

By: Representatives Clarke, Banks, Henderson To: Public Health and  
(26th), Huddleston, Watson Welfare; Ways and  
Means

## HOUSE BILL NO. 676

1 AN ACT TO CREATE THE MISSISSIPPI QUALIFIED HEALTH CENTER  
2 ASSISTANCE ACT; TO ESTABLISH UNDER THE DEPARTMENT OF ECONOMIC AND  
3 COMMUNITY DEVELOPMENT THE MISSISSIPPI QUALIFIED HEALTH CENTER  
4 ASSISTANCE PROGRAM FOR THE PURPOSE OF MAKING GRANTS TO PLANNING  
5 AND DEVELOPMENT DISTRICTS FOR THEIR USE IN PROVIDING ASSISTANCE TO  
6 MISSISSIPPI QUALIFIED HEALTH CENTERS; TO ESTABLISH THE TERMS,  
7 CONDITIONS AND AMOUNT OF GRANTS TO PLANNING AND DEVELOPMENT  
8 DISTRICTS; TO ESTABLISH CRITERIA FOR ELIGIBILITY FOR ASSISTANCE;  
9 TO REQUIRE EACH PARTICIPATING PLANNING AND DEVELOPMENT DISTRICT TO  
10 ESTABLISH A REVIEW BOARD TO REVIEW ASSISTANCE APPLICATIONS AND  
11 ESTABLISH THE TERMS AND CONDITIONS UPON WHICH ASSISTANCE MAY BE  
12 PROVIDED; TO CREATE A SPECIAL FUND TO BE KNOWN AS THE MISSISSIPPI  
13 QUALIFIED HEALTH CENTER ASSISTANCE FUND INTO WHICH ALL MONEY  
14 RECEIVED FROM THE ISSUANCE OF BONDS PURSUANT TO THIS ACT SHALL BE  
15 DEPOSITED; TO PROVIDE FOR THE ISSUANCE OF \$15,000,000.00 IN  
16 GENERAL OR LIMITED OBLIGATION BONDS OF THE STATE TO FUND THE  
17 PROGRAM; AND FOR RELATED PURPOSES.

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

19 SECTION 1. This act shall be known and may be cited as the  
20 Mississippi Qualified Health Center Assistance Act.

21 SECTION 2. It is the purpose of this act to promote  
22 increased access to primary health care services for underserved,  
23 rural and urban populations by authorizing the issuance of state  
24 bonds or notes for infrastructure improvements and for funding  
25 such assistance.

26 SECTION 3. The following words and phrases when used in this  
27 act shall have the meaning given to them in this section unless  
28 the context clearly indicates otherwise:

29 (a) "Assistance" means a loan to a Mississippi  
30 qualified health center by a planning and development district in  
31 accordance with this act.

32 (b) "DECD" means Mississippi Department of Economic and  
33 Community Development.

34 (c) "General Fund" means the General Fund of the State  
35 of Mississippi.

36 (d) "Infrastructure improvement" means improvement to a  
37 physical structure, building or property, including, but not  
38 limited to, site development, land acquisition, building  
39 construction, expansion, renovation, equipment acquisition,  
40 communication technology, parking lot expansion and/or repair.

41 (e) "Loan" means a loan by a planning and development  
42 district to a Mississippi qualified health center in accordance  
43 with this act.

44 (f) "Medically underserved area or population" means an  
45 area designated by the Secretary of Health of the United States  
46 Department of Health and Human Services as an area with a shortage  
47 of professional health services or a population group designated  
48 by the secretary as having a shortage of such services.

49 (g) "Mississippi qualified health center" means a  
50 public or nonprofit private entity which provides comprehensive  
51 primary care services that:

52 (i) Has a community board of directors of which  
53 the majority must be users of such centers;

54 (ii) Accepts patients despite their ability to pay  
55 and uses a sliding-fee-scale for such payments; and

56 (iii) Serves a designated medically underserved  
57 area or population as provided in Section 330 of the Public Health  
58 Services Act.

59 (h) "Planning and development districts" means an  
60 organized planning and development district in Mississippi.

61 (i) "Primary care" means the basic entry level of  
62 health services provided by health care practitioners or  
63 nonphysician practitioners which is generally provided in an  
64 outpatient setting.

65 (j) "Program" means the Mississippi Qualified Health  
66 Center Assistance Program established in this act.

67

68 (k) "Seller" means the State Bond Commission.

69 (l) "Sliding-fee-scale patient" means a patient  
70 receiving services from a Mississippi qualified health center who  
71 is not eligible for Medicaid, Medicare or any other type of  
72 governmental reimbursement for health care cost or receiving  
73 third-party payment via an employer.

74 SECTION 4. There is established, under the direction of  
75 DECD, a program to be known as the Mississippi Qualified Health  
76 Center Assistance Program for the purpose of making grants to the  
77 planning and development districts and making loans to Mississippi  
78 qualified health centers for their use in infrastructure  
79 improvements in accordance with this act.

80 SECTION 5. (1) Any planning and development district  
81 desiring to participate in the program shall make application for  
82 a grant to DECD in a form satisfactory to DECD.

83 (2) The application must indicate that the planning and  
84 development district has established a Mississippi qualified  
85 health center assistance review board to review applications for  
86 assistance under the program and make recommendations thereon to  
87 the board of directors of the planning and development district in  
88 accordance with this act. The planning and development district  
89 shall provide such other assurances of their ability to administer  
90 and manage the program in accordance with this act as may be  
91 reasonably required by DECD.

92 SECTION 6. DECD shall grant funds under this act to a  
93 planning and development district in accordance with the following  
94 terms and conditions:

95 (a) Grant funds received by a planning and development  
96 district in accordance with this act shall be used by the planning  
97 and development district to establish a revolving assistance loan  
98 fund for the purpose of providing assistance to Mississippi  
99 qualified health centers in accordance with this act. Except as

100 otherwise allowed in this act, all principal and interest payments  
101 by Mississippi qualified health centers in repayment of such loan  
102 assistance shall be eligible for and used by the planning and  
103 development district for additional assistance to Mississippi  
104 qualified health centers in accordance with this act.

105           (b) Each planning and development district meeting the  
106 criteria set forth in this act shall receive an initial grant not  
107 to exceed One Million Dollars (\$1,000,000.00) for the purpose of  
108 establishing the program within the area it serves in accordance  
109 with this act. The total amount of the initial grants to planning  
110 and development districts shall not exceed Ten Million Dollars  
111 (\$10,000,000.00). Each planning and development district  
112 receiving an initial grant shall have twelve (12) months with  
113 which to make binding commitments to provide assistance to  
114 Mississippi qualified health centers in the principal amount of  
115 the initial grant in accordance with this act. Grant funds not  
116 committed to provide assistance to Mississippi qualified health  
117 centers at the end of twelve (12) months after receipt thereof by  
118 the planning and development district shall be returned to DECD  
119 for placement in a pool to be redistributed by DECD to planning  
120 and development districts which have binding commitments to  
121 distribute as assistance all their initial grant funds and have  
122 pending applications for additional assistance in accordance with  
123 this act. Any planning and development district returning any  
124 such grant funds to DECD shall be required at the time such  
125 initial grant funds are returned to deliver to the State Treasury,  
126 for deposit in the General Fund, interest on the amount of such  
127 returned funds at the same rate as any bonds or notes of the State  
128 of Mississippi issued pursuant to this act to provide such grant  
129 funds.

130           (c) After all the initial grant funds have been  
131 provided as assistance to Mississippi qualified health centers in  
132 accordance with this act, DECD shall distribute additional grant

133 funds to each planning and development district qualified under  
134 this act to receive and requesting such funds in whatever amount  
135 DECD deems appropriate and when needed by such planning and  
136 development districts to provide additional assistance to  
137 Mississippi qualified health centers in accordance with this act.

138 The schedule for distributing such funds shall be determined by  
139 DECD. Funds distributed to planning and development districts  
140 pursuant to this paragraph (c) shall be in addition to funds  
141 distributed to planning and development districts pursuant to  
142 paragraph (b) of this section. The total amount of grants issued  
143 pursuant to this paragraph (c) shall not exceed Twelve Million  
144 Dollars (\$12,000,000.00) for planning and development districts.  
145 Grant funds not committed to provide assistance to Mississippi  
146 qualified health centers at the end of twelve (12) months after  
147 receipt thereof by the planning and development district shall be  
148 returned to DECD for placement in a pool to be redistributed by  
149 DECD to planning and development districts which have binding  
150 commitments to distribute as assistance all their initial grant  
151 funds and have pending applications for additional assistance in  
152 accordance with this act. Any planning and development district  
153 returning any such grant funds to DECD shall be required at the  
154 time such initial grant funds are returned to deliver to the State  
155 Treasury, for deposit in the General Fund, interest on the amount  
156 of such returned funds at the same rate as any bonds or notes of  
157 the State of Mississippi issued pursuant to this act to provide  
158 such grant funds.

159 (d) A planning and development district participating  
160 in the program may utilize not more than fifty percent (50%) of  
161 its interest earned on assistance provided to Mississippi  
162 qualified health centers in accordance with this act for  
163 administration and management of the program, unless specifically  
164 authorized to utilize more by DECD; however, any interest earned  
165 on grant funds held by a planning and development district prior

166 to the utilization of such grant funds to provide assistance to  
167 Mississippi qualified health centers shall be placed in the  
168 revolving assistance loan fund of the planning and development  
169 district and shall not be expended for administration or  
170 management costs.

171 (e) If a planning and development district  
172 participating in the program experiences losses from assistance  
173 provided pursuant to the program in excess of fifty percent (50%)  
174 of the amount of grant funds received by the planning and  
175 development district, the planning and development district shall  
176 repay the State of Mississippi the amount of such losses in excess  
177 of fifty percent (50%) by delivering that amount to the State  
178 Treasury for deposit in the General Fund.

179 (f) DECD shall assist each planning and development  
180 district participating in the program in connection with such  
181 planning and development district's compliance with this act.

182 (g) Each planning and development district shall submit  
183 the following reports to DECD:

184 (i) An annual audit of grant funds received in  
185 connection with the program; and

186 (ii) A semiannual report on July 15 and January 15  
187 of each year, describing all assistance provided to a Mississippi  
188 qualified health center pursuant to the program, such reports to  
189 include without limitation the following: a description of each  
190 Mississippi qualified health center receiving assistance; the  
191 project to be assisted and purpose of assistance; a description of  
192 each loan including the terms and conditions thereof and use of  
193 the loan funds assistance by Mississippi qualified health centers;  
194 history of the loan assistance pool, including principal amount  
195 loaned, interest earned, interest expended for administration and  
196 management, principal amount of equity investments, assistance  
197 funds available and losses; and a statement of improved access to  
198 primary care services as a result of the assistance program. Upon

199 expiration of five (5) years from date of receipt of an initial  
200 grant in accordance with this act, upon satisfaction that such  
201 reports are no longer necessary or appropriate to maintain and  
202 ensure compliance with the program, DECD may permit a planning and  
203 development district to discontinue such semiannual reports.

204 (h) If DECD determines that a district has provided  
205 assistance to a Mississippi qualified health center in a manner  
206 inconsistent with the provisions of this act, then the amount of  
207 such assistance so provided shall be withheld by DECD from any  
208 additional grant funds to which the district becomes entitled  
209 under this act. If DECD determines, after notifying such district  
210 twice in writing and providing such district a reasonable  
211 opportunity to comply, that a planning and development district  
212 has consistently failed to comply with this act in connection with  
213 the program, DECD may declare such planning and development  
214 district entity in default under the program and, upon receipt of  
215 notice thereof from DECD, such planning and development district  
216 shall immediately cease providing assistance under the program,  
217 shall refund to DECD for distribution to other planning and  
218 development districts all funds held in its revolving loan  
219 assistance fund and, if required by DECD, shall convey to DECD all  
220 administrative and management control of assistance provided by it  
221 under the program.

222 SECTION 7. The planning and development districts shall  
223 deposit all grant funds received pursuant to this act in a  
224 revolving loan assistance fund and provide assistance therefrom to  
225 Mississippi qualified health centers in accordance with this act  
226 and the following criteria, terms and conditions:

227 (a) To be eligible for assistance under this act,  
228 Mississippi qualified health centers and the projects to be  
229 assisted must meet the following criteria:

230 (i) Assistance must be in connection with an  
231 identifiable project related to infrastructure improvement and the

232 principal amount of all assistance may not exceed eighty percent  
233 (80%) of the total cost of the project;

234 (ii) Assistance may be used in connection with the  
235 purchase or lease of land, buildings, equipment and for working  
236 capital; however, no more than one-third (1/3) of the total  
237 assistance to a Mississippi qualified health center pursuant to  
238 this act or Fifty Thousand Dollars (\$50,000.00), whichever is  
239 less, may be used for working capital;

240 (iii) Assistance may not be provided for  
241 speculative land or real estate investments;

242 (iv) Assistance may not be provided under this  
243 program to finance or satisfy any existing debt;

244 (v) Assistance may not be provided to a  
245 Mississippi qualified health center unless it specifically  
246 complies with a definition of a Mississippi qualified health  
247 center contained in Section 3 of this act; and

248 (vi) The project for which assistance is provided  
249 must create or retain full-time jobs, and the planning and  
250 development district must receive a certificate to that effect  
251 from the Mississippi qualified health center before any assistance  
252 is provided.

253 (b) The interest rate on loans shall not be less than  
254 five percent (5%) per annum or more than two percent (2%) above  
255 the rate on any bonds or notes issued pursuant to this act to  
256 provide the grant funds hereunder, plus the servicing fees  
257 established in this act.

258 (c) As security for any loan under the program, the  
259 planning and development district shall take a security interest  
260 in assets of the Mississippi qualified health center. Such  
261 security interests may be subordinate to other security interests  
262 in such assets.

263 (d) The maximum term of any loan under this program  
264 shall not exceed the following: fifteen (15) years if used to



265 purchase or lease land or buildings, ten (10) years if used to  
266 purchase or lease equipment, five (5) years if used to provide  
267 working capital.

268 (e) In the event of a default by a Mississippi  
269 qualified health center on a loan under the program, the planning  
270 and development district shall foreclose and enforce its security  
271 interests and personal guarantees relating to such loan and take  
272 necessary and appropriate action to recover all principal and  
273 interest owed, and all amounts so recovered shall be deposited in  
274 the revolving loan assistance fund administered by the planning  
275 and development district. Any Mississippi qualified health center  
276 which defaults on a loan under the program shall not be eligible  
277 for any other loan under the program.

278 (f) When a planning and development district is  
279 providing assistance from an initial grant as described in Section  
280 6(b) of this act, at least forty percent (40%) of such initial  
281 grant proceeds shall be used in connection with assistance for  
282 expansions of existing Mississippi qualified health centers.

283 (g) No Mississippi qualified health center shall  
284 receive assistance under this program in excess of Five Hundred  
285 Thousand Dollars (\$500,000.00).

286 (h) All assistance applications must be reviewed by,  
287 and the terms and conditions of the assistance must be recommended  
288 to, the planning and development district by a Mississippi  
289 qualified health center assistance review board established by the  
290 planning and development district, consisting of the following  
291 members appointed by the planning and development district:

292 (i) Two (2) individuals with current experience in  
293 banking or finance;

294 (ii) Two (2) representatives of not-for-profit  
295 entities qualifying as Mississippi qualified health centers under  
296 this act;

297 (iii) One (1) senior officer of a private,

298 not-for-profit entity not qualifying as a Mississippi qualified  
299 health center under this act or the executive director of a  
300 nonprofit economic development foundation;

301 (iv) One (1) individual who is a minority and who  
302 has current experience in banking or finance or who is the  
303 principal in a not-for-profit entity with a health care business  
304 related to that of a Mississippi qualified health center;

305 (v) One (1) individual who is a female and has  
306 current experience in banking or finance who is a principal of an  
307 organization with interests and services similar to a Mississippi  
308 qualified health center.

309 As used in this paragraph, "minority" shall mean individuals  
310 who are Asian, Black, Hispanic or Native American as defined in  
311 Section 31-7-13(u).

312 All members of such Mississippi qualified health center  
313 assistance review boards shall be residents of the area served by  
314 the planning and development district. Mississippi qualified  
315 health center assistance review boards shall meet at least  
316 quarterly and shall meet anytime there are at least two (2)  
317 assistance applications, pending that require review.

318 (i) If the Mississippi qualified health center  
319 assistance review board recommends that assistance be provided,  
320 the planning and development district may either approve and  
321 provide the assistance on the exact terms and conditions  
322 recommended by the Mississippi qualified health center assistance  
323 review board or determine not to provide such assistance. Under  
324 no circumstances may the planning and development district provide  
325 such assistance on any terms or conditions not approved and  
326 recommended by the Mississippi qualified health center assistance  
327 review board. If the planning and development district determines  
328 not to provide assistance that the Mississippi qualified health  
329 center assistance review board has recommended to be provided, the  
330 board of directors of such district or the governing body shall

331 place in its minutes an explanation of the reasons for such  
332 refusal. If the Mississippi qualified health center assistance  
333 review board recommends against providing the assistance, the  
334 board of directors of the planning and development district may  
335 not determine to provide such assistance under any terms and  
336 conditions.

337 SECTION 8. The planning and development districts are  
338 authorized to engage legal counsel, accountants, financial  
339 advisors, appraisers, consultants and others as needed in  
340 connection with providing assistance to Mississippi qualified  
341 health centers pursuant to this act, and to charge the costs of  
342 these services to the Mississippi qualified health centers  
343 receiving such assistance or charge the proceeds of such  
344 assistance therefor. To the extent required by DECD, such  
345 professional services shall be engaged on a statewide program  
346 basis.

347 SECTION 9. (1) DECD shall adopt and publish the eligibility  
348 criteria for planning and development districts to participate in  
349 this program as set forth in this act, a timetable and process for  
350 review of applications from planning and development districts and  
351 program report forms, all in accordance with this act, and such  
352 other rules and regulations as may be necessary and appropriate in  
353 carrying out its responsibilities under this act; however,  
354 planning and development districts shall have sole authority over  
355 the approval of assistance and the management of the assistance  
356 needed under this act.

357 (2) The Mississippi Association of Planning and Development  
358 Districts shall prepare and adopt such uniform applications,  
359 forms, procedures and requirements for use in connection with the  
360 program as they deem necessary and appropriate.

361 SECTION 10. No assistance shall be provided to a Mississippi  
362 qualified health center under this act unless the Mississippi  
363 qualified health center certifies to the planning and development

364 district, in a form satisfactory to DECD, that it will not  
365 discriminate against any employee or against any applicant for  
366 employment because of race, religion, color, national origin, sex  
367 or age.

368       SECTION 11. (1) There is created a special fund in the  
369 State Treasury to be known as the Mississippi Qualified Health  
370 Center Assistance Fund out of which grants and expenditures  
371 authorized in connection with the program shall be disbursed. All  
372 monies received by issuance of bonds to carry out the purposes of  
373 this act shall be deposited into the Mississippi Qualified Health  
374 Center Assistance Fund.

375       (2) All funds repaid to the State Treasury under this act or  
376 designated hereunder for repayment of any bonds issued under this  
377 act shall be delivered to the State Treasurer for deposit in the  
378 General Fund.

379       SECTION 12. (1) All bonds issued under the authority of  
380 this act shall be redeemed at maturity, together with all interest  
381 due, from time to time, on the bonds, and these principal and  
382 interest payments shall be paid from the General Fund.

383       (2) In the event that all or any part of the bonds and notes  
384 are purchased, they shall be canceled and returned to the loan and  
385 transfer agent as canceled and paid bonds and notes; and  
386 thereafter all payments of interest thereon shall cease and the  
387 canceled bonds, notes and coupons, together with any other  
388 canceled bonds, notes and coupons, shall be destroyed as promptly  
389 as possible after cancellation but no later than two (2) years  
390 after cancellation. A certificate evidencing the destruction of  
391 the canceled bonds, notes and coupons shall be provided by the  
392 loan and transfer agent to the seller.

393       (3) The State Treasurer shall determine and report to the  
394 Department of Finance and Administration and Legislative Budget  
395 Office by September 1 of each year the amount of money necessary  
396 for payment of the principal and interest on outstanding

397 obligations for the following fiscal year and the times and  
398 amounts of the payments. It shall be the duty of the Governor to  
399 include in every executive budget submitted to the Legislature  
400 full information relating to the issuance of bonds and notes under  
401 the provisions of this act and the status of the General Fund for  
402 the payment of the principal and interest on the bonds and notes.

403 (4) Except as otherwise provided by law, the rate of  
404 interest on any assistance made using funds from the Mississippi  
405 Qualified Health Center Assistance Fund shall be in accordance  
406 with Section 7 of this act. Notwithstanding the provisions of any  
407 other law to the contrary, the interest rate charged shall not be  
408 set such that the aggregate of the interest, penalties and other  
409 payments to the planning and development districts in connection  
410 with such assistance made using funds from the Mississippi  
411 Qualified Health Center Assistance Fund will cause the bonds  
412 issued pursuant to this act to be deemed arbitrage bonds pursuant  
413 to Section 148 of the Internal Revenue Code of 1986 and the  
414 regulations promulgated thereunder. In the case of assistance  
415 initially funded from the proceeds of notes and subsequently  
416 funded from renewal bonds and notes, the interest rate to be  
417 charged for the assistance shall be established in accordance with  
418 Section 7 of this act upon the sale of bonds or notes, as the case  
419 may be, for such assistance.

420 SECTION 13. (1) The seller is authorized to borrow, on the  
421 credit of the state, money not exceeding the aggregate sum of  
422 Fifteen Million Dollars (\$15,000,000.00), not including money  
423 borrowed to refund outstanding bonds, notes or replacement notes,  
424 as may be necessary to carry out the purposes of this act. The  
425 rate of interest on any such bonds or notes which are not subject  
426 to taxation shall not exceed the rates set forth in Section  
427 75-17-101, for general obligation bonds.

428 (2) As evidence of indebtedness authorized in this act,  
429 general or limited obligation bonds of the state shall be issued

430 from time to time to provide monies necessary to carry out the  
431 purposes of this act for such total amount, in such form, in such  
432 denominations, payable in such currencies (either domestic or  
433 foreign or both), and subject to such terms and conditions of  
434 issue, redemption and maturity, rate of interest and time of  
435 payment of interest as the seller directs, except that such bonds  
436 shall mature or otherwise be retired in annual installments  
437 beginning not more than five (5) years from the date thereof and  
438 extending not more than twenty (20) years from the date thereof.

439 (3) All bonds and notes issued under authority of this act  
440 shall be signed by the chairman of the seller or by his facsimile  
441 signature, and the official seal of the seller shall be affixed  
442 thereto, attested by the secretary of the seller.

443 (4) All bonds and notes issued under authority of this act  
444 may be general or limited obligation of the state, and the full  
445 faith and credit of the State of Mississippi as to general  
446 obligation bonds, or the revenue derived from projects assisted as  
447 to limited obligation bonds, are pledged for the payment of the  
448 principal of and interest on such bonds and notes.

449 (5) Such bonds and notes and the income therefrom shall be  
450 exempt from all taxation in the State of Mississippi.

451 (6) The bonds may be issued as coupon bonds or registered as  
452 to both principal and interest as the seller may determine. If  
453 interest bonds are attached, they shall contain the facsimile  
454 signature of the chairman and the secretary of the seller.

455 (7) As to bonds issued hereunder and designated as taxable  
456 bonds by the seller, any immunity of the state to taxation by the  
457 United States Government of interest on bonds or notes issued by  
458 the state is waived.

459 SECTION 14. (1) Whenever bonds are issued, they shall be  
460 offered for sale at not less than par value and accrued interest  
461 and shall be sold by the seller at public or private sale, from  
462 time to time, in such manner and at such price as may be

463 determined by the seller to be most advantageous.

464 (2) Any portion of any bond issue so offered and not sold or  
465 subscribed for at public sale may be disposed of by private sale  
466 by the seller in such manner and at such prices not less than par  
467 and accrued interest, as the seller shall direct.

468 (3) When bonds are issued from time to time, the bonds of  
469 each issue shall constitute a separate series to be designated by  
470 the seller or may be combined for sale as one (1) series with  
471 other general obligation bonds of the State of Mississippi.

472 (4) Until permanent bonds can be prepared, the seller may  
473 in its discretion issue, in lieu of permanent bonds, temporary  
474 bonds in such form and with such privileges as to registration and  
475 exchange for permanent bonds as may be determined by the seller.

476 (5) Pending their application to the purposes authorized,  
477 bond proceeds held or deposited by the State Treasurer may be  
478 invested or reinvested as are other funds in the custody of the  
479 State Treasurer in the manner provided by law. All earnings  
480 received from the investment or deposit of such funds shall be  
481 paid into the State Treasury to the credit of the Mississippi  
482 Qualified Health Center Assistance Fund.

483 (6) The State Treasurer shall prepare the necessary registry  
484 book to be kept in the office of the duly authorized loan and  
485 transfer agent of the state for the registration of any bonds, at  
486 the request of owners thereof, according to the terms and  
487 conditions of issue directed by the seller.

488 (7) All costs and expenses in connection with the issue of,  
489 sale and registration of the bonds and notes in connection with  
490 this act, and all costs and expenses in connection with  
491 implementation of the program and development of application  
492 forms, procedures and requirements for use in connection with the  
493 program may be paid from the proceeds of bonds and notes issued  
494 under this act.

495 (8) The seller may provide in the resolution authorizing the

496 issuance of such bonds for the employment of one or more persons  
497 or firms to assist in the sale of the bonds; to enter into  
498 contracts with financial institutions located either within or  
499 without the State of Mississippi to act as registrar, paying  
500 agents, transfer agents or otherwise; for rating of the bonds; and  
501 to purchase insurance.

502       SECTION 15. (1) Pending the issuance of bonds of the state  
503 as authorized under this act, the seller is authorized in  
504 accordance with the provisions of this act and on the credit of  
505 the state, to make temporary borrowings not to exceed two (2)  
506 years in anticipation of the issue of bonds in order to provide  
507 funds in such amounts as may, from time to time, be deemed  
508 advisable prior to the issue of bonds. In order to provide for  
509 and in connection with such temporary borrowings, the seller is  
510 authorized in the name and on behalf of the state to enter into  
511 any purchase, loan or credit agreement or agreements, or other  
512 agreement or agreements with any financial institution or persons  
513 in the United States having power to enter into the same, which  
514 agreements may contain such provisions not inconsistent with the  
515 provisions of this act as may be authorized by the seller.

516       (2) All temporary borrowings made under this section shall  
517 be evidenced by notes of the state which shall be issued, from  
518 time to time, for such amounts not exceeding in the aggregate the  
519 applicable statutory and constitutional debt limitation, in such  
520 form and in such denominations and subject to terms and conditions  
521 of sale and issue, prepayment or redemption and maturity, rate or  
522 rates of sale and time of payment of interest as the seller shall  
523 authorize and direct and in accordance with this act. Such  
524 authorization and direction may provide for the subsequent  
525 issuance of replacement notes to refund, upon issuance thereof,  
526 such notes, and may specify such other terms and conditions with  
527 respect to the notes and replacement notes thereby authorized for  
528 issuance as the seller may determine and direct.



529           (3) When the authorization and direction of the seller  
530 provide for the issuance of replacement notes, the seller is  
531 authorized in the name and on behalf of the state to enter into  
532 agreements with any financial institutions or persons in the  
533 United States having the power to enter into the same:

534           (a) To purchase or underwrite an issue or series of  
535 issues of notes.

536           (b) To enter into any purchase, loan or credit  
537 agreements, and to draw monies pursuant to any such agreements on  
538 the terms and conditions set forth therein and to issue notes as  
539 evidence of borrowings made under any such agreements.

540           (c) To appoint or act as issuing and paying agent or  
541 agents with respect to notes.

542           (d) To do such other acts as may be necessary or  
543 appropriate to provide for the payment, when due, of the principal  
544 of and interest on such notes.

545           Such agreements may provide for the compensation of any  
546 purchasers or underwriters of notes or replacement notes by  
547 payment of a fixed fee or commission at the time of issuance  
548 thereof, and for all other costs and expenses, including fees for  
549 agreements related to the notes issuing and paying agent costs.  
550 Costs and expenses of issuance may be paid from the proceeds of  
551 the notes.

552           (4) When the authorization and direction of the seller  
553 provides for the issuance of replacement notes, it shall, at or  
554 prior to the time of delivery of these notes or replacement notes,  
555 determine the principal amounts, dates of issue, interest rate or  
556 rates, rates of discount, denominations and all other terms and  
557 conditions relating to the issuance. The State Treasurer shall  
558 perform all acts and things necessary to pay or cause to be paid,  
559 when due, all principal of and interest on the notes being  
560 refunded by replacement notes and to assure that the same may draw  
561 upon any monies available for that purpose pursuant to any

562 purchase loan or credit agreements established with respect  
563 thereto, all subject to the authorization and direction of the  
564 seller.

565 (5) Outstanding notes evidencing such borrowings may be  
566 funded and retired by the issuance and sale of the bonds of the  
567 state as hereinafter authorized. The refunding bonds must be  
568 issued and sold not later than a date two (2) years after the date  
569 of issuance of the first notes evidencing such borrowings to the  
570 extent that payment of such notes has not otherwise been made or  
571 provided for by sources other than proceeds of replacement notes.

572 (6) The proceeds of all such temporary borrowing shall be  
573 paid to the State Treasurer to be held and disposed of in  
574 accordance with the provisions of Section 11 of this act.

575 SECTION 16. (1) The proceeds realized from the sale of  
576 bonds and notes under this act, other than refunding bonds and  
577 replacement notes, shall be paid to the State Treasurer and  
578 deposited into the Mississippi Qualified Health Center Assistance  
579 Fund and specifically dedicated to the purposes enumerated in this  
580 act.

581 (2) All nonfederal funds which may become available for the  
582 purposes of this act shall be deposited into the Mississippi  
583 Qualified Health Center Assistance Fund and shall be allocated for  
584 the purposes of this act.

585 (3) The proceeds of the sale of refunding bonds and  
586 replacement notes shall be applied solely to the payment of the  
587 principal of and the accrued interest on and premium, if any, and  
588 costs of redemption of the bonds and notes for which such  
589 obligations have been issued.

590 SECTION 17. The Attorney General of the State of Mississippi  
591 shall represent the seller in issuing, selling and validating  
592 bonds or notes herein provided for, and the seller is hereby  
593 authorized and empowered to expend from the proceeds derived from  
594 the sale of the bonds or notes authorized hereunder all necessary

595 administrative, legal and other expenses incidental and related to  
596 the issuance of bonds or notes authorized under this act.

597 SECTION 18. This act shall take effect and be in force from  
598 and after July 1, 1999.