

By: Representative Watson

To: Ways and Means

HOUSE BILL NO. 1668
(As Sent to Governor)

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; and

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) It is the policy of the authority and the
666 authority is authorized to accommodate and support any enterprise
667 owning or operating a project defined in Section 57-75-5(f)(xviii)
668 that wishes to have a program of diversity in contracting, and/or
669 that wishes to do business with or cause its prime contractor to
670 do business with Mississippi companies, including those companies

671 that are small business concerns owned and controlled by socially
672 and economically disadvantaged individuals. The term "socially
673 and economically disadvantaged individuals" shall have the meaning
674 ascribed to such term under Section 8(d) of the Small Business Act
675 (15 USCS 637(d)) and relevant subcontracting regulations
676 promulgated pursuant thereto; except that women shall be presumed
677 to be socially and economically disadvantaged individuals for the
678 purposes of this paragraph.

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

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

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

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

692 4. Data supporting the expertise of the
693 project's principals;

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

697 6. Any other information required by the
698 authority.

699 (ii) The authority shall require that binding
700 commitments be entered into requiring that:

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

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

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

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

712 57-75-15. (1) Upon notification to the authority by the
713 enterprise that the state has been finally selected as the site
714 for the project, the State Bond Commission shall have the power
715 and is hereby authorized and directed, upon receipt of a
716 declaration from the authority as hereinafter provided, to borrow
717 money and issue general obligation bonds of the state in one or
718 more series for the purposes herein set out. Upon such
719 notification, the authority may thereafter from time to time
720 declare the necessity for the issuance of general obligation bonds
721 as authorized by this section and forward such declaration to the
722 State Bond Commission, provided that before such notification, the
723 authority may enter into agreements with the United States
724 government, private companies and others that will commit the
725 authority to direct the State Bond Commission to issue bonds for
726 eligible undertakings set out in subsection (4) of this section,
727 conditioned on the siting of the project in the state.

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

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

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

770 or will support critical studies or investigations authorized by
771 Section 57-75-5(f)(ii); however, not more than One Million Dollars
772 (\$1,000,000.00) in the aggregate shall be authorized for such
773 studies or investigations.

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

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

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

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

797 (g) Bonds issued under the authority of this section
798 for projects defined in Section 57-75-5(f)(viii) shall not exceed
799 Four Million Five Hundred Thousand Dollars (\$4,500,000.00). No
800 bonds shall be issued under this paragraph after June 30, 2007.

801 (h) Bonds issued under the authority of this section
802 for projects defined in Section 57-75-5(f)(ix) shall not exceed

803 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
804 under this paragraph after June 30, 2007.

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

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

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

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

830 (m) Bonds issued under the authority of this section
831 for projects defined in Section 57-75-5(f)(xv) shall not exceed
832 Five Hundred Thousand Dollars (\$500,000.00). No bonds shall be
833 issued under this paragraph after June 30, 2009.

834 (n) Bonds issued under the authority of this section
835 for projects defined in Section 57-75-5(f)(xvi) shall not exceed

836 Ten Million Dollars (\$10,000,000.00). No bonds shall be issued
837 under this paragraph after June 30, 2009.

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

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

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

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

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

863 (iii) Reimbursing the Mississippi Development
864 Authority for expenses it incurred in regard to projects defined
865 in Section 57-75-5(f)(iv) prior to November 6, 2000. The
866 Mississippi Development Authority shall submit an itemized list of
867 expenses it incurred in regard to such projects to the Chairmen of
868 the Finance and Appropriations Committees of the Senate and the

869 Chairmen of the Ways and Means and Appropriations Committees of
870 the House of Representatives;

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

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

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

883 (vii) Providing for the payment of interest on the
884 bonds;

885 (viii) Providing debt service reserves;

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

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

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

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

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

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

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

916 (b) (i) The proceeds of bonds issued after June 21,
917 2002, under this section for projects described in Section
918 57-75-5(f)(iv) may be used to reimburse reasonable actual and
919 necessary costs incurred by the Mississippi Development Authority
920 in providing assistance related to a project for which funding is
921 provided from the use of proceeds of such bonds. The Mississippi
922 Development Authority shall maintain an accounting of actual costs
923 incurred for each project for which reimbursements are sought.
924 Reimbursements under this paragraph (b)(i) shall not exceed Three
925 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
926 Reimbursements under this paragraph (b)(i) shall satisfy any
927 applicable federal tax law requirements.

928 (ii) The proceeds of bonds issued after June 21,
929 2002, under this section for projects described in Section
930 57-75-5(f)(iv) may be used to reimburse reasonable actual and
931 necessary costs incurred by the Department of Audit in providing
932 services related to a project for which funding is provided from

933 the use of proceeds of such bonds. The Department of Audit shall
934 maintain an accounting of actual costs incurred for each project
935 for which reimbursements are sought. The Department of Audit may
936 escalate its budget and expend such funds in accordance with rules
937 and regulations of the Department of Finance and Administration in
938 a manner consistent with the escalation of federal funds.
939 Reimbursements under this paragraph (b)(ii) shall not exceed One
940 Hundred Thousand Dollars (\$100,000.00) in the aggregate.
941 Reimbursements under this paragraph (b)(ii) shall satisfy any
942 applicable federal tax law requirements.

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

953 (ii) The proceeds of bonds issued under this
954 section for projects described in Section 57-75-5(f)(ix) may be
955 used to reimburse reasonable actual and necessary costs incurred
956 by the Department of Audit in providing services related to a
957 project for which funding is provided from the use of proceeds of
958 such bonds. The Department of Audit shall maintain an accounting
959 of actual costs incurred for each project for which reimbursements
960 are sought. The Department of Audit may escalate its budget and
961 expend such funds in accordance with rules and regulations of the
962 Department of Finance and Administration in a manner consistent
963 with the escalation of federal funds. Reimbursements under this
964 paragraph shall not exceed Twenty-five Thousand Dollars
965 (\$25,000.00) in the aggregate. Reimbursements under this

966 paragraph shall satisfy any applicable federal tax law
967 requirements.

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

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

993 (e) (i) The proceeds of bonds issued under this
994 section for projects described in Section 57-75-5(f)(xii) may be
995 used to reimburse reasonable actual and necessary costs incurred
996 by the Mississippi Development Authority in providing assistance
997 related to a project for which funding is provided from the use of
998 proceeds of such bonds. The Mississippi Development Authority

999 shall maintain an accounting of actual costs incurred for each
1000 project for which reimbursements are sought. Reimbursements under
1001 this paragraph (e)(i) shall not exceed Twenty-five Thousand
1002 Dollars (\$25,000.00) in the aggregate.

1003 (ii) The proceeds of bonds issued under this
1004 section for projects described in Section 57-75-5(f)(xii) may be
1005 used to reimburse reasonable actual and necessary costs incurred
1006 by the Department of Audit in providing services related to a
1007 project for which funding is provided from the use of proceeds of
1008 such bonds. The Department of Audit shall maintain an accounting
1009 of actual costs incurred for each project for which reimbursements
1010 are sought. The Department of Audit may escalate its budget and
1011 expend such funds in accordance with rules and regulations of the
1012 Department of Finance and Administration in a manner consistent
1013 with the escalation of federal funds. Reimbursements under this
1014 paragraph (e)(ii) shall not exceed Twenty-five Thousand Dollars
1015 (\$25,000.00) in the aggregate. Reimbursements under this
1016 paragraph (e)(ii) shall satisfy any applicable federal tax law
1017 requirements.

1018 (f) (i) The proceeds of bonds issued under this
1019 section for projects described in Section 57-75-5(f)(xiii),
1020 (f)(xiv), (f)(xv), (f)(xvi), (f)(xvii) and (f)(xviii) may be used
1021 to reimburse reasonable actual and necessary costs incurred by the
1022 Mississippi Development Authority in providing assistance related
1023 to a project for which funding is provided from the use of
1024 proceeds of such bonds. The Mississippi Development Authority
1025 shall maintain an accounting of actual costs incurred for each
1026 project for which reimbursements are sought. Reimbursements under
1027 this paragraph (f)(i) shall not exceed Twenty-five Thousand
1028 Dollars (\$25,000.00) for each project.

1029 (ii) The proceeds of bonds issued under this
1030 section for projects described in Section 57-75-5(f)(xiii),
1031 (f)(xiv), (f)(xv), (f)(xvi), (f)(xvii) and (f)(xviii) may be used

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

1045 (5) The principal of and the interest on the bonds shall be
1046 payable in the manner hereinafter set forth. The bonds shall bear
1047 date or dates; be in such denomination or denominations; bear
1048 interest at such rate or rates; be payable at such place or places
1049 within or without the state; mature absolutely at such time or
1050 times; be redeemable before maturity at such time or times and
1051 upon such terms, with or without premium; bear such registration
1052 privileges; and be substantially in such form; all as shall be
1053 determined by resolution of the State Bond Commission except that
1054 such bonds shall mature or otherwise be retired in annual
1055 installments beginning not more than five (5) years from the date
1056 thereof and extending not more than twenty-five (25) years from
1057 the date thereof. The bonds shall be signed by the Chairman of
1058 the State Bond Commission, or by his facsimile signature, and the
1059 official seal of the State Bond Commission shall be imprinted on
1060 or affixed thereto, attested by the manual or facsimile signature
1061 of the Secretary of the State Bond Commission. Whenever any such
1062 bonds have been signed by the officials herein designated to sign
1063 the bonds, who were in office at the time of such signing but who
1064 may have ceased to be such officers before the sale and delivery

1065 of such bonds, or who may not have been in office on the date such
1066 bonds may bear, the signatures of such officers upon such bonds
1067 shall nevertheless be valid and sufficient for all purposes and
1068 have the same effect as if the person so officially signing such
1069 bonds had remained in office until the delivery of the same to the
1070 purchaser, or had been in office on the date such bonds may bear.

1071 (6) All bonds issued under the provisions of this section
1072 shall be and are hereby declared to have all the qualities and
1073 incidents of negotiable instruments under the provisions of the
1074 Uniform Commercial Code and in exercising the powers granted by
1075 this chapter, the State Bond Commission shall not be required to
1076 and need not comply with the provisions of the Uniform Commercial
1077 Code.

1078 (7) The State Bond Commission shall sell the bonds on sealed
1079 bids at public sale, and for such price as it may determine to be
1080 for the best interest of the State of Mississippi, but no such
1081 sale shall be made at a price less than par plus accrued interest
1082 to date of delivery of the bonds to the purchaser. The bonds
1083 shall bear interest at such rate or rates not exceeding the limits
1084 set forth in Section 75-17-101 as shall be fixed by the State Bond
1085 Commission. All interest accruing on such bonds so issued shall
1086 be payable semiannually or annually; provided that the first
1087 interest payment may be for any period of not more than one (1)
1088 year.

1089 Notice of the sale of any bonds shall be published at least
1090 one time, the first of which shall be made not less than ten (10)
1091 days prior to the date of sale, and shall be so published in one
1092 or more newspapers having a general circulation in the City of
1093 Jackson and in one or more other newspapers or financial journals
1094 with a large national circulation, to be selected by the State
1095 Bond Commission.

1096 The State Bond Commission, when issuing any bonds under the
1097 authority of this section, may provide that the bonds, at the

1098 option of the state, may be called in for payment and redemption
1099 at the call price named therein and accrued interest on such date
1100 or dates named therein.

1101 (8) State bonds issued under the provisions of this section
1102 shall be the general obligations of the state and backed by the
1103 full faith and credit of the state. The Legislature shall
1104 appropriate annually an amount sufficient to pay the principal of
1105 and the interest on such bonds as they become due. All bonds
1106 shall contain recitals on their faces substantially covering the
1107 foregoing provisions of this section.

1108 (9) The State Treasurer is authorized to certify to the
1109 Department of Finance and Administration the necessity for
1110 warrants, and the Department of Finance and Administration is
1111 authorized and directed to issue such warrants payable out of any
1112 funds appropriated by the Legislature under this section for such
1113 purpose, in such amounts as may be necessary to pay when due the
1114 principal of and interest on all bonds issued under the provisions
1115 of this section. The State Treasurer shall forward the necessary
1116 amount to the designated place or places of payment of such bonds
1117 in ample time to discharge such bonds, or the interest thereon, on
1118 the due dates thereof.

1119 (10) The bonds may be issued without any other proceedings
1120 or the happening of any other conditions or things other than
1121 those proceedings, conditions and things which are specified or
1122 required by this chapter. Any resolution providing for the
1123 issuance of general obligation bonds under the provisions of this
1124 section shall become effective immediately upon its adoption by
1125 the State Bond Commission, and any such resolution may be adopted
1126 at any regular or special meeting of the State Bond Commission by
1127 a majority of its members.

1128 (11) In anticipation of the issuance of bonds hereunder, the
1129 State Bond Commission is authorized to negotiate and enter into
1130 any purchase, loan, credit or other agreement with any bank, trust

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

1151 (12) The bonds and interim notes authorized under the
1152 authority of this section may be validated in the First Judicial
1153 District of the Chancery Court of Hinds County, Mississippi, in
1154 the manner and with the force and effect provided now or hereafter
1155 by Chapter 13, Title 31, Mississippi Code of 1972, for the
1156 validation of county, municipal, school district and other bonds.
1157 The necessary papers for such validation proceedings shall be
1158 transmitted to the State Bond Attorney, and the required notice
1159 shall be published in a newspaper published in the City of
1160 Jackson, Mississippi.

1161 (13) Any bonds or interim notes issued under the provisions
1162 of this chapter, a transaction relating to the sale or securing of
1163 such bonds or interim notes, their transfer and the income

1164 therefrom shall at all times be free from taxation by the state or
1165 any local unit or political subdivision or other instrumentality
1166 of the state, excepting inheritance and gift taxes.

1167 (14) All bonds issued under this chapter shall be legal
1168 investments for trustees, other fiduciaries, savings banks, trust
1169 companies and insurance companies organized under the laws of the
1170 State of Mississippi; and such bonds shall be legal securities
1171 which may be deposited with and shall be received by all public
1172 officers and bodies of the state and all municipalities and other
1173 political subdivisions thereof for the purpose of securing the
1174 deposit of public funds.

1175 (15) The Attorney General of the State of Mississippi shall
1176 represent the State Bond Commission in issuing, selling and
1177 validating bonds herein provided for, and the Bond Commission is
1178 hereby authorized and empowered to expend from the proceeds
1179 derived from the sale of the bonds authorized hereunder all
1180 necessary administrative, legal and other expenses incidental and
1181 related to the issuance of bonds authorized under this chapter.

1182 (16) There is hereby created a special fund in the State
1183 Treasury to be known as the Mississippi Major Economic Impact
1184 Authority Fund wherein shall be deposited the proceeds of the
1185 bonds issued under this chapter and all monies received by the
1186 authority to carry out the purposes of this chapter. Expenditures
1187 authorized herein shall be paid by the State Treasurer upon
1188 warrants drawn from the fund, and the Department of Finance and
1189 Administration shall issue warrants upon requisitions signed by
1190 the director of the authority.

1191 (17) (a) There is hereby created the Mississippi Economic
1192 Impact Authority Sinking Fund from which the principal of and
1193 interest on such bonds shall be paid by appropriation. All monies
1194 paid into the sinking fund not appropriated to pay accruing bonds
1195 and interest shall be invested by the State Treasurer in such

1196 securities as are provided by law for the investment of the
1197 sinking funds of the state.

1198 (b) In the event that all or any part of the bonds and
1199 notes are purchased, they shall be cancelled and returned to the
1200 loan and transfer agent as cancelled and paid bonds and notes and
1201 thereafter all payments of interest thereon shall cease and the
1202 cancelled bonds, notes and coupons, together with any other
1203 cancelled bonds, notes and coupons, shall be destroyed as promptly
1204 as possible after cancellation but not later than two (2) years
1205 after cancellation. A certificate evidencing the destruction of
1206 the cancelled bonds, notes and coupons shall be provided by the
1207 loan and transfer agent to the seller.

1208 (c) The State Treasurer shall determine and report to
1209 the Department of Finance and Administration and Legislative
1210 Budget Office by September 1 of each year the amount of money
1211 necessary for the payment of the principal of and interest on
1212 outstanding obligations for the following fiscal year and the
1213 times and amounts of the payments. It shall be the duty of the
1214 Governor to include in every executive budget submitted to the
1215 Legislature full information relating to the issuance of bonds and
1216 notes under the provisions of this chapter and the status of the
1217 sinking fund for the payment of the principal of and interest on
1218 the bonds and notes.

1219 (d) Any monies repaid to the state from loans
1220 authorized in Section 57-75-11(hh) shall be deposited into the
1221 Mississippi Major Economic Impact Authority Sinking Fund unless
1222 the State Bond Commission, at the request of the authority, shall
1223 determine that such loan repayments are needed to provide
1224 additional loans as authorized under Section 57-75-11(hh). For
1225 purposes of providing additional loans, there is hereby created
1226 the Mississippi Major Economic Impact Authority Revolving Loan
1227 Fund and loan repayments shall be deposited into the fund. The
1228 fund shall be maintained for such period as determined by the

1229 State Bond Commission for the sole purpose of making additional
1230 loans as authorized by Section 57-75-11(hh). Unexpended amounts
1231 remaining in the fund at the end of a fiscal year shall not lapse
1232 into the State General Fund and any interest earned on amounts in
1233 such fund shall be deposited to the credit of the fund.

1234 (e) Any monies repaid to the state from loans
1235 authorized in Section 57-75-11(ii) shall be deposited into the
1236 Mississippi Major Economic Impact Authority Sinking Fund.

1237 (f) Any monies repaid to the state from loans
1238 authorized in Section 57-75-11(jj) shall be deposited into the
1239 Mississippi Major Economic Impact Authority Sinking Fund.

1240 (18) (a) Upon receipt of a declaration by the authority
1241 that it has determined that the state is a potential site for a
1242 project, the State Bond Commission is authorized and directed to
1243 authorize the State Treasurer to borrow money from any special
1244 fund in the State Treasury not otherwise appropriated to be
1245 utilized by the authority for the purposes provided for in this
1246 subsection.

1247 (b) The proceeds of the money borrowed under this
1248 subsection may be utilized by the authority for the purpose of
1249 defraying all or a portion of the costs incurred by the authority
1250 with respect to acquisition options and planning, design and
1251 environmental impact studies with respect to a project defined in
1252 Section 57-75-5(f)(xi). The authority may escalate its budget and
1253 expend the proceeds of the money borrowed under this subsection in
1254 accordance with rules and regulations of the Department of Finance
1255 and Administration in a manner consistent with the escalation of
1256 federal funds.

1257 (c) The authority shall request an appropriation or
1258 additional authority to issue general obligation bonds to repay
1259 the borrowed funds and establish a date for the repayment of the
1260 funds so borrowed.

1261 (d) Borrowings made under the provisions of this
1262 subsection shall not exceed Five Hundred Thousand Dollars
1263 (\$500,000.00) at any one time.

1264 **SECTION 4.** Section 27-65-101, Mississippi Code of 1972, is
1265 amended as follows:

1266 27-65-101. (1) The exemptions from the provisions of this
1267 chapter which are of an industrial nature or which are more
1268 properly classified as industrial exemptions than any other
1269 exemption classification of this chapter shall be confined to
1270 those persons or property exempted by this section or by the
1271 provisions of the Constitution of the United States or the State
1272 of Mississippi. No industrial exemption as now provided by any
1273 other section except Section 57-3-33 shall be valid as against the
1274 tax herein levied. Any subsequent industrial exemption from the
1275 tax levied hereunder shall be provided by amendment to this
1276 section. No exemption provided in this section shall apply to
1277 taxes levied by Section 27-65-15 or 27-65-21.

1278 The tax levied by this chapter shall not apply to the
1279 following:

1280 (a) Sales of boxes, crates, cartons, cans, bottles and
1281 other packaging materials to manufacturers and wholesalers for use
1282 as containers or shipping materials to accompany goods sold by
1283 said manufacturers or wholesalers where possession thereof will
1284 pass to the customer at the time of sale of the goods contained
1285 therein and sales to anyone of containers or shipping materials
1286 for use in ships engaged in international commerce.

1287 (b) Sales of raw materials, catalysts, processing
1288 chemicals, welding gases or other industrial processing gases
1289 (except natural gas) to a manufacturer for use directly in
1290 manufacturing or processing a product for sale or rental or
1291 repairing or reconditioning vessels or barges of fifty (50) tons
1292 load displacement and over. For the purposes of this exemption,
1293 electricity used directly in the electrolysis process in the

1294 production of sodium chlorate shall be considered a raw material.
1295 This exemption shall not apply to any property used as fuel except
1296 to the extent that such fuel comprises by-products which have no
1297 market value.

1298 (c) The gross proceeds of sales of dry docks, offshore
1299 drilling equipment for use in oil exploitation or production,
1300 vessels or barges of fifty (50) tons load displacement and over,
1301 when sold by the manufacturer or builder thereof.

1302 (d) Sales to commercial fishermen of commercial fishing
1303 boats of over five (5) tons load displacement and not more than
1304 fifty (50) tons load displacement as registered with the United
1305 States Coast Guard and licensed by the Mississippi Commission on
1306 Marine Resources.

1307 (e) The gross income from repairs to vessels and barges
1308 engaged in foreign trade or interstate transportation.

1309 (f) Sales of petroleum products to vessels or barges
1310 for consumption in marine international commerce or interstate
1311 transportation businesses.

1312 (g) Sales and rentals of rail rolling stock (and
1313 component parts thereof) for ultimate use in interstate commerce
1314 and gross income from services with respect to manufacturing,
1315 repairing, cleaning, altering, reconditioning or improving such
1316 rail rolling stock (and component parts thereof).

1317 (h) Sales of raw materials, catalysts, processing
1318 chemicals, welding gases or other industrial processing gases
1319 (except natural gas) used or consumed directly in manufacturing,
1320 repairing, cleaning, altering, reconditioning or improving such
1321 rail rolling stock (and component parts thereof). This exemption
1322 shall not apply to any property used as fuel.

1323 (i) Sales of machinery or tools or repair parts
1324 therefor or replacements thereof, fuel or supplies used directly
1325 in manufacturing, converting or repairing ships of three thousand
1326 (3,000) tons load displacement and over, but not to include office

1327 and plant supplies or other equipment not directly used on the
1328 ship being built, converted or repaired.

1329 (j) Sales of tangible personal property to persons
1330 operating ships in international commerce for use or consumption
1331 on board such ships. This exemption shall be limited to cases in
1332 which procedures satisfactory to the commissioner, ensuring
1333 against use in this state other than on such ships, are
1334 established.

1335 (k) Sales of materials used in the construction of a
1336 building, or any addition or improvement thereon, and sales of any
1337 machinery and equipment not later than three (3) months after the
1338 completion of construction of the building, or any addition
1339 thereon, to be used therein, to qualified businesses, as defined
1340 in Section 57-51-5, which are located in a county or portion
1341 thereof designated as an enterprise zone pursuant to Sections
1342 57-51-1 through 57-51-15.

1343 (l) Sales of materials used in the construction of a
1344 building, or any addition or improvement thereon, and sales of any
1345 machinery and equipment not later than three (3) months after the
1346 completion of construction of the building, or any addition
1347 thereon, to be used therein, to qualified businesses, as defined
1348 in Section 57-54-5.

1349 (m) Income from storage and handling of perishable
1350 goods by a public storage warehouse.

1351 (n) The value of natural gas lawfully injected into the
1352 earth for cycling, repressuring or lifting of oil, or lawfully
1353 vented or flared in connection with the production of oil;
1354 however, if any gas so injected into the earth is sold for such
1355 purposes, then the gas so sold shall not be exempt.

1356 (o) The gross collections from self-service commercial
1357 laundering, drying, cleaning and pressing equipment.

1358 (p) Sales of materials used in the construction of a
1359 building, or any addition or improvement thereon, and sales of any

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

1365 (q) Sales of component materials used in the
1366 construction of a building, or any addition or improvement
1367 thereon, sales of machinery and equipment to be used therein, and
1368 sales of manufacturing or processing machinery and equipment which
1369 is permanently attached to the ground or to a permanent foundation
1370 and which is not by its nature intended to be housed within a
1371 building structure, not later than three (3) months after the
1372 initial start-up date, to permanent business enterprises engaging
1373 in manufacturing or processing in Tier Three areas (as such term
1374 is defined in Section 57-73-21), which businesses are certified by
1375 the State Tax Commission as being eligible for the exemption
1376 granted in this paragraph (q).

1377 (r) Sales of component materials used in the
1378 construction of a building, or any addition or improvement
1379 thereon, and sales of any machinery and equipment not later than
1380 three (3) months after the completion of the building, addition or
1381 improvement thereon, to be used therein, for any company
1382 establishing or transferring its national or regional headquarters
1383 from within or outside the State of Mississippi and creating a
1384 minimum of thirty-five (35) jobs at the new headquarters in this
1385 state. The Tax Commission shall establish criteria and prescribe
1386 procedures to determine if a company qualifies as a national or
1387 regional headquarters for the purpose of receiving the exemption
1388 provided in this paragraph.

1389 (s) The gross proceeds from the sale of semitrailers,
1390 trailers, boats, travel trailers, motorcycles and all-terrain
1391 cycles if exported from this state within forty-eight (48) hours
1392 and registered and first used in another state.

1393 (t) Gross income from the storage and handling of
1394 natural gas in underground salt domes and in other underground
1395 reservoirs, caverns, structures and formations suitable for such
1396 storage.

1397 (u) Sales of machinery and equipment to nonprofit
1398 organizations if the organization: (i) is tax-exempt pursuant to
1399 Section 501(c)(4) of the Internal Revenue Code of 1986, as
1400 amended; (ii) assists in the implementation of the national
1401 contingency plan or area contingency plan, and which is created in
1402 response to the requirements of Title IV, Subtitle B of the Oil
1403 Pollution Act of 1990, Public Law 101-380; and (iii) engages
1404 primarily in programs to contain, clean up and otherwise mitigate
1405 spills of oil or other substances occurring in the United States
1406 coastal and tidal waters. For purposes of this exemption,
1407 "machinery and equipment" means any ocean-going vessels, barges,
1408 booms, skimmers and other capital equipment used primarily in the
1409 operations of nonprofit organizations referred to herein.

1410 (v) Sales or leases of materials and equipment to
1411 approved business enterprises as provided under the Growth and
1412 Prosperity Act.

1413 (w) From and after July 1, 2001, sales of pollution
1414 control equipment to manufacturers or custom processors for
1415 industrial use. For the purposes of this exemption, "pollution
1416 control equipment" means equipment, devices, machinery or systems
1417 used or acquired to prevent, control, monitor or reduce air, water
1418 or groundwater pollution, or solid or hazardous waste as required
1419 by federal or state law or regulation.

1420 (x) Sales or leases to a manufacturer of motor vehicles
1421 operating a project that has been certified by the Mississippi
1422 Major Economic Impact Authority as a project as defined in Section
1423 57-75-5(f)(iv)1 of machinery and equipment; special tooling such
1424 as dies, molds, jigs and similar items treated as special tooling
1425 for federal income tax purposes; or repair parts therefor or

1426 replacements thereof; repair services thereon; fuel, supplies,
1427 electricity, coal and natural gas used directly in the manufacture
1428 of motor vehicles or motor vehicle parts or used to provide
1429 climate control for manufacturing areas.

1430 (y) Sales or leases of component materials, machinery
1431 and equipment used in the construction of a building, or any
1432 addition or improvement thereon to an enterprise operating a
1433 project that has been certified by the Mississippi Major Economic
1434 Impact Authority as a project as defined in Section
1435 57-75-5(f)(iv)1 and any other sales or leases required to
1436 establish or operate such project.

1437 (z) Sales of component materials and equipment to a
1438 business enterprise as provided under Section 57-64-33.

1439 (aa) The gross income from the stripping and painting
1440 of commercial aircraft engaged in foreign or interstate
1441 transportation business.

1442 (bb) Sales of production items used in the production
1443 of motion pictures such as film; videotape; component building
1444 materials used in the construction of a set; makeup; fabric used
1445 as or in the making of costumes; clothing, including, shoes,
1446 accessories and jewelry used as wardrobes; materials used as set
1447 dressing; materials used as props on a set or by an actor;
1448 materials used in the creation of special effects; and expendable
1449 items purchased for limited use by grip, electric and camera
1450 departments such as tape, fasteners and compressed air. For the
1451 purposes of this paragraph (bb) the term "motion picture" means a
1452 nationally distributed feature-length film, video, television
1453 series or commercial made in Mississippi, in whole or in part, for
1454 theatrical or television viewing or as a television pilot. The
1455 term "motion picture" shall not include the production of
1456 television coverage of news and athletic events, or a film, video,
1457 television series or commercial that contains any material or
1458 performance defined in Section 97-29-103.

1459 (cc) Sales or leases to an enterprise owning or
1460 operating a project that has been designated by the Mississippi
1461 Major Economic Impact Authority as a project as defined in Section
1462 57-75-5(f)(xviii) of machinery and equipment; special tooling such
1463 as dies, molds, jigs and similar items treated as special tooling
1464 for federal income tax purposes; or repair parts therefor or
1465 replacements thereof; repair services thereon; fuel, supplies,
1466 electricity, coal and natural gas used directly in the
1467 manufacturing/production operations of the project or used to
1468 provide climate control for manufacturing/production areas.

1469 (dd) Sales or leases of component materials, machinery
1470 and equipment used in the construction of a building, or any
1471 addition or improvement thereon to an enterprise owning or
1472 operating a project that has been designated by the Mississippi
1473 Major Economic Impact Authority as a project as defined in Section
1474 57-75-5(f)(xviii) and any other sales or leases required to
1475 establish or operate such project.

1476 (2) Sales of component materials used in the construction of
1477 a building, or any addition or improvement thereon, sales of
1478 machinery and equipment to be used therein, and sales of
1479 manufacturing or processing machinery and equipment which is
1480 permanently attached to the ground or to a permanent foundation
1481 and which is not by its nature intended to be housed within a
1482 building structure, not later than three (3) months after the
1483 initial start-up date, to permanent business enterprises engaging
1484 in manufacturing or processing in Tier Two areas and Tier One
1485 areas (as such areas are designated in accordance with Section
1486 57-73-21), which businesses are certified by the State Tax
1487 Commission as being eligible for the exemption granted in this
1488 paragraph, shall be exempt from one-half (1/2) of the taxes
1489 imposed on such transactions under this chapter.

1490 (3) (a) For purposes of this subsection:

1491 (i) "Telecommunications enterprises" shall have
1492 the meaning ascribed to such term in Section 57-73-21(13);
1493 (ii) "Tier One areas" mean counties designated as
1494 Tier One areas pursuant to Section 57-73-21(1);
1495 (iii) "Tier Two areas" mean counties designated as
1496 Tier Two areas pursuant to Section 57-73-21(1);
1497 (iv) "Tier Three areas" mean counties designated
1498 as Tier Three areas pursuant to Section 57-73-21(1); and
1499 (v) "Equipment used in the deployment of broadband
1500 technologies" means any equipment capable of being used for or in
1501 connection with the transmission of information at a rate, prior
1502 to taking into account the effects of any signal degradation, that
1503 is not less than three hundred eighty-four (384) kilobits per
1504 second in at least one direction, including, but not limited to,
1505 asynchronous transfer mode switches, digital subscriber line
1506 access multiplexers, routers, servers, multiplexers, fiber optics
1507 and related equipment.

1508 (b) Sales of equipment to telecommunications
1509 enterprises after June 30, 2003, and before July 1, 2013, that is
1510 installed in Tier One areas and used in the deployment of
1511 broadband technologies shall be exempt from one-half (1/2) of the
1512 taxes imposed on such transactions under this chapter.

1513 (c) Sales of equipment to telecommunications
1514 enterprises after June 30, 2003, and before July 1, 2013, that is
1515 installed in Tier Two and Tier Three areas and used in the
1516 deployment of broadband technologies shall be exempt from the
1517 taxes imposed on such transactions under this chapter.

1518 **SECTION 5.** Section 27-67-7, Mississippi Code of 1972, is
1519 amended as follows:

1520 27-67-7. The tax levied by this article shall not be
1521 collected in the following instances:

1522 (a) On the use, storage or consumption of any tangible
1523 personal property if the sale thereof has already been included in

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

1552 Credit for sales or use tax paid to another state as provided
1553 above shall be evidenced by an invoice clearly and correctly
1554 showing the amount of such tax as a separate item, and no credit
1555 shall be allowed otherwise.

1556 (b) On the use, storage or consumption of tangible
1557 personal property to the extent that sales of similar property in
1558 Mississippi are either excluded or specifically exempt from sales
1559 tax or are taxed at the wholesale rate.

1560 This exemption shall be confined to the use of property the
1561 sale of which is an itemized exemption in the Mississippi Sales
1562 Tax Law, or to use by persons who are listed in said law as being
1563 exempt from sales tax.

1564 (c) On the use, storage or consumption of tangible
1565 personal property brought into this state by a nonresident for his
1566 or her use or enjoyment while temporarily within the state, but
1567 not including tangible personal property brought in for use in
1568 connection with a business activity. This exemption shall not
1569 apply to property which remains situated in this state for the
1570 repeated use, storage or consumption by out-of-state visitors, or
1571 which is acquired by visitors and first used in this state.

1572 (d) On the use of a motor vehicle for which a
1573 registration is required by the motor vehicle law, when such motor
1574 vehicle was purchased by a natural person for his personal or
1575 family use while such person was a bona fide resident of another
1576 state and who thereafter became a resident of this state, but not
1577 to include a motor vehicle which is transferred by the owner
1578 thereof for commercial use or for use by another person within
1579 this state.

1580 (e) On the use of personal and household effects by a
1581 natural person acquired while such person was a bona fide resident
1582 of another state, and who thereafter became a resident of this
1583 state.

1584 (f) On the use or rental of motion picture film,
1585 video-audio tapes and phonograph records for exhibition either by
1586 a person paying Mississippi sales tax on gross income from
1587 admissions for such exhibitions or by a person operating a
1588 television or radio broadcasting station.

1589 (g) On any vehicle purchased in another state for use
1590 outside of this state by a Mississippi citizen serving in the
1591 Armed Forces and stationed in another state who elects to license
1592 the vehicle in Mississippi.

1593 (h) On the cost or value and on the use, storage and
1594 consumption of rail rolling stock and component parts thereof.

1595 (i) On the use, storage or consumption of literature,
1596 video tapes and photographic slides used by religious institutions
1597 for the propagation of their creeds or for carrying on their
1598 customary nonprofit religious activities, and on the use of any
1599 tangible personal property purchased and first used in another
1600 state by religious institutions for the propagation of their
1601 creeds or for carrying on their customary nonprofit religious
1602 activities. "Religious institution," for the purpose of this
1603 exemption, means any religious institution granted an exemption
1604 under 26 USCS Section 501(c)(3). Any exemption under this
1605 paragraph obtained by fraud, misstatement or misrepresentation,
1606 shall be cancelled by the State Tax Commission, and the person
1607 committing the fraud, misstatement or misrepresentation shall be
1608 liable for prosecution for fraud on the assessment, and, on
1609 conviction, shall be fined not less than One Thousand Dollars
1610 (\$1,000.00), or punished by imprisonment in the State Penitentiary
1611 for a term not to exceed five (5) years, or both, within the
1612 discretion of the court.

1613 (j) The tax on the cost or value of farm machinery used
1614 in the harvesting of agricultural products shall be limited to the
1615 ratio of use within this state to the life of the property.

1616 (k) On the use, storage or consumption, between July 1,
1617 1993, and June 30, 1994, of machinery and equipment to
1618 corporations qualified as tax-exempt organizations under Section
1619 501(c)(4) of the Internal Revenue Code and established in response
1620 to the Federal Oil Pollution Act of 1990 to provide a private
1621 capability to respond to major oil spills. For purposes of this

1622 exemption, "machinery and equipment" means property with a useful
1623 life of at least three (3) years which is used primarily in the
1624 operations of the Marine Oil Spill Response Corporation and shall
1625 include, without limitation, vessels, barges, booms and skimmers.
1626 This paragraph shall stand repealed on July 1, 1995.

1627 (l) On the use of machinery and equipment; special
1628 tooling such as dies, molds, jigs and similar items treated as
1629 special tooling for federal income tax purposes; or repair parts
1630 therefor or replacements thereof; or repair services thereon; by a
1631 taxpayer other than the manufacturer when the manufacturer still
1632 holds title to the items and the items are purchased by the
1633 manufacturer as a part of a project as defined in Section
1634 57-75-5(f)(iv)1.

1635 (m) On the use, storage or consumption of utilities
1636 purchased by a manufacturer described in Section 27-65-101(x).

1637 (n) On the use, storage or consumption of utilities
1638 purchased by an enterprise described in Section 27-65-101(cc).

1639 **SECTION 6.** (1) Any enterprise owning or operating a project
1640 as defined in Section 57-75-5(f)(xviii) is allowed a job tax
1641 credit for taxes imposed by Section 27-7-5 equal to Five Thousand
1642 Dollars (\$5,000.00) annually for each net new full-time employee
1643 job for a period of ten (10) years from the date the credit
1644 commences. The credit shall commence on the date selected by the
1645 enterprise; provided, however, that the commencement date shall
1646 not be more than two (2) years from the date the project becomes
1647 fully operational. For the year in which the commencement date
1648 occurs, the enterprise must select a date on which it has at least
1649 four hundred fifty (450) full-time employees subject to the
1650 Mississippi income tax withholding. From that date to the end of
1651 the year, the credit will be determined based on the remaining
1652 monthly average of full-time employees subject to the Mississippi
1653 income tax withholding. For each year thereafter, the number of
1654 new full-time jobs created shall be determined by calculating the

1655 monthly average number of full-time employees subject to the
1656 Mississippi income tax withholding for the year. For every year
1657 subsequent to the year the commencement date occurs, the credit is
1658 not allowed for any year in which the overall monthly average
1659 number of full-time employees subject to the Mississippi income
1660 tax withholding falls below the minimum jobs requirement provided
1661 in Section 57-75-5(f)(xviii). The State Tax Commission shall
1662 adjust the credit allowed each year for the net new employment
1663 fluctuations.

1664 (2) For the first five (5) years in which a tax credit is
1665 claimed under this section, any tax credit claimed but not used in
1666 any taxable year may be carried forward for five (5) consecutive
1667 years from the close of the tax year in which the credits were
1668 earned. For the remainder of the ten-year period, any tax credit
1669 claimed under this section but not used in any taxable year may be
1670 carried forward for three (3) consecutive years from the close of
1671 the tax year in which the credits were earned. The credit that
1672 may be utilized each year shall be limited to an amount not
1673 greater than the total state income tax liability of the
1674 enterprise that is generated by, or arises out of, the project.

1675 (3) The tax credits provided for in this section shall be in
1676 lieu of the tax credits provided for in Section 57-73-21 and any
1677 enterprise utilizing the tax credit authorized in this section
1678 shall not utilize the tax credit authorized in Section 57-73-21.

1679 **SECTION 7.** (1) An enterprise owning or operating a project
1680 as defined in Section 57-75-5(f)(xviii) is allowed an annual
1681 investment tax credit for taxes imposed by Section 27-7-5 equal to
1682 seven and one-half percent (7-1/2%) of the eligible investments
1683 made by the enterprise. The credit shall commence on the date
1684 selected by the enterprise; provided, however, that the
1685 commencement date shall not be more than two (2) years from the
1686 date the project becomes fully operational. For the purposes of
1687 this section, the term "eligible investment" means the amount of

1688 investment in a project as defined in Section 57-75-5(f)(xviii)
1689 that is greater than Four Hundred Million Dollars
1690 (\$400,000,000.00) and used in the initial establishment of the
1691 project.

1692 (2) Any tax credit claimed under this section but not used
1693 in any taxable year may be carried forward for ten (10)
1694 consecutive years from the close of the tax year in which the
1695 credits were earned. The credit that may be utilized in any one
1696 tax year shall be limited to an amount not greater than the total
1697 state income tax liability of the enterprise for that year that is
1698 generated by, or arises out of, the project.

1699 (3) The credit received under this section is subject to
1700 recapture if the property for which the tax credit was received is
1701 disposed of, or converted to, other than business use. The amount
1702 of the credit subject to recapture is one hundred percent (100%)
1703 of the credit in the first year and fifty percent (50%) of the
1704 credit in the second year. This subsection shall not apply in
1705 cases in which an entire facility is sold.

1706 **SECTION 8.** (1) (a) Any county in which there is to be
1707 constructed a project as defined in Section 57-75-5(f)(xviii) is
1708 authorized to assist in defraying the costs incurred or to be
1709 incurred by the enterprise establishing such project by:

1710 (i) Contributing a sum of up to Five Million
1711 Dollars (\$5,000,000.00) to such enterprise for use in connection
1712 with the construction of the project; and/or

1713 (ii) Lending a sum of up to Five Million Dollars
1714 (\$5,000,000.00) upon such terms as the board of supervisors of
1715 such county and such enterprise may agree, the proceeds of which
1716 loan shall be used by such enterprise in connection with the
1717 construction or financing of the project.

1718 (b) In order to provide the amounts set forth in
1719 paragraph (a) of this subsection (1), any such county may
1720 appropriate monies from the county's general funds or provide such

1721 amounts from the proceeds of general obligation bonds, or any
1722 combination of the foregoing. Any such county may issue the bonds
1723 for such purpose pursuant to the procedures for the issuance of
1724 bonds under Chapter 9 of Title 19, Mississippi Code of 1972, or
1725 Section 19-5-99.

1726 (2) The board of supervisors of any county may donate real
1727 property for use in the location, construction and/or operation of
1728 a project as defined under Section 57-75-5(f)(xviii) to one or
1729 more economic development authorities, economic development
1730 districts, industrial development authorities or similar public
1731 agencies created pursuant to state law that engage in economic or
1732 industrial development in the county, and any such public agencies
1733 may accept such donation of real property from the county. Such
1734 public agencies also may transfer and convey among themselves,
1735 with or without consideration being paid or received, real
1736 property to be used in the location, construction and/or operation
1737 of such a project, and may accept such transfers or donations.

1738 (3) The powers and authority granted in this section are an
1739 additional, alternative and supplemental method for the doing of
1740 the things authorized by this section and are additional and
1741 supplemental to, and not in derogation of, any other powers
1742 conferred by law.

1743 **SECTION 9.** Section 19-7-3, Mississippi Code of 1972, is
1744 amended as follows:

1745 19-7-3. (1) In case any of the real estate belonging to the
1746 county shall cease to be used for county purposes, the board of
1747 supervisors may sell, convey or lease the same on such terms as
1748 the board may elect and may, in addition, exchange the same for
1749 real estate belonging to any other political subdivision located
1750 within the county. In case of a sale on a credit, the county
1751 shall have a lien on the same for the purchase money, as against
1752 all persons, until paid and may enforce the lien as in such cases
1753 provided by law. The deed of conveyance in such cases shall be

1754 executed in the name of the county by the president of the board
1755 of supervisors, pursuant to an order of the board entered on its
1756 minutes.

1757 (2) (a) Before any lease, deed or conveyance is executed,
1758 the board shall publish at least once each week for three (3)
1759 consecutive weeks, in a public newspaper of the county in which
1760 the land is located, or if no newspaper be published in said
1761 county then in a newspaper having general circulation therein, the
1762 intention to lease or sell, as the case may be, the county-owned
1763 land and to accept sealed competitive bids for the leasing or
1764 sale. The board shall thereafter accept bids for the lease or
1765 sale and shall award the lease to the highest bidder in the manner
1766 provided by law.

1767 (b) The board of supervisors of any county may contract
1768 for the professional services of a Mississippi-licensed real
1769 estate broker to assist in the marketing and sale or lease of the
1770 property for a reasonable commission, consistent with or lower
1771 than the market rate, for services rendered to be paid from the
1772 sale or lease proceeds.

1773 (3) Whenever the board of supervisors shall find and
1774 determine, by resolution duly and lawfully adopted and spread upon
1775 its minutes (a) that any county-owned property is no longer needed
1776 for county or related purposes and is not to be used in the
1777 operation of the county, (b) that the sale of the property in the
1778 manner otherwise provided by law is not necessary or desirable for
1779 the financial welfare of the county, and (c) that the use of the
1780 county property for the purpose for which it is to be sold,
1781 conveyed or leased will promote and foster the development and
1782 improvement of the community in which it is located and the civic,
1783 social, educational, cultural, moral, economic or industrial
1784 welfare thereof, the board of supervisors of such county shall be
1785 authorized and empowered, in its discretion, to sell, convey,

1786 lease, or otherwise dispose of same for any of the purposes set
1787 forth herein.

1788 (4) Nothing contained in this section shall be construed to
1789 prohibit, restrict or to prescribe conditions with regard to the
1790 authority granted under Section 17-25-3 or Section 8 of House Bill
1791 No. 1668, 2005 Regular Session.

1792 **SECTION 10.** Section 19-9-1, Mississippi Code of 1972, is
1793 amended as follows:

1794 19-9-1. The board of supervisors of any county is authorized
1795 to issue negotiable bonds of the county to raise money for the
1796 following purposes:

1797 (a) Purchasing or erecting, equipping, repairing,
1798 reconstructing, remodeling and enlarging county buildings,
1799 courthouses, office buildings, jails, hospitals, nurses' homes,
1800 health centers, clinics, and related facilities, and the purchase
1801 of land therefor;

1802 (b) Erecting, equipping, repairing, reconstructing,
1803 remodeling, or acquiring county homes for indigents, and
1804 purchasing land therefor;

1805 (c) Purchasing or constructing, repairing, improving
1806 and equipping buildings for public libraries and for purchasing
1807 land, equipment and books therefor, whether the title to same be
1808 vested in the county issuing such bonds or in some subdivision of
1809 the state government other than the county, or jointly in such
1810 county and other such subdivision;

1811 (d) Establishing county farms for convicts, purchasing
1812 land therefor, and erecting, remodeling, and equipping necessary
1813 buildings therefor;

1814 (e) Constructing, reconstructing, and repairing roads,
1815 highways and bridges, and acquiring the necessary land, including
1816 land for road building materials, acquiring rights-of-way
1817 therefor; and the purchase of heavy construction equipment and
1818 accessories thereto reasonably required to construct, repair and

1819 renovate roads, highways and bridges and approaches thereto within
1820 the county;

1821 (f) Erecting, repairing, equipping, remodeling or
1822 enlarging or assisting or cooperating with another county or other
1823 counties in erecting, repairing, equipping, remodeling, or
1824 enlarging buildings, and related facilities for an agricultural
1825 high school, or agricultural high school-junior college, including
1826 gymnasiums, auditoriums, lunchrooms, vocational training
1827 buildings, libraries, teachers' homes, school barns, garages for
1828 transportation vehicles, and purchasing land therefor;

1829 (g) Purchasing or renting voting machines and any other
1830 election equipment to be used in elections held within the county;

1831 (h) Constructing, reconstructing or repairing boat
1832 landing ramps and wharves fronting on the Mississippi Sound or the
1833 Gulf of Mexico and on the banks or shores of the inland waters,
1834 levees, bays and bayous of any county bordering on the Gulf of
1835 Mexico or fronting on the Mississippi Sound, having two (2)
1836 municipalities located therein, each with a population in excess
1837 of twenty thousand (20,000) in accordance with the then last
1838 preceding federal census;

1839 (i) Assisting the Board of Trustees of State
1840 Institutions of Higher Learning, the Office of General Services or
1841 any other state agency in acquiring a site for constructing
1842 suitable buildings and runways and equipping an airport for any
1843 state university or other state-supported four-year college now or
1844 hereafter in existence in such county;

1845 (j) Aiding and cooperating in the planning,
1846 undertaking, construction or operation of airports and air
1847 navigation facilities, including lending or donating money,
1848 pursuant to the provisions of the airport authorities law, being
1849 Sections 61-3-1 through 61-3-83, Mississippi Code of 1972,
1850 regardless of whether such airports or air navigation facilities
1851 are located in the county or counties issuing such bonds;

1852 (k) Establishing rubbish and garbage disposal systems
1853 in accordance with the provisions of Sections 19-5-17 through
1854 19-5-27;

1855 (l) Defraying the expenses of projects of the county
1856 cooperative service district in which it is a participating
1857 county, regardless of whether the project is located in the county
1858 issuing such bonds;

1859 (m) Purchasing machinery and equipment which have an
1860 expected useful life in excess of ten (10) years. The life of
1861 such bonds shall not exceed the expected useful life of such
1862 machinery and equipment. Machinery and equipment shall not
1863 include any motor vehicle weighing less than twelve thousand
1864 (12,000) pounds;

1865 (n) Purchasing fire fighting equipment and apparatus,
1866 and providing housing for the same and purchasing land necessary
1867 therefor;

1868 (o) A project for which a certificate of public
1869 convenience and necessity has been obtained by the county pursuant
1870 to the Regional Economic Development Act;

1871 (p) Constructing dams or low-water control structures
1872 on lakes or bodies of water under the provisions of Section
1873 19-5-92;

1874 (q) For the purposes provided for in Section 8 of House
1875 Bill No. 1668, 2005 Regular Session.

1876 **SECTION 11.** Section 19-9-5, Mississippi Code of 1972, is
1877 amended as follows:

1878 19-9-5. No county shall hereafter issue bonds secured by a
1879 pledge of its full faith and credit for the purposes authorized by
1880 law in an amount which, when added to the then outstanding bonds
1881 of such county, shall exceed either (a) fifteen percent (15%) of
1882 the assessed value of the taxable property within such county
1883 according to the last completed assessment for taxation, or (b)
1884 fifteen percent (15%) of the assessment upon which taxes were

1885 levied for its fiscal year ending September 30, 1984, whichever is
1886 greater.

1887 However, any county in the state which shall have experienced
1888 washed-out or collapsed bridges on the public roads of the county
1889 for any cause or reason may hereafter issue bonds for bridge
1890 purposes as now authorized by law in an amount which, when added
1891 to the then outstanding general obligation bonds of such county,
1892 shall not exceed either (a) twenty percent (20%) of the assessed
1893 value of the taxable property within such county according to the
1894 last completed assessment for taxation or (b) fifteen percent
1895 (15%) of the assessment upon which taxes were levied for its
1896 fiscal year ending September 30, 1984, whichever is greater.

1897 Provided further, in computing such indebtedness, there may
1898 be deducted all bonds or other evidences of indebtedness
1899 heretofore or hereafter issued, for the construction of hospitals,
1900 ports or other capital improvements which are payable primarily
1901 from the net revenue to be generated from such hospital, port or
1902 other capital improvement, which revenue shall be pledged to the
1903 retirement of such bonds or other evidences of indebtedness,
1904 together with the full faith and credit of the county. However,
1905 in no case shall any county contract any indebtedness payable in
1906 whole or in part from proceeds of ad valorem taxes which, when
1907 added to all of the outstanding general obligation indebtedness,
1908 both bonded and floating, shall exceed either (a) twenty percent
1909 (20%) of the assessed value of all taxable property within such
1910 county according to the last completed assessment for taxation, or
1911 (b) fifteen percent (15%) of the assessment upon which taxes were
1912 levied for its fiscal year ending September 30, 1984, whichever is
1913 greater. Nothing herein contained shall be construed to apply to
1914 contract obligations in any form heretofore or hereafter incurred
1915 by any county which are subject to annual appropriations therefor,
1916 or to bonds heretofore or hereafter issued by any county for
1917 school purposes, or to bonds issued by any county under the

1918 provisions of Sections 57-1-1 through 57-1-51, or to any
1919 indebtedness incurred under Section 55-23-8, or to bonds issued
1920 under Section 8 of House Bill No. 1668, 2005 Regular Session.

1921 **SECTION 12.** This act shall take effect and be in force from
1922 and after its passage, except for Sections 6 and 7, which shall
1923 take effect and be in force from and after January 1, 2005.