alcohol concentration  
6090 of two one-hundredths percent (.02%) or more, but lower than eight  
6091 one-hundredths percent (.08%). If the person's blood alcohol  
6092 concentration is eight one-hundredths percent (.08%) or more, the  
6093 provisions of subsection (2) shall apply.

6094 (b) (i) A person under the age of twenty-one (21) is  
6095 eligible for nonadjudication of a qualifying first offense by the  
6096 court pursuant to subsection (14) of this section.

6097 (ii) Upon conviction of any person under the age  
6098 of twenty-one (21) years for the first offense of violating  
6099 subsection (1) of this section where chemical tests provided for  
6100 under Section 63-11-5 were given, or where chemical test results  
6101 are not available, the person shall be fined Two Hundred Fifty  
6102 Dollars (\$250.00); the court shall order the person to attend and



6103 complete an alcohol safety education program as provided in  
6104 Section 63-11-32 within six (6) months. The court may also  
6105 require attendance at a victim impact panel.

6106 (c) A person under the age of twenty-one (21) years who  
6107 is convicted of a second violation of subsection (1) of this  
6108 section, the offenses being committed within a period of five (5)  
6109 years, shall be fined not more than Five Hundred Dollars  
6110 (\$500.00).

6111 (d) A person under the age of twenty-one (21) years who  
6112 is convicted of a third or subsequent violation of subsection (1)  
6113 of this section, the offenses being committed within a period of  
6114 five (5) years, shall be fined not more than One Thousand Dollars  
6115 (\$1,000.00).

6116 (e) License suspension is governed by Section 63-11-23  
6117 and ignition interlock is governed by Section 63-11-31.

6118 (f) Any person under the age of twenty-one (21) years  
6119 convicted of a third or subsequent violation of subsection (1) of  
6120 this section must complete treatment of an alcohol or drug abuse  
6121 program at a site certified by the Department of Mental Health.

6122 (4) **DUI test refusal.** In addition to the other penalties  
6123 provided in this section, every person refusing a law enforcement  
6124 officer's request to submit to a chemical test of the person's  
6125 breath as provided in this chapter, or who was unconscious at the  
6126 time of a chemical test and refused to consent to the introduction  
6127 of the results of the test in any prosecution, shall suffer an



6128 additional administrative suspension of driving privileges as set  
6129 forth in Section 63-11-23.

6130 (5) **Aggravated DUI.** (a) Every person who operates any  
6131 motor vehicle in violation of the provisions of subsection (1) of  
6132 this section and who in a negligent manner causes the death of  
6133 another or mutilates, disfigures, permanently disables or destroys  
6134 the tongue, eye, lip, nose or any other limb, organ or member of  
6135 another shall, upon conviction, be guilty of a separate felony for  
6136 each victim who suffers death, mutilation, disfigurement or other  
6137 injury and shall be committed to the custody of the State  
6138 Department of Corrections for a period of time of not less than  
6139 five (5) years and not to exceed twenty-five (25) years for each  
6140 death, mutilation, disfigurement or other injury, and the  
6141 imprisonment for the second or each subsequent conviction, in the  
6142 discretion of the court, shall commence either at the termination  
6143 of the imprisonment for the preceding conviction or run  
6144 concurrently with the preceding conviction. Any person charged  
6145 with causing the death of another as described in this subsection  
6146 shall be required to post bail before being released after arrest.

6147 (b) A holder of a commercial driver's license who is  
6148 convicted of operating a commercial motor vehicle with an alcohol  
6149 concentration of eight one- \* \* \* hundredths percent (.08%) or more  
6150 shall be guilty of a felony and shall be committed to the custody  
6151 of the Department of Corrections for not less than two (2) years  
6152 and not more than ten (10) years.



6153           (c) The court shall order an ignition-interlock  
6154 restriction on the offender's privilege to drive as a condition of  
6155 probation or post-release supervision not to exceed five (5) years  
6156 unless a longer restriction is required under other law. The  
6157 ignition-interlock restriction shall not be applied to commercial  
6158 license privileges until the driver serves the full  
6159 disqualification period required by Section 63-1-216.

6160           (6) **DUI citations.** (a) Upon conviction of a violation of  
6161 subsection (1) of this section, the trial judge shall sign in the  
6162 place provided on the traffic ticket, citation or affidavit  
6163 stating that the person arrested either employed an attorney or  
6164 waived his right to an attorney after having been properly  
6165 advised. If the person arrested employed an attorney, the name,  
6166 address and telephone number of the attorney shall be written on  
6167 the ticket, citation or affidavit. The court clerk must  
6168 immediately send a copy of the traffic ticket, citation or  
6169 affidavit, and any other pertinent documents concerning the  
6170 conviction or other order of the court, to the Department of  
6171 Public Safety as provided in Section 63-11-37.

6172           (b) A copy of the traffic ticket, citation or affidavit  
6173 and any other pertinent documents, having been attested as true  
6174 and correct by the Commissioner of Public Safety, or his designee,  
6175 shall be sufficient proof of the conviction for purposes of  
6176 determining the enhanced penalty for any subsequent convictions of  
6177 violations of subsection (1) of this section. The Department of



6178 Public Safety shall maintain a central database for verification  
6179 of prior offenses and convictions.

6180       (7) **Out-of-state prior convictions.** Convictions in another  
6181 state, territory or possession of the United States, or under the  
6182 law of a federally recognized Native American tribe, of violations  
6183 for driving or operating a vehicle while under the influence of an  
6184 intoxicating liquor or while under the influence of any other  
6185 substance that has impaired the person's ability to operate a  
6186 motor vehicle occurring within five (5) years before an offense  
6187 shall be counted for the purposes of determining if a violation of  
6188 subsection (1) of this section is a second, third, fourth or  
6189 subsequent offense and the penalty that shall be imposed upon  
6190 conviction for a violation of subsection (1) of this section.

6191       (8) **Charging of subsequent offenses.** (a) For the purposes  
6192 of determining how to impose the sentence for a second, third,  
6193 fourth or subsequent conviction under this section, the affidavit  
6194 or indictment shall not be required to enumerate previous  
6195 convictions. It shall only be necessary that the affidavit or  
6196 indictment states the number of times that the defendant has been  
6197 convicted and sentenced within the past five (5) years for a  
6198 second or third offense, or without a time limitation for a fourth  
6199 or subsequent offense, under this section to determine if an  
6200 enhanced penalty shall be imposed. The amount of fine and  
6201 imprisonment imposed in previous convictions shall not be





6202 considered in calculating offenses to determine a second, third,  
6203 fourth or subsequent offense of this section.

6204 (b) Before a defendant enters a plea of guilty to an  
6205 offense under this section, law enforcement must submit  
6206 certification to the prosecutor that the defendant's driving  
6207 record, the confidential registry and National Crime Information  
6208 Center record have been searched for all prior convictions,  
6209 nonadjudications, pretrial diversions and arrests for driving or  
6210 operating a vehicle while under the influence of an intoxicating  
6211 liquor or while under the influence of any other substance that  
6212 has impaired the person's ability to operate a motor vehicle. The  
6213 results of the search must be included in the certification.

6214 (9) **License eligibility for underage offenders.** A person  
6215 who is under the legal age to obtain a license to operate a motor  
6216 vehicle at the time of the offense and who is convicted under this  
6217 section shall not be eligible to receive a driver's license until  
6218 the person reaches the age of eighteen (18) years.

6219 (10) **License suspensions and restrictions to run**  
6220 **consecutively.** Suspension or restriction of driving privileges  
6221 for any person convicted of or nonadjudicated for violations of  
6222 subsection (1) of this section shall run consecutively to and not  
6223 concurrently with any other administrative license suspension.

6224 (11) **Ignition interlock.** If the court orders installation  
6225 and use of an ignition-interlock device as provided in Section  
6226 63-11-31 for every vehicle operated by a person convicted or



6227 nonadjudicated under this section, each device shall be installed,  
6228 maintained and removed as provided in Section 63-11-31.

6229           (12) **DUI child endangerment.** A person over the age of  
6230 twenty-one (21) who violates subsection (1) of this section while  
6231 transporting in a motor vehicle a child under the age of sixteen  
6232 (16) years is guilty of the separate offense of endangering a  
6233 child by driving under the influence of alcohol or any other  
6234 substance which has impaired the person's ability to operate a  
6235 motor vehicle. The offense of endangering a child by driving  
6236 under the influence of alcohol or any other substance which has  
6237 impaired the person's ability to operate a motor vehicle shall not  
6238 be merged with an offense of violating subsection (1) of this  
6239 section for the purposes of prosecution and sentencing. An  
6240 offender who is convicted of a violation of this subsection shall  
6241 be punished as follows:

6242           (a) A person who commits a violation of this subsection  
6243 which does not result in the serious injury or death of a child  
6244 and which is a first conviction shall be guilty of a misdemeanor  
6245 and, upon conviction, shall be fined not more than One Thousand  
6246 Dollars (\$1,000.00) or shall be imprisoned for not more than  
6247 twelve (12) months, or both;

6248           (b) A person who commits a violation of this subsection  
6249 which does not result in the serious injury or death of a child  
6250 and which is a second conviction shall be guilty of a misdemeanor  
6251 and, upon conviction, shall be fined not less than One Thousand



6252 Dollars (\$1,000.00) nor more than Five Thousand Dollars  
6253 (\$5,000.00) or shall be imprisoned for one (1) year, or both;

6254 (c) A person who commits a violation of this subsection  
6255 which does not result in the serious injury or death of a child  
6256 and which is a third or subsequent conviction shall be guilty of a  
6257 felony and, upon conviction, shall be fined not less than Ten  
6258 Thousand Dollars (\$10,000.00) or shall be imprisoned for not less  
6259 than one (1) year nor more than five (5) years, or both; and

6260 (d) A person who commits a violation of this subsection  
6261 which results in the serious injury or death of a child, without  
6262 regard to whether the offense was a first, second, third or  
6263 subsequent offense, shall be guilty of a felony and, upon  
6264 conviction, shall be punished by a fine of not less than Ten  
6265 Thousand Dollars (\$10,000.00) and shall be imprisoned for not less  
6266 than five (5) years nor more than twenty-five (25) years.

6267 (13) **Expunction.** (a) Any person convicted under subsection  
6268 (2) or (3) of this section of a first offense of driving under the  
6269 influence and who was not the holder of a commercial driver's  
6270 license or a commercial learning permit at the time of the offense  
6271 may petition the circuit court of the county in which the  
6272 conviction was had for an order to expunge the record of the  
6273 conviction at least five (5) years after successful completion of  
6274 all terms and conditions of the sentence imposed for the  
6275 conviction. Expunction under this subsection will only be  
6276 available to a person:



6277 (i) Who has successfully completed all terms and  
6278 conditions of the sentence imposed for the conviction;  
6279 (ii) Who did not refuse to submit to a test of his  
6280 blood or breath;  
6281 (iii) Whose blood alcohol concentration tested  
6282 below sixteen one-hundredths percent (.16%) if test results are  
6283 available;  
6284 (iv) Who has not been convicted of and does not  
6285 have pending any other offense of driving under the influence;  
6286 (v) Who has provided the court with justification  
6287 as to why the conviction should be expunged; and  
6288 (vi) Who has not previously had a nonadjudication  
6289 or expunction of a violation of this section.  
6290 (b) A person is eligible for only one (1) expunction  
6291 under this subsection, and the Department of Public Safety shall  
6292 maintain a permanent confidential registry of all cases of  
6293 expunction under this subsection for the sole purpose of  
6294 determining a person's eligibility for expunction, for  
6295 nonadjudication, or as a first offender under this section.  
6296 (c) The court in its order of expunction shall state in  
6297 writing the justification for which the expunction was granted and  
6298 forward the order to the Department of Public Safety within five  
6299 (5) days of the entry of the order.  
6300 (14) **Nonadjudication.** (a) For the purposes of this  
6301 chapter, "nonadjudication" means that the court withholds



6302 adjudication of guilt and sentencing, either at the conclusion of  
6303 a trial on the merits or upon the entry of a plea of guilt by a  
6304 defendant, and places the defendant in a nonadjudication program  
6305 conditioned upon the successful completion of the requirements  
6306 imposed by the court under this subsection.

6307 (b) A person is eligible for nonadjudication of an  
6308 offense under this Section 63-11-30 only one (1) time under any  
6309 provision of a law that authorizes nonadjudication and only for an  
6310 offender:

6311 (i) Who has successfully completed all terms and  
6312 conditions imposed by the court after placement of the defendant  
6313 in a nonadjudication program;

6314 (ii) Who was not the holder of a commercial  
6315 driver's license or a commercial learning permit at the time of  
6316 the offense;

6317 (iii) Who has not previously been convicted of and  
6318 does not have pending any former or subsequent charges under this  
6319 section; and

6320 (iv) Who has provided the court with justification  
6321 as to why nonadjudication is appropriate.

6322 (c) Nonadjudication may be initiated upon the filing of  
6323 a petition for nonadjudication or at any stage of the proceedings  
6324 in the discretion of the court; the court may withhold  
6325 adjudication of guilt, defer sentencing, and upon the agreement of  
6326 the offender to participate in a nonadjudication program, enter an



6327 order imposing requirements on the offender for a period of court  
6328 supervision before the order of nonadjudication is entered.  
6329 Failure to successfully complete a nonadjudication program  
6330 subjects the person to adjudication of the charges against him and  
6331 to imposition of all penalties previously withheld due to entrance  
6332 into a nonadjudication program. The court shall immediately  
6333 inform the commissioner of the conviction as required in Section  
6334 63-11-37.

6335 (i) The court shall order the person to:

6336 1. Pay the nonadjudication fee imposed under  
6337 Section 63-11-31 if applicable;

6338 2. Pay all fines, penalties and assessments  
6339 that would have been imposed for conviction;

6340 3. Attend and complete an alcohol safety  
6341 education program as provided in Section 63-11-32 within six (6)  
6342 months of the date of the order;

6343 4. a. If the court determines that the  
6344 person violated this section with respect to alcohol or  
6345 intoxicating liquor, the person must install an ignition-interlock  
6346 device on every motor vehicle operated by the person, obtain an  
6347 interlock-restricted license, and maintain that license for one  
6348 hundred twenty (120) days or suffer a one-hundred-twenty-day  
6349 suspension of the person's regular driver's license, during which  
6350 time the person must not operate any vehicle.



6351                                    b. If the court determines that the  
6352 person violated this section by operating a vehicle when under the  
6353 influence of a substance other than alcohol that has impaired the  
6354 person's ability to operate a motor vehicle, including any drug or  
6355 controlled substance which is unlawful to possess under the  
6356 Mississippi Controlled Substances Law, the person must submit to a  
6357 one-hundred-twenty-day period of a nonadjudication program that  
6358 includes court-ordered drug testing at the person's own expense  
6359 not less often than every thirty (30) days, during which time the  
6360 person may drive if compliant with the terms of the program, or  
6361 suffer a one-hundred-twenty-day suspension of the person's regular  
6362 driver's license, during which time the person will not operate  
6363 any vehicle.

6364                                    (ii) Other conditions that may be imposed by the  
6365 court include, but are not limited to, alcohol or drug screening,  
6366 or both, proof that the person has not committed any other traffic  
6367 violations while under court supervision, proof of immobilization  
6368 or impoundment of vehicles owned by the offender if required, and  
6369 attendance at a victim-impact panel.

6370                                    (d) The court may enter an order of nonadjudication  
6371 only if the court finds, after a hearing or after ex parte  
6372 examination of reliable documentation of compliance, that the  
6373 offender has successfully completed all conditions imposed by law  
6374 and previous orders of the court. The court shall retain



6375 jurisdiction over cases involving nonadjudication for a period of  
6376 not more than two (2) years.

6377 (e) (i) The clerk shall immediately forward a record  
6378 of every person placed in a nonadjudication program and of every  
6379 nonadjudication order to the Department of Public Safety for  
6380 inclusion in the permanent confidential registry of all cases that  
6381 are nonadjudicated under this subsection (14).

6382 (ii) Judges, clerks and prosecutors involved in  
6383 the trial of implied consent violations and law enforcement  
6384 officers involved in the issuance of citations for implied consent  
6385 violations shall have secure online access to the confidential  
6386 registry for the purpose of determining whether a person has  
6387 previously been the subject of a nonadjudicated case and 1. is  
6388 therefore ineligible for another nonadjudication; 2. is ineligible  
6389 as a first offender for a violation of this section; or 3. is  
6390 ineligible for expunction of a conviction of a violation of this  
6391 section.

6392 (iii) The Driver Services Bureau of the department  
6393 shall have access to the confidential registry for the purpose of  
6394 determining whether a person is eligible for a form of license not  
6395 restricted to operating a vehicle equipped with an  
6396 ignition-interlock device.

6397 (iv) The Mississippi Alcohol Safety Education  
6398 Program shall have secure online access to the confidential  
6399 registry for research purposes only.





6400       (15) The provisions of this section are fully applicable to  
6401 any person who is under the influence of medical cannabis that is  
6402 lawful under the Mississippi Medical Cannabis Act and in  
6403 compliance with rules and regulations adopted thereunder which has  
6404 impaired the person's ability to operate a motor vehicle.

6405           **SECTION 67.** Section 71-3-7, Mississippi Code of 1972, is  
6406 amended as follows:

6407           71-3-7. (1) Compensation shall be payable for disability or  
6408 death of an employee from injury or occupational disease arising  
6409 out of and in the course of employment, without regard to fault as  
6410 to the cause of the injury or occupational disease. An  
6411 occupational disease shall be deemed to arise out of and in the  
6412 course of employment when there is evidence that there is a direct  
6413 causal connection between the work performed and the occupational  
6414 disease. In all claims in which no benefits, including  
6415 disability, death and medical benefits, have been paid, the  
6416 claimant shall file medical records in support of his claim for  
6417 benefits when filing a petition to controvert. If the claimant is  
6418 unable to file the medical records in support of his claim for  
6419 benefits at the time of filing the petition to controvert because  
6420 of a limitation of time established by Section 71-3-35 or Section  
6421 71-3-53, the claimant shall file medical records in support of his  
6422 claim within sixty (60) days after filing the petition to  
6423 controvert.



6424           (2) Where a preexisting physical handicap, disease, or  
6425 lesion is shown by medical findings to be a material contributing  
6426 factor in the results following injury, the compensation which,  
6427 but for this subsection, would be payable shall be reduced by that  
6428 proportion which such preexisting physical handicap, disease, or  
6429 lesion contributed to the production of the results following the  
6430 injury. The preexisting condition does not have to be  
6431 occupationally disabling for this apportionment to apply.

6432           (3) The following provisions shall apply to subsections (1)  
6433 and (2) of this section:

6434                   (a) Apportionment shall not be applied until the  
6435 claimant has reached maximum medical recovery.

6436                   (b) The employer or carrier does not have the power to  
6437 determine the date of maximum medical recovery or percentage of  
6438 apportionment. This must be done by the attorney-referee, subject  
6439 to review by the commission as the ultimate finder of fact.

6440                   (c) After the date the claimant reaches maximum medical  
6441 recovery, weekly compensation benefits and maximum recovery shall  
6442 be reduced by that proportion which the preexisting physical  
6443 handicap, disease, or lesion contributes to the results following  
6444 injury.

6445                   (d) If maximum medical recovery has occurred before the  
6446 hearing and order of the attorney-referee, credit for excess  
6447 payments shall be allowed in future payments. Such allowances and  
6448 method of accomplishment of the same shall be determined by the



6449 attorney-referee, subject to review by the commission. However,  
6450 no actual repayment of such excess shall be made to the employer  
6451 or carrier.

6452 (4) No compensation shall be payable if the use of drugs  
6453 illegally, or the use of a valid prescription medication(s) taken  
6454 contrary to the prescriber's instructions and/or contrary to label  
6455 warnings, or the use of medical cannabis in accordance with the  
6456 Mississippi Medical Cannabis Act and rules and regulations adopted  
6457 thereunder, or intoxication due to the use of alcohol of the  
6458 employee was the proximate cause of the injury, or if it was the  
6459 willful intention of the employee to injure or kill himself or  
6460 another.

6461 (5) Every employer to whom this chapter applies shall be  
6462 liable for and shall secure the payment to his employees of the  
6463 compensation payable under its provisions.

6464 (6) In the case of an employer who is a subcontractor, the  
6465 contractor shall be liable for and shall secure the payment of  
6466 such compensation to employees of the subcontractor, unless the  
6467 subcontractor has secured such payment.

6468 **SECTION 68.** Section 71-3-121, Mississippi Code of 1972, is  
6469 amended as follows:

6470 71-3-121. (1) In the event that an employee sustains an  
6471 injury at work or asserts a work-related injury, the employer  
6472 shall have the right to administer drug and alcohol testing or  
6473 require that the employee submit himself to drug and alcohol



6474 testing. If the employee has a positive test indicating the  
6475 presence, at the time of injury, of any drug illegally used or the  
6476 use of a valid prescription medication(s) taken contrary to the  
6477 prescriber's instructions and/or contrary to label warnings, or  
6478 the use of medical cannabis in accordance with the Mississippi  
6479 Medical Cannabis Act and rules and regulations adopted thereunder,  
6480 or eight one-hundredths percent (.08%) or more by weight volume of  
6481 alcohol in the person's blood, it shall be presumed that the  
6482 proximate cause of the injury was the use of a drug illegally, or  
6483 the use of a valid prescription medication(s) taken contrary to  
6484 the prescriber's instructions and/or contrary to label warnings,  
6485 or the use of medical cannabis in accordance with the Mississippi  
6486 Medical Cannabis Act and rules and regulations adopted thereunder,  
6487 or the intoxication due to the use of alcohol by the employee. If  
6488 the employee refuses to submit himself to drug and alcohol testing  
6489 immediately after the alleged work-related injury, then it shall  
6490 be presumed that the employee was using a drug illegally, or was  
6491 using a valid prescription medication(s) contrary to the  
6492 prescriber's instructions and/or contrary to label warnings, or  
6493 the use of medical cannabis in accordance with the Mississippi  
6494 Medical Cannabis Act and rules and regulations adopted thereunder,  
6495 or was intoxicated due to the use of alcohol at the time of the  
6496 accident and that the proximate cause of the injury was the use of  
6497 a drug illegally, or the use of a valid prescription medication(s)  
6498 taken contrary to the prescriber's instructions and/or contrary to



6499 label warnings, or the use of medical cannabis in accordance with  
6500 the Mississippi Medical Cannabis Act and rules and regulations  
6501 adopted thereunder, or the intoxication due to the use of alcohol  
6502 of the employee. The burden of proof will then be placed upon the  
6503 employee to prove that the use of drugs illegally, or the use of a  
6504 valid prescription medication(s) taken contrary to the  
6505 prescriber's instructions and/or contrary to label warnings, or  
6506 the use of medical cannabis in accordance with the Mississippi  
6507 Medical Cannabis Act and rules and regulations adopted thereunder,  
6508 or intoxication due to the use of alcohol was not a contributing  
6509 cause of the accident in order to defeat the defense of the  
6510 employer provided under Section 71-3-7.

6511 (2) The results of the drug and alcohol tests,  
6512 employer-administered or otherwise, shall be considered admissible  
6513 evidence solely on the issue of causation in the determination of  
6514 the use of drugs illegally, or the use of a valid prescription  
6515 medication(s) taken contrary to the prescriber's instructions  
6516 and/or contrary to label warnings, or the use of medical cannabis  
6517 in accordance with the Mississippi Medical Cannabis Act and rules  
6518 and regulations adopted thereunder, or the intoxication due to the  
6519 use of alcohol of an employee at the time of injury for workers'  
6520 compensation purposes under Section 71-3-7.

6521 (3) No cause of action for defamation of character, libel,  
6522 slander or damage to reputation arises in favor of any person  
6523 against an employer under the provisions of this section.



6524           **SECTION 69.** Section 73-15-29, Mississippi Code of 1972, is  
6525 amended as follows:

6526           73-15-29. (1) The board shall have power to revoke, suspend  
6527 or refuse to renew any license issued by the board, or to revoke  
6528 or suspend any privilege to practice, or to deny an application  
6529 for a license, or to fine, place on probation and/or discipline a  
6530 licensee, in any manner specified in this article, upon proof that  
6531 such person:

6532                   (a) Has committed fraud or deceit in securing or  
6533 attempting to secure such license;

6534                   (b) Has been convicted of a felony, or a crime  
6535 involving moral turpitude or has had accepted by a court a plea of  
6536 nolo contendere to a felony or a crime involving moral turpitude  
6537 (a certified copy of the judgment of the court of competent  
6538 jurisdiction of such conviction or pleas shall be prima facie  
6539 evidence of such conviction);

6540                   (c) Has negligently or willfully acted in a manner  
6541 inconsistent with the health or safety of the persons under the  
6542 licensee's care;

6543                   (d) Has had a license or privilege to practice as a  
6544 registered nurse or a licensed practical nurse suspended or  
6545 revoked in any jurisdiction, has voluntarily surrendered such  
6546 license or privilege to practice in any jurisdiction, has been  
6547 placed on probation as a registered nurse or licensed practical  
6548 nurse in any jurisdiction or has been placed under a disciplinary



6549 order(s) in any manner as a registered nurse or licensed practical  
6550 nurse in any jurisdiction, (a certified copy of the order of  
6551 suspension, revocation, probation or disciplinary action shall be  
6552 prima facie evidence of such action);

6553 (e) Has negligently or willfully practiced nursing in a  
6554 manner that fails to meet generally accepted standards of such  
6555 nursing practice;

6556 (f) Has negligently or willfully violated any order,  
6557 rule or regulation of the board pertaining to nursing practice or  
6558 licensure;

6559 (g) Has falsified or in a repeatedly negligent manner  
6560 made incorrect entries or failed to make essential entries on  
6561 records;

6562 (h) Is addicted to or dependent on alcohol or other  
6563 habit-forming drugs or is a habitual user of narcotics,  
6564 barbiturates, amphetamines, hallucinogens, or other drugs having  
6565 similar effect, or has misappropriated any medication;

6566 (i) Has a physical, mental or emotional condition that  
6567 renders the licensee unable to perform nursing services or duties  
6568 with reasonable skill and safety;

6569 (j) Has engaged in any other conduct, whether of the  
6570 same or of a different character from that specified in this  
6571 article, that would constitute a crime as defined in Title 97 of  
6572 the Mississippi Code of 1972, as now or hereafter amended, and



6573 that relates to such person's employment as a registered nurse or  
6574 licensed practical nurse;

6575 (k) Engages in conduct likely to deceive, defraud or  
6576 harm the public;

6577 (l) Engages in any unprofessional conduct as identified  
6578 by the board in its rules;

6579 (m) Has violated any provision of this article; or

6580 (n) Violation(s) of the provisions of Sections 41-121-1  
6581 through 41-121-9 relating to deceptive advertisement by health  
6582 care practitioners. This paragraph shall stand repealed on July  
6583 1, 2025.

6584 (2) When the board finds any person unqualified because of  
6585 any of the grounds set forth in subsection (1) of this section, it  
6586 may enter an order imposing one or more of the following  
6587 penalties:

6588 (a) Denying application for a license or other  
6589 authorization to practice nursing or practical nursing;

6590 (b) Administering a reprimand;

6591 (c) Suspending or restricting the license or other  
6592 authorization to practice as a registered nurse or licensed  
6593 practical nurse for up to two (2) years without review;

6594 (d) Revoking the license or other authorization to  
6595 practice nursing or practical nursing;

6596 (e) Requiring the discipline to submit to care,  
6597 counseling or treatment by persons and/or agencies approved or





6598 designated by the board as a condition for initial, continued or  
6599 renewed licensure or other authorization to practice nursing or  
6600 practical nursing;

6601 (f) Requiring the discipline to participate in a  
6602 program of education prescribed by the board as a condition for  
6603 initial, continued or renewed licensure or other authorization to  
6604 practice;

6605 (g) Requiring the discipline to practice under the  
6606 supervision of a registered nurse for a specified period of time;  
6607 or

6608 (h) Imposing a fine not to exceed Five Hundred Dollars  
6609 (\$500.00).

6610 (3) In addition to the grounds specified in subsection (1)  
6611 of this section, the board shall be authorized to suspend the  
6612 license or privilege to practice of any licensee for being out of  
6613 compliance with an order for support, as defined in Section  
6614 93-11-153. The procedure for suspension of a license or privilege  
6615 to practice for being out of compliance with an order for support,  
6616 and the procedure for the reissuance or reinstatement of a license  
6617 or privilege to practice suspended for that purpose, and the  
6618 payment of any fees for the reissuance or reinstatement of a  
6619 license or privilege to practice suspended for that purpose, shall  
6620 be governed by Section 93-11-157 or 93-11-163, as the case may be.  
6621 If there is any conflict between any provision of Section  
6622 93-11-157 or 93-11-163 and any provision of this article, the



6623 provisions of Section 93-11-157 or 93-11-163, as the case may be,  
6624 shall control.

6625         (4) If the public health, safety or welfare imperatively  
6626 requires emergency action and the board incorporates a finding to  
6627 that effect in an order, the board may order summary suspension of  
6628 a license pending proceedings for revocation or other action.  
6629 These proceedings shall be promptly instituted and determined by  
6630 the board.

6631         (5) The board may establish by rule an alternative to  
6632 discipline program for licensees who have an impairment as a  
6633 result of substance abuse or a mental health condition, which  
6634 program shall include at least the following components:

6635                 (a) Participation in the program is voluntary with the  
6636 licensee, and the licensee must enter the program before the board  
6637 holds a disciplinary action hearing regarding the licensee;

6638                 (b) The full cost of participation in the program,  
6639 including the cost of any care, counseling, treatment and/or  
6640 education received by the licensee, shall be borne by the  
6641 licensee;

6642                 (c) All of the procedures and records regarding the  
6643 licensee's participation in the program shall be confidential,  
6644 shall not be disclosed and shall be exempt from the provisions of  
6645 the Mississippi Public Records Act of 1983; and



6646 (d) A licensee may not participate in the program more  
6647 often than one (1) time during any period of five (5) years or  
6648 such longer period as set by the board.

6649 (6) A nurse practitioner who provides a written  
6650 certification as authorized under the Mississippi Medical Cannabis  
6651 Act and in compliance with rules and regulations adopted  
6652 thereunder shall not be subject to any disciplinary action under  
6653 this section solely due to providing the written certification.

6654 **SECTION 70.** Section 73-19-23, Mississippi Code of 1972, is  
6655 amended as follows:

6656 73-19-23. (1) (a) The board shall refuse to grant a  
6657 certificate of licensure to any applicant and may cancel, revoke  
6658 or suspend the operation of any certificate by it granted for any  
6659 or all of the following reasons: unprofessional and unethical  
6660 conduct or the conviction of a crime involving moral turpitude,  
6661 habitual intemperance in the use of ardent spirits, or stimulants,  
6662 narcotics, or any other substance that impairs the intellect and  
6663 judgment to such an extent as to incapacitate one for the  
6664 performance of the duties of an optometrist. The certificate of  
6665 licensure of any person can be revoked for violating any section  
6666 of this chapter.

6667 (b) The board shall conduct a criminal history records  
6668 check on licensure applicants and on licensees whose licenses are  
6669 subject to investigation.



6670 (i) The applicant or licensee shall undergo a  
6671 fingerprint-based criminal history records check of the  
6672 Mississippi central criminal database and the Federal Bureau of  
6673 Investigation criminal history database. Each applicant or  
6674 licensee shall submit a full set of the applicant's fingerprints  
6675 in a form or manner prescribed by the board, which shall be  
6676 forwarded to the Bureau of Investigation Identification Division  
6677 for this purpose.

6678 (ii) Any and all state or national criminal  
6679 history records information obtained by the board that is not  
6680 already a matter of public record shall be deemed nonpublic and  
6681 confidential information restricted to the exclusive use of the  
6682 board, its members, officers, investigators, agents and attorneys  
6683 in evaluating the applicant's eligibility or disqualification for  
6684 licensure, and shall be exempt from the Mississippi Public Records  
6685 Act of 1983. Except when introduced into evidence in a hearing  
6686 before the board to determine licensure, no such information or  
6687 records related thereto shall, except with the written consent of  
6688 the applicant or licensee or by order of a court of competent  
6689 jurisdiction, be released or otherwise disclosed by the board to  
6690 any other person or agency.

6691 (iii) The board shall provide to the department  
6692 the fingerprints of the applicant or licensee, any additional  
6693 information that may be required by the department, and a form  
6694 signed by the applicant consenting to the check of the criminal



6695 records and to the use of the fingerprints and other identifying  
6696 information required by the state or national repositories.

6697 (iv) The board shall charge and collect from the  
6698 applicant or licensee, in addition to all other applicable fees  
6699 and costs, such amount as may be incurred by the board in  
6700 requesting and obtaining state and national criminal history  
6701 records information on the applicant or licensee.

6702 (2) The board shall further be authorized to take  
6703 disciplinary action against a licensee for any unlawful acts,  
6704 which shall include violations of regulations promulgated by the  
6705 board, as well as the following acts:

6706 (a) Fraud or misrepresentation in applying for or  
6707 procuring an optometric license or in connection with applying for  
6708 or procuring periodic renewal of an optometric license.

6709 (b) Cheating on or attempting to subvert the optometric  
6710 licensing examination(s).

6711 (c) The conviction of a felony in this state or any  
6712 other jurisdiction, or the entry of a guilty or nolo contendere  
6713 plea to a felony charge.

6714 (d) The conviction of a felony as defined by federal  
6715 law, or the entry of a guilty or nolo contendere plea to a felony  
6716 charge.

6717 (e) Conduct likely to deceive, defraud or harm the  
6718 public.



6719 (f) Making a false or misleading statement regarding  
6720 his or her skill or the efficacy or value of the medicine, device,  
6721 treatment or remedy prescribed by him or her or used at his or her  
6722 direction in the treatment of any disease or other condition.

6723 (g) Willfully or negligently violating the  
6724 confidentiality between doctor and patient, except as required by  
6725 law.

6726 (h) Negligence or gross incompetence in the practice of  
6727 optometry as determined by the board.

6728 (i) Being found to be a person with mental illness or  
6729 with an intellectual disability by any court of competent  
6730 jurisdiction.

6731 (j) The use of any false, fraudulent, deceptive or  
6732 misleading statement in any document connected with the practice  
6733 of optometry.

6734 (k) Aiding or abetting the practice of optometry by an  
6735 unlicensed, incompetent or impaired person.

6736 (l) Commission of any act of sexual abuse, misconduct  
6737 or exploitation related to the licensee's practice of optometry.

6738 (m) Being addicted or habituated to a drug or  
6739 intoxicant.

6740 (n) Violating any state or federal law or regulation  
6741 relating to a drug legally classified as a controlled substance.

6742 (o) Obtaining any fee by fraud, deceit or  
6743 misrepresentation.



6744           (p) Disciplinary action of another state or  
6745 jurisdiction against a licensee or other authorization to practice  
6746 optometry based upon acts or conduct by the licensee similar to  
6747 acts or conduct that would constitute grounds for action as  
6748 defined in this chapter, a certified copy of the record of the  
6749 action taken by the other state or jurisdiction being conclusive  
6750 evidence thereof.

6751           (q) Failure to report to the board the relocation of  
6752 his or her office in or out of the jurisdiction, or to furnish  
6753 floor plans as required by regulation.

6754           (r) Violation of any provision(s) of the Optometry  
6755 Practice Act or the rules and regulations of the board or of an  
6756 action, stipulation or agreement of the board.

6757           (s) To advertise in a manner that tends to deceive,  
6758 mislead or defraud the public.

6759           (t) The designation of any person licensed under this  
6760 chapter, other than by the terms "optometrist," "Doctor of  
6761 Optometry" or "O.D.," which through June 30, 2025, shall include  
6762 any violation(s) of the provisions of Sections 41-121-1 through  
6763 41-121-9 relating to deceptive advertisement by health care  
6764 practitioners.

6765           (u) To knowingly submit or cause to be submitted any  
6766 misleading, deceptive or fraudulent representation on a claim  
6767 form, bill or statement.



6768 (v) To practice or attempt to practice optometry while  
6769 his or her license is suspended.

6770 (3) Any person who is a holder of a certificate of licensure  
6771 or who is an applicant for examination for a certificate of  
6772 licensure, against whom is preferred any charges, shall be  
6773 furnished by the board with a copy of the complaint and shall have  
6774 a hearing in Jackson, Mississippi, before the board, at which  
6775 hearing he may be represented by counsel. At the hearing,  
6776 witnesses may be examined for and against the accused respecting  
6777 those charges, and the hearing orders or appeals will be conducted  
6778 according to the procedure now provided in Section 73-25-27. The  
6779 suspension of a certificate of licensure by reason of the use of  
6780 stimulants or narcotics may be removed when the holder of the  
6781 certificate has been adjudged by the board to be cured and capable  
6782 of practicing optometry.

6783 (4) In addition to the reasons specified in subsections (1)  
6784 and (2) of this section, the board shall be authorized to suspend  
6785 the license of any licensee for being out of compliance with an  
6786 order for support, as defined in Section 93-11-153. The procedure  
6787 for suspension of a license for being out of compliance with an  
6788 order for support, and the procedure for the reissuance or  
6789 reinstatement of a license suspended for that purpose, and the  
6790 payment of any fees for the reissuance or reinstatement of a  
6791 license suspended for that purpose, shall be governed by Section  
6792 93-11-157 or 93-11-163, as the case may be. If there is any





6793 conflict between any provision of Section 93-11-157 or 93-11-163  
6794 and any provision of this chapter, the provisions of Section  
6795 93-11-157 or 93-11-163, as the case may be, shall control.

6796 (5) A licensee who provides a written certification as  
6797 authorized under the Mississippi Medical Cannabis Act and in  
6798 compliance with rules and regulations adopted thereunder shall not  
6799 be subject to any disciplinary action under this section solely  
6800 due to providing the written certification.

6801 **SECTION 71.** Section 73-21-127, Mississippi Code of 1972, is  
6802 amended as follows:

6803 73-21-127. (1) The Board of Pharmacy shall develop and  
6804 implement a computerized program to track prescriptions for  
6805 controlled substances and to report suspected abuse and misuse of  
6806 controlled substances in compliance with the federal regulations  
6807 promulgated under authority of the National All Schedules  
6808 Prescription Electronic Reporting Act of 2005 and in compliance  
6809 with the federal HIPAA law, under the following conditions:

6810 (a) Submission or reporting of dispensing information  
6811 shall be mandatory and required by the State Board of Pharmacy for  
6812 any entity dispensing controlled substances in or into the State  
6813 of Mississippi, except for the dispensing of controlled substance  
6814 drugs by a veterinarian residing in the State of Mississippi.

6815 (b) The prescriptions tracked shall be prescriptions  
6816 for controlled substances listed in Schedule II, III, IV or V and  
6817 specified noncontrolled substances identified by the State Board



6818 of Pharmacy that are dispensed to residents in the State of  
6819 Mississippi by licensed pharmacies, nonresident pharmacies,  
6820 institutions and dispensing practitioners, regardless of dispenser  
6821 location.

6822 (c) The Board of Pharmacy shall report any activity it  
6823 reasonably suspects may be fraudulent or illegal to the  
6824 appropriate law enforcement agency or occupational licensing board  
6825 and provide them with the relevant information obtained for  
6826 further investigation.

6827 (d) The program shall provide information regarding the  
6828 potential inappropriate use of controlled substances and the  
6829 specified noncontrolled substances to practitioners,  
6830 pharmacists-in-charge and appropriate state agencies in order to  
6831 prevent the inappropriate or illegal use of these controlled  
6832 substances. The specific purposes of the program shall be to: be  
6833 proactive in safeguarding public health and safety; support the  
6834 legitimate use of controlled substances; facilitate and encourage  
6835 the identification, intervention with and treatment of individuals  
6836 addicted to controlled substances and specified noncontrolled  
6837 drugs; identify and prevent drug diversion; provide assistance to  
6838 those state and federal law enforcement and regulatory agencies  
6839 investigating cases of drug diversion or other misuse; and inform  
6840 the public and health care professionals of the use and abuse  
6841 trends related to controlled substance and specified noncontrolled  
6842 drugs.



6843                   (e)   (i)   Access to collected data shall be confidential  
6844 and not subject to the provisions of the federal Freedom of  
6845 Information Act or the Mississippi Public Records Act. Upon  
6846 request, the State Board of Pharmacy shall provide collected  
6847 information to: pharmacists or practitioners who are properly  
6848 registered with the State Board of Pharmacy and are authorized to  
6849 prescribe or dispense controlled substances for the purpose of  
6850 providing medical and pharmaceutical care for their patients;  
6851 local, state and federal law enforcement officials engaged in the  
6852 administration, investigation or enforcement of the laws governing  
6853 illicit drug use; regulatory and licensing boards in this state;  
6854 Division of Medicaid regarding Medicaid and Medicare Program  
6855 recipients; judicial authorities under grand jury subpoena; an  
6856 individual who requests the individual's own prescription  
6857 monitoring information; and prescription monitoring programs in  
6858 other states through mutual agreement adhering to State Board of  
6859 Pharmacy policies.

6860                   (ii)   The Director of the Mississippi Bureau of  
6861 Narcotics, or his designee, shall have access to the Prescription  
6862 Monitoring Program (PMP) database for the purpose of investigating  
6863 the potential illegal acquisition, distribution, dispensing,  
6864 prescribing or administering of the controlled and noncontrolled  
6865 substances monitored by the program, subject to all legal  
6866 restrictions on further dissemination of the information obtained.



6867 (iii) The State Board of Pharmacy may also provide  
6868 statistical data for research or educational purposes if the board  
6869 determines the use of the data to be of significant benefit to  
6870 public health and safety. The board maintains the right to refuse  
6871 any request for PMP data.

6872 (iv) A pharmacist licensed by the Mississippi  
6873 Board of Pharmacy must be a registered user of the PMP. Failure  
6874 of a pharmacist licensed by the Mississippi Board of Pharmacy to  
6875 register as a user of the PMP is grounds for disciplinary action  
6876 by the board.

6877 (v) All licensed practitioners as defined under  
6878 Section 73-21-73(ee) holding an active DEA number shall register  
6879 as users of the PMP.

6880 (f) The Prescription Monitoring Program through the  
6881 Board of Pharmacy may:

6882 (i) Establish the cost of administration,  
6883 maintenance, and operation of the program and charge to like  
6884 agencies a fee based on a formula to be determined by the board  
6885 with collaboration and input from participating agencies; and

6886 (ii) Assess charges for information and/or  
6887 statistical data provided to agencies, institutions and  
6888 individuals. The amounts of those fees shall be set by the  
6889 Executive Director of the Board of Pharmacy based on the  
6890 recommendation of the Director of the PMP.



6891 All such fees collected shall be deposited into the special  
6892 fund of the State Board of Pharmacy and used to support the  
6893 operations of the PMP.

6894 (g) A dispenser pharmacist or practitioner licensed to  
6895 dispense controlled substances and specified noncontrolled  
6896 substance drugs who knowingly fails to submit drug-monitoring  
6897 information or knowingly submits incorrect dispensing information  
6898 shall be subject to actions against the pharmacist's or  
6899 practitioner's license, registrations or permit and/or an  
6900 administrative penalty as provided in Sections 73-21-97 and  
6901 73-21-103. Any misuse of the PMP is subject to penalties as  
6902 provided in Sections 73-21-97 and 73-21-103.

6903 (h) The Board of Pharmacy and the Prescription  
6904 Monitoring Program shall be immune from civil liability arising  
6905 from inaccuracy of any of the information submitted to the  
6906 program.

6907 (i) "Practitioner," as used in this section, shall  
6908 include any person licensed, registered or otherwise permitted to  
6909 distribute, dispense, prescribe or administer a controlled  
6910 substance, as defined under Section 41-29-105(y), and any person  
6911 defined as a "practitioner" under Section 73-21-73(ee).

6912 (j) In addition to any funds appropriated by the  
6913 Legislature, the State Board of Pharmacy may apply for any  
6914 available grants and accept any gifts, grants or donations to  
6915 assist in future development or in maintaining the program.



6916           (2) In addition to receiving the dispensing information  
6917 regarding controlled substances as provided in subsection (1) of  
6918 this section, the State Board of Pharmacy shall receive and  
6919 maintain in the Prescription Monitoring Program (a) the medical  
6920 cannabis dispensing information that medical cannabis dispensaries  
6921 under the Mississippi Medical Cannabis Act are required to report  
6922 to the PMP under Section 17 of this act, and (b) any other medical  
6923 cannabis dispensing information that dispensaries are required to  
6924 report to the PMP. The medical cannabis dispensing information  
6925 reported by medical cannabis dispensaries under Section 17 of this  
6926 act shall not be considered to be a prescription for the purposes  
6927 of the Mississippi Pharmacy Practice Act or the Uniform Controlled  
6928 Substances Law.

6929           **SECTION 72.** Section 73-25-29, Mississippi Code of 1972, is  
6930 amended as follows:

6931           73-25-29. The grounds for the nonissuance, suspension,  
6932 revocation or restriction of a license or the denial of  
6933 reinstatement or renewal of a license are:

6934           (1) Habitual personal use of narcotic drugs, or any  
6935 other drug having addiction-forming or addiction-sustaining  
6936 liability.

6937           (2) Habitual use of intoxicating liquors, or any  
6938 beverage, to an extent which affects professional competency.

6939           (3) Administering, dispensing or prescribing any  
6940 narcotic drug, or any other drug having addiction-forming or



6941 addiction-sustaining liability otherwise than in the course of  
6942 legitimate professional practice.

6943 (4) Conviction of violation of any federal or state law  
6944 regulating the possession, distribution or use of any narcotic  
6945 drug or any drug considered a controlled substance under state or  
6946 federal law, a certified copy of the conviction order or judgment  
6947 rendered by the trial court being prima facie evidence thereof,  
6948 notwithstanding the pendency of any appeal.

6949 (5) Procuring, or attempting to procure, or aiding in,  
6950 an abortion that is not medically indicated.

6951 (6) Conviction of a felony or misdemeanor involving  
6952 moral turpitude, a certified copy of the conviction order or  
6953 judgment rendered by the trial court being prima facie evidence  
6954 thereof, notwithstanding the pendency of any appeal.

6955 (7) Obtaining or attempting to obtain a license by  
6956 fraud or deception.

6957 (8) Unprofessional conduct, which includes, but is not  
6958 limited to:

6959 (a) Practicing medicine under a false or assumed  
6960 name or impersonating another practitioner, living or dead.

6961 (b) Knowingly performing any act which in any way  
6962 assists an unlicensed person to practice medicine.

6963 (c) Making or willfully causing to be made any  
6964 flamboyant claims concerning the licensee's professional  
6965 excellence.



6966 (d) Being guilty of any dishonorable or unethical  
6967 conduct likely to deceive, defraud or harm the public.

6968 (e) Obtaining a fee as personal compensation or  
6969 gain from a person on fraudulent representation of a disease or  
6970 injury condition generally considered incurable by competent  
6971 medical authority in the light of current scientific knowledge and  
6972 practice can be cured or offering, undertaking, attempting or  
6973 agreeing to cure or treat the same by a secret method, which he  
6974 refuses to divulge to the board upon request.

6975 (f) Use of any false, fraudulent or forged  
6976 statement or document, or the use of any fraudulent, deceitful,  
6977 dishonest or immoral practice in connection with any of the  
6978 licensing requirements, including the signing in his professional  
6979 capacity any certificate that is known to be false at the time he  
6980 makes or signs such certificate.

6981 (g) Failing to identify a physician's school of  
6982 practice in all professional uses of his name by use of his earned  
6983 degree or a description of his school of practice.

6984 (9) The refusal of a licensing authority of another  
6985 state or jurisdiction to issue or renew a license, permit or  
6986 certificate to practice medicine in that jurisdiction or the  
6987 revocation, suspension or other restriction imposed on a license,  
6988 permit or certificate issued by such licensing authority which  
6989 prevents or restricts practice in that jurisdiction, a certified  
6990 copy of the disciplinary order or action taken by the other state





6991 or jurisdiction being prima facie evidence thereof,  
6992 notwithstanding the pendency of any appeal.

6993 (10) Surrender of a license or authorization to  
6994 practice medicine in another state or jurisdiction or surrender of  
6995 membership on any medical staff or in any medical or professional  
6996 association or society while under disciplinary investigation by  
6997 any of those authorities or bodies for acts or conduct similar to  
6998 acts or conduct which would constitute grounds for action as  
6999 defined in this section.

7000 (11) Final sanctions imposed by the United States  
7001 Department of Health and Human Services, Office of Inspector  
7002 General or any successor federal agency or office, based upon a  
7003 finding of incompetency, gross misconduct or failure to meet  
7004 professionally recognized standards of health care; a certified  
7005 copy of the notice of final sanction being prima facie evidence  
7006 thereof. As used in this paragraph, the term "final sanction"  
7007 means the written notice to a physician from the United States  
7008 Department of Health and Human Services, Officer of Inspector  
7009 General or any successor federal agency or office, which  
7010 implements the exclusion.

7011 (12) Failure to furnish the board, its investigators or  
7012 representatives information legally requested by the board.

7013 (13) Violation of any provision(s) of the Medical  
7014 Practice Act or the rules and regulations of the board or of any  
7015 order, stipulation or agreement with the board.



7016 (14) Violation(s) of the provisions of Sections  
7017 41-121-1 through 41-121-9 relating to deceptive advertisement by  
7018 health care practitioners.

7019 (15) Performing or inducing an abortion on a woman in  
7020 violation of any provision of Sections 41-41-131 through  
7021 41-41-145.

7022 (16) Performing an abortion on a pregnant woman after  
7023 determining that the unborn human individual that the pregnant  
7024 woman is carrying has a detectable fetal heartbeat as provided in  
7025 Section 41-41-34.1.

7026 In addition to the grounds specified above, the board shall  
7027 be authorized to suspend the license of any licensee for being out  
7028 of compliance with an order for support, as defined in Section  
7029 93-11-153. The procedure for suspension of a license for being  
7030 out of compliance with an order for support, and the procedure for  
7031 the reissuance or reinstatement of a license suspended for that  
7032 purpose, and the payment of any fees for the reissuance or  
7033 reinstatement of a license suspended for that purpose, shall be  
7034 governed by Section 93-11-157 or 93-11-163, as the case may be.  
7035 If there is any conflict between any provision of Section  
7036 93-11-157 or 93-11-163 and any provision of this chapter, the  
7037 provisions of Section 93-11-157 or 93-11-163, as the case may be,  
7038 shall control.

7039 A physician who provides a written certification as  
7040 authorized under the Mississippi Medical Cannabis Act and in



7041 compliance with rules and regulations adopted thereunder shall not  
7042 be subject to any disciplinary action under this section solely  
7043 due to providing the written certification.

7044       **SECTION 73.** Section 83-9-22, Mississippi Code of 1972, is  
7045 amended as follows:

7046       83-9-22. (1) (a) Notwithstanding any other provision of  
7047 the law to the contrary, except as otherwise provided in  
7048 subsection (3) of this section, no health coverage plan shall  
7049 restrict coverage for medically appropriate treatment prescribed  
7050 by a physician and agreed to by a fully informed insured, or if  
7051 the insured lacks legal capacity to consent by a person who has  
7052 legal authority to consent on his or her behalf, based on an  
7053 insured's diagnosis with a terminal condition. Refusing to pay  
7054 for treatment rendered to an insured near the end of life that is  
7055 consistent with best practices for treatment of a disease or  
7056 condition, approved uses of a drug or device, or uses supported by  
7057 peer reviewed medical literature, is a per se violation of this  
7058 section.

7059       (b) Violations of this section shall constitute an  
7060 unfair trade practice and subject the violator to the penalties  
7061 provided by law.

7062       (c) As used in this section "terminal condition" means  
7063 any aggressive malignancy, chronic end-stage cardiovascular or  
7064 cerebral vascular disease, or any other disease, illness or  
7065 condition which a physician diagnoses as terminal.



7066 (d) As used in this section, a "health coverage plan"  
7067 shall mean any hospital, health or medical expense insurance  
7068 policy, hospital or medical service contract, employee welfare  
7069 benefit plan, contract or agreement with a health maintenance  
7070 organization or a preferred provider organization, health and  
7071 accident insurance policy, or any other insurance contract of this  
7072 type, including a group insurance plan and the State Health and  
7073 Life Insurance Plan.

7074 (2) (a) Notwithstanding any other provision of the law to  
7075 the contrary, no health benefit paid directly or indirectly with  
7076 state funds, specifically Medicaid, shall restrict coverage for  
7077 medically appropriate treatment prescribed by a physician and  
7078 agreed to by a fully informed individual, or if the individual  
7079 lacks legal capacity to consent by a person who has legal  
7080 authority to consent on his or her behalf, based on an  
7081 individual's diagnosis with a terminal condition.

7082 (b) Refusing to pay for treatment rendered to an  
7083 individual near the end of life that is consistent with best  
7084 practices for treatment of a disease or condition, approved uses  
7085 of a drug or device, or uses supported by peer reviewed medical  
7086 literature, is a per se violation of this section.

7087 (c) As used in this section "terminal condition" means  
7088 any aggressive malignancy, chronic end-stage cardiovascular or  
7089 cerebral vascular disease, or any other disease, illness or  
7090 condition which a physician diagnoses as terminal.



7091       (3) This section does not require a health coverage plan to  
7092 cover and pay for the treatment of a person who is a cardholder  
7093 and registered qualifying patient with medical cannabis that is  
7094 lawful under the Mississippi Medical Cannabis Act and in  
7095 compliance with rules and regulations adopted thereunder.

7096       **SECTION 74.** Sections 1 through 28 and Sections 30 through 33  
7097 of this act shall be codified as a new chapter in Title 41,  
7098 Mississippi Code of 1972. Section 29 of this act shall be  
7099 codified as a new chapter in Title 27, Mississippi Code of 1972.

7100       **SECTION 75.** Section 27-7-22.5, Mississippi Code of 1972, is  
7101 amended as follows:

7102       27-7-22.5. (1) (a) For any manufacturer, distributor,  
7103 wholesale or retail merchant who pays to a county, municipality,  
7104 school district, levee district or any other taxing authority of  
7105 the state or a political subdivision thereof, ad valorem taxes  
7106 imposed on commodities, raw materials, works-in-process, products,  
7107 goods, wares and merchandise held for resale, a credit against the  
7108 income taxes imposed under this chapter shall be allowed for the  
7109 portion of the ad valorem taxes so paid in the amounts prescribed  
7110 in subsection (2).

7111       (b) (i) For any person, firm or corporation who pays  
7112 to a county, municipality, school district, levee district or any  
7113 other taxing authority of the state or a political subdivision  
7114 thereof, ad valorem taxes imposed on rental equipment, a credit  
7115 against the income taxes imposed under this chapter shall be



7116 allowed for the portion of the ad valorem taxes so paid in the  
7117 amounts prescribed in subsection (2).

7118 (ii) As used in this paragraph, "rental equipment"  
7119 means any rental equipment or other rental items which are held  
7120 for short-term rental to the public:

- 7121 1. Under rental agreements with no specific  
7122 term;
- 7123 2. Under at-will or open-ended agreements; or
- 7124 3. Under rental agreements with terms  
7125 ordinarily of less than three hundred sixty-five (365) days; and
- 7126 4. Is not subject to privilege taxes imposed  
7127 in Chapter 19, Title 27, Mississippi Code of 1972.

7128 (c) The tax credit allowed by this section may not be  
7129 claimed by a taxpayer that is a medical cannabis establishment as  
7130 defined in the Mississippi Medical Cannabis Act.

7131 (2) The tax credit allowed by this section shall not exceed  
7132 the amounts set forth in paragraphs (a) through (g) of this  
7133 subsection; and may be claimed for each location where such  
7134 commodities, raw material, works-in-process, products, goods,  
7135 wares, merchandise and/or rental equipment are found and upon  
7136 which the ad valorem taxes have been paid. Any tax credit claimed  
7137 under this section but not used in any taxable year may be carried  
7138 forward for five (5) consecutive years from the close of the tax  
7139 year in which the credit was earned.



7140 (a) For the 1994 taxable year, the tax credit for each  
7141 location of the taxpayer shall not exceed the lesser of Two  
7142 Thousand Dollars (\$2,000.00) or the amount of income taxes due the  
7143 State of Mississippi that are attributable to such location.

7144 (b) For the 1995 taxable year, the tax credit for each  
7145 location of the taxpayer shall not exceed the lesser of Three  
7146 Thousand Dollars (\$3,000.00) or the amount of income taxes due the  
7147 State of Mississippi that are attributable to such location.

7148 (c) For the 1996 taxable year, the tax credit for each  
7149 location of the taxpayer shall not exceed the lesser of Four  
7150 Thousand Dollars (\$4,000.00) or the amount of income taxes due the  
7151 State of Mississippi that are attributable to such location.

7152 (d) For the 1997 taxable year and each taxable year  
7153 thereafter through taxable year 2013, the tax credit for each  
7154 location of the taxpayer shall not exceed the lesser of Five  
7155 Thousand Dollars (\$5,000.00) or the amount of income taxes due the  
7156 State of Mississippi that are attributable to such location.

7157 (e) For the 2014 taxable year, the tax credit for each  
7158 location of the taxpayer shall not exceed the lesser of Ten  
7159 Thousand Dollars (\$10,000.00) or the amount of income taxes due  
7160 the State of Mississippi that are attributable to such location.

7161 (f) For the 2015 taxable year, the tax credit for each  
7162 location of the taxpayer shall not exceed the lesser of Fifteen  
7163 Thousand Dollars (\$15,000.00) or the amount of income taxes due  
7164 the State of Mississippi that are attributable to such location.



7165 (g) For the 2016 taxable year and each taxable year  
7166 thereafter, the tax credit of the taxpayer shall be the lesser of  
7167 the amount of the ad valorem taxes described in subsection (1)  
7168 paid or the amount of income taxes due the State of Mississippi  
7169 that are attributable to such location.

7170 (3) Any amount of ad valorem taxes paid by a taxpayer that  
7171 is applied toward the tax credit allowed in this section may not  
7172 be used as a deduction by the taxpayer for state income tax  
7173 purposes. In the case of a taxpayer that is a partnership,  
7174 limited liability company or S corporation, the credit may be  
7175 applied only to the tax attributable to partnership, limited  
7176 liability company or S corporation income derived from the  
7177 taxpayer.

7178 **SECTION 76.** Section 27-7-22.30, Mississippi Code of 1972, is  
7179 amended as follows:

7180 27-7-22.30. (1) As used in this section:

7181 (a) "Manufacturing enterprise" means an enterprise  
7182 that:

7183 (i) Falls within the definition of the term  
7184 "manufacturer" in Section 27-65-11; and

7185 (ii) Has operated in this state for not less than  
7186 two (2) years prior to application for the credit authorized by  
7187 this section \* \* \*.





7188 (b) "Eligible investment" means an investment of at  
7189 least One Million Dollars (\$1,000,000.00) in buildings and/or  
7190 equipment for the manufacturing enterprise.

7191 The term "manufacturing enterprise" does not include any  
7192 medical cannabis establishment as defined in the Mississippi  
7193 Medical Cannabis Act.

7194 (2) A manufacturing enterprise is allowed a manufacturing  
7195 investment tax credit for taxes imposed by Section 27-7-5 equal to  
7196 five percent (5%) of the eligible investments made by the  
7197 manufacturing enterprise.

7198 (3) Any tax credit claimed under this section but not used  
7199 in any taxable year may be carried forward for five (5) years from  
7200 the close of the tax year in which the eligible investment was  
7201 made, but the credit established by this section taken in any one  
7202 tax year shall not exceed fifty percent (50%) of the taxpayer's  
7203 state income tax liability which is attributable to income derived  
7204 from operations in the state for that year reduced by the sum of  
7205 all other income tax credits allowable to the taxpayer, except  
7206 credit for tax payments made by or on behalf of the taxpayer.

7207 (4) The maximum credit that may be claimed by a taxpayer on  
7208 any project shall be limited to One Million Dollars  
7209 (\$1,000,000.00).

7210 (5) The credit received under this section is subject to  
7211 recapture if the property for which the tax credit was received is  
7212 disposed of, or converted to, other than business use. The amount



7213 of the credit subject to recapture is one hundred percent (100%)  
7214 of the credit in the first year and fifty percent (50%) of the  
7215 credit in the second year. This subsection shall not apply in  
7216 cases in which an entire facility is sold.

7217 (6) The sale, merger, acquisition, reorganization,  
7218 bankruptcy or relocation from one (1) county to another county  
7219 within the state of any manufacturing enterprise may not create  
7220 new eligibility in any succeeding business entity, but any unused  
7221 manufacturing investment tax credit may be transferred and  
7222 continued by any transferee of the enterprise. The \* \* \*  
7223 department shall determine whether or not qualifying net increases  
7224 or decreases have occurred or proper transfers of credit have been  
7225 made and may require reports, promulgate regulations, and hold  
7226 hearings as needed for substantiation and qualification.

7227 (7) No manufacturing enterprise for the transportation,  
7228 handling, storage, processing or disposal of hazardous waste is  
7229 eligible to receive the tax credits provided in this section.

7230 (8) The credits allowed under this section shall not be used  
7231 by any business enterprise or corporation other than the  
7232 manufacturing enterprise actually qualifying for the credits.

7233 **SECTION 77.** Section 27-31-51, Mississippi Code of 1972, is  
7234 amended as follows:

7235 27-31-51. (1) As used in Sections 27-31-51 through  
7236 27-31-61:



7237 (a) "Warehouse" or "storage facility" shall not apply  
7238 to caves or cavities in the earth, whether natural or artificial;

7239 (b) "Governing authorities" means the board of  
7240 supervisors of the county wherein the warehouse or storage  
7241 facility is located or the governing authorities of the  
7242 municipality wherein the warehouse or storage facility is located,  
7243 as the case may be;

7244 (c) "Tax assessor" means the tax assessor of each  
7245 taxing jurisdiction in which the warehouse or storage facility may  
7246 be located.

7247 (2) All warehouses, public or private, or other storage  
7248 facilities in the State of Mississippi regularly engaged in the  
7249 handling and storage of personal property in structures or in  
7250 places adopted for such handling and storage which is consigned or  
7251 transferred to such warehouse or storage facility for storage and  
7252 handling shall be eligible for licensing under the provisions of  
7253 Sections 27-31-51 through 27-31-61 as a "free port warehouse." A  
7254 manufacturer of personal property that maintains separate  
7255 facilities, structures, places or areas for the temporary storage  
7256 and handling of such personal property pending transit to a final  
7257 destination outside the State of Mississippi shall be eligible for  
7258 licensing under Sections 27-31-51 through 27-31-61 as a "free port  
7259 warehouse," and any license issued to such a manufacturer before  
7260 January 1, 2012, is hereby ratified, approved and confirmed. No  
7261 medical cannabis establishment, as defined in the Mississippi



7262 Medical Cannabis Act, or warehouses, facilities, structures,  
7263 places or areas belonging to or used by a medical cannabis  
7264 establishment may be licensed as a free port warehouse.

7265 (3) Such licenses shall be issued by the governing  
7266 authorities to such warehouse or storage facility as will qualify  
7267 under the definition of "free port warehouse" as herein defined,  
7268 upon application by the warehouse or storage facility operator.

7269 **SECTION 78.** Section 27-31-53, Mississippi Code of 1972, is  
7270 amended as follows:

7271 27-31-53. All personal property in transit through this  
7272 state which is (a) moving in interstate commerce through or over  
7273 the territory of the State of Mississippi, (b) which was consigned  
7274 or transferred to a licensed "free port warehouse," public or  
7275 private, within the State of Mississippi for storage in transit to  
7276 a final destination outside the State of Mississippi, whether  
7277 specified when transportation begins or afterward, (c)  
7278 manufactured in the State of Mississippi and stored in separate  
7279 facilities, structures, places or areas maintained by a  
7280 manufacturer, licensed as a free port warehouse, for temporary  
7281 storage or handling pending transit to a final destination outside  
7282 the State of Mississippi, or (d) consigned or transferred to a  
7283 licensed free port warehouse, public or private, within the State  
7284 of Mississippi, for storage pending transit to not more than one  
7285 (1) other location in this state for production or processing into  
7286 a component or part that is then transported to a final



7287 destination outside of the State of Mississippi, may, in the  
7288 discretion of the board of supervisors of the county wherein the  
7289 warehouse or storage facility is located, and in the discretion of  
7290 the governing authorities of the municipality wherein the  
7291 warehouse or storage facility is located, as the case may be, be  
7292 exempt from all ad valorem taxes imposed by the respective county  
7293 or municipality and the property exempted therefrom shall not be  
7294 deemed to have acquired a situs in the State of Mississippi for  
7295 the purposes of such taxation. Any exemption granted to a  
7296 licensed "free port warehouse" pursuant to this section shall be  
7297 effective as of the first calendar day of the taxable year in  
7298 which the warehouse applied for the exemption by virtue of  
7299 submitting the application for licensure, and shall remain in  
7300 effect for such period of time as the respective governing  
7301 authority may prescribe. Such property shall not be deprived of  
7302 exemption because while in a warehouse the property is bound,  
7303 divided, broken in bulk, labeled, relabeled or repackaged. Any  
7304 exemption from ad valorem taxes granted before January 1, 2012, is  
7305 hereby ratified, approved and confirmed.

7306 The exemption provided for in this section shall not be  
7307 authorized for any personal property of a medical cannabis  
7308 establishment as defined in the Mississippi Medical Cannabis Act.

7309 **SECTION 79.** Section 27-31-101, Mississippi Code of 1972, is  
7310 amended as follows:

7311 **[Through June 30, 2022, this section shall read as follows:]**



7312           27-31-101. (1) County boards of supervisors and municipal  
7313 authorities are hereby authorized and empowered, in their  
7314 discretion, to grant exemptions from ad valorem taxation, except  
7315 state ad valorem taxation; however, such governing authorities  
7316 shall not exempt ad valorem taxes for school district purposes on  
7317 tangible property used in, or necessary to, the operation of the  
7318 manufacturers and other new enterprises enumerated by classes in  
7319 this section, except to the extent authorized in Sections  
7320 27-31-104 and 27-31-105(2), nor shall they exempt from ad valorem  
7321 taxes the products of the manufacturers or other new enterprises  
7322 or automobiles and trucks belonging to the manufacturers or other  
7323 new enterprises operating on and over the highways of the State of  
7324 Mississippi. The time of such exemption shall be for a period not  
7325 to exceed a total of ten (10) years which shall begin on the date  
7326 of completion of the new enterprise for which the exemption is  
7327 granted; however, boards of supervisors and municipal authorities,  
7328 in lieu of granting the exemption for one (1) period of ten (10)  
7329 years, may grant the exemption in a period of less than ten (10)  
7330 years. When the initial exemption period granted is less than ten  
7331 (10) years, the boards of supervisors and municipal authorities  
7332 may grant a subsequent consecutive period or periods to follow the  
7333 initial period of exemption, provided that the total of all  
7334 periods of exemption shall not exceed ten (10) years. The date of  
7335 completion of the new enterprise, from which the initial period of  
7336 exemption shall begin, shall be the date on which operations of



7337 the new enterprise begin. The initial request for an exemption  
7338 must be made in writing by June 1 of the year immediately  
7339 following the year in which the date of completion of a new  
7340 enterprise occurs. If the initial request for the exemption is  
7341 not timely made, the board of supervisors or municipal authorities  
7342 may grant a subsequent request for the exemption and, in such  
7343 case, the exemption shall begin on the anniversary date of  
7344 completion of the enterprise in the year in which the request is  
7345 made and may be for a period of time extending not more than ten  
7346 (10) years from the date of completion of the new enterprise. Any  
7347 subsequent request for the exemption must be made in writing by  
7348 June 1 of the year in which it is granted.

7349 (2) Any board of supervisors or municipal authority which  
7350 has granted an exemption for a period of less than ten (10) years  
7351 may grant subsequent periods of exemption to run consecutively  
7352 with the initial exemption period, or a subsequently granted  
7353 exemption period, but in no case shall the total of the exemption  
7354 periods granted for a new enterprise exceed ten (10) years. Any  
7355 consecutive period of exemption shall be granted by entry of an  
7356 order by the board or the authority granting the consecutive  
7357 exemption on its minutes, reflecting the granting of the  
7358 consecutive exemption period and the dates upon which such  
7359 consecutive exemption period begins and expires. The entry of  
7360 this order granting the consecutive period of exemption shall be



7361 made before the expiration of the exemption period immediately  
7362 preceding the consecutive exemption period being granted.

7363 (3) (a) The new enterprises for which any or all of the  
7364 tangible property described in paragraph (b) of this subsection  
7365 (3) may be exempt from ad valorem taxation, except state ad  
7366 valorem taxation, ad valorem taxes for school district purposes,  
7367 and ad valorem taxes on the products thereof or on automobiles and  
7368 trucks belonging thereto and operating on and over the highways of  
7369 the State of Mississippi, are enumerated as and limited to the  
7370 following, as determined by the Department of Revenue:

7371 (i) Warehouse and/or distribution centers;

7372 (ii) Manufacturing, processors and refineries;

7373 (iii) Research facilities;

7374 (iv) Corporate regional and national headquarters  
7375 meeting minimum criteria established by the Mississippi  
7376 Development Authority;

7377 (v) Movie industry studios meeting minimum  
7378 criteria established by the Mississippi Development Authority;

7379 (vi) Air transportation and maintenance facilities  
7380 meeting minimum criteria established by the Mississippi  
7381 Development Authority;

7382 (vii) Recreational facilities that impact tourism  
7383 meeting minimum criteria established by the Mississippi  
7384 Development Authority;





7385 (viii) Data/information processing enterprises  
7386 meeting minimum criteria established by the Mississippi  
7387 Development Authority;

7388 (ix) Technology intensive enterprises or  
7389 facilities meeting criteria established by the Mississippi  
7390 Development Authority;

7391 (x) Health care industry facilities as defined in  
7392 Section 57-117-3;

7393 (xi) Data centers as defined in Section 57-113-21;  
7394 and

7395 (xii) Telecommunications enterprises meeting  
7396 minimum criteria established by the Mississippi Development  
7397 Authority. The term "telecommunications enterprises" means  
7398 entities engaged in the creation, display, management, storage,  
7399 processing, transmission or distribution for compensation of  
7400 images, text, voice, video or data by wire or by wireless means,  
7401 or entities engaged in the construction, design, development,  
7402 manufacture, maintenance or distribution for compensation of  
7403 devices, products, software or structures used in the above  
7404 activities. Companies organized to do business as commercial  
7405 broadcast radio stations, television stations or news  
7406 organizations primarily serving in-state markets shall not be  
7407 included within the definition of the term "telecommunications  
7408 enterprises."



7409           The new enterprises enumerated in this paragraph (a) do not  
7410 include medical cannabis establishments as defined in the  
7411 Mississippi Medical Cannabis Act.

7412           (b) An exemption from ad valorem taxes granted under  
7413 this section may include any or all tangible property, real or  
7414 personal, including any leasehold interests therein but excluding  
7415 automobiles and trucks operating on and over the highways of the  
7416 State of Mississippi, used in connection with, or necessary to,  
7417 the operation of an enterprise enumerated in paragraph (a) of this  
7418 subsection (3), whether or not such property is owned, leased,  
7419 subleased, licensed or otherwise obtained by such enterprise,  
7420 irrespective of the taxpayer to which any such leased property is  
7421 assessed for ad valorem tax purposes. If an exemption is granted  
7422 pursuant to this section with respect to any leasehold interest  
7423 under a lease, sublease or license of tangible property used in  
7424 connection with, or necessary to, the operation of an enterprise  
7425 enumerated in paragraph (a) of this subsection (3), the  
7426 corresponding ownership interest of the owner, lessor and  
7427 sublessor of such tangible property shall similarly and  
7428 automatically be exempt without any action being required to be  
7429 taken by such owner, lessor or sublessor.

7430           (4) Any exemption from ad valorem taxes granted under this  
7431 section before March 28, 2019, and consistent herewith, is hereby  
7432 ratified, approved and confirmed.



7433           **[From and after July 1, 2022, this section shall read as**  
7434 **follows:]**

7435           27-31-101. (1) County boards of supervisors and municipal  
7436 authorities are hereby authorized and empowered, in their  
7437 discretion, to grant exemptions from ad valorem taxation, except  
7438 state ad valorem taxation; however, such governing authorities  
7439 shall not exempt ad valorem taxes for school district purposes on  
7440 tangible property used in, or necessary to, the operation of the  
7441 manufacturers and other new enterprises enumerated by classes in  
7442 this section, except to the extent authorized in Sections  
7443 27-31-104 and 27-31-105(2), nor shall they exempt from ad valorem  
7444 taxes the products of the manufacturers or other new enterprises  
7445 or automobiles and trucks belonging to the manufacturers or other  
7446 new enterprises operating on and over the highways of the State of  
7447 Mississippi. The time of such exemption shall be for a period not  
7448 to exceed a total of ten (10) years which shall begin on the date  
7449 of completion of the new enterprise for which the exemption is  
7450 granted; however, boards of supervisors and municipal authorities,  
7451 in lieu of granting the exemption for one (1) period of ten (10)  
7452 years, may grant the exemption in a period of less than ten (10)  
7453 years. When the initial exemption period granted is less than ten  
7454 (10) years, the boards of supervisors and municipal authorities  
7455 may grant a subsequent consecutive period or periods to follow the  
7456 initial period of exemption, provided that the total of all  
7457 periods of exemption shall not exceed ten (10) years. The date of



7458 completion of the new enterprise, from which the initial period of  
7459 exemption shall begin, shall be the date on which operations of  
7460 the new enterprise begin. The initial request for an exemption  
7461 must be made in writing by June 1 of the year immediately  
7462 following the year in which the date of completion of a new  
7463 enterprise occurs. If the initial request for the exemption is  
7464 not timely made, the board of supervisors or municipal authorities  
7465 may grant a subsequent request for the exemption and, in such  
7466 case, the exemption shall begin on the anniversary date of  
7467 completion of the enterprise in the year in which the request is  
7468 made and may be for a period of time extending not more than ten  
7469 (10) years from the date of completion of the new enterprise. Any  
7470 subsequent request for the exemption must be made in writing by  
7471 June 1 of the year in which it is granted.

7472 (2) Any board of supervisors or municipal authority which  
7473 has granted an exemption for a period of less than ten (10) years  
7474 may grant subsequent periods of exemption to run consecutively  
7475 with the initial exemption period, or a subsequently granted  
7476 exemption period, but in no case shall the total of the exemption  
7477 periods granted for a new enterprise exceed ten (10) years. Any  
7478 consecutive period of exemption shall be granted by entry of an  
7479 order by the board or the authority granting the consecutive  
7480 exemption on its minutes, reflecting the granting of the  
7481 consecutive exemption period and the dates upon which such  
7482 consecutive exemption period begins and expires. The entry of



7483 this order granting the consecutive period of exemption shall be  
7484 made before the expiration of the exemption period immediately  
7485 preceding the consecutive exemption period being granted.

7486 (3) (a) The new enterprises for which any or all of the  
7487 tangible property described in paragraph (b) of this subsection  
7488 (3) may be exempt from ad valorem taxation, except state ad  
7489 valorem taxation, ad valorem taxes for school district purposes,  
7490 and ad valorem taxes on the products thereof or on automobiles and  
7491 trucks belonging thereto and operating on and over the highways of  
7492 the State of Mississippi, are enumerated as and limited to the  
7493 following, as determined by the Department of Revenue:

7494 (i) Warehouse and/or distribution centers;

7495 (ii) Manufacturing, processors and refineries;

7496 (iii) Research facilities;

7497 (iv) Corporate regional and national headquarters  
7498 meeting minimum criteria established by the Mississippi  
7499 Development Authority;

7500 (v) Movie industry studios meeting minimum  
7501 criteria established by the Mississippi Development Authority;

7502 (vi) Air transportation and maintenance facilities  
7503 meeting minimum criteria established by the Mississippi  
7504 Development Authority;

7505 (vii) Recreational facilities that impact tourism  
7506 meeting minimum criteria established by the Mississippi  
7507 Development Authority;



7508 (viii) Data/information processing enterprises  
7509 meeting minimum criteria established by the Mississippi  
7510 Development Authority;

7511 (ix) Technology intensive enterprises or  
7512 facilities meeting criteria established by the Mississippi  
7513 Development Authority;

7514 (x) Data centers as defined in Section 57-113-21;  
7515 and

7516 (xi) Telecommunications enterprises meeting  
7517 minimum criteria established by the Mississippi Development  
7518 Authority. The term "telecommunications enterprises" means  
7519 entities engaged in the creation, display, management, storage,  
7520 processing, transmission or distribution for compensation of  
7521 images, text, voice, video or data by wire or by wireless means,  
7522 or entities engaged in the construction, design, development,  
7523 manufacture, maintenance or distribution for compensation of  
7524 devices, products, software or structures used in the above  
7525 activities. Companies organized to do business as commercial  
7526 broadcast radio stations, television stations or news  
7527 organizations primarily serving in-state markets shall not be  
7528 included within the definition of the term "telecommunications  
7529 enterprises."

7530 The new enterprises enumerated in this paragraph (a) do not  
7531 include medical cannabis establishments as defined in the  
7532 Mississippi Medical Cannabis Act.



7533           (b) An exemption from ad valorem taxes granted under  
7534 this section may include any or all tangible property, real or  
7535 personal, including any leasehold interests therein but excluding  
7536 automobiles and trucks operating on and over the highways of the  
7537 State of Mississippi, used in connection with, or necessary to,  
7538 the operation of an enterprise enumerated in paragraph (a) of this  
7539 subsection (3), whether or not such property is owned, leased,  
7540 subleased, licensed or otherwise obtained by such enterprise,  
7541 irrespective of the taxpayer to which any such leased property is  
7542 assessed for ad valorem tax purposes. If an exemption is granted  
7543 pursuant to this section with respect to any leasehold interest  
7544 under a lease, sublease or license of tangible property used in  
7545 connection with, or necessary to, the operation of an enterprise  
7546 enumerated in paragraph (a) of this subsection (3), the  
7547 corresponding ownership interest of the owner, lessor and  
7548 sublessor of such tangible property shall similarly and  
7549 automatically be exempt without any action being required to be  
7550 taken by such owner, lessor or sublessor.

7551           (4) Any exemption from ad valorem taxes granted under this  
7552 section before March 28, 2019, and consistent herewith, is hereby  
7553 ratified, approved and confirmed.

7554           **SECTION 80.** Section 27-31-104, Mississippi Code of 1972, is  
7555 amended as follows:

7556           **[Through June 30, 2022, this section shall read as follows:]**



7557           27-31-104. (1) (a) County boards of supervisors and  
7558 municipal authorities are each hereby authorized and empowered to  
7559 enter into an agreement with an enterprise granting, and pursuant  
7560 to such agreement grant a fee-in-lieu of ad valorem taxes,  
7561 including ad valorem taxes levied for school purposes, for the  
7562 following:

7563                   (i) Projects totaling over Sixty Million Dollars  
7564 (\$60,000,000.00) by any new enterprises enumerated in Section  
7565 27-31-101;

7566                   (ii) Projects by a private company (as such term  
7567 is defined in Section 57-61-5) having a minimum capital investment  
7568 of Sixty Million Dollars (\$60,000,000.00);

7569                   (iii) Projects by a qualified business (as such  
7570 term is defined in Section 57-117-3) meeting minimum criteria  
7571 established by the Mississippi Development Authority;

7572                   (iv) Projects, in addition to those projects  
7573 referenced in Section 27-31-105, totaling over Sixty Million  
7574 Dollars (\$60,000,000.00) by an existing enterprise that has been  
7575 doing business in the county or municipality for twenty-four (24)  
7576 months. For purposes of this subparagraph (iv), the term  
7577 "existing enterprise" includes those enterprises enumerated in  
7578 Section 27-31-101; or

7579                   (v) A private company (as such term is defined in  
7580 Section 57-61-5) having a minimum capital investment of One  
7581 Hundred Million Dollars (\$100,000,000.00) from any source or





7582 combination of sources, provided that a majority of the capital  
7583 investment is from private sources, when such project is located  
7584 within a geographic area for which a Presidential Disaster  
7585 Declaration was issued on or after January 1, 2014.

7586 County boards of supervisors and municipal authorities may  
7587 not enter into an agreement with an enterprise that is a medical  
7588 cannabis establishment, as defined in the Mississippi Medical  
7589 Cannabis Act, granting, and pursuant to such agreement grant a  
7590 fee-in-lieu of ad valorem taxes.

7591 (b) A fee-in-lieu of ad valorem taxes granted in  
7592 accordance with this section may include any or all tangible  
7593 property, real or personal, including any leasehold interests  
7594 therein but excluding automobiles and trucks operating on and over  
7595 the highways of the State of Mississippi, used in connection with,  
7596 or necessary to, the operation of any enterprise, private company  
7597 or business described in paragraph (a) of this subsection (1), as  
7598 applicable, whether or not such property is owned, leased,  
7599 subleased, licensed or otherwise obtained by such enterprise,  
7600 private company or business, as applicable, irrespective of the  
7601 taxpayer to which any such leased property is assessed for ad  
7602 valorem tax purposes. If a fee-in-lieu of ad valorem taxes is  
7603 granted pursuant to this section with respect to any leasehold  
7604 interest under a lease, sublease or license of tangible property  
7605 used in connection with, or necessary to, the operation of an  
7606 enterprise, private company or business described in paragraph (a)



7607 of this subsection (1), as applicable, the corresponding ownership  
7608 interest of the owner, lessor and sublessor of such tangible  
7609 property shall similarly and automatically be exempt and subject  
7610 to the fee-in-lieu granted in accordance herewith without any  
7611 action being required to be taken by such owner, lessor or  
7612 sublessor.

7613 (2) A county board of supervisors may enter into a  
7614 fee-in-lieu agreement on behalf of the county and any county  
7615 school district, and a municipality may enter into such a  
7616 fee-in-lieu agreement on behalf of the municipality and any  
7617 municipal school district located in the municipality; however, if  
7618 the project is located outside the limits of a municipality but  
7619 within the boundaries of the municipal school district, then the  
7620 county board of supervisors may enter into such a fee-in-lieu  
7621 agreement on behalf of the school district granting a fee-in-lieu  
7622 of ad valorem taxes for school district purposes.

7623 (3) Any grant of a fee-in-lieu of ad valorem taxes shall be  
7624 evidenced by a written agreement negotiated by the enterprise and  
7625 the county board of supervisors and/or municipal authority, as the  
7626 case may be, and given final approval by the Mississippi  
7627 Development Authority as satisfying the requirements of this  
7628 section.

7629 (4) The minimum sum allowable as a fee-in-lieu shall not be  
7630 less than one-third (1/3) of the ad valorem levy, including ad  
7631 valorem taxes for school district purposes, and except as



7632 otherwise provided, the sum allowed shall be apportioned between  
7633 the county or municipality, as appropriate, and the school  
7634 districts in such amounts as may be determined by the county board  
7635 of supervisors or municipal governing authority, as the case may  
7636 be, however, except as otherwise provided in this section, from  
7637 the sum allowed the apportionment to school districts shall not be  
7638 less than the school districts' pro rata share based upon the  
7639 proportion that the millage imposed for the school districts by  
7640 the appropriate levying authority bears to the millage imposed by  
7641 such levying authority for all other county or municipal purposes.  
7642 Any fee-in-lieu agreement entered into under this section shall  
7643 become a binding obligation of the parties to the agreement, be  
7644 effective upon its execution by the parties and approval by the  
7645 Mississippi Development Authority and, except as otherwise  
7646 provided in Section 17-25-23 or Section 57-75-33, or any other  
7647 provision of law, continue in effect for a period not to exceed  
7648 thirty (30) years commencing on the date that the fee-in-lieu  
7649 granted thereunder begins in accordance with the agreement;  
7650 however, no particular parcel of land, real property improvement  
7651 or item of personal property shall be subject to a fee-in-lieu for  
7652 a duration of more than ten (10) years. Any such agreement shall  
7653 be binding, according to its terms, on future boards of  
7654 supervisors of the county and/or governing authorities of a  
7655 municipality, as the case may be, for the duration of the  
7656 agreement.



7657           (5) The fee-in-lieu may be a stated fraction or percentage  
7658 of the ad valorem taxes otherwise payable or a stated dollar  
7659 amount. If the fee is a fraction or percentage of the ad valorem  
7660 tax levy, it shall be annually computed on all ad valorem taxes  
7661 otherwise payable, including school taxes, as the same may vary  
7662 from year to year based upon changes in the millage rate or  
7663 assessed value and shall not be less than one-third (1/3) of that  
7664 amount. If the fee is a stated dollar amount, said amount shall  
7665 be the higher of the sum provided for fixed payment or one-third  
7666 (1/3) of the total of all ad valorem taxes otherwise payable as  
7667 annually determined during each year of the fee-in-lieu.

7668           (6) Notwithstanding Section 27-31-111, the parties to a  
7669 fee-in-lieu may agree on terms and conditions providing for the  
7670 reduction, suspension, termination or reinstatement of a  
7671 fee-in-lieu agreement or any fee-in-lieu period granted thereunder  
7672 upon the cessation of operations by project for twelve (12) or  
7673 more consecutive months or due to other conditions set forth in  
7674 the agreement.

7675           (7) For a project as defined in Section 57-75-5(f)(xxi) and  
7676 located in a county that is a member of a regional economic  
7677 development alliance created under Section 57-64-1 et seq., the  
7678 members of the regional economic development alliance may divide  
7679 the sum allowed as a fee-in-lieu in a manner as determined by the  
7680 alliance agreement, and the boards of supervisors of the member



7681 counties may then apportion the sum allowed between school  
7682 district purposes and all other county purposes.

7683 (8) For a project as defined in Section 57-75-5(f) (xxvi),  
7684 the board of supervisors of the county in which the project is  
7685 located may negotiate with the school district in which the  
7686 project is located and apportion to the school district an amount  
7687 of the fee-in-lieu that is agreed upon in the negotiations  
7688 different than the amount provided for in subsection (3) of this  
7689 section.

7690 (9) For a project as defined in Section 57-75-5(f) (xxviii),  
7691 the annual amount of the fee-in-lieu apportioned to the county  
7692 shall not be less than the amount necessary to pay the debt  
7693 service on bonds issued by the county pursuant to Section  
7694 57-75-37(3) (c) .

7695 (10) Any fee-in-lieu of ad valorem taxes granted under this  
7696 section before the effective date of this act, and consistent  
7697 herewith, is hereby ratified, approved and confirmed.

7698 **[From and after July 1, 2022, this section shall read as**  
7699 **follows:]**

7700 27-31-104. (1) (a) County boards of supervisors and  
7701 municipal authorities are each hereby authorized and empowered to  
7702 enter into an agreement with an enterprise granting, and pursuant  
7703 to such agreement grant a fee-in-lieu of ad valorem taxes,  
7704 including ad valorem taxes levied for school purposes, for the  
7705 following:



7706 (i) Projects totaling over Sixty Million Dollars  
7707 (\$60,000,000.00) by any new enterprises enumerated in Section  
7708 27-31-101;

7709 (ii) Projects by a private company (as such term  
7710 is defined in Section 57-61-5, Mississippi Code of 1972) having a  
7711 minimum capital investment of Sixty Million Dollars  
7712 (\$60,000,000.00);

7713 (iii) Projects, in addition to those projects  
7714 referenced in Section 27-31-105, totaling over Sixty Million  
7715 Dollars (\$60,000,000.00) by an existing enterprise that has been  
7716 doing business in the county or municipality for twenty-four (24)  
7717 months. For purposes of this subparagraph (iii), the term  
7718 "existing enterprise" includes those enterprises enumerated in  
7719 Section 27-31-101; or

7720 (iv) A private company (as such term is defined in  
7721 Section 57-61-5) having a minimum capital investment of One  
7722 Hundred Million Dollars (\$100,000,000.00) from any source or  
7723 combination of sources, provided that a majority of the capital  
7724 investment is from private sources, when such project is located  
7725 within a geographic area for which a Presidential Disaster  
7726 Declaration was issued on or after January 1, 2014.

7727 County boards of supervisors and municipal authorities may  
7728 not enter into an agreement with an enterprise that is a medical  
7729 cannabis establishment, as defined in the Mississippi Medical



7730 Cannabis Act, granting, and pursuant to such agreement grant a  
7731 fee-in-lieu of ad valorem taxes.

7732 (b) A fee-in-lieu of ad valorem taxes granted in  
7733 accordance with this section may include any or all tangible  
7734 property, real or personal, including any leasehold interests  
7735 therein but excluding automobiles and trucks operating on and over  
7736 the highways of the State of Mississippi, used in connection with,  
7737 or necessary to, the operation of any enterprise, private company  
7738 or business described in paragraph (a) of this subsection (1), as  
7739 applicable, whether or not such property is owned, leased,  
7740 subleased, licensed or otherwise obtained by such enterprise,  
7741 private company or business, as applicable, irrespective of the  
7742 taxpayer to which any such leased property is assessed for ad  
7743 valorem tax purposes. If a fee-in-lieu of ad valorem taxes is  
7744 granted pursuant to this section with respect to any leasehold  
7745 interest under a lease, sublease or license of tangible property  
7746 used in connection with, or necessary to, the operation of an  
7747 enterprise, private company or business described in paragraph (a)  
7748 of this subsection (1), as applicable, the corresponding ownership  
7749 interest of the owner, lessor and sublessor of such tangible  
7750 property shall similarly and automatically be exempt and subject  
7751 to the fee-in-lieu granted in accordance herewith without any  
7752 action being required to be taken by such owner, lessor or  
7753 sublessor.



7754           (2) A county board of supervisors may enter into a  
7755 fee-in-lieu agreement on behalf of the county and any county  
7756 school district, and a municipality may enter into such a  
7757 fee-in-lieu agreement on behalf of the municipality and any  
7758 municipal school district located in the municipality; however, if  
7759 the project is located outside the limits of a municipality but  
7760 within the boundaries of the municipal school district, then the  
7761 county board of supervisors may enter into such a fee-in-lieu  
7762 agreement on behalf of the school district granting a fee-in-lieu  
7763 of ad valorem taxes for school district purposes.

7764           (3) Any grant of a fee-in-lieu of ad valorem taxes shall be  
7765 evidenced by a written agreement negotiated by the enterprise and  
7766 the county board of supervisors and/or municipal authority, as the  
7767 case may be, and given final approval by the Mississippi  
7768 Development Authority as satisfying the requirements of this  
7769 section.

7770           (4) The minimum sum allowable as a fee-in-lieu shall not be  
7771 less than one-third (1/3) of the ad valorem levy, including ad  
7772 valorem taxes for school district purposes, and except as  
7773 otherwise provided, the sum allowed shall be apportioned between  
7774 the county or municipality, as appropriate, and the school  
7775 districts in such amounts as may be determined by the county board  
7776 of supervisors or municipal governing authority, as the case may  
7777 be, however, except as otherwise provided in this section, from  
7778 the sum allowed the apportionment to school districts shall not be





7779 less than the school districts' pro rata share based upon the  
7780 proportion that the millage imposed for the school districts by  
7781 the appropriate levying authority bears to the millage imposed by  
7782 such levying authority for all other county or municipal purposes.  
7783 Any fee-in-lieu agreement entered into under this section shall  
7784 become a binding obligation of the parties to the agreement, be  
7785 effective upon its execution by the parties and approval by the  
7786 Mississippi Development Authority and, except as otherwise  
7787 provided in Section 17-25-23 or Section 57-75-33, or any other  
7788 provision of law, continue in effect for a period not to exceed  
7789 thirty (30) years commencing on the date that the fee-in-lieu  
7790 granted thereunder begins in accordance with the agreement;  
7791 however, no particular parcel of land, real property improvement  
7792 or item of personal property shall be subject to a fee-in-lieu for  
7793 a duration of more than ten (10) years. Any such agreement shall  
7794 be binding, according to its terms, on future boards of  
7795 supervisors of the county and/or governing authorities of a  
7796 municipality, as the case may be, for the duration of the  
7797 agreement.

7798 (5) The fee-in-lieu may be a stated fraction or percentage  
7799 of the ad valorem taxes otherwise payable or a stated dollar  
7800 amount. If the fee is a fraction or percentage of the ad valorem  
7801 tax levy, it shall be annually computed on all ad valorem taxes  
7802 otherwise payable, including school taxes, as the same may vary  
7803 from year to year based upon changes in the millage rate or



7804 assessed value and shall not be less than one-third (1/3) of that  
7805 amount. If the fee is a stated dollar amount, said amount shall  
7806 be the higher of the sum provided for fixed payment or one-third  
7807 (1/3) of the total of all ad valorem taxes otherwise payable as  
7808 annually determined during each year of the fee-in-lieu.

7809 (6) Notwithstanding Section 27-31-111, the parties to a  
7810 fee-in-lieu may agree on terms and conditions providing for the  
7811 reduction, suspension, termination or reinstatement of a  
7812 fee-in-lieu agreement or any fee-in-lieu period granted thereunder  
7813 upon the cessation of operations by project for twelve (12) or  
7814 more consecutive months or due to other conditions set forth in  
7815 the agreement.

7816 (7) For a project as defined in Section 57-75-5(f)(xxi) and  
7817 located in a county that is a member of a regional economic  
7818 development alliance created under Section 57-64-1 et seq., the  
7819 members of the regional economic development alliance may divide  
7820 the sum allowed as a fee-in-lieu in a manner as determined by the  
7821 alliance agreement, and the boards of supervisors of the member  
7822 counties may then apportion the sum allowed between school  
7823 district purposes and all other county purposes.

7824 (8) For a project as defined in Section 57-75-5(f)(xxvi),  
7825 the board of supervisors of the county in which the project is  
7826 located may negotiate with the school district in which the  
7827 project is located and apportion to the school district an amount  
7828 of the fee-in-lieu that is agreed upon in the negotiations



7829 different than the amount provided for in subsection (3) of this  
7830 section.

7831 (9) For a project as defined in Section 57-75-5(f) (xxviii),  
7832 the annual amount of the fee-in-lieu apportioned to the county  
7833 shall not be less than the amount necessary to pay the annual debt  
7834 service on bonds issued by the county pursuant to Section  
7835 57-75-37(3) (c) .

7836 (10) Any fee-in-lieu of ad valorem taxes granted under this  
7837 section before the effective date of this act, and consistent  
7838 herewith, is hereby ratified, approved and confirmed.

7839 **SECTION 81.** Section 27-65-17, Mississippi Code of 1972, is  
7840 amended as follows:

7841 27-65-17. (1) (a) Except as otherwise provided in this  
7842 section, upon every person engaging or continuing within this  
7843 state in the business of selling any tangible personal property  
7844 whatsoever there is hereby levied, assessed and shall be collected  
7845 a tax equal to seven percent (7%) of the gross proceeds of the  
7846 retail sales of the business.

7847 (b) Retail sales of farm tractors and parts and labor  
7848 used to maintain and/or repair such tractors shall be taxed at the  
7849 rate of one and one-half percent (1-1/2%) when made to farmers for  
7850 agricultural purposes.

7851 (c) (i) Retail sales of farm implements sold to  
7852 farmers and used directly in the production of poultry, ratite,  
7853 domesticated fish as defined in Section 69-7-501, livestock,



7854 livestock products, agricultural crops or ornamental plant crops  
7855 or used for other agricultural purposes, and parts and labor used  
7856 to maintain and/or repair such implements, shall be taxed at the  
7857 rate of one and one-half percent (1-1/2%) when used on the farm.

7858 (ii) The one and one-half percent (1-1/2%) rate  
7859 shall also apply to all equipment used in logging, pulpwood  
7860 operations or tree farming, and parts and labor used to maintain  
7861 and/or repair such equipment, which is either:

- 7862 1. Self-propelled, or
- 7863 2. Mounted so that it is permanently attached  
7864 to other equipment which is self-propelled or attached to other  
7865 equipment drawn by a vehicle which is self-propelled.

7866 In order to be eligible for the rate of tax provided for in  
7867 this subparagraph (ii), such sales must be made to a professional  
7868 logger. For the purposes of this subparagraph (ii), a  
7869 "professional logger" is a person, corporation, limited liability  
7870 company or other entity, or an agent thereof, who possesses a  
7871 professional logger's permit issued by the Department of Revenue  
7872 and who presents the permit to the seller at the time of purchase.  
7873 The department shall establish an application process for a  
7874 professional logger's permit to be issued, which shall include a  
7875 requirement that the applicant submit a copy of documentation  
7876 verifying that the applicant is certified according to Sustainable  
7877 Forestry Initiative guidelines. Upon a determination that an



7878 applicant is a professional logger, the department shall issue the  
7879 applicant a numbered professional logger's permit.

7880 (d) Except as otherwise provided in subsection (3) of  
7881 this section, retail sales of aircraft, automobiles, trucks,  
7882 truck-tractors, semitrailers and manufactured or mobile homes  
7883 shall be taxed at the rate of three percent (3%).

7884 (e) Sales of manufacturing machinery or manufacturing  
7885 machine parts when made to a manufacturer or custom processor for  
7886 plant use only when the machinery and machine parts will be used  
7887 exclusively and directly within this state in manufacturing a  
7888 commodity for sale, rental or in processing for a fee shall be  
7889 taxed at the rate of one and one-half percent (1-1/2%).

7890 (f) Sales of machinery and machine parts when made to a  
7891 technology intensive enterprise for plant use only when the  
7892 machinery and machine parts will be used exclusively and directly  
7893 within this state for industrial purposes, including, but not  
7894 limited to, manufacturing or research and development activities,  
7895 shall be taxed at the rate of one and one-half percent (1-1/2%).  
7896 In order to be considered a technology intensive enterprise for  
7897 purposes of this paragraph:

7898 (i) The enterprise shall meet minimum criteria  
7899 established by the Mississippi Development Authority;

7900 (ii) The enterprise shall employ at least ten (10)  
7901 persons in full-time jobs;



7902 (iii) At least ten percent (10%) of the workforce  
7903 in the facility operated by the enterprise shall be scientists,  
7904 engineers or computer specialists;

7905 (iv) The enterprise shall manufacture plastics,  
7906 chemicals, automobiles, aircraft, computers or electronics; or  
7907 shall be a research and development facility, a computer design or  
7908 related facility, or a software publishing facility or other  
7909 technology intensive facility or enterprise as determined by the  
7910 Mississippi Development Authority;

7911 (v) The average wage of all workers employed by  
7912 the enterprise at the facility shall be at least one hundred fifty  
7913 percent (150%) of the state average annual wage; and

7914 (vi) The enterprise must provide a basic health  
7915 care plan to all employees at the facility.

7916 A medical cannabis establishment, as defined in the  
7917 Mississippi Medical Cannabis Act, shall not be considered to be a  
7918 technology intensive enterprise for the purposes of this paragraph  
7919 (f).

7920 (g) Sales of materials for use in track and track  
7921 structures to a railroad whose rates are fixed by the Interstate  
7922 Commerce Commission or the Mississippi Public Service Commission  
7923 shall be taxed at the rate of three percent (3%).

7924 (h) Sales of tangible personal property to electric  
7925 power associations for use in the ordinary and necessary operation



7926 of their generating or distribution systems shall be taxed at the  
7927 rate of one percent (1%).

7928 (i) Wholesale sales of beer shall be taxed at the rate  
7929 of seven percent (7%), and the retailer shall file a return and  
7930 compute the retail tax on retail sales but may take credit for the  
7931 amount of the tax paid to the wholesaler on said return covering  
7932 the subsequent sales of same property, provided adequate invoices  
7933 and records are maintained to substantiate the credit.

7934 (j) Wholesale sales of food and drink for human  
7935 consumption to full-service vending machine operators to be sold  
7936 through vending machines located apart from and not connected with  
7937 other taxable businesses shall be taxed at the rate of eight  
7938 percent (8%).

7939 (k) Sales of equipment used or designed for the purpose  
7940 of assisting disabled persons, such as wheelchair equipment and  
7941 lifts, that is mounted or attached to or installed on a private  
7942 carrier of passengers or light carrier of property, as defined in  
7943 Section 27-51-101, at the time when the private carrier of  
7944 passengers or light carrier of property is sold shall be taxed at  
7945 the same rate as the sale of such vehicles under this section.

7946 (l) Sales of the factory-built components of modular  
7947 homes, panelized homes and precut homes, and panel constructed  
7948 homes consisting of structural insulated panels, shall be taxed at  
7949 the rate of three percent (3%).



7950 (m) Sales of materials used in the repair, renovation,  
7951 addition to, expansion and/or improvement of buildings and related  
7952 facilities used by a dairy producer shall be taxed at the rate of  
7953 three and one-half percent (3-1/2%). For the purposes of this  
7954 paragraph (m), "dairy producer" means any person engaged in the  
7955 production of milk for commercial use.

7956 (2) From and after January 1, 1995, retail sales of private  
7957 carriers of passengers and light carriers of property, as defined  
7958 in Section 27-51-101, shall be taxed an additional two percent  
7959 (2%).

7960 (3) A manufacturer selling at retail in this state shall be  
7961 required to make returns of the gross proceeds of such sales and  
7962 pay the tax imposed in this section.

7963 **SECTION 82.** Section 27-65-101, Mississippi Code of 1972, is  
7964 amended as follows:

7965 27-65-101. (1) The exemptions from the provisions of this  
7966 chapter which are of an industrial nature or which are more  
7967 properly classified as industrial exemptions than any other  
7968 exemption classification of this chapter shall be confined to  
7969 those persons or property exempted by this section or by the  
7970 provisions of the Constitution of the United States or the State  
7971 of Mississippi. No industrial exemption as now provided by any  
7972 other section except Section 57-3-33 shall be valid as against the  
7973 tax herein levied. Any subsequent industrial exemption from the  
7974 tax levied hereunder shall be provided by amendment to this





7975 section. No exemption provided in this section shall apply to  
7976 taxes levied by Section 27-65-15 or 27-65-21.

7977 The tax levied by this chapter shall not apply to the  
7978 following:

7979 (a) Sales of boxes, crates, cartons, cans, bottles and  
7980 other packaging materials to manufacturers and wholesalers for use  
7981 as containers or shipping materials to accompany goods sold by  
7982 said manufacturers or wholesalers where possession thereof will  
7983 pass to the customer at the time of sale of the goods contained  
7984 therein and sales to anyone of containers or shipping materials  
7985 for use in ships engaged in international commerce.

7986 (b) Sales of raw materials, catalysts, processing  
7987 chemicals, welding gases or other industrial processing gases  
7988 (except natural gas) to a manufacturer for use directly in  
7989 manufacturing or processing a product for sale or rental or  
7990 repairing or reconditioning vessels or barges of fifty (50) tons  
7991 load displacement and over. For the purposes of this exemption,  
7992 electricity used directly in the electrolysis process in the  
7993 production of sodium chlorate shall be considered a raw material.  
7994 This exemption shall not apply to any property used as fuel except  
7995 to the extent that such fuel comprises by-products which have no  
7996 market value.

7997 (c) The gross proceeds of sales of dry docks, offshore  
7998 drilling equipment for use in oil or natural gas exploration or  
7999 production, vessels or barges of fifty (50) tons load displacement



8000 and over, when the vessels or barges are sold by the manufacturer  
8001 or builder thereof. In addition to other types of equipment,  
8002 offshore drilling equipment for use in oil or natural gas  
8003 exploration or production shall include aircraft used  
8004 predominately to transport passengers or property to or from  
8005 offshore oil or natural gas exploration or production platforms or  
8006 vessels, and engines, accessories and spare parts for such  
8007 aircraft.

8008 (d) Sales to commercial fishermen of commercial fishing  
8009 boats of over five (5) tons load displacement and not more than  
8010 fifty (50) tons load displacement as registered with the United  
8011 States Coast Guard and licensed by the Mississippi Commission on  
8012 Marine Resources.

8013 (e) The gross income from repairs to vessels and barges  
8014 engaged in foreign trade or interstate transportation.

8015 (f) Sales of petroleum products to vessels or barges  
8016 for consumption in marine international commerce or interstate  
8017 transportation businesses.

8018 (g) Sales and rentals of rail rolling stock (and  
8019 component parts thereof) for ultimate use in interstate commerce  
8020 and gross income from services with respect to manufacturing,  
8021 repairing, cleaning, altering, reconditioning or improving such  
8022 rail rolling stock (and component parts thereof).

8023 (h) Sales of raw materials, catalysts, processing  
8024 chemicals, welding gases or other industrial processing gases



8025 (except natural gas) used or consumed directly in manufacturing,  
8026 repairing, cleaning, altering, reconditioning or improving such  
8027 rail rolling stock (and component parts thereof). This exemption  
8028 shall not apply to any property used as fuel.

8029 (i) Sales of machinery or tools or repair parts  
8030 therefor or replacements thereof, fuel or supplies used directly  
8031 in manufacturing, converting or repairing ships, vessels or barges  
8032 of three thousand (3,000) tons load displacement and over, but not  
8033 to include office and plant supplies or other equipment not  
8034 directly used on the ship, vessel or barge being built, converted  
8035 or repaired. For purposes of this exemption, "ships, vessels or  
8036 barges" shall not include floating structures described in Section  
8037 27-65-18.

8038 (j) Sales of tangible personal property to persons  
8039 operating ships in international commerce for use or consumption  
8040 on board such ships. This exemption shall be limited to cases in  
8041 which procedures satisfactory to the commissioner, ensuring  
8042 against use in this state other than on such ships, are  
8043 established.

8044 (k) Sales of materials used in the construction of a  
8045 building, or any addition or improvement thereon, and sales of any  
8046 machinery and equipment not later than three (3) months after the  
8047 completion of construction of the building, or any addition  
8048 thereon, to be used therein, to qualified businesses, as defined  
8049 in Section 57-51-5, which are located in a county or portion



8050 thereof designated as an enterprise zone pursuant to Sections  
8051 57-51-1 through 57-51-15.

8052           (l) Sales of materials used in the construction of a  
8053 building, or any addition or improvement thereon, and sales of any  
8054 machinery and equipment not later than three (3) months after the  
8055 completion of construction of the building, or any addition  
8056 thereon, to be used therein, to qualified businesses, as defined  
8057 in Section 57-54-5.

8058           (m) Income from storage and handling of perishable  
8059 goods by a public storage warehouse.

8060           (n) The value of natural gas lawfully injected into the  
8061 earth for cycling, repressuring or lifting of oil, or lawfully  
8062 vented or flared in connection with the production of oil;  
8063 however, if any gas so injected into the earth is sold for such  
8064 purposes, then the gas so sold shall not be exempt.

8065           (o) The gross collections from self-service commercial  
8066 laundering, drying, cleaning and pressing equipment.

8067           (p) Sales of materials used in the construction of a  
8068 building, or any addition or improvement thereon, and sales of any  
8069 machinery and equipment not later than three (3) months after the  
8070 completion of construction of the building, or any addition  
8071 thereon, to be used therein, to qualified companies, certified as  
8072 such by the Mississippi Development Authority under Section  
8073 57-53-1.



8074 (q) Sales of component materials used in the  
8075 construction of a building, or any addition or improvement  
8076 thereon, sales of machinery and equipment to be used therein, and  
8077 sales of manufacturing or processing machinery and equipment which  
8078 is permanently attached to the ground or to a permanent foundation  
8079 and which is not by its nature intended to be housed within a  
8080 building structure, not later than three (3) months after the  
8081 initial start-up date, to permanent business enterprises engaging  
8082 in manufacturing or processing in Tier Three areas (as such term  
8083 is defined in Section 57-73-21), which businesses are certified by  
8084 the Department of Revenue as being eligible for the exemption  
8085 granted in this paragraph (q). The exemption provided in this  
8086 paragraph (q) shall not apply to sales to any business enterprise  
8087 that is a medical cannabis establishment as defined in the  
8088 Mississippi Medical Cannabis Act.

8089 (r) (i) Sales of component materials used in the  
8090 construction of a building, or any addition or improvement  
8091 thereon, and sales of any machinery and equipment not later than  
8092 three (3) months after the completion of the building, addition or  
8093 improvement thereon, to be used therein, for any company  
8094 establishing or transferring its national or regional headquarters  
8095 from within or outside the State of Mississippi and creating a  
8096 minimum of twenty (20) jobs at the new headquarters in this state.  
8097 The exemption provided in this subparagraph (i) shall not apply to  
8098 sales for any company that is a medical cannabis establishment as



8099 defined in the Mississippi Medical Cannabis Act. The Department  
8100 of Revenue shall establish criteria and prescribe procedures to  
8101 determine if a company qualifies as a national or regional  
8102 headquarters for the purpose of receiving the exemption provided  
8103 in this subparagraph (i).

8104 (ii) Sales of component materials used in the  
8105 construction of a building, or any addition or improvement  
8106 thereon, and sales of any machinery and equipment not later than  
8107 three (3) months after the completion of the building, addition or  
8108 improvement thereon, to be used therein, for any company expanding  
8109 or making additions after January 1, 2013, to its national or  
8110 regional headquarters within the State of Mississippi and creating  
8111 a minimum of twenty (20) new jobs at the headquarters as a result  
8112 of the expansion or additions. The exemption provided in this  
8113 subparagraph (ii) shall not apply to sales for any company that is  
8114 a medical cannabis establishment as defined in the Mississippi  
8115 Medical Cannabis Act. The Department of Revenue shall establish  
8116 criteria and prescribe procedures to determine if a company  
8117 qualifies as a national or regional headquarters for the purpose  
8118 of receiving the exemption provided in this subparagraph (ii).

8119 (s) The gross proceeds from the sale of semitrailers,  
8120 trailers, boats, travel trailers, motorcycles, all-terrain cycles  
8121 and rotary-wing aircraft if exported from this state within  
8122 forty-eight (48) hours and registered and first used in another  
8123 state.



8124 (t) Gross income from the storage and handling of  
8125 natural gas in underground salt domes and in other underground  
8126 reservoirs, caverns, structures and formations suitable for such  
8127 storage.

8128 (u) Sales of machinery and equipment to nonprofit  
8129 organizations if the organization:

8130 (i) Is tax exempt pursuant to Section 501(c)(4) of  
8131 the Internal Revenue Code of 1986, as amended;

8132 (ii) Assists in the implementation of the  
8133 contingency plan or area contingency plan, and which is created in  
8134 response to the requirements of Title IV, Subtitle B of the Oil  
8135 Pollution Act of 1990, Public Law 101-380; and

8136 (iii) Engages primarily in programs to contain,  
8137 clean up and otherwise mitigate spills of oil or other substances  
8138 occurring in the United States coastal and tidal waters.

8139 For purposes of this exemption, "machinery and equipment"  
8140 means any ocean-going vessels, barges, booms, skimmers and other  
8141 capital equipment used primarily in the operations of nonprofit  
8142 organizations referred to herein.

8143 (v) Sales or leases of materials and equipment to  
8144 approved business enterprises as provided under the Growth and  
8145 Prosperity Act.

8146 (w) From and after July 1, 2001, sales of pollution  
8147 control equipment to manufacturers or custom processors for  
8148 industrial use. For the purposes of this exemption, "pollution



8149 control equipment" means equipment, devices, machinery or systems  
8150 used or acquired to prevent, control, monitor or reduce air, water  
8151 or groundwater pollution, or solid or hazardous waste as required  
8152 by federal or state law or regulation.

8153 (x) Sales or leases to a manufacturer of motor vehicles  
8154 or powertrain components operating a project that has been  
8155 certified by the Mississippi Major Economic Impact Authority as a  
8156 project as defined in Section 57-75-5(f)(iv)1, Section  
8157 57-75-5(f)(xxi) or Section 57-75-5(f)(xxii) of machinery and  
8158 equipment; special tooling such as dies, molds, jigs and similar  
8159 items treated as special tooling for federal income tax purposes;  
8160 or repair parts therefor or replacements thereof; repair services  
8161 thereon; fuel, supplies, electricity, coal and natural gas used  
8162 directly in the manufacture of motor vehicles or motor vehicle  
8163 parts or used to provide climate control for manufacturing areas.

8164 (y) Sales or leases of component materials, machinery  
8165 and equipment used in the construction of a building, or any  
8166 addition or improvement thereon to an enterprise operating a  
8167 project that has been certified by the Mississippi Major Economic  
8168 Impact Authority as a project as defined in Section  
8169 57-75-5(f)(iv)1, Section 57-75-5(f)(xxi), Section 57-75-5(f)(xxii)  
8170 or Section 57-75-5(f)(xxviii) and any other sales or leases  
8171 required to establish or operate such project.

8172 (z) Sales of component materials and equipment to a  
8173 business enterprise as provided under Section 57-64-33.





8174           (aa) The gross income from the stripping and painting  
8175 of commercial aircraft engaged in foreign or interstate  
8176 transportation business.

8177           (bb) [Repealed]

8178           (cc) Sales or leases to an enterprise owning or  
8179 operating a project that has been designated by the Mississippi  
8180 Major Economic Impact Authority as a project as defined in Section  
8181 57-75-5(f) (xviii) of machinery and equipment; special tooling such  
8182 as dies, molds, jigs and similar items treated as special tooling  
8183 for federal income tax purposes; or repair parts therefor or  
8184 replacements thereof; repair services thereon; fuel, supplies,  
8185 electricity, coal and natural gas used directly in the  
8186 manufacturing/production operations of the project or used to  
8187 provide climate control for manufacturing/production areas.

8188           (dd) Sales or leases of component materials, machinery  
8189 and equipment used in the construction of a building, or any  
8190 addition or improvement thereon to an enterprise owning or  
8191 operating a project that has been designated by the Mississippi  
8192 Major Economic Impact Authority as a project as defined in Section  
8193 57-75-5(f) (xviii) and any other sales or leases required to  
8194 establish or operate such project.

8195           (ee) Sales of parts used in the repair and servicing of  
8196 aircraft not registered in Mississippi engaged exclusively in the  
8197 business of foreign or interstate transportation to businesses  
8198 engaged in aircraft repair and maintenance.



8199 (ff) Sales of component materials used in the  
8200 construction of a facility, or any addition or improvement  
8201 thereon, and sales or leases of machinery and equipment not later  
8202 than three (3) months after the completion of construction of the  
8203 facility, or any addition or improvement thereto, to be used in  
8204 the building or any addition or improvement thereto, to a  
8205 permanent business enterprise operating a data/information  
8206 enterprise in Tier Three areas (as such areas are designated in  
8207 accordance with Section 57-73-21), meeting minimum criteria  
8208 established by the Mississippi Development Authority. The  
8209 exemption provided in this paragraph (ff) shall not apply to sales  
8210 to any business enterprise that is a medical cannabis  
8211 establishment as defined in the Mississippi Medical Cannabis Act.

8212 (gg) Sales of component materials used in the  
8213 construction of a facility, or any addition or improvement  
8214 thereto, and sales of machinery and equipment not later than three  
8215 (3) months after the completion of construction of the facility,  
8216 or any addition or improvement thereto, to be used in the facility  
8217 or any addition or improvement thereto, to technology intensive  
8218 enterprises for industrial purposes in Tier Three areas (as such  
8219 areas are designated in accordance with Section 57-73-21), as  
8220 certified by the Department of Revenue. For purposes of this  
8221 paragraph, an enterprise must meet the criteria provided for in  
8222 Section 27-65-17(1)(f) in order to be considered a technology  
8223 intensive enterprise.



8224                   (hh) Sales of component materials used in the  
8225 replacement, reconstruction or repair of a building or facility  
8226 that has been destroyed or sustained extensive damage as a result  
8227 of a disaster declared by the Governor, sales of machinery and  
8228 equipment to be used therein to replace machinery or equipment  
8229 damaged or destroyed as a result of such disaster, including, but  
8230 not limited to, manufacturing or processing machinery and  
8231 equipment which is permanently attached to the ground or to a  
8232 permanent foundation and which is not by its nature intended to be  
8233 housed within a building structure, to enterprises or companies  
8234 that were eligible for the exemptions authorized in paragraph (q),  
8235 (r), (ff) or (gg) of this subsection during initial construction  
8236 of the building that was destroyed or damaged, which enterprises  
8237 or companies are certified by the Department of Revenue as being  
8238 eligible for the exemption granted in this paragraph.

8239                   (ii) Sales of software or software services transmitted  
8240 by the Internet to a destination outside the State of Mississippi  
8241 where the first use of such software or software services by the  
8242 purchaser occurs outside the State of Mississippi.

8243                   (jj) Gross income of public storage warehouses derived  
8244 from the temporary storage of raw materials that are to be used in  
8245 an eligible facility as defined in Section 27-7-22.35.

8246                   (kk) Sales of component building materials and  
8247 equipment for initial construction of facilities or expansion of



8248 facilities as authorized under Sections 57-113-1 through 57-113-7  
8249 and Sections 57-113-21 through 57-113-27.

8250 (ll) Sales and leases of machinery and equipment  
8251 acquired in the initial construction to establish facilities as  
8252 authorized in Sections 57-113-1 through 57-113-7.

8253 (mm) Sales and leases of replacement hardware, software  
8254 or other necessary technology to operate a data center as  
8255 authorized under Sections 57-113-21 through 57-113-27.

8256 (nn) Sales of component materials used in the  
8257 construction of a building, or any addition or improvement  
8258 thereon, and sales or leases of machinery and equipment not later  
8259 than three (3) months after the completion of the construction of  
8260 the facility, to be used in the facility, to permanent business  
8261 enterprises operating a facility producing renewable crude oil  
8262 from biomass harvested or produced, in whole or in part, in  
8263 Mississippi, which businesses meet minimum criteria established by  
8264 the Mississippi Development Authority. As used in this paragraph,  
8265 the term "biomass" shall have the meaning ascribed to such term in  
8266 Section 57-113-1.

8267 (oo) Sales of supplies, equipment and other personal  
8268 property to an organization that is exempt from taxation under  
8269 Section 501(c)(3) of the Internal Revenue Code and is the host  
8270 organization coordinating a professional golf tournament played or  
8271 to be played in this state and the supplies, equipment or other



8272 personal property will be used for purposes related to the golf  
8273 tournament and related activities.

8274 (pp) Sales of materials used in the construction of a  
8275 health care industry facility, as defined in Section 57-117-3, or  
8276 any addition or improvement thereon, and sales of any machinery  
8277 and equipment not later than three (3) months after the completion  
8278 of construction of the facility, or any addition thereon, to be  
8279 used therein, to qualified businesses, as defined in Section  
8280 57-117-3. This paragraph shall be repealed from and after July 1,  
8281 2022.

8282 (qq) Sales or leases to a manufacturer of automotive  
8283 parts operating a project that has been certified by the  
8284 Mississippi Major Economic Impact Authority as a project as  
8285 defined in Section 57-75-5(f) (xxviii) of machinery and equipment;  
8286 or repair parts therefor or replacements thereof; repair services  
8287 thereon; fuel, supplies, electricity, coal, nitrogen and natural  
8288 gas used directly in the manufacture of automotive parts or used  
8289 to provide climate control for manufacturing areas.

8290 (rr) Gross collections derived from guided tours on any  
8291 navigable waters of this state, which include providing  
8292 accommodations, guide services and/or related equipment operated  
8293 by or under the direction of the person providing the tour, for  
8294 the purposes of outdoor tourism. The exemption provided in this  
8295 paragraph (rr) does not apply to the sale of tangible personal  
8296 property by a person providing such tours.



8297 (ss) Retail sales of truck-tractors and semitrailers  
8298 used in interstate commerce and registered under the International  
8299 Registration Plan (IRP) or any similar reciprocity agreement or  
8300 compact relating to the proportional registration of commercial  
8301 vehicles entered into as provided for in Section 27-19-143.

8302 (tt) Sales exempt under the Facilitating Business Rapid  
8303 Response to State Declared Disasters Act of 2015 (Sections  
8304 27-113-1 through 27-113-9).

8305 (uu) Sales or leases to an enterprise and its  
8306 affiliates operating a project that has been certified by the  
8307 Mississippi Major Economic Impact Authority as a project as  
8308 defined in Section 57-75-5(f)(xxix) of:

8309 (i) All personal property and fixtures, including  
8310 without limitation, sales or leases to the enterprise and its  
8311 affiliates of:

8312 1. Manufacturing machinery and equipment;

8313 2. Special tooling such as dies, molds, jigs  
8314 and similar items treated as special tooling for federal income  
8315 tax purposes;

8316 3. Component building materials, machinery  
8317 and equipment used in the construction of buildings, and any other  
8318 additions or improvements to the project site for the project;

8319 4. Nonmanufacturing furniture, fixtures and  
8320 equipment (inclusive of all communications, computer, server,  
8321 software and other hardware equipment); and



8322                           5. Fuel, supplies (other than  
8323 nonmanufacturing consumable supplies and water), electricity,  
8324 nitrogen gas and natural gas used directly in the  
8325 manufacturing/production operations of such project or used to  
8326 provide climate control for manufacturing/production areas of such  
8327 project;

8328                           (ii) All replacements of, repair parts for or  
8329 services to repair items described in subparagraph (i)1, 2 and 3  
8330 of this paragraph; and

8331                           (iii) All services taxable pursuant to Section  
8332 27-65-23 required to establish, support, operate, repair and/or  
8333 maintain such project.

8334                           (vv) Sales or leases to an enterprise operating a  
8335 project that has been certified by the Mississippi Major Economic  
8336 Impact Authority as a project as defined in Section  
8337 57-75-5(f) (xxx) of:

8338                           (i) Purchases required to establish and operate  
8339 the project, including, but not limited to, sales of component  
8340 building materials, machinery and equipment required to establish  
8341 the project facility and any additions or improvements thereon;  
8342 and

8343                           (ii) Machinery, special tools (such as dies,  
8344 molds, and jigs) or repair parts thereof, or replacements and  
8345 lease thereof, repair services thereon, fuel, supplies and  
8346 electricity, coal and natural gas used in the manufacturing



8347 process and purchased by the enterprise owning or operating the  
8348 project for the benefit of the project.

8349 (ww) Sales of component materials used in the  
8350 construction of a building, or any expansion or improvement  
8351 thereon, sales of machinery and/or equipment to be used therein,  
8352 and sales of processing machinery and equipment which is  
8353 permanently attached to the ground or to a permanent foundation  
8354 which is not by its nature intended to be housed in a building  
8355 structure, no later than three (3) months after initial startup,  
8356 expansion or improvement of a permanent enterprise solely engaged  
8357 in the conversion of natural sand into proppants used in oil and  
8358 gas exploration and development with at least ninety-five percent  
8359 (95%) of such proppants used in the production of oil and/or gas  
8360 from horizontally drilled wells and/or horizontally drilled  
8361 recompletion wells as defined in Sections 27-25-501 and 27-25-701.

8362 (2) Sales of component materials used in the construction of  
8363 a building, or any addition or improvement thereon, sales of  
8364 machinery and equipment to be used therein, and sales of  
8365 manufacturing or processing machinery and equipment which is  
8366 permanently attached to the ground or to a permanent foundation  
8367 and which is not by its nature intended to be housed within a  
8368 building structure, not later than three (3) months after the  
8369 initial start-up date, to permanent business enterprises engaging  
8370 in manufacturing or processing in Tier Two areas and Tier One  
8371 areas (as such areas are designated in accordance with Section





8372 57-73-21), which businesses are certified by the Department of  
8373 Revenue as being eligible for the exemption granted in this  
8374 subsection, shall be exempt from one-half (1/2) of the taxes  
8375 imposed on such transactions under this chapter. The exemption  
8376 provided in this subsection (2) shall not apply to sales to any  
8377 business enterprise that is a medical cannabis establishment as  
8378 defined in the Mississippi Medical Cannabis Act.

8379 (3) Sales of component materials used in the construction of  
8380 a facility, or any addition or improvement thereon, and sales or  
8381 leases of machinery and equipment not later than three (3) months  
8382 after the completion of construction of the facility, or any  
8383 addition or improvement thereto, to be used in the building or any  
8384 addition or improvement thereto, to a permanent business  
8385 enterprise operating a data/information enterprise in Tier Two  
8386 areas and Tier One areas (as such areas are designated in  
8387 accordance with Section 57-73-21), which businesses meet minimum  
8388 criteria established by the Mississippi Development Authority,  
8389 shall be exempt from one-half (1/2) of the taxes imposed on such  
8390 transaction under this chapter. The exemption provided in this  
8391 subsection (3) shall not apply to sales to any business enterprise  
8392 that is a medical cannabis establishment as defined in the  
8393 Mississippi Medical Cannabis Act.

8394 (4) Sales of component materials used in the construction of  
8395 a facility, or any addition or improvement thereto, and sales of  
8396 machinery and equipment not later than three (3) months after the



8397 completion of construction of the facility, or any addition or  
8398 improvement thereto, to be used in the building or any addition or  
8399 improvement thereto, to technology intensive enterprises for  
8400 industrial purposes in Tier Two areas and Tier One areas (as such  
8401 areas are designated in accordance with Section 57-73-21), which  
8402 businesses are certified by the Department of Revenue as being  
8403 eligible for the exemption granted in this subsection, shall be  
8404 exempt from one-half (1/2) of the taxes imposed on such  
8405 transactions under this chapter. For purposes of this subsection,  
8406 an enterprise must meet the criteria provided for in Section  
8407 27-65-17(1)(f) in order to be considered a technology intensive  
8408 enterprise.

8409 (5) (a) For purposes of this subsection:

8410 (i) "Telecommunications enterprises" shall have  
8411 the meaning ascribed to such term in Section 57-73-21;

8412 (ii) "Tier One areas" mean counties designated as  
8413 Tier One areas pursuant to Section 57-73-21;

8414 (iii) "Tier Two areas" mean counties designated as  
8415 Tier Two areas pursuant to Section 57-73-21;

8416 (iv) "Tier Three areas" mean counties designated  
8417 as Tier Three areas pursuant to Section 57-73-21; and

8418 (v) "Equipment used in the deployment of broadband  
8419 technologies" means any equipment capable of being used for or in  
8420 connection with the transmission of information at a rate, prior  
8421 to taking into account the effects of any signal degradation, that



8422 is not less than three hundred eighty-four (384) kilobits per  
8423 second in at least one (1) direction, including, but not limited  
8424 to, asynchronous transfer mode switches, digital subscriber line  
8425 access multiplexers, routers, servers, multiplexers, fiber optics  
8426 and related equipment.

8427 (b) Sales of equipment to telecommunications  
8428 enterprises after June 30, 2003, and before July 1, 2025, that is  
8429 installed in Tier One areas and used in the deployment of  
8430 broadband technologies shall be exempt from one-half (1/2) of the  
8431 taxes imposed on such transactions under this chapter.

8432 (c) Sales of equipment to telecommunications  
8433 enterprises after June 30, 2003, and before July 1, 2025, that is  
8434 installed in Tier Two and Tier Three areas and used in the  
8435 deployment of broadband technologies shall be exempt from the  
8436 taxes imposed on such transactions under this chapter.

8437 (6) Sales of component materials used in the replacement,  
8438 reconstruction or repair of a building that has been destroyed or  
8439 sustained extensive damage as a result of a disaster declared by  
8440 the Governor, sales of machinery and equipment to be used therein  
8441 to replace machinery or equipment damaged or destroyed as a result  
8442 of such disaster, including, but not limited to, manufacturing or  
8443 processing machinery and equipment which is permanently attached  
8444 to the ground or to a permanent foundation and which is not by its  
8445 nature intended to be housed within a building structure, to  
8446 enterprises that were eligible for the partial exemptions provided



8447 for in subsections (2), (3) and (4) of this section during initial  
8448 construction of the building that was destroyed or damaged, which  
8449 enterprises are certified by the Department of Revenue as being  
8450 eligible for the partial exemption granted in this subsection,  
8451 shall be exempt from one-half (1/2) of the taxes imposed on such  
8452 transactions under this chapter.

8453 **SECTION 83.** Section 37-148-3, Mississippi Code of 1972, is  
8454 amended as follows:

8455 37-148-3. As used in this chapter, the following words and  
8456 phrases have the meanings ascribed in this section unless the  
8457 context clearly indicates otherwise:

8458 (a) "College" means the state institutions of higher  
8459 learning in Mississippi which are accredited by the Southern  
8460 Association of Colleges and Schools.

8461 (b) "Investor" means a natural person, partnership,  
8462 limited liability company, association, corporation, business  
8463 trust or other business entity, not formed for the specific  
8464 purpose of acquiring the rebate offered, which is subject to  
8465 Mississippi income tax. The term "investor" does not include any  
8466 medical cannabis establishment as defined in the Mississippi  
8467 Medical Cannabis Act.

8468 (c) "Qualified research" means the systematic  
8469 investigative process that is undertaken for the purpose of  
8470 discovering information. The term "qualified research" does not  
8471 include research conducted outside the State of Mississippi or



8472 research expenses that are already being funded by any grant,  
8473 contract or otherwise by another person or governmental entity.

8474 (d) "Research agreement" means a written contract,  
8475 grant or cooperative agreement entered into between a person and a  
8476 college or research corporation for the performance of qualified  
8477 research. All qualified research costs generating a SMART  
8478 Business Rebate must be spent by the college or research  
8479 corporation on qualified research undertaken according to a  
8480 research agreement.

8481 (e) "Research corporation" means any research  
8482 corporation formed under Section 37-147-15 if the corporation is  
8483 wholly owned by or affiliated with a college and all income and  
8484 profits of the corporation inure to the benefit of the college.

8485 (f) "Qualified research costs" means costs paid or  
8486 incurred by an investor to a college or research corporation for  
8487 qualified research undertaken according to a research agreement.

8488 (g) "State" means the State of Mississippi or a  
8489 governmental entity of the State of Mississippi.

8490 (h) "IHL" means the Board of Trustees of State  
8491 Institutions of Higher Learning in Mississippi.

8492 (i) "SMART Business" means Strengthening Mississippi  
8493 Academic Research Through Business.

8494 (j) "Applicant" means a college or research corporation  
8495 applying for SMART Business Accelerate Initiative funds to develop  
8496 state-owned intellectual property into products and services.



8497 (k) "Qualified validation expense" includes, but is not  
8498 limited to, services that accelerate the development of early  
8499 product concepts, conducting proof-of-concept studies, and  
8500 manufacturing prototypes to perform research validation.

8501 Qualified validation expense does not include salaries or wages  
8502 associated with a licensee of state-owned intellectual property,  
8503 legal fees or any payment in conflict with state law.

8504 (l) "Research validation" means research intended to  
8505 validate the commercial viability of state-owned intellectual  
8506 property.

8507 (m) "Disbursement" means a grant of funds to support  
8508 research validation.

8509 **SECTION 84.** Section 57-1-16, Mississippi Code of 1972, is  
8510 amended as follows:

8511 57-1-16. (1) As used in this section:

8512 (a) "Extraordinary economic development opportunity"  
8513 means a new or expanded business or industry which maintains a  
8514 strong financial condition and minimal credit risk and creates  
8515 substantial employment, particularly in areas of high  
8516 unemployment. The term "extraordinary economic development  
8517 opportunity" does not include any medical cannabis establishment  
8518 as defined in the Mississippi Medical Cannabis Act.

8519 (b) "Local economic development entities" means state  
8520 institutions of higher learning or public or private nonprofit  
8521 local economic development entities including, but not limited to,



8522 chambers of commerce, local authorities, commissions or other  
8523 entities created by local and private legislation or districts  
8524 created pursuant to Section 19-5-99.

8525 (c) "MDA" means the Mississippi Development Authority.

8526 (2) (a) There is hereby created in the State Treasury a  
8527 special fund to be designated as the ACE Fund, which shall consist  
8528 of money from any public or private source designated for deposit  
8529 into such fund. Unexpended amounts remaining in the fund at the  
8530 end of a fiscal year shall not lapse into the State General Fund,  
8531 and any interest earned on amounts in the fund shall be deposited  
8532 to the credit of the fund. The purpose of the fund shall be to  
8533 assist in maximizing extraordinary economic development  
8534 opportunities related to any new or expanded business or industry  
8535 or to assist a local unit of government as authorized in  
8536 subsection (5) of this section. Such funds may be used to make  
8537 grants to local economic development entities to assist any new or  
8538 expanding business or industry that meets the criteria provided in  
8539 this section when such assistance aids the consummation of a  
8540 project within the State of Mississippi, including any federal  
8541 Indian reservation located within the geographical boundary of  
8542 Mississippi, or to make grants to a local unit of government as  
8543 authorized in subsection (5) of this section.

8544 (b) Monies in the fund which are derived from the  
8545 proceeds of general obligation bonds may be used to reimburse  
8546 reasonable actual and necessary costs incurred by the MDA for the



8547 administration of the various grant, loan and financial incentive  
8548 programs administered by the MDA. An accounting of actual costs  
8549 incurred for which reimbursement is sought shall be maintained by  
8550 the MDA. Reimbursement of reasonable actual and necessary costs  
8551 shall not exceed three percent (3%) of the proceeds of bonds  
8552 issued. Reimbursements made under this subsection shall satisfy  
8553 any applicable federal tax law requirements.

8554 (3) The MDA shall establish a grant program to make grants  
8555 from the ACE Fund created under this section. Local economic  
8556 development entities may apply to the MDA for a grant under this  
8557 section in the manner provided for in subsection (4) of this  
8558 section. Local units of government may apply to the MDA for a  
8559 grant under this section in the manner provided in subsection (5)  
8560 of this section.

8561 (4) (a) Any business or industry desiring assistance from a  
8562 local economic development entity under this section shall submit  
8563 an application to the local economic development entity which  
8564 shall include, at a minimum:

8565 (i) Evidence that the business or industry meets  
8566 the definition of an extraordinary economic development  
8567 opportunity;

8568 (ii) A demonstration that the business or industry  
8569 is at an economic disadvantage by locating the new or expanded  
8570 project in the county;





8571 (iii) A description, including the cost, of the  
8572 requested assistance;

8573 (iv) A description of the purpose for which the  
8574 assistance is requested;

8575 (v) A two-year business plan;

8576 (vi) Financial statements or tax returns for the  
8577 three (3) years immediately prior to the application;

8578 (vii) Credit reports on all persons or entities  
8579 with a twenty percent (20%) or greater interest in the business or  
8580 industry; and

8581 (viii) Any other information required by the MDA.

8582 (b) The MDA shall require that binding commitments be  
8583 entered into requiring that:

8584 (i) The minimum requirements of this section and  
8585 such other requirements as the MDA considers proper shall be met;  
8586 and

8587 (ii) If such requirements are not met, all or a  
8588 portion of the funds provided by this section as determined by the  
8589 MDA shall be repaid.

8590 (c) Upon receipt of the application from a business or  
8591 industry, the local economic development entity may apply to the  
8592 MDA for assistance under this section. Such application must  
8593 contain evidence that the business or industry meets the  
8594 definition of an extraordinary economic development opportunity, a  
8595 demonstration that the business or industry is at an economic



8596 disadvantage by locating the new or expanded project in the  
8597 county, a description, including the cost, of the requested  
8598 assistance, and a statement of what efforts have been made or are  
8599 being made by the business or industry for securing or qualifying  
8600 for other local, state, federal or private funds for the project.

8601 (d) The MDA shall have sole discretion in the awarding  
8602 of ACE funds, provided that the business or industry and the local  
8603 economic development entity have met the statutory requirements of  
8604 this section. However, in making grants under this section, the  
8605 MDA shall attempt to provide for an equitable distribution of such  
8606 grants among each of the congressional districts of this state in  
8607 order to promote economic development across the entire state.

8608 (5) (a) The MDA may make grants to local units of  
8609 government to assist the local unit of government in purchasing  
8610 real property for the benefit of an existing industry that commits  
8611 to maintain a minimum of one thousand three hundred (1,300) jobs  
8612 for a minimum of ten (10) years after the date the grant is made.  
8613 The MDA shall not make grants under this subsection to assist  
8614 local units of government for the benefit of any medical cannabis  
8615 establishment as defined in the Mississippi Medical Cannabis Act.

8616 (b) Any local unit of government seeking a grant  
8617 authorized under this subsection shall apply to MDA. The  
8618 application shall contain such information as the MDA may require.

8619 (c) The MDA shall require that binding commitments be  
8620 entered into requiring that:



8621 (i) The minimum requirements of this subsection  
8622 and such other requirements as the MDA considers proper shall be  
8623 met; and

8624 (ii) If such requirements are not met, all or a  
8625 portion of the funds provided by this section as determined by the  
8626 MDA shall be repaid.

8627 (6) The MDA shall promulgate rules and regulations, in  
8628 accordance with the Mississippi Administrative Procedures Law, for  
8629 the implementation of this section. However, before the  
8630 implementation of any such rules and regulations, they shall be  
8631 submitted to a committee consisting of five (5) members of the  
8632 Senate Finance Committee and five (5) members of the House of  
8633 Representatives Ways and Means Committee, appointed by the  
8634 respective committee chairmen.

8635 **SECTION 85.** Section 57-1-221, Mississippi Code of 1972, is  
8636 amended as follows:

8637 57-1-221. (1) As used in this section:

8638 (a) "Approved business enterprise" means any project  
8639 that:

8640 (i) Locates or expands in this state, including  
8641 any federal Indian reservation located within the geographical  
8642 boundary of this state, and creates a minimum of two hundred fifty  
8643 (250) new, full-time jobs with a total capital investment in the  
8644 state of a minimum of Thirty Million Dollars (\$30,000,000.00) in  
8645 Tier 1 or Tier 2 counties;



8646 (ii) Locates or expands in this state, including  
8647 any federal Indian reservation located within the geographical  
8648 boundary of this state, and creates a minimum of one hundred fifty  
8649 (150) new, full-time jobs with a total capital investment in the  
8650 state of a minimum of Fifteen Million Dollars (\$15,000,000.00) in  
8651 areas federally designated as low-income census tracts;

8652 (iii) Locates or expands in this state, including  
8653 any federal Indian reservation located within the geographical  
8654 boundary of this state, and creates a minimum of one thousand  
8655 (1,000) new, full-time jobs;

8656 (iv) Is a manufacturer of high-end kitchen  
8657 appliances having at least four hundred (400) employees working at  
8658 its Mississippi facilities on January 1, 2015, and with a capital  
8659 investment of at least Five Million Dollars (\$5,000,000.00) made  
8660 after July 1, 2014, through four (4) years after July 1, 2015,  
8661 that expands in this state, including any federal Indian  
8662 reservation located within the geographical boundary of this  
8663 state, and retains a minimum of four hundred (400) jobs; or

8664 (v) Locates or expands in this state, including  
8665 any federal Indian reservation located within the geographical  
8666 boundary of this state, with significant regional impact as  
8667 determined by MDA.

8668 (b) "MDA" means the Mississippi Development Authority.

8669 (c) "Facility related to the project" means and  
8670 includes any of the following, as they may pertain to the project:



8671 (i) Facilities to provide potable and industrial  
8672 water supply systems, sewage and waste disposal systems and water,  
8673 natural gas and electric transmission systems to the site of the  
8674 project;

8675 (ii) Building facilities and equipment necessary  
8676 to operate the facility;

8677 (iii) Rail lines;

8678 (iv) Airports, airfields, air terminals and port  
8679 facilities;

8680 (v) Highways, streets and other roadways; and

8681 (vi) Fire protection facilities, equipment and  
8682 elevated water tanks.

8683 (d) "Project" means any industrial, commercial,  
8684 research and development, warehousing, distribution,  
8685 transportation, processing, mining, United States government or  
8686 tourism enterprise together with all real property required for  
8687 construction, maintenance and operation of the enterprise that is  
8688 approved by the MDA. The term "project" does not include any  
8689 medical cannabis establishment as defined in the Mississippi  
8690 Medical Cannabis Act.

8691 (2) (a) There is created a special fund in the State  
8692 Treasury to be known as the Mississippi Industry Incentive  
8693 Financing Revolving Fund which shall consist of monies from any  
8694 source designated for deposit into the fund. Unexpended amounts  
8695 remaining in the fund at the end of a fiscal year shall not lapse



8696 into the State General Fund, and any interest earned on amounts in  
8697 the fund shall be deposited to the credit of the fund. Except as  
8698 otherwise provided, monies in the fund shall be disbursed by the  
8699 Mississippi Development Authority for the purposes authorized in  
8700 subsection (3) of this section. The Mississippi Development  
8701 Authority shall allocate and disburse Thirty Million Dollars  
8702 (\$30,000,000.00) from the fund as a grant to Mississippi State  
8703 University for the construction, furnishing and equipping of a  
8704 high-performance computing data center that is home to federally  
8705 designated centers of computing excellence. The disbursement of  
8706 such funds shall not be subject to any requirements of this  
8707 section relating to grants and loans made by the Mississippi  
8708 Development Authority under this section. The Mississippi  
8709 Development Authority shall allocate and disburse Three Million  
8710 Dollars (\$3,000,000.00) from the fund as a grant to Delta Health  
8711 System for capital costs related to hospital systems expansion.  
8712 The disbursement of such funds shall not be subject to any  
8713 requirements of this section relating to grants and loans made by  
8714 the Mississippi Development Authority under this section. The  
8715 Mississippi Development Authority shall disburse such funds to  
8716 Delta Health System not later than thirty (30) days after April  
8717 22, 2021.

8718 (b) Monies in the fund that are derived from the  
8719 proceeds of general obligation bonds may be used to reimburse  
8720 reasonable actual and necessary costs incurred by the MDA for the



8721 administration of the various grant, loan and financial incentive  
8722 programs administered by the MDA. An accounting of actual costs  
8723 incurred for which reimbursement is sought shall be maintained by  
8724 the MDA. Reimbursement of reasonable actual and necessary costs  
8725 shall not exceed three percent (3%) of the proceeds of bonds  
8726 issued. Reimbursements made under this subsection shall satisfy  
8727 any applicable federal tax law requirements.

8728 (3) The MDA shall establish a program to make grants or  
8729 loans from the Mississippi Industry Incentive Financing Revolving  
8730 Fund to local governments, including, but not limited to,  
8731 counties, municipalities, industrial development authorities and  
8732 economic development districts, and approved business enterprises  
8733 to construct or otherwise provide facilities related to the  
8734 project. Local governments are authorized to accept grants and  
8735 enter into loans authorized under the program, and to sell, lease  
8736 or otherwise dispose of a project or any property related to the  
8737 project in whole or in part.

8738 (4) (a) Except as otherwise provided in this section, any  
8739 business enterprise or local government desiring a grant or loan  
8740 under this section shall submit an application to the MDA which  
8741 shall include, at a minimum:

8742 (i) Evidence that the business or industry meets  
8743 the definition of an approved business enterprise;

8744 (ii) A description, including the cost, of the  
8745 requested assistance;



8746 (iii) A description of the purpose for which the  
8747 assistance is requested; and

8748 (iv) Any other information required by the MDA.

8749 (b) Except as otherwise provided in this section, the  
8750 MDA shall require that binding commitments be entered into  
8751 requiring that:

8752 (i) The minimum requirements of this section and  
8753 such other requirements as the MDA considers proper shall be met;  
8754 and

8755 (ii) If such requirements are not met, all or a  
8756 portion of the funds provided by this section as determined by the  
8757 MDA shall be repaid.

8758 (c) Upon receipt of the application from a business  
8759 enterprise or local government for a grant or loan under this  
8760 section, the MDA shall determine whether the enterprise meets the  
8761 definition of an approved business enterprise and determine  
8762 whether to provide the assistance requested in the form of a grant  
8763 or a loan.

8764 (d) Except as otherwise provided in subsection (2) (a)  
8765 of this section, the MDA shall have sole discretion in providing  
8766 grants or loans under this section. The terms of a grant or loan  
8767 provided under this section and the manner of repayment of any  
8768 loan shall be within the discretion of the MDA. Repayments of  
8769 loans made under this section shall be deposited to the credit of  
8770 the Mississippi Industry Incentive Financing Revolving Fund until





8771 the uncommitted balance in the fund reaches Fifty Million Dollars  
8772 (\$50,000,000.00). Once the uncommitted balance in the fund  
8773 reaches Fifty Million Dollars (\$50,000,000.00), repayments of  
8774 loans under this section shall be deposited to the credit of Fund  
8775 No. 3951 in the State Treasury to pay debt service on bonds until  
8776 such time as the uncommitted balance in the fund falls below Fifty  
8777 Million Dollars (\$50,000,000.00).

8778 (e) The MDA shall notify the Chairman of the Senate  
8779 Finance Committee and the Chairman of the House Ways and Means  
8780 Committee of the approval of any grant or loan application thirty  
8781 (30) days prior to the disbursement of any monies for the loan or  
8782 grant from the Mississippi Industry Incentive Financing Revolving  
8783 Fund. The notification shall identify the applicant and the  
8784 purposes for which the loan or grant is made.

8785 (5) (a) Contracts, by local governments, including, but not  
8786 limited to, design and construction contracts, for the  
8787 acquisition, purchase, construction or installation of a project  
8788 shall be exempt from the provisions of Section 31-7-13 if:

8789 (i) The MDA finds and records such finding on its  
8790 minutes, that because of availability or the particular nature of  
8791 a project, it would not be in the public interest or would less  
8792 effectively achieve the purposes of this section to enter into  
8793 such contracts on the basis of Section 31-7-13; and

8794 (ii) The approved business enterprise that is  
8795 involved in the project concurs in such finding.



8796 (b) When the requirements of paragraph (a) of this  
8797 subsection are met:

8798 (i) The requirements of Section 31-7-13 shall not  
8799 apply to such contracts; and

8800 (ii) The contracts may be entered into on the  
8801 basis of negotiation.

8802 (6) It is the policy of the MDA and the MDA is authorized to  
8803 accommodate and support any enterprise that receives a loan under  
8804 this section for a project defined in Section 17-25-23 that wishes  
8805 to have a program of diversity in contracting, and/or that wishes  
8806 to do business with or cause its prime contractor to do business  
8807 with Mississippi companies, including those companies that are  
8808 small business concerns owned and controlled by socially and  
8809 economically disadvantaged individuals. The term "socially and  
8810 economically disadvantaged individuals" shall have the meaning  
8811 ascribed to such term under Section 8(d) of the Small Business Act  
8812 (15 USCS 637(d)) and relevant subcontracting regulations  
8813 promulgated pursuant thereto; except that women shall be presumed  
8814 to be socially and economically disadvantaged individuals for the  
8815 purposes of this subsection.

8816 (7) The MDA shall promulgate rules and regulations, in  
8817 accordance with the Mississippi Administrative Procedures Law, for  
8818 the implementation of this section.

8819 **SECTION 86.** Section 57-10-401, Mississippi Code of 1972, is  
8820 amended as follows:



8821           **[In cases involving an economic development project for which**  
8822 **the Mississippi Business Finance Corporation has issued bonds for**  
8823 **the purpose of financing the approved costs of such project prior**  
8824 **to July 1, 1994, this section shall read as follows:]**

8825           57-10-401. As used in Sections 57-10-401 through 57-10-445,  
8826 the following terms shall have the meanings ascribed to them  
8827 herein unless the context clearly indicates otherwise:

8828                   (a) "Approved company" means any eligible company  
8829 seeking to locate an economic development project in a county,  
8830 which eligible company is approved by the corporation.

8831                   (b) "Approved costs" means:

8832                           (i) Obligations incurred for equipment and labor  
8833 and to contractors, subcontractors, builders and materialmen in  
8834 connection with the acquisition, construction and installation of  
8835 an economic development project;

8836                           (ii) The cost of acquiring land or rights in land  
8837 and any cost incidental thereto, including recording fees;

8838                           (iii) The cost of contract bonds and of insurance  
8839 of all kinds that may be required or necessary during the course  
8840 of acquisition, construction and installation of an economic  
8841 development project which is not paid by the contractor or  
8842 contractors or otherwise provided for;

8843                           (iv) All costs of architectural and engineering  
8844 services, including test borings, surveys, estimates, plans and  
8845 specifications, preliminary investigations, and supervision of



8846 construction, as well as for the performance of all the duties  
8847 required by or consequent upon the acquisition, construction and  
8848 installation of an economic development project;

8849 (v) All costs which shall be required to be paid  
8850 under the terms of any contract or contracts for the acquisition,  
8851 construction and installation of an economic development project;

8852 (vi) All costs, expenses and fees incurred in  
8853 connection with the issuance of bonds pursuant to Sections  
8854 57-10-401 through 57-10-445;

8855 (vii) All costs funded by a loan made under the  
8856 Mississippi Small Enterprise Development Finance Act; and

8857 (viii) All costs of professionals permitted to be  
8858 engaged under the Mississippi Small Enterprise Development Finance  
8859 Act for a loan made under such act.

8860 (c) "Assessment" means the job development assessment  
8861 fee authorized in Section 57-10-413.

8862 (d) "Bonds" means the revenue bonds, notes or other  
8863 debt obligations of the corporation authorized to be issued by the  
8864 corporation on behalf of an eligible company or other state  
8865 agency.

8866 (e) "Corporation" means the Mississippi Business  
8867 Finance Corporation created under Section 57-10-167, Mississippi  
8868 Code of 1972.

8869 (f) "Economic development project" means and includes  
8870 the acquisition of any equipment or real estate in a county and



8871 the construction and installation thereon, and with respect  
8872 thereto, of improvements and facilities necessary or desirable for  
8873 improvement of the real estate, including surveys, site tests and  
8874 inspections, subsurface site work, excavation, removal of  
8875 structures, roadways, cemeteries and other surface obstructions,  
8876 filling, grading and provision of drainage, storm water detention,  
8877 installation of utilities such as water, sewer, sewage treatment,  
8878 gas, electricity, communications and similar facilities, off-site  
8879 construction of utility extensions to the boundaries of the real  
8880 estate, and the acquisition, construction and installation of  
8881 manufacturing, telecommunications, data processing, distribution  
8882 or warehouse facilities on the real estate, for lease or financial  
8883 arrangement by the corporation to an approved company for use and  
8884 occupancy by the approved company or its affiliates for  
8885 manufacturing, telecommunications, data processing, distribution  
8886 or warehouse purposes. Such term also includes, without  
8887 limitation, any project the financing of which has been approved  
8888 under the Mississippi Small Enterprise Development Finance Act.  
8889 From and after January 1, 2014, such term also includes the  
8890 economic development project of a related approved company that is  
8891 merged into or consolidated with another approved company where  
8892 the approved companies are engaged in a vertically integrated  
8893 manufacturing or warehouse operation.



8894 (g) "Eligible company" means any corporation,  
8895 partnership, sole proprietorship, business trust, or other entity  
8896 which is:

8897 (i) Engaged in manufacturing which meets the  
8898 standards promulgated by the corporation under Sections 57-10-401  
8899 through 57-10-445;

8900 (ii) A private company approved by the corporation  
8901 for a loan under the Mississippi Small Enterprise Development  
8902 Finance Act;

8903 (iii) A distribution or warehouse facility  
8904 employing a minimum of fifty (50) people or employing a minimum of  
8905 twenty (20) people and having a capital investment in such  
8906 facility of at least Five Million Dollars (\$5,000,000.00); or

8907 (iv) A telecommunications or data processing  
8908 business.

8909 (h) "Executive director" means the Executive Director  
8910 of the Mississippi Business Finance Corporation.

8911 (i) "Financing agreement" means any financing documents  
8912 and agreements, indentures, loan agreements, lease agreements,  
8913 security agreements and the like, entered into by and among the  
8914 corporation, private lenders and an approved company with respect  
8915 to an economic development project.

8916 (j) "Manufacturing" means any activity involving the  
8917 manufacturing, processing, assembling or production of any  
8918 property, including the processing resulting in a change in the



8919 conditions of the property and any activity functionally related  
8920 thereto, together with the storage, warehousing, distribution and  
8921 related office facilities in respect thereof as determined by the  
8922 Mississippi Business Finance Corporation; however, in no event  
8923 shall "manufacturing" include mining, coal or mineral processing,  
8924 or extraction of Mississippi minerals.

8925 (k) "State agency" means any state board, commission,  
8926 committee, council, university, department or unit thereof created  
8927 by the Constitution or laws of this state.

8928 (l) "Revenues" shall not be considered state funds.

8929 (m) "State" means the State of Mississippi.

8930 (n) "Mississippi Small Enterprise Development Finance  
8931 Act" means the provisions of law contained in Section 57-71-1 et  
8932 seq.

8933 **[In cases involving an economic development project for which**  
8934 **the Mississippi Business Finance Corporation has not issued bonds**  
8935 **for the purpose of financing the approved costs of such project**  
8936 **prior to July 1, 1994, this section shall read as follows:]**

8937 57-10-401. As used in Sections 57-10-401 through 57-10-445,  
8938 the following terms shall have the meanings ascribed to them  
8939 herein unless the context clearly indicates otherwise:

8940 (a) "Approved company" means any eligible company  
8941 seeking to locate an economic development project in a county,  
8942 which eligible company is approved by the corporation.

8943 (b) "Approved costs" means:



8944 (i) Obligations incurred for equipment and labor  
8945 and to contractors, subcontractors, builders and materialmen in  
8946 connection with the acquisition, construction and installation of  
8947 an economic development project;

8948 (ii) The cost of acquiring land or rights in land  
8949 and any cost incidental thereto, including recording fees;

8950 (iii) The cost of contract bonds and of insurance  
8951 of all kinds that may be required or necessary during the course  
8952 of acquisition, construction and installation of an economic  
8953 development project which is not paid by the contractor or  
8954 contractors or otherwise provided for;

8955 (iv) All costs of architectural and engineering  
8956 services, including test borings, surveys, estimates, plans and  
8957 specifications, preliminary investigations, and supervision of  
8958 construction, as well as for the performance of all the duties  
8959 required by or consequent upon the acquisition, construction and  
8960 installation of an economic development project;

8961 (v) All costs which shall be required to be paid  
8962 under the terms of any contract or contracts for the acquisition,  
8963 construction and installation of an economic development project;

8964 (vi) All costs, expenses and fees incurred in  
8965 connection with the issuance of bonds pursuant to Sections  
8966 57-10-401 through 57-10-445;

8967 (vii) All costs funded by a loan made under the  
8968 Mississippi Small Enterprise Development Finance Act; and





8969 (viii) All costs of professionals permitted to be  
8970 engaged under the Mississippi Small Enterprise Development Finance  
8971 Act for a loan made under such act.

8972 (c) "Assessment" means the job development assessment  
8973 fee authorized in Section 57-10-413.

8974 (d) "Bonds" means the revenue bonds, notes or other  
8975 debt obligations of the corporation authorized to be issued by the  
8976 corporation on behalf of an eligible company or other state  
8977 agency.

8978 (e) "Corporation" means the Mississippi Business  
8979 Finance Corporation created under Section 57-10-167, Mississippi  
8980 Code of 1972.

8981 (f) "Economic development project" means and includes  
8982 the acquisition of any equipment or real estate in a county and  
8983 the construction and installation thereon, and with respect  
8984 thereto, of improvements and facilities necessary or desirable for  
8985 improvement of the real estate, including surveys, site tests and  
8986 inspections, subsurface site work, excavation, removal of  
8987 structures, roadways, cemeteries and other surface obstructions,  
8988 filling, grading and provision of drainage, storm water detention,  
8989 installation of utilities such as water, sewer, sewage treatment,  
8990 gas, electricity, communications and similar facilities, off-site  
8991 construction of utility extensions to the boundaries of the real  
8992 estate, and the acquisition, construction and installation of  
8993 manufacturing, telecommunications, data processing, distribution



8994 or warehouse facilities on the real estate, for lease or financial  
8995 arrangement by the corporation to an approved company for use and  
8996 occupancy by the approved company or its affiliates for  
8997 manufacturing, telecommunications, data processing, distribution  
8998 or warehouse purposes. Such term also includes, without  
8999 limitation, any project the financing of which has been approved  
9000 under the Mississippi Small Enterprise Development Finance Act.

9001 If an eligible company closes a facility in this state and  
9002 becomes an approved company under the provisions of Sections  
9003 57-10-401 through 57-10-449, only that portion of the project for  
9004 which such company is attempting to obtain financing that is in  
9005 excess of the value of the closed facility shall be included  
9006 within the definition of the term "economic development project."  
9007 The Mississippi Business Finance Corporation shall promulgate  
9008 rules and regulations to govern the determination of the  
9009 difference between the value of the closed facility and the new  
9010 facility.

9011 (g) "Eligible company" means any corporation,  
9012 partnership, sole proprietorship, business trust, or other entity  
9013 which:

9014 (i) Engaged in manufacturing which meets the  
9015 standards promulgated by the corporation under Sections 57-10-401  
9016 through 57-10-445;



9017 (ii) A private company approved by the corporation  
9018 for a loan under the Mississippi Small Enterprise Development  
9019 Finance Act;

9020 (iii) A distribution or warehouse facility  
9021 employing a minimum of fifty (50) people or employing a minimum of  
9022 twenty (20) people and having a capital investment in such  
9023 facility of at least Five Million Dollars (\$5,000,000.00);

9024 (iv) A telecommunications or data/information  
9025 processing business meeting criteria established by the  
9026 Mississippi Business Finance Corporation;

9027 (v) National or regional headquarters meeting  
9028 criteria established by the Mississippi Business Finance  
9029 Corporation;

9030 (vi) Research and development facilities meeting  
9031 criteria established by the Mississippi Business Finance  
9032 Corporation; or

9033 (vii) Technology intensive enterprises or  
9034 facilities meeting criteria established by the Mississippi  
9035 Business Finance Corporation.

9036 The term "eligible company" does not include any medical  
9037 cannabis establishment as defined in the Mississippi Medical  
9038 Cannabis Act.

9039 (h) "Executive director" means the Executive Director  
9040 of the Mississippi Business Finance Corporation.



9041           (i) "Financing agreement" means any financing documents  
9042 and agreements, indentures, loan agreements, lease agreements,  
9043 security agreements and the like, entered into by and among the  
9044 corporation, private lenders and an approved company with respect  
9045 to an economic development project.

9046           (j) "Manufacturing" means any activity involving the  
9047 manufacturing, processing, assembling or production of any  
9048 property, including the processing resulting in a change in the  
9049 conditions of the property and any activity functionally related  
9050 thereto, together with the storage, warehousing, distribution and  
9051 related office facilities in respect thereof as determined by the  
9052 Mississippi Business Finance Corporation; however, in no event  
9053 shall "manufacturing" include mining, coal or mineral processing,  
9054 or extraction of Mississippi minerals.

9055           (k) "State agency" means any state board, commission,  
9056 committee, council, university, department or unit thereof created  
9057 by the Constitution or laws of this state.

9058           (l) "Revenues" shall not be considered state funds.

9059           (m) "State" means the State of Mississippi.

9060           (n) "Mississippi Small Enterprise Development Finance  
9061 Act" means the provisions of law contained in Section 57-71-1 et  
9062 seq.

9063           **SECTION 87.** Section 57-61-5, Mississippi Code of 1972, is  
9064 amended as follows:



9065           57-61-5. The following words and phrases when used in this  
9066 chapter shall have the meanings given to them in this section  
9067 unless the context clearly indicates otherwise:

9068           (a) "Department" means the Mississippi \* \* \*  
9069 Development Authority.

9070           (b) "Board" means the Mississippi \* \* \* Development  
9071 Authority operating through its executive director.

9072           (c) "Improvements" means the construction,  
9073 rehabilitation or repair of drainage systems; energy facilities  
9074 (power generation and distribution); fire safety facilities  
9075 (excluding vehicles); sewer systems (pipe treatment);  
9076 transportation directly affecting the site of the proposed  
9077 investment, including roads, sidewalks, bridges, rail, port,  
9078 river, airport or pipeline (excluding vehicles); bulkheads;  
9079 buildings; and facilities necessary to accommodate a United States  
9080 Navy home port; and means land reclamation; waste disposal; water  
9081 supply (storage, treatment and distribution); land acquisition;  
9082 and the dredging of channels and basins.

9083           (d) "Municipality" means any county or any incorporated  
9084 city, or town, acting individually or jointly, or any agency of  
9085 the State of Mississippi operating a state-owned port.

9086           (e) "Private company" means any agricultural,  
9087 aquacultural, maricultural, industrial, manufacturing, service,  
9088 tourism, or research and development enterprise or enterprises.  
9089 The term "private company" shall not include any retail trade



9090 enterprise except regional shopping malls having a minimum capital  
9091 investment of One Hundred Million Dollars (\$100,000,000.00). The  
9092 term "private company" shall not include any medical cannabis  
9093 establishment as defined in the Mississippi Medical Cannabis Act.  
9094 No more than fifteen percent (15%) of the aggregate funds made  
9095 available under this chapter shall be used to fund aquacultural,  
9096 maricultural and tourism enterprises. The funds made available to  
9097 tourism enterprises under this chapter shall be limited to  
9098 infrastructure improvements and to the acquisition of land and  
9099 shall not be made available to fund tourism promotions or to fund  
9100 the construction, improvement or acquisition of hotels and/or  
9101 motels or to finance or refinance any obligations of hotels and/or  
9102 motels.

9103 (f) "Governmental unit" means a department or  
9104 subsidiary of the United States government, or an agency of the  
9105 State of Mississippi operating a state-owned port.

9106 (g) "Private match" means any new private investment by  
9107 the private company and/or governmental unit in land, buildings,  
9108 depreciable fixed assets, and improvements of the project used to  
9109 match improvements funded under this chapter. The term "private  
9110 match" includes improvements made prior to the effective date of  
9111 this chapter [Laws, 1986, Chapter 419, effective March 31, 1986]  
9112 pursuant to contracts entered into contingent upon assistance  
9113 being made available under this chapter.



9114 (h) "Publicly owned property" means property which is  
9115 owned by the local, state or United States government and is not  
9116 under the control of a private company.

9117 (i) "Director" means the Executive Director of  
9118 the \* \* \* Mississippi Development Authority.

9119 (j) "Small community" means a county with a population  
9120 of twenty-five thousand (25,000) or less; or a municipality with a  
9121 population of ten thousand (10,000) or less and any area within  
9122 five (5) miles of the limits of such municipality, according to  
9123 the most recent federal decennial census.

9124 (k) "Strategic investment" means an investment by the  
9125 private and public sectors that will have a major impact on job  
9126 creation and maintenance in the state of no less than one hundred  
9127 fifty (150) jobs, that will have a major impact on enlargement and  
9128 enhancement of international and foreign trade and commerce to and  
9129 from the State of Mississippi, or which is considered to be unique  
9130 to the state and have statewide or regional impact as determined  
9131 by the department.

9132 (l) "Seller" means the State Bond Commission or the  
9133 State Development Bank.

9134 **SECTION 88.** Section 57-62-5, Mississippi Code of 1972, is  
9135 amended as follows:

9136 **[For businesses or industries that received or applied for**  
9137 **incentive payments prior to July 1, 2005, this section shall read**  
9138 **as follows:]**



9139           57-62-5. As used in this chapter, the following words and  
9140 phrases shall have the meanings ascribed in this section unless  
9141 the context clearly indicates otherwise:

9142           (a) "Qualified business or industry" means any  
9143 corporation, limited liability company, partnership, sole  
9144 proprietorship, business trust or other legal entity and subunits  
9145 or affiliates thereof, pursuant to rules and regulations of the  
9146 MDA, which provides an average annual salary, excluding benefits  
9147 which are not subject to Mississippi income taxes, of at least one  
9148 hundred twenty-five percent (125%) of the most recently published  
9149 state average annual wage or the most recently published average  
9150 annual wage of the county in which the qualified business or  
9151 industry is located as determined by the Mississippi Department of  
9152 Employment Security, whichever is the lesser. An establishment  
9153 shall not be considered to be a qualified business or industry  
9154 unless it offers, or will offer within one hundred eighty (180)  
9155 days of the date it receives the first incentive payment pursuant  
9156 to the provisions of this chapter, a basic health benefits plan to  
9157 the individuals it employs in new direct jobs in this state which  
9158 is approved by the MDA. Qualified business or industry does not  
9159 include retail business or gaming business;

9160           (b) "New direct job" means full-time employment in this  
9161 state in a qualified business or industry that has qualified to  
9162 receive an incentive payment pursuant to this chapter, which  
9163 employment did not exist in this state before the date of approval





9164 by the MDA of the application of the qualified business or  
9165 industry pursuant to the provisions of this chapter. "New direct  
9166 job" shall include full-time employment in this state of employees  
9167 who are employed by an entity other than the establishment that  
9168 has qualified to receive an incentive payment and who are leased  
9169 to the qualified business or industry, if such employment did not  
9170 exist in this state before the date of approval by the MDA of the  
9171 application of the establishment;

9172 (c) "Full-time job" means a job of at least thirty-five  
9173 (35) hours per week;

9174 (d) "Estimated direct state benefits" means the tax  
9175 revenues projected by the MDA to accrue to the state as a result  
9176 of the qualified business or industry;

9177 (e) "Estimated direct state costs" means the costs  
9178 projected by the MDA to accrue to the state as a result of the  
9179 qualified business or industry;

9180 (f) "Estimated net direct state benefits" means the  
9181 estimated direct state benefits less the estimated direct state  
9182 costs;

9183 (g) "Net benefit rate" means the estimated net direct  
9184 state benefits computed as a percentage of gross payroll, provided  
9185 that:

9186 (i) Except as otherwise provided in this paragraph  
9187 (g), the net benefit rate may be variable and shall not exceed



9188 four percent (4%) of the gross payroll; and shall be set in the  
9189 sole discretion of the MDA;

9190 (ii) In no event shall incentive payments,  
9191 cumulatively, exceed the estimated net direct state benefits;

9192 (h) "Gross payroll" means wages for new direct jobs of  
9193 the qualified business or industry; and

9194 (i) "MDA" means the Mississippi Development Authority.

9195 **[For businesses or industries that received or applied for**  
9196 **incentive payments from and after July 1, 2005, but prior to July**  
9197 **1, 2010, this section shall read as follows:]**

9198 57-62-5. As used in this chapter, the following words and  
9199 phrases shall have the meanings ascribed in this section unless  
9200 the context clearly indicates otherwise:

9201 (a) "Qualified business or industry" means any  
9202 corporation, limited liability company, partnership, sole  
9203 proprietorship, business trust or other legal entity and subunits  
9204 or affiliates thereof, pursuant to rules and regulations of the  
9205 MDA, which:

9206 (i) Is a data/information processing enterprise  
9207 meeting minimum criteria established by the MDA that provides an  
9208 average annual salary, excluding benefits which are not subject to  
9209 Mississippi income taxes, of at least one hundred percent (100%)  
9210 of the most recently published state average annual wage or the  
9211 most recently published average annual wage of the county in which  
9212 the qualified business or industry is located as determined by the



9213 Mississippi Department of Employment Security, whichever is the  
9214 lesser, and creates not less than two hundred (200) new direct  
9215 jobs if the enterprise is located in a Tier One or Tier Two area  
9216 (as such areas are designated in accordance with Section  
9217 57-73-21), or which creates not less than one hundred (100) new  
9218 jobs if the enterprise is located in a Tier Three area (as such  
9219 areas are designated in accordance with Section 57-73-21);

9220                   (ii) Is a manufacturing or distribution enterprise  
9221 meeting minimum criteria established by the MDA that provides an  
9222 average annual salary, excluding benefits which are not subject to  
9223 Mississippi income taxes, of at least one hundred ten percent  
9224 (110%) of the most recently published state average annual wage or  
9225 the most recently published average annual wage of the county in  
9226 which the qualified business or industry is located as determined  
9227 by the Mississippi Department of Employment Security, whichever is  
9228 the lesser, invests not less than Twenty Million Dollars  
9229 (\$20,000,000.00) in land, buildings and equipment, and creates not  
9230 less than fifty (50) new direct jobs if the enterprise is located  
9231 in a Tier One or Tier Two area (as such areas are designated in  
9232 accordance with Section 57-73-21), or which creates not less than  
9233 twenty (20) new jobs if the enterprise is located in a Tier Three  
9234 area (as such areas are designated in accordance with Section  
9235 57-73-21);

9236                   (iii) Is a corporation, limited liability company,  
9237 partnership, sole proprietorship, business trust or other legal



9238 entity and subunits or affiliates thereof, pursuant to rules and  
9239 regulations of the MDA, which provides an average annual salary,  
9240 excluding benefits which are not subject to Mississippi income  
9241 taxes, of at least one hundred twenty-five percent (125%) of the  
9242 most recently published state average annual wage or the most  
9243 recently published average annual wage of the county in which the  
9244 qualified business or industry is located as determined by the  
9245 Mississippi Department of Employment Security, whichever is the  
9246 lesser, and creates not less than twenty-five (25) new direct jobs  
9247 if the enterprise is located in a Tier One or Tier Two area (as  
9248 such areas are designated in accordance with Section 57-73-21), or  
9249 which creates not less than ten (10) new jobs if the enterprise is  
9250 located in a Tier Three area (as such areas are designated in  
9251 accordance with Section 57-73-21). An establishment shall not be  
9252 considered to be a qualified business or industry unless it  
9253 offers, or will offer within one hundred eighty (180) days of the  
9254 date it receives the first incentive payment pursuant to the  
9255 provisions of this chapter, a basic health benefits plan to the  
9256 individuals it employs in new direct jobs in this state which is  
9257 approved by the MDA. Qualified business or industry does not  
9258 include retail business or gaming business; or

9259 (iv) Is a research and development or a technology  
9260 intensive enterprise meeting minimum criteria established by the  
9261 MDA that provides an average annual salary, excluding benefits  
9262 which are not subject to Mississippi income taxes, of at least one



9263 hundred fifty percent (150%) of the most recently published state  
9264 average annual wage or the most recently published average annual  
9265 wage of the county in which the qualified business or industry is  
9266 located as determined by the Mississippi Department of Employment  
9267 Security, whichever is the lesser, and creates not less than ten  
9268 (10) new direct jobs.

9269 An establishment shall not be considered to be a qualified  
9270 business or industry unless it offers, or will offer within one  
9271 hundred eighty (180) days of the date it receives the first  
9272 incentive payment pursuant to the provisions of this chapter, a  
9273 basic health benefits plan to the individuals it employs in new  
9274 direct jobs in this state which is approved by the MDA. Qualified  
9275 business or industry does not include retail business or gaming  
9276 business.

9277 (b) "New direct job" means full-time employment in this  
9278 state in a qualified business or industry that has qualified to  
9279 receive an incentive payment pursuant to this chapter, which  
9280 employment did not exist in this state before the date of approval  
9281 by the MDA of the application of the qualified business or  
9282 industry pursuant to the provisions of this chapter. "New direct  
9283 job" shall include full-time employment in this state of employees  
9284 who are employed by an entity other than the establishment that  
9285 has qualified to receive an incentive payment and who are leased  
9286 to the qualified business or industry, if such employment did not



9287 exist in this state before the date of approval by the MDA of the  
9288 application of the establishment.

9289 (c) "Full-time job" or "full-time employment" means a  
9290 job of at least thirty-five (35) hours per week.

9291 (d) "Estimated direct state benefits" means the tax  
9292 revenues projected by the MDA to accrue to the state as a result  
9293 of the qualified business or industry.

9294 (e) "Estimated direct state costs" means the costs  
9295 projected by the MDA to accrue to the state as a result of the  
9296 qualified business or industry.

9297 (f) "Estimated net direct state benefits" means the  
9298 estimated direct state benefits less the estimated direct state  
9299 costs.

9300 (g) "Net benefit rate" means the estimated net direct  
9301 state benefits computed as a percentage of gross payroll, provided  
9302 that:

9303 (i) Except as otherwise provided in this paragraph  
9304 (g), the net benefit rate may be variable and shall not exceed  
9305 four percent (4%) of the gross payroll; and shall be set in the  
9306 sole discretion of the MDA;

9307 (ii) In no event shall incentive payments,  
9308 cumulatively, exceed the estimated net direct state benefits.

9309 (h) "Gross payroll" means wages for new direct jobs of  
9310 the qualified business or industry.

9311 (i) "MDA" means the Mississippi Development Authority.



9312           **[For businesses or industries that apply for incentive**  
9313 **payments from and after July 1, 2010, this section shall read as**  
9314 **follows:]**

9315           57-62-5. As used in this chapter, the following words and  
9316 phrases shall have the meanings ascribed in this section unless  
9317 the context clearly indicates otherwise:

9318           (a) "Qualified business or industry" means any  
9319 corporation, limited liability company, partnership, sole  
9320 proprietorship, business trust or other legal entity and subunits  
9321 or affiliates thereof, pursuant to rules and regulations of the  
9322 MDA, which:

9323                   (i) Is a data/information processing enterprise  
9324 meeting minimum criteria established by the MDA that provides an  
9325 average annual salary, excluding benefits which are not subject to  
9326 Mississippi income taxes, of at least one hundred percent (100%)  
9327 of the most recently published state average annual wage or the  
9328 most recently published average annual wage of the county in which  
9329 the qualified business or industry is located as determined by the  
9330 Mississippi Department of Employment Security, whichever is the  
9331 lesser, and creates not less than two hundred (200) new direct  
9332 jobs;

9333                   (ii) Is a corporation, limited liability company,  
9334 partnership, sole proprietorship, business trust or other legal  
9335 entity and subunits or affiliates thereof, pursuant to rules and  
9336 regulations of the MDA, which provides an average annual salary,



9337 excluding benefits which are not subject to Mississippi income  
9338 taxes, of at least one hundred ten percent (110%) of the most  
9339 recently published state average annual wage or the most recently  
9340 published average annual wage of the county in which the qualified  
9341 business or industry is located as determined by the Mississippi  
9342 Department of Employment Security, whichever is the lesser, and  
9343 creates not less than twenty-five (25) new direct jobs; or

9344 (iii) Is a corporation, limited liability company,  
9345 partnership, sole proprietorship, business trust or other legal  
9346 entity and subunits or affiliates thereof, pursuant to rules and  
9347 regulations of the MDA, which is a manufacturer that:

9348 1. Provides an average annual salary,  
9349 excluding benefits which are not subject to Mississippi income  
9350 taxes, of at least one hundred ten percent (110%) of the most  
9351 recently published state average annual wage or the most recently  
9352 published average annual wage of the county in which the qualified  
9353 business or industry is located as determined by the Mississippi  
9354 Department of Employment Security, whichever is the lesser;

9355 2. Has a minimum of five thousand (5,000)  
9356 existing employees as of the last day of the previous calendar  
9357 year; and

9358 3. MDA determines will create not less than  
9359 three thousand (3,000) new direct jobs within forty-eight (48)  
9360 months of the date the MDA determines that the applicant is  
9361 qualified to receive incentive payments.





9362           An establishment shall not be considered to be a qualified  
9363 business or industry unless it offers, or will offer within one  
9364 hundred eighty (180) days of the date it receives the first  
9365 incentive payment pursuant to the provisions of this chapter, a  
9366 basic health benefits plan to the individuals it employs in new  
9367 direct jobs in this state which is approved by the MDA. Qualified  
9368 business or industry does not include retail business or gaming  
9369 business, or any medical cannabis establishment as defined in the  
9370 Mississippi Medical Cannabis Act.

9371           (b) "New direct job" means full-time employment in this  
9372 state in a qualified business or industry that has qualified to  
9373 receive an incentive payment pursuant to this chapter, which  
9374 employment did not exist in this state:

9375           (i) Before the date of approval by the MDA of the  
9376 application of the qualified business or industry pursuant to the  
9377 provisions of this chapter; or

9378           (ii) Solely with respect to any farm equipment  
9379 manufacturer that locates its North American headquarters to  
9380 Mississippi between January 1, 2018, and December 31, 2020, before  
9381 a specific date determined by the MDA that falls on or after the  
9382 date that the MDA first issues to such farm equipment manufacturer  
9383 one or more written commitments or offers of any incentives in  
9384 connection with the new headquarters project and related  
9385 facilities expected to result in the creation of such new job.



9386 "New direct job" shall include full-time employment in this  
9387 state of employees who are employed by an entity other than the  
9388 establishment that has qualified to receive an incentive payment  
9389 and who are leased to the qualified business or industry, if such  
9390 employment did not exist in this state before the date of approval  
9391 by the MDA of the application of the establishment.

9392 (c) "Full-time job" or "full-time employment" means a  
9393 job of at least thirty-five (35) hours per week.

9394 (d) "Gross payroll" means wages for new direct jobs of  
9395 the qualified business or industry.

9396 (e) "MDA" means the Mississippi Development Authority.

9397 **SECTION 89.** Section 57-69-3, Mississippi Code of 1972, is  
9398 amended as follows:

9399 57-69-3. Unless the context requires otherwise, the  
9400 following words shall have the following meanings for the purposes  
9401 of this chapter:

9402 (a) "Class of contract basis" means an entire group of  
9403 contracts having a common characteristic.

9404 (b) "Commercially useful function" means being  
9405 responsible for execution of a contract or a distinct element of  
9406 the work under a contract by actually performing, managing, and  
9407 supervising the work involved.

9408 (c) "Contract" means all types of state agreements,  
9409 regardless of what they may be called, for the purchase of



9410 supplies or services or for construction or major repairs.

9411 "Contract" includes the following:

9412 (i) Awards and notices of award.

9413 (ii) Contracts of a fixed price, cost,  
9414 cost-plus-a-fixed-fee, or incentive types.

9415 (iii) Contracts providing for the issuance of job  
9416 or task orders.

9417 (iv) Leases.

9418 (v) Letter contracts.

9419 (vi) Purchase orders.

9420 (vii) Any supplemental agreements with respect to  
9421 (i) through (vi) of this \* \* \* paragraph.

9422 (d) "Contracting base" means the dollar amount of  
9423 contracts for public works and procurement of goods and services  
9424 awarded by a state agency or a state educational institution  
9425 during a fiscal year.

9426 (e) "Contract by contract basis" means a single  
9427 contract within a specific class of contracts.

9428 (f) "Contractor" means a party who enters into a  
9429 contract to provide a state or educational institution with goods  
9430 or services, including construction, or a subcontractor or  
9431 sublessee of such a party.

9432 (g) "Director" means the Executive Director of the  
9433 Office of Minority Business Enterprises of the Mississippi  
9434 Development Authority.



9435           (h) "Educational institutions" means the state  
9436 universities, vocational institutions, and any other  
9437 state-supported educational institutions.

9438           (i) "Joint venture" means an association of two (2) or  
9439 more persons or businesses to carry out a single business  
9440 enterprise for profit for which purpose they combine their  
9441 property, capital, efforts, skills, and knowledge, and in which  
9442 they exercise control and share in profits and losses in  
9443 proportion to their contribution to the enterprise.

9444           (j) "Minority" means a person who is a citizen or  
9445 lawful permanent resident of the United States and who is:

9446               (i) Black: having origins in any of the black  
9447 racial groups of Africa.

9448               (ii) Hispanic: of Mexican, Puerto Rican, Cuban,  
9449 Central or South American, or other Spanish or Portuguese culture  
9450 or origin regardless of race.

9451               (iii) Asian American: having origins in any of  
9452 the original peoples of the Far East, Southeast Asia, the Indian  
9453 subcontinent, or the Pacific Islands.

9454               (iv) American Indian or Alaskan Native: having  
9455 origins in any of the original peoples of North America.

9456               (v) Female.

9457           (k) "Minority business enterprise" or "minority owned  
9458 business" means a socially and economically disadvantaged small  
9459 business concern organized for profit performing a commercially



9460 useful function which is owned and controlled by one or more  
9461 individuals or minority business enterprises certified by the  
9462 office, at least seventy-five percent (75%) of whom are resident  
9463 citizens of the State of Mississippi. For purposes of this  
9464 paragraph, the term "socially and economically disadvantaged small  
9465 business concern" shall have the meaning ascribed to such term  
9466 under the Small Business Act (15 USCS, Section 637(a)). Owned and  
9467 controlled means a business in which one or more minorities or  
9468 minority business enterprises certified by the office own at least  
9469 fifty-one percent (51%) or in the case of a corporation at least  
9470 fifty-one percent (51%) of the voting stock and control at least  
9471 fifty-one percent (51%) of the management and daily business  
9472 operations of the business. The term "minority business  
9473 enterprise" does not include any medical cannabis establishment as  
9474 defined in the Mississippi Medical Cannabis Act.

9475 (1) "Minority business enterprise supplier" means a  
9476 socially and economically disadvantaged small business concern  
9477 which is owned and controlled by one or more individuals, at least  
9478 seventy-five percent (75%) of whom are resident citizens of the  
9479 State of Mississippi. For purposes of this paragraph, the term  
9480 "socially and economically disadvantaged small business concern"  
9481 shall have the meaning ascribed to such term under the Small  
9482 Business Act (15 USCS, Section 637(a)) except that the net worth  
9483 of the business may not be greater than Seven Hundred Fifty  
9484 Thousand Dollars (\$750,000.00). Owned and controlled means a



9485 business in which one or more minorities own at least fifty-one  
9486 percent (51%) or in the case of a corporation at least fifty-one  
9487 percent (51%) of the voting stock and control at least fifty-one  
9488 percent (51%) of the management and daily business operations of  
9489 the business. The term "minority business enterprise supplier"  
9490 does not include any medical cannabis establishment as defined in  
9491 the Mississippi Medical Cannabis Act.

9492 (m) "Office" means the Office of Minority Business  
9493 Enterprises of the Mississippi Development Authority.

9494 (n) "Procurement" means the purchase, lease, or rental  
9495 of any goods or services.

9496 (o) "Commodities" means the various items described in  
9497 Section 31-7-1(e).

9498 (p) "Professional services" means all personal service  
9499 contracts utilized by state agencies and institutions.

9500 (q) "Small business" means a small business as defined  
9501 by the Small Business Administration of the United States  
9502 government which for purposes of size eligibility or other factors  
9503 meets the applicable criteria set forth in Part 121 of Title 13 of  
9504 the Code of Federal Regulations as amended, and which has its  
9505 principal place of business in Mississippi.

9506 (r) "State agency" includes the State of Mississippi  
9507 and all agencies, departments, offices, divisions, boards,  
9508 commissions, and correctional and other types of institutions.

9509 "State agency" does not include the Mississippi Department of



9510 Transportation nor the judicial or legislative branches of  
9511 government except to the extent that procurement or public works  
9512 for these branches is performed by a state agency.

9513         **SECTION 90.** Section 57-71-5, Mississippi Code of 1972, is  
9514 amended as follows:

9515             57-71-5. The following words and phrases when used in this  
9516 act shall have the meaning given to them in this section unless  
9517 the context clearly indicates otherwise:

9518             (a) "MBFC" or "company" means the Mississippi Business  
9519 Finance Corporation.

9520             (b) "Private company" means any agricultural,  
9521 aquacultural, horticultural, industrial, manufacturing or research  
9522 and development enterprise or enterprises, or the lessor thereof,  
9523 or any commercial enterprise approved by the Mississippi Business  
9524 Finance Corporation; however, the term "private company" shall not  
9525 include any business, corporation or entity having a gaming  
9526 license issued under Section 75-76-1 et seq., or any medical  
9527 cannabis establishment as defined in the Mississippi Medical  
9528 Cannabis Act.

9529             (c) "Qualified financial institution" means any  
9530 commercial bank or savings and loan institution approved by the  
9531 Mississippi Business Finance Corporation to provide letters of  
9532 credit under this act.



9533 (d) "Letter of credit" means a letter of credit  
9534 obligation from a qualified financial institution approved by the  
9535 Mississippi Business Finance Corporation.

9536 (e) "Planning and development districts" means the  
9537 organized planning and development districts in Mississippi.

9538 (f) "Director" means the Executive Director of the  
9539 Mississippi Business Finance Corporation.

9540 (g) "Seller" means the State Bond Commission.

9541 **SECTION 91.** Section 57-73-21, Mississippi Code of 1972, is  
9542 amended as follows:

9543 **[In cases involving business enterprises that received or**  
9544 **applied for the job tax credit authorized by this section prior to**  
9545 **January 1, 2005, this section shall read as follows:]**

9546 57-73-21. (1) Annually by December 31, using the most  
9547 current data available from the University Research Center,  
9548 Mississippi Department of Employment Security and the United  
9549 States Department of Commerce, the State Tax Commission shall rank  
9550 and designate the state's counties as provided in this section.  
9551 The twenty-eight (28) counties in this state having a combination  
9552 of the highest unemployment rate and lowest per capita income for  
9553 the most recent thirty-six-month period, with equal weight being  
9554 given to each category, are designated Tier Three areas. The  
9555 twenty-seven (27) counties in the state with a combination of the  
9556 next highest unemployment rate and next lowest per capita income  
9557 for the most recent thirty-six-month period, with equal weight





9558 being given to each category, are designated Tier Two areas. The  
9559 twenty-seven (27) counties in the state with a combination of the  
9560 lowest unemployment rate and the highest per capita income for the  
9561 most recent thirty-six-month period, with equal weight being given  
9562 to each category, are designated Tier One areas. Counties  
9563 designated by the Tax Commission qualify for the appropriate tax  
9564 credit for jobs as provided in subsections (2), (3) and (4) of  
9565 this section. The designation by the Tax Commission is effective  
9566 for the tax years of permanent business enterprises which begin  
9567 after the date of designation. For companies which plan an  
9568 expansion in their labor forces, the Tax Commission shall  
9569 prescribe certification procedures to ensure that the companies  
9570 can claim credits in future years without regard to whether or not  
9571 a particular county is removed from the list of Tier Three or Tier  
9572 Two areas.

9573 (2) Permanent business enterprises primarily engaged in  
9574 manufacturing, processing, warehousing, distribution, wholesaling  
9575 and research and development, or permanent business enterprises  
9576 designated by rule and regulation of the Mississippi Development  
9577 Authority as air transportation and maintenance facilities, final  
9578 destination or resort hotels having a minimum of one hundred fifty  
9579 (150) guest rooms, recreational facilities that impact tourism,  
9580 movie industry studios, telecommunications enterprises, data or  
9581 information processing enterprises or computer software  
9582 development enterprises or any technology intensive facility or



9583 enterprise, in counties designated by the Tax Commission as Tier  
9584 Three areas are allowed a job tax credit for taxes imposed by  
9585 Section 27-7-5 equal to Two Thousand Dollars (\$2,000.00) annually  
9586 for each net new full-time employee job for five (5) years  
9587 beginning with years two (2) through six (6) after the creation of  
9588 the job; however, if the permanent business enterprise is located  
9589 in an area that has been declared by the Governor to be a disaster  
9590 area and as a direct result of the disaster the permanent business  
9591 enterprise is unable to maintain the required number of jobs, the  
9592 Chairman of the State Tax Commission may extend this time period  
9593 for not more two (2) years. The number of new full-time jobs must  
9594 be determined by comparing the monthly average number of full-time  
9595 employees subject to the Mississippi income tax withholding for  
9596 the taxable year with the corresponding period of the prior  
9597 taxable year. Only those permanent businesses that increase  
9598 employment by ten (10) or more in a Tier Three area are eligible  
9599 for the credit. Credit is not allowed during any of the five (5)  
9600 years if the net employment increase falls below ten (10). The  
9601 Tax Commission shall adjust the credit allowed each year for the  
9602 net new employment fluctuations above the minimum level of ten  
9603 (10).

9604 (3) Permanent business enterprises primarily engaged in  
9605 manufacturing, processing, warehousing, distribution, wholesaling  
9606 and research and development, or permanent business enterprises  
9607 designated by rule and regulation of the Mississippi Development



9608 Authority as air transportation and maintenance facilities, final  
9609 destination or resort hotels having a minimum of one hundred fifty  
9610 (150) guest rooms, recreational facilities that impact tourism,  
9611 movie industry studios, telecommunications enterprises, data or  
9612 information processing enterprises or computer software  
9613 development enterprises or any technology intensive facility or  
9614 enterprise, in counties that have been designated by the Tax  
9615 Commission as Tier Two areas are allowed a job tax credit for  
9616 taxes imposed by Section 27-7-5 equal to One Thousand Dollars  
9617 (\$1,000.00) annually for each net new full-time employee job for  
9618 five (5) years beginning with years two (2) through six (6) after  
9619 the creation of the job; however, if the permanent business  
9620 enterprise is located in an area that has been declared by the  
9621 Governor to be a disaster area and as a direct result of the  
9622 disaster the permanent business enterprise is unable to maintain  
9623 the required number of jobs, the Chairman of the State Tax  
9624 Commission may extend this time period for not more two (2) years.  
9625 The number of new full-time jobs must be determined by comparing  
9626 the monthly average number of full-time employees subject to  
9627 Mississippi income tax withholding for the taxable year with the  
9628 corresponding period of the prior taxable year. Only those  
9629 permanent businesses that increase employment by fifteen (15) or  
9630 more in Tier Two areas are eligible for the credit. The credit is  
9631 not allowed during any of the five (5) years if the net employment  
9632 increase falls below fifteen (15). The Tax Commission shall



9633 adjust the credit allowed each year for the net new employment  
9634 fluctuations above the minimum level of fifteen (15).

9635 (4) Permanent business enterprises primarily engaged in  
9636 manufacturing, processing, warehousing, distribution, wholesaling  
9637 and research and development, or permanent business enterprises  
9638 designated by rule and regulation of the Mississippi Development  
9639 Authority as air transportation and maintenance facilities, final  
9640 destination or resort hotels having a minimum of one hundred fifty  
9641 (150) guest rooms, recreational facilities that impact tourism,  
9642 movie industry studios, telecommunications enterprises, data or  
9643 information processing enterprises or computer software  
9644 development enterprises or any technology intensive facility or  
9645 enterprise, in counties designated by the Tax Commission as Tier  
9646 One areas are allowed a job tax credit for taxes imposed by  
9647 Section 27-7-5 equal to Five Hundred Dollars (\$500.00) annually  
9648 for each net new full-time employee job for five (5) years  
9649 beginning with years two (2) through six (6) after the creation of  
9650 the job; however, if the permanent business enterprise is located  
9651 in an area that has been declared by the Governor to be a disaster  
9652 area and as a direct result of the disaster the permanent business  
9653 enterprise is unable to maintain the required number of jobs, the  
9654 Chairman of the State Tax Commission may extend this time period  
9655 for not more than two (2) years. The number of new full-time jobs  
9656 must be determined by comparing the monthly average number of  
9657 full-time employees subject to Mississippi income tax withholding



9658 for the taxable year with the corresponding period of the prior  
9659 taxable year. Only those permanent businesses that increase  
9660 employment by twenty (20) or more in Tier One areas are eligible  
9661 for the credit. The credit is not allowed during any of the five  
9662 (5) years if the net employment increase falls below twenty (20).  
9663 The Tax Commission shall adjust the credit allowed each year for  
9664 the net new employment fluctuations above the minimum level of  
9665 twenty (20).

9666 (5) In addition to the credits authorized in subsections  
9667 (2), (3) and (4), an additional Five Hundred Dollars (\$500.00)  
9668 credit for each net new full-time employee or an additional One  
9669 Thousand Dollars (\$1,000.00) credit for each net new full-time  
9670 employee who is paid a salary, excluding benefits which are not  
9671 subject to Mississippi income taxation, of at least one hundred  
9672 twenty-five percent (125%) of the average annual wage of the state  
9673 or an additional Two Thousand Dollars (\$2,000.00) credit for each  
9674 net new full-time employee who is paid a salary, excluding  
9675 benefits which are not subject to Mississippi income taxation, of  
9676 at least two hundred percent (200%) of the average annual wage of  
9677 the state, shall be allowed for any company establishing or  
9678 transferring its national or regional headquarters from within or  
9679 outside the State of Mississippi. A minimum of thirty-five (35)  
9680 jobs must be created to qualify for the additional credit. The  
9681 State Tax Commission shall establish criteria and prescribe  
9682 procedures to determine if a company qualifies as a national or



9683 regional headquarters for purposes of receiving the credit awarded  
9684 in this subsection. As used in this subsection, the average  
9685 annual wage of the state is the most recently published average  
9686 annual wage as determined by the Mississippi Department of  
9687 Employment Security.

9688 (6) In addition to the credits authorized in subsections  
9689 (2), (3), (4) and (5), any job requiring research and development  
9690 skills (chemist, engineer, etc.) shall qualify for an additional  
9691 One Thousand Dollars (\$1,000.00) credit for each net new full-time  
9692 employee.

9693 (7) In lieu of the tax credits provided in subsections (2)  
9694 through (6), any commercial or industrial property owner which  
9695 remediates contaminated property in accordance with Sections  
9696 49-35-1 through 49-35-25, is allowed a job tax credit for taxes  
9697 imposed by Section 27-7-5 equal to the amounts provided in  
9698 subsection (2), (3) or (4) for each net new full-time employee job  
9699 for five (5) years beginning with years two (2) through six (6)  
9700 after the creation of the job. The number of new full-time jobs  
9701 must be determined by comparing the monthly average number of  
9702 full-time employees subject to Mississippi income tax withholding  
9703 for the taxable year with the corresponding period of the prior  
9704 taxable year. This subsection shall be administered in the same  
9705 manner as subsections (2), (3) and (4), except the landowner shall  
9706 not be required to increase employment by the levels provided in  
9707 subsections (2), (3) and (4) to be eligible for the tax credit.



9708           (8) Tax credits for five (5) years for the taxes imposed by  
9709 Section 27-7-5 shall be awarded for additional net new full-time  
9710 jobs created by business enterprises qualified under subsections  
9711 (2), (3), (4), (5), (6) and (7) of this section. Except as  
9712 otherwise provided, the Tax Commission shall adjust the credit  
9713 allowed in the event of employment fluctuations during the  
9714 additional five (5) years of credit.

9715           (9) (a) The sale, merger, acquisition, reorganization,  
9716 bankruptcy or relocation from one (1) county to another county  
9717 within the state of any business enterprise may not create new  
9718 eligibility in any succeeding business entity, but any unused job  
9719 tax credit may be transferred and continued by any transferee of  
9720 the business enterprise. The Tax Commission shall determine  
9721 whether or not qualifying net increases or decreases have occurred  
9722 or proper transfers of credit have been made and may require  
9723 reports, promulgate regulations, and hold hearings as needed for  
9724 substantiation and qualification.

9725           (b) This subsection shall not apply in cases in which a  
9726 business enterprise has ceased operation, laid off all its  
9727 employees and is subsequently acquired by another unrelated  
9728 business entity that continues operation of the enterprise in the  
9729 same or a similar type of business. In such a case the succeeding  
9730 business entity shall be eligible for the credit authorized by  
9731 this section unless the cessation of operation of the business



9732 enterprise was for the purpose of obtaining new eligibility for  
9733 the credit.

9734 (10) Any tax credit claimed under this section but not used  
9735 in any taxable year may be carried forward for five (5) years from  
9736 the close of the tax year in which the qualified jobs were  
9737 established but the credit established by this section taken in  
9738 any one (1) tax year must be limited to an amount not greater than  
9739 fifty percent (50%) of the taxpayer's state income tax liability  
9740 which is attributable to income derived from operations in the  
9741 state for that year. If the permanent business enterprise is  
9742 located in an area that has been declared by the Governor to be a  
9743 disaster area and as a direct result of the disaster the business  
9744 enterprise is unable to use the existing carryforward, the  
9745 Chairman of the State Tax Commission may extend the period that  
9746 the credit may be carried forward for a period of time not to  
9747 exceed two (2) years.

9748 (11) No business enterprise for the transportation,  
9749 handling, storage, processing or disposal of hazardous waste is  
9750 eligible to receive the tax credits provided in this section.

9751 (12) The credits allowed under this section shall not be  
9752 used by any business enterprise or corporation other than the  
9753 business enterprise actually qualifying for the credits.

9754 (13) The tax credits provided for in this section shall be  
9755 in addition to any tax credits described in Sections 57-51-13(b),  
9756 57-53-1(1)(a) and 57-54-9(b) and granted pursuant to official





9757 action by the Mississippi Development Authority prior to July 1,  
9758 1989, to any business enterprise determined prior to July 1, 1989,  
9759 by the Mississippi Development Authority to be a qualified  
9760 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or  
9761 a qualified company as described in Section 57-53-1, as the case  
9762 may be; however, from and after July 1, 1989, tax credits shall be  
9763 allowed only under either this section or Sections 57-51-13(b),  
9764 57-53-1(1) (a) and Section 57-54-9(b) for each net new full-time  
9765 employee.

9766 (14) As used in this section, the term "telecommunications  
9767 enterprises" means entities engaged in the creation, display,  
9768 management, storage, processing, transmission or distribution for  
9769 compensation of images, text, voice, video or data by wire or by  
9770 wireless means, or entities engaged in the construction, design,  
9771 development, manufacture, maintenance or distribution for  
9772 compensation of devices, products, software or structures used in  
9773 the above activities. Companies organized to do business as  
9774 commercial broadcast radio stations, television stations or news  
9775 organizations primarily serving in-state markets shall not be  
9776 included within the definition of the term "telecommunications  
9777 enterprises."

9778 **[In cases involving business enterprises that apply for the**  
9779 **job tax credit authorized by this section from and after January**  
9780 **1, 2005, this section shall read as follows:]**



9781           57-73-21. (1) Annually by December 31, using the most  
9782 current data available from the University Research Center,  
9783 Mississippi Department of Employment Security and the United  
9784 States Department of Commerce, the Department of Revenue shall  
9785 rank and designate the state's counties as provided in this  
9786 section. The twenty-eight (28) counties in this state having a  
9787 combination of the highest unemployment rate and lowest per capita  
9788 income for the most recent thirty-six-month period, with equal  
9789 weight being given to each category, are designated Tier Three  
9790 areas. The twenty-seven (27) counties in the state with a  
9791 combination of the next highest unemployment rate and next lowest  
9792 per capita income for the most recent thirty-six-month period,  
9793 with equal weight being given to each category, are designated  
9794 Tier Two areas. The twenty-seven (27) counties in the state with  
9795 a combination of the lowest unemployment rate and the highest per  
9796 capita income for the most recent thirty-six-month period, with  
9797 equal weight being given to each category, are designated Tier One  
9798 areas. Counties designated by the Department of Revenue qualify  
9799 for the appropriate tax credit for jobs as provided in this  
9800 section. The designation by the Department of Revenue is  
9801 effective for the tax years of permanent business enterprises  
9802 which begin after the date of designation. For companies which  
9803 plan an expansion in their labor forces, the Department of Revenue  
9804 shall prescribe certification procedures to ensure that the  
9805 companies can claim credits in future years without regard to



9806 whether or not a particular county is removed from the list of  
9807 Tier Three or Tier Two areas.

9808       (2) Permanent business enterprises in counties designated by  
9809 the Department of Revenue as Tier Three areas are allowed a job  
9810 tax credit for taxes imposed by Section 27-7-5 equal to ten  
9811 percent (10%) of the payroll of the enterprise for net new  
9812 full-time employee jobs for five (5) years beginning with years  
9813 two (2) through six (6) after the creation of the minimum number  
9814 of jobs required by this subsection; however, if the permanent  
9815 business enterprise is located in an area that has been declared  
9816 by the Governor to be a disaster area and as a direct result of  
9817 the disaster the permanent business enterprise is unable to  
9818 maintain the required number of jobs, the Commissioner of Revenue  
9819 may extend this time period for not more than two (2) years. The  
9820 number of new full-time jobs must be determined by comparing the  
9821 monthly average number of full-time employees subject to the  
9822 Mississippi income tax withholding for the taxable year with the  
9823 corresponding period of the prior taxable year. Only those  
9824 permanent business enterprises that increase employment by ten  
9825 (10) or more in a Tier Three area are eligible for the credit.  
9826 Credit is not allowed during any of the five (5) years if the net  
9827 employment increase falls below ten (10). The Department of  
9828 Revenue shall adjust the credit allowed each year for the net new  
9829 employment fluctuations above the minimum level of ten (10).  
9830 Medical cannabis establishments as defined in the Mississippi



9831 Medical Cannabis Act shall not be eligible for the tax credit  
9832 authorized in this subsection (2).

9833 (3) Permanent business enterprises in counties that have  
9834 been designated by the Department of Revenue as Tier Two areas are  
9835 allowed a job tax credit for taxes imposed by Section 27-7-5 equal  
9836 to five percent (5%) of the payroll of the enterprise for net new  
9837 full-time employee jobs for five (5) years beginning with years  
9838 two (2) through six (6) after the creation of the minimum number  
9839 of jobs required by this subsection; however, if the permanent  
9840 business enterprise is located in an area that has been declared  
9841 by the Governor to be a disaster area and as a direct result of  
9842 the disaster the permanent business enterprise is unable to  
9843 maintain the required number of jobs, the Commissioner of Revenue  
9844 may extend this time period for not more than two (2) years. The  
9845 number of new full-time jobs must be determined by comparing the  
9846 monthly average number of full-time employees subject to  
9847 Mississippi income tax withholding for the taxable year with the  
9848 corresponding period of the prior taxable year. Only those  
9849 permanent business enterprises that increase employment by fifteen  
9850 (15) or more in Tier Two areas are eligible for the credit. The  
9851 credit is not allowed during any of the five (5) years if the net  
9852 employment increase falls below fifteen (15). The Department of  
9853 Revenue shall adjust the credit allowed each year for the net new  
9854 employment fluctuations above the minimum level of fifteen (15).  
9855 Medical cannabis establishments as defined in the Mississippi



9856 Medical Cannabis Act shall not be eligible for the tax credit  
9857 authorized in this subsection (3).

9858 (4) Permanent business enterprises in counties designated by  
9859 the Department of Revenue as Tier One areas are allowed a job tax  
9860 credit for taxes imposed by Section 27-7-5 equal to two and  
9861 one-half percent (2.5%) of the payroll of the enterprise for net  
9862 new full-time employee jobs for five (5) years beginning with  
9863 years two (2) through six (6) after the creation of the minimum  
9864 number of jobs required by this subsection; however, if the  
9865 permanent business enterprise is located in an area that has been  
9866 declared by the Governor to be a disaster area and as a direct  
9867 result of the disaster the permanent business enterprise is unable  
9868 to maintain the required number of jobs, the Commissioner of  
9869 Revenue may extend this time period for not more than two (2)  
9870 years. The number of new full-time jobs must be determined by  
9871 comparing the monthly average number of full-time employees  
9872 subject to Mississippi income tax withholding for the taxable year  
9873 with the corresponding period of the prior taxable year. Only  
9874 those permanent business enterprises that increase employment by  
9875 twenty (20) or more in Tier One areas are eligible for the credit.  
9876 The credit is not allowed during any of the five (5) years if the  
9877 net employment increase falls below twenty (20). The Department  
9878 of Revenue shall adjust the credit allowed each year for the net  
9879 new employment fluctuations above the minimum level of twenty  
9880 (20). Medical cannabis establishments as defined in the



9881 Mississippi Medical Cannabis Act shall not be eligible for the tax  
9882 credit authorized in this subsection (4).

9883       (5) (a) In addition to the other credits authorized in this  
9884 section, an additional Five Hundred Dollars (\$500.00) credit for  
9885 each net new full-time employee or an additional One Thousand  
9886 Dollars (\$1,000.00) credit for each net new full-time employee who  
9887 is paid a salary, excluding benefits which are not subject to  
9888 Mississippi income taxation, of at least one hundred twenty-five  
9889 percent (125%) of the average annual wage of the state or an  
9890 additional Two Thousand Dollars (\$2,000.00) credit for each net  
9891 new full-time employee who is paid a salary, excluding benefits  
9892 which are not subject to Mississippi income taxation, of at least  
9893 two hundred percent (200%) of the average annual wage of the  
9894 state, shall be allowed for any company establishing or  
9895 transferring its national or regional headquarters from within or  
9896 outside the State of Mississippi. A minimum of twenty (20) jobs  
9897 must be created to qualify for the additional credit. The  
9898 Department of Revenue shall establish criteria and prescribe  
9899 procedures to determine if a company qualifies as a national or  
9900 regional headquarters for purposes of receiving the credit awarded  
9901 in this paragraph (a). As used in this paragraph (a), the average  
9902 annual wage of the state is the most recently published average  
9903 annual wage as determined by the Mississippi Department of  
9904 Employment Security. Medical cannabis establishments as defined



9905 in the Mississippi Medical Cannabis Act shall not be eligible for  
9906 the tax credit authorized in this paragraph (a).

9907 (b) In addition to the other credits authorized in this  
9908 section, an additional Five Hundred Dollars (\$500.00) credit for  
9909 each net new full-time employee or an additional One Thousand  
9910 Dollars (\$1,000.00) credit for each net new full-time employee who  
9911 is paid a salary, excluding benefits which are not subject to  
9912 Mississippi income taxation, of at least one hundred twenty-five  
9913 percent (125%) of the average annual wage of the state or an  
9914 additional Two Thousand Dollars (\$2,000.00) credit for each net  
9915 new full-time employee who is paid a salary, excluding benefits  
9916 which are not subject to Mississippi income taxation, of at least  
9917 two hundred percent (200%) of the average annual wage of the  
9918 state, shall be allowed for any company expanding or making  
9919 additions after January 1, 2013, to its national or regional  
9920 headquarters within the State of Mississippi. A minimum of twenty  
9921 (20) new jobs must be created to qualify for the additional  
9922 credit. The Department of Revenue shall establish criteria and  
9923 prescribe procedures to determine if a company qualifies as a  
9924 national or regional headquarters for purposes of receiving the  
9925 credit awarded in this paragraph (b). As used in this paragraph  
9926 (b), the average annual wage of the state is the most recently  
9927 published average annual wage as determined by the Mississippi  
9928 Department of Employment Security. Medical cannabis  
9929 establishments as defined in the Mississippi Medical Cannabis Act



9930 shall not be eligible for the tax credit authorized in this  
9931 paragraph (b).

9932 (6) In addition to the other credits authorized in this  
9933 section, any job requiring research and development skills  
9934 (chemist, engineer, etc.) shall qualify for an additional One  
9935 Thousand Dollars (\$1,000.00) credit for each net new full-time  
9936 employee. Medical cannabis establishments as defined in the  
9937 Mississippi Medical Cannabis Act shall not be eligible for the tax  
9938 credit authorized in this subsection (6).

9939 (7) (a) In addition to the other credits authorized in this  
9940 section, any company that transfers or relocates its national or  
9941 regional headquarters to the State of Mississippi from outside the  
9942 State of Mississippi may receive a tax credit in an amount equal  
9943 to the actual relocation costs paid by the company. A minimum of  
9944 twenty (20) jobs must be created in order to qualify for the  
9945 additional credit authorized under this subsection. Relocation  
9946 costs for which a credit may be awarded shall be determined by the  
9947 Department of Revenue and shall include those nondepreciable  
9948 expenses that are necessary to relocate headquarters employees to  
9949 the national or regional headquarters, including, but not limited  
9950 to, costs such as travel expenses for employees and members of  
9951 their households to and from Mississippi in search of homes and  
9952 moving expenses to relocate furnishings, household goods and  
9953 personal property of the employees and members of their  
9954 households. Medical cannabis establishments as defined in the





9955 Mississippi Medical Cannabis Act shall not be eligible for the tax  
9956 credit authorized in this subsection (7).

9957           (b) The tax credit authorized under this subsection  
9958 shall be applied for the taxable year in which the relocation  
9959 costs are paid. The maximum cumulative amount of tax credits that  
9960 may be claimed by all taxpayers claiming a credit under this  
9961 subsection in any one (1) state fiscal year shall not exceed One  
9962 Million Dollars (\$1,000,000.00), exclusive of credits that might  
9963 be carried forward from previous taxable years. A company may not  
9964 receive a credit for the relocation of an employee more than one  
9965 (1) time in a twelve-month period for that employee.

9966           (c) The Department of Revenue shall establish criteria  
9967 and prescribe procedures to determine if a company creates the  
9968 required number of jobs and qualifies as a national or regional  
9969 headquarters for purposes of receiving the credit awarded in this  
9970 subsection. A company desiring to claim a credit under this  
9971 subsection must submit an application for such credit with the  
9972 Department of Revenue in a manner prescribed by the department.

9973           (d) In order to participate in the provisions of this  
9974 section, a company must certify to the Mississippi Department of  
9975 Revenue that it complies with the equal pay provisions of the  
9976 federal Equal Pay Act of 1963, the Americans with Disabilities Act  
9977 of 1990 and the fair pay provisions of the Civil Rights Act of  
9978 1964.



9979 (e) This subsection shall stand repealed on July 1,  
9980 2022.

9981 (8) In lieu of the other tax credits provided in this  
9982 section, any commercial or industrial property owner which  
9983 remediates contaminated property in accordance with Sections  
9984 49-35-1 through 49-35-25, is allowed a job tax credit for taxes  
9985 imposed by Section 27-7-5 equal to the percentage of payroll  
9986 provided in subsection (2), (3) or (4) of this section for net new  
9987 full-time employee jobs for five (5) years beginning with years  
9988 two (2) through six (6) after the creation of the jobs. The  
9989 number of new full-time jobs must be determined by comparing the  
9990 monthly average number of full-time employees subject to  
9991 Mississippi income tax withholding for the taxable year with the  
9992 corresponding period of the prior taxable year. This subsection  
9993 shall be administered in the same manner as subsections (2), (3)  
9994 and (4), except the landowner shall not be required to increase  
9995 employment by the levels provided in subsections (2), (3) and (4)  
9996 to be eligible for the tax credit.

9997 (9) (a) Tax credits for five (5) years for the taxes  
9998 imposed by Section 27-7-5 shall be awarded for increases in the  
9999 annual payroll for net new full-time jobs created by business  
10000 enterprises qualified under this section. The Department of  
10001 Revenue shall adjust the credit allowed in the event of payroll  
10002 fluctuations during the additional five (5) years of credit.



10003                   (b) Tax credits for five (5) years for the taxes  
10004 imposed by Section 27-7-5 shall be awarded for additional net new  
10005 full-time jobs created by business enterprises qualified under  
10006 subsections (5) and (6) of this section and for additional  
10007 relocation costs paid by companies qualified under subsection (7)  
10008 of this section. The Department of Revenue shall adjust the  
10009 credit allowed in the event of employment fluctuations during the  
10010 additional five (5) years of credit.

10011                   (10) (a) The sale, merger, acquisition, reorganization,  
10012 bankruptcy or relocation from one (1) county to another county  
10013 within the state of any business enterprise may not create new  
10014 eligibility in any succeeding business entity, but any unused job  
10015 tax credit may be transferred and continued by any transferee of  
10016 the business enterprise. The Department of Revenue shall  
10017 determine whether or not qualifying net increases or decreases  
10018 have occurred or proper transfers of credit have been made and may  
10019 require reports, promulgate regulations, and hold hearings as  
10020 needed for substantiation and qualification.

10021                   (b) This subsection shall not apply in cases in which a  
10022 business enterprise has ceased operation, laid off all its  
10023 employees and is subsequently acquired by another unrelated  
10024 business entity that continues operation of the enterprise in the  
10025 same or a similar type of business. In such a case the succeeding  
10026 business entity shall be eligible for the credit authorized by  
10027 this section unless the cessation of operation of the business



10028 enterprise was for the purpose of obtaining new eligibility for  
10029 the credit.

10030 (11) Any tax credit claimed under this section but not used  
10031 in any taxable year may be carried forward for five (5) years from  
10032 the close of the tax year in which the qualified jobs were  
10033 established and/or headquarters relocation costs paid, as  
10034 applicable, but the credit established by this section taken in  
10035 any one (1) tax year must be limited to an amount not greater than  
10036 fifty percent (50%) of the taxpayer's state income tax liability  
10037 which is attributable to income derived from operations in the  
10038 state for that year. If the permanent business enterprise is  
10039 located in an area that has been declared by the Governor to be a  
10040 disaster area and as a direct result of the disaster the business  
10041 enterprise is unable to use the existing carryforward, the  
10042 Commissioner of Revenue may extend the period that the credit may  
10043 be carried forward for a period of time not to exceed two (2)  
10044 years.

10045 (12) No business enterprise for the transportation,  
10046 handling, storage, processing or disposal of hazardous waste is  
10047 eligible to receive the tax credits provided in this section.

10048 (13) The credits allowed under this section shall not be  
10049 used by any business enterprise or corporation other than the  
10050 business enterprise actually qualifying for the credits.

10051 (14) As used in this section:



10052                   (a) "Business enterprises" means entities primarily  
10053 engaged in:

10054                   (i) Manufacturing, processing, warehousing,  
10055 warehousing activities, distribution, wholesaling and research and  
10056 development, or

10057                   (ii) Permanent business enterprises designated by  
10058 rule and regulation of the Mississippi Development Authority as  
10059 air transportation and maintenance facilities, final destination  
10060 or resort hotels having a minimum of one hundred fifty (150) guest  
10061 rooms, recreational facilities that impact tourism, movie industry  
10062 studios, telecommunications enterprises, data or information  
10063 processing enterprises or computer software development  
10064 enterprises or any technology intensive facility or enterprise.

10065                   (b) "Telecommunications enterprises" means entities  
10066 engaged in the creation, display, management, storage, processing,  
10067 transmission or distribution for compensation of images, text,  
10068 voice, video or data by wire or by wireless means, or entities  
10069 engaged in the construction, design, development, manufacture,  
10070 maintenance or distribution for compensation of devices, products,  
10071 software or structures used in the above activities. Companies  
10072 organized to do business as commercial broadcast radio stations,  
10073 television stations or news organizations primarily serving  
10074 in-state markets shall not be included within the definition of  
10075 the term "telecommunications enterprises."



10076 (c) "Warehousing activities" means entities that  
10077 establish or expand facilities that service and support multiple  
10078 retail or wholesale locations within and outside the state.  
10079 Warehousing activities may be performed solely to support the  
10080 primary activities of the entity, and credits generated shall  
10081 offset the income of the entity based on an apportioned ratio of  
10082 payroll for warehouse employees of the entity to total Mississippi  
10083 payroll of the entity that includes the payroll of retail  
10084 employees of the entity.

10085 (15) The tax credits provided for in this section shall be  
10086 in addition to any tax credits described in Sections 57-51-13(b),  
10087 57-53-1(1)(a) and 57-54-9(b) and granted pursuant to official  
10088 action by the Mississippi Development Authority prior to July 1,  
10089 1989, to any business enterprise determined prior to July 1, 1989,  
10090 by the Mississippi Development Authority to be a qualified  
10091 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or  
10092 a qualified company as described in Section 57-53-1, as the case  
10093 may be; however, from and after July 1, 1989, tax credits shall be  
10094 allowed only under either this section or Sections 57-51-13(b),  
10095 57-53-1(1)(a) and Section 57-54-9(b) for each net new full-time  
10096 employee.

10097 (16) A business enterprise that chooses to receive job  
10098 training assistance pursuant to Section 57-1-451 shall not be  
10099 eligible for the tax credits provided for in this section.



10100           **SECTION 92.** Section 57-80-5, Mississippi Code of 1972, is  
10101 amended as follows:

10102           57-80-5. As used in this chapter, the following words and  
10103 phrases shall have the meanings ascribed herein unless the context  
10104 clearly indicates otherwise:

10105           (a) "Approved business enterprise" means any business  
10106 enterprise seeking to locate or expand in a growth and prosperity  
10107 county, which business enterprise is approved by the MDA.

10108           (b) "Business enterprise" means any new or expanded (i)  
10109 industry for the manufacturing, processing, assembling, storing,  
10110 warehousing, servicing, distributing or selling of any products or  
10111 goods, including products of agriculture; (ii) enterprises for  
10112 research and development, including, but not limited to,  
10113 scientific laboratories; or (iii) such other businesses or  
10114 industry as will be in furtherance of the public purposes of this  
10115 chapter as determined by the MDA and which creates a minimum of  
10116 ten (10) jobs. "Business enterprise" does not include retail or  
10117 gaming businesses or electrical generation facilities, or medical  
10118 cannabis establishments as defined in the Mississippi Medical  
10119 Cannabis Act.

10120           (c) "Eligible supervisors district" means:

10121           (i) A supervisors district:

10122                       1. As such district exists on January 1,  
10123 2001, in which thirty percent (30%) or more of such district's  
10124 population as of June 30, 2000, is at or below the federal poverty



10125 level according to the official data compiled by the United States  
10126 Census Bureau as of June 30, 2000, or the official 1990 census  
10127 poverty rate data (the official 1990 census poverty rate data  
10128 shall not be used to make any such determination after December  
10129 31, 2002); or

10130                                   2. In which thirty percent (30%) or more of  
10131 such district's population is at or below the federal poverty  
10132 level according to the latest official data compiled by the United  
10133 States Census Bureau;

10134                                   (ii) Which is contiguous to a county that meets  
10135 the criteria of Section 57-80-7(1)(b); and

10136                                   (iii) Which is located in a county which has been  
10137 issued a certificate of public convenience and necessity under  
10138 this chapter.

10139                                   (d) "Growth and prosperity counties" means those  
10140 counties which meet the requirements of this chapter and which  
10141 have by resolution or order given its consent to participate in  
10142 the Growth and Prosperity Program.

10143                                   (e) "Local tax" means any county or municipal ad  
10144 valorem tax imposed on the approved business enterprise pursuant  
10145 to law, except the school portion of the tax and any portion of  
10146 the tax imposed to pay the cost of providing fire and police  
10147 protection.

10148                                   (f) "Local taxing authority" means any county or  
10149 municipality which by resolution or order has given its consent to





10150 participate in the Growth and Prosperity Program acting through  
10151 its respective board of supervisors or the municipal governing  
10152 board, council, commission or other legal authority.

10153 (g) "MDA" means the Mississippi Development Authority.

10154 (h) "State tax" means:

10155 (i) Any sales and use tax imposed on the business  
10156 enterprise pursuant to law related to the purchase of component  
10157 building materials and equipment for initial construction of  
10158 facilities or expansion of facilities in a growth and prosperity  
10159 county or supervisors districts, as the case may be;

10160 (ii) All income tax imposed pursuant to law on  
10161 income earned by the business enterprise in a growth and  
10162 prosperity county, or supervisors district, as the case may be;

10163 (iii) Franchise tax imposed pursuant to law on the  
10164 value of capital used, invested or employed by the business  
10165 enterprise in a growth and prosperity county, or supervisors  
10166 district, as the case may be; and

10167 (iv) Any sales and use tax imposed on the lease of  
10168 machinery and equipment acquired in the initial construction to  
10169 establish the facility or for an expansion, including, but not  
10170 limited to, leases in existence prior to January 1, 2001, as  
10171 certified by the MDA, in a growth and prosperity county, or  
10172 supervisors district, as the case may be.

10173 **SECTION 93.** Section 57-85-5, Mississippi Code of 1972, is  
10174 amended as follows:



10175           57-85-5. (1) For the purposes of this section, the  
10176 following words and phrases shall have the meanings ascribed in  
10177 this section unless the context clearly indicates otherwise:

10178           (a) "MDA" means the Mississippi Development Authority.

10179           (b) "Project" means construction, rehabilitation or  
10180 repair of buildings; sewer systems and transportation directly  
10181 affecting the site of the proposed rural business; sewer  
10182 facilities, acquisition of real property, development of real  
10183 property, improvements to real property, and any other project  
10184 approved by the Mississippi Development Authority. The term  
10185 "project" does not include any medical cannabis establishment as  
10186 defined in the Mississippi Medical Cannabis Act.

10187           (c) "Rural business" means a new or existing business  
10188 located or to be located in a rural community or a business or  
10189 industry located or to be located within five (5) miles of a rural  
10190 community. "Rural business" does not include gaming businesses or  
10191 utility businesses, or medical cannabis establishments as defined  
10192 in the Mississippi Medical Cannabis Act.

10193           (d) "Rural community" means a county in the State of  
10194 Mississippi that meets the population criteria for the term  
10195 "limited population county" as provided in Section 57-1-18.  
10196 "Rural community" also means a municipality in the State of  
10197 Mississippi that meets the population criteria for the term "small  
10198 municipality" as provided in Section 57-1-18.



10199           (2)   (a)   There is created in the State Treasury a special  
10200 fund to be designated as the "Mississippi Rural Impact Fund,"  
10201 which shall consist of funds appropriated or otherwise made  
10202 available by the Legislature in any manner and funds from any  
10203 other source designated for deposit into such fund. Unexpended  
10204 amounts remaining in the fund at the end of a fiscal year shall  
10205 not lapse into the State General Fund, and any investment earnings  
10206 or interest earned on amounts in the fund shall be deposited to  
10207 the credit of the fund. Monies in the fund shall be used to make  
10208 grants and loans to rural communities and loan guaranties on  
10209 behalf of rural businesses to assist in completing projects under  
10210 this section.

10211                   (b)   Monies in the fund which are derived from proceeds  
10212 of bonds issued after April 15, 2003, may be used to reimburse  
10213 reasonable actual and necessary costs incurred by the MDA for the  
10214 administration of the various grant, loan and financial incentive  
10215 programs administered by the MDA. An accounting of actual costs  
10216 incurred for which reimbursement is sought shall be maintained by  
10217 the MDA. Reimbursement of reasonable actual and necessary costs  
10218 shall not exceed three percent (3%) of the proceeds of bonds  
10219 issued. Reimbursements under this paragraph (b) shall satisfy any  
10220 applicable federal tax law requirements.

10221                   (c)   The MDA may use monies in the fund to pay for the  
10222 services of architects, engineers, attorneys and such other  
10223 advisors, consultants and agents that the MDA determines are



10224 necessary to review loan and grant applications and to implement  
10225 and administer the program established under this section.

10226 (d) The State Auditor may conduct performance and  
10227 compliance audits under this chapter according to Section  
10228 7-7-211(o) and may bill the oversight agency.

10229 (3) The MDA shall establish a program to make grants and  
10230 loans to rural communities and loan guaranties on behalf of rural  
10231 businesses from the Mississippi Rural Impact Fund. A rural  
10232 community may apply to the MDA for a grant or loan under this  
10233 section in the manner provided for in this section. A rural  
10234 business may apply to the MDA for a loan guaranty under this  
10235 section in the manner provided in this section.

10236 (4) A rural community desiring assistance under this section  
10237 must submit an application to the MDA. The application must  
10238 include a description of the project for which assistance is  
10239 requested, the cost of the project for which assistance is  
10240 requested and any other information required by the MDA. A rural  
10241 business desiring assistance under this section must submit an  
10242 application to the MDA. The application must include a  
10243 description of the purpose for which assistance is requested and  
10244 any other information required by the MDA. The MDA may waive any  
10245 requirements of the program established under this section in  
10246 order to expedite funding for unique projects.

10247 (5) The MDA shall have all powers necessary to implement and  
10248 administer the program established under this section, and the MDA



10249 shall promulgate rules and regulations, in accordance with the  
10250 Mississippi Administrative Procedures Law, necessary for the  
10251 implementation of this section.

10252           **SECTION 94.** Section 57-91-5, Mississippi Code of 1972, is  
10253 amended as follows:

10254           57-91-5. As used in this chapter, the following words and  
10255 phrases shall have the meanings ascribed herein unless the context  
10256 clearly indicates otherwise:

10257           (a) "Business enterprise" means any permanent business  
10258 enterprise locating or relocating within a redevelopment project  
10259 area, including, without limitation:

10260                   (i) Industry for the manufacturing, processing,  
10261 assembling, storing, warehousing, servicing, distributing or  
10262 selling of any products or goods, including products of  
10263 agriculture;

10264                   (ii) Enterprises for research and development,  
10265 including, but not limited to, scientific laboratories;

10266                   (iii) Industry for the retail sale of goods and  
10267 services;

10268                   (iv) The industry for recreation and hospitality,  
10269 including, but not limited to, restaurants, hotels and sports  
10270 facilities; and

10271                   (v) Such other businesses or industry as will be  
10272 in furtherance of the public purposes of this chapter as  
10273 determined by the MDA.



10274           The term "business enterprise" shall not include gaming  
10275 businesses, or medical cannabis establishments as defined in the  
10276 Mississippi Medical Cannabis Act.

10277           (b) "Contaminated site" means real property that is  
10278 either (i) subject to a bankruptcy court order in which the  
10279 property has been abandoned from the bankruptcy estate, or (ii)  
10280 Brownfield property that is subject to a Brownfield agreement  
10281 under Section 49-35-11, and the expansion, redevelopment or reuse  
10282 of which is complicated by the presence or potential presence of a  
10283 hazardous substance, pollutant or contaminant.

10284           (c) "County" means any county of this state.

10285           (d) "Developer" means any person who assumes certain  
10286 environmental liability at a contaminated site and enters into an  
10287 agreement with a redevelopment county or municipality whereby the  
10288 developer agrees to undertake a redevelopment project. "Developer  
10289 agreement" means said agreement.

10290           (e) "Governing body" means the board of supervisors of  
10291 any county or the governing board of a municipality.

10292           (f) "Law" means any act or statute, general, special or  
10293 local, of this state.

10294           (g) "MDA" means the Mississippi Development Authority.

10295           (h) "MDEQ" means the Mississippi Department of  
10296 Environmental Quality.

10297           (i) "Municipality" means any incorporated municipality  
10298 in the state.



10299 (j) "Person" means a natural person, partnership,  
10300 association, corporation, business trust or other business entity.

10301 (k) "Redevelopment counties and municipalities" means  
10302 those counties or municipalities which meet the requirements of  
10303 this chapter and which have by resolution or order designated a  
10304 redevelopment project area and given its consent to participate in  
10305 the program established under this chapter.

10306 (l) "Redevelopment project" means a project that  
10307 combines remediation of a contaminated site with the planned  
10308 development of such site and surrounding land in a manner  
10309 conducive to use by the public or business enterprises including  
10310 the construction of recreational facilities.

10311 (m) "Redevelopment project area" means the geographic  
10312 area defined by resolution of the county or municipality within  
10313 which the remediation and planned development will take place  
10314 containing the contaminated site and additional surrounding and  
10315 adjacent land and waterfront, not exceeding six hundred fifty  
10316 (650) acres, suitable for development.

10317 (n) "Resolution" means an order, resolution, ordinance,  
10318 act, record of minutes or other appropriate enactment of a  
10319 governing body.

10320 (o) "State taxes and fees" means any sales tax imposed  
10321 on the sales or certain purchases by a business enterprise  
10322 pursuant to law within a redevelopment project area, all income  
10323 tax imposed pursuant to law on income earned by the approved



10324 business enterprise within a redevelopment project area and all  
10325 franchise tax imposed pursuant to law on the value of capital  
10326 used, invested or employed by the approved business enterprise in  
10327 a redevelopment project area.

10328         **SECTION 95.** Section 57-117-3, Mississippi Code of 1972, is  
10329 amended as follows:

10330             57-117-3. In this chapter:

10331                 (a) "Health care industry facility" means:

10332                         (i) A business engaged in the research and  
10333 development of pharmaceuticals, biologics, biotechnology,  
10334 diagnostic imaging, medical supplies, medical equipment or  
10335 medicine and related manufacturing or processing, medical service  
10336 providers, medical product distribution, or laboratory testing  
10337 that creates a minimum of twenty-five (25) new full-time jobs  
10338 and/or Ten Million Dollars (\$10,000,000.00) of capital investment  
10339 after July 1, 2012; or

10340                         (ii) A business that \* \* \* 1. is located on land  
10341 owned by or leased from an academic health science center with a  
10342 medical school accredited by the Liaison Committee on Medical  
10343 Education and a hospital accredited by the Joint Committee on  
10344 Accreditation of Healthcare Organizations and \* \* \* 2. creates a  
10345 minimum of twenty-five (25) new jobs and/or Twenty Million Dollars  
10346 (\$20,000,000.00) of capital investment after July 1, 2012.





10347           The term "health care industry facility" does not include any  
10348 medical cannabis establishment as defined in the Mississippi  
10349 Medical Cannabis Act.

10350           (b) "MDA" means the Mississippi Development Authority.

10351           (c) "Health care industry zone" means a geographical  
10352 area certified by the MDA as provided for in Section 57-117-5.

10353           (d) "Local government unit" means any county or  
10354 incorporated city, town or village in the State of Mississippi.

10355           (e) "Person" means a natural person, partnership,  
10356 limited liability company, association, corporation, business  
10357 trust or other business entity.

10358           (f) "Qualified business" means a business or health  
10359 care industry facility that meets the requirements of Section  
10360 57-117-7 and any other requirements of this chapter. The term  
10361 "qualified business" does not include any medical cannabis  
10362 establishment as defined in the Mississippi Medical Cannabis Act.

10363           **SECTION 96.** Section 57-119-11, Mississippi Code of 1972, is  
10364 amended as follows:

10365           57-119-11. (1) MDA is further authorized, on such terms and  
10366 conditions consistent with the criteria set forth in this section  
10367 as it may determine, to establish programs for making loans, loan  
10368 guarantees, grants and any other financial assistance from the  
10369 GCRF to applicants whose projects are approved for assistance  
10370 under this section. MDA shall establish criteria, rules and  
10371 procedures for accepting, reviewing, granting or denying



10372 applications, and for terms and conditions of financial assistance  
10373 under this section in accordance with state law. The Legislature  
10374 shall appropriate monies from the GCRF to the MDA to fund the  
10375 programs established under this section in an amount requested  
10376 annually by MDA for such purpose.

10377 (2) Applicants who are eligible for assistance under this  
10378 section include, but are not limited to, local units of  
10379 government, nongovernmental organizations, institutions of higher  
10380 learning, community colleges, ports, airports, public-private  
10381 partnerships, private for-profit entities, private nonprofit  
10382 entities, and local economic development entities.

10383 (3) MDA shall establish programs and an application process  
10384 to provide assistance to applicants under this section that  
10385 prioritize:

10386 (a) Projects that will impact the long-term  
10387 competitiveness of the region and may result in a significant  
10388 positive impact on tax base, private sector job creation and  
10389 private sector investment in the region;

10390 (b) Projects that demonstrate the maximum long-term  
10391 economic benefits and long-term growth potential of the region  
10392 based on a financial analysis such as a cost-benefit analysis or a  
10393 return-on-investment analysis;

10394 (c) Projects that demonstrate long-term financial  
10395 sustainability, including clear performance metrics, over the  
10396 duration of the project;



10397 (d) Projects that leverage or encourage leveraging of  
10398 other private sector, local, state and federal funding sources  
10399 with preference to projects that can demonstrate contributions  
10400 from other sources than funds from the BP settlement;

10401 (e) Projects that are supported by multiple government  
10402 or private sector entities;

10403 (f) Projects that can move quickly and efficiently to  
10404 the design, engineering, and permitting phase;

10405 (g) Projects that enhance the quality of life/place and  
10406 business environment of the region, including tourism and  
10407 recreational opportunities;

10408 (h) Projects that expand the region's ability to  
10409 attract high-growth industries or establish new high-growth  
10410 industries in the region;

10411 (i) Projects that leverage or further enhance key  
10412 regional assets, including educational institutions, research  
10413 facilities, ports, airports, rails and military bases;

10414 (j) Projects that are transformational for the future  
10415 of the region but create a wider regional impact;

10416 (k) Projects that enhance the marketability of existing  
10417 industrial properties;

10418 (l) Projects that enhance a targeted industry cluster  
10419 or create a Center of Excellence unique to the region;

10420 (m) Infrastructure projects for business retention and  
10421 development;



10422 (n) Projects that enhance research and innovative  
10423 technologies in the region; and

10424 (o) Projects that provide outcome and return on  
10425 investment measures, to be judged by clear performance metrics,  
10426 over the duration of the project or program.

10427 (4) The MDA shall not approve any application for assistance  
10428 or provide any assistance under this section for projects that are  
10429 medical cannabis establishments as defined in the Mississippi  
10430 Medical Cannabis Act or for projects related in any manner to  
10431 medical cannabis establishments.

10432 **SECTION 97.** Section 65-4-5, Mississippi Code of 1972, is  
10433 amended as follows:

10434 65-4-5. (1) The following words when used in this chapter  
10435 shall have the meanings herein ascribed unless the context  
10436 otherwise clearly requires:

10437 (a) "Board" means the Mississippi Development  
10438 Authority;

10439 (b) "Department" means the Mississippi Department of  
10440 Transportation;

10441 (c) "High economic benefit project" means:

10442 (i) Any new investment by a private company with  
10443 capital investments in land, buildings, depreciable fixed assets  
10444 and improvements of at least Seventy Million Dollars  
10445 (\$70,000,000.00);



10446 (ii) Any new investment of at least Twenty Million  
10447 Dollars (\$20,000,000.00) by a private company having capital  
10448 investments in this state in land, buildings, depreciable fixed  
10449 assets and improvements of at least One Billion Dollars  
10450 (\$1,000,000,000.00) in the aggregate;

10451 (iii) Public investment of at least One Hundred  
10452 Million Dollars (\$100,000,000.00) to take place over a specified  
10453 period of time and in accordance with a master plan duly adopted  
10454 by the controlling political subdivision;

10455 (iv) Any new investments in land, buildings,  
10456 depreciable fixed assets and improvements by two (2) private  
10457 companies upon land that is adjacent whenever the new investments  
10458 of both companies are at least Sixty Million Dollars  
10459 (\$60,000,000.00) in the aggregate, and such new investments by  
10460 both private companies provide for the employment of at least five  
10461 hundred (500) employees in the aggregate;

10462 (v) Any project which would benefit from the  
10463 construction of any highway bypass which would aid in economic  
10464 development and would provide an alternate route to avoid an  
10465 existing route which underpasses a railroad and which would aid in  
10466 existing or proposed industry;

10467 (vi) Any master planned community;

10468 (vii) Any new investments in land, buildings,  
10469 depreciable fixed assets and improvements by not more than three  
10470 (3) private companies physically located within a one-half-mile



10471 radius of each other whenever the new investments of such  
10472 companies are at least Sixty Million Dollars (\$60,000,000.00) in  
10473 the aggregate, and such new investments by such companies provide  
10474 for the employment of at least three hundred (300) new employees  
10475 in the aggregate;

10476 (viii) Any new investments in land, buildings,  
10477 depreciable fixed assets and improvements by two (2) or more  
10478 private companies upon lands originally adjacent, but now divided  
10479 by a four-lane state highway and bordered by a two-lane state  
10480 highway, and the new investments of the companies are at least  
10481 Fifty Million Dollars (\$50,000,000.00) in the aggregate, and a  
10482 portion of such new investment will be utilized for the  
10483 construction of a hospital;

10484 (ix) [Repealed]

10485 (x) Any project as defined in Section  
10486 57-75-5(f)(xxi); however, the term "high economic benefit project"  
10487 does not include the construction of Mississippi Highway 348;

10488 (xi) Any project as defined in Section 17-25-17;

10489 (xii) Any project which would allow access to a  
10490 national intermodal facility with a minimum capital investment of  
10491 One Hundred Million Dollars (\$100,000,000.00) that is located  
10492 within five (5) miles of the State of Mississippi and has direct  
10493 access into an industrial park within the state;

10494 (xiii) Any new investments in land, buildings and  
10495 depreciable fixed assets and improvements by a private company of



10496 at least One Hundred Million Dollars (\$100,000,000.00) over a  
10497 specified period of time in accordance with a defined capital  
10498 improvement project approved by the board;

10499 (xiv) Any new investments in land, buildings,  
10500 depreciable fixed assets and improvements of at least Fifteen  
10501 Million Dollars (\$15,000,000.00) by a private company to establish  
10502 a private regional or national headquarters and such new  
10503 investments provide for the employment of at least one hundred  
10504 (100) new employees in the aggregate over a five-year period with  
10505 those new employees earning an annual average salary, excluding  
10506 benefits which are not subject to Mississippi income taxes, of at  
10507 least one hundred fifty percent (150%) of the most recently  
10508 published state average annual wage or the most recently published  
10509 average annual wage of the county in which the qualified private  
10510 regional or national headquarters is located, as determined by the  
10511 Mississippi Department of Employment Security, whichever is less;

10512 However, if the initial investments that a private company  
10513 made in order to meet the definition of a high economic benefit  
10514 project under this paragraph (c) (i) and in order to be approved  
10515 for such project exceeded Fifty Million Dollars (\$50,000,000.00),  
10516 or if subsequent to being approved for the initial project the  
10517 same company and/or one or more other private companies made  
10518 additional capital investments exceeding Fifty Million Dollars  
10519 (\$50,000,000.00) in aggregate value in land, buildings,  
10520 depreciable fixed assets and improvements physically attached to



10521 or forming a part of the initially planned site development, then  
10522 an amount equal to fifty percent (50%) of all such investments  
10523 that exceeds Fifty Million Dollars (\$50,000,000.00) shall be  
10524 subtracted from the Sixty Million Dollars (\$60,000,000.00) in  
10525 aggregate value of new investments required under this paragraph  
10526 (c)(vii).

10527 The term "high economic benefit project" does not include any  
10528 medical cannabis establishment as defined in the Mississippi  
10529 Medical Cannabis Act or any form of investment related thereto;

10530 (d) "Political subdivision" means one or more counties  
10531 or incorporated municipalities in the state, or a state-owned port  
10532 located in a county bordering on the Gulf of Mexico;

10533 (e) "Private company" means:

10534 (i) Any agricultural, aquacultural, maricultural,  
10535 processing, distribution, warehousing, manufacturing,  
10536 transportation, tourism or research and development enterprise;

10537 (ii) Any air transportation and maintenance  
10538 facility, regional shopping mall, hospital, large hotel, resort or  
10539 movie industry studio;

10540 (iii) The federal government with respect to any  
10541 specific project which meets the criteria established in paragraph  
10542 (c)(i) of this subsection;

10543 (iv) Any existing or proposed industry in regard  
10544 to a project described in paragraph (c)(v) of this subsection;





10545 (v) A developer with respect to any specific  
10546 project which meets the criteria established in paragraph (c) (vi)  
10547 of this subsection; or

10548 (vi) A tourism project approved by the  
10549 board \* \* \*.

10550 The term "private company" does not include any medical  
10551 cannabis establishment as defined in the Mississippi Medical  
10552 Cannabis Act;

10553 (f) "Master planned community" shall have the same  
10554 meaning as that term is defined in Section 19-5-10.

10555 (2) The Mississippi Department of Transportation is hereby  
10556 authorized to purchase rights-of-way and construct and maintain  
10557 roads and highways authorized to be constructed pursuant to this  
10558 chapter.

10559 **SECTION 98.** Section 69-2-11, Mississippi Code of 1972, is  
10560 amended as follows:

10561 69-2-11. Emerging crop designations shall include, but not  
10562 be limited to:

10563 (a) Blueberries;

10564 (b) Muscadines;

10565 (c) Christmas trees;

10566 (d) Aquaculture, including any species from the Gulf of  
10567 Mexico and its tributaries;

10568 (e) Horticulture;

10569 (f) Rabbit farming and processing; and



10570 (g) Others designated by the \* \* \* Mississippi  
10571 Development Authority or Legislature.

10572 Emerging crop designations shall not include medical cannabis  
10573 establishments as defined in the Mississippi Medical Cannabis Act.

10574 **SECTION 99.** Section 69-2-13, Mississippi Code of 1972, is  
10575 amended as follows:

10576 69-2-13. (1) There is hereby established in the State  
10577 Treasury a fund to be known as the "Emerging Crops Fund," which  
10578 shall be used to pay the interest on loans made to farmers for  
10579 nonland capital costs of establishing production of emerging crops  
10580 on land in Mississippi, and to make loans and grants which are  
10581 authorized under this section to be made from the fund. The fund  
10582 shall be administered by the Mississippi Development Authority. A  
10583 board comprised of the directors of the authority, the Mississippi  
10584 Cooperative Extension Service, the Mississippi Small Farm  
10585 Development Center and the Mississippi Agricultural and Forestry  
10586 Experiment Station, or their designees, shall develop definitions,  
10587 guidelines and procedures for the implementation of this chapter.  
10588 Funds for the Emerging Crops Fund shall be provided from the  
10589 issuance of bonds or notes under Sections 69-2-19 through 69-2-37  
10590 and from repayment of interest loans made from the fund.

10591 (2) (a) The Mississippi Development Authority shall develop  
10592 a program which gives fair consideration to making loans for the  
10593 processing and manufacturing of goods and services by  
10594 agribusiness, greenhouse production horticulture, and small



10595 business concerns. It is the policy of the State of Mississippi  
10596 that the Mississippi Development Authority shall give due  
10597 recognition to and shall aid, counsel, assist and protect, insofar  
10598 as is possible, the interests of agribusiness, greenhouse  
10599 production horticulture, and small business concerns. To ensure  
10600 that the purposes of this subsection are carried out, the  
10601 Mississippi Development Authority shall loan not more than One  
10602 Million Dollars (\$1,000,000.00) to finance any single  
10603 agribusiness, greenhouse production horticulture, or small  
10604 business concern. Loans made pursuant to this subsection shall be  
10605 made in accordance with the criteria established in Section  
10606 57-71-11.

10607 (b) The Mississippi Development Authority may, out of  
10608 the total amount of bonds authorized to be issued under this  
10609 chapter, make available funds to any planning and development  
10610 district in accordance with the criteria established in Section  
10611 57-71-11. Planning and development districts which receive monies  
10612 pursuant to this provision shall use such monies to make loans to  
10613 private companies for purposes consistent with this subsection.

10614 (c) The Mississippi Development Authority is hereby  
10615 authorized to engage legal services, financial advisors,  
10616 appraisers and consultants if needed to review and close loans  
10617 made hereunder and to establish and assess reasonable fees,  
10618 including, but not limited to, liquidation expenses.



10619 (d) The State Auditor may conduct performance and  
10620 compliance audits under this chapter according to Section  
10621 7-7-211(o) and may bill the oversight agency.

10622 (3) (a) The Mississippi Development Authority shall, in  
10623 addition to the other programs described in this section, provide  
10624 for the following programs of loans to be made to agribusiness or  
10625 greenhouse production horticulture enterprises for the purpose of  
10626 encouraging thereby the extension of conventional financing and  
10627 the issuance of letters of credit to such agribusiness or  
10628 greenhouse production horticulture enterprises by private  
10629 institutions. Monies to make such loans by the Mississippi  
10630 Development Authority shall be drawn from the Emerging Crops Fund.

10631 (b) The Mississippi Development Authority may make  
10632 loans to agribusiness or greenhouse production horticulture  
10633 enterprises. The amount of any loan to any single enterprise  
10634 under this paragraph (b) shall not exceed twenty percent (20%) of  
10635 the total cost of the project for which financing is sought or Two  
10636 Hundred Fifty Thousand Dollars (\$250,000.00), whichever is less.  
10637 No interest shall be charged on such loans, and only the amount  
10638 actually loaned shall be required to be repaid. Repayments shall  
10639 be deposited into the Emerging Crops Fund.

10640 (c) The Mississippi Development Authority also may make  
10641 loans under this subsection (3) to existing agribusiness or  
10642 greenhouse production horticulture enterprises for the purpose of  
10643 assisting such enterprises to make upgrades, renovations, repairs



10644 and other improvements to their equipment, facilities and  
10645 operations, which shall not exceed Two Hundred Fifty Thousand  
10646 Dollars (\$250,000.00) or thirty percent (30%) of the total cost of  
10647 the project for which financing is sought, whichever is less. No  
10648 interest shall be charged on loans made under this paragraph, and  
10649 only the amount actually loaned shall be required to be repaid.  
10650 Repayments shall be deposited into the Emerging Crops Fund.

10651 (d) The maximum aggregate amount of loans that may be  
10652 made under this subsection (3) to any one (1) agribusiness shall  
10653 be not more than Five Hundred Thousand Dollars (\$500,000.00).

10654 (4) (a) Through June 30, 2010, the Mississippi Development  
10655 Authority may loan or grant to qualified planning and development  
10656 districts, and to small business investment corporations,  
10657 bank-based community development corporations, the Recruitment and  
10658 Training Program, Inc., the City of Jackson Business Development  
10659 Loan Fund, the Lorman Southwest Mississippi Development  
10660 Corporation, the West Jackson Community Development Corporation,  
10661 the East Mississippi Development Corporation, and other entities  
10662 meeting the criteria established by the Mississippi Development  
10663 Authority (all referred to hereinafter as "qualified entities"),  
10664 funds for the purpose of establishing loan revolving funds to  
10665 assist in providing financing for minority economic development.  
10666 The monies loaned or granted by the Mississippi Development  
10667 Authority shall be drawn from the Emerging Crops Fund and shall  
10668 not exceed Twenty-nine Million Dollars (\$29,000,000.00) in the



10669 aggregate. Planning and development districts or qualified  
10670 entities which receive monies pursuant to this provision shall use  
10671 such monies to make loans to minority business enterprises  
10672 consistent with criteria established by the Mississippi  
10673 Development Authority. Such criteria shall include, at a minimum,  
10674 the following:

10675 (i) The business enterprise must be a private,  
10676 for-profit enterprise.

10677 (ii) If the business enterprise is a  
10678 proprietorship, the borrower must be a resident citizen of the  
10679 State of Mississippi; if the business enterprise is a corporation  
10680 or partnership, at least fifty percent (50%) of the owners must be  
10681 resident citizens of the State of Mississippi.

10682 (iii) The borrower must have at least five percent  
10683 (5%) equity interest in the business enterprise.

10684 (iv) The borrower must demonstrate ability to  
10685 repay the loan.

10686 (v) The borrower must not be in default of any  
10687 previous loan from the state or federal government.

10688 (vi) Loan proceeds may be used for financing all  
10689 project costs associated with development or expansion of a new  
10690 small business, including fixed assets, working capital, start-up  
10691 costs, rental payments, interest expense during construction and  
10692 professional fees related to the project.



10693 (vii) Loan proceeds shall not be used to pay off  
10694 existing debt for loan consolidation purposes; to finance the  
10695 acquisition, construction, improvement or operation of real  
10696 property which is to be held primarily for sale or investment; to  
10697 provide for, or free funds, for speculation in any kind of  
10698 property; or as a loan to owners, partners or stockholders of the  
10699 applicant which do not change ownership interest by the applicant.  
10700 However, this does not apply to ordinary compensation for services  
10701 rendered in the course of business.

10702 (viii) The maximum amount that may be loaned to  
10703 any one (1) borrower shall be Two Hundred Fifty Thousand Dollars  
10704 (\$250,000.00).

10705 (ix) The Mississippi Development Authority shall  
10706 review each loan before it is made, and no loan shall be made to  
10707 any borrower until the loan has been reviewed and approved by the  
10708 Mississippi Development Authority.

10709 (b) For the purpose of this subsection, the term  
10710 "minority business enterprise" means a socially and economically  
10711 disadvantaged small business concern, organized for profit,  
10712 performing a commercially useful function which is owned and  
10713 controlled by one or more minorities or minority business  
10714 enterprises certified by the Mississippi Development Authority, at  
10715 least fifty percent (50%) of whom are resident citizens of the  
10716 State of Mississippi. Except as otherwise provided, for purposes  
10717 of this subsection, the term "socially and economically



10718 disadvantaged small business concern" shall have the meaning  
10719 ascribed to such term under the Small Business Act (15 USCS,  
10720 Section 637(a)), or women, and the term "owned and controlled"  
10721 means a business in which one or more minorities or minority  
10722 business enterprises certified by the Mississippi Development  
10723 Authority own sixty percent (60%) or, in the case of a  
10724 corporation, sixty percent (60%) of the voting stock, and control  
10725 sixty percent (60%) of the management and daily business  
10726 operations of the business. However, an individual whose personal  
10727 net worth exceeds Five Hundred Thousand Dollars (\$500,000.00)  
10728 shall not be considered to be an economically disadvantaged  
10729 individual.

10730         From and after July 1, 2010, monies not loaned or granted by  
10731 the Mississippi Development Authority to planning and development  
10732 districts or qualified entities under this subsection, and monies  
10733 not loaned by planning and development districts or qualified  
10734 entities, shall be deposited to the credit of the sinking fund  
10735 created and maintained in the State Treasury for the retirement of  
10736 bonds issued under Section 69-2-19.

10737         (c) Notwithstanding any other provision of this  
10738 subsection to the contrary, if federal funds are not available for  
10739 commitments made by a planning and development district to provide  
10740 assistance under any federal loan program administered by the  
10741 planning and development district in coordination with the  
10742 Appalachian Regional Commission or Economic Development





10743 Administration, or both, a planning and development district may  
10744 use funds in its loan revolving fund, which have not been  
10745 committed otherwise to provide assistance, for the purpose of  
10746 providing temporary funding for such commitments. If a planning  
10747 and development district uses uncommitted funds in its loan  
10748 revolving fund to provide such temporary funding, the district  
10749 shall use funds repaid to the district under the temporarily  
10750 funded federal loan program to replenish the funds used to provide  
10751 the temporary funding. Funds used by a planning and development  
10752 district to provide temporary funding under this paragraph (c)  
10753 must be repaid to the district's loan revolving fund no later than  
10754 twelve (12) months after the date the district provides the  
10755 temporary funding. A planning and development district may not  
10756 use uncommitted funds in its loan revolving fund to provide  
10757 temporary funding under this paragraph (c) on more than two (2)  
10758 occasions during a calendar year. A planning and development  
10759 district may provide temporary funding for multiple commitments on  
10760 each such occasion. The maximum aggregate amount of uncommitted  
10761 funds in a loan revolving fund that may be used for such purposes  
10762 during a calendar year shall not exceed seventy percent (70%) of  
10763 the uncommitted funds in the loan revolving fund on the date the  
10764 district first provides temporary funding during the calendar  
10765 year.

10766 (d) If the Mississippi Development Authority determines  
10767 that a planning and development district or qualified entity has



10768 provided loans to minority businesses in a manner inconsistent  
10769 with the provisions of this subsection, then the amount of such  
10770 loans so provided shall be withheld by the Mississippi Development  
10771 Authority from any additional grant funds to which the planning  
10772 and development district or qualified entity becomes entitled  
10773 under this subsection. If the Mississippi Development Authority  
10774 determines, after notifying such planning and development district  
10775 or qualified entity twice in writing and providing such planning  
10776 and development district or qualified entity a reasonable  
10777 opportunity to comply, that a planning and development district or  
10778 qualified entity has consistently failed to comply with this  
10779 subsection, the Mississippi Development Authority may declare such  
10780 planning and development district or qualified entity in default  
10781 under this subsection and, upon receipt of notice thereof from the  
10782 Mississippi Development Authority, such planning and development  
10783 district or qualified entity shall immediately cease providing  
10784 loans under this subsection, shall refund to the Mississippi  
10785 Development Authority for distribution to other planning and  
10786 development districts or qualified entities all funds held in its  
10787 revolving loan fund and, if required by the Mississippi  
10788 Development Authority, shall convey to the Mississippi Development  
10789 Authority all administrative and management control of loans  
10790 provided by it under this subsection.

10791 (e) If the Mississippi Development Authority  
10792 determines, after notifying a planning and development district or



10793 qualified entity twice in writing and providing copies of such  
10794 notification to each member of the Legislature in whose district  
10795 or in a part of whose district such planning and development  
10796 district or qualified entity is located and providing such  
10797 planning and development district or qualified entity a reasonable  
10798 opportunity to take corrective action, that a planning and  
10799 development district or qualified entity administering a revolving  
10800 loan fund under the provisions of this subsection is not actively  
10801 engaged in lending as defined by the rules and regulations of the  
10802 Mississippi Development Authority, the Mississippi Development  
10803 Authority may declare such planning and development district or  
10804 qualified entity in default under this subsection and, upon  
10805 receipt of notice thereof from the Mississippi Development  
10806 Authority, such planning and development district or qualified  
10807 entity shall immediately cease providing loans under this  
10808 subsection, shall refund to the Mississippi Development Authority  
10809 for distribution to other planning and development districts or  
10810 qualified entities all funds held in its revolving loan fund and,  
10811 if required by the Mississippi Development Authority, shall convey  
10812 to the Mississippi Development Authority all administrative and  
10813 management control of loans provided by it under this subsection.

10814 (5) The Mississippi Development Authority shall develop a  
10815 program which will assist minority business enterprises by  
10816 guaranteeing bid, performance and payment bonds which such  
10817 minority businesses are required to obtain in order to contract



10818 with federal agencies, state agencies or political subdivisions of  
10819 the state. The Mississippi Development Authority may secure  
10820 letters of credit, as determined necessary by the authority, to  
10821 guarantee bid, performance and payment bonds pursuant to this  
10822 subsection. Monies for such program shall be drawn from the  
10823 monies allocated under subsection (4) of this section to assist  
10824 the financing of minority economic development and shall not  
10825 exceed Three Million Dollars (\$3,000,000.00) in the aggregate.  
10826 The Mississippi Development Authority may promulgate rules and  
10827 regulations for the operation of the program established pursuant  
10828 to this subsection. For the purpose of this subsection (5), the  
10829 term "minority business enterprise" has the meaning assigned such  
10830 term in subsection (4) of this section.

10831 (6) The Mississippi Development Authority may loan or grant  
10832 to public entities and to nonprofit corporations funds to defray  
10833 the expense of financing (or to match any funds available from  
10834 other public or private sources for the expense of financing)  
10835 projects in this state which are devoted to the study, teaching  
10836 and/or promotion of regional crafts and which are deemed by the  
10837 authority to be significant tourist attractions. The monies  
10838 loaned or granted shall be drawn from the Emerging Crops Fund and  
10839 shall not exceed Two Hundred Fifty Thousand Dollars (\$250,000.00)  
10840 in the aggregate.

10841 (7) Through June 30, 2006, the Mississippi Development  
10842 Authority shall make available to the Mississippi Department of



10843 Agriculture and Commerce funds for the purpose of establishing  
10844 loan revolving funds and other methods of financing for  
10845 agribusiness programs administered under the Mississippi  
10846 Agribusiness Council Act of 1993. The monies made available by  
10847 the Mississippi Development Authority shall be drawn from the  
10848 Emerging Crops Fund and shall not exceed One Million Two Hundred  
10849 Thousand Dollars (\$1,200,000.00) in the aggregate. The  
10850 Mississippi Department of Agriculture and Commerce shall establish  
10851 control and auditing procedures for use of these funds. These  
10852 funds will be used primarily for quick payment to farmers for  
10853 vegetable and fruit crops processed and sold through vegetable  
10854 processing plants associated with the Department of Agriculture  
10855 and Commerce and the Mississippi State Extension Service.

10856 (8) From and after July 1, 1996, the Mississippi Development  
10857 Authority shall make available to the Mississippi Small Farm  
10858 Development Center One Million Dollars (\$1,000,000.00) to be used  
10859 by the center to assist small entrepreneurs as provided in Section  
10860 37-101-25, Mississippi Code of 1972. The monies made available by  
10861 the Mississippi Development Authority shall be drawn from the  
10862 Emerging Crops Fund.

10863 (9) [Repealed]

10864 (10) The Mississippi Development Authority shall make  
10865 available to the Small Farm Development Center at Alcorn State  
10866 University funds in an aggregate amount not to exceed Three  
10867 Hundred Thousand Dollars (\$300,000.00), to be drawn from the cash



10868 balance of the Emerging Crops Fund. The Small Farm Development  
10869 Center at Alcorn State University shall use such funds to make  
10870 loans to producers of sweet potatoes and cooperatives anywhere in  
10871 the State of Mississippi owned by sweet potato producers to assist  
10872 in the planting of sweet potatoes and the purchase of sweet potato  
10873 production and harvesting equipment. A report of the loans made  
10874 under this subsection shall be furnished by January 15 of each  
10875 year to the Chairman of the Senate Agriculture Committee and the  
10876 Chairman of the House Agriculture Committee.

10877 (11) The Mississippi Development Authority shall make  
10878 available to the Mississippi Department of Agriculture and  
10879 Commerce "Make Mine Mississippi" program an amount not to exceed  
10880 One Hundred Fifty Thousand Dollars (\$150,000.00) to be drawn from  
10881 the cash balance of the Emerging Crops Fund.

10882 (12) The Mississippi Development Authority shall make  
10883 available to the Mississippi Department of Agriculture and  
10884 Commerce an amount not to exceed One Hundred Fifty Thousand  
10885 Dollars (\$150,000.00) to be drawn from the cash balance of the  
10886 Emerging Crops Fund to be used for the rehabilitation and  
10887 maintenance of the Mississippi Farmers Central Market in Jackson,  
10888 Mississippi.

10889 (13) The Mississippi Development Authority shall make  
10890 available to the Mississippi Department of Agriculture and  
10891 Commerce an amount not to exceed Twenty-five Thousand Dollars  
10892 (\$25,000.00) to be drawn from the cash balance of the Emerging



10893 Crops Fund to be used for advertising purposes related to the  
10894 Mississippi Farmers Central Market in Jackson, Mississippi.

10895 (14) (a) The Mississippi Development Authority shall, in  
10896 addition to the other programs described in this section, provide  
10897 for a program of loan guaranties to be made on behalf of any  
10898 nonprofit entity qualified under Section 501(c)(3) of the Internal  
10899 Revenue Code and certified by the United States Department of the  
10900 Treasury as a community development financial institution for the  
10901 purpose of encouraging the extension of financing to such an  
10902 entity which financing the entity will use to make funds available  
10903 to other entities for the purpose of making loans available in  
10904 low-income communities in Mississippi. Monies to make such loan  
10905 guaranties by the Mississippi Development Authority shall be drawn  
10906 from the Emerging Crops Fund and shall not exceed Two Million  
10907 Dollars (\$2,000,000.00) in the aggregate. The amount of a loan  
10908 guaranty on behalf of such an entity under this subsection (14)  
10909 shall not exceed Two Million Dollars (\$2,000,000.00). Assistance  
10910 received by an entity under this subsection (14) shall not  
10911 disqualify the entity from obtaining any other assistance under  
10912 this chapter.

10913 (b) An entity desiring assistance under this subsection  
10914 (14) must submit an application to the Mississippi Development  
10915 Authority. The application must include any information required  
10916 by the Mississippi Development Authority.



10917 (c) The Mississippi Development Authority shall have  
10918 all powers necessary to implement and administer the program  
10919 established under this subsection (14), and the Mississippi  
10920 Development Authority shall promulgate rules and regulations, in  
10921 accordance with the Mississippi Administrative Procedures Law,  
10922 necessary for the implementation of this subsection (14).

10923 (15) (a) The Mississippi Development Authority shall, in  
10924 addition to the other programs described in this section, provide  
10925 for a program of grants to agribusiness enterprises that process,  
10926 dry, store or ship peanuts and if the enterprise has invested  
10927 prior to April 17, 2009, a minimum of Six Million Dollars  
10928 (\$6,000,000.00) in land, facilities and equipment in this state  
10929 that are utilized to process, dry, store or ship peanuts. Monies  
10930 to make such grants by the Mississippi Development Authority shall  
10931 be drawn from the Emerging Crops Fund and shall not exceed One  
10932 Million Dollars (\$1,000,000.00) in the aggregate. The amount of a  
10933 grant under this subsection (15) shall not exceed One Million  
10934 Dollars (\$1,000,000.00).

10935 (b) An entity desiring assistance under this subsection  
10936 (15) must submit an application to the Mississippi Development  
10937 Authority. The application must include a description of the  
10938 project for which assistance is requested, the cost of the project  
10939 for which assistance is requested, the amount of assistance  
10940 requested and any other information required by the Mississippi  
10941 Development Authority.





10942 (c) As a condition of the receipt of a grant under this  
10943 subsection (15), an entity must agree to remain in business in  
10944 this state for not less than five (5) years and must meet other  
10945 conditions established by the Mississippi Development Authority to  
10946 ensure that the assistance results in an economic benefit to the  
10947 state. The Mississippi Development Authority shall require that  
10948 binding commitments be entered into requiring that:

10949 (i) The minimum requirements provided for in this  
10950 subsection (15) and the conditions established by the Mississippi  
10951 Development Authority are met; and

10952 (ii) If such commitments and conditions are not  
10953 met, all or a portion of the funds provided pursuant to this  
10954 subsection (15) shall be repaid.

10955 (d) The Mississippi Development Authority shall have  
10956 all powers necessary to implement and administer the program  
10957 established under this subsection (15), and the Mississippi  
10958 Development Authority shall promulgate rules and regulations, in  
10959 accordance with the Mississippi Administrative Procedures Law,  
10960 necessary for the implementation of this subsection (15).

10961 (16) (a) The Mississippi Development Authority, in addition  
10962 to the other programs described in this section, shall provide for  
10963 a program of loan guaranties to be made on behalf of certain  
10964 agribusinesses engaged in sweet potato growing and farming for the  
10965 purpose of encouraging thereby the extension of conventional  
10966 financing and the issuance of letters of credit to such



10967 agribusinesses by lenders. The amount of a loan guaranty made on  
10968 behalf of such an agribusiness shall be ninety percent (90%) of  
10969 the amount of assistance made available by a lender for the  
10970 purposes authorized under this subsection (16). Monies to make  
10971 such loan guaranties by the Mississippi Development Authority  
10972 shall be drawn from the Emerging Crops Fund and shall not exceed  
10973 Seventeen Million Dollars (\$17,000,000.00) in the aggregate.

10974 (b) In order to be eligible for assistance under this  
10975 subsection (16) an agribusiness must:

10976 (i) Have been actively engaged in sweet potato  
10977 growing and farming in this state before January 1, 2010;

10978 (ii) Have incurred a disaster-related loss for  
10979 sweet potato growing and farming purposes for calendar year 2009,  
10980 as determined by a lender;

10981 (iii) Agree to obtain and maintain federal  
10982 Noninsured Agricultural Program (NAP) insurance coverage for the  
10983 outstanding balance of any assistance received under this  
10984 subsection (16); and

10985 (iv) Satisfy underwriting criteria established by  
10986 a lender related to loans under this subsection (16).

10987 (c) (i) An entity desiring assistance under this  
10988 subsection must submit an application for assistance to a lender  
10989 not later than August 1, 2010. The application must include:



10990                   1. Information verifying the length of time  
10991 the applicant has been actively engaged in sweet potato growing  
10992 and farming in this state;

10993                   2. Information regarding the number of acres  
10994 used by the applicant for sweet potato growing and farming  
10995 purposes during the 2009 calendar year, as certified to by the  
10996 Farm Services Authority (FSA) or the Mississippi Department of  
10997 Agriculture and Commerce (MDAC), and the number of acres the  
10998 applicant intends to use for such purposes during the 2010  
10999 calendar year;

11000                   3. The average cost per acre incurred by the  
11001 applicant for sweet potato growing and farming purposes during the  
11002 2009 calendar year, as certified to by the FSA or MDAC, and an  
11003 estimate of the average cost per acre to be incurred by the  
11004 applicant for such purposes during the calendar year for which  
11005 application is made;

11006                   4. The amount of assistance requested;

11007                   5. A statement from the applicant agreeing  
11008 that he will obtain and maintain NAP insurance coverage for the  
11009 outstanding balance of any assistance received under this  
11010 subsection (16); and

11011                   6. Any other information required by the  
11012 lender and/or the MDA.

11013                   (ii) The lender shall review the application for  
11014 assistance and determine whether the applicant qualifies for



11015 assistance under this subsection (16). If the lender determines  
11016 that the applicant qualifies for assistance, the lender shall loan  
11017 funds to the applicant subject to the provisions of this  
11018 subsection (16).

11019 (d) Loans made under this subsection (16) shall be  
11020 subject to the following conditions:

11021 (i) The maximum amount of a loan to a borrower  
11022 shall not exceed One Thousand Seven Hundred Dollars (\$1,700.00)  
11023 per acre and shall exclude any machinery and equipment costs.

11024 (ii) The proceeds of a loan may be used only for  
11025 paying a borrower's sweet potato planting, production and  
11026 harvesting costs, excluding machinery and equipment costs.

11027 (iii) The proceeds of a loan may not be used to  
11028 repay, satisfy or finance existing debt.

11029 (iv) The time allowed for repayment of a loan  
11030 shall not be more than five (5) years, and there shall be no  
11031 penalty, fee or other charge imposed for the prepayment of a loan.

11032 (e) The receipt of assistance by a person or other  
11033 entity under any other program described in this section shall not  
11034 disqualify the person or entity from obtaining a loan under the  
11035 program established in this subsection (16) if the person or  
11036 entity is otherwise eligible under this program. In addition, the  
11037 receipt of a loan by a person or other entity under the program  
11038 established under this subsection (16) shall not disqualify the



11039 person or entity from obtaining assistance under any other program  
11040 described in this section.

11041 (f) The Mississippi Development Authority shall have  
11042 all powers necessary to implement and administer the program  
11043 established under this subsection (16), and the Mississippi  
11044 Development Authority shall promulgate rules and regulations, in  
11045 accordance with the Mississippi Administrative Procedures Law,  
11046 necessary for the implementation of this subsection (16).

11047 (17) Notwithstanding any other provision of this section to  
11048 the contrary, the Mississippi Development Authority shall not  
11049 provide loans, loan guaranties, grants or any other form of  
11050 assistance to medical cannabis establishments as defined in the  
11051 Mississippi Medical Cannabis Act.

11052 **SECTION 100.** This act shall take effect and be in force from  
11053 and after its passage.

