

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

To: Finance

SENATE BILL NO. 3121

1 AN ACT TO AUTHORIZE THE DEPARTMENT OF ECONOMIC AND COMMUNITY
2 DEVELOPMENT (DECD) TO ACT ON BEHALF OF THE STATE AND TO TAKE ALL
3 STEPS APPROPRIATE OR NECESSARY TO EFFECT THE SITING, DEVELOPMENT
4 AND OPERATION OF MASTER PLANNED COMMUNITIES IN THE STATE; TO GRANT
5 DECD CERTAIN ADDITIONAL POWERS WITH REGARD TO SUCH AUTHORITY; TO
6 AUTHORIZE THE ISSUANCE OF \$40,000,000.00 IN STATE GENERAL
7 OBLIGATION BONDS UPON THE SELECTION OF THE STATE AS THE SITE OF A
8 MASTER PLANNED COMMUNITY; TO PROVIDE THAT NOT MORE THAN 50% OF THE
9 BONDS ISSUED PURSUANT TO THIS ACT MAY BE UTILIZED BY DECD FOR
10 GRANTS TO AFFECTED PUBLIC ENTITIES TO DEFRAY THE COST OF
11 FACILITIES RELATED TO THE PROJECT; TO PROVIDE THAT NOT LESS THAN
12 50% OF THE BONDS ISSUED PURSUANT TO THIS ACT SHALL BE UTILIZED BY
13 DECD AS LOANS TO AFFECTED COUNTIES AND MUNICIPALITIES; TO CREATE
14 THE MASTER PLANNED COMMUNITY CAPITAL IMPROVEMENTS LOAN FUND FOR
15 THE PURPOSE OF MAKING LOANS TO COUNTIES AND MUNICIPALITIES THAT
16 MAY BE UTILIZED BY THEM FOR THE CONSTRUCTION AND ACQUISITION OF
17 ANY FACILITY RELATED TO THE PROJECT OR TO MAKE LOANS TO THE OWNER
18 OR DEVELOPER OF THE PROJECT FOR SUCH PURPOSES; TO REQUIRE COUNTIES
19 TO PLEDGE A PORTION OF THEIR HOMESTEAD EXEMPTION REIMBURSEMENT AS
20 SECURITY FOR LOANS ISSUED TO THEM UNDER THIS ACT; TO REQUIRE
21 MUNICIPALITIES TO PLEDGE A PORTION OF THE SALES TAX REVENUE TO
22 WHICH THEY ARE ENTITLED AS SECURITY FOR LOANS ISSUED TO THEM UNDER
23 THIS ACT; TO GRANT PUBLIC AGENCIES CERTAIN ADDITIONAL POWERS WITH
24 REGARD TO SUCH PROJECTS; TO AMEND SECTIONS 19-9-5, 21-33-303,
25 27-33-77 AND 27-65-75, MISSISSIPPI CODE OF 1972, IN CONFORMITY
26 THERETO.

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

28 SECTION 1. As used in Sections 1 through 10 of this act, the
29 words and phrases used herein shall have meanings as follows,
30 unless the context clearly indicates a different meaning:

31 (a) "Affected public agency" means a public agency
32 directly affected by the construction of a project or any facility
33 related to the project, and within the legal boundaries of which
34 all or a portion of the project or any facility related to the
35 project is physically located.

36 (b) "Bonds" means general obligation bonds, interim
37 notes, and other evidences of debt of the State of Mississippi
38 issued pursuant to this act.

39 (c) "DECD" means the Department of Economic and
40 Community Development.

41 (d) "Facility related to the project" means and
42 includes any facility owned or developed by any of the following,
43 as the same may pertain to the project within the project area:

44 (i) Facilities to provide potable and water supply
45 systems, sewage and waste disposal systems and water, natural gas
46 and electric transmission systems, telecommunications and cable
47 television to the site of the project;

48 (ii) Airports, airfields and air terminals;

49 (iii) Rail lines;

50 (iv) Highways, streets and other roadways;

51 (v) Public school buildings, classrooms and
52 instructional facilities, including any functionally related
53 facilities;

54 (vi) Parks, outdoor recreation facilities and
55 athletic facilities;

56 (vii) Auditoriums, pavilions, campgrounds, art
57 centers, cultural centers, folklore centers and other public
58 facilities; and

59 (viii) Health care facilities, public or private.

60 (e) "Person" means any natural person, corporation,
61 association, partnership, receiver, trustee, guardian, executor,
62 administrator, fiduciary, governmental unit, public agency,
63 political subdivision, or any other group acting as a unit, and
64 the plural as well as the singular.

65 (f) "Project" means a master planned community
66 consisting of an integrated commercial, industrial, recreational,
67 educational, health care and residential development and
68 improvements located on a project site of which not less than
69 fifty percent (50%) of the housing units within such residential
70 development is set aside for and devoted to retirees and which
71 development is the product of a long-range, multi-phase

72 development plan combining a complementary mix of land uses
73 representing unifying characteristics and design elements and
74 providing comprehensive planning and logical and staged
75 implementation and development.

76 (g) "Project area" means the project site, together
77 with any area or territory within the state lying within five (5)
78 miles of any portion of the project site.

79 (h) "Project site" means a parcel of land consisting of
80 not less than three thousand five hundred (3,500) acres upon which
81 the project will be located and constructed.

82 (i) "Public agency" means:

83 (i) Any department, board, commission, institution
84 or other agency or instrumentality of the state;

85 (ii) Any city, town, county or school district;

86 and

87 (iii) Any department, commission, agency or
88 instrumentality of the United States of America.

89 (j) "State" means the State of Mississippi.

90 SECTION 2. DECD is empowered to take all steps appropriate
91 or necessary to effect the siting, development and operation of
92 the project within the state. If the state is selected as the
93 site for the project, DECD is hereby designated and empowered to
94 act on behalf of the state and to represent the state in the
95 planning, financing, development, construction and operation of
96 the project or any facility related to the project. DECD may take
97 affirmative steps to coordinate fully all aspects of the
98 submission of a siting proposal for the project and to coordinate
99 fully the development of the project or any facility related to
100 the project with private business, the United States government
101 and other public agencies. All public agencies are encouraged to
102 cooperate to the fullest extent possible to effectuate the duties
103 of DECD.

104 SECTION 3. DECD, in addition to any and all powers now or

105 hereafter granted to it, is empowered and shall exercise
106 discretion and the use of these powers and authority set forth
107 below depending on the circumstances of the project.

108 (a) To employ or contract with architects, engineers,
109 attorneys, accountants, construction and financial experts and
110 such other advisors, consultants and agents as may be necessary in
111 its judgment and to fix and pay their compensation.

112 (b) To make such applications and enter into such
113 contracts for financial assistance as may be appropriate under
114 applicable federal or state law.

115 (c) To apply for, accept and utilize grants, gifts and
116 other funds or aid from any source for any purpose contemplated by
117 this act, and to comply, subject to the provisions of this act,
118 with the terms and conditions thereof.

119 (d) To acquire by purchase or lease any public lands
120 and public property, including sixteenth section lands and lieu
121 lands, within the project area, which are necessary for the
122 project or any facility related to the project. Sixteenth section
123 lands or lieu lands acquired under this act shall be deemed to be
124 acquired for the purposes of development thereon and such
125 acquisition will serve a higher public interest in accordance with
126 the purposes of this act.

127 (e) If DECD identifies any land owned by the state as
128 being necessary for the location or use of the project or any
129 facility related to the project, to recommend to the Legislature
130 the conveyance of such land or any interest therein, as the
131 Legislature deems appropriate.

132 (f) To make or cause to be made such examinations and
133 surveys as may be necessary to the planning, design, construction
134 and operation of the project or any facility related to the
135 project.

136 (g) To negotiate the construction or reconstruction of
137 and necessary relocation or rerouting of roads and highways and

138 interchanges, railroad, telephone and telegraph lines and
139 properties, electric power lines, pipelines and related
140 facilities, or to require the anchoring or other protection of any
141 of these, provided due compensation is paid to the owners thereof
142 or agreement is had with such owners regarding the payment of the
143 cost of such relocation, and to acquire by condemnation or
144 otherwise easements or rights-of-way for such relocation or
145 rerouting and to convey the same to the owners of the facilities
146 being relocated or rerouted in connection with the purposes of
147 this act.

148 (h) To negotiate the necessary relocation of cemeteries
149 and to pay all reasonable costs thereof.

150 (i) To perform or have performed any and all acts and
151 make all payments necessary to comply with all applicable federal
152 laws, rules or regulations including, but not limited to, the
153 Uniform Relocation Assistance and Real Property Acquisition
154 Policies Act of 1970 (42 USC 4601, 4602, 4621 through 4638, and
155 4651 through 4655) and relocation rules and regulations
156 promulgated by any agency or department of the federal government.

157 (j) To construct, extend, improve, maintain and
158 reconstruct, or to cause through the owner or developer of the
159 project, to be constructed, extended, improved, maintained and
160 reconstructed, and to use and operate or convey to the owner or
161 developer of the project any and all components of any facility
162 related to the project, within the project area, necessary to the
163 project and to the exercise of such powers, rights and privileges
164 granted DECD.

165 (k) To incur or defray all or any designated portion of
166 the cost of any component of the project or any facility related
167 to the project acquired or constructed by any public agency.

168 (l) To acquire, purchase, lease, sell or convey any or
169 all property or any facility related to the project acquired and
170 constructed pursuant to this act upon such terms and conditions as

171 DECD, the affected public agency and the owner or developer of the
172 project may agree and to pay the costs of title search, perfection
173 of title, title insurance and recording fees as may be required.

174 DECD may provide in the instrument conveying such property a
175 provision that such property shall revert to DECD if, as and when
176 the property is declared by the owner or developer as the project
177 to be no longer included.

178 (m) To enter into contracts with any person or public
179 agency including, but not limited to, contracts authorized by this
180 act, in furtherance of any of the purposes authorized by this act
181 upon such consideration as DECD and such person or public agency
182 may agree. Any such contract may extend over any period of time,
183 notwithstanding any rule of law to the contrary, may be upon such
184 terms as the parties thereto shall agree, and may provide that it
185 shall continue in effect until bonds specified therein, refunding
186 bonds issued in lieu of such bonds, and all other obligations
187 specified therein are paid or terminated. Any such contract shall
188 be binding upon the parties thereto according to its terms. Such
189 contracts may include an agreement to reimburse the owner or
190 developer of the project, its successors and assigns for any
191 assistance provided by the owner or developer of the project in
192 the acquisition of real property for the project or the
193 acquisition and construction of any facility related to the
194 project.

195 (n) In its discretion to establish and maintain
196 reasonable rates and charges for the use of any facility within
197 the project area owned or operated by DECD, if any, and from time
198 to time to adjust such rates and to impose penalties for failure
199 to pay such rates and charges when due.

200 (o) To adopt and enforce with the concurrence of the
201 affected public agency all necessary and reasonable rules and
202 regulations to carry out and effectuate the implementation of the
203 project or any facility related to the project and any land use

204 plan or zoning classification adopted for the project area
205 including, but not limited to, rules, regulations and restrictions
206 concerning mining, construction, excavation or any other activity
207 the occurrence of which may endanger the structure or operation of
208 the project or any facility related to the project. Such rules
209 may be enforced within the project area and without the project
210 area as necessary to protect the structure and operation of the
211 project or any facility related to the project. DECD, acting
212 jointly with the affected public agency, is authorized to plan or
213 replan, zone or rezone, and make exceptions to any regulations,
214 whether local or state, which are inconsistent with the design,
215 planning, construction or operation of the project or any facility
216 related to the project.

217 (p) To plan, design, coordinate and implement measures
218 and programs to mitigate impacts on the natural environment caused
219 by the project or any facility related to the project.

220 (q) To develop plans for technology transfer activities
221 to ensure private sector conduits for exchange of information,
222 technology and expertise related to the project to generate
223 opportunities for commercial development within the state.

224 (r) To consult with the State Department of Education
225 and other public agencies for the purpose of improving public
226 schools and curricula within the project area.

227 (s) To consult with the State Board of Health and other
228 public agencies for the purpose of constructing and improving
229 medical centers, hospitals and public health centers in order to
230 provide appropriate health care facilities within the project
231 area.

232 (t) To consult with the Office of Minority Business
233 Enterprise Development and other public agencies for the purpose
234 of developing plans for technical assistance and loan programs to
235 maximize the economic impact related to the project for minority
236 business enterprises within the State of Mississippi.

237 (u) To promulgate rules and regulations necessary to
238 effectuate the purposes of this act.

239 SECTION 4. (1) Upon notification to DECD by the owner and
240 developer of the project that the state has been selected as the
241 site for the project, the owner and developer of the project has
242 acquired the project site and has delivered a master plan,
243 business plan, feasibility study and such other information and
244 material as may be required by DECD, the State Bond Commission
245 shall have the power and is hereby authorized and directed, upon
246 receipt of a declaration from DECD as hereinafter provided, to
247 borrow money and issue general obligation bonds of the state in
248 one or more series for the purposes herein set out. Upon such
249 notification, DECD may thereafter from time to time declare the
250 necessity for the issuance of general obligation bonds as
251 authorized by this section and forward such declaration to the
252 State Bond Commission, provided that before such notification,
253 DECD may enter into agreements with the United States government,
254 private companies and others that will commit DECD to direct the
255 State Bond Commission to issue bonds for eligible undertakings set
256 out in subsection (4) of this section. The declaration required
257 by this section shall include findings on the part of DECD to the
258 effect that, based upon the investigation of DECD into the merits
259 of and feasibility of the project, the project is feasible and
260 construction of the project is in the public interest.

261 (2) Upon receipt of any such declaration from DECD, the
262 State Bond Commission shall verify that the state has been
263 selected as the site of the project and that the owner or
264 developer has acquired the project site and shall act as the
265 issuing agent for the series of bonds directed to be issued in
266 such declaration pursuant to authority granted in this section.

267 (3) Bonds issued under the authority of this section shall
268 not in the aggregate exceed Forty Million Dollars (\$40,000,000.00)
269 of which not more than fifty percent (50%) may be used as grants

270 to the affected public agency to defray the cost of facilities
271 related to the project and not less than fifty percent (50%) shall
272 be used as loans pursuant to Section 5 of this act. No bonds may
273 be issued under this section after July 1, 2005.

274 All loans made by DECD pursuant to the act shall be made in
275 compliance with Section 5 of this act.

276 (4) The proceeds from the sale of the bonds issued under
277 this section may be applied for the purposes of:

278 (a) Making grants or loans to defray all or any
279 designated portion of the costs incurred with respect to
280 acquisition, planning, design, construction, installation,
281 rehabilitation, improvement and relocation of any facility related
282 to the project and with respect to state- and/or public
283 agency-owned property, operation and maintenance of the project
284 and any facility related to the project located within the project
285 area, including costs of design and engineering, all costs
286 incurred to provide land, easements and rights-of-way, relocation
287 costs with respect to the project or any facility related to the
288 project located within the project area; and costs associated with
289 mitigation of environmental impacts;

290 (b) Providing for the payment of interest on the bonds;

291 (c) Providing debt service reserves; and

292 (d) Paying underwriters' discount, original issue
293 discount, accountants' fees, engineers' fees, attorneys' fees,
294 rating agency fees and other fees and expenses in connection with
295 the issuance of the bonds.

296 Such bonds shall be issued from time to time and in such
297 principal amounts as shall be designated by DECD, not to exceed in
298 the aggregate principal amounts the amount authorized in
299 subsection (3) of this section. Proceeds from the sale of the
300 bonds issued under this section may be invested, subject to
301 federal limitations, pending their use, in such securities as may
302 be specified in the resolution authorizing the issuance of the

303 bonds or the trust indenture securing them, and the earning on
304 such investment applied as provided in such resolution or trust
305 indenture.

306 (5) The principal of and the interest on the bonds shall be
307 payable in the manner hereinafter set forth. The bonds shall bear
308 such date or dates; be in such denomination or denominations; bear
309 interest at such rate or rates; be payable at such place or places
310 within or without the state; mature at such time or times; be
311 issued as taxable or tax-exempt obligations; be redeemable before
312 maturity at such time or times and upon such terms, with or
313 without premium; bear such registration privileges; and be
314 substantially in such form; all as shall be determined by
315 resolution of the State Bond Commission except that such bonds
316 shall mature or otherwise be retired in annual installments
317 beginning not more than five (5) years from the date thereof and
318 extending not more than twenty-five (25) years from the date
319 thereof. The bonds shall be signed by the Chairman of the State
320 Bond Commission, or by his facsimile signature, and the official
321 seal of the State Bond Commission shall be imprinted on or affixed
322 thereto, attested by the manual or facsimile signature of the
323 Secretary of the State Bond Commission. Whenever any such bonds
324 have been signed by the officials herein designated to sign the
325 bonds, who were in office at the time of such signing but who may
326 have ceased to be such officers before the sale and delivery of
327 such bonds, or who may not have been in office on the date such
328 bonds may bear, the signatures of such officers upon such bonds
329 shall nevertheless be valid and sufficient for all purposes and
330 have the same effect as if the person so officially signing such
331 bonds had remained in office until the delivery of the same to the
332 purchaser, or had been in office on the date such bonds may bear.

333 (6) All bonds issued under the provisions of this section
334 shall be and are hereby declared to have all the qualities and
335 incidents of negotiable instruments under the provisions of the

336 Uniform Commercial Code and in exercising the powers granted by
337 this act, the State Bond Commission shall not be required to and
338 need not comply with the provisions of the Uniform Commercial
339 Code.

340 (7) The State Bond Commission shall sell the bonds on sealed
341 bids at public sale, and for such price as it may determine to be
342 for the best interest of the State of Mississippi, but no such
343 sale shall be made at a price less than the bonds to the
344 purchaser. The bonds shall bear interest at such rate or rates
345 not exceeding the limits set forth in Section 75-17-101 as shall
346 be fixed by the State Bond Commission. All interest accruing on
347 such bonds so issued shall be payable semiannually or annually;
348 provided that the first interest payment may be for any period of
349 not more than one (1) year.

350 Notice of the sale of any bonds shall be published at least
351 one (1) time, the first of which shall be made not less than ten
352 (10) days prior to the date of sale, and shall be so published in
353 one or more newspapers having a general circulation in the City of
354 Jackson, Mississippi, and in one or more other newspapers or
355 financial journals with a large national circulation, to be
356 selected by the State Bond Commission.

357 The State Bond Commission, when issuing any bonds under the
358 authority of this section, may provide that the bonds, at the
359 option of the state, may be called in for payment and redemption
360 at the call price named therein and accrued interest on such date
361 or dates named therein.

362 (8) State bonds issued under the provisions of this section
363 shall be the general obligations of the state and backed by the
364 full faith and credit of the state. The Legislature shall
365 appropriate annually an amount sufficient to pay the principal of
366 and the interest on such bonds as they become due. All bonds
367 shall contain recitals on their faces substantially covering the
368 foregoing provisions of this section.

369 (9) The State Treasurer is authorized to certify to the
370 Department of Finance and Administration the necessity for
371 warrants, and the Department of Finance and Administration is
372 authorized and directed to issue such warrants payable out of any
373 funds appropriated by the Legislature under this section for such
374 purpose, in such amounts as may be necessary to pay when due the
375 principal of and interest on all bonds issued under the provisions
376 of this section. The State Treasurer shall forward the necessary
377 amount to the designated place or places of payment of such bonds
378 in ample time to discharge such bonds, or the interest thereon, on
379 the due dates thereof.

380 (10) The bonds may be issued without any other proceedings
381 or the happening of any other conditions or things other than
382 those proceedings, conditions and things which are specified or
383 required by this act. Any resolution providing for the issuance
384 of general obligation bonds under the provisions of this section
385 shall become effective immediately upon its adoption by the State
386 Bond Commission, and any such resolution may be adopted at any
387 regular or special meeting of the State Bond Commission by a
388 majority of its members.

389 (11) In anticipation of the issuance of bonds hereunder, the
390 State Bond Commission is authorized to negotiate and enter into
391 any purchase, loan, credit or other agreement with any bank, trust
392 company or other lending institution or to issue and sell interim
393 notes for the purpose of making any payments authorized under this
394 section. All borrowings made under this provision shall be
395 evidenced by notes of the state which shall be issued from time to
396 time, for such amounts not exceeding the amount of bonds
397 authorized herein, in such form and in such denomination and
398 subject to such terms and conditions of sale and issuance,
399 prepayment or redemption and maturity, rate or rates of interest
400 not to exceed the maximum rate authorized herein for bonds, and
401 time of payment of interest as the State Bond Commission shall

402 agree to in such agreement. Such notes shall constitute general
403 obligations of the state and shall be backed by the full faith and
404 credit of the state. Such notes may also be issued for the
405 purpose of refunding previously issued notes; except that no notes
406 shall mature more than three (3) years following the date of
407 issuance of the first note hereunder and, provided further, that
408 all outstanding notes shall be retired from the proceeds of the
409 first issuance of bonds hereunder. The State Bond Commission is
410 authorized to provide for the compensation of any purchaser of the
411 notes by payment of a fixed fee or commission and for all other
412 costs and expenses of issuance and service, including paying agent
413 costs. Such costs and expenses may be paid from the proceeds of
414 the notes.

415 (12) The bonds and interim notes authorized under the
416 authority of this section may be validated in the First Judicial
417 District of the Chancery Court of Hinds County, Mississippi, in
418 the manner and with the force and effect provided now or hereafter
419 by Chapter 13, Title 31, Mississippi Code of 1972, for the
420 validation of county, municipal, school district and other bonds.

421 The necessary papers for such validation proceedings shall be
422 transmitted to the State Bond Attorney, and the required notice
423 shall be published in a newspaper published in the City of
424 Jackson, Mississippi.

425 (13) Any bonds or interim notes issued under the provisions
426 of this act, a transaction relating to the sale or securing of
427 such bonds or interim notes, their transfer and the income
428 therefrom shall at all times be free from taxation by the state or
429 any local unit or political subdivision or other instrumentality
430 of the state, excepting inheritance and gift taxes.

431 (14) All bonds issued under this act shall be legal
432 investments for trustees, other fiduciaries, savings banks, trust
433 companies and insurance companies organized under the laws of the
434 State of Mississippi; and such bonds shall be legal securities

435 which may be deposited with and shall be received by all public
436 officers and bodies of the state and all municipalities and other
437 political subdivisions thereof for the purpose of securing the
438 deposit of public funds.

439 (15) The Attorney General of the State of Mississippi shall
440 represent the State Bond Commission in issuing, selling and
441 validating bonds herein provided for, and the bond commission is
442 hereby authorized and empowered to expend from the proceeds
443 derived from the sale of the bonds authorized hereunder all
444 necessary administrative, legal and other expenses incidental and
445 related to the issuance of bonds authorized under this act.

446 (16) There is hereby created a special fund in the State
447 Treasury to be known as the Mississippi Master Planned Community
448 Fund wherein shall be deposited the proceeds of the bonds issued
449 under this act and all monies received by DECD to carry out the
450 purposes of this act. Expenditures authorized herein shall be
451 paid by the State Treasurer upon warrants drawn from the fund, and
452 the Department of Finance and Administration shall issue warrants
453 upon requisitions signed by the Director of DECD.

454 (17) (a) There is hereby created the Mississippi Master
455 Planned Community Sinking Fund from which the principal of and
456 interest on such bonds shall be paid by appropriation and from the
457 repayment of loans authorized by Section 4(3) of this act. All
458 monies paid into the sinking fund not used to pay accruing bonds
459 and interest shall be invested by the State Treasurer in such
460 securities as are provided by law for the investment of the
461 sinking funds of the state.

462 (b) In the event that all or any part of the bonds and
463 notes are purchased, they shall be canceled and returned to the
464 loan and transfer agent as canceled and paid bonds and notes and
465 thereafter all payments of interest thereon shall cease and the
466 canceled bonds, notes and coupons, together with any other
467 canceled bonds, notes and coupons, shall be destroyed as promptly

468 as possible after cancellation but not later than two (2) years
469 after cancellation. A certificate evidencing the destruction of
470 the canceled bonds, notes and coupons shall be provided by the
471 loan and transfer agent to the seller.

472 (c) The State Treasurer shall determine and report to
473 the Department of Finance and Administration and Legislative
474 Budget Office by September 1 of each year the amount of money
475 necessary for the payment of the principal of and interest on
476 outstanding obligations for the following fiscal year and the
477 times and amounts of the payments. It shall be the duty of the
478 Governor to include in every executive budget submitted to the
479 Legislature full information relating to the issuance of bonds and
480 notes under the provisions of this act and the status of the
481 sinking fund for the payment of the principal of and interest on
482 the bonds and notes.

483 SECTION 5. (1) DECD shall utilize money in the Mississippi
484 Master Planned Community Fund created in Section 4 of this act
485 that is not utilized for grants for the purpose of making loans to
486 counties and municipalities that may be utilized by such counties
487 and municipalities for the construction and acquisition of any
488 facility related to the project or to make loans to the owner or
489 developer of the project for such purposes.

490 (2) (a) There is created a special fund in the State
491 Treasury to be designated as the Master Planned Community Capital
492 Improvements Loan Fund, into which DECD shall deposit money from
493 the Master Planned Community Fund that is not utilized, or
494 intended to be utilized, for grants pursuant to this act. The
495 fund shall be maintained for the purpose of making loans to
496 affected counties or municipalities to defray the cost of
497 facilities related to the project or to make loans to owners and
498 developers of the project to assist them in defraying the cost of
499 facilities related to the project. Unexpended amounts remaining
500 in the fund at the end of a fiscal year shall not lapse into the

501 State General Fund, and any interest earned on amounts in the fund
502 shall be deposited to the credit of the fund. Monies in the fund
503 may not be used or expended for any purpose except as authorized
504 by this act.

505 (b) The Master Planned Community Capital Improvements
506 Loan Fund shall be divided into the Taxable Capital Improvements
507 Loan Subaccount and the Nontaxable Capital Improvements Loan
508 Subaccount. Funds allocated to the Nontaxable Capital
509 Improvements Loan Subaccount shall be utilized to provide loans
510 for facilities related to the project that would qualify for the
511 issuance of bonds whose interest is exempt from income taxation
512 under the provisions of the Internal Revenue Code of 1986. Funds
513 allocated to the Taxable Capital Improvements Loan Subaccount
514 shall be utilized to provide loans for any eligible facilities
515 related to the project that would not qualify for the issuance of
516 bonds whose interest is exempt from income taxation under the
517 provisions of the Internal Revenue Code of 1986.

518 (2) Any affected county or municipality may apply to DECD
519 for a loan under the capital improvements loan program established
520 under this section.

521 (3) (a) DECD shall establish a loan program by which loans,
522 at the rate of interest provided for in paragraph (b) of this
523 subsection, may be made available to affected counties or
524 municipalities to assist owners or developers of a project to
525 defray the cost of facilities related to the project. Loans may
526 be made to counties or municipalities as set forth in a loan
527 agreement in amounts not to exceed one hundred percent (100%) of
528 eligible project costs of facilities related to the project as
529 established by DECD. DECD may require county or municipal
530 participation or funding from other sources, or otherwise limit
531 the percentage of costs covered by loans from the fund. DECD may
532 establish a maximum amount for any loan in order to provide for
533 broad and equitable participation in the program.

534 (b) The rate of interest on loans made from the Master
535 Planned Community Capital Improvements Loan Fund for construction
536 of facilities related to the project shall be made at such rates
537 of interest as shall be determined by DECD but in no event less
538 than three percent (3%) per annum.

539 (4) A county that receives a loan from the fund shall pledge
540 for repayment of the loan any part of the homestead exemption
541 annual tax loss reimbursement to which it may be entitled under
542 Section 27-33-77. An incorporated municipality that receives a
543 loan from the revolving fund shall pledge for repayment of the
544 loan any part of the sales tax revenue distribution to which it
545 may be entitled under Section 27-65-75. Additionally, all loans
546 shall be secured by a letter of credit, other credit enhancement
547 facility, guaranty, lien and/or mortgage as may be determined by
548 and acceptable to DECD. Each loan agreement shall provide for
549 approximately equal annual payments of principal and interest over
550 the term of the loan. The loan agreement shall provide for the
551 repayment of all funds received within not more than twenty (20)
552 years from the date of project completion.

553 (5) Evidences of indebtedness and loans which are issued or
554 made pursuant to this act shall not be deemed indebtedness within
555 the meaning specified in Section 21-33-303 with regard to cities
556 or incorporated towns, and in Section 19-9-5 with regard to
557 counties.

558 SECTION 6. (1) Any owner or developer of a project desiring
559 assistance from DECD under this act shall submit to DECD and the
560 public agency a letter of intent to locate a project in the state.
561 The letter of intent shall, at a minimum, include or have as an
562 attachment:

563 (a) A summary of the economic impact of the project on
564 the state and the public agency.

565 (b) A detailed itemization of facilities related to the
566 project required to be constructed, along with the estimated cost

567 of each.

568 (c) A statement that construction of identified
569 facilities related to the project are necessary for the efficient
570 and cost-effective operation of the project, together with
571 supporting financial and engineering documentation.

572 (d) A master plan, business plan and feasibility study
573 in form and content acceptable to DECD.

574 (e) Demonstration that the owner or developer of a
575 project is financially sound and capable of fulfilling its
576 commitments made in connection with the project.

577 (f) Any commitment to pay rental on, or to make loan
578 repayments related to the facilities related to the project
579 constructed with funds loaned to a county or municipality under
580 this act along with a description of the proposed security for
581 such loans.

582 (g) Such other information as may be required by DECD.

583 (2) Upon receipt of the letter of intent from an owner or
584 developer of a project, an affected public agency may apply to the
585 department for a grant or an affected county or municipality may
586 apply to the department for a loan. The application from the
587 affected public agency shall include but not be limited to:

588 (a) A statement of the purpose of the proposed loan or
589 grant, including a list of eligible improvements and the cost of
590 each.

591 (b) A statement showing the sources of funding for the
592 project, including the owner or developer of the project or
593 governmental unit's investment in the project and any public and
594 other private sources of funding.

595 (c) A certified copy of the signed commitment from the
596 owner or developer of a project that it has acquired a qualified
597 project site and that it will construct the project.

598 (d) Evidence that the project will be expeditiously
599 carried out and completed as planned.

600 (e) A demonstration that insufficient local capital
601 improvement funds at reasonable rates and terms are available
602 within the necessary time to provide the needed improvement. This
603 includes local funds available through issuance of bonds or other
604 means, state funds available through existing programs, and
605 available federal program funds such as community development
606 block grant funds, urban development action grant funds, and
607 economic development administration funds.

608 (f) A demonstration that insufficient private funds are
609 available at reasonable rates and terms within the necessary time
610 to fund eligible improvements on property owned by the owner or
611 developer of the project.

612 (3) In considering grant and loan applications the
613 department shall take into consideration the number of net new
614 full-time equivalent jobs that will be provided and the amount of
615 additional state and local tax revenue to be directly generated by
616 the construction and development of the project.

617 (4) A public agency may apply to the department for a grant
618 under the terms and provisions of this act, and the department may
619 award grants to a public agency subject to limitations contained
620 in this act.

621 (5) (a) A public agency is authorized to negotiate a
622 contract for the acquisition, construction and erection of a
623 facility related to the project where a public agency finds that,
624 because of the particular nature of a project or any portion
625 thereof, it would be in the best public interest of the public
626 agency to negotiate and DECD approves such finding in writing.

627 (b) Contracts by an owner or developer of a project for
628 the acquisition, construction or erection of a facility related to
629 the project which receives assistance under this act shall be
630 effected in the manner prescribed by law for public contracts,
631 unless DECD makes a written finding that, because of special
632 circumstances with respect to the facility related to the project

633 or any portion thereof, it would better serve the public interest
634 or more effectively achieve the purposes of this act to enter into
635 such contracts based on negotiation.

636 (6) A public agency is authorized upon such terms and
637 conditions as the public agency may deem advisable, provided such
638 terms and conditions shall not be in conflict with the provisions
639 of this act, to:

640 (a) Acquire, whether by construction, purchase, gift or
641 lease, all or any portion of a facility related to a project
642 hereunder;

643 (b) Lease or sell to any person all or any portion of a
644 facility related to a project hereunder; and

645 (c) Lend to the owner or developer of a project the
646 proceeds of the loan from DECD to such public agency.

647 (7) All agreements between a public agency and an owner or
648 developer of a project related directly or indirectly to all or
649 any portion of a facility related to the project to be funded in
650 whole or in part under this act are subject to approval by DECD.

651 SECTION 7. For the purpose of aiding in the planning,
652 design, undertaking and carrying out of the project or any
653 facility related to the project, any public agency is authorized
654 and empowered upon such terms, with or without consideration, as
655 it may determine:

656 (a) To enter into agreements, which may extend over any
657 period of time, with DECD and/or the owner or developer of the
658 project respecting action to be taken by such public agency with
659 respect to the acquisition, planning, construction, improvement,
660 operation, maintenance or funding of the project or any facility
661 related to the project, and which agreements may include:

662 (i) The appropriation or payment of funds to DECD
663 or to a trustee in amounts which shall be sufficient to enable
664 DECD to defray any designated portion or percentage of the
665 expenses of administering, planning, designing, constructing,

666 acquiring, improving, operating and maintaining the project or any
667 facility related to the project;

668 (ii) The appropriation or payment of funds to DECD
669 or to a trustee to pay interest and principal (whether at maturity
670 or upon sinking fund redemption) on bonds issued pursuant to this
671 act and to fund reserves for debt service, for operation and
672 maintenance and for renewals and replacements, and to fulfill
673 requirements of any covenant with respect to debt service
674 contained in any resolution, trust indenture or other security
675 agreement relating to the bonds issued pursuant to this act; and

676 (iii) The furnishing of other assistance in
677 connection with the project or facility related to the project;

678 (b) To dedicate, sell, donate, convey or lease any
679 property or interest in property to DECD or the owner or developer
680 of the project or grant easements, licenses or other rights or
681 privileges therein to DECD or the owner or developer of the
682 project;

683 (c) To incur the expense of any public improvements
684 made or to be made by such public agency in exercising the powers
685 granted in this section;

686 (d) To lend, grant or contribute funds to DECD;

687 (e) To cause public buildings and public facilities,
688 including roadways and the rights-of-way and easements therefor,
689 parks, playgrounds, recreational areas, community meeting
690 facilities, water, sewer or drainage facilities, or any other
691 works which it is otherwise empowered to undertake, to be
692 furnished to or with respect to the project or any facility
693 related to the project;

694 (f) To furnish, dedicate, close, vacate, pave, install,
695 upgrade or improve highways, streets, roads, sidewalks, airports,
696 railroads or ports;

697 (g) To plan or replan, zone or rezone any parcel of
698 land within the public agency or make exceptions from land use,

699 building and zoning regulations; and

700 (h) To cause administrative and other services to be
701 furnished to DECD and/or the owner or developer of the project,
702 including services pertaining to the acquisition of real property
703 and the furnishing of relocation assistance.

704 Any contract between a public agency entered into with DECD
705 and/or the owner or developer of the project pursuant to any of
706 the powers granted by this act shall be binding upon the public
707 agency according to its terms, and such public agency shall have
708 the power to enter into such contracts as in the discretion of the
709 governing authorities thereof would be to the best interest of the
710 people of such public agency. Such contracts may include, within
711 the discretion of such governing authorities as defined under
712 Section 1(i)(ii) of this act, a pledge of the full faith and
713 credit of such public agency for the performance thereof. If at
714 any time title to or possession of the project or any such
715 facility related to the project is held by any public body or
716 governmental agency other than DECD, including any agency or
717 instrumentality of the United States of America, the agreements
718 referred to in this section shall inure to the benefit of and may
719 be enforced by such public body or governmental agency.

720 SECTION 8. DECD shall not undertake to develop any project
721 or facility related to the project within a county, municipality
722 and/or school district without the concurrence of the affected
723 county, municipality and/or school district.

724 SECTION 9. (1) (a) DECD shall set a goal to expend not
725 less than ten percent (10%) of the total amounts expended by DECD
726 on planning, construction, training, research, development,
727 testing, evaluation, personal services, procurement, and for the
728 operation and maintenance of any facilities or activities
729 controlled by DECD, with minority small business concerns owned
730 and controlled by socially and economically disadvantaged
731 individuals. For the purpose of determining the total amounts

732 expended with such minority small business concerns, credit shall
733 be given for that portion of any prime contract entered into with
734 DECD which inures to the benefit of such minority small business
735 concern as a subcontractor thereunder.

736 (b) For the purposes of this section, the term
737 "socially and economically disadvantaged individuals" shall have
738 the meaning ascribed to such term under Section 8(d) of the Small
739 Business Act (15 U.S.C.S., Section 637(d)) and relevant
740 subcontracting regulations promulgated pursuant thereto.

741 (c) For the purposes of this section, the term
742 "minority small business concern" means any small business
743 concern:

744 (i) Which is at least fifty-one percent (51%)
745 owned by one or more socially and economically disadvantaged
746 individuals; or, in the case of any publicly owned businesses, at
747 least fifty-one percent (51%) of the stock of which is owned by
748 one or more socially and economically disadvantaged individuals;
749 and

750 (ii) Whose management and daily business
751 operations are controlled by one or more of such individuals.

752 (d) For the purpose of this section, the term "small
753 business concern" shall mean "small business" as the latter term
754 is defined in Section 57-10-155, Mississippi Code of 1972.

755 (2) In order to comply in a timely manner with its minority
756 small business participation mandate, DECD shall set an annual
757 goal to expend not less than ten percent (10%) of its aggregate
758 yearly expenditures with minority small business concerns.

759 (3) DECD shall:

760 (a) Monitor the minority small business concerns
761 assistance programs prescribed in this section.

762 (b) Review and determine the business capabilities of
763 minority small business concerns.

764 (c) Establish standards for a certification procedure

765 for minority small business concerns seeking to do business with
766 DECD.

767 (d) Provide technical assistance services to minority
768 small business concerns. Such technical assistance shall include,
769 but not be limited to:

- 770 (i) Research;
- 771 (ii) Assistance in obtaining bonds;
- 772 (iii) Bid preparation;
- 773 (iv) Certification of business concerns;
- 774 (v) Marketing assistance; and
- 775 (vi) Joint venture and capital development.

776 (e) Develop alternative bidding and contracting
777 procedures for minority small business concerns in conjunction
778 with the Department of Finance and Administration.

779 (f) Utilize such alternative bidding and contracting
780 procedures in lieu of those prescribed in Title 31, Chapters 5 and
781 7, Mississippi Code of 1972, when contracting with minority small
782 business concerns that have qualified to bid for contracts and
783 have satisfied any other disclosure provisions required by DECD.

784 (g) Be authorized to accept in lieu of any bond
785 otherwise required from minority small business concerns or small
786 business concerns contracting with DECD, in an amount equal to one
787 hundred percent (100%) of the total cost of the contracted
788 project, any combination of the following:

- 789 (i) Cash;
- 790 (ii) Certificates of deposit from any bank or
791 banking corporation insured by the Federal Deposit Insurance
792 Corporation or the Federal Savings and Loan Insurance Corporation;
- 793 (iii) Federal treasury bills;
- 794 (iv) Letters of credit issued by a bank as that
795 term is defined in Section 81-3-1, Mississippi Code of 1972; or
- 796 (v) Surety bonds issued by an insurance company
797 licensed and qualified to do business in the State of Mississippi.

798 (h) Be authorized, in its discretion, to waive any bond
799 required on any project which does not exceed a total dollar value
800 of One Hundred Thousand Dollars (\$100,000.00). A retainage shall
801 be held by DECD in an amount not to exceed fifteen percent (15%)
802 from each draw according to American Institute of Architects (AIA)
803 standards. Upon satisfactory completion of such project, ten
804 percent (10%) of the total cost of the contract shall be held in
805 an interest-bearing escrow account for one (1) year. Funds
806 deposited in such escrow account shall stand as a surety for any
807 defects in workmanship or materials detected within twelve (12)
808 months of completion. The balance of all monies so escrowed
809 including accrued interest shall be paid to the contractor at the
810 end of such twelve-month period.

811 (i) Be empowered to provide an incentive of bimonthly
812 payments to any prime contractors utilizing minority small
813 business concerns as subcontractors on twenty-five percent (25%)
814 or more of the total dollar value of any single project or
815 contract.

816 (j) Submit an annual report on its progress concerning
817 minority small business contracts to the Legislature by January 30
818 of each year.

819 (k) Take all steps necessary to implement the
820 provisions of this section.

821 SECTION 10. The provisions of this act are cumulative of
822 other statutes now or hereafter enacted relating to DECD and DECD
823 may exercise all presently held powers in the furtherance of this
824 act. If any section, paragraph, sentence, clause, phrase or any
825 part of the provisions of this act is declared to be
826 unconstitutional or void, or for any reason is declared to be
827 invalid or of no effect, the remaining sections, paragraphs,
828 sentences, clauses and phrases shall in no manner be affected
829 thereby but shall remain in full force and effect.

830 SECTION 11. Section 19-9-5, Mississippi Code of 1972, is

831 amended as follows:

832 19-9-5. No county shall hereafter issue bonds secured by a
833 pledge of its full faith and credit for the purposes authorized by
834 law in an amount which, when added to the then outstanding bonds
835 of such county, shall exceed either (a) fifteen percent (15%) of
836 the assessed value of the taxable property within such county
837 according to the last completed assessment for taxation, or (b)
838 fifteen percent (15%) of the assessment upon which taxes were
839 levied for its fiscal year ending September 30, 1984, whichever is
840 greater.

841 However, any county in the state which shall have experienced
842 washed-out or collapsed bridges on the public roads of the county
843 for any cause or reason may hereafter issue bonds for bridge
844 purposes as now authorized by law in an amount which, when added
845 to the then outstanding general obligation bonds of such county,
846 shall not exceed either (a) twenty percent (20%) of the assessed
847 value of the taxable property within such county according to the
848 last completed assessment for taxation, or (b) fifteen percent
849 (15%) of the assessment upon which taxes were levied for its
850 fiscal year ending September 30, 1984, whichever is greater.

851 Provided further, in computing such indebtedness, there may
852 be deducted all bonds or other evidences of indebtedness
853 heretofore or hereafter issued, for the construction of hospitals,
854 ports or other capital improvements which are payable primarily
855 from the net revenue to be generated from such hospital, port or
856 other capital improvement, which revenue shall be pledged to the
857 retirement of such bonds or other evidences of indebtedness,
858 together with the full faith and credit of the county. However,
859 in no case shall any county contract any indebtedness payable in
860 whole or in part from proceeds of ad valorem taxes which, when
861 added to all of the outstanding general obligation indebtedness,
862 both bonded and floating, shall exceed either (a) twenty percent
863 (20%) of the assessed value of all taxable property within such

864 county according to the last completed assessment for taxation, or
865 (b) fifteen percent (15%) of the assessment upon which taxes were
866 levied for its fiscal year ending September 30, 1984, whichever is
867 greater. Nothing herein contained shall be construed to apply to
868 contract obligations in any form heretofore or hereafter incurred
869 by any county which are subject to annual appropriations
870 therefor, * * * to bonds heretofore or hereafter issued by any
871 county for school purposes, or to bonds issued by any county under
872 the provisions of Sections 57-1-1 through 57-1-51, or to any
873 indebtedness incurred pursuant to Section 5 of Senate Bill No.
874 _____ , 1999 Regular Session.

875 SECTION 12. Section 21-33-303, Mississippi Code of 1972, is
876 amended as follows:

877 21-33-303. No municipality shall hereafter issue bonds
878 secured by a pledge of its full faith and credit for the purposes
879 authorized by law in an amount which, when added to the then
880 outstanding bonded indebtedness of such municipality, shall exceed
881 either (a) fifteen percent (15%) of the assessed value of the
882 taxable property within such municipality, according to the last
883 completed assessment for taxation, or (b) ten percent (10%) of the
884 assessment upon which taxes were levied for its fiscal year ending
885 September 30, 1984, whichever is greater. In computing such
886 indebtedness, there may be deducted all bonds or other evidences
887 of indebtedness, heretofore or hereafter issued, for school,
888 water, sewerage systems, gas, and light and power purposes and for
889 the construction of special improvements primarily chargeable to
890 the property benefited, or for the purpose of paying the
891 municipality's proportion of any betterment program, a portion of
892 which is primarily chargeable to the property benefited. However,
893 in no case shall any municipality contract any indebtedness which,
894 when added to all of the outstanding general obligation
895 indebtedness, both bonded and floating, shall exceed either (a)
896 twenty percent (20%) of the assessed value of all taxable property

897 within such municipality according to the last completed
898 assessment for taxation or (b) fifteen percent (15%) of the
899 assessment upon which taxes were levied for its fiscal year ending
900 September 30, 1984, whichever is greater. Nothing herein
901 contained shall be construed to apply to contract obligations in
902 any form heretofore or hereafter incurred by any municipality
903 which are subject to annual appropriations therefor, or to bonds
904 heretofore issued by any municipality for school purposes, or to
905 contract obligations in any form heretofore or hereafter incurred
906 by any municipality which are payable exclusively from the
907 revenues of any municipally-owned utility, or to bonds issued by
908 any municipality under the provisions of Sections 57-1-1 through
909 57-1-51, or to any special assessment improvement bonds issued by
910 any municipality under the provisions of Sections 21-41-1 through
911 21-41-53, or to any indebtedness incurred pursuant to Section 5 of
912 Senate Bill No. _____, 1999 Regular Session.

913 All bonds issued prior to July 1, 1990, pursuant to this
914 chapter by any municipality for the purpose of the constructing,
915 replacing, renovating or improving wastewater collection and
916 treatment facilities in order to comply with an administrative
917 order of the Mississippi Department of Natural Resources issued
918 pursuant to the Federal Water Pollution Control Act and amendments
919 thereto, are hereby exempt from the limitation imposed by this
920 section if the governing body of the municipality adopts an order,
921 resolution or ordinance to the effect that the rates paid by the
922 users of such facilities shall be increased to the extent
923 necessary to provide sufficient funds for the payment of the
924 principal of and interest on such bonds as each respectively
925 becomes due and payable as well as the necessary expenses in
926 connection with the operation and maintenance of such facilities.

927 SECTION 13. Section 27-33-77, Mississippi Code of 1972, is
928 amended as follows:

929 27-33-77. Beginning with the 1985 supplemental roll, and for

930 each succeeding year's roll thereafter, the amount of tax loss to
931 be reimbursed because of exemptions provided for in this article
932 shall be Fifty Dollars (\$50.00) each for county taxes exempted and
933 school taxes exempted for a total of One Hundred Dollars (\$100.00)
934 per applicant qualifying for homestead exemption under this
935 article.

936 The reimbursement received by the county shall be distributed
937 by the county treasurer to the general fund. Such reimbursement
938 may be pledged as security for any loan received by the county
939 under Section 5 of Senate Bill No. 1999 Regular Session, or
940 received by the county for the purpose of capital improvements as
941 authorized under Section 57-1-303, or for the purpose of loans as
942 authorized under Section 57-44-7, or for the purpose of water
943 systems improvements as authorized under Section 41-3-16.

944 Provided further, that tax losses sustained by municipalities
945 because of exemptions granted to homeowners described in
946 subsection (2) of Section 27-33-67 shall be reimbursed up to the
947 amount of the actual exemption allowed, not to exceed Two Hundred
948 Dollars (\$200.00) per qualified applicant.

949 SECTION 14. Section 27-65-75, Mississippi Code of 1972, is
950 amended as follows:

951 **[Until July 1, 2002, this section reads as follows:]**

952 27-65-75. On or before the fifteenth day of each month, the
953 revenue collected under the provisions of this chapter during the
954 preceding month shall be paid and distributed as follows:

955 (1) On or before August 15, 1992, and each succeeding month
956 thereafter through July 15, 1993, eighteen percent (18%) of the
957 total sales tax revenue collected during the preceding month under
958 the provisions of this chapter, except that collected under the
959 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
960 business activities within a municipal corporation shall be
961 allocated for distribution to such municipality and paid to such
962 municipal corporation. On or before August 15, 1993, and each

963 succeeding month thereafter, eighteen and one-half percent
964 (18-1/2%) of the total sales tax revenue collected during the
965 preceding month under the provisions of this chapter, except that
966 collected under the provisions of Sections 27-65-15, 27-65-19(3)
967 and 27-65-21, on business activities within a municipal
968 corporation shall be allocated for distribution to such
969 municipality and paid to such municipal corporation.

970 A municipal corporation, for the purpose of distributing the
971 tax under this subsection, shall mean and include all incorporated
972 cities, towns and villages.

973 Monies allocated for distribution and credited to a municipal
974 corporation under this subsection may be pledged as security for
975 any loan received by the municipal corporation for the purpose of
976 capital improvements as authorized under Section 57-1-303, or
977 loans as authorized under Section 57-44-7, or water systems
978 improvements as authorized under Section 41-3-16, or loans as
979 authorized under Section 5 of Senate Bill No. _____, 1999 Regular
980 Session.

981 In any county having a county seat which is not an
982 incorporated municipality, the distribution provided hereunder
983 shall be made as though the county seat was an incorporated
984 municipality; however, the distribution to such municipality shall
985 be paid to the county treasury wherein the municipality is located
986 and such funds shall be used for road, bridge and street
987 construction or maintenance therein.

988 (2) On or before September 15, 1987, and each succeeding
989 month thereafter, from the revenue collected under this chapter
990 during the preceding month One Million One Hundred Twenty-five
991 Thousand Dollars (\$1,125,000.00) shall be allocated for
992 distribution to municipal corporations as defined under subsection
993 (1) of this section in the proportion that the number of gallons
994 of gasoline and diesel fuel sold by distributors to consumers and
995 retailers in each such municipality during the preceding fiscal

996 year bears to the total gallons of gasoline and diesel fuel sold
997 by distributors to consumers and retailers in municipalities
998 statewide during the preceding fiscal year. The State Tax
999 Commission shall require all distributors of gasoline and diesel
1000 fuel to report to the commission monthly the total number of
1001 gallons of gasoline and diesel fuel sold by them to consumers and
1002 retailers in each municipality during the preceding month. The
1003 State Tax Commission shall have the authority to promulgate such
1004 rules and regulations as is necessary to determine the number of
1005 gallons of gasoline and diesel fuel sold by distributors to
1006 consumers and retailers in each municipality. In determining the
1007 percentage allocation of funds under this subsection for the
1008 fiscal year beginning July 1, 1987, and ending June 30, 1988, the
1009 State Tax Commission may consider gallons of gasoline and diesel
1010 fuel sold for a period of less than one (1) fiscal year. For the
1011 purposes of this subsection, the term "fiscal year" means the
1012 fiscal year beginning July 1 of a year.

1013 (3) On or before September 15, 1987, and on or before the
1014 fifteenth day of each succeeding month, until the date specified
1015 in Section 65-39-35, the proceeds derived from contractors' taxes
1016 levied under Section 27-65-21 on contracts for the construction or
1017 reconstruction of highways designated under the Four-Lane Highway
1018 Program created under Section 65-3-97 shall be deposited into the
1019 State Treasury to the credit of the State Highway Fund to be used
1020 to fund such Four-Lane Highway Program. The Mississippi
1021 Department of Transportation shall provide to the State Tax
1022 Commission such information as is necessary to determine the
1023 amount of proceeds to be distributed under this subsection.

1024 (4) On or before August 15, 1994, and on or before the
1025 fifteenth day of each succeeding month, from the proceeds of
1026 gasoline, diesel fuel or kerosene taxes as provided in Section
1027 27-5-101(a)(ii)1, Four Million Dollars (\$4,000,000.00) shall be
1028 deposited in the State Treasury to the credit of a special fund

1029 designated as the "State Aid Road Fund," created by Section
1030 65-9-17. Such funds shall be pledged to pay the principal of and
1031 interest on state aid road bonds heretofore issued under Sections
1032 19-9-51 through 19-9-77, in lieu of and in substitution for the
1033 funds heretofore allocated to counties under this section. Such
1034 funds may not be pledged for the payment of any state aid road
1035 bonds issued after April 1, 1981; however, this prohibition
1036 against the pledging of any such funds for the payment of bonds
1037 shall not apply to any bonds for which intent to issue such bonds
1038 has been published, for the first time, as provided by law prior
1039 to March 29, 1981. From the amount of taxes paid into the special
1040 fund pursuant to this subsection and subsection (9) of this
1041 section, there shall be first deducted and paid the amount
1042 necessary to pay the expenses of the Office of State Aid Road
1043 Construction, as authorized by the Legislature for all other
1044 general and special fund agencies. The remainder of the fund
1045 shall be allocated monthly to the several counties in accordance
1046 with the following formula:

1047 (a) One-third (1/3) shall be allocated to all counties
1048 in equal shares;

1049 (b) One-third (1/3) shall be allocated to counties
1050 based on the proportion that the total number of rural road miles
1051 in a county bears to the total number of rural road miles in all
1052 counties of the state; and

1053 (c) One-third (1/3) shall be allocated to counties
1054 based on the proportion that the rural population of the county
1055 bears to the total rural population in all counties of the state,
1056 according to the latest federal decennial census.

1057 For the purposes of this subsection, the term "gasoline,
1058 diesel fuel or kerosene taxes" means such taxes as defined in
1059 paragraph (f) of Section 27-5-101.

1060 The amount of funds allocated to any county under this
1061 subsection for any fiscal year after Fiscal Year 1994 shall not be

1062 less than the amount allocated to such county for Fiscal Year
1063 1994. Monies allocated to a county from the State Aid Road Fund
1064 for Fiscal Year 1995 or any fiscal year thereafter that exceed the
1065 amount of funds allocated to that county from the State Aid Road
1066 Fund for Fiscal Year 1994, first must be expended by the county
1067 for replacement or rehabilitation of bridges on the state aid road
1068 system that have a sufficiency rating of less than twenty-five
1069 (25), according to National Bridge Inspection standards before
1070 such monies may be approved for expenditure by the State Aid Road
1071 Engineer on other projects that qualify for the use of state aid
1072 road funds.

1073 Any reference in the general laws of this state or the
1074 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
1075 construed to refer and apply to subsection (4) of Section
1076 27-65-75.

1077 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
1078 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
1079 the special fund known as the "State Public School Building Fund"
1080 created and existing under the provisions of Sections 37-47-1
1081 through 37-47-67. Such payments into said fund are to be made on
1082 the last day of each succeeding month hereafter.

1083 (6) An amount each month beginning August 15, 1983, through
1084 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
1085 of 1983, shall be paid into the special fund known as the
1086 Correctional Facilities Construction Fund created in Section 6 of
1087 Chapter 542, Laws of 1983.

1088 (7) On or before August 15, 1992, and each succeeding month
1089 thereafter, two and two hundred sixty-six one-thousandths percent
1090 (2.266%) of the total sales tax revenue collected during the
1091 preceding month under the provisions of this chapter, except that
1092 collected under the provisions of Section 27-65-17(2) shall be
1093 deposited by the commission into the School Ad Valorem Tax
1094 Reduction Fund created pursuant to Section 37-61-35.

1095 (8) On or before August 15, 1992, and each succeeding month
1096 thereafter, nine and seventy-three one-thousandths percent
1097 (9.073%) of the total sales tax revenue collected during the
1098 preceding month under the provisions of this chapter, except that
1099 collected under the provisions of Section 27-65-17(2) shall be
1100 deposited into the Education Enhancement Fund created pursuant to
1101 Section 37-61-33.

1102 (9) On or before August 15, 1994, and each succeeding month
1103 thereafter, from the revenue collected under this chapter during
1104 the preceding month, Two Hundred Fifty Thousand Dollars
1105 (\$250,000.00) shall be paid into the State Aid Road Fund.

1106 (10) On or before August 15, 1994, and each succeeding month
1107 thereafter through August 15, 1995, from the revenue collected
1108 under this chapter during the preceding month, Two Million Dollars
1109 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
1110 Valorem Tax Reduction Fund established in Section 27-51-105.

1111 (11) Notwithstanding any other provision of this section to
1112 the contrary, on or before February 15, 1995, and each succeeding
1113 month thereafter, the sales tax revenue collected during the
1114 preceding month under the provisions of Section 27-65-17(2) and
1115 the corresponding levy in Section 27-65-23 on the rental or lease
1116 of private carriers of passengers and light carriers of property
1117 as defined in Section 27-51-101 shall be deposited, without
1118 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
1119 established in Section 27-51-105.

1120 (12) Notwithstanding any other provision of this section to
1121 the contrary, on or before August 15, 1995, and each succeeding
1122 month thereafter, the sales tax revenue collected during the
1123 preceding month under the provisions of Section 27-65-17(1) on
1124 retail sales of private carriers of passengers and light carriers
1125 of property, as defined in Section 27-51-101 and the corresponding
1126 levy in Section 27-65-23 on the rental or lease of these vehicles,
1127 shall be deposited, after diversion, into the Motor Vehicle Ad

1128 Valorem Tax Reduction Fund established in Section 27-51-105.

1129 (13) On or before July 15, 1994, and on or before the
1130 fifteenth day of each succeeding month thereafter, that portion of
1131 the avails of the tax imposed in Section 27-65-22, which is
1132 derived from activities held on the Mississippi state fairgrounds
1133 complex, shall be paid into a special fund hereby created in the
1134 State Treasury and shall be expended pursuant to legislative
1135 appropriations solely to defray the costs of repairs and
1136 renovation at such Trade Mart and Coliseum.

1137 (14) On or before August 15, 1998, and each succeeding month
1138 thereafter through July 15, 2005, that portion of the avails of
1139 the tax imposed in Section 27-65-23 which is derived from sales by
1140 cotton compresses or cotton warehouses and which would otherwise
1141 be paid into the General Fund, shall be deposited in an amount not
1142 to exceed Two Million Dollars (\$2,000,000.00) into the special
1143 fund created pursuant to Section 69-37-39.

1144 (15) The remainder of the amounts collected under the
1145 provisions of this chapter shall be paid into the State Treasury
1146 to the credit of the General Fund.

1147 (16) It shall be the duty of the municipal officials of any
1148 municipality which expands its limits, or of any community which
1149 incorporates as a municipality, to notify the commissioner of such
1150 action thirty (30) days before the effective date. Failure to so
1151 notify the commissioner shall cause such municipality to forfeit
1152 the revenue which it would have been entitled to receive during
1153 this period of time when the commissioner had no knowledge of the
1154 action. If any funds have been erroneously disbursed to any
1155 municipality or any overpayment of tax is recovered by the
1156 taxpayer, the commissioner may make correction and adjust the
1157 error or overpayment with such municipality by withholding the
1158 necessary funds from any subsequent payment to be made to the
1159 municipality.

1160 **[From and after July 1, 2002, this section reads as follows:]**

1161 27-65-75. On or before the fifteenth day of each month, the
1162 revenue collected under the provisions of this chapter during the
1163 preceding month shall be paid and distributed as follows:

1164 (1) On or before August 15, 1992, and each succeeding month
1165 thereafter through July 15, 1993, eighteen percent (18%) of the
1166 total sales tax revenue collected during the preceding month under
1167 the provisions of this chapter, except that collected under the
1168 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
1169 business activities within a municipal corporation shall be
1170 allocated for distribution to such municipality and paid to such
1171 municipal corporation. On or before August 15, 1993, and each
1172 succeeding month thereafter, eighteen and one-half percent
1173 (18-1/2%) of the total sales tax revenue collected during the
1174 preceding month under the provisions of this chapter, except that
1175 collected under the provisions of Sections 27-65-15, 27-65-19(3)
1176 and 27-65-21, on business activities within a municipal
1177 corporation shall be allocated for distribution to such
1178 municipality and paid to such municipal corporation.

1179 A municipal corporation, for the purpose of distributing the
1180 tax under this subsection, shall mean and include all incorporated
1181 cities, towns and villages.

1182 Monies allocated for distribution and credited to a municipal
1183 corporation under this subsection may be pledged as security for
1184 any loan received by the municipal corporation for the purpose of
1185 capital improvements as authorized under Section 57-1-303, or
1186 loans as authorized under Section 57-44-7, or water systems
1187 improvements as authorized under Section 41-3-16, or loans as
1188 authorized under Section 5 of Senate Bill No. _____, 1999 Regular
1189 Session.

1190 In any county having a county seat which is not an
1191 incorporated municipality, the distribution provided hereunder
1192 shall be made as though the county seat was an incorporated
1193 municipality; however, the distribution to such municipality shall

1194 be paid to the county treasury wherein the municipality is located
1195 and such funds shall be used for road, bridge and street
1196 construction or maintenance therein.

1197 (2) On or before September 15, 1987, and each succeeding
1198 month thereafter, from the revenue collected under this chapter
1199 during the preceding month One Million One Hundred Twenty-five
1200 Thousand Dollars (\$1,125,000.00) shall be allocated for
1201 distribution to municipal corporations as defined under subsection
1202 (1) of this section in the proportion that the number of gallons
1203 of gasoline and diesel fuel sold by distributors to consumers and
1204 retailers in each such municipality during the preceding fiscal
1205 year bears to the total gallons of gasoline and diesel fuel sold
1206 by distributors to consumers and retailers in municipalities
1207 statewide during the preceding fiscal year. The State Tax
1208 Commission shall require all distributors of gasoline and diesel
1209 fuel to report to the commission monthly the total number of
1210 gallons of gasoline and diesel fuel sold by them to consumers and
1211 retailers in each municipality during the preceding month. The
1212 State Tax Commission shall have the authority to promulgate such
1213 rules and regulations as is necessary to determine the number of
1214 gallons of gasoline and diesel fuel sold by distributors to
1215 consumers and retailers in each municipality. In determining the
1216 percentage allocation of funds under this subsection for the
1217 fiscal year beginning July 1, 1987, and ending June 30, 1988, the
1218 State Tax Commission may consider gallons of gasoline and diesel
1219 fuel sold for a period of less than one (1) fiscal year. For the
1220 purposes of this subsection, the term "fiscal year" means the
1221 fiscal year beginning July 1 of a year.

1222 (3) On or before September 15, 1987, and on or before the
1223 fifteenth day of each succeeding month, until the date specified
1224 in Section 65-39-35, the proceeds derived from contractors' taxes
1225 levied under Section 27-65-21 on contracts for the construction or
1226 reconstruction of highways designated under the Four-Lane Highway

1227 Program created under Section 65-3-97 shall be deposited into the
1228 State Treasury to the credit of the State Highway Fund to be used
1229 to fund such Four-Lane Highway Program. The Mississippi
1230 Department of Transportation shall provide to the State Tax
1231 Commission such information as is necessary to determine the
1232 amount of proceeds to be distributed under this subsection.

1233 (4) On or before August 15, 1994, and on or before the
1234 fifteenth day of each succeeding month, from the proceeds of
1235 gasoline, diesel fuel or kerosene taxes as provided in Section
1236 27-5-101(a)(ii)1, Four Million Dollars (\$4,000,000.00) shall be
1237 deposited in the State Treasury to the credit of a special fund
1238 designated as the "State Aid Road Fund," created by Section
1239 65-9-17. Such funds shall be pledged to pay the principal of and
1240 interest on state aid road bonds heretofore issued under Sections
1241 19-9-51 through 19-9-77, in lieu of and in substitution for the
1242 funds heretofore allocated to counties under this section. Such
1243 funds may not be pledged for the payment of any state aid road
1244 bonds issued after April 1, 1981; however, this prohibition
1245 against the pledging of any such funds for the payment of bonds
1246 shall not apply to any bonds for which intent to issue such bonds
1247 has been published, for the first time, as provided by law prior
1248 to March 29, 1981. From the amount of taxes paid into the special
1249 fund pursuant to this subsection and subsection (9) of this
1250 section, there shall be first deducted and paid the amount
1251 necessary to pay the expenses of the Office of State Aid Road
1252 Construction, as authorized by the Legislature for all other
1253 general and special fund agencies. The remainder of the fund
1254 shall be allocated monthly to the several counties in accordance
1255 with the following formula:

1256 (a) One-third (1/3) shall be allocated to all counties
1257 in equal shares;

1258 (b) One-third (1/3) shall be allocated to counties
1259 based on the proportion that the total number of rural road miles

1260 in a county bears to the total number of rural road miles in all
1261 counties of the state; and

1262 (c) One-third (1/3) shall be allocated to counties
1263 based on the proportion that the rural population of the county
1264 bears to the total rural population in all counties of the state,
1265 according to the latest federal decennial census.

1266 For the purposes of this subsection, the term "gasoline,
1267 diesel fuel or kerosene taxes" means such taxes as defined in
1268 paragraph (f) of Section 27-5-101.

1269 The amount of funds allocated to any county under this
1270 subsection for any fiscal year after Fiscal Year 1994 shall not be
1271 less than the amount allocated to such county for Fiscal Year
1272 1994. Monies allocated to a county from the State Aid Road Fund
1273 for Fiscal Year 1995 or any fiscal year thereafter that exceed the
1274 amount of funds allocated to that county from the State Aid Road
1275 Fund for Fiscal Year 1994, first must be expended by the county
1276 for replacement or rehabilitation of bridges on the state aid road
1277 system that have a sufficiency rating of less than twenty-five
1278 (25), according to National Bridge Inspection standards before
1279 such monies may be approved for expenditure by the State Aid Road
1280 Engineer on other projects that qualify for the use of state aid
1281 road funds.

1282 Any reference in the general laws of this state or the
1283 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
1284 construed to refer and apply to subsection (4) of Section
1285 27-65-75.

1286 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
1287 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
1288 the special fund known as the "State Public School Building Fund"
1289 created and existing under the provisions of Sections 37-47-1
1290 through 37-47-67. Such payments into said fund are to be made on
1291 the last day of each succeeding month hereafter.

1292 (6) An amount each month beginning August 15, 1983, through

1293 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
1294 of 1983, shall be paid into the special fund known as the
1295 Correctional Facilities Construction Fund created in Section 6 of
1296 Chapter 542, Laws of 1983.

1297 (7) On or before August 15, 1992, and each succeeding month
1298 thereafter, two and two hundred sixty-six one-thousandths percent
1299 (2.266%) of the total sales tax revenue collected during the
1300 preceding month under the provisions of this chapter, except that
1301 collected under the provisions of Section 27-65-17(2), not to
1302 exceed the Fiscal Year 1997 appropriated level shall be deposited
1303 by the commission into the School Ad Valorem Tax Reduction Fund
1304 created pursuant to Section 37-61-35, with the balance to be
1305 transferred to the Education Enhancement Fund created under
1306 Section 37-61-33 for appropriation by the Legislature as other
1307 education needs and not subject to the percentage set asides set
1308 forth in Section 37-61-33.

1309 (8) On or before August 15, 1992, and each succeeding month
1310 thereafter, nine and seventy-three one-thousandths percent
1311 (9.073%) of the total sales tax revenue collected during the
1312 preceding month under the provisions of this chapter, except that
1313 collected under the provisions of Section 27-65-17(2) shall be
1314 deposited into the Education Enhancement Fund created pursuant to
1315 Section 37-61-33.

1316 (9) On or before August 15, 1994, and each succeeding month
1317 thereafter, from the revenue collected under this chapter during
1318 the preceding month, Two Hundred Fifty Thousand Dollars
1319 (\$250,000.00) shall be paid into the State Aid Road Fund.

1320 (10) On or before August 15, 1994, and each succeeding month
1321 thereafter through August 15, 1995, from the revenue collected
1322 under this chapter during the preceding month, Two Million Dollars
1323 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
1324 Valorem Tax Reduction Fund established in Section 27-51-105.

1325 (11) Notwithstanding any other provision of this section to

1326 the contrary, on or before February 15, 1995, and each succeeding
1327 month thereafter, the sales tax revenue collected during the
1328 preceding month under the provisions of Section 27-65-17(2) shall
1329 be deposited, without diversion, into the Motor Vehicle Ad Valorem
1330 Tax Reduction Fund established in Section 27-51-105.

1331 (12) Notwithstanding any other provision of this section to
1332 the contrary, on or before August 15, 1995, and each succeeding
1333 month thereafter, the sales tax revenue collected during the
1334 preceding month under the provisions of Section 27-65-17(1) on
1335 retail sales of private carriers of passengers and light carriers
1336 of property, as defined in Section 27-51-101, shall be deposited,
1337 after diversion, into the Motor Vehicle Ad Valorem Tax Reduction
1338 Fund established in Section 27-51-105.

1339 (13) On or before July 15, 1994, and on or before the
1340 fifteenth day of each succeeding month thereafter, that portion of
1341 the avails of the tax imposed in Section 27-65-22, which is
1342 derived from activities held on the Mississippi state fairgrounds
1343 complex, shall be paid into a special fund hereby created in the
1344 State Treasury and shall be expended pursuant to legislative
1345 appropriations solely to defray the costs of repairs and
1346 renovation at such Trade Mart and Coliseum.

1347 (14) On or before August 15, 1998, and each succeeding month
1348 thereafter through July 15, 2005, that portion of the avails of
1349 the tax imposed in Section 27-65-23 which is derived from sales by
1350 cotton compresses or cotton warehouses and which would otherwise
1351 be paid into the General Fund, shall be deposited in an amount not
1352 to exceed Two Million Dollars (\$2,000,000.00) into the special
1353 fund created pursuant to Section 69-37-39.

1354 (15) The remainder of the amounts collected under the
1355 provisions of this chapter shall be paid into the State Treasury
1356 to the credit of the General Fund.

1357 (16) It shall be the duty of the municipal officials of any
1358 municipality which expands its limits, or of any community which

1359 incorporates as a municipality, to notify the commissioner of such
1360 action thirty (30) days before the effective date. Failure to so
1361 notify the commissioner shall cause such municipality to forfeit
1362 the revenue which it would have been entitled to receive during
1363 this period of time when the commissioner had no knowledge of the
1364 action. If any funds have been erroneously disbursed to any
1365 municipality or any overpayment of tax is recovered by the
1366 taxpayer, the commissioner may make correction and adjust the
1367 error or overpayment with such municipality by withholding the
1368 necessary funds from any subsequent payment to be made to the
1369 municipality.

1370 SECTION 15. This act shall take effect and be in force from
1371 and after its passage and shall stand repealed from and after July
1372 1, 2005, unless prior to such date the Executive Director of the
1373 Department of Economic and Community Development files an
1374 affidavit with the Secretary of State certifying that the State of
1375 Mississippi has been selected as the site of a project.