

November 6, 2000

TO THE MISSISSIPPI HOUSE OF REPRESENTATIVES:

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

H.B. NO. 1: AN ACT TO PROVIDE AN INCOME TAX CREDIT IN THE AMOUNT OF \$5,000.00 FOR EACH NET NEW FULL-TIME EMPLOYEE JOB CREATED BY A BUSINESS ENTERPRISE THAT OPERATES A PROJECT WITH AN INITIAL CAPITAL INVESTMENT FROM ANY SOURCE OF NOT LESS THAN \$750,000,000.00 AND CREATE AT LEAST 3,000 JOBS; TO PROVIDE THAT THE ENTERPRISE MAY UTILIZE THE CREDIT FOR A PERIOD OF 20 YEARS FROM THE DATE THE CREDIT COMMENCES; TO PROVIDE THAT THE ENTERPRISE MAY SELECT THE COMMENCEMENT DATE BUT THE COMMENCEMENT DATE MAY NOT BE MORE THAN FIVE YEARS FROM THE DATE THE BUSINESS ENTERPRISE COMMENCES COMMERCIAL PRODUCTION; TO PROVIDE THAT EXCESS CREDITS MAY BE CARRIED FORWARD FOR FIVE YEARS; TO AUTHORIZE A JOB TAX CREDIT FOR CERTAIN SUPPLIERS LOCATED ON A PROJECT SITE OF CERTAIN PROJECTS DEVELOPED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO PROVIDE THAT THE AMOUNT OF SUCH CREDIT SHALL BE \$1,000.00 FOR EACH NET NEW FULL-TIME JOB; TO PROVIDE THAT THE DURATION OF SUCH CREDIT SHALL NOT EXCEED FIVE YEARS; TO PROVIDE AN AD VALOREM TAX EXEMPTION FOR CERTAIN SPECIAL TOOLS THAT ARE HELD FOR USE IN MOTOR VEHICLE AND MOTOR VEHICLE PARTS PRODUCTION AND ASSEMBLY; TO PROVIDE THAT THE BOARD OF SUPERVISORS OF A COUNTY OR GOVERNING AUTHORITIES OF A MUNICIPALITY MAY ENTER INTO AN AGREEMENT WITH AN ENTERPRISE OPERATING A CERTAIN PROJECT AS DEFINED IN THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT PROVIDING THAT THE COUNTY OR MUNICIPALITY WILL NOT LEVY ANY TAXES, FEES OR ASSESSMENTS UPON THE ENTERPRISE OTHER THAN TAXES, FEES OR ASSESSMENTS THAT ARE GENERALLY LEVIED UPON ALL TAXPAYERS AND TO AUTHORIZE THE BOARD OF SUPERVISORS OF COUNTIES AND THE GOVERNING AUTHORITIES OF MUNICIPALITIES TO ENTER INTO CERTAIN FEE IN LIEU OF TAXES AGREEMENTS; TO PROVIDE THAT SUCH AN AGREEMENT MAY BE FOR A PERIOD NOT TO EXCEED 30 YEARS; TO PROVIDE THAT THE BOARD OF SUPERVISORS OF A COUNTY OR MUNICIPAL GOVERNING AUTHORITIES MAY ENTER INTO AN

AGREEMENT WITH A SUPPLIER OF AN ENTERPRISE OPERATING A CERTAIN PROJECT AS DEFINED IN THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT PROVIDING THAT THE BOARD OF SUPERVISORS OR GOVERNING AUTHORITIES WILL APPROVE ANY REQUEST FOR EXEMPTION FROM AD VALOREM TAXES SUBMITTED BY THE SUPPLIER IN THE MANNER PROVIDED BY LAW; TO PROVIDE THAT SUCH AN AGREEMENT MAY BE FOR A PERIOD NOT TO EXCEED 20 YEARS AND THAT ANY SUCH EXEMPTION SHALL BE FOR A PERIOD OF 10 YEARS; TO AMEND SECTIONS 57-75-5, 57-75-9, 57-75-11, 57-75-15 AND 57-75-17, MISSISSIPPI CODE OF 1972, TO REVISE THE DEFINITION OF THE TERM "PROJECT" UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT TO INCLUDE ANY MAJOR CAPITAL PROJECT WITH AN INITIAL CAPITAL INVESTMENT FROM ANY SOURCE OF NOT LESS THAN \$750,000,000.00 WHICH CREATES NOT LESS THAN 3,000 NET NEW FULL-TIME JOBS; TO REVISE THE DEFINITION OF THE TERM "PROJECT AREA" TO EXPAND SUCH DEFINITION TO INCLUDE ANY AREA OR TERRITORY WITHIN THE STATE FOR SUCH PROJECT; TO AUTHORIZE CONTRACTS FOR THE ACQUISITION, PURCHASE, CONSTRUCTION OR INSTALLATION OF SUCH PROJECT AND CONTRACTS FOR EXCAVATION, FILL DIRT AND COMPACTION FOR THE PREPARATION OF THE SITE OF A PROJECT TO BE EXEMPT FROM THE BID LAW UNDER CERTAIN CIRCUMSTANCES; TO AUTHORIZE THE MISSISSIPPI MAJOR ECONOMIC IMPACT AUTHORITY TO EXERCISE THE RIGHT OF IMMEDIATE POSSESSION TO ACQUIRE PROPERTY FOR SUCH PROJECT; TO AUTHORIZE THE MISSISSIPPI MAJOR ECONOMIC IMPACT AUTHORITY TO ENTER INTO CONTRACTUAL AGREEMENTS TO WARRANT ANY SITE WORK FOR SUCH PROJECT AND TO LIMIT THE AMOUNT OF SUCH WARRANTY; TO AUTHORIZE THE MISSISSIPPI MAJOR ECONOMIC IMPACT AUTHORITY TO PROVIDE GRANTS TO AN ENTERPRISE OPERATING SUCH PROJECT AND TO LIMIT THE AMOUNT OF SUCH GRANTS; TO AUTHORIZE THE ISSUANCE OF BONDS IN THE AMOUNT OF \$295,000,000.00 FOR SUCH PROJECT; TO AUTHORIZE THE PROCEEDS OF BONDS ISSUED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT TO BE UTILIZED FOR CERTAIN PURPOSES; TO AUTHORIZE ANY PUBLIC AGENCY PROVIDING ANY UTILITY SERVICE TO CERTAIN PROJECTS DEVELOPED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT TO ENTER INTO LEASES OR SUBLEASES AND CERTAIN OTHER AGREEMENTS FOR ANY PERIOD OF TIME NOT TO EXCEED 30 YEARS; TO AMEND SECTIONS 11-27-81, 11-27-85 AND 31-7-13, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; TO AMEND SECTION 27-65-101, MISSISSIPPI CODE OF 1972, TO EXEMPT FROM SALES TAXATION SALES TO CERTAIN MANUFACTURERS OF MOTOR VEHICLES OF MACHINERY AND CERTAIN SPECIAL TOOLS OR REPAIR PARTS THEREFOR, FUEL AND SUPPLIES USED DIRECTLY IN THE MANUFACTURE OF MOTOR VEHICLES OR MOTOR VEHICLE PARTS; TO EXEMPT FROM SALES TAXATION THE SALE OF MATERIALS, MACHINERY AND EQUIPMENT USED IN THE CONSTRUCTION OF A BUILDING, OR AN ADDITION OR IMPROVEMENT THEREON TO AN

ENTERPRISE OPERATING CERTAIN PROJECTS DEFINED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO AMEND SECTION 27-67-7, MISSISSIPPI CODE OF 1972, TO EXEMPT FROM USE TAXATION CERTAIN PERSONAL PROPERTY USED BY A TAXPAYER OTHER THAN THE MANUFACTURER, WHEN THE MANUFACTURER STILL HOLDS TITLE TO THE GOODS AND THE ITEMS ARE PURCHASED AS PART OF CERTAIN PROJECTS DEVELOPED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO AMEND SECTIONS 28 AND 30, CHAPTER 1, LAWS OF 2000, SECOND EXTRAORDINARY SESSION, TO PROVIDE THAT CERTAIN BUSINESSES THAT QUALIFY FOR INCENTIVE PAYMENTS UNDER THE MISSISSIPPI ADVANTAGE JOBS ACT MAY ELECT WHEN THE TEN-YEAR INCENTIVE PERIOD WILL BEGIN; TO PROVIDE THAT SUCH DATE MAY NOT BE LATER THAN 60 MONTHS AFTER THE DATE THE BUSINESS APPLIED FOR INCENTIVE PAYMENTS; TO PROVIDE THAT CERTAIN BUSINESSES QUALIFIED TO RECEIVE PAYMENTS UNDER THE MISSISSIPPI ADVANTAGE JOBS ACT MAY RECEIVE INCENTIVE PAYMENTS FOR A PERIOD IN EXCESS OF TEN YEARS; TO PROVIDE THAT IN ORDER TO QUALIFY FOR SUCH ADDITIONAL INCENTIVE PAYMENTS A BUSINESS MUST BE A CERTAIN PROJECT AS DEFINED IN THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT AND MUST CREATE AND MAINTAIN A CERTAIN NUMBER OF JOBS WITH AN AVERAGE ANNUAL WAGE OF AT LEAST 150% OF THE MOST RECENT AVERAGE ANNUAL WAGE OF THE STATE OR THE MOST RECENT AVERAGE ANNUAL WAGE OF THE COUNTY IN WHICH THE QUALIFIED BUSINESS OR INDUSTRY IS LOCATED, WHICHEVER IS THE LESSER; TO AMEND SECTION 21-1-59, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE GOVERNING AUTHORITIES OF A MUNICIPALITY TO ENTER INTO AN AGREEMENT WITH ENTERPRISES OPERATING CERTAIN PROJECTS DEVELOPED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT PROVIDING THAT SUCH MUNICIPALITY WILL NOT CHANGE ITS BOUNDARIES SO AS TO INCLUDE THE PROJECT SITE OF SUCH PROJECT; TO PROVIDE THAT SUCH AN AGREEMENT SHALL BE BINDING ON FUTURE GOVERNING AUTHORITIES OF SUCH MUNICIPALITY; TO AMEND SECTION 27-19-309, MISSISSIPPI CODE OF 1972, TO AUTHORIZE A MOTOR VEHICLE MANUFACTURER OPERATING CERTAIN PROJECTS DEVELOPED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT TO PURCHASE A CERTAIN NUMBER OF DISTINGUISHING NUMBER TAGS TO BE UTILIZED BY THE MANUFACTURER FOR VEHICLES OWNED BY THE MANUFACTURER AND WHICH ARE USED PRIMARILY FOR MAINTENANCE AT THE PROJECT SITE AND FOR TESTING, DEMONSTRATION, EVALUATION, INCENTIVES AND PROMOTION; TO AMEND SECTION 63-17-55, MISSISSIPPI CODE OF 1972, TO REVISE THE DEFINITION OF THE TERM "MOTOR VEHICLE DEALER" FOR PURPOSES OF THE MISSISSIPPI MOTOR VEHICLE COMMISSION LAW TO EXCLUDE A MOTOR VEHICLE MANUFACTURER OPERATING A CERTAIN PROJECT AS DEFINED IN THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO PROVIDE THAT THE MISSISSIPPI MOTOR VEHICLE COMMISSION LAW SHALL NOT APPLY TO ANY LEASE

BY SUCH A MOTOR VEHICLE MANUFACTURER OF THREE OR FEWER MOTOR VEHICLES AT ANY ONE TIME AND RELATED VEHICLE MAINTENANCE, OF ANY LINE OF VEHICLE PRODUCED BY THE MANUFACTURER OR ITS SUBSIDIARIES, TO ANY ONE EMPLOYEE OF THE MANUFACTURER ON A DIRECT BASIS OR ANY SALE OR OTHER DISPOSITION OF SUCH MOTOR VEHICLES BY THE MANUFACTURER AT THE END OF A LEASE THROUGH DIRECT SALES TO EMPLOYEES OF THE MANUFACTURER OR THROUGH AN OPEN AUCTION OR AUCTION LIMITED TO DEALERS OF THE MANUFACTURER'S VEHICLE LINE OR ITS SUBSIDIARIES' VEHICLE LINES; TO AMEND SECTION 63-17-103, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; TO CREATE A NEW CODE SECTION TO BE CODIFIED AS SECTION 57-75-22, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT CERTAIN HIGHWAY PROJECTS CONSTRUCTED OR IMPROVED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT SHALL BE UNDER THE JURISDICTION OF THE MISSISSIPPI TRANSPORTATION COMMISSION FOR CONSTRUCTION AND MAINTENANCE; TO AMEND SECTION 27-31-1, MISSISSIPPI CODE OF 1972, TO EXEMPT FROM AD VALOREM TAXATION, FOR A PERIOD NOT TO EXCEED 30 YEARS, CERTAIN PROPERTY OF BUSINESS ENTERPRISES OPERATING CERTAIN PROJECTS DEVELOPED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; AND FOR RELATED PURPOSES.

(November 6, 2000; 9:46 PM)

Respectfully submitted,

Erich Howard
Legislative Aide