MISSISSIPPI LEGISLATURE REGULAR SESSION 2007

By: Representatives Flaggs, Masterson

To: Local and Private Legislation

HOUSE BILL NO. 1640

AN ACT TO AMEND CHAPTER 521, LAWS OF 1972, AS AMENDED BY CHAPTER 420, LAWS OF 1975, AS AMENDED BY CHAPTER 481, LAWS OF 1977, AS AMENDED BY CHAPTER 944, LOCAL AND PRIVATE LAWS OF 1990, AS AMENDED BY CHAPTER 939, LOCAL AND PRIVATE LAWS OF 1991, AS AMENDED BY CHAPTER 1012, LOCAL AND PRIVATE LAWS OF 1995, TO AUTHORIZE THE CITY OF VICKSBURG TO PROVIDE MUNICIPAL EQUIPMENT AND/OR MUNICIPAL EMPLOYEE SERVICES TO THE VICKSBURG WARREN CONVENTION AND VISITORS BUREAU; AND FOR RELATED PURPOSES.

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

SECTION 1. Chapter 521, Laws of 1972, as amended by Chapter 420, Laws of 1975, as amended by Chapter 481, Laws of 1977, as amended by Chapter 944, Local and Private Laws of 1990, as amended by Chapter 939, Local and Private Laws of 1991, as amended by Chapter 1012, Local and Private Laws of 1995, is amended as follows:

Section 1. From and after July 23, 1990, the Warren County Tourist Promotion Commission is abolished, and there is created a Vicksburg Warren Convention and Visitors Bureau to be composed of eleven (11) members to be constituted and appointed as provided in Section 2 hereof. For the purposes of this act and unless otherwise required by the context, the word "bureau" shall mean the Vicksburg Warren Convention and Visitors Bureau.

Section 2. The Vicksburg Warren Convention and Visitors Bureau consisting of eleven (11) members shall be appointed, qualify and take office within thirty (30) days of the enactment of this act, and the initial appointments to said bureau shall be for the following terms: Five (5) members of the bureau shall be appointed by the Warren County Board of Supervisors, with one (1) member appointed by the District 1 supervisor for a term of two (2) years, one (1) member appointed by the District 2 supervisor

for a term of three (3) years, one (1) member appointed by the District 3 supervisor for a term of three (3) years, one (1) member appointed by the District 4 supervisor for a term of four (4) years, and one (1) member appointed by the District 5 supervisor for a term of four (4) years, respectively; five (5) members of the bureau shall be appointed by the Mayor and Board of Aldermen of the City of Vicksburg with one (1) member appointed for a term of two (2) years, two (2) members appointed for terms of three (3) years and two (2) members appointed for terms of four (4) years, respectively. The Warren County Board of Supervisors and the Mayor and Board of Aldermen of the City of Vicksburg shall jointly appoint one (1) member for a term of four (4) years. All succeeding appointments shall be for a term of four (4) years from the date of expiration of the initial appointment, and all members of such bureau shall hold office for a term of four (4) years from and after the date of the commencement of their terms of office for which their appointment was made and until their successor or successors shall be appointed and qualified. Members of the Warren County Tourist Promotion Commission holding office on July 1, 1990, may be appointed to the newly constituted Vicksburg Warren Convention and Visitors Bureau by the respective governing authority.

Any member may be disqualified and removed from office for any one (1) of the following reasons:

(1) Conviction of a felony;

(2) Failure to attend three (3) consecutive meetings without just cause.

If a bureau member is removed for one (1) of the above reasons, the vacancy shall be filled in the manner prescribed in this section.

Vacancies which shall occur shall be filled in the same manner as the original appointments and shall be made for the unexpired term.

Section 3. Before entering upon the duties of the office, each appointed member of the Vicksburg Warren Convention and Visitors Bureau shall enter into and give bond to be approved by the Secretary of State of the State of Mississippi in the sum of Twenty-five Thousand Dollars ($25,000.00) conditioned upon the faithful performance of his duties. Such bond shall be payable to the State of Mississippi, and in the event of a breach thereof, suit may be brought by the State of Mississippi for the benefit of the Vicksburg Warren Convention and Visitors Bureau.

Section 4. When the members of the Vicksburg Warren Convention and Visitors Bureau shall have been appointed and qualified as set forth herein, they shall meet at quarters provided for them by Warren County or the City of Vicksburg after giving not less than ten (10) days' notice of the time and place of such meeting by registered mail, postage prepaid, directed to each appointed member of such bureau at his regular address given to the Secretary of State at the time of his qualification and posting bond. At such meeting a quorum shall be seven (7) members, and a majority of those members attending shall elect a president and secretary, both of whom shall be members of said bureau, and adopt such rules and regulations as may govern the time and place for holding subsequent meetings, regular and special, and other rules and regulations not inconsistent with the provisions of this act.

The bureau is further authorized to employ personnel, obtain supplies, furnishings and other facilities and real property necessary to administer the affairs and duties of the bureau and to pay for same out of the revenue provided by this act.

Section 5. (1) The Vicksburg Warren Convention and Visitors Bureau shall have jurisdiction and authority over all matters relating to establishing, promoting and developing convention business, tourism and related matters within Warren County, Mississippi.

(2) The bureau is authorized to employ an executive director, purchase, lease or sell real property, own, furnish, equip and operate any and all facilities and equipment necessary or useful in the promotion of said convention business and tourism and to receive and expend, subject to the provisions of this act, revenues from any source.

(3) The Board of Supervisors of Warren County, with the approval of the Vicksburg Warren Convention and Visitors Bureau, is authorized and empowered to issue and sell negotiable bonds of Warren County, Mississippi, in an amount not to exceed Five Million Dollars ($5,000,000.00) for the purpose of stimulating the convention and tourism business within the county. In the event such bonds are issued, the proceeds of the taxes levied under the provisions of Section 6 of this act shall be pledged for the repayment of such bonds. No resolution of intent to issue such bonds shall be adopted by the board of supervisors unless imposition of the sales tax provided for in Section 6(2) of this act has been finally authorized.

(4) All bonds issued under the authority of subsection (3) shall bear interest at such rate or rates not exceeding the rate of interest authorized to be paid by counties on general obligation bonds, shall be in such denomination or denominations, shall mature not more than twenty-five (25) years from date, with or without the right of redemption and with or without premium, and shall be payable, both principal and interest, at such place or places, all as the issuer of the bonds shall determine. All such bonds shall be sold for not less than par value plus accrued interest at public sale in the manner provided by Section 31-19-25, Mississippi Code of 1972. No less than one-fiftieth (1/50) of the total issue shall mature during each year during the first five (5) years of the life of such bonds, and not less than one-twenty-fifth (1/25) of the total issue shall mature each year during the succeeding period of ten (10) years of the life of such

bonds, and the remainder shall be divided into approximately equal annual payments, with payment to be made each year for the remaining life of such bonds. Such bonds shall be executed on behalf of the issuer in the manner provided by law for general obligation bonds.

No bond shall bear more than one (1) rate of interest; each bond shall bear interest from its date to its stated maturity date at the interest rate specified in the bid; all bonds of the same maturity shall bear the same rate of interest from date to maturity; all interest accruing on such bonds so issued shall be payable semiannually or annually, except that the first interest payment on any such bond may be for any period not exceeding one (1) year.

The lowest interest rate specified for any bonds issued shall not be less than seventy percent (70%) of the highest interest rate specified for the same bond issue.

Each interest rate specified in any bid must be in multiples of one-eighth of one percent (1/8 of 1%) or in multiples of one-tenth of one percent (1/10 of 1%). Such bonds may be issued and sold in one or more series.

(5) Before issuing any bonds under the provisions of subsection (3), the Board of Supervisors of Warren County shall, by resolution spread upon its minutes, declare its intention to issue such bonds for the purposes authorized by this act and shall state in such resolution the amount of bonds proposed to be issued and shall likewise fix in such resolution the date upon which the issuer proposes to direct the issuance of such bonds. Notice of such intention shall be published once a week for at least three (3) consecutive weeks in a newspaper published or having a general circulation in the county, with the first publication of such notice to be made not less than twenty-one (21) days prior to the date fixed in the resolution declaring the intent to issue such bonds and the last publication to be made not more than seven (7)

days prior to such date. If, on or before the date specified in the resolution, twenty percent (20%) or fifteen hundred (1500), whichever is less, of the qualified electors of Warren County shall file a written protest against the issuance thereof, then an election upon the issuance thereof shall be called and held as hereby provided. If no such protest shall be filed, then the board may issue such bonds without an election on the question of their issuance at any time within a period of two (2) years after the date specified in the resolution. If an election is required by the protest of the appropriate number of qualified electors of the county, then an election shall be held by the board under applicable laws. Provided, however, that nothing in this act shall prevent the board from calling an election, whether required by twenty percent (20%) or fifteen hundred (1500), whichever is less, of the qualified electors, in which event it shall not be necessary to publish the resolution of intent above described.

(6) At such election, all qualified electors of the county may vote, and the ballots used in such election shall have printed thereon a brief statement of the amount and purposes of the proposed bond issue and the words "FOR THE BOND ISSUE" and "AGAINST THE BOND ISSUE," and the voters shall vote by placing a cross (X) or check (V) opposite their choice on the proposition.

(7) When the results of any such election shall have been canvassed by the election commission of the county and certified, the board may issue the bonds if three-fifths (3/5) of the qualified electors who vote in such election vote in favor of the issuance of such bonds. If such bond issue shall be approved, the board may issue such bonds within two (2) years from the date of such election or within two (2) years after final favorable determination of any litigation affecting the issuance of such bonds, at such time or times and in such amount or amounts, not exceeding that specified in the notice of the election, as shall be deemed proper by the board.

(8) The bureau shall have the authority to obtain interim financing upon such terms and conditions as may be agreed upon by the bureau and the party advancing such interim funds or the purchaser of the obligations evidencing such indebtedness; provided, however, that the principal on any such loan shall be repaid within a reasonable time and provided that the interest rate on such interim financing shall not exceed that allowed in Section 75-17-107, Mississippi Code of 1972. In borrowing money under the provisions hereof, it shall not be necessary to publish notice of intention so to do or to secure the consent of the qualified electors, either by election or otherwise. Such borrowing may be authorized by resolution of the bureau and may be evidenced by a negotiable note or notes in such form as may be prescribed in such resolution. The indebtedness incurred under this section shall not be considered when computing any limitation of indebtedness of the county established by law. Such borrowing, whether or not evidenced by a negotiable note or notes, may be placed or sold at public or private sales for such price and in such manner and from time to time as may be determined by the bureau, and the bureau may pay all expenses, premiums and commissions which it may deem necessary or advantageous in connection with the issuance thereof.

Section 6. (1) For the purpose of providing funds for the promotion of convention business and tourism there is hereby levied, assessed and shall be collected from every person in any county located on the Mississippi River in which there is located a national park and a national cemetery, engaging in or doing business as specified herein, a tax which may be cited as a "Convention-Tourist Promotion Tax" which shall be in addition to all other taxes now imposed, as hereinafter provided:

Such tax shall be equal to one percent (1%) of the gross proceeds of sales or gross income of restaurants, hotels and

motels, including but not limited to sales of beer and alcoholic beverages.

Provided, however, the tax shall not apply to said restaurants not selling alcoholic beverages under an on-premises permit issued by the Alcoholic Beverage Control Commission and whose gross proceeds of sales or gross income is less than One Hundred Thousand Dollars ($100,000.00) per calendar year based upon sales or income for the preceding calendar year. For the purposes of calculating gross proceeds of sales or gross income, the sales or income of all establishments owned, operated or controlled by the same person, persons or corporations shall be aggregated.

(2) For the purpose of providing funds for the promotion of convention business and tourism there may be imposed an additional tax of not more than two percent (2%) of the gross proceeds of sales or gross income of restaurants, hotels and motels located in Warren County, Mississippi, including but not limited to sales of beer and alcoholic beverages. Before the taxes authorized by this subsection shall be imposed, the Board of Supervisors of Warren County and the Board of Aldermen of Vicksburg, Mississippi, shall enter upon its minutes a request for the levy of such tax from the Vicksburg Warren Convention and Visitors Bureau, and shall adopt a resolution declaring the intention to levy the tax, setting forth the amount of such tax and establishing the date on which a referendum shall be held on the question of levying such tax. This date shall not be less than the first day of the second month from the date of adoption of the resolution. Notice of such intention shall be published once a week for at least three (3) consecutive weeks in a newspaper published or having a general circulation in the county, with the first publication of such notice to be made not less than twenty-one (21) days prior to the date fixed in the resolution and the last publication to be made not more than seven (7) days prior to such date. At said election, all qualified

electors of the county may vote, and the ballots used in such election shall have printed thereon a brief statement of the amount and purposes of the proposed tax levy and the words "FOR THE SALES TAX," and "AGAINST THE SALES TAX," and the voters shall vote by placing a cross (X) or check (V) opposite their choice on the proposition. When the results of any such election shall have been canvassed by the election commission of the county and certified, the county may levy the tax if a majority of the qualified electors who vote in said election vote in favor of the tax.

The proceeds of such taxes shall be paid into a special fund for the purpose of retiring such indebtedness as may be incurred under this act. Any funds in excess of that required to retire said indebtedness shall be placed into a separate fund and may be expended by the Vicksburg Warren Convention and Visitors Bureau for the operation and maintenance of its facilities.

(3) For the purpose of providing funds for the promotion of convention business and tourism there may be levied an ad valorem tax of not more than two (2) mills on all the taxable property located in Warren County, Mississippi. Before the taxes authorized by this subsection shall be imposed, the Board of Supervisors of Warren County shall enter upon its minutes a request for the levy of such tax from the Vicksburg Warren Convention and Visitors Bureau and shall adopt a resolution declaring the intention to levy the tax, setting forth the amount of such tax and establishing the date on which a referendum shall be held on the question of levying such tax. This date shall not be less than the first day of the second month from the date of adoption of the resolution. Notice of such intention shall be published once a week for at least three (3) consecutive weeks in a newspaper published or having a general circulation in the county, with the first publication of such notice to be made not less than twenty-one (21) days prior to the date fixed in the

resolution and the last publication to be made not more than seven (7) days prior to such date. At said election, all qualified electors of the county may vote, and the ballots used in such election shall have printed thereon a brief statement of the amount and purposes of the proposed tax levy and the words "FOR THE AD VALOREM TAX," and "AGAINST THE AD VALOREM TAX," and the voters shall vote by placing a cross (X) or check (V) opposite their choice on the proposition. When the results of any such election shall have been canvassed by the election commission of the county and certified, the county may levy the tax if a majority of the qualified electors who vote in said election vote in favor of the tax.

The avails of any tax levied pursuant to this subsection shall be excluded from the ten percent (10%) increase limitation imposed by Section 27-39-321, Mississippi Code of 1972. The proceeds of such taxes shall be paid into a special fund for the purpose of retiring such indebtedness as may be incurred under this act. Any funds in excess of that required to retire said indebtedness shall be placed into a separate fund and may be expended by the Vicksburg Warren Convention and Visitors Bureau for the operation and maintenance of its facilities.

(4) For the purpose of providing funds for the promotion of convention business and tourism there may be imposed an additional tax of not more than two percent (2%) of the gross proceeds of sales or gross income of restaurants, hotels, motels and alcoholic beverage package retailers located within the corporate boundaries of the City of Vicksburg, Mississippi, including but not limited to sales of beer and alcoholic beverages. Before the taxes authorized by this subsection shall be imposed, the Board of Aldermen of Vicksburg, Mississippi, shall adopt a resolution declaring its intention to levy the tax and establishing the amount of the tax levy and the date on which the tax initially shall be levied and collected. This date shall be the first day

of a month. Notice of the proposed tax levy shall be published once each week for at least three (3) consecutive weeks in a newspaper published or having a general circulation in the City of Vicksburg. The first publication of such notice shall be made not less than twenty-one (21) days before the day fixed in the resolution at which the Board of Aldermen proposes to levy such a tax and the last publication shall be made not more than seven (7) days before such date. If, within the time of giving notice, twenty percent (20%) or fifteen hundred (1500), whichever is less, of the qualified electors in the City of Vicksburg file a written petition against the levy of such tax, then such tax shall not be levied unless authorized by the vote of a majority of the qualified electors in the city voting at an election to be called and held for that purpose. At said election, all qualified electors of the city may vote, and the ballots used in such election shall have printed thereon a brief statement of the amount and purposes of the proposed tax levy and the words "FOR THE SALES TAX," and "AGAINST THE SALES TAX," and the voters shall vote by placing a cross (X) or check (V) opposite their choice on the proposition. When the results of any such election shall have been canvassed by the election commission of the city and certified, the Board of Aldermen may levy the tax if a majority of the qualified electors who vote in said election vote in favor of the tax. Before the effective date of the tax levy approved as herein provided, the Board of Aldermen shall furnish to the Chairman of the State Tax Commission a certified copy of the resolution evidencing such a tax levy.

The proceeds of such taxes shall be paid into a special fund for the purpose of retiring such indebtedness as may be incurred under this act. Any funds in excess of that required to retire said indebtedness shall be placed into a separate fund and may be expended by the Vicksburg Warren Convention and Visitors Bureau for the operation and maintenance of its facilities.

(5) Persons liable for the taxes imposed herein shall add the amount of tax to the sales price or gross income, and in addition thereto shall collect, insofar as practicable, the amount of the tax due by him from the person receiving the services or goods at the time of payment therefor.

(6) Such taxes shall be collected by and paid to the State Tax Commission on a form prescribed by the State Tax Commission, in the same manner that state sales taxes are computed, collected and paid; and the full enforcement provisions and all other provisions of Chapter 119, Laws of 1934, as amended, shall apply as necessary to the implementation and administration of this act.

(7) The proceeds of such taxes, less three percent (3%) to be retained by the State Tax Commission to defray the costs of collection, shall be paid to the Vicksburg Warren Convention and Visitors Bureau on or before the fifteenth day of the month following the month in which collected.

Section 8. (1) For the purpose of promoting the convention business and tourism, the governing authorities of the City of Vicksburg, hereinafter "governing authorities," in their discretion, may acquire real property for, and may construct, equip, furnish, own and operate, a convention center complex or a civic center complex, or both, and may incur the reasonable and related expenses as necessary for architects, engineers and other professionals to assist the city for the planning, development, financing and operation of the convention center complex or civic center complex, or both.

(2) To provide funds for the purposes set forth in subsection (1) of this section, the governing authorities, in their discretion, may impose an additional tax of not more than two percent (2%) of the gross proceeds of sales or gross income of hotels and motels located within the corporate boundaries of the City of Vicksburg.

(3) Persons liable for the tax imposed under this section shall add the amount of tax to the sale price or gross income and shall collect, insofar as practicable, the amount of the tax due by them from the person receiving the services or goods at the time of payment therefor.

(4) The tax shall be collected by and paid to the State Tax Commission on a form prescribed by the State Tax Commission, in the same manner that state sales taxes are computed, collected and paid; and the full enforcement provisions and all other provisions of Chapter 65, Title 27, Mississippi Code of 1972, shall apply as necessary to the implementation and administration of this section.

(5) The proceeds of the tax, less three percent (3%) to be retained by the State Tax Commission to defray the costs of collection, shall be paid to the governing authorities on or before the fifteenth day of the month following the month in which they were collected.

(6) The proceeds of the tax shall not be considered by the city as general fund revenues but shall be dedicated solely for the purposes set forth in this section.

(7) Before the tax authorized by this section shall be imposed, the governing authorities shall adopt a resolution declaring their intention to levy the tax and establishing the amount of the tax levy and the date on which the tax initially shall be levied and collected. This date shall be the first day of a month. Notice of the proposed tax levy shall be published once each week for at least three (3) consecutive weeks in a newspaper published or having a general circulation in the City of Vicksburg. The first publication of the notice shall be made not less than twenty-one (21) days before the day fixed in the resolution in which the governing authorities propose to levy the tax, and the last publication shall be made not more than seven (7) days before that date. If, within the time of giving notice,

twenty percent (20%) or fifteen hundred (1500), whichever is less, of the qualified electors in the City of Vicksburg file a written petition against the levy of the tax, then the tax shall not be levied unless authorized by a majority of the qualified electors in the city voting at an election to be called and held for that purpose. At the election, all qualified electors of the city may vote. The ballots used in the election shall have printed thereon a brief statement of the amount and purposes of the proposed tax levy and the words "FOR THE SALES TAX," and "AGAINST THE SALES TAX." The voters shall vote by placing a cross (X) or check (V) opposite their choice on the proposition. When the results of the election have been canvassed by the election commission of the city and certified, the governing authorities may levy the tax if a majority of the qualified electors who vote in the election vote in favor of the tax. Before the effective date of the tax levy approved as herein provided, the governing authorities shall furnish to the Chairman of the State Tax Commission a certified copy of the resolution evidencing the tax levy.

(8) Accounting for receipts and expenditures of the funds derived from the proceeds of the tax authorized by this section shall be made separately from the accounting of receipts and expenditures of the general fund and any other funds of the City of Vicksburg. The records reflecting the receipts and expenditures of these funds shall be audited annually by an independent certified public accountant. The accountant shall make a written report of his audit to the governing authorities as soon as practicable after the close of the city's fiscal year, and copies of the report of the audit shall be filed with the clerk of the governing authorities. The expenses of this audit may be paid from the funds derived from the tax authorized by this section.

(9) To defray the costs of the acquisition of real property for, and the construction, equipping and furnishing of, a convention center complex or a civic center complex, or both, the

governing authorities, in their discretion, may issue and sell negotiable bonds of the City of Vicksburg. If such bonds are issued, the proceeds of the tax authorized in subsection (2) of this section may be pledged for the repayment of the bonds.

All bonds issued under this subsection shall bear interest at a rate or rates not exceeding the rate of interest authorized to be paid by municipalities on general obligation bonds and shall be in such denomination or denominations, shall mature at such time or times with or without the right of redemption and with or without premium, and shall be payable, both principal and interest, at such place or places, as determined by the issuer of the bonds. The bonds shall be sold for not less than par value plus accrued interest at public sale in the manner provided by Section 31-19-25, Mississippi Code of 1972. The bonds shall be executed on behalf of the issuer in the manner provided by law for general obligation bonds.

No bond shall bear more than one (1) rate of interest. Each bond shall bear interest from its date to its stated maturity date at the interest rate specified in the bid. All bonds of the same maturity shall bear the same rate of interest from date to maturity. All interest accruing on the bonds issued shall be payable semiannually or annually, except that the first interest payment on any bond may be for any period not exceeding one (1) year.

The bonds may be issued and sold in one or more series.

Before issuing any bonds under this subsection, the governing authorities, by resolution spread upon their minutes, shall declare their intention to issue the bonds for the purposes authorized by this section. The governing authorities shall state in the resolution the amount of bonds proposed to be issued and the date upon which the issuer proposes to direct the issuance of the bonds. Notice of the intention shall be published once a week for at least three (3) consecutive weeks in a newspaper published

or having a general circulation in the city. The first publication of the notice shall be made not less than twenty-one (21) days before the date fixed in the resolution declaring the intent to issue the bonds, and the last publication shall be made not more than seven (7) days before that date. If, on or before the date specified in the resolution, twenty percent (20%) or fifteen hundred (1500), whichever is less, of the qualified electors of the city file a written protest against the issuance of the bonds, then an election upon the issuance shall be called and held as provided in this section. If no protest is filed, then the governing authorities may issue the bonds without an election on the question of their issuance at any time within a period of two (2) years after the date specified in the resolution. If an election is required by the protest of the appropriate number of qualified electors of the city, then an election shall be held by the governing authorities under applicable laws. Nothing in this section shall prevent the governing authorities from calling an election, whether required by twenty percent (20%) or fifteen hundred (1500), whichever is less, of the qualified electors, in which event it shall not be necessary to publish the resolution of intent described in this subsection.

At the election, all qualified electors of the city may vote. The ballots used in the election shall have printed thereon a brief statement of the amount and purposes of the proposed bond issue and the words "FOR THE BOND ISSUE" and "AGAINST THE BOND ISSUE." The voters shall vote by placing a cross (X) or check (V) opposite their choice on the proposition.

When the results of the election have been canvassed by the election commission of the city and certified, the governing authorities may issue the bonds if a majority of the qualified electors who vote in the election vote in favor of the issuance of the bonds. If the bond issue is approved, the governing

authorities may issue the bonds within two (2) years from the date of the election or within two (2) years after final favorable determination of any litigation affecting the issuance of the bonds, at the time or times and in the amount or amounts, not exceeding that specified in the notice of the election, as deemed proper by the governing authorities.

The governing authorities, in their discretion, may obtain interim financing upon such terms and conditions that are agreed upon by the governing authorities and the party advancing the interim funds or the purchaser of the obligations evidencing the indebtedness; however, the principal on any loan shall be repaid within a reasonable time, and the interest rate on the interim financing shall not exceed that allowed in Section 75-17-107, Mississippi Code of 1972. In borrowing money under this subsection, it shall not be necessary to publish notice of an intention to do so or to secure the consent of the qualified electors, either by election or otherwise. The borrowing may be authorized by resolution of the governing authorities and evidenced by a negotiable note or notes in a form that may be prescribed in the resolution. The indebtedness incurred under this subsection shall not be considered when computing any limitation of indebtedness of the city established by law. The borrowing, whether or not evidenced by a negotiable note or notes, may be placed or sold at public or private sales for the price and in a manner, and from time to time, as may be determined by the governing authorities. The governing authorities may pay all expenses, premiums and commissions which they deem necessary or advantageous in connection with the issuance thereof.

If the avails of the tax levied under this section are pledged to pay the principal of and interest on bonds or notes issued under this subsection, the governing authorities shall determine when the taxes actually received, together with any income actually realized from the investment of the taxes, are

sufficient to pay the principal of and interest on bonds or notes then outstanding, as the bonds or notes and the interest thereon mature and accrue to the final maturity date. The governing authorities shall certify that fact to the Chairman of the State Tax Commission, and the authority to levy the sales tax shall stand repealed on the first day of the month immediately succeeding the certification.

Section 9. As used in this act, the following words shall have these meanings unless otherwise clearly indicated by the context in which it is used:

(a) "Hotel" or "motel" shall mean and include a place of lodging that at any one (1) time will accommodate six (6) or more transient guests (guests who are accommodated for less than seven (7) days) and are known to the trade as such.

(b) "Restaurant" shall mean and include all places where prepared food is served through the use of facilities to accommodate twenty-five (25) or more persons and includes hotel and motel dining rooms.

"Restaurant" shall also include a cafe, cafeteria, lunch stand or any other place of business where prepared food is sold whether for consumption upon the premises or not.

Section 10. Notwithstanding any provision contained in this act to the contrary, the combined total of all taxes which may be assessed under this act shall not exceed three percent (3%) or, if the statewide general sales tax is less than seven percent (7%), ten percent (10%) when added to the statewide general sales tax, whichever is greater.

Section 11. No member of the Legislature, elected official or appointed official, or any partner or associate of any member of the Legislature, elected official or appointed official, shall derive any income from the issuance of any bonds or the disposition of any property under this act contrary to the

provisions of Section 109, Mississippi Constitution of 1890, or Article 3, Chapter 4, Title 25, Mississippi Code of 1972.

Section 12. The governing authorities may, in their discretion, provide municipal equipment and/or municipal employee services to the bureau to assist the bureau in its affairs and duties.

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