

By: Senator(s) Parker, McLendon, Blackwell

To: Economic and Workforce
Development

SENATE BILL NO. 2716

1 AN ACT TO RATIFY THE INTERSTATE COMPACT BETWEEN THE STATES OF
2 ARKANSAS, MISSISSIPPI AND TENNESSEE CREATING THE REGIONSMART
3 DEVELOPMENT DISTRICT AND THE REGIONSMART DEVELOPMENT AGENCY OF THE
4 GREATER MEMPHIS REGION; TO PROVIDE THAT THE GOVERNING AUTHORITY OF
5 THE REGIONSMART DEVELOPMENT AGENCY SHALL BE VESTED IN A BOARD OF
6 COMMISSIONERS CONSISTING OF 15 MEMBERS, ALL OF WHOM SHALL BE
7 RESIDENTS OF THE DISTRICT; TO NAME THE AUTHORITIES APPOINTING THE
8 COMMISSIONERS, AND TO FIX THE TERMS OF THE COMMISSIONERS; TO
9 PROVIDE THE POWERS AND DUTIES OF THE BOARD OF COMMISSIONERS; TO
10 PROVIDE THAT THE COMPACT SHALL BECOME EFFECTIVE UPON PASSAGE OF
11 APPROPRIATE LEGISLATION IN TWO OF THE THREE STATES IN
12 SUBSTANTIALLY SIMILAR FORM; TO PROVIDE THAT THE COMPACT MAY ONLY
13 BE AMENDED BY THE PASSAGE OF APPROPRIATE LEGISLATION APPROVED BY
14 THE STATES WHICH ARE THEN PARTIES TO THE COMPACT CONCURRING IN THE
15 AMENDMENT; TO REQUIRE THE REGIONSMART DEVELOPMENT AGENCY, NOT
16 LATER THAN MARCH 31 OF EACH YEAR, TO SUBMIT AN ANNUAL REPORT TO
17 THE STATE LEGISLATURES AND GOVERNORS, AND TO THE INDIVIDUALS AND
18 ENTITIES HOLDING THE POWERS OF APPOINTMENT OF THE BOARD OF
19 COMMISSIONERS; TO PROVIDE THAT NO PART OF THE INCOME AND EARNINGS
20 OF THE REGIONSMART DEVELOPMENT AGENCY SHALL INURE TO THE BENEFIT
21 OR PROFIT OF A PRIVATE INDIVIDUAL OR ENTITY; TO SET REQUIREMENTS
22 REGARDING THE DISTRIBUTION OF THE ASSETS OF THE REGIONSMART
23 DEVELOPMENT AGENCY UPON ITS DISSOLUTION; AND FOR RELATED PURPOSES.

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

25 **SECTION 1.** The Legislature hereby ratifies the Interstate
26 Compact between the States of Arkansas, Mississippi and Tennessee
27 Creating the RegionSmart Development District and the RegionSmart



28 Development Agency of the Greater Memphis Region, which is set
29 forth in full in Section 2 of this act.

30 **SECTION 2.** (1) For the purposes of improving the quality of
31 life, promoting economic development, stimulating economic growth,
32 minimizing unemployment and promoting the general welfare for the
33 benefit of the citizens of Arkansas, Mississippi and Tennessee,
34 these states do hereby agree and pledge to each other their
35 faithful cooperation in the future planning and development of the
36 RegionSmart Development District, holding in high trust for its
37 people and the nation the natural advantages thereof, and do
38 hereby enter into the following Compact in keeping with the
39 provisions of Article 1, Section 10, of the Constitution of the
40 United States of America.

41 (2) **Article I.** There is hereby created the RegionSmart
42 Development District (herein referred to as the "district"), which
43 shall embrace and include the following territory:

44 (a) The Counties of Crittenden, Craighead, and
45 Mississippi, Arkansas;

46 (b) The County of DeSoto, Mississippi; and

47 (c) The Counties of Shelby, Fayette and Tipton,
48 Tennessee.

49 (3) **Article II.** There is created the RegionSmart
50 Development Agency of the Greater Memphis Region (herein referred
51 to as "RegionSmart Development"), which shall be a body corporate
52 and politic.



53 (4) **Article III.** (a) The governing authority of
54 RegionSmart Development shall be vested in a Board of
55 Commissioners consisting of fifteen (15) members, all of whom
56 shall be residents of the district, appointed as follows:

57 (i) Two (2) commissioners shall be appointed from
58 Crittenden County, Arkansas, with (1) commissioner appointed by
59 the Mayor of West Memphis, Arkansas, and one (1) appointed by the
60 Mayor of Marion, Arkansas;

61 (ii) One (1) commissioner shall be appointed from
62 Craighead County, Arkansas, by the Mayor of Jonesboro, Arkansas;

63 (iii) One (1) commissioner shall be appointed from
64 Mississippi county, Arkansas, by the Mayor of Blytheville,
65 Arkansas;

66 (iv) One (1) commissioner shall be appointed by a
67 vote of the Mayors of Blytheville, Jonesboro, Marion and West
68 Memphis, Arkansas;

69 (v) Five (5) commissioners shall be appointed from
70 DeSoto County, Mississippi, with one (1) commissioner appointed by
71 the Mayor of Southaven, Mississippi, one (1) member appointed by
72 the Mayor of Olive Branch, Mississippi, one (1) member appointed
73 by the Mayor of Hernando, Mississippi, and two (2) members
74 appointed by a vote of the Mayors of Southaven, Olive Branch and
75 Hernando, Mississippi;

76 (vi) Three (3) commissioners shall be appointed
77 from Shelby County, Tennessee, with two (2) commissioners



78 appointed by the Mayor of Memphis, Tennessee, and one (1) member
79 appointed by the Mayor of Shelby County, Tennessee;

80 (vii) One (1) commissioner shall be appointed by
81 the Mayor of Fayette County, Tennessee; and

82 (viii) One (1) commissioner shall be appointed by
83 the County Executive of Tipton County, Tennessee.

84 (b) The commissioners shall serve staggered three-year
85 terms. Upon approval of this Compact and the establishment of the
86 Board of Commissioners:

87 (i) The commissioners from Crittenden, Craighead,
88 and Mississippi Counties, Arkansas, will be appointed so that:

89 1. The Mayor of West Memphis, Arkansas, will
90 appoint a commissioner for a three-year term;

91 2. The Mayor of Marion, Arkansas, will
92 appoint a commissioner for a three-year term;

93 3. The Mayor of Jonesboro, Arkansas, will
94 appoint a commissioner for a two-year term;

95 4. The Mayor of Blytheville, Arkansas, will
96 appoint a commissioner for a two-year term;

97 5. The commissioner appointed by a vote of
98 the Mayors of Blytheville, Jonesboro, Marion and West Memphis,
99 Arkansas, shall serve a one-year term; and

100 6. Thereafter, successors and re-appointments
101 shall serve three-year terms;



102 (ii) The commissioners from DeSoto County,
103 Mississippi, will be appointed so that:

104 1. The Mayor of Southaven, Mississippi, will
105 appoint a commissioner for an initial three-year term;

106 2. The Mayor of Olive Branch, Mississippi,
107 will appoint a commissioner for a three-year term;

108 3. The Mayor of Hernando, Mississippi, will
109 appoint a commissioner for an initial two-year term;

110 4. The two (2) commissioners appointed by a
111 vote of the Mayors of Southaven, Olive Branch and Hernando,
112 Mississippi, will be selected so that one (1) serves an initial
113 two-year term and one (1) serves an initial one-year term; and

114 5. Thereafter, successors and re-appointments
115 shall serve three-year terms;

116 (iii) The commissioners from Shelby, Fayette and
117 Tipton Counties, Tennessee, will be appointed so that:

118 1. The City of Memphis shall appoint one (1)
119 commissioner for an initial one-year term and one (1) commissioner
120 for an initial two-year term;

121 2. Shelby County shall appoint one (1)
122 commissioner for an initial two-year term;

123 3. Fayette County shall appoint one (1)
124 commissioner for a three-year term;

125 4. Tipton County shall appoint one (1)
126 commissioner for a three-year term; and



127 5. Thereafter, successors and re-appointments
128 shall serve three-year terms.

129 (iv) The terms of the commissioners shall end on
130 the anniversary of the approval of the second of the states to
131 approve the Compact, which date shall be declared at the first
132 meeting of the Board of Commissioners. Commissioners shall,
133 unless they submit a resignation in writing to the secretary,
134 continue to serve beyond the official expiration of their
135 respective terms of office until their successors are duly
136 selected and certified to the Secretary of RegionSmart
137 Development.

138 (c) The Board of Commissioners shall be vested with all
139 of the powers of RegionSmart Development and shall employ such
140 individuals in such capacities as the board deems appropriate to
141 fulfill its mission. Commissioners shall be required to inform
142 themselves of the matters and things necessary to fulfill their
143 duties and to attend the regular and special meetings of the board
144 and any committees which the board may constitute to fulfill its
145 mission. The commissioners shall be subject to conflicts of
146 interest policies and other policies as may be reasonably required
147 by the states or the counties forming the district and will
148 receive training to enable them to fully and faithfully perform
149 their duties. If a commissioner fails to attend three (3)
150 successive meetings of the board, whether regular or special, such



151 commissioner is subject to being replaced, and such circumstance
152 shall be reported to the appointing authority.

153 (d) No action taken by the Board of Commissioners shall
154 be binding unless taken at a meeting at which not less than three
155 (3) commissioners from each state are present, and unless a
156 majority of the members present from each state shall vote in
157 favor thereof. Further, any proposal to exercise the powers of
158 eminent domain or condemnation of property under Article IV,
159 Section 23, of this Compact, at subsection (5)(w) this section,
160 shall have the additional requirement that all of the
161 commissioners in whose state the subject property is located must
162 vote in favor of any such decision to exercise that authority.

163 (e) The states recognize that by this Compact they are
164 creating a quasi-governmental and public entity, and it is the
165 direction of all of the states that RegionSmart Development be
166 conducted in a transparent and inclusive manner and thereby
167 engender the support of the people and political jurisdictions it
168 is to serve. Therefore, prior to undertaking any of its powers,
169 missions or responsibilities, the Board of Commissioners shall
170 adopt:

171 (i) Bylaws to govern the operation and conduct of
172 the board, board meetings, officers, employees and others, as
173 appropriate;



174 (ii) A conflicts of interest policy and code of
175 ethics for the conduct of commissioners, officers, employees and
176 others, as appropriate;

177 (iii) An open-records or "sunshine" policy
178 governing the availability of the records and matters of the
179 organization and drawing upon as examples such laws of the states
180 and, to the extent possible, combine the provisions of the laws of
181 the states where such laws are similar into a comprehensive policy
182 for RegionSmart Development;

183 (iv) Employment policies;

184 (v) Procurement policies; and

185 (vi) Such other policies and procedures as the
186 Board of Commissioners deems necessary and appropriate. The board
187 shall certify that such actions have been taken by sending
188 certified copies of the same to the Governors of the several
189 states and to each individual and entity listed in the first
190 paragraph of this Article III, at subsection (4) (a) of this
191 section, having appointment authority of commissioners.

192 (5) **Article IV.** RegionSmart Development shall have the
193 following powers:

194 (a) To develop and implement marketing and
195 communication strategies;

196 (b) To contract with governmental entities and
197 nongovernmental entities of every kind and nature, as well as
198 individuals, to provide services to such entities and individuals,



199 and to have such entities and individuals provide services to
200 RegionSmart Development;

201 (c) To apply for such grants and funding from
202 governmental and nongovernmental sources to further the purposes
203 of this Compact;

204 (d) To charge and collect fees for use of the
205 facilities owned and operated by RegionSmart Development;

206 (e) To receive for its lawful activities any
207 contributions or monies appropriated by municipalities, counties,
208 state or other political subdivisions or agencies, or by the
209 government of the United States or any agency or officer thereof;

210 (f) To receive for its lawful activities contributions
211 of monies from nongovernmental entities or from individuals;

212 (g) To disburse funds for its lawful activities;

213 (h) To make plans for submission to the communities
214 involved for coordination of streets, highways, parkways, parking
215 areas, terminals, water supply and sewage and disposal works,
216 recreational and conservation facilities and projects, land-use
217 pattern and other matters in which joint or coordinated action of
218 the communities within the areas will be generally beneficial;

219 (i) To employ persons necessary for its purposes,
220 including, without limitation, a president or other executive
221 officer, to hire and discharge employees, and to fix the salaries,
222 wages, benefits, terms and other compensation for employees as
223 appropriate; provided, however, that all such expenditures shall



224 have been approved either specifically for such purpose or
225 contained in budgets where the expenditures are authorized and
226 sufficient funds authorized and appropriated;

227 (j) To make plans and participate in the making of
228 plans by others for the development of the district;

229 (k) To make recommendations to the State Legislatures
230 or to Congress, based upon study and analysis, for the improvement
231 of transportation, terminal, facilities, economic development and
232 quality of life in the district;

233 (l) To perform and conduct all actions necessary and
234 incidental to carrying out the powers and purposes of this Compact
235 as approved by its Board of Commissioners;

236 (m) To exercise such additional powers as shall be
237 conferred on it by agreement of the Legislatures of the states or
238 by an act of Congress;

239 (n) To petition any Interstate Commerce Commission or
240 like body, Public Service Commission, Public Utilities Commission
241 or like body, or any other federal, municipal, state or local
242 authority, administrative, judicial or legislative, having
243 jurisdiction in the premises, for the adoption and execution of
244 any physical improvements, change in method, rate of
245 transportation, system of handling freight, warehousing, docking,
246 lightering or transfer of freight, which, in the opinion of
247 RegionSmart Development, may be designed to improve the handling
248 of commerce in and through the district, or to improve terminal



249 and transportation facilities therein. It may intervene in any
250 proceeding affecting the commerce of the district;

251 (o) To purchase, lease, acquire by gift, sell or
252 otherwise dispose of, plan, construct, operate, maintain, or lease
253 to others for operation and maintenance, roads, airports, wharves,
254 docks, harbors and industrial parks adjacent to and necessary and
255 convenient thereto, bridges, tunnels, warehouses, grain elevators,
256 commodity and other storage facilities, sewage disposal plants,
257 passenger transportation facilities, and air, water, rail, motor
258 vehicle and other terminal or parking facilities;

259 (p) To plan, construct, maintain, own and operate
260 roads, bridges, tunnels, airports, ports, freight routes and
261 facilities, and terminal facilities;

262 (q) To purchase, lease, acquire by gift, sell or
263 otherwise dispose of, plan, construct, operate, maintain, or lease
264 or contract for operation and maintenance, to any person, firm or
265 corporation, subject to such mortgage, pledge or other security
266 arrangements that RegionSmart Development may require, facilities
267 for the receiving, transferring, sorting, processing, treatment,
268 storage, recovery and disposal of refuse or waste, and facilities
269 for the production, conversion, recovery, storage, use or sale of
270 refuse- or waste-derived resources, fuel or energy, and industrial
271 parks adjacent, necessary and convenient thereto;



272 (r) To issue bonds upon the security of the revenues to
273 be derived upon any property held or to be held by it, at any time
274 or from time to time;

275 (s) To issue bonds upon the security of revenues to be
276 derived from operations or agreements for the ownership and
277 operation of property not owned by RegionSmart Development,
278 provided such property or operations are located within the
279 district;

280 (t) To borrow money for any of the authorized purposes
281 of RegionSmart Development, and to issue the negotiable notes,
282 bonds or other instruments in writing of RegionSmart Development
283 in evidence of the sum or sums to be borrowed;

284 (u) To issue negotiable refunding notes, bonds or other
285 instruments in writing for the purpose of refunding, extending or
286 unifying the whole or any part of its valid indebtedness from time
287 to time outstanding, whether evidenced by notes, bonds or other
288 instruments in writing;

289 (v) To provide that all negotiable notes, bonds or
290 other instruments in writing shall be payable, both as to
291 principal and interest, out of the revenues collected for the use
292 of any facility or combination of facilities owned or operated by
293 RegionSmart Development, or out of any other resources of
294 RegionSmart Development, and may be further secured by a mortgage
295 or deed of trust upon any property owned by RegionSmart
296 Development. All notes, bonds or other instruments in writing



297 issued by RegionSmart Development as herein provided shall mature
298 in no more than forty (40) years from the date thereof, shall bear
299 interest at a rate not exceeding fourteen percent (14%) per annum
300 and shall be sold for not less than ninety-five percent (95%) of
301 the par value thereof. RegionSmart Development shall have the
302 power to prescribe the details of such notes, bonds or other
303 instruments in writing, and of the issuance and sale thereof, and
304 shall have power to enter into covenants with the holders of such
305 notes, bonds or other instruments in writing, not inconsistent
306 with the powers herein granted to RegionSmart Development, without
307 further legislative authority;

308 (w) To exercise the powers of eminent domain and
309 condemnation over any and all rights or property, of any kind or
310 character, necessary for the purposes of RegionSmart Development,
311 subject to the provisions of this Compact; provided, however, that

312 (i) any decision by RegionSmart Development to
313 exercise its authority under this paragraph shall be specifically
314 approved by the Board of Commissioners with all members of the
315 board in whose state the property is located voting in favor; and

316 (ii) RegionSmart Development shall follow the
317 procedure provided by law for the exercise of eminent domain in
318 the state where such property is located and for the kind of
319 property subject to such exercise;

320 (x) All property, real and personal, owned or held by
321 RegionSmart Development, and all interest income derived from any



322 notes, bonds or other instruments in writing issued by RegionSmart
323 Development, shall possess the same status, with respect to
324 taxation, in the state where such property is held, as is now or
325 may hereafter be possessed by property, real and personal, owned
326 or held by cities within such state, and by the interest income
327 derived from notes, bonds or other instruments in writing issued
328 by such cities. Unless the Board of Commissioners specifically
329 designates to the contrary, all nontangible personal property not
330 attached to a project or facility in one (1) of the given states
331 shall be deemed to be in the state of the principal place of
332 business of the Office of RegionSmart Development, which initial
333 office is in the City of Memphis, Tennessee;

334 (y) Any notes, bonds or other instruments in writing
335 issued by RegionSmart Development pursuant to the provisions of
336 this Compact, and any companion enabling legislation in the
337 states, are hereby recognized to be securities in which all state
338 and municipal officers and bodies, all banks, bankers, trust
339 companies, savings banks, savings associations, building and loan
340 associations, investment companies and other persons carrying on a
341 banking business, all insurance companies, insurance associations
342 and other persons carrying on an insurance business, and all
343 administrators, executors, guardians, trustees and other
344 fiduciaries, and all other persons whatsoever who are now or who
345 may hereafter be authorized to invest in bonds or other
346 obligations of the State of Tennessee may properly and legally



347 invest any funds, including capital, belonging to them or within
348 their control; and these obligations are hereby recognized as
349 securities which may properly and legally be deposited with and
350 shall be received by any state or municipal officer or agency for
351 any purpose for which the deposit of bonds or other obligations of
352 this state is now or may hereafter be authorized;

353 (z) To be a planning organization with an interest in a
354 specific or regionally significant multi-state freight corridor to
355 promote the improved mobility of goods, including, without
356 limitation, identifying projects along the corridor that benefit
357 multiple states, assembling rights-of-way and performing capital
358 improvements;

359 (aa) To establish such advisory committees deemed
360 necessary to accomplish its purposes, and such committees may
361 include such individuals the Board of Commissioners deems
362 appropriate; and

363 (bb) To conduct its business under names conducive to
364 fulfilling its responsibilities to file such name registrations
365 with appropriate authorities.

366 (6) **Article V.** This Compact shall become effective upon
367 passage of appropriate legislation in two (2) of the three (3)
368 states in substantially similar form. The approval by the states
369 is not a condition precedent to consent by Congress. The states
370 agree to use their best efforts to secure the consent of Congress



371 to the extent such consent is deemed necessary to implement all
372 the provisions of this Compact.

373 (7) **Article VI.** This Compact may only be amended by the
374 passage of appropriate legislation approved by the states which
375 are then parties to the Compact concurring in the amendment. Any
376 amendment shall not require the consent of Congress so long as the
377 amendment is not inconsistent with the original congressional
378 consent, if so obtained. The states specifically reserve to
379 themselves without obtaining the consent of Congress the right to
380 amend this Compact by agreement of the states regarding the manner
381 in which the commissioners are chosen.

382 (8) **Article VII.** RegionSmart Development shall, not later
383 than March 31 of each year, submit an annual report to the
384 Legislatures and Governors of the states, and to the individuals
385 and entities holding the powers of appointment of the Board of
386 Commissioners as set forth in Article III, at subsection (4) of
387 this section, reporting on its activities and finances for the
388 year ending the preceding December 31, which annual reports will
389 specifically include detailing how RegionSmart Development is
390 affirming and performing its governmental functions.

391 (9) **Article VIII.** No part of the income and earnings of
392 RegionSmart Development shall inure to the benefit or profit of a
393 private individual or entity. Upon dissolution, the assets of
394 RegionSmart Development shall be distributed among the states and
395 counties of the district or other entity, but no assets shall be



396 distributed to any entity that does not qualify under the
397 provisions of Section 115 of the Internal Revenue Code of the
398 United States, or any successor provision of such code.

399 **SECTION 3.** This act shall take effect and be in force from
400 and after its passage.

