

By: Representatives McCoy,
Morris, Smith (39th), Mayo,
Evans

To: Ways and Means

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1

1 AN ACT TO CREATE THE ADVANTAGE MISSISSIPPI INITIATIVE; TO
2 AMEND SECTIONS 57-1-2 AND 57-1-54, MISSISSIPPI CODE OF 1972, TO
3 CHANGE THE NAME OF THE MISSISSIPPI DEPARTMENT OF ECONOMIC AND
4 COMMUNITY DEVELOPMENT TO THE MISSISSIPPI DEVELOPMENT AUTHORITY; TO
5 CREATE A SPECIAL FUND IN THE STATE TREASURY TO BE KNOWN AS THE
6 "ACE" FUND WHICH SHALL CONSIST OF MONEY FROM ANY PUBLIC OR PRIVATE
7 SOURCE DESIGNATED FOR DEPOSIT INTO SUCH FUND; TO PROVIDE THAT
8 MONEY FROM SUCH FUND SHALL BE UTILIZED TO ASSIST IN THE MAXIMIZING
9 OF EXTRAORDINARY ECONOMIC DEVELOPMENT OPPORTUNITIES; TO PROVIDE
10 THAT THE MISSISSIPPI DEVELOPMENT AUTHORITY SHALL HAVE SOLE
11 DISCRETION IN THE AWARDING OF ACE FUNDS; TO CREATE THE "REGIONAL
12 ECONOMIC DEVELOPMENT ACT" TO PROMOTE THE ISSUING OF BONDS FOR
13 CERTAIN PROJECTS BY LOCAL GOVERNMENT UNITS ACTING JOINTLY OR
14 SEVERALLY WITH OTHER GOVERNMENT UNITS INCLUDING GOVERNMENT UNITS
15 IN AN ADJOINING STATE, THROUGH THE CREATION OF REGIONAL ECONOMIC
16 DEVELOPMENT ALLIANCES; TO PROVIDE THAT A LOCAL GOVERNMENT UNIT
17 MUST APPLY TO THE MISSISSIPPI DEVELOPMENT AUTHORITY FOR A
18 CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE FORMATION
19 OF SUCH A REGIONAL ECONOMIC DEVELOPMENT ALLIANCE; TO AUTHORIZE THE
20 MISSISSIPPI DEVELOPMENT AUTHORITY TO REFUSE TO ISSUE SUCH
21 CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY; TO GIVE THE
22 MISSISSIPPI DEVELOPMENT AUTHORITY THE POWER TO PLACE CERTAIN
23 REQUIREMENTS ON THE EXERCISE OF CERTAIN DUTIES BY SUCH REGIONAL
24 ECONOMIC DEVELOPMENT ALLIANCES INCLUDING THE SPECIFYING OF THE
25 EXTENT AND AMOUNT TO WHICH THE LOCAL GOVERNMENT UNIT MAY ISSUE
26 BONDS; TO SPECIFY THE AUTHORITY OF LOCAL GOVERNMENT UNITS TO ISSUE
27 BONDS UNDER THIS ACT; TO PROVIDE FOR THE JOINT EXERCISE OF
28 AUTHORITY BY LOCAL GOVERNMENT UNITS OF THIS STATE AND GOVERNMENTAL
29 UNITS IN ADJOINING STATE; TO PROVIDE THAT JOINT UNDERTAKINGS UNDER
30 THE ACT SHALL BE EVIDENCED BY WRITTEN CONTRACTUAL AGREEMENTS FOR
31 JOINT OR COOPERATIVE ACTION TO PROVIDE SERVICES AND FACILITIES; TO
32 PROVIDE THAT REGIONAL ECONOMIC DEVELOPMENT ALLIANCES MAY TAKE ANY
33 ACTION THAT ANY LOCAL GOVERNMENT UNIT MEMBER MAY TAKE; TO GRANT
34 REGIONAL ECONOMIC DEVELOPMENT ALLIANCES CERTAIN POWERS WITH REGARD
35 TO THE ISSUANCE OF BONDS; TO REQUIRE THE AGREEMENTS MADE UNDER THE
36 ACT TO INCLUDE CERTAIN PROVISIONS; TO REQUIRE SUCH AGREEMENTS TO
37 BE APPROVED BY CERTAIN OFFICERS; TO REQUIRE THE FILING OF SUCH
38 AGREEMENTS; TO AMEND SECTIONS 21-41-3, 21-41-5, 21-45-3, 21-45-9
39 AND 21-45-13, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; TO
40 CREATE THE "MISSISSIPPI ADVANTAGE JOBS ACT" TO PROVIDE INCENTIVES
41 FOR THE SUPPORT OF THE ESTABLISHMENT OF QUALITY BUSINESS AND
42 INDUSTRY THAT HOLD THE PROMISE OF SIGNIFICANT DEVELOPMENT OF THE
43 ECONOMY OF THE STATE OF MISSISSIPPI THROUGH THE CREATION OF
44 QUALITY JOBS; TO PROVIDE FOR QUARTERLY INCENTIVE PAYMENTS TO
45 QUALIFIED BUSINESSES FOR A PERIOD OF NOT TO EXCEED TEN YEARS; TO
46 PROVIDE FOR THE AMOUNT OF THE INCENTIVE PAYMENT; TO PROVIDE THAT
47 THE PAYMENT SHALL BE BASED ON THE NUMBER OF JOBS CREATED; TO
48 PROVIDE THAT IN ORDER TO QUALIFY FOR SUCH PAYMENTS THE AVERAGE
49 ANNUAL SALARY OF THE EMPLOYEES OF THE RECIPIENT MUST BE AT LEAST
50 125% OF THE AVERAGE ANNUAL WAGE OF THE STATE OR THE AVERAGE ANNUAL

51 WAGE OF THE COUNTY IN WHICH THE QUALIFIED BUSINESS IS LOCATED,
52 WHICHEVER IS THE LESSER; TO PROVIDE THAT A CERTAIN NUMBER OF JOBS
53 MUST BE CREATED OR MAINTAINED; TO PROVIDE THAT THE MISSISSIPPI
54 DEVELOPMENT AUTHORITY SHALL DETERMINE THE ELIGIBILITY OF THE
55 BUSINESS; TO CREATE A SPECIAL FUND IN THE STATE TREASURY TO BE
56 KNOWN AS THE "MISSISSIPPI ADVANTAGE JOBS INCENTIVE PAYMENT FUND"
57 INTO WHICH SHALL BE DEPOSITED A CERTAIN PORTION OF THE WITHHOLDING
58 TAXES PAID BY THE QUALIFIED BUSINESS; TO PROVIDE THAT MONEY IN THE
59 FUND SHALL BE UTILIZED TO MAKE THE REQUIRED INCENTIVE PAYMENTS; TO
60 PROVIDE THAT THE LIABILITY OF THE STATE TO MAKE INCENTIVE PAYMENTS
61 SHALL BE LIMITED TO THE BALANCE IN THE FUND; TO PROVIDE THAT
62 CLAIMS FOR QUARTERLY INCENTIVE PAYMENTS SHALL BE FILED WITH THE
63 STATE TAX COMMISSION; TO PROVIDE THAT THE STATE TAX COMMISSION
64 SHALL VERIFY THE ELIGIBILITY OF THE BUSINESS FOR THE INCENTIVE
65 PAYMENTS PRIOR TO EACH PAYMENT; TO PROVIDE THAT THE DEPARTMENT OF
66 FINANCE AND ADMINISTRATION SHALL ISSUE WARRANTS UPON REQUISITION
67 OF THE STATE TAX COMMISSION FOR THE PAYMENT OF INCENTIVE PAYMENTS
68 UPON VERIFICATION THAT THE RECIPIENT IS ELIGIBLE; TO CREATE A NEW
69 CODE SECTION TO BE CODIFIED AS SECTION 27-7-312, MISSISSIPPI CODE
70 OF 1972, TO PROVIDE THAT AN AMOUNT OF THE WITHHOLDING TAX
71 COLLECTED FROM AN EMPLOYER WHO IS ELIGIBLE TO RECEIVE QUARTERLY
72 INCENTIVE PAYMENTS UNDER THE MISSISSIPPI ADVANTAGE JOBS ACT THAT
73 IS EQUAL TO THE ESTIMATED AMOUNT OF THE QUARTERLY INCENTIVE
74 PAYMENT FOR WHICH AN EMPLOYEE IS ELIGIBLE, SHALL BE DEPOSITED INTO
75 THE MISSISSIPPI ADVANTAGE JOBS INCENTIVE PAYMENT FUND FOLLOWING
76 THE CLOSE OF EACH CALENDAR QUARTER; TO CREATE THE "GROWTH AND
77 PROSPERITY ACT" TO ASSIST CERTAIN COUNTIES IN ENCOURAGING ECONOMIC
78 DEVELOPMENT; TO AUTHORIZE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO
79 DESIGNATE CERTAIN COUNTIES AS GROWTH AND PROSPERITY COUNTIES; TO
80 PROVIDE THAT CERTAIN COUNTIES MAY APPLY TO THE MISSISSIPPI
81 DEVELOPMENT AUTHORITY FOR DESIGNATION AS GROWTH AND PROSPERITY
82 COUNTIES; TO PROVIDE INCENTIVES IN THE FORM OF TEMPORARY
83 EXEMPTIONS FROM LOCAL AD VALOREM TAXES AND STATE FRANCHISE, INCOME
84 AND SALES TAXES FOR APPROVED BUSINESS ENTERPRISES THAT LOCATE OR
85 EXPAND IN GROWTH AND PROSPERITY COUNTIES; TO AMEND SECTION
86 57-73-21, MISSISSIPPI CODE OF 1972, TO RENAME THE CATEGORIES OF
87 COUNTIES UNDER THE LAW ESTABLISHING THE JOBS TAX CREDIT; TO
88 INCLUDE DATA OR INFORMATION PROCESSING ENTERPRISES OR COMPUTER
89 SOFTWARE DEVELOPMENT ENTERPRISES OR ANY TECHNOLOGY INTENSIVE
90 FACILITY OR ENTERPRISE AS ENTERPRISES WHICH QUALIFY FOR THE JOBS
91 TAX CREDIT; TO INCREASE THE CREDIT FOR JOBS RESULTING FROM THE
92 ESTABLISHMENT OR TRANSFER OF A COMPANY'S NATIONAL OR REGIONAL
93 HEADQUARTERS IN THE STATE UNDER CERTAIN CIRCUMSTANCES; TO AMEND
94 SECTION 57-73-25, MISSISSIPPI CODE OF 1972, TO INCREASE FROM 25%
95 TO 50% THE AMOUNT OF THE INCOME TAX CREDIT GRANTED TO EMPLOYERS
96 SPONSORING BASIC SKILLS TRAINING; TO AUTHORIZE THE CREDIT TO APPLY
97 TO CERTAIN TRAINING APPROVED BY ANY COMMUNITY/JUNIOR COLLEGE
98 DISTRICT WITHIN WHICH THE EMPLOYER IS LOCATED; TO REVISE THE
99 DEFINITION OF EMPLOYERS WHO ARE ELIGIBLE FOR SUCH CREDIT; TO AMEND
100 SECTION 57-75-5, MISSISSIPPI CODE OF 1972, TO REVISE THE
101 DEFINITION OF THE TERM "PROJECT" UNDER THE MISSISSIPPI MAJOR
102 ECONOMIC IMPACT ACT; TO AMEND SECTIONS 57-75-9 AND 57-75-11,
103 MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE MISSISSIPPI MAJOR
104 ECONOMIC IMPACT AUTHORITY TO NEGOTIATE WITH THE OWNER OF A PROJECT
105 A FEE-IN-LIEU OF FRANCHISE TAXES THAT SHALL BE NOT LESS THAN
106 \$25,000.00 ANNUALLY; TO AMEND SECTION 57-75-15, MISSISSIPPI CODE
107 OF 1972, TO REVISE THE USES FOR WHICH BOND PROCEEDS MAY BE
108 UTILIZED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO AMEND
109 SECTIONS 19-9-1, 21-33-301, 27-7-21, 27-13-5, 27-13-7 AND
110 27-65-101, MISSISSIPPI CODE OF 1972, IN CONFORMITY TO THE
111 PROVISIONS OF THIS ACT; TO REQUIRE THE MISSISSIPPI DEVELOPMENT
112 AUTHORITY TO DEVELOP A PROGRAM TO ENCOURAGE GROWTH IN THE
113 MISSISSIPPI AGRIBUSINESS INDUSTRY; TO PROVIDE FOR THE REQUIREMENTS
114 OF SUCH PROGRAM; TO CREATE THE "MISSISSIPPI LAND, WATER AND TIMBER
115 RESOURCES ACT" FOR THE PURPOSE OF ASSISTING MISSISSIPPI

116 AGRICULTURAL INDUSTRY IN THE DEVELOPMENT, MARKETING AND
117 DISTRIBUTION OF AGRICULTURAL PRODUCTS; TO CREATE THE MISSISSIPPI
118 LAND, WATER AND TIMBER RESOURCES BOARD; TO PROVIDE THE POWERS AND
119 DUTIES OF THE BOARD; TO CREATE THE MISSISSIPPI SMALL
120 MUNICIPALITIES AND LIMITED POPULATION COUNTIES FUND; TO PROVIDE
121 THAT THE MISSISSIPPI DEVELOPMENT AUTHORITY SHALL ADMINISTER SUCH
122 FUND FOR THE PURPOSE OF MAKING GRANTS TO SMALL MUNICIPALITIES AND
123 LIMITED POPULATION COUNTIES TO ASSIST IN COMPLETING CERTAIN
124 PROJECTS; TO PROVIDE THAT THE MDA, SHALL CONDUCT A STUDY TO
125 DETERMINE IF A DISPARITY EXISTS IN THE TOTAL NUMBER OF QUALIFIED
126 MINORITY CONTRACTORS IN THE STATE AND THE ACTUAL NUMBER OF
127 QUALIFIED MINORITY CONTRACTORS DOING BUSINESS WITH THE STATE; TO
128 CLARIFY THAT IT IS UNLAWFUL TO DISCRIMINATE AGAINST ANY PERSON ON
129 THE BASIS OF RACE, COLOR, SEX, RELIGION OR NATIONAL ORIGIN, IN THE
130 AWARDED OF CONTRACTS FOR GOODS AND SERVICES, OR IN THE AWARDED
131 OF ANY ECONOMIC DEVELOPMENT INCENTIVES UNDER STATE LAW; TO REQUIRE
132 THE MISSISSIPPI DEVELOPMENT AUTHORITY TO FILE AN ANNUAL REPORT
133 WITH THE GOVERNOR, THE SECRETARY OF THE SENATE AND THE CLERK OF
134 THE HOUSE OF REPRESENTATIVES DESCRIBING ALL ASSISTANCE PROVIDED
135 UNDER HOUSE BILL NO. 1, 2000 SECOND EXTRAORDINARY SESSION; AND FOR
136 RELATED PURPOSES.

137
138 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

139 SECTION 1. This act may be cited as the "Advantage
140 Mississippi Initiative."

141 SECTION 2. Section 57-1-2, Mississippi Code of 1972, is
142 amended as follows:[WAN1]

143 57-1-2. For the purposes of this chapter, the following
144 words shall have the meanings ascribed herein, unless the context
145 otherwise requires:

146 (a) "Department" shall mean the Mississippi Development
147 Authority * * *.

148 (b) "Office" shall mean an administrative subdivision
149 of the department.

150 (c) "Executive director" shall mean the executive
151 officer of the department.

152 (d) "Agricultural and Industrial Board," "Department of
153 Economic Development," * * * "Board of Economic Development,"
154 "Department of Economic and Community Development" and
155 "Mississippi Department of Economic and Community Development"
156 wherever they appear in the laws of the State of Mississippi,
157 shall mean the "Mississippi Development Authority," operating
158 through its executive director.

SECTION 3. Section 57-1-54, Mississippi Code of 1972, is amended as follows:[CR2]

57-1-54. The Mississippi Development Authority shall be the Department of Economic and Community Development and shall retain all powers and duties granted by law to the Mississippi Department of Economic and Community Development and wherever the term "Mississippi Department of Economic and Community Development," "Department of Economic and Community Development," "Mississippi Department of Economic Development" or "Department of Economic Development" appears in any law the same shall mean the Mississippi Development Authority. The Executive Director of the Mississippi Development Authority may assign to the appropriate divisions such powers and duties as he deems appropriate to carry out its lawful duties.

Nothing in the Mississippi Executive Reorganization Act of 1989 [Laws, 1989, Chapter 544] shall be construed to eliminate or change in any manner the duties, functions or operations of the planning and development districts heretofore created by executive order of the Governor.

SECTION 4. (1) As used in this section:

(a) "Extraordinary economic development opportunity" means a new or expanded business or industry which maintains a strong financial condition and minimal credit risk and creates substantial employment, particularly in areas of high unemployment.

(b) "Local economic development entities" means public or private nonprofit local economic development entities, including, but not limited to, chambers of commerce, local authorities, commissions or other entities created by local and private legislation or districts created pursuant to Section 19-5-99.

(c) "MDA" means the Mississippi Development Authority.

192 (2) There is hereby created in the State Treasury a special
193 fund to be designated as the ACE Fund, which shall consist of
194 money from any public or private source designated for deposit
195 into such fund. Unexpended amounts remaining in the fund at the
196 end of a fiscal year shall not lapse into the State General Fund,
197 and any interest earned on amounts in the fund shall be deposited
198 to the credit of the fund. The purpose of the fund shall be to
199 assist in maximizing extraordinary economic development
200 opportunities related to any new or expanded business or industry.

201 Such funds may be used to make grants to local economic
202 development entities to assist any new or expanding business or
203 industry that meets the criteria provided in this section when
204 such assistance aids the consummation of a project within the
205 State of Mississippi.

206 (3) The MDA shall establish a grant program to make grants
207 from the ACE Fund created under this section. Local economic
208 development entities may apply to the MDA for a grant under this
209 section in the manner provided for in subsection (4) of this
210 section.

211 (4) (a) Any business or industry desiring assistance from a
212 local economic development entity under this section shall submit
213 an application to the local economic development entity which
214 shall include, at a minimum, evidence that the business or
215 industry meets the definition of an extraordinary economic
216 development opportunity, a demonstration that the business or
217 industry is at an economic disadvantage by locating the new or
218 expanded project in the county and a description, including the
219 cost, of the requested assistance.

220 (b) Upon receipt of the application from a business or
221 industry, the local economic development entity may apply to the
222 MDA for assistance under this section. Such application must
223 contain evidence that the business or industry meets the
224 definition of an extraordinary economic development opportunity, a

demonstration that the business or industry is at an economic disadvantage by locating the new or expanded project in the county, a description, including the cost, of the requested assistance, and a demonstration that all other local, state, federal and private funds or programs have been explored and exhausted.

(c) The MDA shall have sole discretion in the awarding of ACE funds, provided that the business or industry and the local economic development entity have met the statutory requirements of this section.

(5) The MDA shall promulgate rules and regulations, in accordance with the Mississippi Administrative Procedures Law, for the implementation of this section. However, before the implementation of any such rules and regulations, they shall be submitted for review and approval to a committee consisting of five (5) members of the Senate Finance Committee and five (5) members of the House of Representatives Ways and Means Committee, appointed by the respective committee chairmen.

SECTION 5. Sections 5 through 18 of this act may be cited as the "Regional Economic Development Act."

SECTION 6. It is hereby declared that the state's public welfare demands, and the state's public policy requires:

(a) That for the benefit of the people of the State of Mississippi, it is essential to foster and promote the issuing of bonds by cities and counties acting jointly or severally, including any joint bond issuance with a county, parish or other foreign political subdivision in a state adjoining the State of Mississippi.

(b) That the bonds to be issued pursuant to Sections 5 through 18 of this act shall be of any type permissible to be issued by any city or county without limitation.

(c) That the purposes of the bonds issued under Sections 5 through 18 of this act are for acquiring land and/or

acquiring or constructing buildings, fixtures, machinery,
equipment, infrastructure, utilities, port or airport facilities,
roads, railroad spurs and other related projects that have or will
provide a multi-jurisdictional benefit.

(d) That the projects contemplated under Sections 5
through 18 of this act are to provide economic development
benefits, including but not limited to, industry, distribution,
commerce, tourism, healthcare and other purposes in which the
public purpose and interest of the people of the state is served.

(e) That costs and revenues connected with a project
should both be shared by the members of the alliance created
pursuant to Sections 5 through 18 of this act.

(f) That the authority granted under Sections 5 through
18 of this act and the purposes to be accomplished hereby are
proper governmental and public purposes and that the resulting
economic benefits to the state are of paramount importance,
mandating that the provisions of Sections 5 through 18 of this act
be liberally construed and applied in order to advance the public
purposes.

SECTION 7. It is the purpose of Sections 5 through 18 of
this act to permit local government units of the state to make the
most efficient use of their powers and resources by enabling them
to cooperate and to contract with other local government units,
including foreign governmental units from adjoining states, on a
basis of mutual advantage, to share the costs of and revenues
derived from a project, and to pledge revenue from a project to
secure payment of the bonds issued for the project, and thereby
provide services and facilities in a manner pursuant to forms of
governmental organization that will accord best with geographic,
economic, population and other factors influencing the needs and
economic development of the local government units.

SECTION 8. For the purposes of Sections 5 through 18 of this
act, the following words shall be defined as herein provided

291 unless the context requires otherwise:

292 (a) "Alliance" means a regional economic development
293 alliance created under Sections 5 through 18 of this act.

294 (b) "Bond" or "bonds" means bonds, notes or other
295 evidence of indebtedness of the local government unit issued
296 pursuant to Sections 5 through 18 of this act.

297 (c) "Cost of project" means all costs of site
298 preparation and other start-up costs; all costs of construction;
299 all costs of fixtures and of real and personal property required
300 for the purposes of the project and facilities related thereto,
301 including land and any rights or undivided interest therein,
302 easements, franchises, fees, permits, approvals, licenses, and
303 certificates and the securing of such permits, approvals,
304 licenses, and certificates and all machinery and equipment,
305 including motor vehicles which are used for project functions; and
306 including any cost associated with the closure, post-closure
307 maintenance or corrective action on environmental matters,
308 financing charges and interest prior to and during construction
309 and during such additional period as the alliance may reasonably
310 determine to be necessary for the placing of the project in
311 operation; costs of engineering, surveying, environmental
312 geotechnical, architectural and legal services; costs of plans and
313 specifications and all expenses necessary or incident to
314 determining the feasibility or practicability of the project;
315 administrative expenses; and such other expenses as may be
316 necessary or incidental to the financing authorized in Sections 5
317 through 18 of this act. The costs of any project may also include
318 funds for the creation of a debt service reserve, a renewal and
319 replacement reserve, bond insurance and credit enhancement, and
320 such other reserves as may be reasonably required by the alliance
321 for the operation of its projects and as may be authorized by any
322 bond resolution or trust agreement or indenture pursuant to the
323 provisions of which the issuance of any such bonds may be

authorized. Any obligation or expense incurred for any of the foregoing purposes shall be regarded as a part of the costs of the project and may be paid or reimbursed as such out of the proceeds of user fees, of revenue bonds or notes issued under Sections 5 through 18 of this act for such project, or from other revenues obtained by the alliance.

(d) "County" means any county of this state.

(e) "Foreign governmental unit" means any county, parish, city, town, village, utility district, school district, any community college, any institution of higher learning, any municipal airport authority, regional airport authority, port authority or any other political subdivision of an adjoining state.

(f) "Governing body" means the board of supervisors of any county or the governing board of any city, town or village. As to the state, the term governing body means the State Bond Commission.

(g) "Holder of bonds" or "bondholder" or any similar term means any person who shall be the registered owner of any such bond or bonds which shall at the time be registered.

(h) "Law" means any act or statute, general, special or local, of this state.

(i) "Local government unit" means any county or incorporated city, town or village in the state acting jointly or severally.

(j) "MDA" means the Mississippi Development Authority.

(k) "Municipality" means any incorporated municipality in the state.

(l) "Person" means a natural person, partnership, association, corporation, business trust or other business entity.

(m) "Project" means and includes any of the following which promotes economic development or which assists in the creation of jobs:

357 (i) Acquisition, construction, repair,
358 renovation, demolition or removal of:
359 1. Buildings and site improvements
360 (including fixtures);
361 2. Potable and nonpotable water supply
362 systems;
363 3. Sewage and waste disposal systems;
364 4. Storm water drainage and other
365 drainage systems;
366 5. Airport facilities;
367 6. Rail lines and rail spurs;
368 7. Port facilities;
369 8. Highways, streets and other roadways;
370 9. Fire suppression and prevention
371 systems;
372 10. Utility distribution systems, including,
373 but not limited to, water, electricity, natural gas, telephone and
374 other information and telecommunications facilities, whether by
375 wire, fiber or wireless means; provided, however, that electrical,
376 natural gas, telephone and telecommunication systems shall be
377 constructed, repaired or renovated only for the purpose of
378 completing the project and connecting to existing utility systems;
379 11. Business, industrial and technology parks
380 and the acquisition of land and acquisition or construction of
381 improvements to land connected with any of the preceding purposes;
382 (ii) County purposes authorized by or defined
383 in Sections 17-5-3 and 19-9-1, (except Section 19-9-1(f));
384 (iii) Municipal purposes authorized by or
385 defined in Sections 17-5-3, 17-17-301 et seq., 21-27-23,
386 21-33-301; and
387 (iv) Refunding of bonds as authorized in
388 Section 21-27-1 et seq.
389 (n) "Resolution" means a resolution, ordinance, act,

record of minutes or other appropriate enactment of a governing body.

(o) "Revenue Code" means the Internal Revenue Code of 1986, as amended.

(p) "Revenues" mean any and all taxes, fees, rates, rentals, profits and receipts collected by, payable to, or otherwise derived by, the local government units and foreign governmental units, and all other monies and income of whatsoever kind or character collected by, payable to, or otherwise derived by, the local government unit and foreign governmental units in connection with the economic development projects provided through Sections 5 through 18 of this act.

(q) "Security" means a bond, note or other evidence of indebtedness issued by a local government unit pursuant to the provisions of Sections 5 through 18 of this act.

(r) "State" means the State of Mississippi.

SECTION 9. (1) Prior to issuing bonds to finance any proposed project under Sections 5 through 18 of this act, the local government unit shall submit an application to the MDA for a certificate of public convenience and necessity. The application shall be in such form and content as the MDA shall from time to time prescribe.

(2) The MDA shall investigate, find and determine, upon application of any local government unit therefor, as to whether a certificate of public convenience and necessity shall be issued to such local government unit to authorize creation of an alliance. The MDA is authorized and empowered, having due regard to the promotion of the public policy and the general welfare herein declared, to issue or refuse to issue a certificate of public convenience and necessity for the alliance to the local government unit. If and when such certificate is issued, it shall authorize the particular local government unit to create and operate the

alliance but the certificate shall expire twelve (12) months from its date unless within that time such alliance shall have been created.

(3) If and when a certificate is issued, the MDA therein shall fix and determine:

(a) The extent and amount to which the local government unit may issue bonds or make expenditures for such alliance;

(b) The extent and amount that the revenues derived from the project shall be shared by the local government unit with other members of the alliance;

(c) The extent and amount that the revenues derived from the project may be pledged to secure payment of the bonds issued to finance the project;

(d) What property may be acquired therefor;

(e) The terms upon which such acquisition may be had;

(f) What expenditures may be made; and

(g) The construction of buildings and of equipment with its installation.

If the governing body of the local government unit fails or refuses to follow the requirements made by the MDA in the certificate, then the members of the governing body of the local government unit voting for such failure or refusal shall be individually and personally liable, and liable upon their official bonds for any loss that the local government unit may sustain by reason of such failure or refusal to follow the requirements, and in addition may be compelled by injunction to comply with such requirements.

SECTION 10. (1) After receiving a certificate of public convenience and necessity from the MDA, the local government unit is empowered and authorized, from time to time, to issue bonds up to the maximum principal amount authorized in the certificate.

(2) After receiving a certificate of public convenience and

necessity from the MDA, the governing body of any local government unit entering into an agreement pursuant to Sections 5 through 18 of this act may issue bonds as authorized herein and may appropriate funds for the purposes and in the manner prescribed by law without regard to whether the activities and improvements authorized by Sections 5 through 18 of this act to be financed by such debt or appropriation are within or without the boundaries of the local government unit. Revenues derived from any project financed with bonds issued pursuant to Sections 5 through 18 of this act may be pledged in whole or in part to secure payment of the bonded indebtedness incurred to finance the project. Such governing body may sell, lease, grant or otherwise supply goods and services to any other local government unit which is a party to the agreement or the administrative body or legal entity created to operate the joint or cooperative undertaking.

SECTION 11. (1) Any power, authority or responsibility exercised or capable of being exercised by a local government unit of this state may be exercised and carried out jointly with any other local government unit of this state or with a foreign governmental unit of an adjoining state, any state board, agency or commission and any public agency of the United States, to the extent that the laws of the United States permit such joint exercise or enjoyment.

(2) No such power, authority and responsibility may be exercised under the provisions of Sections 5 through 18 of this act which will have the effect of abolishing any office which is held by a person elected by the citizenry.

(3) No agreement made under Sections 5 through 18 of this act shall be entered into by any local government unit without the approval by resolution on the minutes of the governing body of that local government unit.

(4) Any joint undertaking entered into under Sections 5 through 18 of this act shall be evidenced by written contractual

489 agreements for joint or cooperative action to provide services and
490 facilities pursuant to the provisions of Sections 5 through 18 of
491 this act which agreements shall be approved by the MDA.

492 Appropriate action by ordinance, resolution or otherwise pursuant
493 to the law controlling the participating local government units or
494 agencies shall be necessary before any such agreement shall be in
495 force.

496 (5) An alliance created pursuant to Sections 5 through 18 of
497 this act may take any action that any local government unit member
498 may take. If one (1) member of the alliance shall have authority
499 to undertake a particular project or pursue a particular action,
500 then the alliance shall have identical authority so to do. No
501 local government unit shall be precluded from joining an alliance,
502 and it shall not be the basis for denying an application for a
503 certificate of convenience and necessity by the MDA, solely
504 because the alliance may have power to take actions that the local
505 government unit acting alone could not take.

506 SECTION 12. (1) The local government unit shall be the
507 issuer of any debt incurred hereunder and the proceeds of such
508 debt shall be made available to the alliance in order to provide
509 funds to defray the costs of a project.

510 (2) The local government unit shall have power in the
511 issuance of its bonds to:

512 (a) Covenant as to the use of any or all of its
513 property, real or personal.

514 (b) Redeem the bonds, to covenant for their redemption
515 and to provide the terms and conditions thereof.

516 (c) Covenant to charge rates, fees and charges
517 sufficient to meet operating and maintenance expenses, renewals
518 and replacements, principal and debt service on bonds, creation
519 and maintenance of any reserves required by a bond resolution,
520 trust indenture or other security instrument and to provide for
521 any margins or coverages over and above debt service on the bonds

522 deemed desirable for the marketability of the bonds.

523 (d) Covenant and prescribe as to events of default and
524 terms and conditions upon which any or all of its bonds shall
525 become or may be declared due before maturity, as to the terms and
526 conditions upon which such declaration and its consequences may be
527 waived and as to the consequences of default and the remedies of
528 bondholders.

529 (e) Covenant as to the mortgage or pledge of or the
530 grant of a security interest in any real or personal property and
531 all or any part of the revenues from any facilities or any
532 revenue-producing contract or contracts made by the compact with
533 any person to secure the payment of bonds, subject to such
534 agreements with the holders of bonds as may then exist.

535 (f) Covenant as to the custody, collection, securing,
536 investment and payment of any revenue assets, monies, funds or
537 property with respect to which the compact may have any rights or
538 interest.

539 (g) Covenant as to the purpose to which the proceeds
540 from the sale of any bonds then or thereafter to be issued may be
541 applied, and the pledge of such proceeds to secure the payment of
542 the bonds.

543 (h) Covenant as to the limitations on the issuance of
544 any additional bonds, the terms upon which additional bonds may be
545 issued and secured, and the refunding of outstanding bonds.

546 (i) Covenant as to the rank or priority of any bonds
547 with respect to any lien or security.

548 (j) Covenant as to the procedure by which the terms of
549 any contract with or for the benefit of the holders of bonds may
550 be amended or abrogated, the amount of bonds the holders of which
551 must consent thereto, and the manner in which such consent may be
552 given.

553 (k) Covenant as to the custody of any of its properties
554 or investments, the safekeeping thereof, the insurance to be

carried thereon, and the use and disposition of insurance proceeds.

(l) Covenant as to the vesting in a trustee or trustees, within or outside the state, of such properties, rights, powers and duties in trust as the local government unit may determine.

(m) Covenant as to the appointing and providing for the duties and obligations of a paying agent or paying agents or other fiduciaries within or outside the state.

(n) Make all other covenants and to do any and all such acts and things as may be necessary or convenient or desirable in order to secure its bonds, including providing a debt service reserve fund, bond insurance and credit enhancement, or in the absolute discretion of the local government unit make the bonds more marketable, notwithstanding that such covenants, acts or things may not be enumerated herein; it being the intention hereof to give the local government unit power to do all things in the issuance of bonds and in the provisions for security thereof which are not inconsistent with the Mississippi Constitution 1890.

(o) Execute all instruments necessary or convenient in the exercise of the powers herein granted or in the performance of covenants or duties, which may contain such covenants and provisions, as any purchaser of the bonds of the local government unit may reasonably require.

(3) Before the local government unit may issue any bonds to finance any debt relating to a proposed project under Sections 5 through 18 of this act, the governing authority of the local government unit shall advertise its intention to issue the bonds.

The intention to issue bonds shall include (a) the amount of bonds proposed to be issued; (b) the purpose for which the bonds are to be issued, including a specific description of the proposed project for which the proceeds of the bonds may be used and extended; and (c) the date upon which the governing authority

proposes to direct the issuance of such bonds. Such intention to issue bonds shall be published once a week for at least three (3) consecutive weeks in at least one (1) newspaper published in such local government unit. The first publication of such intention to issue bonds shall be made not less than forty-five (45) days before the date upon which the governing authority proposes to direct the issuance of the bonds and the last publication shall be made not more than fourteen (14) days before such date. If no newspaper be published in such local government unit, then such notice shall be given by publishing the intention to issue bonds for the required time in some newspaper having a general circulation in such local government unit and, in addition, by posting a copy of such intention to issue bonds for at least thirty (30) days next preceding the date fixed therein at three (3) public places in such local government unit. The newspaper publication shall be in an advertisement that shall not be less than one-fourth (1/4) page in size, and the print type used in the advertisement shall be no smaller than eighteen (18) point and surrounded by a one-fourth-inch solid black border. The advertisement shall not be placed in any portion of the newspaper where legal notices and classified advertisements appear.

SECTION 13. The MDA is hereby authorized and empowered to promulgate and put into effect, in accordance with the Mississippi Administrative Procedures Law, all reasonable rules and regulations that it may deem necessary to carry out the provisions of the Regional Economic Development Act. Nothing in the Regional Economic Development Act shall in any way confer to the MDA the authority to impose a sales tax or other tax of any kind.

SECTION 14. The alliance is authorized to cooperate and coordinate with economic development commissions, authorities, districts, travel, and other similar commissions and boards, or other similar agencies of other states, the federal government, and with county, municipal, and regional economic development,

travel, and other similar commissions or boards, or other agencies thereof, for the purposes of securing economic development within the State of Mississippi and its adjoining states, and to accomplish this purpose.

SECTION 15. Any agreement made under Sections 5 through 18 of this act shall specify the following:

(a) Its duration.

(b) Its purpose or purposes.

(c) The precise organization, composition, nature and powers of any separate legal or administrative entity created thereby and the specific citation of statutory authority vested in each of the local government units which is to be a party to the agreement.

(d) The manner of financing, staffing and supplying the joint or cooperative undertaking and of establishing and maintaining a budget therefor; provided that the treasurer and/or disbursing officer of one (1) of the local government units shall be designated in the agreement to receive, disburse and account for all funds of the joint undertaking as a part of the duties of the officer or officers.

(e) The permissible method or methods to be employed in operating the alliance and the project and accomplishing the partial or complete termination or amendment of the agreement and for disposing of property upon such partial or complete termination or amendment.

(f) The provision for administration of issuance of any bonds under Sections 5 through 18 of this act by a local government unit exercising the power authorized by Sections 5 through 18 of this act.

(g) The manner of acquiring, holding and disposing of real and personal property used in the joint or cooperative undertaking in the event that the agreement does not or may not establish a separate legal entity to conduct the joint or

654 cooperative undertaking.

655 (h) A provision specifying the terms and conditions
656 that would cause the alliance to be terminated.

657 (i) The manner in which the costs of the project shall
658 be shared between the local government units.

659 (j) The manner in which the revenues from the project
660 shall be shared by the local government units.

661 (k) Any other necessary and proper matters.

662 SECTION 16. (1) In the event that an agreement made
663 pursuant to Sections 5 through 18 of this act shall deal in whole
664 or in part with the provision of services or facilities with
665 regard to which an officer, unit or agency of the state government
666 has constitutional or statutory powers of control, the agreement
667 shall, as a condition precedent to its being in force, be
668 submitted to the state officer, unit or agency having such power
669 of control and shall be approved or disapproved by him or it as to
670 all matters within his or its jurisdiction in the same manner and
671 subject to the same requirements governing action of the Attorney
672 General pursuant to subsection (2) of this section.

673 (2) Every agreement made by a local government unit under
674 Sections 5 through 18 of this act shall, prior to and as a
675 condition precedent to its entry into force, be submitted to the
676 Attorney General of this state who shall determine whether the
677 agreement is in proper form and compatible with the laws of this
678 state. The Attorney General shall approve any such agreement
679 submitted to him hereunder unless he shall find that it does not
680 meet the conditions set forth herein and elsewhere in the laws of
681 this state and shall detail in writing addressed to the governing
682 bodies of the units concerned the specific respects in which the
683 proposed agreement fails to meet the requirements of law.

684 Failure to disapprove an agreement submitted hereunder within
685 sixty (60) days of its submission shall constitute approval
686 thereof.

(3) Prior to its being in force, an agreement made pursuant to Sections 5 through 18 of this act shall be filed with the chancery clerk of each of the counties wherein a participating local government unit is located and with the Secretary of State.

The chancery clerk and the Secretary of State shall preserve such agreements as public records and index and docket the same separate and apart from all other records in his office.

(4) A copy of any agreement made pursuant to Sections 5 through 18 of this act shall be filed with the State Auditor for audit purposes no later than sixty (60) days after the agreement shall be in force.

SECTION 17. All laws in regard to purchases, auditing, depositories and expenditures in general which limit the authority of the agreeing local governing units shall also apply to any joint body created by the agreement pursuant to the provisions of Sections 5 through 18 of this act.

SECTION 18. (1) The powers and authority granted and set forth in Sections 5 through 18 of this act shall be additional and supplemental to any other powers and authority granted by law and shall not amend, repeal or supersede any other powers and authority granted by law.

(2) Nothing in Sections 5 through 18 of this act shall authorize an alliance to provide utility services, other than water and sewage, for compensation.

SECTION 19. Section 21-41-3, Mississippi Code of 1972, is amended as follows:[CR3]

21-41-3. The following local improvements may be constructed hereunder, to wit:

(a) Streets, highways, boulevards, avenues, squares, lanes, alleys and parks, or any part thereof may be opened, reopened, widened, graded, regraded, paved, repaved, surfaced, resurfaced, and curbs and gutters may be constructed or reconstructed therein.

(b) Sidewalks may be graded, regraded and leveled, laid, relaid, paved, repaved, surfaced or resurfaced.

(c) Water mains, water connections, sanitary disposal systems, sanitary sewers, storm covers, and other surface drains or drainage systems may be laid, relaid, and constructed or reconstructed.

(d) A project for which a certificate of public convenience and necessity has been obtained by the municipality pursuant to the Regional Economic Development Act.

SECTION 20. Section 21-41-5, Mississippi Code of 1972, is amended as follows:[LH4]

21-41-5. When the governing authorities of any municipality shall determine to make any local or special improvement, the cost of which or any part thereof is to be assessed against the property benefited, they shall adopt a resolution declaring necessary the proposed improvement describing the nature and extent of the work, the general character of the material to be used, and the location and terminal points of the streets, highways, boulevards, avenues, squares, alleys or parks, or parts thereof, or clearly define the boundary of areas in which said improvements are to be made. In publishing said resolution declaring the work necessary, the plans and specifications of said work need not be published but may be referred to as being on file in the office of the city clerk or city engineer. The publication of the resolution may be made as provided in Section 21-17-19. Said resolution shall fix a date when the governing authorities of said municipality shall meet, which shall be not less than fifteen (15) days after the date of the first publication of the notice herein provided for, to hear any objections or remonstrances that may be made to said improvements. The notice herein provided for shall be published once each week for three (3) successive publications in a public newspaper having a general circulation in the municipality, and if no newspaper is published therein it

shall be sufficient to post said notice in three (3) public places of the municipality for not less than fifteen (15) days before said meeting, one which shall be posted at the town or city hall of said municipality. Moreover, the clerk of the municipality shall send a copy of the notice, by certified mail, postage prepaid, within five (5) days after the first publication of the notice herein provided for, to the last-known address of owners of property affected by the resolution. However, failure of the clerk to mail such notice or failure of the owner to receive such notice shall not invalidate any proceeding in this chapter, where such notice has been published as provided herein. Notice declaring the work necessary shall be notice to the property owners that the work has been declared necessary.

If the governing authorities of a municipality desire to make any special or local improvement under the Regional Economic Development Act, the governing authorities also shall comply with any requirements provided therein.

SECTION 21. Section 21-45-3, Mississippi Code of 1972, is amended as follows:[CR5]

21-45-3. For the purposes of this chapter, the following terms shall have the meanings given them in this section unless a different meaning is clearly indicated by the context:

(a) "Project area" includes:

(i) Areas in which there is a significant amount of buildings or improvements which, by reason of dilapidation, deterioration, age, obsolescence, inadequate provision for ventilation, light, air, sanitation or open spaces, high density of population and overcrowding or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, are conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime and are detrimental to the public health, safety, morals or welfare;

(ii) Areas in which are located a building or buildings that are of important value for purposes of historical preservation, as designated by the Department of Archives and History;

(iii) Areas which by reason of a significant amount of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site improvements, diversity of ownership, tax delinquency, defective or unusual conditions of title, improper subdivision or obsolete platting or the existence of conditions which endanger life or property by fire or other causes, or any combination of such factors, substantially impair or arrest the sound growth of the community, retard the provision of housing accommodations or constitute an economic or social liability and are a menace to the public health, safety, morals or welfare in their present condition and use; * * *

(iv) Areas in which the construction, renovation, repair or rehabilitation of property for residential, commercial or other uses is in the public interest; or

(v) A project for which a certificate of public convenience and necessity has been obtained by the municipality pursuant to the Regional Economic Development Act.

(b) A "redevelopment project" may include any work or undertaking by a municipality:

(i) To acquire project areas or portions thereof, including lands, structures or improvements the acquisition of which is necessary or incidental to the proper clearance, development or redevelopment of such areas or to the prevention of the spread or recurrence of slum conditions or conditions of blight;

(ii) To clear any project areas by demolition or removal of existing buildings, structures, streets, utilities or

other improvements thereon and to install, construct or reconstruct streets, utilities, bulkheads, boat docks and site improvements essential to the preparation of sites for uses in accordance with the redevelopment plan and public improvements to encourage private redevelopment in accordance with the redevelopment plan; or

(iii) To sell or lease property acquired by a municipality as part of a redevelopment project for not less than its fair value for uses in accordance with such redevelopment plan to retain property or public improvements for public use in accordance with the redevelopment plan.

"Redevelopment project" may also include the preparation of a redevelopment plan, the planning, survey and other work incident to a redevelopment project and the preparation of all plans and arrangements for carrying out a redevelopment project, relocation of businesses and families required under applicable law, and upon a determination, by resolution of the governing body of the municipality in which such land is located, that the acquisition and development of additional real property not within a project area is essential to the proper clearance or redevelopment of a project area or a necessary part of the general slum clearance program of the municipality, the acquisition, planning, preparation for development or disposal of such land shall constitute a redevelopment project.

(c) "Redevelopment plan" means a plan for the acquisition, clearance, reconstruction, rehabilitation or future use of a redevelopment project area which shall be sufficiently complete:

(i) To indicate its relationship to definite local objectives as to appropriate land uses and improved traffic, public transportation, public utilities, recreational, residential, commercial and community facilities and other public improvements; and

(ii) To indicate proposed land uses, waterfront uses, if any, and building requirements in the area.

A redevelopment plan may include interlocal cooperation agreements between a municipality and a county whereby both agree to pledge revenues payable to them to fund the debt of service of any indebtedness incurred pursuant to this chapter.

(d) "Governing body" means the governing body of any municipality or the board of supervisors of any county.

(e) "Developer" means any person, firm, corporation, partnership or other entity which enters into an agreement with a municipality whereby the developer agrees to construct, operate and maintain or procure the construction, operation and maintenance of buildings or other facilities or improvements upon land or waterfront being a part of a redevelopment project.

(f) "Municipality" means any city or town incorporated under the laws of the State of Mississippi or any county.

(g) "Clerk" means the municipal clerk or chancery clerk, as the case may be.

SECTION 22. Section 21-45-9, Mississippi Code of 1972, is amended as follows:[LH6]

21-45-9. Any governing body may issue tax increment bonds, the final maturity of which shall not extend beyond thirty (30) years, for the purpose of financing all or a portion of the cost of a redevelopment project within the boundaries of the municipality, funding any reserve which the governing body may deem advisable in connection with the retirement of the proposed indebtedness and funding any other incidental expenses involved in incurring such indebtedness. The debt service of indebtedness incurred pursuant to this section shall be provided from the added increments of municipal and county ad valorem tax revenues or any portion of the sales taxes, or both, to result from any such redevelopment project and shall never constitute an indebtedness of the municipality within the meaning of any state constitutional

provision or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the municipality or a charge against its general credit or taxing powers.

Said bonds may be authorized by resolution or resolutions of the governing body, and may be issued in one or more series, may bear such date or dates, mature at such time or times, bear interest at such rate or rates, payable at such times, be in such denominations, be in such form, be registered, be executed in such manner, be payable in such medium of payment, at such place or places, be subject to such terms of redemption, with or without premium, carry such conversion or registration privileges and be declared or become due before the maturity date thereof, as such resolution or resolutions may provide; however, such bonds shall not bear a greater interest rate to maturity than that allowed under Section 75-17-101. Said bonds shall be sold for not less than par value plus accrued interest at public sale in the manner provided by Section 31-19-25 or at private sale, in the discretion of the governing body. The lowest interest rate specified for any bonds issued shall not be less than seventy percent (70%) of the highest interest rate specified for the same bond issue. Said bonds may be repurchased by the municipality out of any available funds at a price not to exceed the principal amount thereof and accrued interest, and all bonds so repurchased shall be cancelled.

In connection with the issuance of said bonds, the municipality shall have the power to enter into contracts for rating of the bonds by national rating agencies; obtaining bond insurance or guarantees for such bonds and complying with the terms and conditions of such insurance or guarantees; make provision for payment in advance of maturity at the option of the owner or holder of the bonds; covenant for the security and better marketability of the bonds, including without limitation the establishment of a debt service reserve fund and sinking funds to secure or pay such bonds; and make any other provisions deemed

desirable by the municipality in connection with the issuance of said bonds.

If a governing body desires to issue tax increment financing bonds under the Regional Economic Development Act, the governing body also shall comply with any requirements provided therein.

In connection with the issuance of said bonds, the municipality may arrange for lines of credit with any bank, firm or person for the purpose of providing an additional source of repayment for such bonds and amounts drawn on such lines of credit may be evidenced by bonds, notes or other evidences of indebtedness containing such terms and conditions as the municipality may determine; provided, however, that such bonds, notes or evidences of indebtedness shall be secured by and payable from the same sources as are pledged to the payment of said bonds which are additionally secured by such line of credit, and that said bonds, notes or other evidences of indebtedness shall be deemed to be bonds for all purposes of this chapter. Pending the preparation or execution of definitive bonds, interim receipts or certificates, or temporary bonds may be delivered to the purchaser or purchasers of said bonds. Any provision of law to the contrary notwithstanding, any bonds, if any, issued pursuant to this chapter shall possess all of the qualities of negotiable instruments.

The municipality may also issue refunding bonds for the purpose of paying any of its bonds at or prior to maturity or upon acceleration or redemption. Refunding bonds may be issued at such time prior to the maturity or redemption of the refunded bonds as the municipality may determine. The refunding bonds may be issued in sufficient amounts to pay or provide the principal of the bonds being refunded, together with any redemption premium thereon, any interest accrued or to accrue to the date of payment of such bonds, the expenses of issuing the refunding bonds, the expenses of redeeming the bonds being refunded, and such reserves for debt

951 service or other capital or current expenses from the proceeds of
952 such refunding bonds as may be required by any of the
953 municipality's resolutions, trust indenture or other security
954 instruments. The issuance of refunding bonds, the maturities and
955 other details thereof, the security therefor, the rights of the
956 holders and the rights, duties and obligations of the municipality
957 in respect of the same shall be governed by the provisions of this
958 chapter relating to the issuance of bonds other than refunding
959 bonds, insofar as the same may be applicable.

960 Before incurring any debt pertaining to a redevelopment
961 project incorporating a tax increment financing plan the governing
962 body may, but shall not be required to, secure an agreement from
963 one or more developers obligating such developer or developers:

964 (a) To effect the completion of all or any portion of
965 the buildings or other facilities or improvements, as described in
966 the redevelopment project, at no cost to the municipality;

967 (b) To pay all or any portion of the real property
968 taxes due on the project in a timely manner; and

969 (c) To maintain and operate all or any portion of the
970 buildings or other facilities or improvements of the project in
971 such a manner as to preserve property values.

972 No breach of any such agreement shall impose any pecuniary
973 liability upon a municipality or any charge upon its general
974 credit or against its taxing powers.

975 Additionally, the municipality may enter into an agreement
976 with the developer under which the developer may construct all or
977 any part of the redevelopment project with private funds in
978 advance of issuance of the bonds and may be reimbursed by the
979 municipality for actual costs incurred by the developer upon
980 issuance and delivery of the bonds and receipt of the proceeds,
981 conditioned upon dedication of redevelopment project by the
982 developer to the municipality to assure public use and access.

983 SECTION 23. Section 21-45-13, Mississippi Code of 1972, is

amended as follows:[LH7]

21-45-13. The principal, interest and premium, if any, on any tax increment bond shall be secured by a pledge of the revenues payable to the municipality pursuant to the tax increment financing plan and may also be secured, in the discretion of the municipality, by a lien on all or any part of the redevelopment project and any security by any developer pursuant to and secured by a security agreement. The proceedings under which any indebtedness is authorized or any security agreement may contain any agreement or provisions customarily contained in instruments securing such obligations, without limiting the generality of the foregoing provisions respecting the construction, maintenance and operation of buildings or other facilities or improvements of the project, the creation and maintenance of special funds, the rights and remedies available in the event of default to the debt holders or to the trustee, all as the governing body shall deem advisable; provided, however, that in making any such agreements or provisions, no municipality shall have the power to obligate itself except with respect to:

(a) The proceeds of the bonds and any property purchased with the proceeds of the bonds;

(b) Any security pledged, mortgaged or otherwise made available by a developer for the securing of bonds or other indebtedness; and

(c) No municipality shall have the power to obligate itself except with respect to the application of the revenues from the tax increments; nor shall any municipality have the power to incur a pecuniary liability or charge upon its general credit or against its taxing powers.

Tax increment financing bonds issued under the Regional Economic Development Act also may be secured as provided therein.

The proceedings authorizing any bonds and any security agreement securing bonds may provide that in the event of default

1017 in payment of the principal of or interest on such bonds, or in
1018 the performance of any agreement contained in such proceedings or
1019 security agreement, such payment and performance may be enforced
1020 by mandamus or by appointment of a receiver in equity with such
1021 powers as may be necessary to enforce the obligations thereof. No
1022 breach of any such agreement shall impose any pecuniary liability
1023 upon any municipality or any charge upon its general credit or
1024 against its taxing powers.

1025 The trustee under any security agreement or any depository
1026 specified by such security agreement may be such persons or
1027 corporation as the governing body shall designate; provided, that
1028 they may be residents of Mississippi or nonresidents of
1029 Mississippi or incorporated under the laws of the United States or
1030 the laws of other states of the United States.

1031 SECTION 24. Sections 24 through 33 of this act shall be
1032 known and may be cited as the "Mississippi Advantage Jobs Act."

1033 SECTION 25. It is the intent of the Legislature that:

1034 (a) The State of Mississippi provide appropriate
1035 incentives to support the establishment of quality business and
1036 industry that hold the promise of significant development of the
1037 economy of the State of Mississippi through the creation of
1038 quality jobs;

1039 (b) The amount of incentives provided under Sections 24
1040 through 33 of this act in connection with a particular
1041 establishment shall:

1042 (i) Be directly related to the jobs created as a
1043 result of the establishment locating in the State of Mississippi;
1044 and

1045 (ii) Not exceed the estimated net direct state
1046 benefits that will accrue to the state as a result of the
1047 establishment locating in the State of Mississippi;

1048 (c) The Mississippi Development Authority and the State
1049 Tax Commission shall implement the provisions of Sections 24

1050 through 33 of this act and exercise all powers as authorized in
1051 Sections 24 through 33 of this act; however, the application of
1052 Sections 24 through 33 of this act or the offering of any of its
1053 incentives as to any particular qualified business or industry
1054 shall be in the sole discretion of the Mississippi Development
1055 Authority. The exercise of powers conferred by Sections 24
1056 through 33 of this act shall be deemed and held to be the
1057 performance of essential public purposes; and

1058 (d) Nothing in Sections 24 through 33 of this act shall
1059 be construed to constitute a guarantee or assumption by the State
1060 of Mississippi of any debt of any individual, company, corporation
1061 or association nor to authorize the credit of the State of
1062 Mississippi to be given, pledged or loaned to any individual,
1063 company, corporation or association. Also, nothing in Sections 24
1064 through 33 of this act gives any right to any qualified business
1065 or industry to the incentives contained herein unless said
1066 incentive is given by the Mississippi Development Authority
1067 pursuant to Sections 24 through 33 of this act.

1068 SECTION 26. As used in Sections 24 through 33 of this act,
1069 the following words and phrases shall have the meanings ascribed
1070 in this section unless the context clearly indicates otherwise:

1071 (a) "Qualified business or industry" means any
1072 corporation, limited liability company, partnership, sole
1073 proprietorship, business trust or other legal entity and subunits
1074 or affiliates thereof, pursuant to rules and regulations of the
1075 MDA, which provides an average annual salary, excluding benefits
1076 which are not subject to Mississippi income taxes, of at least one
1077 hundred twenty-five percent (125%) of the most recent state
1078 average annual wage or the most recent average annual wage of the
1079 county in which the qualified business or industry is located as
1080 determined by the Mississippi Employment Security Commission,
1081 whichever is the lesser. An establishment shall not be considered
1082 to be a qualified business or industry unless it offers, or will

offer within one hundred eighty (180) days of the date it receives the first incentive payment pursuant to the provisions of Sections 24 through 33 of this act, a basic health benefits plan and a retirement plan to the individuals it employs in new direct jobs in this state which is approved by the MDA.

(b) "New direct job" means full-time employment in this state in a qualified business or industry that has qualified to receive an incentive payment pursuant to Sections 24 through 33 of this act, which employment did not exist in this state before the date of approval by the MDA of the application of the qualified business or industry pursuant to the provisions of Sections 24 through 33 of this act. "New direct job" shall include full-time employment in this state of employees who are employed by an entity other than the establishment that has qualified to receive an incentive payment and who are leased or otherwise provided to the qualified business or industry, if such employment did not exist in this state before the date of approval by the MDA of the application of the establishment;

(c) "Full-time job" means a job of at least thirty-five (35) hours per week;

(d) "Estimated direct state benefits" means the tax revenues projected by the MDA to accrue to the state as a result of the qualified business or industry;

(e) "Estimated direct state costs" means the costs projected by the MDA to accrue to the state as a result of the qualified business or industry;

(f) "Estimated net direct state benefits" means the estimated direct state benefits less the estimated direct state costs;

(g) "Net benefit rate" means the estimated net direct state benefits computed as a percentage of gross payroll, provided that:

(i) Except as otherwise provided in this paragraph

(g), the net benefit rate may be variable and shall not exceed four percent (4%) of the gross payroll; and shall be set in the sole discretion of the MDA;

(ii) In no event shall incentive payments, cumulatively, exceed the estimated net direct state benefits;

(h) "Gross payroll" means wages for new direct jobs of the qualified business or industry; and

(i) "MDA" means the Mississippi Development Authority.

SECTION 27. The MDA shall determine, upon initial application on a form approved by the MDA, if an establishment is engaged in a qualified business or industry.

SECTION 28. (1) Except as otherwise provided in this section, a qualified business or industry that meets the qualifications specified in the Mississippi Advantage Jobs Act may receive quarterly incentive payments for a period not to exceed ten (10) years from the State Tax Commission pursuant to the provisions of the Mississippi Advantage Jobs Act in an amount which shall be equal to the net benefit rate multiplied by the actual gross payroll of new direct jobs for a calendar quarter as verified by the Mississippi Employment Security Commission, but not to exceed the amount of money previously paid into the fund by the employer.

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

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

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

(b) Provide an average salary, excluding benefits which are not subject to Mississippi income taxes, of at least one hundred twenty-five percent (125%) of the most recent state average annual wage or the most recent average annual wage of the

1149 county in which the qualified business or industry is located as
1150 determined by the Mississippi Employment Security Commission,
1151 whichever is the lesser. The criteria for this requirement shall
1152 be based upon the average annual wage of the county at the time of
1153 application, and the threshold established upon application will
1154 remain constant for the duration of the project;

1155 (c) The business or industry must create and maintain a
1156 minimum of ten (10) full-time jobs in counties that have an
1157 average unemployment rate over the previous twelve-month period
1158 which is at least one hundred fifty percent (150%) of the state
1159 unemployment rate, as determined by the Mississippi Employment
1160 Security Commission or in Tier Three counties as determined under
1161 Section 57-73-21. In all other counties, the business or industry
1162 must create and maintain a minimum of twenty-five (25) full-time
1163 jobs. The criteria for this requirement shall be based on the
1164 designation of the county at the time of the application. The
1165 threshold established upon the application will remain constant
1166 for the duration of the project. The business or industry must
1167 meet its job creation commitment within twenty-four (24) months of
1168 the application approval.

1169 (4) The MDA shall determine if the applicant is qualified to
1170 receive incentive payments. If the applicant is determined to be
1171 qualified by the MDA, the MDA shall conduct a cost/benefit
1172 analysis to determine the estimated net direct state benefits and
1173 the net benefit rate applicable for a period not to exceed ten
1174 (10) years and to estimate the amount of gross payroll for the
1175 period. In conducting such cost/benefit analysis, the MDA shall
1176 consider quantitative factors, such as the anticipated level of
1177 new tax revenues to the state along with the cost to the state of
1178 the qualified business or industry, and such other criteria as
1179 deemed appropriate by the MDA. In no event shall incentive
1180 payments, cumulatively, exceed the estimated net direct state
1181 benefits. Once the qualified business or industry is approved by

the MDA, an agreement shall be deemed to exist between the qualified business or industry and the State of Mississippi, requiring the continued incentive payment to be made as long as the qualified business or industry retains its eligibility.

(5) Upon approval of such an application, the MDA shall notify the State Tax Commission and shall provide it with a copy of the approved application and the estimated net direct state benefits. The State Tax Commission may require the qualified business or industry to submit such additional information as may be necessary to administer the provisions of Sections 24 through 33 of this act. The qualified business or industry shall report to the State Tax Commission periodically to show its continued eligibility for incentive payments. The qualified business or industry may be audited by the State Tax Commission to verify such eligibility.

SECTION 29. (1) There is created in the State Treasury a special fund to be known as the Mississippi Advantage Jobs Incentive Payment Fund, into which shall be deposited withholding tax revenue required to be deposited into such fund pursuant to Section 27-7-312. The money in the fund shall be used for the purpose of making the incentive payments authorized under Sections 24 through 33 of this act.

(2) The Mississippi Advantage Jobs Incentive Payment Fund shall be administered by the State Tax Commission, and monies in the fund, less three percent (3%) to be retained by the State Tax Commission to pay the reasonable and necessary expenses of the State Tax Commission in administering its duties under Sections 24 through 33 of this act, shall be expended pursuant to the approved application. Amounts in the fund at the end of any fiscal year that are not necessary to make future incentive payments shall be paid into the General Fund.

(3) The liability of the State of Mississippi to make the incentive payments authorized under Sections 24 through 33 of this

act shall be limited to the balance contained in the fund.

SECTION 30. (1) As soon as practicable after the end of a calendar quarter for which a qualified business or industry has qualified to receive an incentive payment, the qualified business or industry shall file a claim for the payment with the State Tax Commission and shall specify the actual number of full-time jobs created and maintained by the business or industry for the calendar quarter and the gross payroll thereof. The State Tax Commission shall verify the actual number of full-time jobs created and maintained by the business or industry and compliance with the average annual wage requirements for such business or industry under Section 28(3) of this act. If the State Tax Commission is not able to provide such verification utilizing all available resources, the State Tax Commission may request such additional information from the business or industry as may be necessary.

(2) If the actual verified number of full-time jobs created and maintained by the business or industry for four (4) consecutive calendar quarters does not equal or exceed the applicable total required by Sections 24 through 33 of this act within two (2) years of the date of the first incentive payment, or does not equal or exceed the applicable total required by Sections 24 through 33 of this act at any other time during the ten-year period after the date the first payment was made, the incentive payments shall not be made and shall not be resumed until such time as the actual verified number of full-time jobs created and maintained by the business or industry equals or exceeds the amounts specified in Sections 24 through 33 of this act.

(3) An establishment that has qualified pursuant to Sections 24 through 33 of this act may receive payments only in accordance with the provision under which it initially applied and was approved. If an establishment that is receiving incentive

1248 payments expands, it may apply for additional incentive payments
1249 based on the new gross payroll for new direct jobs anticipated
1250 from the expansion only, pursuant to Sections 24 through 33 of
1251 this act.

1252 (4) As soon as practicable after verification of the
1253 qualified business or industry meeting the requirements of
1254 Sections 24 through 33 of this act and all rules and regulations,
1255 the Department of Finance and Administration, upon requisition of
1256 the State Tax Commission, shall issue a warrant drawn on the
1257 Mississippi Advantage Jobs Incentive Payment Fund to the
1258 establishment in the amount of the net benefit rate multiplied by
1259 the actual gross payroll as determined pursuant to subsection (1)
1260 of this section for the calendar quarter.

1261 SECTION 31. The MDA and the State Tax Commission shall
1262 promulgate rules and regulations, in accordance with the
1263 Mississippi Administrative Procedures Law, and all application
1264 forms and other forms necessary to implement their respective
1265 duties and responsibilities under the provisions of Sections 24
1266 through 33 of this act.

1267 SECTION 32. The MDA shall prepare a report on the
1268 program, which shall be included each year in the MDA's
1269 annual report to the Legislature.

1270 SECTION 33. The following provision shall be codified as
1271 Section 27-7-312, Mississippi Code of 1972:

1272 27-7-312. Of the revenue collected under the provisions of
1273 this article from an employer who is eligible to receive incentive
1274 payments under the Mississippi Advantage Jobs Act, an amount equal
1275 to the estimated amount of the quarterly incentive payment for
1276 which such employer is eligible shall be deposited into the
1277 Mississippi Advantage Jobs Incentive Payment Fund created pursuant
1278 to Sections 24 through 33 of House Bill No. 1, 2000 Second
1279 Extraordinary Session, on or before the twentieth day of the month
1280 following the close of each calendar quarter.

1281 SECTION 34. Sections 34 through 39 of this act shall be
1282 known and may be cited as the "Growth and Prosperity Act."

1283 SECTION 35. The Legislature finds and determines that there
1284 exists in this state a continuing need for programs to assist
1285 certain counties in encouraging economic development, the
1286 consequent job creation and retention, additional private
1287 investment and increased local and state revenue which together
1288 insures the further development of a balanced economy. To achieve
1289 these purposes, it is necessary to assist and encourage the
1290 creation of growth and prosperity by providing temporary relief
1291 from certain taxes within certain counties and within specific
1292 supervisors districts in certain other counties to certain
1293 business enterprises.

1294 Further, the Legislature finds and determines that the
1295 authority granted under Sections 34 through 39 of this act and the
1296 purposes to be accomplished hereby are proper governmental and
1297 public purposes and that the resulting economic benefits to the
1298 state are of paramount importance, mandating that the provisions
1299 of Sections 34 through 39 of this act be liberally construed and
1300 applied in order to advance the public purposes.

1301 SECTION 36. As used in Sections 34 through 39 of this act,
1302 the following words and phrases shall have the meanings ascribed
1303 herein unless the context clearly indicates otherwise:

1304 (a) "Approved business enterprise" means any business
1305 enterprise seeking to locate or expand in a growth and prosperity
1306 county, which business enterprise is approved by the MDA.

1307 (b) "Business enterprise" means any new or expanded (i)
1308 industry for the manufacturing, processing, assembling, storing,
1309 warehousing, servicing, distributing or selling of any products or
1310 goods, including products of agriculture and electrical generation
1311 facilities; (ii) enterprises for research and development,
1312 including, but not limited to, scientific laboratories; or (iii)
1313 such other businesses or industry as will be in furtherance of the

public purposes of Sections 34 through 39 of this act as determined by the MDA and which creates a minimum of ten (10) jobs. "Business enterprise" does not include retail or gaming businesses.

(c) "Growth and prosperity counties" means those counties which meet the requirements of Sections 34 through 39 of this act and which have by resolution or order given its consent to participate in the Growth and Prosperity Program.

(d) "Local tax" means any county or municipal ad valorem tax imposed on the approved business enterprise pursuant to law, except the school portion of the tax.

(e) "Local taxing authority" means any county or municipality which by resolution or order has given its consent to participate in the Growth and Prosperity Program acting through its respective board of supervisors or the municipal governing board, council, commission or other legal authority.

(f) "MDA" means the Mississippi Development Authority.

(g) "State tax" means any sales and use tax imposed on the business enterprise pursuant to law related to the purchase of component building materials and equipment for initial construction of facilities or expansion of facilities in a growth and prosperity county or supervisors districts, as the case may be, all income tax imposed pursuant to law on income earned by the business enterprise in a growth and prosperity county, or supervisors district, as the case may be, and franchise tax imposed pursuant to law on the value of capital used, invested or employed by the business enterprise in a growth and prosperity county, or supervisors district, as the case may be.

SECTION 37. From and after December 31, 2000, and until December 31, 2005, the following counties may apply to the MDA for the issuance of a certificate of public convenience and necessity:

(a) Any county of this state which has an annualized unemployment rate that is at least two hundred percent (200%) of

the state's unemployment rate as of December 31 of any year from 2000 through 2005, as determined by the Mississippi Employment Security Commission;

(b) Any county of this state in which thirty percent (30%) or more of the population of the county is at or below the federal poverty level; or

(c) Any county of this state having a supervisors district in which thirty percent (30%) or more of the district's population is at or below the federal poverty level and which county is adjacent to a county in which thirty percent (30%) or more of the population of such county is at or below the federal poverty level, for any year from 2000 through 2005.

The application, at a minimum, must contain (a) Mississippi Employment Security Commission figures that reflect the annualized unemployment rate of the applying county as of December 31 or the most recent official data by the United States Census Bureau that reflects the poverty level of the applying county or supervisors district, as the case may be, and (b) an order or resolution of the county consenting to the designation of the county as a growth and prosperity county.

Any municipality of a designated growth and prosperity county may by order or resolution of the municipality consent to participation in the Growth and Prosperity Program.

No incentive or tax exemption shall be given under Sections 34 through 39 of this act without the consent of the affected county or municipality.

SECTION 38. Upon the issuance by the MDA of its certificate of public convenience and necessity, designating certain counties as growth and prosperity counties, any approved business enterprise in any such a growth and prosperity county or supervisors district shall be exempt from all local taxes levied by the county, except school taxes, and all state taxes for a period of ten (10) years or until December 31, 2015, whichever

1380 occurs first, and upon consent of any municipality within such
1381 county or supervisors district, shall be exempt from all local
1382 taxes levied by such municipality, except school taxes, for a
1383 period of ten (10) years or until December 31, 2015, whichever
1384 occurs first.

1385 The following conditions, along with any other conditions the
1386 MDA shall promulgate from time to time by rule or regulation,
1387 shall apply to such exemptions: (a) any exemption provided under
1388 Sections 34 through 39 of this act is nontransferable and cannot
1389 be applied, used or assigned to any other person or business or
1390 tax account; (b) no approved business enterprise may claim or use
1391 the exemption granted under Sections 34 through 39 of this act
1392 unless that enterprise is in full compliance with all state and
1393 local tax laws, and related ordinances and resolutions; and (c)
1394 the approved business enterprise must enter into an agreement with
1395 the MDA which sets out, at a minimum the performance requirements
1396 of the approved business enterprise during the term of the
1397 exemption and provisions for the recapture of all or a portion of
1398 the taxes exempted if the performance requirements of the approved
1399 business enterprise are not met.

1400 Upon entering into such an agreement, the MDA shall forward
1401 such agreement to the State Tax Commission and the affected local
1402 taxing authorities so that the exemption can be implemented. The
1403 State Tax Commission shall promulgate rules and regulations, in
1404 accordance with the Mississippi Administrative Procedures Law, for
1405 the implementation of both local and state exemptions granted
1406 under Sections 34 through 39 of this act.

1407 Any business enterprise that relocates its present operation
1408 and jobs to a growth and prosperity county from another county in
1409 the state shall not receive any of the exemptions granted in
1410 Sections 34 through 39 of this act.

1411 SECTION 39. The MDA shall promulgate rules and regulations,
1412 in accordance with the Mississippi Administrative Procedures Law,

for the implementation and administration of Sections 34 through 39 of this act.

SECTION 40. Section 57-73-21, Mississippi Code of 1972, is amended as follows:[CR8]

57-73-21. (1) Annually by December 31, using the most current data available from the University Research Center, Mississippi State Employment Security Commission and the United States Department of Commerce, the State Tax Commission shall rank and designate the state's counties as provided in this section. The twenty-eight (28) counties in this state having a combination of the highest unemployment rate and lowest per capita income for the most recent thirty-six-month period, with equal weight being given to each category, are designated Tier Three areas. The twenty-seven (27) counties in the state with a combination of the next highest unemployment rate and next lowest per capita income for the most recent thirty-six-month period, with equal weight being given to each category, are designated Tier Two areas. The twenty-seven (27) counties in the state with a combination of the lowest unemployment rate and the highest per capita income for the most recent thirty-six-month period, with equal weight being given to each category, are designated Tier One areas. Counties designated by the Tax Commission qualify for the appropriate tax credit for jobs as provided in subsections (2), (3) and (4) of this section. The designation by the Tax Commission is effective for the tax years of permanent business enterprises which begin after the date of designation. For companies which plan an expansion in their labor forces, the Tax Commission shall prescribe certification procedures to ensure that the companies can claim credits in future years without regard to whether or not a particular county is removed from the list of Tier Three or Tier Two areas.

(2) Permanent business enterprises primarily engaged in manufacturing, processing, warehousing, distribution, wholesaling

1446 and research and development, or permanent business enterprises
1447 designated by rule and regulation of the Mississippi Development
1448 Authority as air transportation and maintenance facilities, final
1449 destination or resort hotels having a minimum of one hundred fifty
1450 (150) guest rooms, recreational facilities that impact tourism,
1451 movie industry studios, * * * telecommunications enterprises, data
1452 or information processing enterprises or computer software
1453 development enterprises or any technology intensive facility or
1454 enterprise, in counties designated by the Tax Commission as Tier
1455 Three areas are allowed a job tax credit for taxes imposed by
1456 Section 27-7-5 equal to Two Thousand Dollars (\$2,000.00) annually
1457 for each net new full-time employee job for five (5) years
1458 beginning with years two (2) through six (6) after the creation of
1459 the job. The number of new full-time jobs must be determined by
1460 comparing the monthly average number of full-time employees
1461 subject to the Mississippi income tax withholding for the taxable
1462 year with the corresponding period of the prior taxable year.
1463 Only those permanent businesses that increase employment by ten
1464 (10) or more in a Tier Three area are eligible for the credit.
1465 Credit is not allowed during any of the five (5) years if the net
1466 employment increase falls below ten (10). The Tax Commission
1467 shall adjust the credit allowed each year for the net new
1468 employment fluctuations above the minimum level of ten (10).

1469 (3) Permanent business enterprises primarily engaged in
1470 manufacturing, processing, warehousing, distribution, wholesaling
1471 and research and development, or permanent business enterprises
1472 designated by rule and regulation of the Mississippi Development
1473 Authority as air transportation and maintenance facilities, final
1474 destination or resort hotels having a minimum of one hundred fifty
1475 (150) guest rooms, recreational facilities that impact tourism,
1476 movie industry studios, * * * telecommunications enterprises, data
1477 or information processing enterprises or computer software
1478 development enterprises or any technology intensive facility or

1479 enterprise, in counties that have been designated by the Tax
1480 Commission as Tier Two areas are allowed a job tax credit for
1481 taxes imposed by Section 27-7-5 equal to One Thousand Dollars
1482 (\$1,000.00) annually for each net new full-time employee job for
1483 five (5) years beginning with years two (2) through six (6) after
1484 the creation of the job. The number of new full-time jobs must be
1485 determined by comparing the monthly average number of full-time
1486 employees subject to Mississippi income tax withholding for the
1487 taxable year with the corresponding period of the prior taxable
1488 year. Only those permanent businesses that increase employment by
1489 fifteen (15) or more in Tier Two areas * * * are eligible for the
1490 credit. The credit is not allowed during any of the five (5)
1491 years if the net employment increase falls below fifteen (15).
1492 The Tax Commission shall adjust the credit allowed each year for
1493 the net new employment fluctuations above the minimum level of
1494 fifteen (15).

1495 (4) Permanent business enterprises primarily engaged in
1496 manufacturing, processing, warehousing, distribution, wholesaling
1497 and research and development, or permanent business enterprises
1498 designated by rule and regulation of the Mississippi Development
1499 Authority as air transportation and maintenance facilities, final
1500 destination or resort hotels having a minimum of one hundred fifty
1501 (150) guest rooms, recreational facilities that impact tourism,
1502 movie industry studios, * * * telecommunications enterprises, data
1503 or information processing enterprises or computer software
1504 development enterprises or any technology intensive facility or
1505 enterprise, in counties designated by the Tax Commission as Tier
1506 One areas are allowed a job tax credit for taxes imposed by
1507 Section 27-7-5 equal to Five Hundred Dollars (\$500.00) annually
1508 for each net new full-time employee job for five (5) years
1509 beginning with years two (2) through six (6) after the creation of
1510 the job. The number of new full-time jobs must be determined by
1511 comparing the monthly average number of full-time employees

subject to Mississippi income tax withholding for the taxable year with the corresponding period of the prior taxable year. Only those permanent businesses that increase employment by twenty (20) or more in Tier One areas are eligible for the credit. The credit is not allowed during any of the five (5) years if the net employment increase falls below twenty (20). The Tax Commission shall adjust the credit allowed each year for the net new employment fluctuations above the minimum level of twenty (20).

(5) In addition to the credits authorized in subsections (2), (3) and (4), an additional Five Hundred Dollars (\$500.00) credit for each net new full-time employee or an additional One Thousand Dollars (\$1,000.00) credit for each net new full-time employee who is paid a salary, excluding benefits which are not subject to Mississippi income taxation, of at least one hundred twenty-five percent (125%) of the average annual wage of the state or an additional Two Thousand Dollars (\$2,000.00) credit for each net new full-time employee who is paid a salary, excluding benefits which are not subject to Mississippi income taxation, of at least two hundred percent (200%) of the average annual wage of the state, shall be allowed for any company establishing or transferring its national or regional headquarters from within or outside the State of Mississippi. A minimum of thirty-five (35) jobs must be created to qualify for the additional credit. The State Tax Commission shall establish criteria and prescribe procedures to determine if a company qualifies as a national or regional headquarters for purposes of receiving the credit awarded in this subsection. As used in this subsection, the average annual wage of the state is the average annual wage as determined by the Mississippi Employment Security Commission.

(6) In addition to the credits authorized in subsections (2), (3), (4) and (5), any job requiring research and development skills (chemist, engineer, etc.) shall qualify for an additional One Thousand Dollars (\$1,000.00) credit for each net new full-time

1545 employee.

1546 (7) Tax credits for five (5) years for the taxes imposed by
1547 Section 27-7-5 shall be awarded for additional net new full-time
1548 jobs created by business enterprises qualified under subsections
1549 (2), (3), (4), (5) and (6) of this section. The Tax Commission
1550 shall adjust the credit allowed in the event of employment
1551 fluctuations during the additional five (5) years of credit.

1552 (8) The sale, merger, acquisition, reorganization,
1553 bankruptcy or relocation from one county to another county within
1554 the state of any business enterprise may not create new
1555 eligibility in any succeeding business entity, but any unused job
1556 tax credit may be transferred and continued by any transferee of
1557 the business enterprise. The Tax Commission shall determine
1558 whether or not qualifying net increases or decreases have occurred
1559 or proper transfers of credit have been made and may require
1560 reports, promulgate regulations, and hold hearings as needed for
1561 substantiation and qualification.

1562 (9) Any tax credit claimed under this section but not used
1563 in any taxable year may be carried forward for five (5) years from
1564 the close of the tax year in which the qualified jobs were
1565 established but the credit established by this section taken in
1566 any one (1) tax year must be limited to an amount not greater than
1567 fifty percent (50%) of the taxpayer's state income tax liability
1568 which is attributable to income derived from operations in the
1569 state for that year.

1570 (10) No business enterprise for the transportation,
1571 handling, storage, processing or disposal of hazardous waste is
1572 eligible to receive the tax credits provided in this section.

1573 (11) The credits allowed under this section shall not be
1574 used by any business enterprise or corporation other than the
1575 business enterprise actually qualifying for the credits.

1576 (12) The tax credits provided for in this section shall be
1577 in addition to any tax credits described in Sections 57-51-13(b),

1578 57-53-1(1)(a) and 57-54-9(b) and granted pursuant to official
1579 action by the Department of Economic Development prior to July 1,
1580 1989, to any business enterprise determined prior to July 1, 1989,
1581 by the Department of Economic Development to be a qualified
1582 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or
1583 a qualified company as described in Section 57-53-1, as the case
1584 may be; however, from and after July 1, 1989, tax credits shall be
1585 allowed only under either this section or Sections 57-51-13(b),
1586 57-53-1(1)(a) and Section 57-54-9(b) for each net new full-time
1587 employee.

1588 (13) As used in this section, the term "telecommunications
1589 enterprises" means entities engaged in the creation, display,
1590 management, storage, processing, transmission or distribution for
1591 compensation of images, text, voice, video or data by wire or by
1592 wireless means, or entities engaged in the construction, design,
1593 development, manufacture, maintenance or distribution for
1594 compensation of devices, products, software or structures used in
1595 the above activities. Companies organized to do business as
1596 commercial broadcast radio stations, television stations or news
1597 organizations primarily serving in-state markets shall not be
1598 included within the definition of the term "telecommunications
1599 enterprises."

1600 SECTION 41. Section 57-73-25, Mississippi Code of 1972, is
1601 amended as follows:[RDD9]

1602 57-73-25. (1) A fifty percent (50%) income tax credit shall
1603 be granted to any employer (as defined in subsection (4) of this
1604 section) sponsoring basic skills training. The fifty percent
1605 (50%) credit shall be granted to employers that participate in
1606 employer-sponsored retraining programs through any
1607 community/junior college in the district within which the employer
1608 is located or training approved by such community/junior college.

1609 The retraining must be designed to increase opportunities for
1610 employee advancement or retention with the employer. The credit

is applied to qualified training or retraining expenses, which are expenses related to instructors, instructional materials and equipment, and the construction and maintenance of facilities by such employer designated for training purposes which is attributable to training or retraining provided through such community/junior college or training approved by such community/junior college. The credits allowed under this section shall only be used by the actual employer qualifying for the credits. The credit shall not exceed fifty percent (50%) of the income tax liability in a tax year and may be carried forward for the five (5) successive years if the amount allowable as credit exceeds the income tax liability in a tax year; however, thereafter, if the amount allowable as a credit exceeds the tax liability, the amount of excess shall not be refundable or carried forward to any other taxable year. Nothing in this section shall be interpreted in any manner as to prevent the continuing operation of state-supported university programs.

(2) Employer-sponsored training shall include an evaluation by the local community or junior college that serves the employer to ensure that the training provided is job related and conforms to the definitions of "basic skills training" and "retraining programs" as hereinafter defined.

(3) Employers shall be certified as eligible for the tax credit by the local community or junior college that serves the employer and the State Tax Commission.

(4) For the purposes of this section:

(a) "Basic skills training" means any employer-sponsored training by an appropriate community/junior college or training approved by such community/junior college that enhances reading, writing or math skills, up to the twelfth grade level, of employees who are unable to function effectively on the job due to deficiencies in these areas or who would be displaced because such skill deficiencies will inhibit their training for

1644 new technology.

1645 (b) "Retraining programs" means employer-sponsored
1646 training by an appropriate community/junior college or training
1647 approved by such community/junior college for hourly paid
1648 employees that have been employed a minimum of one (1) year with
1649 the employer applying the tax credit that, upon successful
1650 completion, increases the employee's opportunity for consideration
1651 for promotion or retention with the employer.

1652 (c) "Employer-sponsored training" means training
1653 purchased by the employer from an appropriate community/junior
1654 college in the district within which the employer is located or
1655 training approved by such community/junior college.

1656 (d) "Employer" means those permanent business
1657 enterprises as defined and set out in Section 57-73-21 (2), (3),
1658 (4) and (5).

1659 (5) The tax credits provided for in this section shall be in
1660 addition to all other tax credits heretofore granted by the laws
1661 of the state.

1662 (6) A community/junior college may commit to provide
1663 employer-sponsored basic skills training or retraining programs
1664 for an employer for a multiple number of years, not to exceed five
1665 (5) years.

1666 (7) The State Board for Community and Junior Colleges shall
1667 make a report to the Legislature by January 30 of each year
1668 summarizing the number of participants, the junior or community
1669 college through which said training was offered and the type
1670 training offered.

1671 * * *

1672 SECTION 42. Section 57-75-5, Mississippi Code of 1972, is
1673 amended as follows:[CR10]

1674 57-75-5. Words and phrases used in this chapter shall have
1675 meanings as follows, unless the context clearly indicates a
1676 different meaning:

1677 (a) "Act" means the Mississippi Major Economic Impact
1678 Act as originally enacted or as hereafter amended.

1679 (b) "Authority" means the Mississippi Major Economic
1680 Impact Authority created pursuant to the act.

1681 (c) "Bonds" means general obligation bonds, interim
1682 notes and other evidences of debt of the State of Mississippi
1683 issued pursuant to this chapter.

1684 (d) "Facility related to the project" means and
1685 includes any of the following, as the same may pertain to the
1686 project within the project area: (i) facilities to provide
1687 potable and industrial water supply systems, sewage and waste
1688 disposal systems and water, natural gas and electric transmission
1689 systems to the site of the project; (ii) airports, airfields and
1690 air terminals; (iii) rail lines; (iv) port facilities; (v)
1691 highways, streets and other roadways; (vi) public school
1692 buildings, classrooms and instructional facilities, including any
1693 functionally related facilities; (vii) parks, outdoor recreation
1694 facilities and athletic facilities; (viii) auditoriums, pavilions,
1695 campgrounds, art centers, cultural centers, folklore centers and
1696 other public facilities; and (ix) health care facilities, public
1697 or private.

1698 (e) "Person" means any natural person, corporation,
1699 association, partnership, receiver, trustee, guardian, executor,
1700 administrator, fiduciary, governmental unit, public agency,
1701 political subdivision, or any other group acting as a unit, and
1702 the plural as well as the singular.

1703 (f) "Project" means:

1704 (i) Any industrial, commercial, research and
1705 development, warehousing, distribution, transportation,
1706 processing, mining, United States government or tourism enterprise
1707 together with all real property required for construction,
1708 maintenance and operation of the enterprise with an initial
1709 capital investment of not less than Three Hundred Million Dollars

1710 (\$300,000,000.00) from private or United States government sources
1711 together with all buildings, and other supporting land and
1712 facilities, structures or improvements of whatever kind required
1713 or useful for construction, maintenance and operation of the
1714 enterprise; or with an initial capital investment of not less than
1715 One Hundred Fifty Million Dollars (\$150,000,000.00) from private
1716 or United States government sources together with all buildings
1717 and other supporting land and facilities, structures or
1718 improvements of whatever kind required or useful for construction,
1719 maintenance and operation of the enterprise and which creates at
1720 least one thousand (1,000) net new full-time jobs; or which
1721 creates at least one thousand (1,000) net new full-time jobs which
1722 provides an average salary, excluding benefits which are not
1723 subject to Mississippi income taxation, of at least one hundred
1724 twenty-five percent (125%) of the average annual wage of the state
1725 as determined by the Mississippi Employment Security Commission.
1726 "Project" shall * * * include any addition to or expansion of an
1727 existing enterprise if such addition or expansion has an initial
1728 capital investment of not less than Three Hundred Million Dollars
1729 (\$300,000,000.00) from private or United States government
1730 sources, or has an initial capital investment of not less than One
1731 Hundred Fifty Million Dollars (\$150,000,000.00) from private or
1732 United States government sources together with all buildings and
1733 other supporting land and facilities, structures or improvements
1734 of whatever kind required or useful for construction, maintenance
1735 and operation of the enterprise and which creates at least one
1736 thousand (1,000) net new full-time jobs; or which creates at least
1737 one thousand (1,000) net new full-time jobs which provides an
1738 average salary, excluding benefits which are not subject to
1739 Mississippi income taxation, of at least one hundred twenty-five
1740 percent (125%) of the average annual wage of the state as
1741 determined by the Mississippi Employment Security Commission.
1742 "Project" shall also include any ancillary development or business

resulting from the enterprise, of which the authority is notified,
within three (3) years from the date that the enterprise entered
into commercial production, that the project area has been
selected as the site for the ancillary development or business.

(ii) Any enterprise that directly will employ and maintain a minimum of three thousand five hundred (3,500) people within a three-year period with an initial capital investment from any source of not less than Fifty Million Dollars (\$50,000,000.00). The provisions of this subparagraph (ii) shall be repealed from and after July 1, 1996.

(iii) Any major capital project designed to improve, expand or otherwise enhance any active duty United States Air Force or Navy training bases or naval stations, their support areas or their military operations, upon designation by the authority that any such base was or is at risk to be recommended for closure or realignment pursuant to the Defense Base Closure and Realignment Act of 1990; or any major development project determined by the authority to be necessary to acquire base properties and to provide employment opportunities through construction of projects as defined in Section 57-3-5, which shall be located on or provide direct support service or access to such military installation property as such property exists on July 1, 1993, in the event of closure or reduction of military operations at the installation. From and after July 1, 1997, projects described in this subparagraph (iii) shall not be considered to be within the meaning of the term "project" for purposes of this section, unless such projects are commenced before July 1, 1997, and shall not be eligible for any funding provided under the Mississippi Major Economic Impact Act.

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

(v) Any major capital project designed to improve,

1776 expand or enhance any state-owned port facility located on the
1777 Gulf of Mexico, which project will support and attract a two
1778 million (2,000,000) ton increase in cargo and three hundred fifty
1779 (350) direct port-related jobs and which is in keeping with a
1780 developed and approved master plan, or any major capital project
1781 developed under the name "Project Greystone" and/or any major
1782 capital project designed to build, construct or develop an
1783 automobile or truck assembly facility within the State of
1784 Mississippi, which project or facility will create, directly or
1785 indirectly, two thousand (2,000) jobs with an initial capital
1786 investment from any source of not less than Three Hundred Fifty
1787 Million Dollars (\$350,000,000.00). The architectural and
1788 engineering fees on any such project shall not exceed four and
1789 one-half percent (4-1/2%) of the total construction cost of such
1790 project. "Project" shall also include any ancillary development
1791 or business resulting from the enterprise, of which the authority
1792 is notified, within three (3) years from the date that the
1793 enterprise entered into commercial production, that the project
1794 area has been selected as the site for the ancillary development
1795 or business.

1796 (vi) Any major capital project designed to
1797 construct the corporate headquarters and initial factory, to be
1798 located in the Golden Triangle Region of the state, for any
1799 Mississippi corporation that develops, constructs and operates
1800 automated robotic systems to improve the quality of, and reduce
1801 the costs of, manufacturing wire harness assemblies for certain
1802 industries, or manufactures thin film polymer lithium-ion
1803 rechargeable batteries which project has a ten-year strategic plan
1804 of supporting one thousand (1,000) direct project-related jobs for
1805 each group of wire harness contracts amounting to Thirty-five
1806 Million Dollars (\$35,000,000.00), or which has a ten-year
1807 strategic plan of supporting one thousand five hundred (1,500)
1808 direct project-related jobs for each group of polymer lithium-ion

1809 rechargeable battery contracts amounting to Forty Million Dollars
1810 (\$40,000,000.00).

1811 (vii) Any real property owned or controlled by the
1812 National Aeronautics and Space Administration, the United States
1813 Government, or any agency thereof, which is legally conveyed to
1814 the State of Mississippi or to the State of Mississippi for the
1815 benefit of the Mississippi Major Economic Impact Authority, its
1816 successors and assigns pursuant to Section 212 of Public Law
1817 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

1818 (viii) Any major capital project designed to
1819 manufacture, produce and transmit electrical power using natural
1820 gas as its primary raw material to be constructed and maintained
1821 in Panola County, Mississippi, with an initial capital investment
1822 of not less than Two Hundred Fifty Million Dollars
1823 (\$250,000,000.00).

1824 (g) "Project area" means the project site, together
1825 with any area or territory within the state lying within
1826 sixty-five (65) miles of any portion of the project site whether
1827 or not such area or territory be contiguous. The project area
1828 shall also include all territory within a county if any portion of
1829 such county lies within sixty-five (65) miles of any portion of
1830 the project site. "Project site" means the real property on which
1831 the principal facilities of the enterprise will operate.

1832 (h) "Public agency" means:

1833 (i) Any department, board, commission, institution
1834 or other agency or instrumentality of the state;

1835 (ii) Any city, town, county, political
1836 subdivision, school district or other district created or existing
1837 under the laws of the state or any public agency of any such city,
1838 town, county, political subdivision or district;

1839 (iii) Any department, commission, agency or
1840 instrumentality of the United States of America; and

1841 (iv) Any other state of the United States of

America which may be cooperating with respect to location of the project within the state, or any agency thereof.

(i) "State" means State of Mississippi.

(j) "Fee-in-lieu" means a negotiated fee to be paid by the project in lieu of any franchise taxes imposed on the project by Chapter 13, Title 27, Mississippi Code of 1972. The fee-in-lieu shall not be less than Twenty-five Thousand Dollars (\$25,000.00) annually.

SECTION 43. Section 57-75-9, Mississippi Code of 1972, is amended as follows:[CR11]

57-75-9. The authority is hereby designated and empowered to act on behalf of the state in submitting a siting proposal for any project eligible for assistance under this act. The authority is empowered to take all steps appropriate or necessary to effect the siting, development, and operation of the project within the state, including the negotiation of a fee-in-lieu. If the state is selected as the preferred site for the project, the authority is hereby designated and empowered to act on behalf of the state and to represent the state in the planning, financing, development, construction and operation of the project or any facility related to the project, with the concurrence of the affected public agency. The authority may take affirmative steps to coordinate fully all aspects of the submission of a siting proposal for the project and, if the state is selected as the preferred site, to coordinate fully, with the concurrence of the affected public agency, the development of the project or any facility related to the project with private business, the United States government and other public agencies. All public agencies are encouraged to cooperate to the fullest extent possible to effectuate the duties of the authority; however, the development of the project or any facility related to the project by the authority may be done only with the concurrence of the affected public agency.

SECTION 44. Section 57-75-11, Mississippi Code of 1972, is amended as follows:[CR12]

[Through June 30, 2001, this section shall read as follows:]

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

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

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

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

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

(e) To acquire by purchase, lease, gift, or in other manner, including quick-take eminent domain, or obtain options to acquire, and to own, maintain, use, operate and convey any and all property of any kind, real, personal, or mixed, or any interest or estate therein, within the project area, necessary for the project or any facility related to the project. The provisions of this paragraph that allow the acquisition of property by quick-take eminent domain shall be repealed by operation of law on July 1, 1994.

(f) To acquire by purchase or lease any public lands and public property, including sixteenth section lands and lieu lands, within the project area, which are necessary for the project. Sixteenth section lands or lieu lands acquired under

1908 this act shall be deemed to be acquired for the purposes of
1909 industrial development thereon and such acquisition will serve a
1910 higher public interest in accordance with the purposes of this
1911 act.

1912 (g) If the authority identifies any land owned by the
1913 state as being necessary, for the location or use of the project,
1914 or any facility related to the project, to recommend to the
1915 Legislature the conveyance of such land or any interest therein,
1916 as the Legislature deems appropriate.

1917 (h) To make or cause to be made such examinations and
1918 surveys as may be necessary to the planning, design, construction
1919 and operation of the project.

1920 (i) From and after the date of notification to the
1921 authority by the enterprise that the state has been finally
1922 selected as the site of the project, to acquire by condemnation
1923 and to own, maintain, use, operate and convey or otherwise dispose
1924 of any and all property of any kind, real, personal or mixed, or
1925 any interest or estate therein, within the project area, necessary
1926 for the project or any facility related to the project, with the
1927 concurrence of the affected public agency, and the exercise of the
1928 powers granted by this act, according to the procedures provided
1929 by Chapter 27, Title 11, Mississippi Code of 1972, except as
1930 modified by this act.

1931 (i) In acquiring lands by condemnation, the
1932 authority shall not acquire minerals or royalties in minerals
1933 unless a competent registered professional engineer shall have
1934 certified that the acquisition of such minerals and royalties in
1935 minerals is necessary for purposes of the project; provided that
1936 limestone, clay, chalk, sand and gravel shall not be considered as
1937 minerals within the meaning of this section; and

1938 (ii) Unless minerals or royalties in minerals have
1939 been acquired by condemnation or otherwise, no person or persons
1940 owning the drilling rights or the right to share in production of

1941 minerals shall be prevented from exploring, developing, or
1942 producing oil or gas with necessary rights-of-way for ingress and
1943 egress, pipelines and other means of transporting interests on any
1944 land or interest therein of the authority held or used for the
1945 purposes of this act; but any such activities shall be under such
1946 reasonable regulation by the authority as will adequately protect
1947 the project contemplated by this act as provided in subparagraph
1948 (t) of this section.

1949 (j) To negotiate the necessary relocation or rerouting
1950 of roads and highways, railroad, telephone and telegraph lines and
1951 properties, electric power lines, pipelines and related
1952 facilities, or to require the anchoring or other protection of any
1953 of these, provided due compensation is paid to the owners thereof
1954 or agreement is had with such owners regarding the payment of the
1955 cost of such relocation, and to acquire by condemnation or
1956 otherwise easements or rights-of-way for such relocation or
1957 rerouting and to convey the same to the owners of the facilities
1958 being relocated or rerouted in connection with the purposes of
1959 this act.

1960 (k) To negotiate the necessary relocation of cemeteries
1961 and to pay all reasonable costs thereof.

1962 (l) To perform or have performed any and all acts and
1963 make all payments necessary to comply with all applicable federal
1964 laws, rules or regulations including but not limited to the
1965 Uniform Relocation Assistance and Real Property Acquisition
1966 Policies Act of 1970 (42 USCS 4601, 4602, 4621 to 4638, and 4651
1967 to 4655) and relocation rules and regulations promulgated by any
1968 agency or department of the federal government.

1969 (m) To construct, extend, improve, maintain, and
1970 reconstruct, to cause to be constructed, extended, improved,
1971 maintained, and reconstructed, and to use and operate any and all
1972 components of the project or any facility related to the project,
1973 with the concurrence of the affected public agency, within the

project area, necessary to the project and to the exercise of such powers, rights, and privileges granted the authority.

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

(o) To lease, sell or convey any or all property acquired by the authority under the provisions of this act to the enterprise, its successors or assigns, and in connection therewith to pay the costs of title search, perfection of title, title insurance and recording fees as may be required. The authority may provide in the instrument conveying such property a provision that such property shall revert to the authority if, as and when the property is declared by the enterprise to be no longer needed.

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

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

2007 charges when due.

2008 (r) To adopt and enforce with the concurrence of the
2009 affected public agency all necessary and reasonable rules and
2010 regulations to carry out and effectuate the implementation of the
2011 project and any land use plan or zoning classification adopted for
2012 the project area, including but not limited to rules, regulations,
2013 and restrictions concerning mining, construction, excavation or
2014 any other activity the occurrence of which may endanger the
2015 structure or operation of the project. Such rules may be enforced
2016 within the project area and without the project area as necessary
2017 to protect the structure and operation of the project. The
2018 authority is authorized to plan or replan, zone or rezone, and
2019 make exceptions to any regulations, whether local or state, with
2020 the concurrence of the affected public agency which are
2021 inconsistent with the design, planning, construction or operation
2022 of the project and facilities related to the project.

2023 (s) To plan, design, coordinate and implement measures
2024 and programs to mitigate impacts on the natural environment caused
2025 by the project or any facility related to the project.

2026 (t) To develop plans for technology transfer activities
2027 to ensure private sector conduits for exchange of information,
2028 technology and expertise related to the project to generate
2029 opportunities for commercial development within the state.

2030 (u) To consult with the State Department of Education
2031 and other public agencies for the purpose of improving public
2032 schools and curricula within the project area.

2033 (v) To consult with the State Board of Health and other
2034 public agencies for the purpose of improving medical centers,
2035 hospitals and public health centers in order to provide
2036 appropriate health care facilities within the project area.

2037 (w) To consult with the Office of Minority Business
2038 Enterprise Development and other public agencies for the purpose
2039 of developing plans for technical assistance and loan programs to

maximize the economic impact related to the project for minority business enterprises within the State of Mississippi.

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

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

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

(y) To manage and develop the project described in Section 57-75-5(f)(vii) subject to the provisions of Section 57-75-29.

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

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

[From and after July 1, 2001, this section shall read as follows:]

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

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

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

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

(d) To apply for, accept and utilize grants, gifts and

other funds or aid from any source for any purpose contemplated by the act, and to comply, subject to the provisions of this act, with the terms and conditions thereof.

(e) To acquire by purchase, lease, gift, or in other manner, including quick-take eminent domain, or obtain options to acquire, and to own, maintain, use, operate and convey any and all property of any kind, real, personal, or mixed, or any interest or estate therein, within the project area, necessary for the project or any facility related to the project. The provisions of this paragraph that allow the acquisition of property by quick-take eminent domain shall be repealed by operation of law on July 1, 1994.

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

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

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

(i) From and after the date of notification to the authority by the enterprise that the state has been finally selected as the site of the project, to acquire by condemnation and to own, maintain, use, operate and convey or otherwise dispose of any and all property of any kind, real, personal or mixed, or

2106 any interest or estate therein, within the project area, necessary
2107 for the project or any facility related to the project, with the
2108 concurrence of the affected public agency, and the exercise of the
2109 powers granted by this act, according to the procedures provided
2110 by Chapter 27, Title 11, Mississippi Code of 1972, except as
2111 modified by this act.

2112 (i) In acquiring lands by condemnation, the
2113 authority shall not acquire minerals or royalties in minerals
2114 unless a competent registered professional engineer shall have
2115 certified that the acquisition of such minerals and royalties in
2116 minerals is necessary for purposes of the project; provided that
2117 limestone, clay, chalk, sand and gravel shall not be considered as
2118 minerals within the meaning of this section; and

2119 (ii) Unless minerals or royalties in minerals have
2120 been acquired by condemnation or otherwise, no person or persons
2121 owning the drilling rights or the right to share in production of
2122 minerals shall be prevented from exploring, developing, or
2123 producing oil or gas with necessary rights-of-way for ingress and
2124 egress, pipelines and other means of transporting interests on any
2125 land or interest therein of the authority held or used for the
2126 purposes of this act; but any such activities shall be under such
2127 reasonable regulation by the authority as will adequately protect
2128 the project contemplated by this act as provided in subparagraph
2129 (t) of this section.

2130 (j) To negotiate the necessary relocation or rerouting
2131 of roads and highways, railroad, telephone and telegraph lines and
2132 properties, electric power lines, pipelines and related
2133 facilities, or to require the anchoring or other protection of any
2134 of these, provided due compensation is paid to the owners thereof
2135 or agreement is had with such owners regarding the payment of the
2136 cost of such relocation, and to acquire by condemnation or
2137 otherwise easements or rights-of-way for such relocation or
2138 rerouting and to convey the same to the owners of the facilities

2139 being relocated or rerouted in connection with the purposes of
2140 this act.

2141 (k) To negotiate the necessary relocation of cemeteries
2142 and to pay all reasonable costs thereof.

2143 (l) To perform or have performed any and all acts and
2144 make all payments necessary to comply with all applicable federal
2145 laws, rules or regulations including but not limited to the
2146 Uniform Relocation Assistance and Real Property Acquisition
2147 Policies Act of 1970 (42 USCS 4601, 4602, 4621 to 4638, and 4651
2148 to 4655) and relocation rules and regulations promulgated by any
2149 agency or department of the federal government.

2150 (m) To construct, extend, improve, maintain, and
2151 reconstruct, to cause to be constructed, extended, improved,
2152 maintained, and reconstructed, and to use and operate any and all
2153 components of the project or any facility related to the project,
2154 with the concurrence of the affected public agency, within the
2155 project area, necessary to the project and to the exercise of such
2156 powers, rights, and privileges granted the authority.

2157 (n) To incur or defray any designated portion of the
2158 cost of any component of the project or any facility related to
2159 the project acquired or constructed by any public agency.

2160 (o) To lease, sell or convey any or all property
2161 acquired by the authority under the provisions of this act to the
2162 enterprise, its successors or assigns, and in connection therewith
2163 to pay the costs of title search, perfection of title, title
2164 insurance and recording fees as may be required. The authority
2165 may provide in the instrument conveying such property a provision
2166 that such property shall revert to the authority if, as and when
2167 the property is declared by the enterprise to be no longer needed.

2168 (p) To enter into contracts with any person or public
2169 agency including, but not limited to, contracts authorized by
2170 Section 75-57-17, in furtherance of any of the purposes authorized
2171 by this act upon such consideration as the authority and such

2172 person or public agency may agree. Any such contract may extend
2173 over any period of time, notwithstanding any rule of law to the
2174 contrary, may be upon such terms as the parties thereto shall
2175 agree, and may provide that it shall continue in effect until
2176 bonds specified therein, refunding bonds issued in lieu of such
2177 bonds, and all other obligations specified therein are paid or
2178 terminated. Any such contract shall be binding upon the parties
2179 thereto according to its terms. Such contracts may include an
2180 agreement to reimburse the enterprise, its successors and assigns
2181 for any assistance provided by the enterprise in the acquisition
2182 of real property for the project or any facility related to the
2183 project.

2184 (q) To establish and maintain reasonable rates and
2185 charges for the use of any facility within the project area owned
2186 or operated by the authority, and from time to time to adjust such
2187 rates and to impose penalties for failure to pay such rates and
2188 charges when due.

2189 (r) To adopt and enforce with the concurrence of the
2190 affected public agency all necessary and reasonable rules and
2191 regulations to carry out and effectuate the implementation of the
2192 project and any land use plan or zoning classification adopted for
2193 the project area, including but not limited to rules, regulations,
2194 and restrictions concerning mining, construction, excavation or
2195 any other activity the occurrence of which may endanger the
2196 structure or operation of the project. Such rules may be enforced
2197 within the project area and without the project area as necessary
2198 to protect the structure and operation of the project. The
2199 authority is authorized to plan or replan, zone or rezone, and
2200 make exceptions to any regulations, whether local or state, with
2201 the concurrence of the affected public agency which are
2202 inconsistent with the design, planning, construction or operation
2203 of the project and facilities related to the project.

2204 (s) To plan, design, coordinate and implement measures

2205 and programs to mitigate impacts on the natural environment caused
2206 by the project or any facility related to the project.

2207 (t) To develop plans for technology transfer activities
2208 to ensure private sector conduits for exchange of information,
2209 technology and expertise related to the project to generate
2210 opportunities for commercial development within the state.

2211 (u) To consult with the State Department of Education
2212 and other public agencies for the purpose of improving public
2213 schools and curricula within the project area.

2214 (v) To consult with the State Board of Health and other
2215 public agencies for the purpose of improving medical centers,
2216 hospitals and public health centers in order to provide
2217 appropriate health care facilities within the project area.

2218 (w) To consult with the Office of Minority Business
2219 Enterprise Development and other public agencies for the purpose
2220 of developing plans for technical assistance and loan programs to
2221 maximize the economic impact related to the project for minority
2222 business enterprises within the State of Mississippi.

2223 (x) To deposit into the "Yellow Creek Project Area
2224 Fund" created pursuant to Section 57-75-31:

2225 (i) Any funds or aid received as authorized in
2226 this section for the project described in Section 57-75-5(f)(vii),
2227 and

2228 (ii) Any funds received from the sale or lease of
2229 property from the project described in Section 57-75-5(f)(vii)
2230 pursuant to the powers exercised under this section.

2231 (y) To manage and develop the project described in
2232 Section 57-75-5(f)(vii).

2233 (z) To promulgate rules and regulations necessary to
2234 effectuate the purposes of this act.

2235 (aa) To negotiate a fee-in-lieu with the owners of the
2236 project.

2237 SECTION 45. Section 57-75-15, Mississippi Code of 1972, is

2238 amended as follows:[CR13]

2239 57-75-15. (1) Upon notification to the authority by the
2240 enterprise that the state has been finally selected as the site
2241 for the project, the State Bond Commission shall have the power
2242 and is hereby authorized and directed, upon receipt of a
2243 declaration from the authority as hereinafter provided, to borrow
2244 money and issue general obligation bonds of the state in one or
2245 more series for the purposes herein set out. Upon such
2246 notification, the authority may thereafter from time to time
2247 declare the necessity for the issuance of general obligation bonds
2248 as authorized by this section and forward such declaration to the
2249 State Bond Commission, provided that before such notification, the
2250 authority may enter into agreements with the United States
2251 Government, private companies and others that will commit the
2252 authority to direct the State Bond Commission to issue bonds for
2253 eligible undertakings set out in subsection (4) of this section,
2254 conditioned on the siting of the project in the state.

2255 (2) Upon receipt of any such declaration from the authority,
2256 the State Bond Commission shall verify that the state has been
2257 selected as the site of the project and shall act as the issuing
2258 agent for the series of bonds directed to be issued in such
2259 declaration pursuant to authority granted in this section.

2260 (3) (a) Bonds issued under the authority of this section
2261 for projects as defined in Section 57-75-5(f)(i) shall not exceed
2262 an aggregate principal amount in the sum of Sixty-four Million Two
2263 Hundred Fifty Thousand Dollars (\$64,250,000.00).

2264 (b) Bonds issued under the authority of this section
2265 for projects as defined in Section 57-75-5(f)(ii) shall not exceed
2266 Ninety Million Dollars (\$90,000,000.00). The provisions of this
2267 paragraph (b) shall be repealed from and after July 1, 1996.

2268 (c) Bonds issued under the authority of this section
2269 for projects as defined in Section 57-75-5(f)(iii) shall not
2270 exceed Fifty Million Dollars (\$50,000,000.00), nor shall the bonds

2271 issued for projects related to any single military installation
2272 exceed Sixteen Million Six Hundred Sixty-seven Thousand Dollars
2273 (\$16,667,000.00). If any proceeds of bonds issued for projects
2274 related to the Meridian Naval Auxiliary Air Station ("NAAS") are
2275 used for the development of a water and sewer service system by
2276 the City of Meridian, Mississippi, to serve the NAAS and if the
2277 City of Meridian annexes any of the territory served by the water
2278 and sewer service system, the city shall repay the State of
2279 Mississippi the amount of all bond proceeds expended on any
2280 portion of the water and sewer service system project; and if
2281 there are any monetary proceeds derived from the disposition of
2282 any improvements located on real property in Kemper County
2283 purchased pursuant to this act for projects related to the NAAS
2284 and if there are any monetary proceeds derived from the
2285 disposition of any timber located on real property in Kemper
2286 County purchased pursuant to this act for projects related to the
2287 NAAS, all of such proceeds (both from the disposition of
2288 improvements and the disposition of timber) commencing July 1,
2289 1996, through June 30, 2010, shall be paid to the Board of
2290 Education of Kemper County, Mississippi, for expenditure by such
2291 board of education to benefit the public schools of Kemper County.

2292 No bonds shall be issued under this paragraph (c) until the State
2293 Bond Commission by resolution adopts a finding that the issuance
2294 of such bonds will improve, expand or otherwise enhance the
2295 military installation, its support areas or military operations,
2296 or will provide employment opportunities to replace those lost by
2297 closure or reductions in operations at the military installation.

2298 From and after July 1, 1997, bonds shall not be issued for any
2299 projects, as defined in Section 57-75-5(f)(iii), which are not
2300 commenced before July 1, 1997. The proceeds of any bonds issued
2301 for projects commenced before July 1, 1997, shall be used for the
2302 purposes for which the bonds were issued until completion of the
2303 projects.

2304 (d) Bonds issued under the authority of this section
2305 for projects as defined in Section 57-75-5(f)(iv) shall not exceed
2306 Ten Million Dollars (\$10,000,000.00). No bonds shall be issued
2307 under this paragraph after December 31, 1996.

2308 (e) Bonds issued under the authority of this section
2309 for projects defined in Section 57-75-5(f)(v) shall not exceed One
2310 Hundred Ten Million Dollars (\$110,000,000.00). No bonds shall be
2311 issued under this paragraph after June 30, 2001.

2312 (f) Bonds issued under the authority of this section
2313 for the project defined in Section 57-75-5(f)(vi) shall not exceed
2314 Twenty Million Three Hundred Seventy Thousand Dollars
2315 (\$20,370,000.00). No bonds shall be issued under this paragraph
2316 (f) until the State Bond Commission by resolution adopts a finding
2317 that the project has secured wire harness contracts or contracts
2318 to manufacture thin film polymer lithium-ion rechargeable
2319 batteries, or any combination of such contracts, in the aggregate
2320 amount of Twenty Million Dollars (\$20,000,000.00), either from the
2321 United States Government or the private sector. No bonds shall be
2322 issued under this paragraph after June 30, 2001.

2323 (g) Bonds issued under the authority of this section
2324 for projects defined in Section 57-75-5(f)(viii) shall not exceed
2325 Twenty-six Million Dollars (\$26,000,000.00). No bonds shall be
2326 issued after June 30, 2001.

2327 (4) The proceeds from the sale of the bonds issued under
2328 this section may be applied for the purposes of: (a) defraying
2329 all or any designated portion of the costs incurred with respect
2330 to acquisition, planning, design, construction, installation,
2331 rehabilitation, improvement, relocation and with respect to
2332 state-owned property, operation and maintenance of the project and
2333 any facility related to the project located within the project
2334 area, including costs of design and engineering, all costs
2335 incurred to provide land, easements and rights-of-way, relocation
2336 costs with respect to the project and with respect to any facility

2337 related to the project located within the project area, and costs
2338 associated with mitigation of environmental impacts; (b) defraying
2339 the cost of providing for the recruitment, screening, selection,
2340 training or retraining of employees, candidates for employment or
2341 replacement employees of the project and any related activity; (c)
2342 providing for the payment of interest on the bonds; (d) providing
2343 debt service reserves; and (e) paying underwriters' discount,
2344 original issue discount, accountants' fees, engineers' fees,
2345 attorneys' fees, rating agency fees and other fees and expenses in
2346 connection with the issuance of the bonds. Such bonds shall be
2347 issued from time to time and in such principal amounts as shall be
2348 designated by the authority, not to exceed in aggregate principal
2349 amounts the amount authorized in subsection (3) of this section.
2350 Proceeds from the sale of the bonds issued under this section may
2351 be invested, subject to federal limitations, pending their use, in
2352 such securities as may be specified in the resolution authorizing
2353 the issuance of the bonds or the trust indenture securing them,
2354 and the earning on such investment applied as provided in such
2355 resolution or trust indenture.

2356 (5) The principal of and the interest on the bonds shall be
2357 payable in the manner hereinafter set forth. The bonds shall bear
2358 date or dates; be in such denomination or denominations; bear
2359 interest at such rate or rates; be payable at such place or places
2360 within or without the state; mature absolutely at such time or
2361 times; be redeemable before maturity at such time or times and
2362 upon such terms, with or without premium; bear such registration
2363 privileges; and be substantially in such form; all as shall be
2364 determined by resolution of the State Bond Commission except that
2365 such bonds shall mature or otherwise be retired in annual
2366 installments beginning not more than five (5) years from the date
2367 thereof and extending not more than twenty-five (25) years from
2368 the date thereof. The bonds shall be signed by the Chairman of
2369 the State Bond Commission, or by his facsimile signature, and the

2370 official seal of the State Bond Commission shall be imprinted on
2371 or affixed thereto, attested by the manual or facsimile signature
2372 of the Secretary of the State Bond Commission. Whenever any such
2373 bonds have been signed by the officials herein designated to sign
2374 the bonds, who were in office at the time of such signing but who
2375 may have ceased to be such officers before the sale and delivery
2376 of such bonds, or who may not have been in office on the date such
2377 bonds may bear, the signatures of such officers upon such bonds
2378 shall nevertheless be valid and sufficient for all purposes and
2379 have the same effect as if the person so officially signing such
2380 bonds had remained in office until the delivery of the same to the
2381 purchaser, or had been in office on the date such bonds may bear.

2382 (6) All bonds issued under the provisions of this section
2383 shall be and are hereby declared to have all the qualities and
2384 incidents of negotiable instruments under the provisions of the
2385 Uniform Commercial Code and in exercising the powers granted by
2386 this chapter, the State Bond Commission shall not be required to
2387 and need not comply with the provisions of the Uniform Commercial
2388 Code.

2389 (7) The State Bond Commission shall sell the bonds on sealed
2390 bids at public sale, and for such price as it may determine to be
2391 for the best interest of the State of Mississippi, but no such
2392 sale shall be made at a price less than par plus accrued interest
2393 to date of delivery of the bonds to the purchaser. The bonds
2394 shall bear interest at such rate or rates not exceeding the limits
2395 set forth in Section 75-17-101 as shall be fixed by the State Bond
2396 Commission. All interest accruing on such bonds so issued shall
2397 be payable semiannually or annually; provided that the first
2398 interest payment may be for any period of not more than one (1)
2399 year.

2400 Notice of the sale of any bonds shall be published at least
2401 one (1) time, the first of which shall be made not less than ten
2402 (10) days prior to the date of sale, and shall be so published in

2403 one or more newspapers having a general circulation in the City of
2404 Jackson and in one or more other newspapers or financial journals
2405 with a large national circulation, to be selected by the State
2406 Bond Commission.

2407 The State Bond Commission, when issuing any bonds under the
2408 authority of this section, may provide that the bonds, at the
2409 option of the state, may be called in for payment and redemption
2410 at the call price named therein and accrued interest on such date
2411 or dates named therein.

2412 (8) State bonds issued under the provisions of this section
2413 shall be the general obligations of the state and backed by the
2414 full faith and credit of the state. The Legislature shall
2415 appropriate annually an amount sufficient to pay the principal of
2416 and the interest on such bonds as they become due. All bonds
2417 shall contain recitals on their faces substantially covering the
2418 foregoing provisions of this section.

2419 (9) The State Treasurer is authorized to certify to the
2420 Department of Finance and Administration the necessity for
2421 warrants, and the Department of Finance and Administration is
2422 authorized and directed to issue such warrants payable out of any
2423 funds appropriated by the Legislature under this section for such
2424 purpose, in such amounts as may be necessary to pay when due the
2425 principal of and interest on all bonds issued under the provisions
2426 of this section. The State Treasurer shall forward the necessary
2427 amount to the designated place or places of payment of such bonds
2428 in ample time to discharge such bonds, or the interest thereon, on
2429 the due dates thereof.

2430 (10) The bonds may be issued without any other proceedings
2431 or the happening of any other conditions or things other than
2432 those proceedings, conditions and things which are specified or
2433 required by this chapter. Any resolution providing for the
2434 issuance of general obligation bonds under the provisions of this
2435 section shall become effective immediately upon its adoption by

2436 the State Bond Commission, and any such resolution may be adopted
2437 at any regular or special meeting of the State Bond Commission by
2438 a majority of its members.

2439 (11) In anticipation of the issuance of bonds hereunder, the
2440 State Bond Commission is authorized to negotiate and enter into
2441 any purchase, loan, credit or other agreement with any bank, trust
2442 company or other lending institution or to issue and sell interim
2443 notes for the purpose of making any payments authorized under this
2444 section. All borrowings made under this provision shall be
2445 evidenced by notes of the state which shall be issued from time to
2446 time, for such amounts not exceeding the amount of bonds
2447 authorized herein, in such form and in such denomination and
2448 subject to such terms and conditions of sale and issuance,
2449 prepayment or redemption and maturity, rate or rates of interest
2450 not to exceed the maximum rate authorized herein for bonds, and
2451 time of payment of interest as the State Bond Commission shall
2452 agree to in such agreement. Such notes shall constitute general
2453 obligations of the state and shall be backed by the full faith and
2454 credit of the state. Such notes may also be issued for the
2455 purpose of refunding previously issued notes; except that no notes
2456 shall mature more than three (3) years following the date of
2457 issuance of the first note hereunder and provided further, that
2458 all outstanding notes shall be retired from the proceeds of the
2459 first issuance of bonds hereunder. The State Bond Commission is
2460 authorized to provide for the compensation of any purchaser of the
2461 notes by payment of a fixed fee or commission and for all other
2462 costs and expenses of issuance and service, including paying agent
2463 costs. Such costs and expenses may be paid from the proceeds of
2464 the notes.

2465 (12) The bonds and interim notes authorized under the
2466 authority of this section may be validated in the First Judicial
2467 District of the Chancery Court of Hinds County, Mississippi, in
2468 the manner and with the force and effect provided now or hereafter

2469 by Chapter 13, Title 31, Mississippi Code of 1972, for the
2470 validation of county, municipal, school district and other bonds.

2471 The necessary papers for such validation proceedings shall be
2472 transmitted to the state bond attorney, and the required notice
2473 shall be published in a newspaper published in the City of
2474 Jackson, Mississippi.

2475 (13) Any bonds or interim notes issued under the provisions
2476 of this chapter, a transaction relating to the sale or securing of
2477 such bonds or interim notes, their transfer and the income
2478 therefrom shall at all times be free from taxation by the state or
2479 any local unit or political subdivision or other instrumentality
2480 of the state, excepting inheritance and gift taxes.

2481 (14) All bonds issued under this chapter shall be legal
2482 investments for trustees, other fiduciaries, savings banks, trust
2483 companies and insurance companies organized under the laws of the
2484 State of Mississippi; and such bonds shall be legal securities
2485 which may be deposited with and shall be received by all public
2486 officers and bodies of the state and all municipalities and other
2487 political subdivisions thereof for the purpose of securing the
2488 deposit of public funds.

2489 (15) The Attorney General of the State of Mississippi shall
2490 represent the State Bond Commission in issuing, selling and
2491 validating bonds herein provided for, and the bond commission is
2492 hereby authorized and empowered to expend from the proceeds
2493 derived from the sale of the bonds authorized hereunder all
2494 necessary administrative, legal and other expenses incidental and
2495 related to the issuance of bonds authorized under this chapter.

2496 (16) There is hereby created a special fund in the State
2497 Treasury to be known as the Mississippi Major Economic Impact
2498 Authority Fund wherein shall be deposited the proceeds of the
2499 bonds issued under this chapter and all monies received by the
2500 authority to carry out the purposes of this chapter. Expenditures
2501 authorized herein shall be paid by the State Treasurer upon

2502 warrants drawn from the fund, and the Department of Finance and
2503 Administration shall issue warrants upon requisitions signed by
2504 the director of the authority.

2505 (17) (a) There is hereby created the Mississippi Economic
2506 Impact Authority Sinking Fund from which the principal of and
2507 interest on such bonds shall be paid by appropriation. All monies
2508 paid into the sinking fund not appropriated to pay accruing bonds
2509 and interest shall be invested by the State Treasurer in such
2510 securities as are provided by law for the investment of the
2511 sinking funds of the state.

2512 (b) In the event that all or any part of the bonds and
2513 notes are purchased, they shall be canceled and returned to the
2514 loan and transfer agent as canceled and paid bonds and notes and
2515 thereafter all payments of interest thereon shall cease and the
2516 canceled bonds, notes and coupons, together with any other
2517 canceled bonds, notes and coupons, shall be destroyed as promptly
2518 as possible after cancellation but not later than two (2) years
2519 after cancellation. A certificate evidencing the destruction of
2520 the canceled bonds, notes and coupons shall be provided by the
2521 loan and transfer agent to the seller.

2522 (c) The State Treasurer shall determine and report to
2523 the Department of Finance and Administration and Legislative
2524 Budget Office by September 1 of each year the amount of money
2525 necessary for the payment of the principal of and interest on
2526 outstanding obligations for the following fiscal year and the
2527 times and amounts of the payments. It shall be the duty of the
2528 Governor to include in every executive budget submitted to the
2529 Legislature full information relating to the issuance of bonds and
2530 notes under the provisions of this chapter and the status of the
2531 sinking fund for the payment of the principal of and interest on
2532 the bonds and notes.

2533 SECTION 46. Section 19-9-1, Mississippi Code of 1972, is
2534 amended as follows:[CR14]

2535 19-9-1. The board of supervisors of any county is authorized
2536 to issue negotiable bonds of the county to raise money for the
2537 following purposes:

2538 (a) Purchasing or erecting, equipping, repairing,
2539 reconstructing, remodeling and enlarging county buildings,
2540 courthouses, office buildings, jails, hospitals, nurses' homes,
2541 health centers, clinics, and related facilities, and the purchase
2542 of land therefor;

2543 (b) Erecting, equipping, repairing, reconstructing,
2544 remodeling, or acquiring county homes for indigents, and
2545 purchasing land therefor;

2546 (c) Purchasing or constructing, repairing, improving
2547 and equipping buildings for public libraries and for purchasing
2548 land, equipment and books therefor, whether the title to same be
2549 vested in the county issuing such bonds or in some subdivision of
2550 the state government other than the county, or jointly in such
2551 county and other such subdivision;

2552 (d) Establishing county farms for convicts, purchasing
2553 land therefor, and erecting, remodeling, and equipping necessary
2554 buildings therefor;

2555 (e) Constructing, reconstructing, and repairing roads,
2556 highways and bridges, and acquiring the necessary land, including
2557 land for road-building materials, acquiring rights-of-way
2558 therefor; and the purchase of heavy construction equipment and
2559 accessories thereto reasonably required to construct, repair and
2560 renovate roads, highways and bridges and approaches thereto within
2561 the county;

2562 (f) Erecting, repairing, equipping, remodeling or
2563 enlarging or assisting or cooperating with another county or other
2564 counties in erecting, repairing, equipping, remodeling, or
2565 enlarging buildings, and related facilities for an agricultural
2566 high school, or agricultural high school-junior college, including
2567 gymnasiums, auditoriums, lunchrooms, vocational training

2568 buildings, libraries, teachers' homes, school barns, garages for
2569 transportation vehicles, and purchasing land therefor;

2570 (g) Purchasing or renting voting machines and any other
2571 election equipment to be used in elections held within the county;

2572 (h) Constructing, reconstructing or repairing boat
2573 landing ramps and wharves fronting on the Mississippi Sound or the
2574 Gulf of Mexico and on the banks or shores of the inland waters,
2575 levees, bays and bayous of any county bordering on the Gulf of
2576 Mexico or fronting on the Mississippi Sound, having two (2)
2577 municipalities located therein, each with a population in excess
2578 of twenty thousand (20,000) in accordance with the then last
2579 preceding federal census;

2580 (i) Assisting the Board of Trustees of State
2581 Institutions of Higher Learning, the Office of General Services or
2582 any other state agency in acquiring a site for constructing
2583 suitable buildings and runways and equipping an airport for any
2584 state university or other state-supported four-year college now or
2585 hereafter in existence in such county;

2586 (j) Aiding and cooperating in the planning,
2587 undertaking, construction or operation of airports and air
2588 navigation facilities, including lending or donating money,
2589 pursuant to the provisions of the airport authorities law, being
2590 Sections 61-3-1 through Section 61-3-83, Mississippi Code of 1972,
2591 regardless of whether such airports or air navigation facilities
2592 are located in the county or counties issuing such bonds;

2593 (k) Establishing rubbish and garbage disposal systems
2594 in accordance with the provisions of Sections 19-5-17 through
2595 19-5-27;

2596 (l) Defraying the expenses of projects of the county
2597 cooperative service district in which it is a participating
2598 county, regardless of whether the project is located in the county
2599 issuing such bonds;

2600 (m) Purchasing machinery and equipment which have an

2601 expected useful life in excess of ten (10) years. The life of
2602 such bonds shall not exceed the expected useful life of such
2603 machinery and equipment. Machinery and equipment shall not
2604 include any motor vehicle weighing less than twelve thousand
2605 (12,000) pounds;

2606 (n) Purchasing fire fighting equipment and apparatus,
2607 and providing housing for the same and purchasing land necessary
2608 therefor;

2609 (o) A project for which a certificate of public
2610 convenience and necessity has been obtained by the county pursuant
2611 to the Regional Economic Development Act.

2612 SECTION 47. Section 21-33-301, Mississippi Code of 1972, is
2613 amended as follows:[CR15]

2614 21-33-301. The governing authorities of any municipality are
2615 authorized to issue negotiable bonds of the municipality to raise
2616 money for the following purposes:

2617 (a) Erecting municipal buildings, armories,
2618 auditoriums, community centers, gymnasiums and athletic stadiums,
2619 preparing and equipping athletic fields, and purchasing buildings
2620 or land therefor, and for repairing, improving, adorning and
2621 equipping the same, and for erecting, equipping and furnishing of
2622 buildings to be used as a municipal or civic arts center;

2623 (b) Erecting or purchasing waterworks, gas, electric
2624 and other public utility plants or distribution systems or
2625 franchises, and repairing, improving and extending the same;

2626 (c) Purchasing or constructing, repairing, improving
2627 and equipping buildings for public libraries and for purchasing
2628 land, equipment and books therefor, whether the title to same be
2629 vested in the municipality issuing such bonds or in some
2630 subdivision of the state government other than the municipality,
2631 or jointly in such municipality and other such subdivision;

2632 (d) Establishing sanitary, storm, drainage or sewerage
2633 systems, and repairing, improving and extending the same;

2634 (e) Protecting a municipality, its streets and
2635 sidewalks from overflow, caving banks and other like dangers;
2636 (f) Constructing, improving or paving streets,
2637 sidewalks, driveways, parkways, walkways or public parking
2638 facilities, and purchasing land therefor;
2639 (g) Purchasing land for parks, cemeteries and public
2640 playgrounds, and improving, equipping and adorning the same,
2641 including the constructing, repairing and equipping of swimming
2642 pools and other recreational facilities;
2643 (h) Constructing bridges and culverts;
2644 (i) Constructing, repairing and improving wharves,
2645 docks, harbors and appurtenant facilities, and purchasing land
2646 therefor;
2647 (j) Constructing, repairing and improving public
2648 slaughterhouses, markets, pest houses, workhouses, hospitals,
2649 houses of correction, reformatories and jails in the corporate
2650 limits, or within three (3) miles of the corporate limits, and
2651 purchasing land therefor;
2652 (k) Altering or changing the channels of streams and
2653 water courses to control, deflect or guide the current thereof;
2654 (l) Purchasing fire-fighting equipment and apparatus,
2655 and providing housing for same, and purchasing land therefor;
2656 (m) Purchasing or renting voting machines and any other
2657 election equipment needed in elections held in the municipality;
2658 (n) Assisting the Board of Trustees of State
2659 Institutions of Higher Learning, the Bureau of Building, Grounds
2660 and Real Property Management of the Governor's Office of General
2661 Services, or any other state agency in acquiring a site for,
2662 constructing suitable buildings and runways and equipping an
2663 airport for the university or other state-supported four-year
2664 college, now or hereafter in existence, in or near which the
2665 municipality is located, within not more than ten (10) miles of
2666 the municipality;

2667 (o) Acquiring and improving existing mass transit
2668 system; however, no municipal governing authorities shall
2669 authorize any bonds to be issued for the acquiring and improving
2670 of an existing mass transit system unless an election be conducted
2671 in said municipality in the same manner provided for general and
2672 special elections, and a majority of the qualified electors of the
2673 municipality participating in said election approve the bond
2674 issuance for the acquiring and improving of an existing mass
2675 transit system;

2676 (p) Purchasing machinery and equipment which have an
2677 expected useful life in excess of ten (10) years. The life of
2678 such bonds shall not exceed the expected useful life of such
2679 machinery and equipment. Machinery and equipment shall not
2680 include any motor vehicle weighing less than twelve thousand
2681 (12,000) pounds;

2682 (q) A project for which a certificate of public
2683 convenience and necessity has been obtained by the municipality
2684 pursuant to the Regional Economic Development Act.

2685 SECTION 48. Section 27-7-21, Mississippi Code of 1972, is
2686 amended as follows:[LH16]

2687 27-7-21. (a) **Allowance of deductions.** In the case of a
2688 resident individual, the exemptions provided by this section, as
2689 applicable to individuals, shall be allowed as deductions in
2690 computing taxable income.

2691 (b) **Single individuals.** In the case of a single individual,
2692 a personal exemption of Five Thousand Two Hundred Fifty Dollars
2693 (\$5,250.00) for the 1979 and 1980 calendar years and Six Thousand
2694 Dollars (\$6,000.00) for each calendar year thereafter.

2695 (c) **Married individuals.** In the case of married individuals
2696 living together, a joint personal exemption of Eight Thousand
2697 Dollars (\$8,000.00) for the 1979 and 1980 calendar years and Nine
2698 Thousand Five Hundred Dollars (\$9,500.00) for the 1981 through
2699 1997 calendar years, Ten Thousand Dollars (\$10,000.00) for the

2700 calendar year 1998, Eleven Thousand Dollars (\$11,000.00) for the
2701 calendar year 1999, and Twelve Thousand Dollars (\$12,000.00) for
2702 each calendar year thereafter. A husband and wife living together
2703 shall receive but one (1) personal exemption in the amounts
2704 provided for in this subsection for each calendar year against
2705 their aggregate income.

2706 (d) **Head of family individuals.** In the case of a head of
2707 family individual, a personal exemption of Eight Thousand Dollars
2708 (\$8,000.00) for the 1979 and 1980 calendar years and Nine Thousand
2709 Five Hundred Dollars (\$9,500.00) for each calendar year
2710 thereafter. The term "head of family" means an individual who is
2711 single, or married but not living with his spouse for the entire
2712 taxable year, who maintains a household which constitutes the
2713 principal place of abode of himself and one or more individuals
2714 who are dependents under the provisions of Section 152(a) of the
2715 Internal Revenue Code of 1954, as amended. The head of family
2716 individual shall be entitled to the additional dependent exemption
2717 as provided in subsection (e) of this section only to the extent
2718 of dependents in excess of the one (1) dependent needed to qualify
2719 as head of family.

2720 (e) **Additional exemption for dependents.** In the case of any
2721 individual having a dependent, other than husband or wife, an
2722 additional personal exemption of One Thousand Five Hundred Dollars
2723 (\$1,500.00) for each such dependent, except as otherwise provided
2724 in subsection (d) of this section. The term "dependent" as used
2725 in this subsection shall mean any person or individual who
2726 qualifies as a dependent under the provisions of Section 152,
2727 Internal Revenue Code of 1954, as amended.

2728 (f) **Additional exemption for taxpayer or spouse aged**
2729 **sixty-five (65) or more.** In the case of any taxpayer or the
2730 spouse of the taxpayer who has attained the age of sixty-five (65)
2731 before the close of his taxable year, an additional exemption of
2732 One Thousand Five Hundred Dollars (\$1,500.00).

2733 (g) **Additional exemption for blindness of taxpayer or**
2734 **spouse.** In the case of any taxpayer or the spouse of the taxpayer
2735 who is blind at the close of the taxable year, an additional
2736 exemption of One Thousand Five Hundred Dollars (\$1,500.00). For
2737 the purpose of this subsection, an individual is blind only if his
2738 central visual acuity does not exceed 20/200 in the better eye
2739 with correcting lenses, or if his visual acuity is greater than
2740 20/200 but is accompanied by a limitation in the fields of vision
2741 such that the widest diameter of the visual field subtends an
2742 angle no greater than twenty (20) degrees.

2743 (h) **Husband and wife--claiming exemptions.** In the case of
2744 husband and wife living together and filing combined returns, the
2745 personal and additional exemptions authorized and allowed by this
2746 section may be taken by either, or divided between them in any
2747 manner they may choose. If the husband and wife fail to choose,
2748 the commissioner shall divide the exemptions between husband and
2749 wife in an equitable manner. In the case of a husband and wife
2750 filing separate returns, the personal and additional exemptions
2751 authorized and allowed by this section shall be divided equally
2752 between the spouses.

2753 (i) **Nonresidents.** A nonresident individual shall be allowed
2754 the same personal and additional exemptions as are authorized for
2755 resident individuals in subsection (a) of this section; however,
2756 the nonresident individual is entitled only to that proportion of
2757 the personal and additional exemptions as his net income from
2758 sources within the State of Mississippi bears to his total or
2759 entire net income from all sources.

2760 A nonresident individual who is married and whose spouse has
2761 income from independent sources must declare the joint income of
2762 himself and his spouse from sources within and without Mississippi
2763 and claim as a personal exemption that proportion of the
2764 authorized personal and additional exemptions which the total net
2765 income from Mississippi sources bears to the total net income of

2766 both spouses from all sources. If both spouses have income from
2767 sources within Mississippi and wish to file separate returns,
2768 their combined personal and additional exemptions shall be that
2769 proration of the exemption which their combined net income from
2770 Mississippi sources is of their total combined net income from all
2771 sources. The amount of the personal and additional exemptions so
2772 computed may be divided between them in any manner they choose.

2773 In the case of married individuals where one (1) spouse is a
2774 resident and the other is a nonresident, the personal exemption of
2775 the resident individual shall be prorated on the same basis as if
2776 both were nonresidents having net income from within and without
2777 the State of Mississippi.

2778 For the purpose of this subsection, the term "net income"
2779 means gross income less business expenses incurred in the
2780 taxpayer's regular trade or business and computed in accordance
2781 with the provisions of the Mississippi Income Tax Law.

2782 (j) **Part-year residents.** An individual who is a resident of
2783 Mississippi for only a part of his taxable year by reason of
2784 either moving into the state or moving from the state shall be
2785 allowed the same personal and additional exemptions as authorized
2786 for resident individuals in subsection (a) of this section; the
2787 part-year resident shall prorate his exemption on the same basis
2788 as nonresidents having net income from within and without the
2789 state.

2790 (k) **Estates.** In the case of an estate, a specific exemption
2791 of Six Hundred Dollars (\$600.00).

2792 (l) **Trusts.** In the case of a trust which, under its
2793 governing instrument, is required to distribute all of its income
2794 currently, a specific exemption of Three Hundred Dollars
2795 (\$300.00). In the case of all other trusts, a specific exemption
2796 of One Hundred Dollars (\$100.00).

2797 (m) **Corporations, foundations, joint ventures, associations.**
2798 In the case of a corporation, foundation, joint venture or

2799 association taxable herein, there shall be allowed no specific
2800 exemption, except as provided under the Growth and Prosperity Act.

2801 (n) **Status.** The status on the last day of the taxable year,
2802 except in the case of the head of family as provided in subsection
2803 (d) of this section, shall determine the right to the exemptions
2804 provided in this section; provided, that a taxpayer shall be
2805 entitled to such exemptions, otherwise allowable, if the husband
2806 or wife or dependent has died during the taxable year.

2807 (o) **Fiscal-year taxpayers.** Individual taxpayers reporting
2808 on a fiscal year basis shall prorate their exemptions in a manner
2809 established by regulations promulgated by the commissioner.

2810 SECTION 49. Section 27-13-5, Mississippi Code of 1972, is
2811 amended as follows:[CR17]

2812 27-13-5. (1) Franchise tax levy. Except as otherwise
2813 provided in subsections (3) and (4) of this section, there is
2814 hereby imposed, to be paid and collected as hereinafter provided,
2815 a franchise or excise tax upon every corporation, association or
2816 joint stock company or partnership treated as a corporation under
2817 the income tax laws or regulations, organized or created for
2818 pecuniary gain, having privileges not possessed by individuals,
2819 and having authorized capital stock now existing in this state, or
2820 hereafter organized, created or established, under and by virtue
2821 of the laws of the State of Mississippi, equal to Two Dollars and
2822 Fifty Cents (\$2.50) for each One Thousand Dollars (\$1,000.00), or
2823 fraction thereof, of the value of the capital used, invested or
2824 employed in the exercise of any power, privilege or right enjoyed
2825 by such organization within this state, except as hereinafter
2826 provided. In no case shall the franchise tax due for the
2827 accounting period be less than Twenty-five Dollars (\$25.00). It
2828 is the purpose of this section to require the payment to the State
2829 of Mississippi of this tax for the right granted by the laws of
2830 this state to exist as such organization, and to enjoy, under the
2831 protection of the laws of this state, the powers, rights,

privileges and immunities derived from the state by the form of such existence.

(2) Annual report of domestic corporations. Each domestic corporation shall file, within the time prescribed by Section 79-3-251, an annual report as required by the provisions of Section 79-3-249.

(3) A corporation that has negotiated a fee-in-lieu as defined in Section 57-75-5 shall not be subject to the tax levied by this section; provided, however, that the fee-in-lieu payment shall be otherwise treated in the same manner as the payment of franchise taxes.

(4) An approved business enterprise as defined in the Growth and Prosperity Act shall not be subject to the tax levied by this section on the value of capital used, invested or employed by the approved business enterprise in a growth and prosperity county or supervisors district as provided in the Growth and Prosperity Act.

SECTION 50. Section 27-13-7, Mississippi Code of 1972, is amended as follows:[CR18]

27-13-7. (1) Franchise tax levy. Except as otherwise provided in subsections (3) and (4) of this section, there is hereby imposed, levied and assessed upon every corporation, association or joint stock company, or partnership treated as a corporation under the Income Tax Laws or regulations as hereinbefore defined, organized and existing under and by virtue of the laws of some other state, territory or country, or organized and existing without any specific statutory authority, now or hereafter doing business or exercising any power, privilege or right within this state, as hereinbefore defined, a franchise or excise tax equal to Two Dollars and Fifty Cents (\$2.50) of each One Thousand Dollars (\$1,000.00), or fraction thereof, of the value of capital used, invested or employed within this state, except as hereinafter provided. In no case shall the franchise tax due for the accounting period be less than Twenty-five Dollars

2865 (\$25.00). It is the purpose of this section to require the
2866 payment of a tax by all organizations not organized under the laws
2867 of this state, measured by the amount of capital or its
2868 equivalent, for which such organization receives the benefit and
2869 protection of the government and laws of the state.

2870 (2) Annual report of foreign corporations. Each foreign
2871 corporation authorized to transact business in this state shall
2872 file, within the time prescribed by Section 79-3-251, an annual
2873 report as required by the provisions of Section 79-3-249.

2874 (3) A corporation that has negotiated a fee-in-lieu as
2875 defined in Section 57-75-5 shall not be subject to the tax levied
2876 by this section; provided, however, that the fee-in-lieu payment
2877 shall be otherwise treated in the same manner as the payment of
2878 franchise taxes.

2879 (4) An approved business enterprise as defined in the Growth
2880 and Prosperity Act shall not be subject to the tax levied by this
2881 section on the value of capital used, invested or employed by the
2882 approved business enterprise in a growth and prosperity county or
2883 supervisors district as provided in the Growth and Prosperity Act.

2884 SECTION 51. Section 27-65-101, Mississippi Code of 1972, is
2885 amended as follows:[CR19]

2886 27-65-101. (1) The exemptions from the provisions of this
2887 chapter which are of an industrial nature or which are more
2888 properly classified as industrial exemptions than any other
2889 exemption classification of this chapter shall be confined to
2890 those persons or property exempted by this section or by the
2891 provisions of the Constitution of the United States or the State
2892 of Mississippi. No industrial exemption as now provided by any
2893 other section except Section 57-3-33 shall be valid as against the
2894 tax herein levied. Any subsequent industrial exemption from the
2895 tax levied hereunder shall be provided by amendment to this
2896 section. No exemption provided in this section shall apply to
2897 taxes levied by Section 27-65-15 or 27-65-21.

2898 The tax levied by this chapter shall not apply to the
2899 following:

2900 (a) Sales of boxes, crates, cartons, cans, bottles and
2901 other packaging materials to manufacturers and wholesalers for use
2902 as containers or shipping materials to accompany goods sold by
2903 said manufacturers or wholesalers where possession thereof will
2904 pass to the customer at the time of sale of the goods contained
2905 therein and sales to anyone of containers or shipping materials
2906 for use in ships engaged in international commerce.

2907 (b) Sales of raw materials, catalysts, processing
2908 chemicals, welding gases or other industrial processing gases
2909 (except natural gas) to a manufacturer for use directly in
2910 manufacturing or processing a product for sale or rental or
2911 repairing or reconditioning vessels or barges of fifty (50) tons
2912 load displacement and over. This exemption shall not apply to any
2913 property used as fuel except to the extent that such fuel
2914 comprises by-products which have no market value.

2915 (c) The gross proceeds of sales of dry docks, offshore
2916 drilling equipment for use in oil exploitation or production,
2917 vessels or barges of fifty (50) tons load displacement and over,
2918 when sold by the manufacturer or builder thereof.

2919 (d) Sales to commercial fishermen of commercial fishing
2920 boats of over five (5) tons load displacement and not more than
2921 fifty (50) tons load displacement as registered with the United
2922 States Coast Guard and licensed by the Mississippi Commission on
2923 Marine Resources.

2924 (e) The gross income from repairs to vessels and barges
2925 engaged in foreign trade or interstate transportation.

2926 (f) Sales of petroleum products to vessels or barges
2927 for consumption in marine international commerce or interstate
2928 transportation businesses.

2929 (g) Sales and rentals of rail rolling stock (and
2930 component parts thereof) for ultimate use in interstate commerce

2931 and gross income from services with respect to manufacturing,
2932 repairing, cleaning, altering, reconditioning or improving such
2933 rail rolling stock (and component parts thereof).

2934 (h) Sales of raw materials, catalysts, processing
2935 chemicals, welding gases or other industrial processing gases
2936 (except natural gas) used or consumed directly in manufacturing,
2937 repairing, cleaning, altering, reconditioning or improving such
2938 rail rolling stock (and component parts thereof). This exemption
2939 shall not apply to any property used as fuel.

2940 (i) Machinery or tools or repair parts therefor or
2941 replacements thereof, fuel or supplies used directly in
2942 manufacturing, converting or repairing ships of three thousand
2943 (3,000) tons load displacement and over, but not to include office
2944 and plant supplies or other equipment not directly used on the
2945 ship being built, converted or repaired.

2946 (j) Sales of tangible personal property to persons
2947 operating ships in international commerce for use or consumption
2948 on board such ships. This exemption shall be limited to cases in
2949 which procedures satisfactory to the commissioner, ensuring
2950 against use in this state other than on such ships, are
2951 established.

2952 (k) Sales of materials used in the construction of a
2953 building, or any addition or improvement thereon, and sales of any
2954 machinery and equipment not later than three (3) months after the
2955 completion of construction of the building, or any addition
2956 thereon, to be used therein, to qualified businesses, as defined
2957 in Section 57-51-5, which are located in a county or portion
2958 thereof designated as an enterprise zone pursuant to Sections
2959 57-51-1 through 57-51-15.

2960 (l) Sales of materials used in the construction of a
2961 building, or any addition or improvement thereon, and sales of any
2962 machinery and equipment not later than three (3) months after the
2963 completion of construction of the building, or any addition

2964 thereon, to be used therein, to qualified businesses, as defined
2965 in Section 57-54-5.

2966 (m) Income from storage and handling of perishable
2967 goods by a public storage warehouse.

2968 (n) The value of natural gas lawfully injected into the
2969 earth for cycling, repressuring or lifting of oil, or lawfully
2970 vented or flared in connection with the production of oil;
2971 however, if any gas so injected into the earth is sold for such
2972 purposes, then the gas so sold shall not be exempt.

2973 (o) The gross collections from self-service commercial
2974 laundering, drying, cleaning and pressing equipment.

2975 (p) Sales of materials used in the construction of a
2976 building, or any addition or improvement thereon, and sales of any
2977 machinery and equipment not later than three (3) months after the
2978 completion of construction of the building, or any addition
2979 thereon, to be used therein, to qualified companies, certified as
2980 such by the Mississippi Development Authority under Section
2981 57-53-1.

2982 (q) Sales of component materials used in the
2983 construction of a building, or any addition or improvement
2984 thereon, sales of machinery and equipment to be used therein, and
2985 sales of manufacturing or processing machinery and equipment which
2986 is permanently attached to the ground or to a permanent foundation
2987 and which is not by its nature intended to be housed within a
2988 building structure, not later than three (3) months after the
2989 initial start-up date, to permanent business enterprises engaging
2990 in manufacturing or processing in Tier Three areas (as such term
2991 is defined in Section 57-73-21), which businesses are certified by
2992 the State Tax Commission as being eligible for the exemption
2993 granted in this paragraph (q).

2994 (r) Sales of component materials used in the
2995 construction of a building, or any addition or improvement
2996 thereon, and sales of any machinery and equipment not later than

2997 three (3) months after the completion of the building, addition or
2998 improvement thereon, to be used therein, for any company
2999 establishing or transferring its national or regional headquarters
3000 from within or outside the State of Mississippi and creating a
3001 minimum of thirty-five (35) jobs at the new headquarters in this
3002 state. The Tax Commission shall establish criteria and prescribe
3003 procedures to determine if a company qualifies as a national or
3004 regional headquarters for the purpose of receiving the exemption
3005 provided in this paragraph.

3006 (s) The gross proceeds from the sale of semitrailers,
3007 trailers, boats, travel trailers, motorcycles and all-terrain
3008 cycles if exported from this state within forty-eight (48) hours
3009 and registered and first used in another state.

3010 (t) Gross income from the storage and handling of
3011 natural gas in underground salt domes and in other underground
3012 reservoirs, caverns, structures and formations suitable for such
3013 storage.

3014 (u) Sales of machinery and equipment to nonprofit
3015 organizations if the organization: (i) is tax-exempt pursuant to
3016 Section 501(c)(4) of the Internal Revenue Code of 1986, as
3017 amended; (ii) assists in the implementation of the national
3018 contingency plan or area contingency plan, and which is created in
3019 response to the requirements of Title IV, Subtitle B of the Oil
3020 Pollution Act of 1990, P.L. 101-380; and (iii) engages primarily
3021 in programs to contain, clean up and otherwise mitigate spills of
3022 oil or other substances occurring in the United States coastal and
3023 tidal waters. For purposes of this exemption, "machinery and
3024 equipment" means any ocean-going vessels, barges, booms, skimmers
3025 and other capital equipment used primarily in the operations of
3026 nonprofit organizations referred to herein.

3027 (v) Sales of component materials and equipment to
3028 approved business enterprises as provided under the Growth and
3029 Prosperity Act.

3030 (2) Sales of component materials used in the construction of
3031 a building, or any addition or improvement thereon, sales of
3032 machinery and equipment to be used therein, and sales of
3033 manufacturing or processing machinery and equipment which is
3034 permanently attached to the ground or to a permanent foundation
3035 and which is not by its nature intended to be housed within a
3036 building structure, not later than three (3) months after the
3037 initial start-up date, to permanent business enterprises engaging
3038 in manufacturing or processing in Tier Two areas and Tier One
3039 areas (as such areas are designated in accordance with Section
3040 57-73-21), which businesses are certified by the State Tax
3041 Commission as being eligible for the exemption granted in this
3042 paragraph, shall be exempt from one-half (1/2) of the taxes
3043 imposed on such transactions under this chapter.

3044 SECTION 52. (1) For the purposes of this section, the
3045 following words shall have the meanings ascribed in this section
3046 unless the context otherwise requires:

3047 (a) "Agribusiness" means any agricultural,
3048 aquacultural, horticultural, manufacturing, research and
3049 development or processing enterprise or enterprises.

3050 (b) "Farmer" means a resident of Mississippi who
3051 engages or wishes to engage in the commercial production of crops
3052 on land in Mississippi. The term shall include individuals,
3053 partnerships and corporations.

3054 (2) The Mississippi Development Authority shall develop and
3055 implement a program to stimulate growth in the agricultural
3056 industry for agribusiness concerns and farmers.

3057 (3) The program developed and implemented by the Mississippi
3058 Development Authority under this section shall:

3059 (a) Increase the availability of financial assistance
3060 available to agribusiness concerns and farmers;

3061 (b) Provide incentives for agribusiness concerns and
3062 farmers which will encourage growth in the Mississippi

3063 agricultural industry;

3064 (c) Assist new agribusiness concerns and farmers in
3065 developing and implementing business plans;

3066 (d) Develop methods for increasing markets for the
3067 goods and services of agribusiness concerns and farmers;

3068 (e) Work with public and private entities in
3069 disseminating information about public and private programs that
3070 benefit agribusiness concerns and farmers;

3071 (f) Identify sources of financial assistance available
3072 to agribusiness concerns and farmers and assist agribusiness
3073 concerns and farmers with the preparation of applications for
3074 assistance from public and private sources; and

3075 (g) Assist new agribusiness concerns and farmers in
3076 developing and implementing business plans.

3077 (3) (a) The Mississippi Development Authority shall file an
3078 annual report with the Governor, the Secretary of the Senate and
3079 the Clerk of the House of Representatives not later than December
3080 1 of each year, regarding the impact of the program created under
3081 this section on the agribusiness industry in Mississippi.

3082 (b) The Mississippi Development Authority shall file an
3083 annual report with the Governor, the Secretary of the Senate and
3084 the Clerk of the House of Representatives not later than December
3085 1 of each year, with recommendations for any legislation necessary
3086 to accomplish the purposes of this section.

3087 SECTION 53. Sections 53 through 55 of this act shall be
3088 known and may be cited as the "Mississippi Land, Water and Timber
3089 Resources Act."

3090 SECTION 54. (1) There is created the Mississippi Land,
3091 Water and Timber Resources Board, hereinafter referred to as "the
3092 board," for the purpose of assisting Mississippi agricultural
3093 industry in the development, marketing and distribution of
3094 agricultural products.

3095 (2) The board shall be composed of the following members:

3096 (a) The Chairman of the Senate Agriculture Committee,
3097 or a member of the Senate Agriculture Committee designated by the
3098 chairman, as a nonvoting member;

3099 (b) The Chairman of the House of Representatives
3100 Agriculture Committee or a member of the House of Representatives
3101 Agriculture Committee designated by the chairman, as a nonvoting
3102 member;

3103 (c) The Executive Director of the Mississippi
3104 Development Authority, or his designee;

3105 (d) The Commissioner of the Mississippi Department of
3106 Agriculture and Commerce, or his designee;

3107 (e) The President of the Mississippi Farm Bureau
3108 Federation, or his designee;

3109 (f) The Director of the Cooperative Extension Service
3110 at Mississippi State University, or his designee;

3111 (g) The Executive Director of the Agribusiness and
3112 Natural Resource Development Center at Alcorn State University, or
3113 his designee;

3114 (h) The Director of the Agricultural Finance Division
3115 of the Mississippi Development Authority, or his designee;

3116 (i) The Director of the Agriculture Marketing Division
3117 of the Mississippi Department of Agriculture and Commerce, or his
3118 designee;

3119 (j) The Executive Director of the Mississippi Forestry
3120 Association, or his designee; and

3121 (k) Three (3) individuals appointed by the Governor who
3122 are active producers of Mississippi land, water or timber
3123 commodities. The Governor shall appoint one (1) such person from
3124 each Supreme Court district.

3125 (3) The Executive Director of the Mississippi Development
3126 Authority and the Commissioner of the Mississippi Department of
3127 Agriculture and Commerce shall serve as co-chairmen of the board.
3128

(4) The board shall meet at least once each calendar quarter at the call of the co-chairmen. A majority of the members of the board shall constitute a quorum at all meetings. An affirmative vote of a majority of the members present and voting is required in the adoption of any actions taken by the board. All members must be notified, in writing, of all regular and special meetings of the board, which notices must be mailed at least ten (10) days before the dates of the meetings. All meetings shall take place at the State Capitol in Jackson, Mississippi. The board shall provide a copy of the minutes of each of its meeting to the Chairman of the Senate Agriculture Committee and the Chairman of the House of Representatives Agriculture Committee.

(5) Members of the board shall not receive compensation. However, each member may be paid travel expenses and meals and lodging expenses as provided in Section 25-3-41, for such expenses incurred in furtherance of their duties. Travel expenses and meals and lodging expenses and other necessary expenses incurred by the board shall be paid out of funds appropriated to the Mississippi Development Authority.

(6) In carrying out the provisions of the Mississippi Land, Water and Timber Resources Act, the board may utilize the services, facilities and personnel of all departments, agencies, offices and institutions of the state, and all such departments, agencies, offices and institutions shall cooperate with the board in carrying out the provisions of such act.

SECTION 55. The board shall have the following powers and duties:

(a) To develop marketing plans and opportunities for independent farmers in Mississippi;

(b) To encourage the commercialization of new agricultural technology businesses;

(c) To initiate the development of processing facilities for Mississippi agricultural commodities;

3162 (d) To initiate the development of Mississippi
3163 wholesale distribution businesses for agricultural inputs and
3164 products;

3165 (e) To promote the development of institutional and
3166 specialty markets for Mississippi agriculture products;

3167 (f) To encourage additional research for new
3168 agricultural product development;

3169 (g) To develop a working relationship with the state
3170 offices of the United States Department of Agriculture as may be
3171 appropriate for the promotion and development of agriculture in
3172 Mississippi;

3173 (h) To promote the rural quality of life in Mississippi
3174 through such programs as 4-H, Future Farmers of America and
3175 agricultural education;

3176 (i) To file an annual report with the Governor,
3177 Secretary of the Senate and the Clerk of the House of
3178 Representatives not later than December 1 of each year, with
3179 recommendations for any legislation necessary to accomplish the
3180 purposes of the Mississippi Land, Water and Timber Resources Act;
3181

3182 (j) The board may promulgate and enforce rules and
3183 regulations, in accordance with the Mississippi Administrative
3184 Procedures Law, as may be necessary to carry out the provisions of
3185 the Mississippi Land, Water and Timber Resources Act;

3186 (k) To expend funds out of the Mississippi Land, Water
3187 and Timber Resources Fund, upon legislative appropriation, to
3188 carry out its powers and duties under the Mississippi Land, Water
3189 and Timber Resources Act.

3190 SECTION 56. The Mississippi Land, Water and Timber Resources
3191 Board may accept and expend funds appropriated or otherwise made
3192 available by the Legislature and funds from any other source in
3193 order to carry out the provisions of the Mississippi Land, Water
3194 and Timber Resources Act. Such funds shall be deposited into a

3195 special fund hereby established in the State Treasury, to be known
3196 as the "Mississippi Land, Water and Timber Resources Fund."
3197 Unexpended amounts derived from bond proceeds or private funds, or
3198 both, remaining in the fund at the end of a fiscal year shall not
3199 lapse into the State General Fund, and any investment earnings or
3200 interest earned on such amounts in the fund shall be deposited to
3201 the credit of the fund. All other unexpended amounts remaining in
3202 the fund at the end of a fiscal year shall lapse into the State
3203 General Fund.

3204 SECTION 57. (1) For the purposes of this section the
3205 following terms shall have the meanings ascribed in this section
3206 unless the context clearly indicates otherwise:

3207 (a) "Limited population county" means a county in the
3208 State of Mississippi with a population of thirty thousand (30,000)
3209 or less according to the most recent federal decennial census at
3210 the time the county submits its application to the MDA under this
3211 section.

3212 (b) "MDA" means the Mississippi Development Authority.

3213 (c) "Project" means highways, streets and other
3214 roadways, bridges, sidewalks, utilities, airfields, airports,
3215 acquisition of equipment, acquisition of real property,
3216 development of real property, improvements to real property, and
3217 any other project approved by the MDA.

3218 (d) "Small municipality" means a municipality in the
3219 State of Mississippi with a population of ten thousand (10,000) or
3220 less according to the most recent federal decennial census at the
3221 time the municipality submits its application to the MDA under
3222 this section.

3223 (2) There is hereby created in the State Treasury a special
3224 fund to be designated as the "Small Municipalities and Limited
3225 Population Counties Fund," which shall consist of funds
3226 appropriated or otherwise made available by the Legislature in any
3227 manner and funds from any other source designated for deposit into

such fund. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any investment earnings or interest earned on amounts in the fund shall be deposited to the credit of the fund. Monies in the fund shall be used to make grants to small municipalities and limited population counties or natural gas districts created by law and contained therein to assist in completing projects under this section.

(3) The MDA shall establish a grant program to make grants to small municipalities and limited population counties from the Small Municipalities and Limited Population Counties Fund. A small municipality or limited population county may apply to the MDA for a grant under this section in the manner provided for in this section.

(4) A small municipality or limited population county desiring assistance under this section must submit an application to the MDA. The application must include a description of the project for which assistance is requested, the cost of the project for which assistance is requested, the amount of assistance requested and any other information required by the MDA.

(5) The MDA shall have all powers necessary to implement and administer the program established under this section, and the department shall promulgate rules and regulations, in accordance with the Mississippi Administrative Procedures Law, necessary for the implementation of this section.

(6) The MDA shall file an annual report with the Governor, Secretary of the Senate and the Clerk of the House of Representatives not than December 1 of each year, describing all assistance provided under this section.

SECTION 58. The Mississippi Development Authority shall conduct and prepare a study to determine if there is a significant statistical disparity in the total number of qualified minority contractors of goods and services doing business in the State of

3261 Mississippi and the actual number of such minority contractors
3262 with whom the State of Mississippi, or with whom a prime
3263 contractor with the State of Mississippi, has contracted to
3264 provide goods and services.

3265 SECTION 59. In the awarding of contracts for goods and
3266 services, or in the awarding of any economic development
3267 incentives under state law, it shall be unlawful to discriminate
3268 against any person on the basis of race, color, sex, religion or
3269 national origin.

3270 SECTION 60. The Mississippi Development Authority shall file
3271 an annual report with the Governor, Secretary of the Senate and
3272 the Clerk of the House of Representatives not later than December
3273 1, 2001, and each year thereafter, describing all assistance
3274 provided under House Bill No. 1, 2000 Second Extraordinary
3275 Session.

3276 SECTION 61. Sections 24 through 39, 40, 41 and 48 through 51
3277 of this act shall take effect and be in force from and after
3278 January 1, 2001. The remainder of this act shall take effect and
3279 be in force from and after its passage.