

By: Representatives Denny, Dixon, Clarke

To: Appropriations

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1226

1 AN ACT TO CREATE THE CAPITOL COMPLEX IMPROVEMENT DISTRICT; TO
2 ESTABLISH THE BOARD OF DIRECTORS OF THE CAPITOL COMPLEX
3 IMPROVEMENT DISTRICT TO IMPLEMENT AND SUPERVISE CERTAIN
4 IMPROVEMENT PROJECTS WITHIN SUCH DISTRICT; TO AUTHORIZE THE BOARD
5 OF DIRECTORS TO EMPLOY AN EXECUTIVE DIRECTOR WHO SHALL BE THE
6 CHIEF EXECUTIVE OFFICER OF THE BOARD AND ADMINISTER THE DAY-TO-DAY
7 ACTIVITIES OF THE DISTRICT; TO AUTHORIZE THE EXECUTIVE DIRECTOR,
8 SUBJECT TO APPROVAL OF THE BOARD OF DIRECTORS, TO EMPLOY PERSONS
9 AS HE OR SHE CONSIDERS NECESSARY FOR THE PROPER CONDUCT OF BOARD
10 BUSINESS; TO CREATE THE CAPITOL COMPLEX IMPROVEMENT DISTRICT
11 PROJECT ADVISORY COMMITTEE; TO PROVIDE THAT THE BOARD OF DIRECTORS
12 SHALL DEVELOP A COMPREHENSIVE PLAN FOR IMPROVEMENT PROJECTS IN THE
13 DISTRICT IN CONSULTATION WITH THE CAPITOL COMPLEX IMPROVEMENT
14 DISTRICT PROJECT ADVISORY COMMITTEE; TO PROVIDE THAT SUCH PLAN
15 SHALL ATTEMPT TO INCORPORATE THE NEEDS OF THE CITY OF JACKSON, THE
16 DEPARTMENT OF FINANCE AND ADMINISTRATION, JACKSON STATE
17 UNIVERSITY, THE UNIVERSITY OF MISSISSIPPI MEDICAL CENTER AND THE
18 MISSISSIPPI DEPARTMENT OF ARCHIVES AND HISTORY; TO REQUIRE
19 IMPROVEMENT PROJECTS UNDERTAKEN UNDER THIS ACT TO COMPORT WITH THE
20 PLAN; TO PROVIDE THAT THE PLAN MAY BE UPDATED AT ANY TIME; TO
21 CREATE THE CAPITOL COMPLEX IMPROVEMENT DISTRICT PROJECT FUND, INTO
22 WHICH SHALL BE DEPOSITED THE MONEY SPECIFIED IN SECTION 27-65-75,
23 MISSISSIPPI CODE OF 1972, AND SUCH OTHER MONEY AS THE LEGISLATURE
24 MAY PROVIDE BY APPROPRIATION; TO PROVIDE THAT AN AMOUNT NOT TO
25 EXCEED FIVE PERCENT OF THE AMOUNT DEPOSITED INTO THE FUND MAY BE
26 UTILIZED TO FUND THE ADMINISTRATIVE EXPENSES OF THE DISTRICT; TO
27 PROVIDE THAT AN AMOUNT OF NOT LESS THAN 95% OF THE AMOUNT
28 DEPOSITED INTO THE FUND SHALL BE UTILIZED WITHIN THE DISTRICT FOR
29 IMPROVEMENT PROJECTS; TO AMEND SECTION 29-5-77, MISSISSIPPI CODE
30 OF 1972, TO PROVIDE THAT THE DEPARTMENT OF FINANCE AND
31 ADMINISTRATION SHALL HAVE JURISDICTION RELATIVE TO THE ENFORCEMENT
32 OF ALL LAWS OF THE STATE OF MISSISSIPPI WITHIN THE BOUNDARIES OF
33 THE CAPITOL COMPLEX IMPROVEMENT DISTRICT; TO AMEND SECTION
34 27-65-75, MISSISSIPPI CODE OF 1972, TO DIVERT 12-1/2% OF THE TOTAL



35 SALES TAX REVENUE COLLECTED ON BUSINESS ACTIVITIES WITHIN THE CITY
36 OF JACKSON FOR DEPOSIT INTO THE CAPITOL COMPLEX IMPROVEMENT
37 DISTRICT PROJECT FUND; AND FOR RELATED PURPOSES.

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

39 **SECTION 1.** As used in Sections 1 through 9 of this act:

40 (a) "Board" means the Board of Directors of the Capitol
41 Complex Improvement District.

42 (b) "District" means the Capitol Complex Improvement
43 District.

44 (c) "Improvement projects" means the following types of
45 projects in the public areas of the district:

46 (i) Street reconstruction, resurfacing and other
47 repairs to roadways, curbs and gutters;

48 (ii) Bridge construction, reconstruction and
49 repair;

50 (iii) Reconstructing and repairing of surface
51 water drainage systems including street drains, ditches, culverts
52 and other components of the system;

53 (iv) Installing and replacing street lighting;

54 (v) Installing and replacing traffic signals;

55 (vi) Installation of new water and sewer lines and
56 rehabilitation of existing water and sewer lines;

57 (vii) Reconstruction and repair of parks,
58 cemeteries and public rights-of-way;

59 (viii) Reconstruction and repair of sidewalks
60 along public streets;



61 (ix) Planting and replacing landscaping materials
62 and trees within public parks and rights-of-way;

63 (x) Constructing, reconstruction and repairing of
64 city-owned buildings used for public performances and the arts;
65 and

66 (xi) Placing above-ground utilities underground.

67 **SECTION 2.** There is created the Capitol Complex Improvement
68 District to be composed of the following described area in the
69 City of Jackson, Mississippi, that surrounds the State Capitol
70 Building:

71 CAPITOL COMPLEX PROPOSED BOUNDARIES

72 • Beginning at a point on the west bank of the Pearl River
73 determined by extending the south curb line of High Street east
74 until it meets the bank of the Pearl River;

75 • Then north along the west bank of the Pearl River
76 (extending along the southern boundary of LeFleurs Bluff State
77 Park) until it reaches a point on such bank determined by
78 extending the east curb line of Ridgewood Road south until it
79 meets the bank of the Pearl River;

80 • Then north along such line determined by extending the
81 east curb line of Ridgewood Road and continuing along such curb
82 line until it reaches the northern drainage ditch of Eastover
83 Drive;



84 • Then west along the northern drainage ditch and curb line
85 of Eastover Drive until it reaches the western curb line of the
86 west frontage road of I-55;

87 • Then south along the west curb line of such frontage road
88 until it reaches the northern curb line of Lakeland Drive;

89 • Then west along the northern curb line of Lakeland Drive
90 until it reaches the eastern curb line of Old Canton Road;

91 • Then north along the east curb line of Old Canton Road
92 until it reaches the northern curb line of Duling Avenue;

93 • Then west along the north curb line of Duling Avenue to
94 the east curb line of North State Street;

95 • Then north along the east curb line of North State Street
96 to the south curb line of Hartfield Street;

97 • Then west along the south curb line of Hartfield Street to
98 the east curb line of Oxford Avenue;

99 • Then south on the east curb line of Oxford Avenue to the
100 north curb line of Mitchell Avenue which becomes Stonewall Street;

101 • Then west along the north curb line of Mitchell Street and
102 then Stonewall Street until it reaches the west curb line of
103 Livingston Road;

104 • Then south along the west curb line of Livingston Road
105 until it reaches the south curb line of Woodrow Wilson Drive;

106 • Then east along the south curb line of Woodrow Wilson
107 Drive to the west curb line of Bailey Avenue (which becomes
108 Gallatin Street);



109 • Then south along the west curb line of Bailey Avenue and
110 then Gallatin Street until it reaches the north curb line of West
111 Pearl Street which becomes Dr. Robert Smith Sr. Parkway;
112 • Then west along the north curb line of Pearl Street and
113 then Dr. Robert Smith Sr. Parkway until it intersects with the
114 north curb line of John R. Lynch Street on the west side of
115 Jackson State University;
116 • Then west on the north curb line of John R. Lynch Street
117 until it reaches the west curb line of Valley Street;
118 • Then south along the west curb line of Valley Street until
119 it reaches the south curb line of Morehouse Street;
120 • Then east along the south curb line of Morehouse Street
121 until it reaches the west curb line of Dalton Street;
122 • Then south along the west curb line of Dalton Street until
123 it reaches the south curb line of Florence Avenue;
124 • Then east along the south curb line of Florence Avenue
125 until it reaches the east curb line of University Blvd. (Terry
126 Road);
127 • Then north and along the east curb line of University
128 Blvd. until it reaches the south curb line of Hooker Street;
129 • Then east along the south curb line of Hooker Street
130 extending in a straight line to the railroad tracks;
131 • Then north on the west side of such railroad tracks to the
132 south curb line of South Street;



133 • Then east on South Street to the east curb line of
134 Jefferson Street and extend the south curb line of South Street in
135 a straight line to the east to the western edge of I-55;
136 • Then north along the western edge of I-55 until it reaches
137 the south curb line of High Street;
138 • Then east along the south curb line of High Street and
139 extending such line to the Pearl River and the point of the
140 beginning.

141 **SECTION 3.** (1) There is created the Board of Directors of
142 the Capitol Complex Improvement District which shall be composed
143 of five (5) members, two (2) of whom shall be residents of Hinds
144 County and three (3) of whom shall be residents of Hinds, Rankin
145 or Madison Counties, appointed as follows:

146 (a) Two (2) members shall be appointed by the Governor,
147 with the advice and consent of the Senate, one (1) for an initial
148 term of three (3) years and one (1) for an initial term of one (1)
149 year;

150 (b) Two (2) members shall be appointed by the
151 Lieutenant Governor, with the advice and consent of the Senate,
152 one (1) of whom shall be a resident of Hinds County for an initial
153 term of two (2) years and one (1) for an initial term of one (1)
154 year; and

155 (c) One (1) member who shall be a resident of Hinds
156 County shall be appointed by the Mayor of the City of Jackson,



157 with the advise and consent of the Senate, for an initial term of
158 two (2) years.

159 After the initial terms, the terms of the board shall be for
160 three (3) years and until their successors are appointed and
161 qualified. Members to fill vacancies shall be appointed by the
162 appropriate appointing authority for the unexpired term.

163 **SECTION 4.** (1) Each person appointed as a member of the
164 board of directors shall qualify by taking the oath prescribed by
165 the Constitution for state officers and file a certificate thereof
166 in the Office of the Secretary of State within fifteen (15) days
167 after his or her appointment.

168 (2) There shall be a chairman of the board and such other
169 officers considered necessary by the board elected by and from its
170 membership.

171 (3) The board shall meet at least once quarterly to conduct
172 business, and may meet at such additional times as it may consider
173 necessary. Additional meetings may be called by the chairman of
174 the board or a majority of the members of the board.

175 (4) A majority of the members of the board shall constitute
176 a quorum for the conduct of meetings and all actions of the board
177 shall be by a majority vote.

178 (5) Each member of the board shall receive per diem
179 compensation as provided in Section 25-3-69 for attendance at
180 board meetings, together with necessary travel and other expenses
181 incurred in the discharge of his or her duties as a board member.



182 (6) The board shall implement and supervise projects
183 financed, in whole or in part, with funds from the Capitol Complex
184 Improvement District Project Fund.

185 (7) The board may borrow money to finance improvement
186 projects; however, not more than twenty-five percent (25%) of the
187 improvement project funds deposited in the Capitol Complex
188 Improvement District Project Fund in any fiscal year may be
189 utilized to pay principal, interest and other incidental expenses
190 incurred in connection with the debt. Any debt incurred under
191 this subsection shall mature not longer than five (5) years after
192 the date of issuance.

193 (8) The board may compensate the City of Jackson for
194 providing police coverage for major events conducted within the
195 district.

196 **SECTION 5.** (1) The board may employ an executive director
197 who shall be the chief executive officer of the board and
198 administer the day-to-day activities of the district. The
199 executive director shall receive a salary set by the board subject
200 to approval by the State Personnel Board.

201 (2) The executive director, subject to approval of the
202 board, may employ persons as he or she considers necessary for the
203 proper conduct of board business.

204 (3) Other duties and responsibilities of the executive
205 director shall be defined by rules and regulations prescribed by
206 the board.



207 **SECTION 6.** The Department of Finance and Administration
208 shall provide necessary office space for the district and may
209 provide such personnel and services as requested by the board.
210 The board shall reimburse the Department of Finance and
211 Administration the cost of providing such personnel and services.

212 **SECTION 7.** (1) There is created the Capitol Complex
213 Improvement District Project Advisory Committee composed of the
214 following eleven (11) members:

215 (a) Three (3) members appointed by the Mayor of the
216 City of Jackson;

217 (b) Two (2) members appointed by the Governor;

218 (c) One (1) member appointed by the Lieutenant
219 Governor;

220 (d) One (1) member appointed by the Speaker of the
221 House of Representatives;

222 (e) One (1) member appointed by the President of
223 Jackson State University;

224 (f) One (1) member appointed by the Vice Chancellor for
225 Health Affairs of University of Mississippi Medical Center;

226 (g) One (1) member appointed by the Board of Trustees
227 of the Mississippi Department of Archives and History; and

228 (h) The Executive Director of the Department of Finance
229 and Administration.

230 (2) Appointed members shall serve without compensation at
231 the will and pleasure of the appointing authority.



232 (3) The committee shall elect a chairman and such other
233 officers as it considers necessary from among its members.

234 (4) A majority of the members of the committee shall
235 constitute a quorum for the conduct of meetings and all actions of
236 the committee shall be by a majority vote.

237 (5) The committee shall consult with the board and advise
238 them in the development of comprehensive plans for improvement
239 projects in the district and any changes to such plans.

240 **SECTION 8.** The board shall develop a comprehensive plan for
241 improvement projects in the district in consultation with the
242 Capitol Complex Improvement District Project Advisory Committee.
243 The plan shall attempt to incorporate the needs of the City of
244 Jackson, the Department of Finance and Administration, Jackson
245 State University, the University of Mississippi Medical Center and
246 the Mississippi Department of Archives and History. Improvement
247 projects undertaken under Sections 1 through 9 of this act shall
248 comport with the plan. The plan may be updated at any time.

249 **SECTION 9.** (1) There is created in the State Treasury the
250 Capitol Complex Improvement District Project Fund, into which
251 shall be deposited the money specified in Section 27-65-75(1)(c)
252 and such other money as the Legislature may provide by
253 appropriation.

254 (2) An amount not to exceed five percent (5%) of the amount
255 deposited into the fund may be utilized to fund salaries and



256 benefits of employees of the district and other administrative
257 expenses of the district approved by the board.

258 (3) An amount of not less than ninety-five percent (95%) of
259 the amount deposited into the fund, which shall be designated as
260 "improvement project funds," shall be utilized within the district
261 for improvement projects. In addition to fully funding
262 improvement projects, money in the fund may be utilized to fund a
263 portion of an improvement project in cases in which other funds
264 are available for a project and may be used as leverage or
265 matching funds for projects in the district that comport with the
266 district's comprehensive plan.

267 (4) Money in the fund shall be expended upon appropriation
268 by the Legislature. Unexpended amounts remaining in the fund at
269 the end of the state fiscal year shall not lapse into the State
270 General Fund, and investment earnings on amounts in the fund shall
271 be deposited to the credit of the fund.

272 **SECTION 10.** Section 29-5-77, Mississippi Code of 1972, is
273 amended as follows:

274 29-5-77. (1) The Department of Finance and Administration
275 shall have jurisdiction relative to the enforcement of all laws of
276 the State of Mississippi on the properties, from curb to curb
277 including adjoining streets, sidewalks and leased parking lots
278 within the Capitol complex, set forth in Section 29-5-2, the Court
279 of Appeals Building, the Mississippi Department of Transportation
280 Building and the Public Employees' Retirement System Building, and



281 any property purchased, constructed or otherwise acquired by the
282 State of Mississippi for conducting state business and not
283 specifically under the supervision and care by any other state
284 entity, but which is reasonably assumed the department would be
285 responsible for such, as approved by the Public Procurement Review
286 Board. The Department of Finance and Administration shall,
287 through any person or persons appointed by the Department of
288 Finance and Administration, or through the Department of Public
289 Safety when requested by the Department of Finance and
290 Administration, make arrests for any violation of any law of the
291 State of Mississippi on those grounds of or within those
292 properties. The Department of Finance and Administration shall
293 enforce the provisions of Sections 29-5-57 through 29-5-67,
294 29-5-71 through 29-5-77, and 29-5-81 through 29-5-95, and
295 prescribe such rules and regulations as are necessary therefor.

296 (2) When in the opinion of the Governor or, in his absence,
297 the Lieutenant Governor, it is readily apparent that an emergency
298 exists that the persons appointed by the Department of Finance and
299 Administration are unable to control in the accomplishment of the
300 provisions of Sections 29-5-57 through 29-5-67, 29-5-71 through
301 29-5-77, and 29-5-81 through 29-5-95 in regard to law enforcement,
302 then the Governor or, in his absence, the Lieutenant Governor, may
303 call upon the Department of Public Safety, members of which shall
304 have power to arrest and detain any persons violating the



305 provisions of those sections of law, until the person can be
306 brought before the proper authorities for trial.

307 (3) Subject to the approval of the Board of Trustees of
308 State Institutions of Higher Learning, the Board of Trustees and
309 the Department of Finance and Administration shall be authorized
310 to enter into a contract for the Department of Finance and
311 Administration to supply the security personnel with jurisdiction
312 to enforce all laws of the State of Mississippi on the property of
313 the Board of Trustees located at the corner of Ridgewood Road and
314 Lakeland Drive in the City of Jackson.

315 (4) (a) The Department of Finance and Administration and
316 the Department of Agriculture are authorized to enter into a
317 contract for the Department of Finance and Administration to have
318 jurisdiction and enforce all laws of the State of Mississippi on
319 the property of the Department of Agriculture located at 121 North
320 Jefferson Street and the new Farmer's Market Building located at
321 the corner of High and Jefferson Streets in the City of Jackson,
322 Hinds County, Mississippi. It is the intent of the Legislature
323 that the Department of Finance and Administration will not post
324 any security personnel at such buildings, but will provide regular
325 vehicle patrols and responses to security system alarms.

326 (b) The Department of Finance and Administration and
327 the Mississippi Fair Commission are authorized to enter into a
328 contract for the Department of Finance and Administration to have
329 jurisdiction and enforce all laws of the State of Mississippi on



330 the property of the Mississippi Fair Commission known as the
331 "Mississippi State Fairgrounds Complex" and any and all of its
332 outlying buildings and property. The Department of Finance and
333 Administration and the Mississippi Fair Commission are authorized
334 to enter into a contract for the Department of Finance and
335 Administration to supply the security personnel to the Mississippi
336 Fair Commission with jurisdiction to enforce all laws of the State
337 of Mississippi on this property and any and all buildings on this
338 property.

339 (5) The Department of Finance and Administration and the
340 Department of Revenue are authorized to enter into a contract for
341 the Department of Finance and Administration to supply the
342 security personnel with jurisdiction to enforce all laws of the
343 State of Mississippi at the Alcoholic Beverage Control facility
344 and the Department of Revenue main office.

345 (6) The Department of Finance and Administration shall have
346 jurisdiction relative to the enforcement of all laws of the State
347 of Mississippi within the boundaries of the Capitol Complex
348 Improvement District created in Section 2 of this act. The
349 Department of Finance and Administration shall, through any person
350 or persons appointed by the Department of Finance and
351 Administration, make arrests for any violation of any law of the
352 State of Mississippi which occurs within the boundaries of the
353 district. The jurisdiction of the Department of Finance and
354 Administration under this subsection (6) shall be concurrent with



355 the jurisdiction of the City of Jackson, Mississippi, and that of
356 Hinds County, Mississippi. The jurisdiction and authority of the
357 Department of Finance and Administration under this subsection (6)
358 shall be in addition to any other jurisdiction and authority
359 provided to the department under this section or any other law.

360 **SECTION 11.** Section 27-65-75, Mississippi Code of 1972, is
361 amended as follows:

362 27-65-75. On or before the fifteenth day of each month, the
363 revenue collected under the provisions of this chapter during the
364 preceding month shall be paid and distributed as follows:

365 (1) (a) On or before August 15, 1992, and each succeeding
366 month thereafter through July 15, 1993, eighteen percent (18%) of
367 the total sales tax revenue collected during the preceding month
368 under the provisions of this chapter, except that collected under
369 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
370 business activities within a municipal corporation shall be
371 allocated for distribution to the municipality and paid to the
372 municipal corporation. Except as otherwise provided in this
373 paragraph (a), on or before August 15, 1993, and each succeeding
374 month thereafter, eighteen and one-half percent (18-1/2%) of the
375 total sales tax revenue collected during the preceding month under
376 the provisions of this chapter, except that collected under the
377 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
378 27-65-24, on business activities within a municipal corporation
379 shall be allocated for distribution to the municipality and paid



380 to the municipal corporation. However, in the event the State
381 Auditor issues a certificate of noncompliance pursuant to Section
382 21-35-31, the Department of Revenue shall withhold ten percent
383 (10%) of the allocations and payments to the municipality that
384 would otherwise be payable to the municipality under this
385 paragraph (a) until such time that the department receives written
386 notice of the cancellation of a certificate of noncompliance from
387 the State Auditor.

388 A municipal corporation, for the purpose of distributing the
389 tax under this subsection, shall mean and include all incorporated
390 cities, towns and villages.

391 Monies allocated for distribution and credited to a municipal
392 corporation under this paragraph may be pledged as security for a
393 loan if the distribution received by the municipal corporation is
394 otherwise authorized or required by law to be pledged as security
395 for such a loan.

396 In any county having a county seat that is not an
397 incorporated municipality, the distribution provided under this
398 subsection shall be made as though the county seat was an
399 incorporated municipality; however, the distribution to the
400 municipality shall be paid to the county treasury in which the
401 municipality is located, and those funds shall be used for road,
402 bridge and street construction or maintenance in the county.

403 (b) On or before August 15, 2006, and each succeeding
404 month thereafter, eighteen and one-half percent (18-1/2%) of the



405 total sales tax revenue collected during the preceding month under
406 the provisions of this chapter, except that collected under the
407 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
408 business activities on the campus of a state institution of higher
409 learning or community or junior college whose campus is not
410 located within the corporate limits of a municipality, shall be
411 allocated for distribution to the state institution of higher
412 learning or community or junior college and paid to the state
413 institution of higher learning or community or junior college.

414 (c) On or before August 15, 2017, and each succeeding
415 month thereafter, twelve and one-half percent (12-1/2%) of the
416 total sales tax revenue collected during the preceding month under
417 the provisions of this chapter, except that collected under the
418 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
419 27-65-24, on business activities within the corporate limits of
420 the City of Jackson, Mississippi, shall be deposited into the
421 Capitol Complex Improvement District Project Fund created in
422 Section 9 of this act.

423 (2) On or before September 15, 1987, and each succeeding
424 month thereafter, from the revenue collected under this chapter
425 during the preceding month, One Million One Hundred Twenty-five
426 Thousand Dollars (\$1,125,000.00) shall be allocated for
427 distribution to municipal corporations as defined under subsection
428 (1) of this section in the proportion that the number of gallons
429 of gasoline and diesel fuel sold by distributors to consumers and



430 retailers in each such municipality during the preceding fiscal
431 year bears to the total gallons of gasoline and diesel fuel sold
432 by distributors to consumers and retailers in municipalities
433 statewide during the preceding fiscal year. The Department of
434 Revenue shall require all distributors of gasoline and diesel fuel
435 to report to the department monthly the total number of gallons of
436 gasoline and diesel fuel sold by them to consumers and retailers
437 in each municipality during the preceding month. The Department
438 of Revenue shall have the authority to promulgate such rules and
439 regulations as is necessary to determine the number of gallons of
440 gasoline and diesel fuel sold by distributors to consumers and
441 retailers in each municipality. In determining the percentage
442 allocation of funds under this subsection for the fiscal year
443 beginning July 1, 1987, and ending June 30, 1988, the Department
444 of Revenue may consider gallons of gasoline and diesel fuel sold
445 for a period of less than one (1) fiscal year. For the purposes
446 of this subsection, the term "fiscal year" means the fiscal year
447 beginning July 1 of a year.

448 (3) On or before September 15, 1987, and on or before the
449 fifteenth day of each succeeding month, until the date specified
450 in Section 65-39-35, the proceeds derived from contractors' taxes
451 levied under Section 27-65-21 on contracts for the construction or
452 reconstruction of highways designated under the highway program
453 created under Section 65-3-97 shall, except as otherwise provided
454 in Section 31-17-127, be deposited into the State Treasury to the



455 credit of the State Highway Fund to be used to fund that highway
456 program. The Mississippi Department of Transportation shall
457 provide to the Department of Revenue such information as is
458 necessary to determine the amount of proceeds to be distributed
459 under this subsection.

460 (4) On or before August 15, 1994, and on or before the
461 fifteenth day of each succeeding month through July 15, 1999, from
462 the proceeds of gasoline, diesel fuel or kerosene taxes as
463 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
464 (\$4,000,000.00) shall be deposited in the State Treasury to the
465 credit of a special fund designated as the "State Aid Road Fund,"
466 created by Section 65-9-17. On or before August 15, 1999, and on
467 or before the fifteenth day of each succeeding month, from the
468 total amount of the proceeds of gasoline, diesel fuel or kerosene
469 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
470 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
471 one-fourth percent (23-1/4%) of those funds, whichever is the
472 greater amount, shall be deposited in the State Treasury to the
473 credit of the "State Aid Road Fund," created by Section 65-9-17.
474 Those funds shall be pledged to pay the principal of and interest
475 on state aid road bonds heretofore issued under Sections 19-9-51
476 through 19-9-77, in lieu of and in substitution for the funds
477 previously allocated to counties under this section. Those funds
478 may not be pledged for the payment of any state aid road bonds
479 issued after April 1, 1981; however, this prohibition against the



480 pledging of any such funds for the payment of bonds shall not
481 apply to any bonds for which intent to issue those bonds has been
482 published for the first time, as provided by law before March 29,
483 1981. From the amount of taxes paid into the special fund under
484 this subsection and subsection (9) of this section, there shall be
485 first deducted and paid the amount necessary to pay the expenses
486 of the Office of State Aid Road Construction, as authorized by the
487 Legislature for all other general and special fund agencies. The
488 remainder of the fund shall be allocated monthly to the several
489 counties in accordance with the following formula:

490 (a) One-third (1/3) shall be allocated to all counties
491 in equal shares;

492 (b) One-third (1/3) shall be allocated to counties
493 based on the proportion that the total number of rural road miles
494 in a county bears to the total number of rural road miles in all
495 counties of the state; and

496 (c) One-third (1/3) shall be allocated to counties
497 based on the proportion that the rural population of the county
498 bears to the total rural population in all counties of the state,
499 according to the latest federal decennial census.

500 For the purposes of this subsection, the term "gasoline,
501 diesel fuel or kerosene taxes" means such taxes as defined in
502 paragraph (f) of Section 27-5-101.



503 The amount of funds allocated to any county under this
504 subsection for any fiscal year after fiscal year 1994 shall not be
505 less than the amount allocated to the county for fiscal year 1994.

506 Any reference in the general laws of this state or the
507 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
508 construed to refer and apply to subsection (4) of Section
509 27-65-75.

510 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
511 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
512 the special fund known as the "State Public School Building Fund"
513 created and existing under the provisions of Sections 37-47-1
514 through 37-47-67. Those payments into that fund are to be made on
515 the last day of each succeeding month hereafter.

516 (6) An amount each month beginning August 15, 1983, through
517 November 15, 1986, as specified in Section 6 * * *, Chapter 542,
518 Laws of 1983, shall be paid into the special fund known as the
519 Correctional Facilities Construction Fund created in Section
520 6 * * *, Chapter 542, Laws of 1983.

521 (7) On or before August 15, 1992, and each succeeding month
522 thereafter through July 15, 2000, two and two hundred sixty-six
523 one-thousandths percent (2.266%) of the total sales tax revenue
524 collected during the preceding month under the provisions of this
525 chapter, except that collected under the provisions of Section
526 27-65-17(2), shall be deposited by the department into the School
527 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On



528 or before August 15, 2000, and each succeeding month thereafter,
529 two and two hundred sixty-six one-thousandths percent (2.266%) of
530 the total sales tax revenue collected during the preceding month
531 under the provisions of this chapter, except that collected under
532 the provisions of Section 27-65-17(2), shall be deposited into the
533 School Ad Valorem Tax Reduction Fund created under Section
534 37-61-35 until such time that the total amount deposited into the
535 fund during a fiscal year equals Forty-two Million Dollars
536 (\$42,000,000.00). Thereafter, the amounts diverted under this
537 subsection (7) during the fiscal year in excess of Forty-two
538 Million Dollars (\$42,000,000.00) shall be deposited into the
539 Education Enhancement Fund created under Section 37-61-33 for
540 appropriation by the Legislature as other education needs and
541 shall not be subject to the percentage appropriation requirements
542 set forth in Section 37-61-33.

543 (8) On or before August 15, 1992, and each succeeding month
544 thereafter, nine and seventy-three one-thousandths percent
545 (9.073%) of the total sales tax revenue collected during the
546 preceding month under the provisions of this chapter, except that
547 collected under the provisions of Section 27-65-17(2), shall be
548 deposited into the Education Enhancement Fund created under
549 Section 37-61-33.

550 (9) On or before August 15, 1994, and each succeeding month
551 thereafter, from the revenue collected under this chapter during



552 the preceding month, Two Hundred Fifty Thousand Dollars
553 (\$250,000.00) shall be paid into the State Aid Road Fund.

554 (10) On or before August 15, 1994, and each succeeding month
555 thereafter through August 15, 1995, from the revenue collected
556 under this chapter during the preceding month, Two Million Dollars
557 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
558 Valorem Tax Reduction Fund established in Section 27-51-105.

559 (11) Notwithstanding any other provision of this section to
560 the contrary, on or before February 15, 1995, and each succeeding
561 month thereafter, the sales tax revenue collected during the
562 preceding month under the provisions of Section 27-65-17(2) and
563 the corresponding levy in Section 27-65-23 on the rental or lease
564 of private carriers of passengers and light carriers of property
565 as defined in Section 27-51-101 shall be deposited, without
566 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
567 established in Section 27-51-105.

568 (12) Notwithstanding any other provision of this section to
569 the contrary, on or before August 15, 1995, and each succeeding
570 month thereafter, the sales tax revenue collected during the
571 preceding month under the provisions of Section 27-65-17(1) on
572 retail sales of private carriers of passengers and light carriers
573 of property, as defined in Section 27-51-101 and the corresponding
574 levy in Section 27-65-23 on the rental or lease of these vehicles,
575 shall be deposited, after diversion, into the Motor Vehicle Ad
576 Valorem Tax Reduction Fund established in Section 27-51-105.



577 (13) On or before July 15, 1994, and on or before the
578 fifteenth day of each succeeding month thereafter, that portion of
579 the avails of the tax imposed in Section 27-65-22 that is derived
580 from activities held on the Mississippi State Fairgrounds Complex
581 shall be paid into a special fund that is created in the State
582 Treasury and shall be expended upon legislative appropriation
583 solely to defray the costs of repairs and renovation at the Trade
584 Mart and Coliseum.

585 (14) On or before August 15, 1998, and each succeeding month
586 thereafter through July 15, 2005, that portion of the avails of
587 the tax imposed in Section 27-65-23 that is derived from sales by
588 cotton compresses or cotton warehouses and that would otherwise be
589 paid into the General Fund shall be deposited in an amount not to
590 exceed Two Million Dollars (\$2,000,000.00) into the special fund
591 created under Section 69-37-39. On or before August 15, 2007, and
592 each succeeding month thereafter through July 15, 2010, that
593 portion of the avails of the tax imposed in Section 27-65-23 that
594 is derived from sales by cotton compresses or cotton warehouses
595 and that would otherwise be paid into the General Fund shall be
596 deposited in an amount not to exceed Two Million Dollars
597 (\$2,000,000.00) into the special fund created under Section
598 69-37-39 until all debts or other obligations incurred by the
599 Certified Cotton Growers Organization under the Mississippi Boll
600 Weevil Management Act before January 1, 2007, are satisfied in
601 full. On or before August 15, 2010, and each succeeding month



602 thereafter through July 15, 2011, fifty percent (50%) of that
603 portion of the avails of the tax imposed in Section 27-65-23 that
604 is derived from sales by cotton compresses or cotton warehouses
605 and that would otherwise be paid into the General Fund shall be
606 deposited into the special fund created under Section 69-37-39
607 until such time that the total amount deposited into the fund
608 during a fiscal year equals One Million Dollars (\$1,000,000.00).
609 On or before August 15, 2011, and each succeeding month
610 thereafter, that portion of the avails of the tax imposed in
611 Section 27-65-23 that is derived from sales by cotton compresses
612 or cotton warehouses and that would otherwise be paid into the
613 General Fund shall be deposited into the special fund created
614 under Section 69-37-39 until such time that the total amount
615 deposited into the fund during a fiscal year equals One Million
616 Dollars (\$1,000,000.00).

617 (15) Notwithstanding any other provision of this section to
618 the contrary, on or before September 15, 2000, and each succeeding
619 month thereafter, the sales tax revenue collected during the
620 preceding month under the provisions of Section
621 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited,
622 without diversion, into the Telecommunications Ad Valorem Tax
623 Reduction Fund established in Section 27-38-7.

624 (16) (a) On or before August 15, 2000, and each succeeding
625 month thereafter, the sales tax revenue collected during the
626 preceding month under the provisions of this chapter on the gross



627 proceeds of sales of a project as defined in Section 57-30-1 shall
628 be deposited, after all diversions except the diversion provided
629 for in subsection (1) of this section, into the Sales Tax
630 Incentive Fund created in Section 57-30-3.

631 (b) On or before August 15, 2007, and each succeeding
632 month thereafter, eighty percent (80%) of the sales tax revenue
633 collected during the preceding month under the provisions of this
634 chapter from the operation of a tourism project under the
635 provisions of Sections 57-26-1 through 57-26-5, shall be
636 deposited, after the diversions required in subsections (7) and
637 (8) of this section, into the Tourism Project Sales Tax Incentive
638 Fund created in Section 57-26-3.

639 (17) Notwithstanding any other provision of this section to
640 the contrary, on or before April 15, 2002, and each succeeding
641 month thereafter, the sales tax revenue collected during the
642 preceding month under Section 27-65-23 on sales of parking
643 services of parking garages and lots at airports shall be
644 deposited, without diversion, into the special fund created under
645 Section 27-5-101(d).

646 (18) [Repealed]

647 (19) (a) On or before August 15, 2005, and each succeeding
648 month thereafter, the sales tax revenue collected during the
649 preceding month under the provisions of this chapter on the gross
650 proceeds of sales of a business enterprise located within a
651 redevelopment project area under the provisions of Sections



652 57-91-1 through 57-91-11, and the revenue collected on the gross
653 proceeds of sales from sales made to a business enterprise located
654 in a redevelopment project area under the provisions of Sections
655 57-91-1 through 57-91-11 (provided that such sales made to a
656 business enterprise are made on the premises of the business
657 enterprise), shall, except as otherwise provided in this
658 subsection (19), be deposited, after all diversions, into the
659 Redevelopment Project Incentive Fund as created in Section
660 57-91-9.

661 (b) For a municipality participating in the Economic
662 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
663 the diversion provided for in subsection (1) of this section
664 attributable to the gross proceeds of sales of a business
665 enterprise located within a redevelopment project area under the
666 provisions of Sections 57-91-1 through 57-91-11, and attributable
667 to the gross proceeds of sales from sales made to a business
668 enterprise located in a redevelopment project area under the
669 provisions of Sections 57-91-1 through 57-91-11 (provided that
670 such sales made to a business enterprise are made on the premises
671 of the business enterprise), shall be deposited into the
672 Redevelopment Project Incentive Fund as created in Section
673 57-91-9, as follows:

674 (i) For the first six (6) years in which payments
675 are made to a developer from the Redevelopment Project Incentive



676 Fund, one hundred percent (100%) of the diversion shall be
677 deposited into the fund;

678 (ii) For the seventh year in which such payments
679 are made to a developer from the Redevelopment Project Incentive
680 Fund, eighty percent (80%) of the diversion shall be deposited
681 into the fund;

682 (iii) For the eighth year in which such payments
683 are made to a developer from the Redevelopment Project Incentive
684 Fund, seventy percent (70%) of the diversion shall be deposited
685 into the fund;

686 (iv) For the ninth year in which such payments are
687 made to a developer from the Redevelopment Project Incentive Fund,
688 sixty percent (60%) of the diversion shall be deposited into the
689 fund; and

690 (v) For the tenth year in which such payments are
691 made to a developer from the Redevelopment Project Incentive Fund,
692 fifty percent (50%) of the funds shall be deposited into the fund.

693 (20) On or before January 15, 2007, and each succeeding
694 month thereafter, eighty percent (80%) of the sales tax revenue
695 collected during the preceding month under the provisions of this
696 chapter from the operation of a tourism project under the
697 provisions of Sections 57-28-1 through 57-28-5 shall be deposited,
698 after the diversions required in subsections (7) and (8) of this
699 section, into the Tourism Sales Tax Incentive Fund created in
700 Section 57-28-3.



701 (21) (a) On or before April 15, 2007, and each succeeding
702 month thereafter through June 15, 2013, One Hundred Fifty Thousand
703 Dollars (\$150,000.00) of the sales tax revenue collected during
704 the preceding month under the provisions of this chapter shall be
705 deposited into the MMEIA Tax Incentive Fund created in Section
706 57-101-3.

707 (b) On or before July 15, 2013, and each succeeding
708 month thereafter, One Hundred Fifty Thousand Dollars (\$150,000.00)
709 of the sales tax revenue collected during the preceding month
710 under the provisions of this chapter shall be deposited into the
711 Mississippi Development Authority Job Training Grant Fund created
712 in Section 57-1-451.

713 (22) Notwithstanding any other provision of this section to
714 the contrary, on or before August 15, 2009, and each succeeding
715 month thereafter, the sales tax revenue collected during the
716 preceding month under the provisions of Section 27-65-201 shall be
717 deposited, without diversion, into the Motor Vehicle Ad Valorem
718 Tax Reduction Fund established in Section 27-51-105.

719 (23) The remainder of the amounts collected under the
720 provisions of this chapter shall be paid into the State Treasury
721 to the credit of the General Fund.

722 (24) (a) It shall be the duty of the municipal officials of
723 any municipality that expands its limits, or of any community that
724 incorporates as a municipality, to notify the commissioner of that
725 action thirty (30) days before the effective date. Failure to so



726 notify the commissioner shall cause the municipality to forfeit
727 the revenue that it would have been entitled to receive during
728 this period of time when the commissioner had no knowledge of the
729 action.

730 (b) (i) Except as otherwise provided in subparagraph
731 (ii) of this paragraph, if any funds have been erroneously
732 disbursed to any municipality or any overpayment of tax is
733 recovered by the taxpayer, the commissioner may make correction
734 and adjust the error or overpayment with the municipality by
735 withholding the necessary funds from any later payment to be made
736 to the municipality.

737 (ii) Subject to the provisions of Sections
738 27-65-51 and 27-65-53, if any funds have been erroneously
739 disbursed to a municipality under subsection (1) of this section
740 for a period of three (3) years or more, the maximum amount that
741 may be recovered or withheld from the municipality is the total
742 amount of funds erroneously disbursed for a period of three (3)
743 years beginning with the date of the first erroneous disbursement.
744 However, if during such period, a municipality provides written
745 notice to the Department of Revenue indicating the erroneous
746 disbursement of funds, then the maximum amount that may be
747 recovered or withheld from the municipality is the total amount of
748 funds erroneously disbursed for a period of one (1) year beginning
749 with the date of the first erroneous disbursement.



750 **SECTION 12.** This act shall take effect and be in force from
751 and after July 1, 2017.

