

By: Senator(s) Little

To: Local and Private

SENATE BILL NO. 3223

1 AN ACT TO AMEND CHAPTER 861, LOCAL AND PRIVATE LAWS OF 1983,
 2 AS LAST AMENDED BY CHAPTER 989, LOCAL AND PRIVATE LAWS OF 1997, TO
 3 INCREASE THE MEMBERSHIP OF THE CORINTH AREA TOURISM PROMOTION
 4 COUNCIL BY AUTHORIZING THE MAYOR AND BOARD OF ALDERMEN OF THE CITY
 5 OF CORINTH AND THE BOARD OF SUPERVISORS OF ALCORN COUNTY TO EACH
 6 APPOINT AN ADDITIONAL MEMBER; TO INCREASE THE AMOUNT OF THE BOND
 7 THAT MEMBERS OF THE COUNCIL MUST ENTER INTO AND TO REQUIRE
 8 EMPLOYEES OF THE COUNCIL TO ENTER INTO AND GIVE BOND IN THE SAME
 9 AMOUNT; AND FOR RELATED PURPOSES.

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

11 **SECTION 1.** Chapter 861, Local and Private Laws of 1983, as
 12 amended by Chapter 901, Local and Private Laws of 1988, as amended
 13 by Chapter 899, Local and Private Laws of 1992, as amended by
 14 Chapter 978, Local and Private Laws of 1993, as amended by Chapter
 15 1002, Local and Private Laws of 1995, as amended by Chapter 989,
 16 Local and Private Laws of 1997, is amended as follows:

17 Section 1. As used in this act, the following words shall
 18 have the meanings ascribed to them in this section unless
 19 otherwise clearly indicated by the context in which they are used:

20 (a) "Council" means the Corinth Area Tourism Promotion
 21 Council.

22 (b) "Bed and breakfast," "hotel," "inn" and "motel"
 23 mean and include any establishment engaged in the business of
 24 furnishing or providing rooms intended or designed for dwelling,
 25 lodging or sleeping purposes to transient guests, where such
 26 establishment consists of two (2) or more guest rooms. "Bed and
 27 breakfast," "hotel," "inn" and "motel" shall not include or
 28 encompass any hospital, convalescent or nursing home, sanitarium,
 29 or any hotel-like facility operated by or in connection with a

30 hospital or medical clinic providing rooms exclusively for
31 patients and their families.

32 (c) "Restaurant" means and includes all places where
33 prepared food and beverages are sold for consumption, whether such
34 food is consumed on the premises or not. "Restaurant" shall not
35 include any school, hospital, convalescent or nursing home, or any
36 restaurant-like facility operated by or in connection with a
37 school, hospital, medical clinic, convalescent or nursing home
38 providing food for students, patients, visitors and their
39 families.

40 (d) "Organization" means and includes all persons,
41 business entities of any type recognized under the laws of the
42 State of Mississippi, and any other civic, community, cultural or
43 historic organizations.

44 (e) "Prepared food" means and includes any food
45 prepared on the premises of a restaurant. This shall include
46 fountain drinks but shall exclude food and beverages sold through
47 vending machines and nonprepared groceries and beverages.

48 (f) "Beverage" means and includes all beverages,
49 whether alcoholic or nonalcoholic.

50 (g) "Capital project" means and includes any project
51 for which the primary purpose is to purchase, renovate, repair,
52 construct or replace any real property, building or other
53 facility, easement, equipment, fixture or other personal property,
54 including any and all necessary and/or required preliminary
55 activities.

56 (h) "Marketing and promotion" means and includes all
57 activities whose primary purpose is to attract the attention of
58 potential tourists, and shall include, but not be limited to,
59 advertising via television, radio, magazine, newspaper,
60 billboards, and all other communication mediums.

61 Section 2. (1) There is hereby created and established in
62 Alcorn County, Mississippi, a council whose purpose is the

63 promotion of tourism in said county. The organization so created
64 shall be named the "Corinth Area Tourism Promotion Council."

65 (2) The council shall be domiciled in Alcorn County. It
66 shall have authority to sue and be sued and to promulgate and
67 enact all bylaws, rules and regulations necessary or advantageous
68 to the purpose of the council.

69 (3) The council shall have jurisdiction and authority over
70 all matters relating to establishing, promoting and developing
71 tourism, along with related matters, in Alcorn County,
72 Mississippi. The council is authorized to purchase, sell, own,
73 lease, rent, option or otherwise furnish, equip and operate any
74 and all real property, facilities and equipment necessary or
75 useful in the promotion of tourism and to receive and expend,
76 subject to the provisions of this act, revenues from any source.

77 (4) The council is authorized to employ personnel, obtain
78 supplies, furnishings and other facilities necessary to administer
79 the affairs and duties of the council and to pay for same out of
80 the revenue provided by this act.

81 (5) The council is authorized to borrow money to pay its
82 operating obligations that cannot be paid at maturity out of
83 current revenue from the tax authorized herein, but the amount so
84 borrowed shall in no case exceed the estimated income of the
85 council as shown by the budget adopted prior to that time, and the
86 tax income of the council, as shown by the budget, shall be
87 dedicated and set aside to the payment of the certificates of
88 indebtedness as they mature.

89 Section 3. (1) The council shall be composed of nine (9)
90 members who shall be known as directors. The directors shall
91 serve without compensation and shall be appointed and qualified to
92 take office within thirty (30) days after the effective date of
93 Senate Bill No. 3281, 1995 Regular Session. The initial
94 appointments to the council shall be for the following terms:

95 (a) Three (3) members of the council shall be nominated
96 by the Corinth Area Restaurant Association. One (1) of these
97 members shall be nominated for a term of one (1) year, one (1)
98 member for two (2) years, and one (1) member for three (3) years.
99 In the event that there is no Corinth Area Restaurant Association,
100 then the Mayor and Board of Aldermen of the City of Corinth and
101 the Board of Supervisors of Alcorn County shall jointly appoint
102 three (3) members of the council * * *. One (1) of these members
103 shall be appointed for a term of one (1) year, one (1) member for
104 two (2) years, and one (1) member for three (3) years.

105 (b) Two (2) members of the council shall be nominated
106 by the Corinth Area Hotel/Motel/Inn/Bed and Breakfast Association.
107 One (1) member shall be nominated for a term of one (1) year and
108 one (1) member for a term of two (2) years. In the event that
109 there is no Corinth Area Hotel/Motel/Inn/Bed and Breakfast
110 Association, then the Mayor and Board of Aldermen of the City of
111 Corinth and the Board of Supervisors of Alcorn County shall
112 jointly appoint two (2) members of the council * * *. One (1)
113 member shall be appointed for a term of one (1) year and one (1)
114 member for a term of two (2) years.

115 (c) (i) Through October 17, 2008, one (1) member of
116 the council shall be appointed by the Mayor and Board of Aldermen
117 of the City of Corinth for a term of three (3) years and one (1)
118 member shall be appointed by the Mayor and Board of Alderman of
119 the City of Corinth for a term to begin within fifteen (15) days
120 after the effective date of Senate Bill No. 3223, 2007 Regular
121 Session, and to end on October 17, 2008.

122 (ii) From and after October 18, 2008, two (2)
123 members of the council shall be appointed by the Mayor and Board
124 of Aldermen of the City of Corinth for a term of four (4) years.

125 (d) (i) Through October 17, 2007, one (1) member of
126 the council shall be appointed by the Board of Supervisors of
127 Alcorn County for a term of four (4) years and one (1) member

128 shall be appointed by the Board of Supervisors of Alcorn County
129 for a term to begin within fifteen (15) days after the effective
130 date of Senate Bill No. 3223, 2007 Regular Session, and to end on
131 October 17, 2007.

132 (ii) From and after October 18, 2008, two (2)
133 members of the council shall be appointed by the Board of
134 Supervisors of Alcorn County for a term of four (4) years.

135 (2) All nominations made under Sections 1(a) and 1(b) above,
136 and all successive nominations to those positions on the council,
137 shall be jointly approved and appointed by the Mayor and Board of
138 Aldermen of the City of Corinth and the Board of Supervisors of
139 Alcorn County.

140 * * *

141 (3) All succeeding appointments shall be for a term of four
142 (4) years from the date of expiration of the initial appointment.
143 Any vacancy which may occur shall be filled in the same manner as
144 the original appointment and shall be made for the unexpired term.
145 Each director shall serve until his successor is appointed and
146 qualified.

147 (4) Any director may be disqualified and removed from office
148 for, any one (1) of the following reasons:

149 (a) Conviction of a felony; or

150 (b) Failure to attend three (3) consecutive meetings
151 without just cause; or

152 (c) Any breach of the duties of care and loyalty
153 normally required of corporate directors under the laws of the
154 State of Mississippi which is reckless or intentional.

155 If a director is removed for any of the above reasons, the
156 vacancy shall be filled in the manner prescribed in this section.

157 A director may be removed for any of the reasons listed above
158 by joint action of the Mayor and Board of Aldermen of the City of
159 Corinth and the Board of Supervisors of Alcorn County.

160 (5) Before assuming the duties of office, each appointed
161 director and each employee of the Corinth Area Tourism Promotion
162 Council shall enter into and give bond in the sum of One Hundred
163 Thousand Dollars (\$100,000.00), to be approved by the Secretary of
164 State of the State of Mississippi and conditioned upon the
165 faithful performance of his duties. Such bond shall be payable to
166 the State of Mississippi, and, in the event of a breach thereof,
167 suit shall be brought only by the State of Mississippi for the
168 benefit of the council. The premiums on said bond shall be paid
169 from the funds received by the council under the provisions of
170 this act.

171 (6) The directors so appointed shall elect from among
172 themselves a chairman. In addition to the chairman, the council
173 shall elect from its membership a vice-chairman, secretary and
174 treasurer. The offices of secretary and treasurer may be combined
175 if the council so elects. Elections for all these positions shall
176 be held annually, within two (2) months prior to the appointment
177 and qualification of the new council members.

178 (7) Five (5) directors shall constitute a quorum for the
179 transaction of any and all business of the council.

180 Section 4. (1) For the purpose of providing funds for the
181 promotion of tourism, there is hereby authorized a tax which may
182 be designated as a "tourist promotion tax" to be levied upon every
183 person engaging in or doing business in the City of Corinth, as
184 specified herein.

185 (2) Such tax shall not exceed two percent (2%) of the gross
186 revenue derived from the occupancy of inns, bed and breakfast
187 establishments, and hotel and motel rooms located in the City of
188 Corinth. The tax shall apply to all inns, bed and breakfast
189 establishments, and hotels and motels as defined herein. For the
190 purpose of calculating gross revenues derived from the occupancy
191 of inns, bed and breakfast establishments, and hotel and motel
192 rooms, the gross revenue, sales or income of all such

193 establishments owned, operated or controlled by the same person,
194 persons or corporation may be aggregated.

195 (3) Such tax shall also include, but not exceed, two percent
196 (2%) of the gross revenue derived from the sale of prepared food
197 and beverages by restaurants within the City of Corinth. Where
198 fifty percent (50%) or more of the gross revenue of a restaurant
199 derives from the sale of prepared food, the tax shall be assessed
200 upon the gross revenue derived from the sale of all foods and
201 beverages served by such restaurant. Where less than fifty
202 percent (50%) of the gross revenue of a restaurant derives from
203 the sale of prepared food, the tax shall only be assessed upon the
204 gross revenue derived from the sale of prepared foods. This tax
205 shall apply to all restaurants as defined herein. For the purpose
206 of calculating the gross revenue derived from the sale of prepared
207 foods and beverages, the gross revenue, sales or income of all
208 restaurants, located within the city limits of the City of Corinth
209 owned, operated or controlled by the same person, persons,
210 corporation or other business entity may be aggregated.

211 * * *

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

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

223 (6) The proceeds of such tax, less three percent (3%) to be
224 retained by the State Tax Commission to defray the costs of
225 collections, shall be paid to the City of Corinth and Alcorn

226 County jointly on or before the fifteenth day of the month
227 following the month in which collected and shall be deposited into
228 a joint city and county account.

229 (7) The proceeds of said tax shall not be considered by the
230 city or county as general fund revenues, but shall be dedicated to
231 and used by the council solely for the purpose of carrying out
232 programs and activities designed to attract tourists to the city
233 and surrounding area.

234 (8) The tax herein authorized shall be supplemental to and
235 in addition to all other taxes which the City of Corinth may now
236 or hereafter levy and shall not be construed to limit or restrict
237 any presently existing taxing authority.

238 Section 5. (1) The council shall adopt a budget of receipts
239 and expenditures which shall be reviewed and approved by the Mayor
240 and Board of Aldermen of the City of Corinth and the Board of
241 Supervisors of Alcorn County. The first budget shall cover the
242 period beginning with the effective date of the tax and ending
243 with the end of the fiscal year of the city and county.

244 Thereafter, the budget shall be on the same fiscal basis as the
245 city and county budgets. The city and county shall pay to the
246 council from the joint city and county account established in
247 Section 4(8), monthly, or at such other interval as the Mayor and
248 Board of Aldermen of the City of Corinth and the Board of
249 Supervisors of Alcorn County shall jointly establish, an amount
250 equal to the approved budget of the council. For at least the
251 first five (5) years after the effective date of the tax, no less
252 than fifty percent (50%) of the budgeted expenditures shall be
253 designated for a "capital project" or "capital projects"
254 including, but not limited to, the planning, studying, designing,
255 constructing, furnishing and equipping of a multipurpose building
256 and/or the financing thereof. Without limiting the generality of
257 the foregoing, at least fifty percent (50%) of the budgeted
258 expenditures may be used to directly pay for planning, studying,

259 designing, constructing, furnishing and equipping of a
260 multipurpose building and/or the financing of the building and/or
261 may be used for retirement of any indebtedness created for the
262 purpose of planning, studying, designing, constructing, furnishing
263 and equipping of a multipurpose building and/or the financing of a
264 multipurpose building including, but not limited to, the
265 retirement of bonds issued for said purpose or for repayment of
266 funds borrowed for said purpose. Fifty percent (50%) of the
267 budgeted expenditures shall continue to be used for retirement of
268 any such indebtedness as long as such indebtedness, or any renewal
269 thereof, remains outstanding, in whole or in part. Thereafter,
270 not less than fifty percent (50%) of the budgeted expenditures
271 shall be allocated to marketing and promotion as defined herein.
272 These allocation requirements may be suspended during any fiscal
273 year by an affirmative recommendation of at least five (5) council
274 members and approval of the Mayor and Board of Aldermen of the
275 City of Corinth and the Board of Supervisors of Alcorn County.
276 Any such suspension shall only be effective for the fiscal year in
277 which it is approved, but the exercise of this power in any one
278 fiscal year shall not prevent the exercise of this power in any
279 successive fiscal years.

280 * * *

281 (2) The council shall employ a certified public accountant
282 or an accounting firm composed of certified public accountants to
283 review the monthly receipts and expenditures of the council and to
284 prepare monthly financial reports reflecting said receipts and
285 expenditures and allocating them to the appropriate budgetary
286 categories. These monthly reports shall be reviewed by the
287 council and shall be available for public inspection at the office
288 of the council during regular business hours.

289 (3) The books of the council shall be audited annually by an
290 independent certified public accountant, who may or may not be the
291 same accountant who prepares the monthly financial reports, and

292 said accountant shall make a written report of his audit to the
293 council, which will thereupon submit copies of the report to the
294 city, county and State Auditor. Such audit shall be made and
295 completed as soon as practicable after the close of the fiscal
296 year and shall reflect whether the council has met the budgetary
297 requirements set forth herein. Copies of the report of said audit
298 shall be filed with the city, county and State Auditor within
299 fifteen (15) days after receipt thereof by the council.

300 (4) Organizations seeking funding from the council for
301 capital projects, events, marketing or tourism promotion shall
302 submit a written application to the council therefor. Said
303 application shall include the name of the organization, a
304 description of the project, event or promotion to be supported,
305 the specific dollar amount requested, the projected tourism impact
306 of the project, event or promotion, and any other information
307 which the council may require. Said application shall also
308 provide that the council, in its discretion, may either have
309 sufficient access to the project, event or promotion to prepare a
310 tracking report of the tourism impact or may require the
311 organization to collect the data necessary for preparation of such
312 a tracking report.

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