

By: Representative Watson

To: Ways and Means

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 1668

1 AN ACT TO AMEND SECTION 57-75-5, MISSISSIPPI CODE OF 1972, TO  
2 REVISE THE DEFINITION OF THE TERM "PROJECT" UNDER THE MISSISSIPPI  
3 MAJOR ECONOMIC IMPACT ACT; TO AMEND SECTION 57-75-11, MISSISSIPPI  
4 CODE OF 1972, TO AUTHORIZE THE MISSISSIPPI MAJOR ECONOMIC IMPACT  
5 AUTHORITY TO PROVIDE GRANT AND LOAN FUNDS TO ENTERPRISES OWNING OR  
6 OPERATING CERTAIN PROJECTS UNDER THE MISSISSIPPI MAJOR ECONOMIC  
7 IMPACT ACT; TO AMEND SECTION 57-75-15, MISSISSIPPI CODE OF 1972,  
8 TO AUTHORIZE THE ISSUANCE OF BONDS FOR CERTAIN PROJECTS UNDER THE  
9 MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO AMEND SECTION 27-65-101,  
10 MISSISSIPPI CODE OF 1972, TO EXEMPT FROM SALES TAXATION SALES TO  
11 AN ENTERPRISE OWNING OR OPERATING CERTAIN PROJECTS DEFINED UNDER  
12 THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT OF MACHINERY AND CERTAIN  
13 SPECIAL TOOLS OR REPAIR PARTS THEREFOR, FUEL AND SUPPLIES USED  
14 DIRECTLY IN THE MANUFACTURING/PRODUCTION OPERATIONS OF THE  
15 PROJECT; TO EXEMPT FROM SALES TAXATION THE SALE OF MATERIALS,  
16 MACHINERY AND EQUIPMENT USED IN THE CONSTRUCTION OF A BUILDING, OR  
17 AN ADDITION OR IMPROVEMENT THEREON TO AN ENTERPRISE OWNING OR  
18 OPERATING CERTAIN PROJECTS DEFINED UNDER THE MISSISSIPPI MAJOR  
19 ECONOMIC IMPACT ACT; TO AMEND SECTION 27-67-7, MISSISSIPPI CODE OF  
20 1972, TO EXEMPT FROM USE TAXATION THE USE, STORAGE OR CONSUMPTION  
21 OF UTILITIES PURCHASED BY AND ENTERPRISE OWNING OR OPERATING  
22 CERTAIN PROJECTS DEFINED UNDER THE MISSISSIPPI MAJOR ECONOMIC  
23 IMPACT ACT; TO PROVIDE AN INCOME TAX CREDIT IN THE AMOUNT OF  
24 \$5,000.00 FOR EACH NET NEW FULL-TIME EMPLOYEE JOB CREATED BY AN  
25 ENTERPRISE OWNING OR OPERATING CERTAIN PROJECTS DEFINED UNDER THE  
26 MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO PROVIDE THAT THE  
27 ENTERPRISE MAY UTILIZE THE CREDIT FOR A PERIOD OF TEN YEARS FROM  
28 THE DATE THE CREDIT COMMENCES; TO PROVIDE THAT THE ENTERPRISE MAY  
29 SELECT THE COMMENCEMENT DATE BUT THE COMMENCEMENT DATE MAY NOT BE  
30 MORE THAN TWO YEARS FROM THE DATE THE PROJECT BECOMES FULLY  
31 OPERATIONAL; TO PROVIDE THAT ANY SUCH CREDIT CLAIMED BUT NOT USED  
32 IN A TAXABLE YEAR MAY BE CARRIED FORWARD; TO PROVIDE AN INCOME TAX  
33 CREDIT FOR AN ENTERPRISE OWNING OR OPERATING CERTAIN PROJECTS  
34 DEFINED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT IN AN  
35 AMOUNT EQUAL TO A PERCENTAGE OF THE ENTERPRISE'S INVESTMENT IN  
36 EXCESS OF \$400,000,000.00 IN THE INITIAL ESTABLISHMENT OF THE  
37 PROJECT; TO PROVIDE THAT ANY SUCH CREDIT CLAIMED BUT NOT USED IN A  
38 TAXABLE YEAR MAY BE CARRIED FORWARD FOR TEN YEARS; TO PROVIDE FOR  
39 THE RECAPTURE OF THE CREDIT UNDER CERTAIN CIRCUMSTANCES; TO  
40 AUTHORIZE CERTAIN COUNTIES TO CONTRIBUTE OR LEND FUNDS TO  
41 ENTERPRISES OWNING OR OPERATING CERTAIN PROJECTS UNDER THE  
42 MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO PROVIDE THAT A COUNTY  
43 MAY ISSUE BONDS TO PROVIDE FUNDS FOR SUCH PURPOSES AND THAT THE  
44 BONDS WILL BE EXCLUDED FROM THE COUNTY DEBT LIMITATION; TO PROVIDE  
45 THAT A COUNTY MAY DONATE PROPERTY FOR USE IN THE LOCATION,  
46 CONSTRUCTION AND/OR OPERATION OF SUCH A PROJECT TO ENTITIES  
47 ENGAGED IN ECONOMIC DEVELOPMENT; TO AMEND SECTIONS 19-7-3, 19-9-1  
48 AND 19-9-5, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND  
49 FOR RELATED PURPOSES.

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

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

53           57-75-5. Words and phrases used in this chapter shall have  
54 meanings as follows, unless the context clearly indicates a  
55 different meaning:

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

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

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

63           (d) "Facility related to the project" means and  
64 includes any of the following, as the same may pertain to the  
65 project within the project area: (i) facilities to provide  
66 potable and industrial water supply systems, sewage and waste  
67 disposal systems and water, natural gas and electric transmission  
68 systems to the site of the project; (ii) airports, airfields and  
69 air terminals; (iii) rail lines; (iv) port facilities; (v)  
70 highways, streets and other roadways; (vi) public school  
71 buildings, classrooms and instructional facilities, training  
72 facilities and equipment, including any functionally related  
73 facilities; (vii) parks, outdoor recreation facilities and  
74 athletic facilities; (viii) auditoriums, pavilions, campgrounds,  
75 art centers, cultural centers, folklore centers and other public  
76 facilities; (ix) health care facilities, public or private; and  
77 (x) fire protection facilities, equipment and elevated water  
78 tanks.

79           (e) "Person" means any natural person, corporation,  
80 association, partnership, receiver, trustee, guardian, executor,  
81 administrator, fiduciary, governmental unit, public agency,  
82 political subdivision, or any other group acting as a unit, and  
83 the plural as well as the singular.

84 (f) "Project" means:  
85 (i) Any industrial, commercial, research and  
86 development, warehousing, distribution, transportation,  
87 processing, mining, United States government or tourism enterprise  
88 together with all real property required for construction,  
89 maintenance and operation of the enterprise with an initial  
90 capital investment of not less than Three Hundred Million Dollars  
91 (\$300,000,000.00) from private or United States government sources  
92 together with all buildings, and other supporting land and  
93 facilities, structures or improvements of whatever kind required  
94 or useful for construction, maintenance and operation of the  
95 enterprise; or with an initial capital investment of not less than  
96 One Hundred Fifty Million Dollars (\$150,000,000.00) from private  
97 or United States government sources together with all buildings  
98 and other supporting land and facilities, structures or  
99 improvements of whatever kind required or useful for construction,  
100 maintenance and operation of the enterprise and which creates at  
101 least one thousand (1,000) net new full-time jobs; or which  
102 creates at least one thousand (1,000) net new full-time jobs which  
103 provides an average salary, excluding benefits which are not  
104 subject to Mississippi income taxation, of at least one hundred  
105 twenty-five percent (125%) of the most recently published average  
106 annual wage of the state as determined by the Mississippi  
107 Department of Employment Security. "Project" shall include any  
108 addition to or expansion of an existing enterprise if such  
109 addition or expansion has an initial capital investment of not  
110 less than Three Hundred Million Dollars (\$300,000,000.00) from  
111 private or United States government sources, or has an initial  
112 capital investment of not less than One Hundred Fifty Million  
113 Dollars (\$150,000,000.00) from private or United States government  
114 sources together with all buildings and other supporting land and  
115 facilities, structures or improvements of whatever kind required  
116 or useful for construction, maintenance and operation of the

117 enterprise and which creates at least one thousand (1,000) net new  
118 full-time jobs; or which creates at least one thousand (1,000) net  
119 new full-time jobs which provides an average salary, excluding  
120 benefits which are not subject to Mississippi income taxation, of  
121 at least one hundred twenty-five percent (125%) of the most  
122 recently published average annual wage of the state as determined  
123 by the Mississippi Department of Employment Security. "Project"  
124 shall also include any ancillary development or business resulting  
125 from the enterprise, of which the authority is notified, within  
126 three (3) years from the date that the enterprise entered into  
127 commercial production, that the project area has been selected as  
128 the site for the ancillary development or business.

129                   (ii) 1. Any major capital project designed to  
130 improve, expand or otherwise enhance any active duty or reserve  
131 United States Armed Services bases and facilities or any major  
132 Mississippi National Guard training installations, their support  
133 areas or their military operations, upon designation by the  
134 authority that any such base was or is at risk to be recommended  
135 for closure or realignment pursuant to the Defense Base Closure  
136 and Realignment Act of 1990, as amended, or other applicable  
137 federal law; or any major development project determined by the  
138 authority to be necessary to acquire or improve base properties  
139 and to provide employment opportunities through construction of  
140 projects as defined in Section 57-3-5, which shall be located on  
141 or provide direct support service or access to such military  
142 installation property in the event of closure or reduction of  
143 military operations at the installation.

144                   2. Any major study or investigation related  
145 to such a facility, installation or base, upon a determination by  
146 the authority that the study or investigation is critical to the  
147 expansion, retention or reuse of the facility, installation or  
148 base.

149                   3. Any project as defined in Section 57-3-5,  
150 any business or enterprise determined to be in the furtherance of  
151 the public purposes of this act as determined by the authority or  
152 any facility related to such project each of which shall be,  
153 directly or indirectly, related to any military base or other  
154 military-related facility no longer operated by the United States  
155 Armed Services or the Mississippi National Guard.

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

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

164                   2. "Project" shall also include any ancillary  
165 development or business resulting from an enterprise operating a  
166 project as defined in item 1 of this paragraph (f)(iv), of which  
167 the authority is notified, within three (3) years from the date  
168 that the enterprise entered into commercial production, that the  
169 state has been selected as the site for the ancillary development  
170 or business.

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

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

181                   2. The project and any facility related to  
182 the project shall include a total investment from private sources  
183 of not less than Sixty Million Dollars (\$60,000,000.00), or from  
184 any combination of sources of not less than Eighty Million Dollars  
185 (\$80,000,000.00).

186                   (vi) Any real property owned or controlled by the  
187 National Aeronautics and Space Administration, the United States  
188 government, or any agency thereof, which is legally conveyed to  
189 the State of Mississippi or to the State of Mississippi for the  
190 benefit of the Mississippi Major Economic Impact Authority, its  
191 successors and assigns pursuant to Section 212 of Public Law  
192 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

193                   (vii) Any major capital project related to the  
194 establishment, improvement, expansion and/or other enhancement of  
195 any active duty military installation and having a minimum capital  
196 investment from any source or combination of sources other than  
197 the State of Mississippi of at least Forty Million Dollars  
198 (\$40,000,000.00), and which will create at least four hundred  
199 (400) military installation related full-time jobs, which jobs may  
200 be military jobs, civilian jobs or a combination of military and  
201 civilian jobs. The authority shall require that binding  
202 commitments be entered into requiring that the minimum  
203 requirements for the project provided for in this subparagraph  
204 shall be met not later than July 1, 2008.

205                   (viii) Any major capital project with an initial  
206 capital investment from any source or combination of sources of  
207 not less than Ten Million Dollars (\$10,000,000.00) which will  
208 create at least eighty (80) full-time jobs which provide an  
209 average annual salary, excluding benefits which are not subject to  
210 Mississippi income taxes, of at least one hundred thirty-five  
211 percent (135%) of the most recently published average annual wage  
212 of the state or the most recently published average annual wage of  
213 the county in which the project is located as determined by the

214 Mississippi Department of Employment Security, whichever is the  
215 lesser. The authority shall require that binding commitments be  
216 entered into requiring that:

217                   1. The minimum requirements for the project  
218 provided for in this subparagraph shall be met, and

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

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

230                   1. The minimum requirements for the project  
231 provided for in this subparagraph shall be met, and

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

235                   (x) Any major capital project with an initial  
236 capital investment from any source or combination of sources of  
237 not less than Seventy-five Million Dollars (\$75,000,000.00) which  
238 will create at least one hundred twenty-five (125) full-time jobs  
239 which provide an average annual salary, excluding benefits which  
240 are not subject to Mississippi income taxes, of at least one  
241 hundred thirty-five percent (135%) of the most recently published  
242 average annual wage of the state or the most recently published  
243 average annual wage of the county in which the project is located  
244 as determined by the Mississippi Department of Employment  
245 Security, whichever is the greater. The authority shall require  
246 that binding commitments be entered into requiring that:

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

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

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

254                   (xii) Any project built according to the  
255 specifications and federal provisions set forth by the National  
256 Aeronautics and Space Administration Center Operations Directorate  
257 at Stennis Space Center for the purpose of consolidating common  
258 services from National Aeronautics and Space Administration  
259 centers in human resources, procurement, financial management and  
260 information technology located on land owned or controlled by the  
261 National Aeronautics and Space Administration, which will create  
262 at least four hundred seventy (470) full-time jobs.

263                   (xiii) Any major capital project with an initial  
264 capital investment from any source or combination of sources of  
265 not less than Ten Million Dollars (\$10,000,000.00) which will  
266 create at least two hundred fifty (250) full-time jobs. The  
267 authority shall require that binding commitments be entered into  
268 requiring that:

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

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

274                   (xiv) Any major pharmaceutical facility with a  
275 capital investment of not less than Fifty Million Dollars  
276 (\$50,000,000.00) made after July 1, 2002, through four (4) years  
277 after the initial date of any loan or grant made by the authority  
278 for such project, which will maintain at least seven hundred fifty



279 (750) full-time employees. The authority shall require that  
280 binding commitments be entered into requiring that:

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

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

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

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

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

297 (xvi) Any major industrial wood processing  
298 facility with an initial capital investment of not less than One  
299 Hundred Million Dollars (\$100,000,000.00) which will create at  
300 least one hundred twenty-five (125) full-time jobs which provide  
301 an average annual salary, excluding benefits which are not subject  
302 to Mississippi income taxes, of at least Thirty Thousand Dollars  
303 (\$30,000.00). The authority shall require that binding  
304 commitments be entered into requiring that:

305 1. The minimum requirements for the project  
306 provided for in this subparagraph shall be met; \* \* \*

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

310 (xvii) Any technical, engineering,  
311 manufacturing-logistic service provider with an initial capital

312 investment of not less than One Million Dollars (\$1,000,000.00)  
313 which will create at least ninety (90) full-time jobs. The  
314 authority shall require that binding commitments be entered into  
315 requiring that:

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

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

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

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

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

335 (g) "Project area" means the project site, together  
336 with any area or territory within the state lying within  
337 sixty-five (65) miles of any portion of the project site whether  
338 or not such area or territory be contiguous; however, for the  
339 project defined in paragraph (f)(iv) of this section the term  
340 "project area" means any area or territory within the state. The  
341 project area shall also include all territory within a county if  
342 any portion of such county lies within sixty-five (65) miles of  
343 any portion of the project site. "Project site" means the real

344 property on which the principal facilities of the enterprise will  
345 operate.

346 (h) "Public agency" means:

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

349 (ii) Any city, town, county, political  
350 subdivision, school district or other district created or existing  
351 under the laws of the state or any public agency of any such city,  
352 town, county, political subdivision or district or any other  
353 public entity created or existing under local and private  
354 legislation;

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

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

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

361 (j) "Fee-in-lieu" means a negotiated fee to be paid by  
362 the project in lieu of any franchise taxes imposed on the project  
363 by Chapter 13, Title 27, Mississippi Code of 1972. The  
364 fee-in-lieu shall not be less than Twenty-five Thousand Dollars  
365 (\$25,000.00) annually. A fee-in-lieu may be negotiated with an  
366 enterprise operating an existing project defined in Section  
367 57-75-5(f)(iv)1; however, a fee-in-lieu shall not be negotiated  
368 for other existing enterprises that fall within the definition of  
369 the term "project."

370 **SECTION 2.** Section 57-75-11, Mississippi Code of 1972, is  
371 amended as follows:

372 57-75-11. The authority, in addition to any and all powers  
373 now or hereafter granted to it, is empowered and shall exercise  
374 discretion and the use of these powers depending on the  
375 circumstances of the project or projects:

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

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

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

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

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

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

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

409 this act shall be deemed to be acquired for the purposes of  
410 industrial development thereon and such acquisition will serve a  
411 higher public interest in accordance with the purposes of this  
412 act.

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

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

421 (i) From and after the date of notification to the  
422 authority by the enterprise that the state has been finally  
423 selected as the site of the project, to acquire by condemnation  
424 and to own, maintain, use, operate and convey or otherwise dispose  
425 of any and all property of any kind, real, personal or mixed, or  
426 any interest or estate therein, within the project area, necessary  
427 for the project or any facility related to the project, with the  
428 concurrence of the affected public agency, and the exercise of the  
429 powers granted by this act, according to the procedures provided  
430 by Chapter 27, Title 11, Mississippi Code of 1972, except as  
431 modified by this act.

432 (i) Except as otherwise provided in subparagraph  
433 (iii) of this paragraph (i), in acquiring lands by condemnation,  
434 the authority shall not acquire minerals or royalties in minerals  
435 unless a competent registered professional engineer shall have  
436 certified that the acquisition of such minerals and royalties in  
437 minerals is necessary for purposes of the project; provided that  
438 limestone, clay, chalk, sand and gravel shall not be considered as  
439 minerals for the purposes of subparagraphs (i) and (ii) of this  
440 paragraph (i);

441 (ii) Unless minerals or royalties in minerals have  
442 been acquired by condemnation or otherwise, no person or persons  
443 owning the drilling rights or the right to share in production of  
444 minerals shall be prevented from exploring, developing, or  
445 producing oil or gas with necessary rights-of-way for ingress and  
446 egress, pipelines and other means of transporting interests on any  
447 land or interest therein of the authority held or used for the  
448 purposes of this act; but any such activities shall be under such  
449 reasonable regulation by the authority as will adequately protect  
450 the project contemplated by this act as provided in paragraph (r)  
451 of this section; and

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

456 (j) To negotiate the necessary relocation or rerouting  
457 of roads and highways, railroad, telephone and telegraph lines and  
458 properties, electric power lines, pipelines and related  
459 facilities, or to require the anchoring or other protection of any  
460 of these, provided due compensation is paid to the owners thereof  
461 or agreement is had with such owners regarding the payment of the  
462 cost of such relocation, and to acquire by condemnation or  
463 otherwise easements or rights-of-way for such relocation or  
464 rerouting and to convey the same to the owners of the facilities  
465 being relocated or rerouted in connection with the purposes of  
466 this act.

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

469 (l) To perform or have performed any and all acts and  
470 make all payments necessary to comply with all applicable federal  
471 laws, rules or regulations including, but not limited to, the  
472 Uniform Relocation Assistance and Real Property Acquisition  
473 Policies Act of 1970 (42 USCS 4601, 4602, 4621 to 4638, and 4651

474 to 4655) and relocation rules and regulations promulgated by any  
475 agency or department of the federal government.

476 (m) To construct, extend, improve, maintain, and  
477 reconstruct, to cause to be constructed, extended, improved,  
478 maintained, and reconstructed, and to use and operate any and all  
479 components of the project or any facility related to the project,  
480 with the concurrence of the affected public agency, within the  
481 project area, necessary to the project and to the exercise of such  
482 powers, rights, and privileges granted the authority.

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

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

494 (ii) To lease, sell, transfer or convey on any  
495 terms agreed upon by the authority any or all real and personal  
496 property, improvements, leases, funds and contractual obligations  
497 of a project as defined in Section 57-75-5(f)(vi) and conveyed to  
498 the State of Mississippi by a Quitclaim Deed from the United  
499 States of America dated February 23, 1996, filed of record at  
500 pages 511 to 524, Deed Book Number B179, Chancery Clerk's Office,  
501 Tishomingo County, Mississippi, to any governmental authority  
502 located within the geographic boundaries of the county wherein  
503 such project exists upon agreement of such governmental authority  
504 to undertake and assume from the State of Mississippi all  
505 obligations and responsibilities in connection with ownership and  
506 operation of the project. Property leased, sold, transferred or

507 otherwise conveyed by the authority under this paragraph (o) shall  
508 be used only for economic development purposes.

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

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

530 (r) To adopt and enforce with the concurrence of the  
531 affected public agency all necessary and reasonable rules and  
532 regulations to carry out and effectuate the implementation of the  
533 project and any land use plan or zoning classification adopted for  
534 the project area, including, but not limited to, rules,  
535 regulations, and restrictions concerning mining, construction,  
536 excavation or any other activity the occurrence of which may  
537 endanger the structure or operation of the project. Such rules  
538 may be enforced within the project area and without the project  
539 area as necessary to protect the structure and operation of the



540 project. The authority is authorized to plan or replan, zone or  
541 rezone, and make exceptions to any regulations, whether local or  
542 state, with the concurrence of the affected public agency which  
543 are inconsistent with the design, planning, construction or  
544 operation of the project and facilities related to the project.

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

548 (t) To develop plans for technology transfer activities  
549 to ensure private sector conduits for exchange of information,  
550 technology and expertise related to the project to generate  
551 opportunities for commercial development within the state.

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

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

559 (w) To consult with the Office of Minority Business  
560 Enterprise Development and other public agencies for the purpose  
561 of developing plans for technical assistance and loan programs to  
562 maximize the economic impact related to the project for minority  
563 business enterprises within the State of Mississippi.

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

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

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

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

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

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

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

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

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

590 (ii) To lease such surface water transmission  
591 lines to a public agency or public utility to provide water to  
592 such project and to certificated water providers.

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

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

601 (gg) To establish such guidelines, rules and  
602 regulations as the authority may deem necessary and appropriate  
603 from time to time in its sole discretion, to promote the purposes  
604 of this act.

605 (hh) In connection with projects defined in Section  
606 57-75-5(f)(ii):

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

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

613 (iii) To requisition money in the Mississippi  
614 Major Economic Impact Authority Revolving Loan Fund in connection  
615 with such loans.

616 (ii) In connection with projects defined under Section  
617 57-75-5(f)(xiv):

618 (i) To provide grant funds or loans to an  
619 enterprise owning, leasing or operating a project defined in  
620 Section 57-75-5(f)(xiv); however, the amount of any such loan  
621 under this paragraph (ii) shall not exceed Eight Million Dollars  
622 (\$8,000,000.00) and the amount of any such grant under this  
623 paragraph (ii) shall not exceed Two Million Dollars  
624 (\$2,000,000.00);

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

627 (iii) Notwithstanding any provision of this act to  
628 the contrary, such loans shall be for a term not to exceed twenty  
629 (20) years as may be determined by the authority, shall bear  
630 interest at such rates as may be determined by the authority,  
631 shall, in the sole discretion of the authority, be secured in an  
632 amount and a manner as may be determined by the authority.

633 (jj) In connection with projects defined under Section  
634 57-75-5(f)(xviii):

635 (i) To provide grant funds of Twenty-five Million  
636 Dollars (\$25,000,000.00) to an enterprise owning or operating a  
637 project defined in Section 57-75-5(f)(xviii) to be used for real

638 estate improvements and which may be disbursed as determined by  
639 the authority.

640 (ii) To provide loans to an enterprise owning or  
641 operating a project defined in Section 57-75-5(f)(xviii); subject  
642 to the following provisions:

643 1. Not more than Ten Million Dollars  
644 (\$10,000,000.00) may be loaned to such an enterprise for the  
645 purpose of defraying costs incurred by the enterprise for site  
646 preparation and real property improvements during the construction  
647 of the project in excess of budgeted costs; however, the amount of  
648 any such loan shall not exceed fifty percent (50%) of such excess  
649 costs;

650 2. Not more than Seventy-five Million Dollars  
651 (\$75,000,000.00) may be loaned to such an enterprise for purposes  
652 determined appropriate by the authority; however, no such loan may  
653 be made to the enterprise before the beginning of the fifth year  
654 after issuance by the enterprise of debt in like amount the  
655 proceeds of which are to be used in connection with the project;

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

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

662 (v) Any loan under this paragraph (jj) shall, in  
663 the discretion of the authority, be secured in an amount and a  
664 manner as may be determined by the authority.

665 (kk) The authority shall require an enterprise owning  
666 or operating a project defined in Section 57-75-5(f)(xviii) to  
667 demonstrate a good faith effort to do business with Mississippi  
668 businesses which are small business concerns owned and controlled  
669 by socially and economically disadvantaged individuals and which  
670 are inclusive and reflective of the demographics of the state.

671 The authority also shall require such an enterprise to submit a  
672 subcontracting plan when procuring goods and services including,  
673 but not limited to, professional services and engineering  
674 services. The term "socially and economically disadvantaged  
675 individuals" shall have the meaning ascribed to such term under  
676 Section 8(d) of the Small Business Act (15 USCS, Section 637(d))  
677 and relevant subcontracting regulations promulgated pursuant  
678 thereto; except that women shall be presumed to be socially and  
679 economically disadvantaged individuals for the purposes of this  
680 section.

681 (11) (i) In addition to any other requirements or  
682 conditions under this chapter, the authority shall require that  
683 any application for assistance regarding a project under this  
684 chapter include, at a minimum:

685 1. A two-year business plan (which shall  
686 include proforma balance sheets, income statements and monthly  
687 cash flow statements);

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

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

694 4. Data supporting the expertise of the  
695 project's principals;

696 5. A cost benefit analysis of the project  
697 performed by a state institution of higher learning or other  
698 entity selected by the authority; and

699 6. Any other information required by the  
700 authority.

701 (ii) The authority shall require that binding  
702 commitments be entered into requiring that:

703                   1. The applicable minimum requirements of  
704 this chapter and such other requirements as the authority  
705 considers proper shall be met; and

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

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

712           **SECTION 3.** Section 57-75-15, Mississippi Code of 1972, is  
713 amended as follows:

714           57-75-15. (1) Upon notification to the authority by the  
715 enterprise that the state has been finally selected as the site  
716 for the project, the State Bond Commission shall have the power  
717 and is hereby authorized and directed, upon receipt of a  
718 declaration from the authority as hereinafter provided, to borrow  
719 money and issue general obligation bonds of the state in one or  
720 more series for the purposes herein set out. Upon such  
721 notification, the authority may thereafter from time to time  
722 declare the necessity for the issuance of general obligation bonds  
723 as authorized by this section and forward such declaration to the  
724 State Bond Commission, provided that before such notification, the  
725 authority may enter into agreements with the United States  
726 government, private companies and others that will commit the  
727 authority to direct the State Bond Commission to issue bonds for  
728 eligible undertakings set out in subsection (4) of this section,  
729 conditioned on the siting of the project in the state.

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

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

739           (b) Bonds issued under the authority of this section  
740 for projects as defined in Section 57-75-5(f)(ii) shall not exceed  
741 Sixty-one Million Dollars (\$61,000,000.00). The authority, with  
742 the express direction of the State Bond Commission, is authorized  
743 to expend any remaining proceeds of bonds issued under the  
744 authority of this act prior to January 1, 1998, for the purpose of  
745 financing projects as then defined in Section 57-75-5(f)(ii) or  
746 for any other projects as defined in Section 57-75-5(f)(ii), as it  
747 may be amended from time to time. If any proceeds of bonds issued  
748 for projects related to the Meridian Naval Auxiliary Air Station  
749 ("NAAS") are used for the development of a water and sewer service  
750 system by the City of Meridian, Mississippi, to serve the NAAS and  
751 if the City of Meridian annexes any of the territory served by the  
752 water and sewer service system, the city shall repay the State of  
753 Mississippi the amount of all bond proceeds expended on any  
754 portion of the water and sewer service system project; and if  
755 there are any monetary proceeds derived from the disposition of  
756 any improvements located on real property in Kemper County  
757 purchased pursuant to this act for projects related to the NAAS  
758 and if there are any monetary proceeds derived from the  
759 disposition of any timber located on real property in Kemper  
760 County purchased pursuant to this act for projects related to the  
761 NAAS, all of such proceeds (both from the disposition of  
762 improvements and the disposition of timber) commencing July 1,  
763 1996, through June 30, 2010, shall be paid to the Board of  
764 Education of Kemper County, Mississippi, for expenditure by such  
765 board of education to benefit the public schools of Kemper County.  
766 No bonds shall be issued under this paragraph (b) until the State  
767 Bond Commission by resolution adopts a finding that the issuance

768 of such bonds will improve, expand or otherwise enhance the  
769 military installation, its support areas or military operations,  
770 or will provide employment opportunities to replace those lost by  
771 closure or reductions in operations at the military installation  
772 or will support critical studies or investigations authorized by  
773 Section 57-75-5(f)(ii); however, not more than One Million Dollars  
774 (\$1,000,000.00) in the aggregate shall be authorized for such  
775 studies or investigations.

776 (c) Bonds issued under the authority of this section  
777 for projects as defined in Section 57-75-5(f)(iii) shall not  
778 exceed Ten Million Dollars (\$10,000,000.00). No bonds shall be  
779 issued under this paragraph after December 31, 1996.

780 (d) Bonds issued under the authority of this section  
781 for projects defined in Section 57-75-5(f)(iv) shall not exceed  
782 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An  
783 additional amount of bonds in an amount not to exceed Twelve  
784 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be  
785 issued under the authority of this section for the purpose of  
786 defraying costs associated with the construction of surface water  
787 transmission lines for a project defined in Section 57-75-5(f)(iv)  
788 or for any facility related to the project. No bonds shall be  
789 issued under this paragraph after June 30, 2005.

790 (e) Bonds issued under the authority of this section  
791 for projects defined in Section 57-75-5(f)(v) and for facilities  
792 related to such projects shall not exceed Thirty-eight Million  
793 Five Hundred Thousand Dollars (\$38,500,000.00). No bonds shall be  
794 issued under this paragraph after December 31, 2005.

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

799 (g) Bonds issued under the authority of this section  
800 for projects defined in Section 57-75-5(f)(viii) shall not exceed



801 Four Million Five Hundred Thousand Dollars (\$4,500,000.00). No  
802 bonds shall be issued under this paragraph after June 30, 2007.

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

807 (i) Bonds issued under the authority of this section  
808 for projects defined in Section 57-75-5(f)(x) shall not exceed  
809 Five Million Dollars (\$5,000,000.00). No bonds shall be issued  
810 under this paragraph after June 30, 2007.

811 (j) Bonds issued under the authority of this section  
812 for projects defined in Section 57-75-5(f)(xii) shall not exceed  
813 Twenty-three Million Seven Hundred Thousand Dollars  
814 (\$23,700,000.00). No bonds shall be issued under this paragraph  
815 until local governments in or near the county in which the project  
816 is located have irrevocably committed funds to the project in an  
817 amount of not less than Two Million Five Hundred Thousand Dollars  
818 (\$2,500,000.00) in the aggregate. No bonds shall be issued under  
819 this paragraph after June 30, 2008.

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

824 (l) Bonds issued under the authority of this section  
825 for projects defined in Section 57-75-5(f)(xiv) shall not exceed  
826 Ten Million Dollars (\$10,000,000.00). No bonds shall be issued  
827 under this paragraph until local governments in the county in  
828 which the project is located have irrevocably committed funds to  
829 the project in an amount of not less than Two Million Dollars  
830 (\$2,000,000.00). No bonds shall be issued under this paragraph  
831 after June 30, 2009.

832 (m) Bonds issued under the authority of this section  
833 for projects defined in Section 57-75-5(f)(xv) shall not exceed

834 Five Hundred Thousand Dollars (\$500,000.00). No bonds shall be  
835 issued under this paragraph after June 30, 2009.

836 (n) Bonds issued under the authority of this section  
837 for projects defined in Section 57-75-5(f)(xvi) shall not exceed  
838 Ten Million Dollars (\$10,000,000.00). No bonds shall be issued  
839 under this paragraph after June 30, 2009.

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

844 (p) Bonds issued under the authority of this section  
845 for projects defined in Section 57-75-5(f)(xviii) shall not exceed  
846 One Hundred Ten Million Dollars (\$110,000,000.00). No bonds shall  
847 be issued under this paragraph after June 30, 2016.

848 (4) (a) The proceeds from the sale of the bonds issued  
849 under this section may be applied for the following purposes:

850 (i) Defraying all or any designated portion of the  
851 costs incurred with respect to acquisition, planning, design,  
852 construction, installation, rehabilitation, improvement,  
853 relocation and with respect to state-owned property, operation and  
854 maintenance of the project and any facility related to the project  
855 located within the project area, including costs of design and  
856 engineering, all costs incurred to provide land, easements and  
857 rights-of-way, relocation costs with respect to the project and  
858 with respect to any facility related to the project located within  
859 the project area, and costs associated with mitigation of  
860 environmental impacts and environmental impact studies;

861 (ii) Defraying the cost of providing for the  
862 recruitment, screening, selection, training or retraining of  
863 employees, candidates for employment or replacement employees of  
864 the project and any related activity;

865 (iii) Reimbursing the Mississippi Development  
866 Authority for expenses it incurred in regard to projects defined

867 in Section 57-75-5(f)(iv) prior to November 6, 2000. The  
868 Mississippi Development Authority shall submit an itemized list of  
869 expenses it incurred in regard to such projects to the Chairmen of  
870 the Finance and Appropriations Committees of the Senate and the  
871 Chairmen of the Ways and Means and Appropriations Committees of  
872 the House of Representatives;

873 (iv) Providing grants to enterprises operating  
874 projects defined in Section 57-75-5(f)(iv)1;

875 (v) Paying any warranty made by the authority  
876 regarding site work for a project defined in Section  
877 57-75-5(f)(iv)1;

878 (vi) Defraying the cost of marketing and promotion  
879 of a project as defined in Section 57-75-5(f)(iv)1. The authority  
880 shall submit an itemized list of costs incurred for marketing and  
881 promotion of such project to the Chairmen of the Finance and  
882 Appropriations Committees of the Senate and the Chairmen of the  
883 Ways and Means and Appropriations Committees of the House of  
884 Representatives;

885 (vii) Providing for the payment of interest on the  
886 bonds;

887 (viii) Providing debt service reserves;

888 (ix) Paying underwriters' discount, original issue  
889 discount, accountants' fees, engineers' fees, attorneys' fees,  
890 rating agency fees and other fees and expenses in connection with  
891 the issuance of the bonds;

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

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

899 (xii) Providing grant funds or loans to a public  
900 agency or an enterprise owning, leasing or operating a project  
901 defined in Section 57-75-5(f)(ii); \* \* \*

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

905 (xiv) Providing grants and loans to an enterprise  
906 owning or operating a project defined in Section  
907 57-75-5(f)(xviii).

908 Such bonds shall be issued from time to time and in such  
909 principal amounts as shall be designated by the authority, not to  
910 exceed in aggregate principal amounts the amount authorized in  
911 subsection (3) of this section. Proceeds from the sale of the  
912 bonds issued under this section may be invested, subject to  
913 federal limitations, pending their use, in such securities as may  
914 be specified in the resolution authorizing the issuance of the  
915 bonds or the trust indenture securing them, and the earning on  
916 such investment applied as provided in such resolution or trust  
917 indenture.

918 (b) (i) The proceeds of bonds issued after June 21,  
919 2002, under this section for projects described in Section  
920 57-75-5(f)(iv) may be used to reimburse reasonable actual and  
921 necessary costs incurred by the Mississippi Development Authority  
922 in providing assistance related to a project for which funding is  
923 provided from the use of proceeds of such bonds. The Mississippi  
924 Development Authority shall maintain an accounting of actual costs  
925 incurred for each project for which reimbursements are sought.  
926 Reimbursements under this paragraph (b)(i) shall not exceed Three  
927 Hundred Thousand Dollars (\$300,000.00) in the aggregate.  
928 Reimbursements under this paragraph (b)(i) shall satisfy any  
929 applicable federal tax law requirements.

930 (ii) The proceeds of bonds issued after June 21,  
931 2002, under this section for projects described in Section

932 57-75-5(f)(iv) may be used to reimburse reasonable actual and  
933 necessary costs incurred by the Department of Audit in providing  
934 services related to a project for which funding is provided from  
935 the use of proceeds of such bonds. The Department of Audit shall  
936 maintain an accounting of actual costs incurred for each project  
937 for which reimbursements are sought. The Department of Audit may  
938 escalate its budget and expend such funds in accordance with rules  
939 and regulations of the Department of Finance and Administration in  
940 a manner consistent with the escalation of federal funds.  
941 Reimbursements under this paragraph (b)(ii) shall not exceed One  
942 Hundred Thousand Dollars (\$100,000.00) in the aggregate.  
943 Reimbursements under this paragraph (b)(ii) shall satisfy any  
944 applicable federal tax law requirements.

945 (c) (i) The proceeds of bonds issued under this  
946 section for projects described in Section 57-75-5(f)(ix) may be  
947 used to reimburse reasonable actual and necessary costs incurred  
948 by the Mississippi Development Authority in providing assistance  
949 related to a project for which funding is provided for the use of  
950 proceeds of such bonds. The Mississippi Development Authority  
951 shall maintain an accounting of actual costs incurred for each  
952 project for which reimbursements are sought. Reimbursements under  
953 this paragraph shall not exceed Twenty-five Thousand Dollars  
954 (\$25,000.00) in the aggregate.

955 (ii) The proceeds of bonds issued under this  
956 section for projects described in Section 57-75-5(f)(ix) may be  
957 used to reimburse reasonable actual and necessary costs incurred  
958 by the Department of Audit in providing services related to a  
959 project for which funding is provided from the use of proceeds of  
960 such bonds. The Department of Audit shall maintain an accounting  
961 of actual costs incurred for each project for which reimbursements  
962 are sought. The Department of Audit may escalate its budget and  
963 expend such funds in accordance with rules and regulations of the  
964 Department of Finance and Administration in a manner consistent

965 with the escalation of federal funds. Reimbursements under this  
966 paragraph shall not exceed Twenty-five Thousand Dollars  
967 (\$25,000.00) in the aggregate. Reimbursements under this  
968 paragraph shall satisfy any applicable federal tax law  
969 requirements.

970 (d) (i) The proceeds of bonds issued under this  
971 section for projects described in Section 57-75-5(f)(x) may be  
972 used to reimburse reasonable actual and necessary costs incurred  
973 by the Mississippi Development Authority in providing assistance  
974 related to a project for which funding is provided for the use of  
975 proceeds of such bonds. The Mississippi Development Authority  
976 shall maintain an accounting of actual costs incurred for each  
977 project for which reimbursements are sought. Reimbursements under  
978 this paragraph shall not exceed Twenty-five Thousand Dollars  
979 (\$25,000.00) in the aggregate.

980 (ii) The proceeds of bonds issued under this  
981 section for projects described in Section 57-75-5(f)(x) may be  
982 used to reimburse reasonable actual and necessary costs incurred  
983 by the Department of Audit in providing services related to a  
984 project for which funding is provided from the use of proceeds of  
985 such bonds. The Department of Audit shall maintain an accounting  
986 of actual costs incurred for each project for which reimbursements  
987 are sought. The Department of Audit may escalate its budget and  
988 expend such funds in accordance with rules and regulations of the  
989 Department of Finance and Administration in a manner consistent  
990 with the escalation of federal funds. Reimbursements under this  
991 paragraph shall not exceed Twenty-five Thousand Dollars  
992 (\$25,000.00) in the aggregate. Reimbursements under this  
993 paragraph shall satisfy any applicable federal tax law  
994 requirements.

995 (e) (i) The proceeds of bonds issued under this  
996 section for projects described in Section 57-75-5(f)(xii) may be  
997 used to reimburse reasonable actual and necessary costs incurred

998 by the Mississippi Development Authority in providing assistance  
999 related to a project for which funding is provided from the use of  
1000 proceeds of such bonds. The Mississippi Development Authority  
1001 shall maintain an accounting of actual costs incurred for each  
1002 project for which reimbursements are sought. Reimbursements under  
1003 this paragraph (e)(i) shall not exceed Twenty-five Thousand  
1004 Dollars (\$25,000.00) in the aggregate.

1005 (ii) The proceeds of bonds issued under this  
1006 section for projects described in Section 57-75-5(f)(xii) may be  
1007 used to reimburse reasonable actual and necessary costs incurred  
1008 by the Department of Audit in providing services related to a  
1009 project for which funding is provided from the use of proceeds of  
1010 such bonds. The Department of Audit shall maintain an accounting  
1011 of actual costs incurred for each project for which reimbursements  
1012 are sought. The Department of Audit may escalate its budget and  
1013 expend such funds in accordance with rules and regulations of the  
1014 Department of Finance and Administration in a manner consistent  
1015 with the escalation of federal funds. Reimbursements under this  
1016 paragraph (e)(ii) shall not exceed Twenty-five Thousand Dollars  
1017 (\$25,000.00) in the aggregate. Reimbursements under this  
1018 paragraph (e)(ii) shall satisfy any applicable federal tax law  
1019 requirements.

1020 (f) (i) The proceeds of bonds issued under this  
1021 section for projects described in Section 57-75-5(f)(xiii),  
1022 (f)(xiv), (f)(xv), (f)(xvi), (f)(xvii) and (f)(xviii) may be used  
1023 to reimburse reasonable actual and necessary costs incurred by the  
1024 Mississippi Development Authority in providing assistance related  
1025 to a project for which funding is provided from the use of  
1026 proceeds of such bonds. The Mississippi Development Authority  
1027 shall maintain an accounting of actual costs incurred for each  
1028 project for which reimbursements are sought. Reimbursements under  
1029 this paragraph (f)(i) shall not exceed Twenty-five Thousand  
1030 Dollars (\$25,000.00) for each project.

1031                   (ii) The proceeds of bonds issued under this  
1032 section for projects described in Section 57-75-5(f)(xiii),  
1033 (f)(xiv), (f)(xv), (f)(xvi), (f)(xvii) and (f)(xviii) may be used  
1034 to reimburse reasonable actual and necessary costs incurred by the  
1035 Department of Audit in providing services related to a project for  
1036 which funding is provided from the use of proceeds of such bonds.  
1037 The Department of Audit shall maintain an accounting of actual  
1038 costs incurred for each project for which reimbursements are  
1039 sought. The Department of Audit may escalate its budget and  
1040 expend such funds in accordance with rules and regulations of the  
1041 Department of Finance and Administration in a manner consistent  
1042 with the escalation of federal funds. Reimbursements under this  
1043 paragraph (f)(ii) shall not exceed Twenty-five Thousand Dollars  
1044 (\$25,000.00) for each project. Reimbursements under this  
1045 paragraph (f)(ii) shall satisfy any applicable federal tax law  
1046 requirements.

1047           (5) The principal of and the interest on the bonds shall be  
1048 payable in the manner hereinafter set forth. The bonds shall bear  
1049 date or dates; be in such denomination or denominations; bear  
1050 interest at such rate or rates; be payable at such place or places  
1051 within or without the state; mature absolutely at such time or  
1052 times; be redeemable before maturity at such time or times and  
1053 upon such terms, with or without premium; bear such registration  
1054 privileges; and be substantially in such form; all as shall be  
1055 determined by resolution of the State Bond Commission except that  
1056 such bonds shall mature or otherwise be retired in annual  
1057 installments beginning not more than five (5) years from the date  
1058 thereof and extending not more than twenty-five (25) years from  
1059 the date thereof. The bonds shall be signed by the Chairman of  
1060 the State Bond Commission, or by his facsimile signature, and the  
1061 official seal of the State Bond Commission shall be imprinted on  
1062 or affixed thereto, attested by the manual or facsimile signature  
1063 of the Secretary of the State Bond Commission. Whenever any such



1064 bonds have been signed by the officials herein designated to sign  
1065 the bonds, who were in office at the time of such signing but who  
1066 may have ceased to be such officers before the sale and delivery  
1067 of such bonds, or who may not have been in office on the date such  
1068 bonds may bear, the signatures of such officers upon such bonds  
1069 shall nevertheless be valid and sufficient for all purposes and  
1070 have the same effect as if the person so officially signing such  
1071 bonds had remained in office until the delivery of the same to the  
1072 purchaser, or had been in office on the date such bonds may bear.

1073 (6) All bonds issued under the provisions of this section  
1074 shall be and are hereby declared to have all the qualities and  
1075 incidents of negotiable instruments under the provisions of the  
1076 Uniform Commercial Code and in exercising the powers granted by  
1077 this chapter, the State Bond Commission shall not be required to  
1078 and need not comply with the provisions of the Uniform Commercial  
1079 Code.

1080 (7) The State Bond Commission shall sell the bonds on sealed  
1081 bids at public sale, and for such price as it may determine to be  
1082 for the best interest of the State of Mississippi, but no such  
1083 sale shall be made at a price less than par plus accrued interest  
1084 to date of delivery of the bonds to the purchaser. The bonds  
1085 shall bear interest at such rate or rates not exceeding the limits  
1086 set forth in Section 75-17-101 as shall be fixed by the State Bond  
1087 Commission. All interest accruing on such bonds so issued shall  
1088 be payable semiannually or annually; provided that the first  
1089 interest payment may be for any period of not more than one (1)  
1090 year.

1091 Notice of the sale of any bonds shall be published at least  
1092 one time, the first of which shall be made not less than ten (10)  
1093 days prior to the date of sale, and shall be so published in one  
1094 or more newspapers having a general circulation in the City of  
1095 Jackson and in one or more other newspapers or financial journals

1096 with a large national circulation, to be selected by the State  
1097 Bond Commission.

1098         The State Bond Commission, when issuing any bonds under the  
1099 authority of this section, may provide that the bonds, at the  
1100 option of the state, may be called in for payment and redemption  
1101 at the call price named therein and accrued interest on such date  
1102 or dates named therein.

1103         (8) State bonds issued under the provisions of this section  
1104 shall be the general obligations of the state and backed by the  
1105 full faith and credit of the state. The Legislature shall  
1106 appropriate annually an amount sufficient to pay the principal of  
1107 and the interest on such bonds as they become due. All bonds  
1108 shall contain recitals on their faces substantially covering the  
1109 foregoing provisions of this section.

1110         (9) The State Treasurer is authorized to certify to the  
1111 Department of Finance and Administration the necessity for  
1112 warrants, and the Department of Finance and Administration is  
1113 authorized and directed to issue such warrants payable out of any  
1114 funds appropriated by the Legislature under this section for such  
1115 purpose, in such amounts as may be necessary to pay when due the  
1116 principal of and interest on all bonds issued under the provisions  
1117 of this section. The State Treasurer shall forward the necessary  
1118 amount to the designated place or places of payment of such bonds  
1119 in ample time to discharge such bonds, or the interest thereon, on  
1120 the due dates thereof.

1121         (10) The bonds may be issued without any other proceedings  
1122 or the happening of any other conditions or things other than  
1123 those proceedings, conditions and things which are specified or  
1124 required by this chapter. Any resolution providing for the  
1125 issuance of general obligation bonds under the provisions of this  
1126 section shall become effective immediately upon its adoption by  
1127 the State Bond Commission, and any such resolution may be adopted

1128 at any regular or special meeting of the State Bond Commission by  
1129 a majority of its members.

1130 (11) In anticipation of the issuance of bonds hereunder, the  
1131 State Bond Commission is authorized to negotiate and enter into  
1132 any purchase, loan, credit or other agreement with any bank, trust  
1133 company or other lending institution or to issue and sell interim  
1134 notes for the purpose of making any payments authorized under this  
1135 section. All borrowings made under this provision shall be  
1136 evidenced by notes of the state which shall be issued from time to  
1137 time, for such amounts not exceeding the amount of bonds  
1138 authorized herein, in such form and in such denomination and  
1139 subject to such terms and conditions of sale and issuance,  
1140 prepayment or redemption and maturity, rate or rates of interest  
1141 not to exceed the maximum rate authorized herein for bonds, and  
1142 time of payment of interest as the State Bond Commission shall  
1143 agree to in such agreement. Such notes shall constitute general  
1144 obligations of the state and shall be backed by the full faith and  
1145 credit of the state. Such notes may also be issued for the  
1146 purpose of refunding previously issued notes. No note shall  
1147 mature more than three (3) years following the date of its  
1148 issuance. The State Bond Commission is authorized to provide for  
1149 the compensation of any purchaser of the notes by payment of a  
1150 fixed fee or commission and for all other costs and expenses of  
1151 issuance and service, including paying agent costs. Such costs  
1152 and expenses may be paid from the proceeds of the notes.

1153 (12) The bonds and interim notes authorized under the  
1154 authority of this section may be validated in the First Judicial  
1155 District of the Chancery Court of Hinds County, Mississippi, in  
1156 the manner and with the force and effect provided now or hereafter  
1157 by Chapter 13, Title 31, Mississippi Code of 1972, for the  
1158 validation of county, municipal, school district and other bonds.  
1159 The necessary papers for such validation proceedings shall be  
1160 transmitted to the State Bond Attorney, and the required notice

1161 shall be published in a newspaper published in the City of  
1162 Jackson, Mississippi.

1163 (13) Any bonds or interim notes issued under the provisions  
1164 of this chapter, a transaction relating to the sale or securing of  
1165 such bonds or interim notes, their transfer and the income  
1166 therefrom shall at all times be free from taxation by the state or  
1167 any local unit or political subdivision or other instrumentality  
1168 of the state, excepting inheritance and gift taxes.

1169 (14) All bonds issued under this chapter shall be legal  
1170 investments for trustees, other fiduciaries, savings banks, trust  
1171 companies and insurance companies organized under the laws of the  
1172 State of Mississippi; and such bonds shall be legal securities  
1173 which may be deposited with and shall be received by all public  
1174 officers and bodies of the state and all municipalities and other  
1175 political subdivisions thereof for the purpose of securing the  
1176 deposit of public funds.

1177 (15) The Attorney General of the State of Mississippi shall  
1178 represent the State Bond Commission in issuing, selling and  
1179 validating bonds herein provided for, and the Bond Commission is  
1180 hereby authorized and empowered to expend from the proceeds  
1181 derived from the sale of the bonds authorized hereunder all  
1182 necessary administrative, legal and other expenses incidental and  
1183 related to the issuance of bonds authorized under this chapter.

1184 (16) There is hereby created a special fund in the State  
1185 Treasury to be known as the Mississippi Major Economic Impact  
1186 Authority Fund wherein shall be deposited the proceeds of the  
1187 bonds issued under this chapter and all monies received by the  
1188 authority to carry out the purposes of this chapter. Expenditures  
1189 authorized herein shall be paid by the State Treasurer upon  
1190 warrants drawn from the fund, and the Department of Finance and  
1191 Administration shall issue warrants upon requisitions signed by  
1192 the director of the authority.

1193           (17) (a) There is hereby created the Mississippi Economic  
1194 Impact Authority Sinking Fund from which the principal of and  
1195 interest on such bonds shall be paid by appropriation. All monies  
1196 paid into the sinking fund not appropriated to pay accruing bonds  
1197 and interest shall be invested by the State Treasurer in such  
1198 securities as are provided by law for the investment of the  
1199 sinking funds of the state.

1200           (b) In the event that all or any part of the bonds and  
1201 notes are purchased, they shall be cancelled and returned to the  
1202 loan and transfer agent as cancelled and paid bonds and notes and  
1203 thereafter all payments of interest thereon shall cease and the  
1204 cancelled bonds, notes and coupons, together with any other  
1205 cancelled bonds, notes and coupons, shall be destroyed as promptly  
1206 as possible after cancellation but not later than two (2) years  
1207 after cancellation. A certificate evidencing the destruction of  
1208 the cancelled bonds, notes and coupons shall be provided by the  
1209 loan and transfer agent to the seller.

1210           (c) The State Treasurer shall determine and report to  
1211 the Department of Finance and Administration and Legislative  
1212 Budget Office by September 1 of each year the amount of money  
1213 necessary for the payment of the principal of and interest on  
1214 outstanding obligations for the following fiscal year and the  
1215 times and amounts of the payments. It shall be the duty of the  
1216 Governor to include in every executive budget submitted to the  
1217 Legislature full information relating to the issuance of bonds and  
1218 notes under the provisions of this chapter and the status of the  
1219 sinking fund for the payment of the principal of and interest on  
1220 the bonds and notes.

1221           (d) Any monies repaid to the state from loans  
1222 authorized in Section 57-75-11(hh) shall be deposited into the  
1223 Mississippi Major Economic Impact Authority Sinking Fund unless  
1224 the State Bond Commission, at the request of the authority, shall  
1225 determine that such loan repayments are needed to provide

1226 additional loans as authorized under Section 57-75-11(hh). For  
1227 purposes of providing additional loans, there is hereby created  
1228 the Mississippi Major Economic Impact Authority Revolving Loan  
1229 Fund and loan repayments shall be deposited into the fund. The  
1230 fund shall be maintained for such period as determined by the  
1231 State Bond Commission for the sole purpose of making additional  
1232 loans as authorized by Section 57-75-11(hh). Unexpended amounts  
1233 remaining in the fund at the end of a fiscal year shall not lapse  
1234 into the State General Fund and any interest earned on amounts in  
1235 such fund shall be deposited to the credit of the fund.

1236 (e) Any monies repaid to the state from loans  
1237 authorized in Section 57-75-11(ii) shall be deposited into the  
1238 Mississippi Major Economic Impact Authority Sinking Fund.

1239 (f) Any monies repaid to the state from loans  
1240 authorized in Section 57-75-11(jj) shall be deposited into the  
1241 Mississippi Major Economic Impact Authority Sinking Fund.

1242 (18) (a) Upon receipt of a declaration by the authority  
1243 that it has determined that the state is a potential site for a  
1244 project, the State Bond Commission is authorized and directed to  
1245 authorize the State Treasurer to borrow money from any special  
1246 fund in the State Treasury not otherwise appropriated to be  
1247 utilized by the authority for the purposes provided for in this  
1248 subsection.

1249 (b) The proceeds of the money borrowed under this  
1250 subsection may be utilized by the authority for the purpose of  
1251 defraying all or a portion of the costs incurred by the authority  
1252 with respect to acquisition options and planning, design and  
1253 environmental impact studies with respect to a project defined in  
1254 Section 57-75-5(f)(xi). The authority may escalate its budget and  
1255 expend the proceeds of the money borrowed under this subsection in  
1256 accordance with rules and regulations of the Department of Finance  
1257 and Administration in a manner consistent with the escalation of  
1258 federal funds.

1259           (c) The authority shall request an appropriation or  
1260 additional authority to issue general obligation bonds to repay  
1261 the borrowed funds and establish a date for the repayment of the  
1262 funds so borrowed.

1263           (d) Borrowings made under the provisions of this  
1264 subsection shall not exceed Five Hundred Thousand Dollars  
1265 (\$500,000.00) at any one time.

1266           **SECTION 4.** Section 27-65-101, Mississippi Code of 1972, is  
1267 amended as follows:

1268           27-65-101. (1) The exemptions from the provisions of this  
1269 chapter which are of an industrial nature or which are more  
1270 properly classified as industrial exemptions than any other  
1271 exemption classification of this chapter shall be confined to  
1272 those persons or property exempted by this section or by the  
1273 provisions of the Constitution of the United States or the State  
1274 of Mississippi. No industrial exemption as now provided by any  
1275 other section except Section 57-3-33 shall be valid as against the  
1276 tax herein levied. Any subsequent industrial exemption from the  
1277 tax levied hereunder shall be provided by amendment to this  
1278 section. No exemption provided in this section shall apply to  
1279 taxes levied by Section 27-65-15 or 27-65-21.

1280           The tax levied by this chapter shall not apply to the  
1281 following:

1282           (a) Sales of boxes, crates, cartons, cans, bottles and  
1283 other packaging materials to manufacturers and wholesalers for use  
1284 as containers or shipping materials to accompany goods sold by  
1285 said manufacturers or wholesalers where possession thereof will  
1286 pass to the customer at the time of sale of the goods contained  
1287 therein and sales to anyone of containers or shipping materials  
1288 for use in ships engaged in international commerce.

1289           (b) Sales of raw materials, catalysts, processing  
1290 chemicals, welding gases or other industrial processing gases  
1291 (except natural gas) to a manufacturer for use directly in

1292 manufacturing or processing a product for sale or rental or  
1293 repairing or reconditioning vessels or barges of fifty (50) tons  
1294 load displacement and over. For the purposes of this exemption,  
1295 electricity used directly in the electrolysis process in the  
1296 production of sodium chlorate shall be considered a raw material.  
1297 This exemption shall not apply to any property used as fuel except  
1298 to the extent that such fuel comprises by-products which have no  
1299 market value.

1300 (c) The gross proceeds of sales of dry docks, offshore  
1301 drilling equipment for use in oil exploitation or production,  
1302 vessels or barges of fifty (50) tons load displacement and over,  
1303 when sold by the manufacturer or builder thereof.

1304 (d) Sales to commercial fishermen of commercial fishing  
1305 boats of over five (5) tons load displacement and not more than  
1306 fifty (50) tons load displacement as registered with the United  
1307 States Coast Guard and licensed by the Mississippi Commission on  
1308 Marine Resources.

1309 (e) The gross income from repairs to vessels and barges  
1310 engaged in foreign trade or interstate transportation.

1311 (f) Sales of petroleum products to vessels or barges  
1312 for consumption in marine international commerce or interstate  
1313 transportation businesses.

1314 (g) Sales and rentals of rail rolling stock (and  
1315 component parts thereof) for ultimate use in interstate commerce  
1316 and gross income from services with respect to manufacturing,  
1317 repairing, cleaning, altering, reconditioning or improving such  
1318 rail rolling stock (and component parts thereof).

1319 (h) Sales of raw materials, catalysts, processing  
1320 chemicals, welding gases or other industrial processing gases  
1321 (except natural gas) used or consumed directly in manufacturing,  
1322 repairing, cleaning, altering, reconditioning or improving such  
1323 rail rolling stock (and component parts thereof). This exemption  
1324 shall not apply to any property used as fuel.



1325           (i) Sales of machinery or tools or repair parts  
1326 therefor or replacements thereof, fuel or supplies used directly  
1327 in manufacturing, converting or repairing ships of three thousand  
1328 (3,000) tons load displacement and over, but not to include office  
1329 and plant supplies or other equipment not directly used on the  
1330 ship being built, converted or repaired.

1331           (j) Sales of tangible personal property to persons  
1332 operating ships in international commerce for use or consumption  
1333 on board such ships. This exemption shall be limited to cases in  
1334 which procedures satisfactory to the commissioner, ensuring  
1335 against use in this state other than on such ships, are  
1336 established.

1337           (k) Sales of materials used in the construction of a  
1338 building, or any addition or improvement thereon, and sales of any  
1339 machinery and equipment not later than three (3) months after the  
1340 completion of construction of the building, or any addition  
1341 thereon, to be used therein, to qualified businesses, as defined  
1342 in Section 57-51-5, which are located in a county or portion  
1343 thereof designated as an enterprise zone pursuant to Sections  
1344 57-51-1 through 57-51-15.

1345           (l) Sales of materials used in the construction of a  
1346 building, or any addition or improvement thereon, and sales of any  
1347 machinery and equipment not later than three (3) months after the  
1348 completion of construction of the building, or any addition  
1349 thereon, to be used therein, to qualified businesses, as defined  
1350 in Section 57-54-5.

1351           (m) Income from storage and handling of perishable  
1352 goods by a public storage warehouse.

1353           (n) The value of natural gas lawfully injected into the  
1354 earth for cycling, repressuring or lifting of oil, or lawfully  
1355 vented or flared in connection with the production of oil;  
1356 however, if any gas so injected into the earth is sold for such  
1357 purposes, then the gas so sold shall not be exempt.

1358           (o) The gross collections from self-service commercial  
1359     laundering, drying, cleaning and pressing equipment.

1360           (p) Sales of materials used in the construction of a  
1361     building, or any addition or improvement thereon, and sales of any  
1362     machinery and equipment not later than three (3) months after the  
1363     completion of construction of the building, or any addition  
1364     thereon, to be used therein, to qualified companies, certified as  
1365     such by the Mississippi Development Authority under Section  
1366     57-53-1.

1367           (q) Sales of component materials used in the  
1368     construction of a building, or any addition or improvement  
1369     thereon, sales of machinery and equipment to be used therein, and  
1370     sales of manufacturing or processing machinery and equipment which  
1371     is permanently attached to the ground or to a permanent foundation  
1372     and which is not by its nature intended to be housed within a  
1373     building structure, not later than three (3) months after the  
1374     initial start-up date, to permanent business enterprises engaging  
1375     in manufacturing or processing in Tier Three areas (as such term  
1376     is defined in Section 57-73-21), which businesses are certified by  
1377     the State Tax Commission as being eligible for the exemption  
1378     granted in this paragraph (q).

1379           (r) Sales of component materials used in the  
1380     construction of a building, or any addition or improvement  
1381     thereon, and sales of any machinery and equipment not later than  
1382     three (3) months after the completion of the building, addition or  
1383     improvement thereon, to be used therein, for any company  
1384     establishing or transferring its national or regional headquarters  
1385     from within or outside the State of Mississippi and creating a  
1386     minimum of thirty-five (35) jobs at the new headquarters in this  
1387     state. The Tax Commission shall establish criteria and prescribe  
1388     procedures to determine if a company qualifies as a national or  
1389     regional headquarters for the purpose of receiving the exemption  
1390     provided in this paragraph.

1391           (s) The gross proceeds from the sale of semitrailers,  
1392 trailers, boats, travel trailers, motorcycles and all-terrain  
1393 cycles if exported from this state within forty-eight (48) hours  
1394 and registered and first used in another state.

1395           (t) Gross income from the storage and handling of  
1396 natural gas in underground salt domes and in other underground  
1397 reservoirs, caverns, structures and formations suitable for such  
1398 storage.

1399           (u) Sales of machinery and equipment to nonprofit  
1400 organizations if the organization: (i) is tax-exempt pursuant to  
1401 Section 501(c)(4) of the Internal Revenue Code of 1986, as  
1402 amended; (ii) assists in the implementation of the national  
1403 contingency plan or area contingency plan, and which is created in  
1404 response to the requirements of Title IV, Subtitle B of the Oil  
1405 Pollution Act of 1990, Public Law 101-380; and (iii) engages  
1406 primarily in programs to contain, clean up and otherwise mitigate  
1407 spills of oil or other substances occurring in the United States  
1408 coastal and tidal waters. For purposes of this exemption,  
1409 "machinery and equipment" means any ocean-going vessels, barges,  
1410 booms, skimmers and other capital equipment used primarily in the  
1411 operations of nonprofit organizations referred to herein.

1412           (v) Sales or leases of materials and equipment to  
1413 approved business enterprises as provided under the Growth and  
1414 Prosperity Act.

1415           (w) From and after July 1, 2001, sales of pollution  
1416 control equipment to manufacturers or custom processors for  
1417 industrial use. For the purposes of this exemption, "pollution  
1418 control equipment" means equipment, devices, machinery or systems  
1419 used or acquired to prevent, control, monitor or reduce air, water  
1420 or groundwater pollution, or solid or hazardous waste as required  
1421 by federal or state law or regulation.

1422           (x) Sales or leases to a manufacturer of motor vehicles  
1423 operating a project that has been certified by the Mississippi

1424 Major Economic Impact Authority as a project as defined in Section  
1425 57-75-5(f)(iv)1 of machinery and equipment; special tooling such  
1426 as dies, molds, jigs and similar items treated as special tooling  
1427 for federal income tax purposes; or repair parts therefor or  
1428 replacements thereof; repair services thereon; fuel, supplies,  
1429 electricity, coal and natural gas used directly in the manufacture  
1430 of motor vehicles or motor vehicle parts or used to provide  
1431 climate control for manufacturing areas.

1432           (y) Sales or leases of component materials, machinery  
1433 and equipment used in the construction of a building, or any  
1434 addition or improvement thereon to an enterprise operating a  
1435 project that has been certified by the Mississippi Major Economic  
1436 Impact Authority as a project as defined in Section  
1437 57-75-5(f)(iv)1 and any other sales or leases required to  
1438 establish or operate such project.

1439           (z) Sales of component materials and equipment to a  
1440 business enterprise as provided under Section 57-64-33.

1441           (aa) The gross income from the stripping and painting  
1442 of commercial aircraft engaged in foreign or interstate  
1443 transportation business.

1444           (bb) Sales of production items used in the production  
1445 of motion pictures such as film; videotape; component building  
1446 materials used in the construction of a set; makeup; fabric used  
1447 as or in the making of costumes; clothing, including, shoes,  
1448 accessories and jewelry used as wardrobes; materials used as set  
1449 dressing; materials used as props on a set or by an actor;  
1450 materials used in the creation of special effects; and expendable  
1451 items purchased for limited use by grip, electric and camera  
1452 departments such as tape, fasteners and compressed air. For the  
1453 purposes of this paragraph (aa) the term "motion picture" means a  
1454 nationally distributed feature-length film, video, television  
1455 series or commercial made in Mississippi, in whole or in part, for  
1456 theatrical or television viewing or as a television pilot. The

1457 term "motion picture" shall not include the production of  
1458 television coverage of news and athletic events, or a film, video,  
1459 television series or commercial that contains any material or  
1460 performance defined in Section 97-29-103.

1461 (cc) Sales or leases to an enterprise owning or  
1462 operating a project that has been designated by the Mississippi  
1463 Major Economic Impact Authority as a project as defined in Section  
1464 57-75-5(f)(xviii) of machinery and equipment; special tooling such  
1465 as dies, molds, jigs and similar items treated as special tooling  
1466 for federal income tax purposes; or repair parts therefor or  
1467 replacements thereof; repair services thereon; fuel, supplies,  
1468 electricity, coal and natural gas used directly in the  
1469 manufacturing/production operations of the project or used to  
1470 provide climate control for manufacturing/production areas.

1471 (dd) Sales or leases of component materials, machinery  
1472 and equipment used in the construction of a building, or any  
1473 addition or improvement thereon to an enterprise owning or  
1474 operating a project that has been designated by the Mississippi  
1475 Major Economic Impact Authority as a project as defined in Section  
1476 57-75-5(f)(xviii) and any other sales or leases required to  
1477 establish or operate such project.

1478 (2) Sales of component materials used in the construction of  
1479 a building, or any addition or improvement thereon, sales of  
1480 machinery and equipment to be used therein, and sales of  
1481 manufacturing or processing machinery and equipment which is  
1482 permanently attached to the ground or to a permanent foundation  
1483 and which is not by its nature intended to be housed within a  
1484 building structure, not later than three (3) months after the  
1485 initial start-up date, to permanent business enterprises engaging  
1486 in manufacturing or processing in Tier Two areas and Tier One  
1487 areas (as such areas are designated in accordance with Section  
1488 57-73-21), which businesses are certified by the State Tax  
1489 Commission as being eligible for the exemption granted in this

1490 paragraph, shall be exempt from one-half (1/2) of the taxes  
1491 imposed on such transactions under this chapter.

1492 (3) (a) For purposes of this subsection:

1493 (i) "Telecommunications enterprises" shall have  
1494 the meaning ascribed to such term in Section 57-73-21(13);

1495 (ii) "Tier One areas" mean counties designated as  
1496 Tier One areas pursuant to Section 57-73-21(1);

1497 (iii) "Tier Two areas" mean counties designated as  
1498 Tier Two areas pursuant to Section 57-73-21(1);

1499 (iv) "Tier Three areas" mean counties designated  
1500 as Tier Three areas pursuant to Section 57-73-21(1); and

1501 (v) "Equipment used in the deployment of broadband  
1502 technologies" means any equipment capable of being used for or in  
1503 connection with the transmission of information at a rate, prior  
1504 to taking into account the effects of any signal degradation, that  
1505 is not less than three hundred eighty-four (384) kilobits per  
1506 second in at least one direction, including, but not limited to,  
1507 asynchronous transfer mode switches, digital subscriber line  
1508 access multiplexers, routers, servers, multiplexers, fiber optics  
1509 and related equipment.

1510 (b) Sales of equipment to telecommunications  
1511 enterprises after June 30, 2003, and before July 1, 2013, that is  
1512 installed in Tier One areas and used in the deployment of  
1513 broadband technologies shall be exempt from one-half (1/2) of the  
1514 taxes imposed on such transactions under this chapter.

1515 (c) Sales of equipment to telecommunications  
1516 enterprises after June 30, 2003, and before July 1, 2013, that is  
1517 installed in Tier Two and Tier Three areas and used in the  
1518 deployment of broadband technologies shall be exempt from the  
1519 taxes imposed on such transactions under this chapter.

1520 **SECTION 5.** Section 27-67-7, Mississippi Code of 1972, is  
1521 amended as follows:

1522           27-67-7. The tax levied by this article shall not be  
1523 collected in the following instances:

1524           (a) On the use, storage or consumption of any tangible  
1525 personal property if the sale thereof has already been included in  
1526 the measure of this tax or the tax imposed by Section 27-65-24 or  
1527 Section 27-65-17, 27-65-19 or 27-65-25, or has already been  
1528 included in the measure of a sales tax imposed by another state in  
1529 which the property was sold or use tax imposed by some other state  
1530 in which the property was used. If the rate of sales or use tax  
1531 paid another state by the person using the property in Mississippi  
1532 is not equal to or greater than the rate imposed by this article,  
1533 then the user or purchaser shall apply the difference in these  
1534 rates to the purchase price or value of the property and pay to  
1535 the commissioner the amount of tax thus computed. Persons using  
1536 business property in this state which has been used by them in  
1537 other states shall be entitled to a credit for sales and/or use  
1538 tax paid to other states equal to the aggregate of all such state  
1539 rates multiplied by the value of the property at the time of  
1540 importation into this state. Persons using business property in  
1541 this state which was acquired from another person who used it in  
1542 other states shall be entitled to a credit equal to the applicable  
1543 rate in the state of last prior use multiplied by the value of the  
1544 property at the time of importation into this state. Provided,  
1545 however, that credit for use tax paid to another state shall not  
1546 apply on the purchase price of tangible personal property that has  
1547 been only stored or warehoused in the other state and the first  
1548 use of the property occurs in Mississippi. Provided, further,  
1549 that credit for sales or use tax paid to another state shall not  
1550 apply on the purchase price or value of automobiles, trucks,  
1551 truck-tractors, semitrailers, trailers, boats, travel trailers,  
1552 motorcycles and all-terrain cycles imported and first used in  
1553 Mississippi.

1554 Credit for sales or use tax paid to another state as provided  
1555 above shall be evidenced by an invoice clearly and correctly  
1556 showing the amount of such tax as a separate item, and no credit  
1557 shall be allowed otherwise.

1558 (b) On the use, storage or consumption of tangible  
1559 personal property to the extent that sales of similar property in  
1560 Mississippi are either excluded or specifically exempt from sales  
1561 tax or are taxed at the wholesale rate.

1562 This exemption shall be confined to the use of property the  
1563 sale of which is an itemized exemption in the Mississippi Sales  
1564 Tax Law, or to use by persons who are listed in said law as being  
1565 exempt from sales tax.

1566 (c) On the use, storage or consumption of tangible  
1567 personal property brought into this state by a nonresident for his  
1568 or her use or enjoyment while temporarily within the state, but  
1569 not including tangible personal property brought in for use in  
1570 connection with a business activity. This exemption shall not  
1571 apply to property which remains situated in this state for the  
1572 repeated use, storage or consumption by out-of-state visitors, or  
1573 which is acquired by visitors and first used in this state.

1574 (d) On the use of a motor vehicle for which a  
1575 registration is required by the motor vehicle law, when such motor  
1576 vehicle was purchased by a natural person for his personal or  
1577 family use while such person was a bona fide resident of another  
1578 state and who thereafter became a resident of this state, but not  
1579 to include a motor vehicle which is transferred by the owner  
1580 thereof for commercial use or for use by another person within  
1581 this state.

1582 (e) On the use of personal and household effects by a  
1583 natural person acquired while such person was a bona fide resident  
1584 of another state, and who thereafter became a resident of this  
1585 state.



1586           (f) On the use or rental of motion picture film,  
1587 video-audio tapes and phonograph records for exhibition either by  
1588 a person paying Mississippi sales tax on gross income from  
1589 admissions for such exhibitions or by a person operating a  
1590 television or radio broadcasting station.

1591           (g) On any vehicle purchased in another state for use  
1592 outside of this state by a Mississippi citizen serving in the  
1593 Armed Forces and stationed in another state who elects to license  
1594 the vehicle in Mississippi.

1595           (h) On the cost or value and on the use, storage and  
1596 consumption of rail rolling stock and component parts thereof.

1597           (i) On the use, storage or consumption of literature,  
1598 video tapes and photographic slides used by religious institutions  
1599 for the propagation of their creeds or for carrying on their  
1600 customary nonprofit religious activities, and on the use of any  
1601 tangible personal property purchased and first used in another  
1602 state by religious institutions for the propagation of their  
1603 creeds or for carrying on their customary nonprofit religious  
1604 activities. "Religious institution," for the purpose of this  
1605 exemption, means any religious institution granted an exemption  
1606 under 26 USCS Section 501(c)(3). Any exemption under this  
1607 paragraph obtained by fraud, misstatement or misrepresentation,  
1608 shall be cancelled by the State Tax Commission, and the person  
1609 committing the fraud, misstatement or misrepresentation shall be  
1610 liable for prosecution for fraud on the assessment, and, on  
1611 conviction, shall be fined not less than One Thousand Dollars  
1612 (\$1,000.00), or punished by imprisonment in the State Penitentiary  
1613 for a term not to exceed five (5) years, or both, within the  
1614 discretion of the court.

1615           (j) The tax on the cost or value of farm machinery used  
1616 in the harvesting of agricultural products shall be limited to the  
1617 ratio of use within this state to the life of the property.

1618           (k) On the use, storage or consumption, between July 1,  
1619 1993, and June 30, 1994, of machinery and equipment to  
1620 corporations qualified as tax-exempt organizations under Section  
1621 501(c)(4) of the Internal Revenue Code and established in response  
1622 to the Federal Oil Pollution Act of 1990 to provide a private  
1623 capability to respond to major oil spills. For purposes of this  
1624 exemption, "machinery and equipment" means property with a useful  
1625 life of at least three (3) years which is used primarily in the  
1626 operations of the Marine Oil Spill Response Corporation and shall  
1627 include, without limitation, vessels, barges, booms and skimmers.  
1628 This paragraph shall stand repealed on July 1, 1995.

1629           (l) On the use of machinery and equipment; special  
1630 tooling such as dies, molds, jigs and similar items treated as  
1631 special tooling for federal income tax purposes; or repair parts  
1632 therefor or replacements thereof; or repair services thereon; by a  
1633 taxpayer other than the manufacturer when the manufacturer still  
1634 holds title to the items and the items are purchased by the  
1635 manufacturer as a part of a project as defined in Section  
1636 57-75-5(f)(iv)1.

1637           (m) On the use, storage or consumption of utilities  
1638 purchased by a manufacturer described in Section 27-65-101(x).

1639           (n) On the use, storage or consumption of utilities  
1640 purchased by an enterprise described in Section 27-65-101(cc).

1641           **SECTION 6.** (1) Any enterprise owning or operating a project  
1642 as defined in Section 57-75-5(f)(xviii) is allowed a job tax  
1643 credit for taxes imposed by Section 27-7-5 equal to Five Thousand  
1644 Dollars (\$5,000.00) annually for each net new full-time employee  
1645 job for a period of ten (10) years from the date the credit  
1646 commences. The credit shall commence on the date selected by the  
1647 enterprise; provided, however, that the commencement date shall  
1648 not be more than two (2) years from the date the project becomes  
1649 fully operational. For the year in which the commencement date  
1650 occurs, the enterprise must select a date on which it has at least

1651 four hundred fifty (450) full-time employees subject to the  
1652 Mississippi income tax withholding. From that date to the end of  
1653 the year, the credit will be determined based on the remaining  
1654 monthly average of full-time employees subject to the Mississippi  
1655 income tax withholding. For each year thereafter, the number of  
1656 new full-time jobs created shall be determined by calculating the  
1657 monthly average number of full-time employees subject to the  
1658 Mississippi income tax withholding for the year. For every year  
1659 subsequent to the year the commencement date occurs, the credit is  
1660 not allowed for any year in which the overall monthly average  
1661 number of full-time employees subject to the Mississippi income  
1662 tax withholding falls below the minimum jobs requirement provided  
1663 in Section 57-75-5(f)(xviii). The State Tax Commission shall  
1664 adjust the credit allowed each year for the net new employment  
1665 fluctuations.

1666 (2) For the first five (5) years in which a tax credit is  
1667 claimed under this section, any tax credit claimed but not used in  
1668 any taxable year may be carried forward for five (5) consecutive  
1669 years from the close of the tax year in which the credits were  
1670 earned. For the remainder of the ten-year period, any tax credit  
1671 claimed under this section but not used in any taxable year may be  
1672 carried forward for three (3) consecutive years from the close of  
1673 the tax year in which the credits were earned. The credit that  
1674 may be utilized each year shall be limited to an amount not  
1675 greater than the total state income tax liability of the  
1676 enterprise that is generated by, or arises out of, the project.

1677 (3) The tax credits provided for in this section shall be in  
1678 lieu of the tax credits provided for in Section 57-73-21 and any  
1679 enterprise utilizing the tax credit authorized in this section  
1680 shall not utilize the tax credit authorized in Section 57-73-21.

1681 **SECTION 7.** (1) An enterprise owning or operating a project  
1682 as defined in Section 57-75-5(f)(xviii) is allowed an annual  
1683 investment tax credit for taxes imposed by Section 27-7-5 equal to

1684 seven and one-half percent (7-1/2%) of the eligible investments  
1685 made by the enterprise. The credit shall commence on the date  
1686 selected by the enterprise; provided, however, that the  
1687 commencement date shall not be more than two (2) years from the  
1688 date the project becomes fully operational. For the purposes of  
1689 this section, the term "eligible investment" means the amount of  
1690 investment in a project as defined in Section 57-75-5(f)(xviii)  
1691 that is greater than Four Hundred Million Dollars  
1692 (\$400,000,000.00) and used in the initial establishment of the  
1693 project.

1694 (2) Any tax credit claimed under this section but not used  
1695 in any taxable year may be carried forward for ten (10)  
1696 consecutive years from the close of the tax year in which the  
1697 credits were earned. The credit that may be utilized in any one  
1698 tax year shall be limited to an amount not greater than the total  
1699 state income tax liability of the enterprise for that year that is  
1700 generated by, or arises out of, the project.

1701 (3) The credit received under this section is subject to  
1702 recapture if the property for which the tax credit was received is  
1703 disposed of, or converted to, other than business use. The amount  
1704 of the credit subject to recapture is one hundred percent (100%)  
1705 of the credit in the first year and fifty percent (50%) of the  
1706 credit in the second year. This subsection shall not apply in  
1707 cases in which an entire facility is sold.

1708 **SECTION 8.** (1) (a) Any county in which there is to be  
1709 constructed a project as defined in Section 57-75-5(f)(xviii) is  
1710 authorized to assist in defraying the costs incurred or to be  
1711 incurred by the enterprise establishing such project by:

1712 (i) Contributing a sum of up to Five Million  
1713 Dollars (\$5,000,000.00) to such enterprise for use in connection  
1714 with the construction of the project; and/or

1715 (ii) Lending a sum of up to Five Million Dollars  
1716 upon such terms as the board of supervisors of such county and

1717 such enterprise may agree, the proceeds of which loan shall be  
1718 used by such enterprise in connection with the construction or  
1719 financing of the project.

1720 (b) In order to provide the amounts set forth in  
1721 paragraph (a) of this subsection (1), any such county may  
1722 appropriate monies from the county's general funds or provide such  
1723 amounts from the proceeds of general obligation bonds, or any  
1724 combination of the foregoing. Any such county may issue the bonds  
1725 for such purpose pursuant to the procedures for the issuance of  
1726 bonds under Chapter 9 of Title 19, Mississippi Code of 1972, or  
1727 Section 19-5-99.

1728 (2) The board of supervisors of any county may donate real  
1729 property for use in the location, construction and/or operation of  
1730 a project as defined under Section 57-75-5(f)(xviii) to one or  
1731 more economic development authorities, economic development  
1732 districts, industrial development authorities or similar public  
1733 agencies created pursuant to state law that engage in economic or  
1734 industrial development in the county, and any such public agencies  
1735 may accept such donation of real property from the county. Such  
1736 public agencies also may transfer and convey among themselves,  
1737 with or without consideration being paid or received, real  
1738 property to be used in the location, construction and/or operation  
1739 of such a project, and may accept such transfers or donations.

1740 (3) The powers and authority granted in this section are an  
1741 additional, alternative and supplemental method for the doing of  
1742 the things authorized by this section and are additional and  
1743 supplemental to, and not in derogation of, any other powers  
1744 conferred by law.

1745 **SECTION 9.** Section 19-7-3, Mississippi Code of 1972, is  
1746 amended as follows:

1747 19-7-3. (1) In case any of the real estate belonging to the  
1748 county shall cease to be used for county purposes, the board of  
1749 supervisors may sell, convey or lease the same on such terms as

1750 the board may elect and may, in addition, exchange the same for  
1751 real estate belonging to any other political subdivision located  
1752 within the county. In case of a sale on a credit, the county  
1753 shall have a lien on the same for the purchase money, as against  
1754 all persons, until paid and may enforce the lien as in such cases  
1755 provided by law. The deed of conveyance in such cases shall be  
1756 executed in the name of the county by the president of the board  
1757 of supervisors, pursuant to an order of the board entered on its  
1758 minutes.

1759 (2) (a) Before any lease, deed or conveyance is executed,  
1760 the board shall publish at least once each week for three (3)  
1761 consecutive weeks, in a public newspaper of the county in which  
1762 the land is located, or if no newspaper be published in said  
1763 county then in a newspaper having general circulation therein, the  
1764 intention to lease or sell, as the case may be, the county-owned  
1765 land and to accept sealed competitive bids for the leasing or  
1766 sale. The board shall thereafter accept bids for the lease or  
1767 sale and shall award the lease to the highest bidder in the manner  
1768 provided by law.

1769 (b) The board of supervisors of any county may contract  
1770 for the professional services of a Mississippi-licensed real  
1771 estate broker to assist in the marketing and sale or lease of the  
1772 property for a reasonable commission, consistent with or lower  
1773 than the market rate, for services rendered to be paid from the  
1774 sale or lease proceeds.

1775 (3) Whenever the board of supervisors shall find and  
1776 determine, by resolution duly and lawfully adopted and spread upon  
1777 its minutes (a) that any county-owned property is no longer needed  
1778 for county or related purposes and is not to be used in the  
1779 operation of the county, (b) that the sale of the property in the  
1780 manner otherwise provided by law is not necessary or desirable for  
1781 the financial welfare of the county, and (c) that the use of the  
1782 county property for the purpose for which it is to be sold,

1783 conveyed or leased will promote and foster the development and  
1784 improvement of the community in which it is located and the civic,  
1785 social, educational, cultural, moral, economic or industrial  
1786 welfare thereof, the board of supervisors of such county shall be  
1787 authorized and empowered, in its discretion, to sell, convey,  
1788 lease, or otherwise dispose of same for any of the purposes set  
1789 forth herein.

1790 (4) Nothing contained in this section shall be construed to  
1791 prohibit, restrict or to prescribe conditions with regard to the  
1792 authority granted under Section 17-25-3 or Section 8 of House Bill  
1793 No. 1668, 2005 Regular Session.

1794 **SECTION 10.** Section 19-9-1, Mississippi Code of 1972, is  
1795 amended as follows:

1796 19-9-1. The board of supervisors of any county is authorized  
1797 to issue negotiable bonds of the county to raise money for the  
1798 following purposes:

1799 (a) Purchasing or erecting, equipping, repairing,  
1800 reconstructing, remodeling and enlarging county buildings,  
1801 courthouses, office buildings, jails, hospitals, nurses' homes,  
1802 health centers, clinics, and related facilities, and the purchase  
1803 of land therefor;

1804 (b) Erecting, equipping, repairing, reconstructing,  
1805 remodeling, or acquiring county homes for indigents, and  
1806 purchasing land therefor;

1807 (c) Purchasing or constructing, repairing, improving  
1808 and equipping buildings for public libraries and for purchasing  
1809 land, equipment and books therefor, whether the title to same be  
1810 vested in the county issuing such bonds or in some subdivision of  
1811 the state government other than the county, or jointly in such  
1812 county and other such subdivision;

1813 (d) Establishing county farms for convicts, purchasing  
1814 land therefor, and erecting, remodeling, and equipping necessary  
1815 buildings therefor;

1816           (e) Constructing, reconstructing, and repairing roads,  
1817 highways and bridges, and acquiring the necessary land, including  
1818 land for road building materials, acquiring rights-of-way  
1819 therefor; and the purchase of heavy construction equipment and  
1820 accessories thereto reasonably required to construct, repair and  
1821 renovate roads, highways and bridges and approaches thereto within  
1822 the county;

1823           (f) Erecting, repairing, equipping, remodeling or  
1824 enlarging or assisting or cooperating with another county or other  
1825 counties in erecting, repairing, equipping, remodeling, or  
1826 enlarging buildings, and related facilities for an agricultural  
1827 high school, or agricultural high school-junior college, including  
1828 gymnasiums, auditoriums, lunchrooms, vocational training  
1829 buildings, libraries, teachers' homes, school barns, garages for  
1830 transportation vehicles, and purchasing land therefor;

1831           (g) Purchasing or renting voting machines and any other  
1832 election equipment to be used in elections held within the county;

1833           (h) Constructing, reconstructing or repairing boat  
1834 landing ramps and wharves fronting on the Mississippi Sound or the  
1835 Gulf of Mexico and on the banks or shores of the inland waters,  
1836 levees, bays and bayous of any county bordering on the Gulf of  
1837 Mexico or fronting on the Mississippi Sound, having two (2)  
1838 municipalities located therein, each with a population in excess  
1839 of twenty thousand (20,000) in accordance with the then last  
1840 preceding federal census;

1841           (i) Assisting the Board of Trustees of State  
1842 Institutions of Higher Learning, the Office of General Services or  
1843 any other state agency in acquiring a site for constructing  
1844 suitable buildings and runways and equipping an airport for any  
1845 state university or other state-supported four-year college now or  
1846 hereafter in existence in such county;

1847           (j) Aiding and cooperating in the planning,  
1848 undertaking, construction or operation of airports and air



1849 navigation facilities, including lending or donating money,  
1850 pursuant to the provisions of the airport authorities law, being  
1851 Sections 61-3-1 through 61-3-83, Mississippi Code of 1972,  
1852 regardless of whether such airports or air navigation facilities  
1853 are located in the county or counties issuing such bonds;

1854 (k) Establishing rubbish and garbage disposal systems  
1855 in accordance with the provisions of Sections 19-5-17 through  
1856 19-5-27;

1857 (l) Defraying the expenses of projects of the county  
1858 cooperative service district in which it is a participating  
1859 county, regardless of whether the project is located in the county  
1860 issuing such bonds;

1861 (m) Purchasing machinery and equipment which have an  
1862 expected useful life in excess of ten (10) years. The life of  
1863 such bonds shall not exceed the expected useful life of such  
1864 machinery and equipment. Machinery and equipment shall not  
1865 include any motor vehicle weighing less than twelve thousand  
1866 (12,000) pounds;

1867 (n) Purchasing fire fighting equipment and apparatus,  
1868 and providing housing for the same and purchasing land necessary  
1869 therefor;

1870 (o) A project for which a certificate of public  
1871 convenience and necessity has been obtained by the county pursuant  
1872 to the Regional Economic Development Act;

1873 (p) Constructing dams or low-water control structures  
1874 on lakes or bodies of water under the provisions of Section  
1875 19-5-92;

1876 (q) For the purposes provided for in Section 8 of House  
1877 Bill No. 1668, 2005 Regular Session.

1878 **SECTION 11.** Section 19-9-5, Mississippi Code of 1972, is  
1879 amended as follows:

1880 19-9-5. No county shall hereafter issue bonds secured by a  
1881 pledge of its full faith and credit for the purposes authorized by

1882 law in an amount which, when added to the then outstanding bonds  
1883 of such county, shall exceed either (a) fifteen percent (15%) of  
1884 the assessed value of the taxable property within such county  
1885 according to the last completed assessment for taxation, or (b)  
1886 fifteen percent (15%) of the assessment upon which taxes were  
1887 levied for its fiscal year ending September 30, 1984, whichever is  
1888 greater.

1889         However, any county in the state which shall have experienced  
1890 washed-out or collapsed bridges on the public roads of the county  
1891 for any cause or reason may hereafter issue bonds for bridge  
1892 purposes as now authorized by law in an amount which, when added  
1893 to the then outstanding general obligation bonds of such county,  
1894 shall not exceed either (a) twenty percent (20%) of the assessed  
1895 value of the taxable property within such county according to the  
1896 last completed assessment for taxation or (b) fifteen percent  
1897 (15%) of the assessment upon which taxes were levied for its  
1898 fiscal year ending September 30, 1984, whichever is greater.

1899         Provided further, in computing such indebtedness, there may  
1900 be deducted all bonds or other evidences of indebtedness  
1901 heretofore or hereafter issued, for the construction of hospitals,  
1902 ports or other capital improvements which are payable primarily  
1903 from the net revenue to be generated from such hospital, port or  
1904 other capital improvement, which revenue shall be pledged to the  
1905 retirement of such bonds or other evidences of indebtedness,  
1906 together with the full faith and credit of the county. However,  
1907 in no case shall any county contract any indebtedness payable in  
1908 whole or in part from proceeds of ad valorem taxes which, when  
1909 added to all of the outstanding general obligation indebtedness,  
1910 both bonded and floating, shall exceed either (a) twenty percent  
1911 (20%) of the assessed value of all taxable property within such  
1912 county according to the last completed assessment for taxation, or  
1913 (b) fifteen percent (15%) of the assessment upon which taxes were  
1914 levied for its fiscal year ending September 30, 1984, whichever is

1915 greater. Nothing herein contained shall be construed to apply to  
1916 contract obligations in any form heretofore or hereafter incurred  
1917 by any county which are subject to annual appropriations therefor,  
1918 or to bonds heretofore or hereafter issued by any county for  
1919 school purposes, or to bonds issued by any county under the  
1920 provisions of Sections 57-1-1 through 57-1-51, or to any  
1921 indebtedness incurred under Section 55-23-8, or to bonds issued  
1922 under Section 8 of House Bill No. 1668, 2005 Regular Session.

1923       **SECTION 12.** This act shall take effect and be in force from  
1924 and after its passage, except for Sections 6 and 7, which shall  
1925 take effect and be in force from and after January 1, 2005.