

By: Senator(s) Hewes, Gollott, Woodfield,
Cuevas, Moffatt, Robertson, Dickerson, Lee,
Horhn

To: Finance

SENATE BILL NO. 3214
(As Sent to Governor)

1 AN ACT TO PROVIDE FOR THE ISSUANCE OF \$20,000,000.00 IN STATE
2 GENERAL OBLIGATION BONDS TO ASSIST IN FUNDING IMPROVEMENTS TO
3 RELOCATED/RECONSTRUCTED MISSISSIPPI 67 BETWEEN U.S. 49 AND I-110
4 AND TO PROVIDE THAT SUCH BONDS MAY BE ISSUED ONLY IF A MASTER
5 PLANNED COMMUNITY INTENDS TO LOCATE IN CLOSE PROXIMITY TO SUCH
6 HIGHWAY; TO AMEND SECTIONS 65-4-3 AND 65-4-5, MISSISSIPPI CODE OF
7 1972, TO AMEND THE ECONOMIC DEVELOPMENT HIGHWAY ACT TO REVISE THE
8 DEFINITION OF THE TERM "HIGH ECONOMIC BENEFIT PROJECT" TO INCLUDE
9 CERTAIN PLANNED COMMUNITIES; TO REVISE THE TERM "PRIVATE COMPANY"
10 TO INCLUDE HOSPITAL DEVELOPERS OF CERTAIN PLANNED COMMUNITIES; TO
11 AMEND SECTION 65-4-25, MISSISSIPPI CODE OF 1972, AS AMENDED BY
12 SECTION 1 OF SENATE BILL NO. 3100, 1999 REGULAR SESSION, TO
13 PROVIDE THAT OF THE BONDS ISSUED UNDER THE ECONOMIC DEVELOPMENT
14 HIGHWAY ACT, \$7,000,000.00 SHALL BE UTILIZED FOR CERTAIN HIGH
15 ECONOMIC BENEFIT PROJECTS; AND FOR RELATED PURPOSES.

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

17 SECTION 1. As used in Sections 1 through 17 of this act, the
18 words and phrases used herein shall have meanings as follows,
19 unless the context clearly indicates a different meaning:

20 (a) "Accreted value" of any bond means, as of any date
21 of computation, an amount equal to the sum of (i) the stated
22 initial value of such bond, plus (ii) the interest accrued thereon
23 from the issue date to the date of computation at the rate,
24 compounded semiannually, that is necessary to produce the
25 approximate yield to maturity shown for bonds of the same
26 maturity.

27 (b) "Commission" means the State Bond Commission.

28 (c) "Project" means a master planned community
29 consisting of an integrated commercial, industrial, recreational,
30 educational, health care and residential development and
31 improvements located on a project site of which not less than
32 fifty percent (50%) of the housing units within such residential
33 development is set aside for and devoted to retirees and which

34 development is the product of a long-range, multi-phase
35 development plan combining a complementary mix of land uses
36 representing unifying characteristics and design elements and
37 providing comprehensive planning and logical and staged
38 implementation and development.

39 (d) "State" means the State of Mississippi.

40 SECTION 2. A special fund, to be designated the "Mississippi
41 67 Construction Fund," is created within the State Treasury. The
42 fund shall be maintained by the State Treasurer as a separate and
43 special fund, separate and apart from the General Fund of the
44 state, and investment earnings on amounts in the fund shall be
45 deposited into such fund. The expenditure of monies deposited
46 into the fund shall be under the direction of the Department of
47 Transportation, and such funds shall be paid by the State
48 Treasurer upon warrants issued by the Department of
49 Transportation. Monies deposited into such fund shall be
50 utilized, in combination with funds from other sources, by the
51 Department of Transportation for improvements to
52 relocated/reconstructed Mississippi 67 between U.S. 49 and I-110,
53 including, but not limited to, any necessary redesigning and the
54 construction of interchanges with roads compatible to the design
55 of the project.

56 SECTION 3. (1) Upon receipt of binding commitments in the
57 form of a letter of intent to locate the project that indicates to
58 the satisfaction of the Department of Transportation that a
59 project will be located in close proximity to Mississippi 67 in
60 Harrison County between U.S. 49 and I-110, the Transportation
61 Commission, at one time or from time to time, may declare by
62 resolution the necessity for issuance of general obligation bonds
63 of the State of Mississippi to provide funds for all costs
64 incurred or to be incurred for the purposes described in Section 2
65 of this act. Upon the adoption of a resolution by the
66 Transportation Commission declaring the necessity for the issuance
67 of any part or all of the general obligation bonds authorized by
68 this section, the Transportation Commission shall deliver a
69 certified copy of its resolution or resolutions to the commission.
70 Upon receipt of such resolution the commission, in its
71 discretion, may act as the issuing agent, prescribe the form of

72 the bonds, advertise for and accept bids, issue and sell the bonds
73 so authorized to be sold, and do any and all other things
74 necessary and advisable in connection with the issuance and sale
75 of such bonds. The amount of bonds issued under this act shall
76 not exceed Twenty Million Dollars (\$20,000,000.00).

77 (2) Any investment earnings on amounts deposited into the
78 special fund created in Section 2 of this act shall be used to pay
79 debt service on bonds issued under this act, in accordance with
80 the proceedings authorizing issuance of such bonds.

81 (3) Upon the completion or abandonment of the project
82 described in Section 2 of this act, as evidenced by a resolution
83 adopted by the Transportation Commission certifying that all such
84 projects have been completed or abandoned, the balance, if any,
85 remaining in the Mississippi 67 Construction Fund shall be
86 promptly applied to pay debt service on bonds issued under
87 Sections 1 through 17 of this act, in accordance with the
88 proceedings authorizing the issuance of such bonds.

89 SECTION 4. The principal of and interest on the bonds
90 authorized under Sections 1 through 17 of this act shall be
91 payable in the manner provided in this section. Such bonds shall
92 bear such date or dates, be in such denomination or denominations,
93 bear interest at such rate or rates (not to exceed the limits set
94 forth in Section 75-17-101), be payable at such place or places
95 within or without the State of Mississippi, shall mature
96 absolutely at such time or times not to exceed twenty-five (25)
97 years from date of issue, be redeemable before maturity at such
98 time or times and upon such terms, with or without premium, shall
99 bear such registration privileges, and shall be substantially in
100 such form, all as shall be determined by resolution of the
101 commission.

102 SECTION 5. The bonds authorized by Sections 1 through 17 of
103 this act shall be signed by the chairman of the commission, or by
104 his facsimile signature, and the official seal of the commission
105 shall be affixed thereto, attested by the secretary of the

106 commission. The interest coupons, if any, to be attached to such
107 bonds may be executed by the facsimile signatures of such
108 officers. Whenever any such bonds shall have been signed by the
109 officials designated to sign the bonds who were in office at the
110 time of such signing but who may have ceased to be such officers
111 before the sale and delivery of such bonds, or who may not have
112 been in office on the date such bonds may bear, the signatures of
113 such officers upon such bonds and coupons shall nevertheless be
114 valid and sufficient for all purposes and have the same effect as
115 if the person so officially signing such bonds had remained in
116 office until their delivery to the purchaser, or had been in
117 office on the date such bonds may bear. However, notwithstanding
118 anything herein to the contrary, such bonds may be issued as
119 provided in the Registered Bond Act of the State of Mississippi.

120 SECTION 6. All bonds and interest coupons issued under the
121 provisions of Sections 1 through 17 of this act have all the
122 qualities and incidents of negotiable instruments under the
123 provisions of the Uniform Commercial Code, and in exercising the
124 powers granted by Sections 1 through 17 of this act, the
125 commission shall not be required to and need not comply with the
126 provisions of the Uniform Commercial Code.

127 SECTION 7. The commission shall act as the issuing agent for
128 the bonds authorized under Sections 1 through 17 of this act,
129 prescribe the form of the bonds, advertise for and accept bids,
130 issue and sell the bonds so authorized to be sold, pay all fees
131 and costs incurred in such issuance and sale, and do any and all
132 other things necessary and advisable in connection with the
133 issuance and sale of such bonds. The commission is authorized and
134 empowered to pay the costs that are incident to the sale, issuance
135 and delivery of the bonds authorized under Sections 1 through 17
136 of this act from the proceeds derived from the sale of such bonds.

137 The commission shall sell such bonds on sealed bids at public
138 sale, and for such price as it may determine to be for the best
139 interest of the State of Mississippi, but no such sale shall be

140 made at a price less than par plus accrued interest to the date of
141 delivery of the bonds to the purchaser. All interest accruing on
142 such bonds so issued shall be payable semiannually or annually;
143 however, the first interest payment may be for any period of not
144 more than one (1) year.

145 Notice of the sale of any such bonds shall be published at
146 least one (1) time, not less than ten (10) days before the date of
147 sale, and shall be so published in one or more newspapers
148 published or having a general circulation in the City of Jackson,
149 Mississippi, and in one or more other newspapers or financial
150 journals with a national circulation, to be selected by the
151 commission.

152 The commission, when issuing any bonds under the authority of
153 Sections 1 through 17 of this act, may provide that bonds, at the
154 option of the State of Mississippi, may be called in for payment
155 and redemption at the call price named therein and accrued
156 interest on such date or dates named therein.

157 SECTION 8. The bonds issued under the provisions of Sections
158 1 through 17 of this act are general obligations of the State of
159 Mississippi, and for the payment thereof the full faith and credit
160 of the State of Mississippi is irrevocably pledged. If the funds
161 appropriated by the Legislature are insufficient to pay the
162 principal of and the interest on such bonds as they become due,
163 then the deficiency shall be paid by the State Treasurer from any
164 funds in the State Treasury not otherwise appropriated. All such
165 bonds shall contain recitals on their faces substantially covering
166 the provisions of this section.

167 SECTION 9. Upon the issuance and sale of bonds under the
168 provisions of Sections 1 through 17 of this act, the commission
169 shall transfer the proceeds of any such sale or sales to the
170 special fund created in Section 2 of this act. The proceeds of
171 such bonds shall be disbursed solely upon the order of the
172 Department of Finance and Administration under such restrictions,
173 if any, as may be contained in the resolution providing for the

174 issuance of the bonds.

175 SECTION 10. The bonds authorized under Sections 1 through 17
176 of this act may be issued without any other proceedings or the
177 happening of any other conditions or things other than those
178 proceedings, conditions and things which are specified or required
179 by Sections 1 through 17 of this act. Any resolution providing
180 for the issuance of bonds under the provisions of Sections 1
181 through 17 of this act shall become effective immediately upon its
182 adoption by the commission, and any such resolution may be adopted
183 at any regular or special meeting of the commission by a majority
184 of its members.

185 SECTION 11. The bonds authorized under the authority of
186 Sections 1 through 17 of this act may be validated in the Chancery
187 Court of the First Judicial District of Hinds County, Mississippi,
188 in the manner and with the force and effect provided by Chapter
189 13, Title 31, Mississippi Code of 1972, for the validation of
190 county, municipal, school district and other bonds. The notice to
191 taxpayers required by such statutes shall be published in a
192 newspaper published or having a general circulation in the City of
193 Jackson, Mississippi.

194 SECTION 12. Any holder of bonds issued under the provisions
195 of Sections 1 through 17 of this act or of any of the interest
196 coupons pertaining thereto may, either at law or in equity, by
197 suit, action, mandamus or other proceeding, protect and enforce
198 any and all rights granted under Sections 1 through 17 of this
199 act, or under such resolution, and may enforce and compel
200 performance of all duties required by Sections 1 through 17 of
201 this act to be performed, in order to provide for the payment of
202 bonds and interest thereon.

203 SECTION 13. All bonds issued under the provisions of
204 Sections 1 through 17 of this act shall be legal investments for
205 trustees and other fiduciaries, and for savings banks, trust
206 companies and insurance companies organized under the laws of the
207 State of Mississippi, and such bonds shall be legal securities

208 which may be deposited with and shall be received by all public
209 officers and bodies of this state and all municipalities and
210 political subdivisions for the purpose of securing the deposit of
211 public funds.

212 SECTION 14. Bonds issued under the provisions of Sections 1
213 through 17 of this act and income therefrom shall be exempt from
214 all taxation in the State of Mississippi.

215 SECTION 15. The proceeds of the bonds issued under Sections
216 1 through 17 of this act shall be used solely for the purposes
217 herein provided, including the costs incident to the issuance and
218 sale of such bonds.

219 SECTION 16. The State Treasurer is authorized, without
220 further process of law, to certify to the Department of Finance
221 and Administration the necessity for warrants, and the Department
222 of Finance and Administration is authorized and directed to issue
223 such warrants, in such amounts as may be necessary to pay when due
224 the principal of, premium, if any, and interest on, or the
225 accreted value of, all bonds issued under Sections 1 through 17 of
226 this act; and the State Treasurer shall forward the necessary
227 amount to the designated place or places of payment of such bonds
228 in ample time to discharge such bonds, or the interest thereon, on
229 the due dates thereof.

230 SECTION 17. Sections 1 through 17 of this act shall be
231 deemed to be full and complete authority for the exercise of the
232 powers therein granted, but Sections 1 through 17 of this act
233 shall not be deemed to repeal or to be in derogation of any
234 existing law of this state.

235 SECTION 18. Section 65-4-3, Mississippi Code of 1972, is
236 amended as follows:

237 65-4-3. It is the purpose of this chapter to promote,
238 attract and secure industrial and other significant development in
239 the state through the construction and improvement of highways in
240 areas of the state which demonstrate actual and immediate
241 potential for the creation or expansion of major industry or other

242 significant development which is heavily dependent upon the use of
243 and direct access to primary highways.

244 SECTION 19. Section 65-4-5, Mississippi Code of 1972, is
245 amended as follows:

246 65-4-5. (1) The following words when used in this chapter
247 shall have the meanings herein ascribed unless the context
248 otherwise clearly requires:

249 (a) "Board" means the Mississippi Department of
250 Economic and Community Development;

251 (b) "Department" means the Mississippi Department of
252 Transportation;

253 (c) "High economic benefit project" means (i) any new
254 investment by a private company with capital investments in land,
255 buildings, depreciable fixed assets and improvements of at least
256 Fifty Million Dollars (\$50,000,000.00); (ii) any new investment of
257 at least Twenty Million Dollars (\$20,000,000.00) by a private
258 company having capital investments in this state in land,
259 buildings, depreciable fixed assets and improvements of at least
260 One Billion Dollars (\$1,000,000,000.00) in the aggregate; (iii)
261 public investment of at least One Hundred Million Dollars
262 (\$100,000,000.00) to take place over a specified period of time
263 and in accordance with a master plan duly adopted by the
264 controlling political subdivision; (iv) any new investments in
265 land, buildings, depreciable fixed assets and improvements by two
266 (2) private companies upon land that is adjacent whenever the new
267 investments of both companies is at least Sixty Million Dollars
268 (\$60,000,000.00) in the aggregate, and such new investments by
269 both private companies provide for the employment of at least five
270 hundred (500) employees in the aggregate; * * * (v) any project
271 which would benefit from the construction of any highway bypass
272 which would aid in economic development and would provide an
273 alternate route to avoid an existing route which underpasses a
274 railroad and which would aid in existing or proposed industry; or
275 (vi) any master planned community consisting of an integrated

276 commercial, industrial, recreational, educational, health care and
277 residential development and improvements located on a project site
278 of which not less than fifty percent (50%) of the housing units
279 within such residential development is set aside for and devoted
280 to retirees and which development is the product of a long-range,
281 multi-phase development plan combining a complementary mix of land
282 uses representing unifying characteristics and design elements and
283 providing comprehensive planning and logical and staged
284 implementation and development;

285 (d) "Political subdivision" means one or more counties
286 or incorporated municipalities in the state, or a state-owned port
287 located in a county bordering on the Gulf of Mexico;

288 (e) "Private company" means (i) any agricultural,
289 aquacultural, maricultural, processing, distribution, warehousing,
290 manufacturing or research and development enterprise; (ii) any air
291 transportation and maintenance facility, regional shopping mall,
292 hospital, large hotel, resort or movie industry studio; (iii) the
293 federal government with respect to any specific project which
294 meets the criteria established in paragraph (c)(i) of this
295 subsection; * * * (iv) any existing or proposed industry in regard
296 to a project described in paragraph (c)(v) of this subsection; or
297 (v) a developer with respect to any specific project which meets
298 the criteria established in paragraph (c)(vi) of this subsection.

299 (2) The Mississippi Department of Transportation is hereby
300 authorized to purchase rights-of-way and construct and maintain
301 roads and highways authorized to be constructed pursuant to this
302 chapter.

303 SECTION 20. Section 65-4-25, Mississippi Code of 1972, as
304 amended by Section 1 of Senate Bill No. 3100, 1999 Regular
305 Session, is amended as follows:

306 65-4-25. The Mississippi Department of Economic and
307 Community Development, acting through its executive director, is
308 authorized, at one time or from time to time, to declare by
309 resolution the necessity for issuance of negotiable general

310 obligation bonds of the State of Mississippi to provide funds for
311 the Economic Development Highway Fund established in Section
312 65-4-15, Mississippi Code of 1972. Upon the adoption of a
313 resolution by the Executive Director of the Mississippi Department
314 of Economic and Community Development, declaring the necessity for
315 the issuance of any part or all of the general obligation bonds
316 authorized by Sections 65-4-25 through 65-4-45, Mississippi Code
317 of 1972, the executive director shall deliver a certified copy of
318 his resolution or resolutions to the State Bond Commission. Upon
319 receipt of same, the State Bond Commission, in its discretion,
320 shall act as the issuing agent, prescribe the form of the bonds,
321 advertise for and accept bids, issue and sell the bonds so
322 authorized to be sold, and do any and all other things necessary
323 and advisable in connection with the issuance and sale of such
324 bonds. The principal amount of bonds issued under Sections
325 65-4-25 through 65-4-45, Mississippi Code of 1972, shall not
326 exceed One Hundred Thirty-five Million Dollars (\$135,000,000.00)
327 in the aggregate. However, an additional amount of bonds may be
328 issued under Sections 65-4-25 through 65-4-45, Mississippi Code of
329 1972, in an amount not to exceed Seven Million Dollars
330 (\$7,000,000.00), and the proceeds of any such additional bonds
331 issued shall be used to provide funding for a high economic
332 benefit project as defined in Section 65-4-5(1)(c)(vi),
333 Mississippi Code of 1972.

334 SECTION 21. This act shall take effect and be in force from
335 and after July 1, 1999.