

August 30, 2000

TO THE MISSISSIPPI STATE SENATE:

I am directed by the Governor to advise you that he has approved the following Senate Bill:

S.B. NO. 2002: AN ACT TO CREATE THE ADVANTAGE MISSISSIPPI INITIATIVE; TO AMEND SECTIONS 57-1-2 AND 57-1-54, MISSISSIPPI CODE OF 1972, TO CHANGE THE NAME OF THE MISSISSIPPI DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT TO THE MISSISSIPPI DEVELOPMENT AUTHORITY; TO CREATE A SPECIAL FUND IN THE STATE TREASURY TO BE KNOWN AS THE "ACE" FUND WHICH SHALL CONSIST OF MONEY FROM ANY PUBLIC OR PRIVATE SOURCE DESIGNATED FOR DEPOSIT INTO SUCH FUND; TO PROVIDE THAT MONEY FROM SUCH FUND SHALL BE UTILIZED TO ASSIST IN THE MAXIMIZING OF EXTRAORDINARY ECONOMIC DEVELOPMENT OPPORTUNITIES; TO PROVIDE THAT THE MISSISSIPPI DEVELOPMENT AUTHORITY SHALL HAVE SOLE DISCRETION IN THE AWARDING OF ACE FUNDS; TO CREATE THE "REGIONAL ECONOMIC DEVELOPMENT ACT" TO PROMOTE THE ISSUING OF BONDS FOR CERTAIN PROJECTS BY LOCAL GOVERNMENT UNITS ACTING JOINTLY OR SEVERALLY WITH OTHER GOVERNMENT UNITS INCLUDING GOVERNMENT UNITS IN ANOTHER STATE, THROUGH THE CREATION OF REGIONAL ECONOMIC DEVELOPMENT ALLIANCES; TO PROVIDE THAT A LOCAL GOVERNMENT UNIT MUST APPLY TO THE MISSISSIPPI DEVELOPMENT AUTHORITY FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE FORMATION OF SUCH A REGIONAL ECONOMIC DEVELOPMENT ALLIANCE; TO AUTHORIZE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO REFUSE TO ISSUE SUCH CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY; TO GIVE THE MISSISSIPPI DEVELOPMENT AUTHORITY THE POWER TO PLACE CERTAIN REQUIREMENTS ON THE EXERCISE OF CERTAIN DUTIES BY SUCH REGIONAL ECONOMIC DEVELOPMENT ALLIANCES INCLUDING THE SPECIFYING OF THE EXTENT AND AMOUNT TO WHICH THE LOCAL GOVERNMENT UNIT MAY ISSUE BONDS; TO SPECIFY THE AUTHORITY OF LOCAL GOVERNMENT UNITS TO ISSUE BONDS UNDER THIS ACT; TO PROVIDE FOR THE JOINT EXERCISE OF AUTHORITY BY LOCAL GOVERNMENT UNITS OF THIS STATE AND GOVERNMENTAL UNITS IN ANOTHER STATE; TO PROVIDE THAT JOINT UNDERTAKINGS UNDER THE ACT SHALL BE EVIDENCED

BY WRITTEN CONTRACTUAL AGREEMENTS FOR JOINT OR COOPERATIVE ACTION TO PROVIDE SERVICES AND FACILITIES; TO PROVIDE THAT REGIONAL ECONOMIC DEVELOPMENT ALLIANCES MAY TAKE ANY ACTION THAT ANY LOCAL GOVERNMENT UNIT MEMBER MAY TAKE; TO GRANT REGIONAL ECONOMIC DEVELOPMENT ALLIANCES CERTAIN POWERS WITH REGARD TO THE ISSUANCE OF BONDS; TO REQUIRE THE AGREEMENTS MADE UNDER THE ACT TO INCLUDE CERTAIN PROVISIONS; TO REQUIRE SUCH AGREEMENTS TO BE APPROVED BY CERTAIN OFFICERS; TO REQUIRE THE FILING OF SUCH AGREEMENTS; TO AMEND SECTIONS 21-41-3, 21-41-5, 21-45-3, 21-45-9 AND 21-45-13, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; TO CREATE THE "MISSISSIPPI ADVANTAGE JOBS ACT" TO PROVIDE INCENTIVES FOR THE SUPPORT OF THE ESTABLISHMENT OF QUALITY BUSINESS AND INDUSTRY THAT HOLD THE PROMISE OF SIGNIFICANT DEVELOPMENT OF THE ECONOMY OF THE STATE OF MISSISSIPPI THROUGH THE CREATION OF QUALITY JOBS; TO PROVIDE FOR QUARTERLY INCENTIVE PAYMENTS TO QUALIFIED BUSINESSES FOR A PERIOD OF NOT TO EXCEED TEN YEARS; TO PROVIDE FOR THE AMOUNT OF THE INCENTIVE PAYMENT; TO PROVIDE THAT THE PAYMENT SHALL BE BASED ON THE NUMBER OF JOBS CREATED; TO PROVIDE THAT IN ORDER TO QUALIFY FOR SUCH PAYMENTS THE AVERAGE ANNUAL SALARY OF THE EMPLOYEES OF THE RECIPIENT MUST BE AT LEAST 125% OF THE AVERAGE ANNUAL WAGE OF THE STATE OR THE AVERAGE ANNUAL WAGE OF THE COUNTY IN WHICH THE QUALIFIED BUSINESS IS LOCATED, WHICHEVER IS THE LESSER; TO PROVIDE THAT A CERTAIN NUMBER OF JOBS MUST BE CREATED OR MAINTAINED; TO PROVIDE THAT THE MISSISSIPPI DEVELOPMENT AUTHORITY SHALL DETERMINE THE ELIGIBILITY OF THE BUSINESS; TO CREATE A SPECIAL FUND IN THE STATE TREASURY TO BE KNOWN AS THE "MISSISSIPPI ADVANTAGE JOBS INCENTIVE PAYMENT FUND" INTO WHICH SHALL BE DEPOSITED A CERTAIN PORTION OF THE WITHHOLDING TAXES PAID BY THE QUALIFIED BUSINESS; TO PROVIDE THAT MONEY IN THE FUND SHALL BE UTILIZED TO MAKE THE REQUIRED INCENTIVE PAYMENTS; TO PROVIDE THAT THE LIABILITY OF THE STATE TO MAKE INCENTIVE PAYMENTS SHALL BE LIMITED TO THE BALANCE IN THE FUND; TO PROVIDE THAT CLAIMS FOR QUARTERLY INCENTIVE PAYMENTS SHALL BE FILED WITH THE STATE TAX COMMISSION; TO PROVIDE THAT THE STATE TAX COMMISSION SHALL VERIFY THE ELIGIBILITY OF THE BUSINESS FOR THE INCENTIVE PAYMENTS PRIOR TO EACH PAYMENT; TO PROVIDE THAT THE DEPARTMENT OF FINANCE AND ADMINISTRATION SHALL ISSUE WARRANTS UPON REQUISITION OF THE STATE TAX COMMISSION FOR THE PAYMENT OF INCENTIVE PAYMENTS UPON VERIFICATION THAT THE RECIPIENT IS ELIGIBLE; TO CREATE A NEW CODE SECTION TO BE CODIFIED AS SECTION 27-7-312, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT AN AMOUNT OF THE WITHHOLDING TAX COLLECTED FROM AN EMPLOYER WHO IS ELIGIBLE TO RECEIVE QUARTERLY INCENTIVE PAYMENTS UNDER THE MISSISSIPPI ADVANTAGE JOBS ACT THAT

IS EQUAL TO THE ESTIMATED AMOUNT OF THE QUARTERLY INCENTIVE PAYMENT FOR WHICH AN EMPLOYEE IS ELIGIBLE, SHALL BE DEPOSITED INTO THE MISSISSIPPI ADVANTAGE JOBS INCENTIVE PAYMENT FUND FOLLOWING THE CLOSE OF EACH CALENDAR QUARTER; TO CREATE THE "GROWTH AND PROSPERITY ACT" TO ASSIST CERTAIN COUNTIES IN ENCOURAGING ECONOMIC DEVELOPMENT; TO AUTHORIZE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO DESIGNATE CERTAIN COUNTIES AS GROWTH AND PROSPERITY COUNTIES; TO PROVIDE THAT CERTAIN COUNTIES MAY APPLY TO THE MISSISSIPPI DEVELOPMENT AUTHORITY FOR DESIGNATION AS GROWTH AND PROSPERITY COUNTIES; TO PROVIDE INCENTIVES IN THE FORM OF TEMPORARY EXEMPTIONS FROM LOCAL AD VALOREM TAXES AND STATE FRANCHISE, INCOME AND SALES TAXES FOR APPROVED BUSINESS ENTERPRISES THAT LOCATE OR EXPAND IN GROWTH AND PROSPERITY COUNTIES OR ELIGIBLE SUPERVISORS DISTRICTS; TO AMEND SECTION 57-73-21, MISSISSIPPI CODE OF 1972, TO RENAME THE CATEGORIES OF COUNTIES UNDER THE LAW ESTABLISHING THE JOBS TAX CREDIT; TO INCLUDE DATA OR INFORMATION PROCESSING ENTERPRISES OR COMPUTER SOFTWARE DEVELOPMENT ENTERPRISES OR ANY TECHNOLOGY INTENSIVE FACILITY OR ENTERPRISE AS ENTERPRISES WHICH QUALIFY FOR THE JOBS TAX CREDIT; TO INCREASE THE CREDIT FOR JOBS RESULTING FROM THE ESTABLISHMENT OR TRANSFER OF A COMPANY'S NATIONAL OR REGIONAL HEADQUARTERS IN THE STATE UNDER CERTAIN CIRCUMSTANCES; TO AMEND SECTION 57-73-25, MISSISSIPPI CODE OF 1972, TO INCREASE FROM 25% TO 50% THE AMOUNT OF THE INCOME TAX CREDIT GRANTED TO EMPLOYERS SPONSORING BASIC SKILLS TRAINING; TO AUTHORIZE THE CREDIT TO APPLY TO CERTAIN TRAINING APPROVED BY ANY COMMUNITY/JUNIOR COLLEGE DISTRICT WITHIN WHICH THE EMPLOYER IS LOCATED; TO LIMIT THE AMOUNT OF THE TAX CREDIT; TO REVISE THE DEFINITION OF EMPLOYERS WHO ARE ELIGIBLE FOR SUCH CREDIT; TO AMEND SECTION 57-75-5, MISSISSIPPI CODE OF 1972, TO REVISE THE DEFINITION OF THE TERM "PROJECT" UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO AMEND SECTIONS 57-75-9 AND 57-75-11, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE MISSISSIPPI MAJOR ECONOMIC IMPACT AUTHORITY TO NEGOTIATE WITH THE OWNER OF A PROJECT A FEE-IN-LIEU OF FRANCHISE TAXES THAT SHALL BE NOT LESS THAN \$25,000.00 ANNUALLY; TO AMEND SECTION 57-75-15, MISSISSIPPI CODE OF 1972, TO REVISE THE USES FOR WHICH BOND PROCEEDS MAY BE UTILIZED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO AMEND SECTIONS 19-9-1, 21-33-301, 27-7-21, 27-13-5 AND 27-13-7, MISSISSIPPI CODE OF 1972, IN CONFORMITY TO THE PROVISIONS OF THIS ACT; TO AMEND SECTION 27-65-101, MISSISSIPPI CODE OF 1972, TO EXEMPT FROM SALES TAXATION SALES OF ENVIRONMENTAL POLLUTION CONTROL EQUIPMENT TO MANUFACTURERS OR CUSTOM PROCESSORS FOR INDUSTRIAL USE AND TO CONFORM TO THE PROVISIONS OF THIS ACT; TO REQUIRE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO

DEVELOP A PROGRAM TO ENCOURAGE GROWTH IN THE MISSISSIPPI AGRIBUSINESS INDUSTRY; TO PROVIDE FOR THE REQUIREMENTS OF SUCH PROGRAM; TO CREATE THE "MISSISSIPPI LAND, WATER AND TIMBER RESOURCES ACT" FOR THE PURPOSE OF ASSISTING MISSISSIPPI AGRICULTURAL INDUSTRY IN THE DEVELOPMENT, MARKETING AND DISTRIBUTION OF AGRICULTURAL PRODUCTS; TO CREATE THE MISSISSIPPI LAND, WATER AND TIMBER RESOURCES BOARD; TO PROVIDE THE POWERS AND DUTIES OF THE BOARD; TO CREATE THE MISSISSIPPI SMALL MUNICIPALITIES AND LIMITED POPULATION COUNTIES FUND; TO PROVIDE THAT THE MISSISSIPPI DEVELOPMENT AUTHORITY SHALL ADMINISTER SUCH FUND FOR THE PURPOSE OF MAKING GRANTS TO SMALL MUNICIPALITIES AND LIMITED POPULATION COUNTIES TO ASSIST IN COMPLETING CERTAIN PROJECTS; TO PROVIDE THAT THE MDA SHALL CONDUCT OR CONTRACT FOR A STUDY TO DETERMINE IF A DISPARITY EXISTS IN THE TOTAL NUMBER OF QUALIFIED MINORITY CONTRACTORS IN THE STATE AND THE ACTUAL NUMBER OF QUALIFIED MINORITY CONTRACTORS DOING BUSINESS WITH THE STATE; TO AUTHORIZE THE STATE BOARD FOR COMMUNITY AND JUNIOR COLLEGES TO NEGOTIATE MULTI-YEAR INDUSTRIAL TRAINING PROGRAM COMMITMENTS; TO REQUIRE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO FILE AN ANNUAL REPORT WITH THE GOVERNOR, THE SECRETARY OF THE SENATE AND THE CLERK OF THE HOUSE OF REPRESENTATIVES DESCRIBING ALL ASSISTANCE PROVIDED UNDER SENATE BILL NO. 2002, 2000 SECOND EXTRAORDINARY SESSION; TO AMEND SECTION 17-5-1, MISSISSIPPI CODE OF 1972, TO REMOVE CERTAIN LOCATION RESTRICTIONS ON JOINT JAILS; AND FOR RELATED PURPOSES. (August 30, 2000; 4:58 PM)

Respectfully submitted,

Erich Howard
Legislative Aide