

By: Representative Mims

To: Local and Private
Legislation

HOUSE BILL NO. 1787

1 AN ACT TO AMEND SECTION 903, LOCAL AND PRIVATE LAWS OF 2018,
2 TO AUTHORIZE THE SCENIC RIVERS DEVELOPMENT ALLIANCE (SRDA) TO
3 CREATE SPECIAL PURPOSE ENTITIES; TO DEFINE THE TERM "SPECIAL
4 PURPOSE ENTITY"; TO PROVIDE THAT THE CONTROL, OPERATION,
5 MANAGEMENT AND GOVERNANCE OF ANY SPECIAL PURPOSE ENTITY SHALL
6 REMAIN IN THE SRDA ALLIANCE; TO AUTHORIZE ANY SPECIAL PURPOSE
7 ENTITY, CREATED BY THE SRDA ALLIANCE, TO PERFORM CERTAIN ACTS; AND
8 FOR RELATED PURPOSES.

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

10 **SECTION 1.** Section 903, Local and Private Laws of 2018, is
11 amended as follows:

12 Section 1. The words and phrases shall have the following
13 meanings under this act:

14 (a) "Alliance" means an alliance between the Board of
15 Supervisors of Pike, Amite, Walthall and Franklin Counties, the
16 Board of Mayor and Selectmen of the City of McComb, the Board of
17 Wilkinson County Industrial Development Authority and the Trustees
18 of the Pike County Economic Development District; and any
19 additional members duly approved by unanimous consent of the
20 Alliance members at the request for membership is made; and

21 (b) "SRDA" means Scenic Rivers Development Alliance.



22 (c) "Special purpose entity" means any nonprofit entity
23 created by the SRDA such as a nonprofit limited liability company,
24 limited liability partnership, nonprofit corporation or similar
25 entity.

26 Section 2. (1) The Boards of Supervisors of Pike, Amite,
27 Walthall and Franklin Counties, the Board of Mayor and Selectmen
28 of the City of McComb, the Board of Wilkinson County Industrial
29 Development Authority and the Trustees of the Pike County Economic
30 Development District, in their discretion, may, by order duly
31 entered on their respective minutes, establish the Scenic Rivers
32 Development Alliance (SRDA), also referred to as the "Alliance"
33 under this act, for purposes of securing and furthering industrial
34 and commercial development, management of recreational facilities
35 and promoting the use of natural resources and possibilities of
36 the Alliance.

37 (2) All monies collected for the support and maintenance of
38 the SRDA shall be placed in the Scenic Rivers Development Alliance
39 Economic Development Fund and shall be expended as other public
40 funds are expended, and in which event the employees of SRDA shall
41 be employees of such Alliance and considered as such.

42 (3) The SRDA may accept gifts, gratuities and donations from
43 municipalities and counties in the Alliance and from any persons,
44 firms or corporations desiring to make such donations. Such
45 appropriation, gift or donation shall also be placed in the Scenic



46 Rivers Development Alliance Economic Development Fund and be
47 expended in the support and maintenance of the SRDA.

48 (4) At the option of the members of the Alliance, they may
49 provide for the management of the SRDA by appointing not more than
50 two (2) trustees per participating county, municipality or member
51 agency who shall be qualified electors residing within the SRDA,
52 to manage the affairs of the SRDA, and in which event the funds
53 made available by the Alliance members for the support and
54 maintenance of such Alliance may be expended by a majority vote of
55 such trustees so appointed to manage the Alliance. The Alliance
56 board of trustees may also appoint up to two (2) at-large trustees
57 to serve on the Alliance board who shall also be qualified
58 electors residing within the SRDA. Each trustee who is an officer
59 of the Alliance shall qualify by giving bond, with sufficient
60 surety, to be payable, conditioned and approved as provided by
61 law, in a penalty equal to Fifty Thousand Dollars (\$50,000.00),
62 the premiums on all such surety bonds being paid by such Alliance.
63 If this option is exercised, the trustees of the Alliance shall
64 not be considered as employees of the county for state retirement
65 or any other purposes.

66 (5) All funds secured and expended under the provisions of
67 this act shall be public funds and the Auditor of Public Accounts
68 of the State of Mississippi shall audit the same as other public
69 funds are now audited.



70 (6) Notwithstanding any provision of this act to the
71 contrary, the boards of supervisors of the counties in the
72 Alliance established under this act and the governing authorities
73 of any municipality located within the Alliance in such county may
74 enter into a contract providing for the contribution of funds by
75 the municipality or other local and private economic development
76 groups to the Alliance and providing for the appointment by the
77 municipal governing authorities or other local and private
78 economic development groups of a number of trustees, as determined
79 by the parties to the contract, to assist in the management of the
80 Alliance. In like manner, any economic or industrial development
81 foundation or private economic development group may enter into a
82 contract with the board of supervisors of the county or jointly
83 with the board of supervisors of the county and municipal
84 governing authorities providing for the contribution of funds by
85 the economic or industrial development foundation or private
86 economic development group to the Alliance and providing for the
87 appointment by the officials or governing board of the foundation
88 of a number of trustees, as determined by the parties to the
89 contract, to assist in the management of the Alliance.

90 (7) The Alliance may, when suitable office space is not
91 otherwise available, purchase and acquire title to real estate
92 within the Alliance and make any improvements thereon to provide
93 the office space it considers necessary for efficient operation of
94 the SRDA. Provided, however, that no contract or agreement for



95 the exclusive listing, sale or representation for sale of publicly
96 owned property shall be entered into by the Alliance with any real
97 estate broker or brokers.

98 (8) (a) The SRDA shall have the authority to acquire by
99 gift, purchase or otherwise, and to own, hold, maintain, control
100 and develop real estate situated within the county or counties
101 comprising such Alliance for the development, use and operation of
102 industrial parks, recreation, natural resources development,
103 tourism or other economic development purposes. The Alliance is
104 further authorized and empowered to engage in works of internal
105 improvement, therefor including, but not limited to, construction
106 or contracting for the construction of streets, roads, railroads,
107 spur tracks, site improvements, water, sewage, drainage,
108 pollution control and other related facilities necessary or
109 required for economic development purposes or the development of
110 industrial park complexes, recreation facilities, and natural
111 resource improvements; to acquire, purchase, install, lease,
112 construct, own, hold, equip, control, maintain, use, operate and
113 repair other structures and facilities necessary and convenient
114 for the planning, development, use, operation and maintenance of
115 an industrial park or parks or recreation facilities or for other
116 economic development purposes, including, but not limited to,
117 utility installations, purchase of property, elevators,
118 compressors, warehouses, buildings and air, rail and other
119 transportation terminals and pollution control facilities.



120 (b) Contracts for the construction, improvement,
121 equipping or furnishing of an industrial site, recreation
122 facilities and improvements thereon as authorized in this act
123 shall be entered into upon the basis of public bidding under
124 Section 31-7-1 et seq.

125 (9) For the development of projects, a municipal board or
126 the boards of supervisors of any counties comprising the SRDA,
127 may, upon receipt of a resolution duly adopted by the trustees of
128 SRDA, issue, secure and manage its bonds in the manner prescribed
129 by Sections 19-9-5, 19-9-7, 19-9-9, 19-9-11, 19-9-13, 19-9-15,
130 19-9-17, 19-9-19, 19-9-21, 19-9-23, 19-9-25 and 19-9-29. Such
131 bonds shall be sold in accordance with the provisions of Section
132 31-19-25. The full faith, credit and resources of the county
133 shall be irrevocably pledged for the payment of the principal of
134 and interest on the bonds issued under this section. Any income
135 derived from the sale or lease of the property authorized to be
136 acquired under this act shall be applied in one or more of the
137 following manners: (a) the retirement of bonds authorized to be
138 issued under this act; (b) further improvement or development of
139 such industrial parks, recreation facilities or other related
140 economic development activities; or (c) payment into the general
141 fund of the SRDA to be used for any lawful purpose. Any amounts
142 so paid into the general fund shall be included in the computation
143 of total receipts and subject to the restrictions of Section
144 27-39-321. The municipal board or board of supervisors may



145 covenant with or for the benefit of the registered owners of any
146 bonds issued under this section with respect to the application of
147 any or all of such income and shall, by resolution adopted before
148 or promptly after receipt of any such income, determine, in its
149 discretion, subject only to the restrictions set forth above and
150 any covenants made to or for the benefit of any registered owners
151 of bonds issued under this section, the manner in which such
152 income shall be applied.

153 The bonds authorized by this act and the income therefrom
154 shall be exempt from all taxation in the State of Mississippi;
155 however, any lessee or purchaser shall not be exempt from ad
156 valorem taxes on industrial sites, recreational facilities and
157 improvements thereon unless otherwise provided by the general laws
158 of this state, and purchases required to establish the project and
159 financed by bond proceeds shall not be exempt from taxation in the
160 State of Mississippi.

161 (10) The Scenic Rivers Development Alliance is further
162 authorized and empowered:

163 (a) To sell, lease, trade, exchange or otherwise
164 dispose of industrial sites, recreational facilities, commercial
165 developments or rail lines situated within industrial parks to
166 individuals, firms or corporations, public or private, for similar
167 use upon such terms and conditions, and for such considerations,
168 with such safeguards as will best promote and protect the public
169 interest, convenience and necessity, and to execute deeds, leases,



170 contracts, easements and other legal instruments necessary or
171 convenient therefor. Any industrial lease may be executed by the
172 Alliance upon such terms and conditions and for such monetary
173 rental or other considerations as may be found to be in the best
174 interest of the public, upon an order or resolution being spread
175 upon the minutes of the Alliance authorizing same.

176 (b) To sue and be sued in its own name. Scenic Rivers
177 Development Alliance as a political subdivision of the state is
178 covered by the Mississippi Torts Claim Act as prescribed under
179 Section 11-46-1 et seq., Mississippi Code of 1972.

180 (c) To fix and prescribe fees, charges and rates for
181 the use of any water, sewage, pollution control or other
182 facilities constructed and operated in connection with an
183 industrial park or parks, recreational facilities, commercial
184 development and to collect same from persons, firms and
185 corporations using the same for industrial, warehouse, commercial
186 and related purposes and are further empowered to deny or
187 terminate such services for nonpayment of the fees, charges or
188 rates by the users of such services.

189 (d) To employ engineers, attorneys, accountants,
190 consultants, licensed real estate brokers and appraisers, and such
191 executive and administrative personnel as shall be reasonably
192 necessary to carry out the duties and authority authorized by this
193 section with funds available for such purposes. The Alliance may
194 also contribute monies directly to the development and cost of



195 operation of any industrial development foundation or other
196 private economic development group in the Alliance.

197 (11) Any municipal board or county board of supervisors
198 authorized to issue bonds under this act is hereby authorized,
199 either separately or jointly with the governing authority of any
200 municipality within the county, to acquire, enlarge, expand,
201 renovate or improve an existing building or buildings located in
202 the county or municipality and to issue bonds for such purpose in
203 the manner provided by this act.

204 (12) The enumeration of any specific rights and powers
205 contained in this act where followed by general powers shall not
206 be construed in a restrictive sense, but rather in as broad and
207 comprehensive a sense as possible to effectuate the purposes of
208 this act.

209 (13) The Scenic Rivers Development Alliance shall be
210 considered a political subdivision for purposes of this act and
211 upon submission of a plan that is approved by the board of
212 trustees of the Public Employees' Retirement System (PERS), as
213 required under Section 25-11-105(f), Mississippi Code of 1972, the
214 SRDA employees shall be considered as employees of the state for
215 retirement through PERS and for any other purposes.

216 Section 3. (1) It is the intent of the Legislature to allow
217 the Scenic Rivers Development Alliance to fulfill its mission
218 independently or jointly with other entities or individuals, by



219 and through the use of special purpose entity or entities, as the
220 case may be, as defined under Section 1 of this act.

221 (2) In addition to all other authority granted to the Scenic
222 Rivers Development Alliance, it is specifically authorized to
223 create, own, operate, establish, acquire, govern, maintain,
224 control, or manage, solely or in partnership with others, any
225 number of nonprofit special purpose entities.

226 (3) Any special purpose entity created pursuant to this act:

227 (a) Shall not be a governmental entity;

228 (b) Shall not have the protections, limitations and
229 immunities set forth in the Mississippi Tort Claims Act;

230 (c) Shall not be a public corporation;

231 (d) Shall not be a political subdivision of the State
232 of Mississippi;

233 (e) Shall not be an instrumentality of the State of
234 Mississippi; and

235 (f) Shall not be a municipal corporation.

236 (4) The object and purpose of the various powers conferred
237 and granted under this section is for the initial purpose of
238 private advantage and emolument in order to ultimately allow the
239 public to derive a common benefit from the creation of such
240 special purpose entity or entities, as the case may be; therefore,
241 any special purpose entity created pursuant to this act shall be
242 regarded as a private company.



243 (5) Any recovery by court judgment, a governmental entity or
244 by way of any other legal document shall be limited to the assets
245 actually owned by the special purpose entity.

246 (6) The Scenic Rivers Development Alliance shall retain
247 full, exclusive and complete authority, discretion, obligation and
248 responsibility with respect to the business of any special purpose
249 entity.

250 (7) Control, operation, management and governance of any
251 special purpose entity created pursuant to this act shall remain
252 in the Scenic Rivers Development Alliance.

253 (8) The Scenic Rivers Development Alliance shall retain sole
254 authority to bind any special purpose entity created, pursuant to
255 this act, by contract, including mortgages, deeds of trust,
256 promissory notes, or other obligations not inconsistent with the
257 provisions of this authority.

258 (9) In addition to all other provisions of Mississippi
259 statutory law that governs a nonprofit special purpose entity
260 such as a limited liability company; limited liability
261 partnership, nonprofit corporation or similar entity, any
262 special purpose entity created pursuant to this act shall be
263 specifically authorized and directed to do the following:

264 (a) To secure grants, loans, and public funds from
265 the United States of America and the State of Mississippi,
266 including public and nonpublic funds, intended for the public
267 good, the poor, the disadvantaged and Native Americans.



268 (b) To incur and issue debt, without ratification from
269 Scenic Rivers Development Alliance or its member counties.

270 (c) To purchase or acquire and sell property in its
271 own name, without separate ratification from Scenic Rivers
272 Development Alliance or its member counties.

273 (10) Any officer, director, partner or manager of any
274 special purpose entity created pursuant to this act shall not be
275 public officers.

276 (11) The actions of any special purpose entity created
277 pursuant to this act shall not require the approval or
278 ratification by the Scenic Rivers Development Alliance or its
279 member counties.

280 (12) No special purpose entity created pursuant to this act
281 shall be subject to Sections 25-61-1 through 25-61-19, Mississippi
282 Code of 1972, also known as the "Mississippi Public Records Act of
283 1983" and Sections 25-41-1 through 25-41-17, Mississippi Code of
284 1972, also known as the "Open Meetings Act."

285 **SECTION 2.** This act shall take effect and be in force from
286 and after its passage.

