

By: Senator(s) Hewes, Gollott, Woodfield,
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Horhn

To: Finance

SENATE BILL NO. 3214

1 AN ACT TO ESTABLISH A LOAN PROGRAM WITHIN THE DEPARTMENT OF
2 ECONOMIC AND COMMUNITY DEVELOPMENT (DECD) TO PROVIDE LOANS UNDER
3 SUCH PROGRAM TO COUNTIES OR MUNICIPALITIES IN WHICH THE SITE OF A
4 MASTER PLANNED COMMUNITY IS LOCATED; TO PROVIDE THAT SUCH LOANS
5 SHALL BE MADE TO COUNTIES AND MUNICIPALITIES FOR THE PURPOSE OF
6 DEFRAYING THE COST OF FACILITIES RELATED TO THE PROJECT OR TO MAKE
7 LOANS TO OWNERS AND DEVELOPERS OF THE PROJECT TO ASSIST THEM IN
8 DEFRAYING THE COST OF FACILITIES RELATED TO THE PROJECT; TO
9 PROVIDE CERTAIN CRITERIA THAT MUST BE MET IN ORDER FOR A LOAN TO
10 BE MADE UNDER THIS PROGRAM; TO PROVIDE FOR THE ISSUANCE OF
11 \$40,000,000.00 IN STATE GENERAL OBLIGATION BONDS TO PROVIDE FUNDS
12 FOR SUCH LOANS; TO PROVIDE FOR THE ISSUANCE OF \$20,000,000.00 IN
13 STATE GENERAL OBLIGATION BONDS TO ASSIST IN FUNDING IMPROVEMENTS
14 TO RELOCATED/RECONSTRUCTED MISSISSIPPI 67 BETWEEN U.S. 49 AND
15 I-110 AND TO PROVIDE THAT SUCH BONDS MAY BE ISSUED ONLY IF A
16 MASTER PLANNED COMMUNITY INTENDS TO LOCATE IN CLOSE PROXIMITY TO
17 SUCH HIGHWAY; TO AMEND SECTIONS 65-4-3 AND 65-4-5, MISSISSIPPI
18 CODE OF 1972, TO AMEND THE ECONOMIC DEVELOPMENT HIGHWAY ACT TO
19 REVISE THE DEFINITION OF THE TERM "HIGH ECONOMIC BENEFIT PROJECT"
20 TO INCLUDE CERTAIN PLANNED COMMUNITIES; TO REVISE THE TERM
21 "PRIVATE COMPANY" TO INCLUDE DEVELOPERS OF CERTAIN PLANNED
22 COMMUNITIES; TO BRING FORWARD SECTION 65-4-25, MISSISSIPPI CODE OF
23 1972, WHICH PROVIDES FOR THE ISSUANCE OF BONDS UNDER THE ECONOMIC
24 DEVELOPMENT HIGHWAY ACT; 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; AND FOR RELATED PURPOSES.

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

28 SECTION 1. As used in Sections 1 through 34 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) "Accreted value" of any bond means, as of any date
32 of computation, an amount equal to the sum of (i) the stated
33 initial value of such bond, plus (ii) the interest accrued thereon
34 from the issue date to the date of computation at the rate,
35 compounded semiannually, that is necessary to produce the
36 approximate yield to maturity shown for bonds of the same
37 maturity.

38 (b) "Affected county or municipality" means a county or
39 municipality directly affected by the construction of a project or

40 any facility related to the project, and within the legal
41 boundaries of which all or a portion of the project or any
42 facility related to the project is physically located.

43 (c) "Commission" means the State Bond Commission.

44 (d) "DECD" means the Department of Economic and
45 Community Development.

46 (e) "Facility related to the project" means and
47 includes any facility owned or developed by any of the following,
48 as the same may pertain to the project within the project area:

49 (i) Facilities to provide potable water, water
50 supply systems, sewage and waste disposal systems and water
51 transmission systems;

52 (ii) Airports, airfields and air terminals;

53 (iii) Highways, streets and other roadways;

54 (iv) Public school buildings, classrooms and
55 instructional facilities, including any functionally related
56 facilities;

57 (v) Parks, outdoor recreation facilities and
58 athletic facilities;

59 (vi) Auditoriums, pavilions, campgrounds, art
60 centers, cultural centers, folklore centers and other public
61 facilities; and

62 (vii) Health care facilities, public or private.

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

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

74 development is the product of a long-range, multi-phase
75 development plan combining a complementary mix of land uses
76 representing unifying characteristics and design elements and
77 providing comprehensive planning and logical and staged
78 implementation and development.

79 (h) "Project area" means the project site, together
80 with any area or territory within the state lying within five (5)
81 miles of any portion of the project site.

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

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

86 SECTION 2. (1) There is created a special fund in the State
87 Treasury to be designated as the Master Planned Community Capital
88 Improvements Loan Fund, which shall consist of money deposited
89 into the fund pursuant to this act. The fund shall be maintained
90 by the State Treasurer as a separate and special fund, separate
91 and apart from the General Fund of the state. The fund shall be
92 maintained for the purpose of making loans to affected counties or
93 municipalities (i) to defray the cost of facilities related to the
94 project or (ii) to make loans to owners and developers of the
95 project to assist them in defraying the cost of facilities related
96 to the project. Unexpended amounts remaining in the fund at the
97 end of a fiscal year shall not lapse into the State General Fund,
98 and any interest earned on amounts in the fund shall be deposited
99 to the credit of the fund. Monies in the fund may not be used or
100 expended for any purpose except as authorized by this act.

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

104 (3) Money received by the Department of Economic and
105 Community Development for the repayment of any loans made pursuant
106 to the program established pursuant to subsection (1) of this
107 section shall be paid to the State Treasurer to be deposited into

108 a sinking fund hereby created in the State Treasury. The money in
109 the sinking fund shall be expended upon legislative appropriation
110 to pay the interest on and principal of bonds issued pursuant to
111 this act. Unexpended amounts remaining in the sinking fund at the
112 end of the fiscal year shall not lapse into the State General
113 Fund, and any interest earned on amounts in the sinking fund shall
114 be deposited to the credit of the sinking fund.

115 (4) (a) DECD shall establish a loan program by which loans,
116 at the rate of interest provided for in paragraph (b) of this
117 subsection, may be made available to affected counties or
118 municipalities to assist owners or developers of a project to
119 defray the cost of facilities related to the project. Loans may
120 be made to counties or municipalities as set forth in a loan
121 agreement in amounts not to exceed one hundred percent (100%) of
122 eligible project costs of facilities related to the project as
123 established by DECD. DECD may require county or municipal
124 participation or funding from other sources, or otherwise limit
125 the percentage of costs covered by loans from the fund. DECD may
126 establish a maximum amount for any loan in order to provide for
127 broad and equitable participation in the program.

128 (b) The rate of interest on loans made from the Master
129 Planned Community Capital Improvements Loan Fund for construction
130 of facilities related to the project shall be made at the true
131 interest cost on the bonds issued pursuant to this act.

132 (5) A county that receives a loan from the fund shall pledge
133 for repayment of the loan any part of the homestead exemption
134 annual tax loss reimbursement to which it may be entitled under
135 Section 27-33-77. An incorporated municipality that receives a
136 loan from the revolving fund shall pledge for repayment of the
137 loan any part of the sales tax revenue distribution to which it
138 may be entitled under Section 27-65-75. Each loan agreement shall
139 provide for approximately equal annual payments of principal and
140 interest over the term of the loan. The loan agreement shall
141 provide for the repayment of all funds received within not more

142 than twenty (20) years from the date of project completion.

143 (6) Evidences of indebtedness and loans which are issued or
144 made pursuant to this act shall not be deemed indebtedness within
145 the meaning specified in Section 21-33-303 with regard to cities
146 or incorporated towns, and in Section 19-9-5 with regard to
147 counties.

148 SECTION 3. (1) In order for a loan to be granted pursuant
149 to this act, the owner or developer of a project shall submit to
150 DECD and the affected county or municipality a letter of intent to
151 locate a project in the state. The letter of intent shall, at a
152 minimum, include or have as an attachment:

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

155 (b) A detailed itemization of facilities related to the
156 project required to be constructed, along with the estimated cost
157 of each.

158 (c) A statement that construction of identified
159 facilities related to the project are necessary for the efficient
160 and cost-effective operation of the project, together with
161 supporting financial and engineering documentation.

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

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

167 (f) Any commitment to pay rental on, or to make loan
168 repayments related to the facilities related to the project
169 constructed with funds loaned to a county or municipality under
170 this act along with a description of the proposed security for
171 such loans.

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

173 (2) Upon receipt of the letter of intent from an owner or
174 developer of a project, an affected county or municipality may
175 apply to DECD for a loan. The application from the affected

176 county or municipality shall include, but not be limited to:

177 (a) A statement of the purpose of the proposed loan or
178 grant, including a list of eligible improvements and the cost of
179 each.

180 (b) A statement showing the sources of funding for the
181 project, including the owner or developer of the project or
182 governmental unit's investment in the project and any public and
183 other private sources of funding.

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

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

189 (3) Contracts by an owner or developer of a project for the
190 acquisition, construction or erection of a facility related to the
191 project which receives assistance under this act shall be effected
192 in the manner prescribed by law for public contracts, unless DECD
193 makes a written finding that, because of special circumstances
194 with respect to the facility related to the project or any portion
195 thereof, it would better serve the public interest or more
196 effectively achieve the purposes of this act to enter into such
197 contracts based on negotiation.

198 (4) A county or municipality is authorized upon such terms
199 and conditions as the public agency may deem advisable, provided
200 such terms and conditions shall not be in conflict with the
201 provisions of this act, to:

202 (a) Acquire, whether by construction, purchase, gift or
203 lease, all or any portion of a facility related to a project
204 hereunder;

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

207 (c) Lend to the owner or developer of a project the
208 proceeds of the loan from DECD to such county or municipality;
209 provided, however, that any such loan made by a county or

210 municipality shall be secured by a letter of credit, or other
211 credit enhancement, facility, guaranty, lien and/or mortgage from
212 the owner or developer of the project as may be deemed acceptable
213 by DECD.

214 (5) All agreements between a public agency and an owner or
215 developer of a project related directly or indirectly to all or
216 any portion of a facility related to the project to be funded in
217 whole or in part under this act are subject to approval by DECD.

218 SECTION 4. (1) The commission, at one time, or from time to
219 time, may declare by resolution the necessity for issuance of
220 general obligation bonds of the State of Mississippi to provide
221 funds for all costs incurred or to be incurred for the purposes
222 described in Section 2 of this act. Upon the adoption of a
223 resolution by the Department of Finance and Administration,
224 declaring the necessity for the issuance of any part or all of the
225 general obligation bonds authorized by this section, the
226 Department of Finance and Administration shall deliver a certified
227 copy of its resolution or resolutions to the commission. Upon
228 receipt of such resolution, the commission, in its discretion, may
229 act as the issuing agent, prescribe the form of the bonds,
230 advertise for and accept bids, issue and sell the bonds so
231 authorized to be sold and do any and all other things necessary
232 and advisable in connection with the issuance and sale of such
233 bonds. The total amount of bonds issued under Sections 4 through
234 18 of this act shall not exceed Forty Million Dollars
235 (\$40,000,000.00).

236 (2) Proceeds from the sale of the bonds issued under
237 Sections 4 through 18 of this act shall be deposited in the
238 special fund created in Section 2(1) of this act. Any investment
239 earnings on amounts deposited into the special fund created in
240 Section 2(1) of this act shall be used to pay debt service on
241 bonds issued under Sections 4 through 18 of this act, in
242 accordance with the proceedings authorizing issuance of such
243 bonds.

244 SECTION 5. The principal of and interest on the bonds
245 authorized under Sections 4 through 18 of this act shall be
246 payable in the manner provided in this section. Such bonds shall
247 bear such date or dates, be in such denomination or denominations,
248 bear interest at such rate or rates (not to exceed the limits set
249 forth in Section 75-17-101, Mississippi Code of 1972), be payable
250 at such place or places within or without the State of
251 Mississippi, shall mature absolutely at such time or times not to
252 exceed twenty-five (25) years from date of issue, be redeemable
253 before maturity at such time or times and upon such terms, with or
254 without premium, shall bear such registration privileges, and
255 shall be substantially in such form, all as shall be determined by
256 resolution of the commission.

257 SECTION 6. The bonds authorized by Sections 4 through 18 of
258 this act shall be signed by the chairman of the commission, or by
259 his facsimile signature, and the official seal of the commission
260 shall be affixed thereto, attested by the secretary of the
261 commission. The interest coupons, if any, to be attached to such
262 bonds may be executed by the facsimile signatures of such
263 officers. Whenever any such bonds shall have been signed by the
264 officials designated to sign the bonds who were in office at the
265 time of such signing but who may have ceased to be such officers
266 before the sale and delivery of such bonds, or who may not have
267 been in office on the date such bonds may bear, the signatures of
268 such officers upon such bonds and coupons shall nevertheless be
269 valid and sufficient for all purposes and have the same effect as
270 if the person so officially signing such bonds had remained in
271 office until their delivery to the purchaser, or had been in
272 office on the date such bonds may bear. However, notwithstanding
273 anything herein to the contrary, such bonds may be issued as
274 provided in the Registered Bond Act of the State of Mississippi.

275 SECTION 7. All bonds and interest coupons issued under the
276 provisions of Sections 4 through 18 of this act have all the
277 qualities and incidents of negotiable instruments under the

278 provisions of the Uniform Commercial Code, and in exercising the
279 powers granted by Sections 4 through 18 of this act, the
280 commission shall not be required to and need not comply with the
281 provisions of the Uniform Commercial Code.

282 SECTION 8. The commission shall act as the issuing agent for
283 the bonds authorized under Sections 4 through 18 of this act,
284 prescribe the form of the bonds, advertise for and accept bids,
285 issue and sell the bonds so authorized to be sold, pay all fees
286 and costs incurred in such issuance and sale, and do any and all
287 other things necessary and advisable in connection with the
288 issuance and sale of such bonds. The commission is authorized and
289 empowered to pay the costs that are incident to the sale, issuance
290 and delivery of the bonds authorized under Sections 4 through 18
291 of this act from the proceeds derived from the sale of such bonds.

292 The commission shall sell such bonds on sealed bids at public
293 sale, and for such price as it may determine to be for the best
294 interest of the State of Mississippi, but no such sale shall be
295 made at a price less than par plus accrued interest to the date of
296 delivery of the bonds to the purchaser. All interest accruing on
297 such bonds so issued shall be payable semiannually or annually;
298 however, the first interest payment may be for any period of not
299 more than one (1) year.

300 Notice of the sale of any such bonds shall be published at
301 least one (1) time, not less than ten (10) days before the date of
302 sale, and shall be so published in one or more newspapers
303 published or having a general circulation in the City of Jackson,
304 Mississippi, and in one or more other newspapers or financial
305 journals with a national circulation, to be selected by the
306 commission.

307 The commission, when issuing any bonds under the authority of
308 Sections 4 through 18 of this act, may provide that bonds, at the
309 option of the State of Mississippi, may be called in for payment
310 and redemption at the call price named therein and accrued
311 interest on such date or dates named therein.

312 SECTION 9. The bonds issued under the provisions of Sections
313 4 through 18 of this act are general obligations of the State of
314 Mississippi, and for the payment thereof the full faith and credit
315 of the State of Mississippi is irrevocably pledged. If the funds
316 appropriated by the Legislature are insufficient to pay the
317 principal of and the interest on such bonds as they become due,
318 then the deficiency shall be paid by the State Treasurer from any
319 funds in the State Treasury not otherwise appropriated. All such
320 bonds shall contain recitals on their faces substantially covering
321 the provisions of this section.

322 SECTION 10. Upon the issuance and sale of bonds under the
323 provisions of Sections 4 through 18 of this act, the commission
324 shall transfer the proceeds of any such sale or sales to the
325 special fund created in Section 2(1) of this act. The proceeds of
326 such bonds shall be disbursed solely upon the order of the
327 Department of Economic and Community Development under such
328 restrictions, if any, as may be contained in the resolution
329 providing for the issuance of the bonds.

330 SECTION 11. The bonds authorized under Sections 4 through 18
331 of this act may be issued without any other proceedings or the
332 happening of any other conditions or things other than those
333 proceedings, conditions and things which are specified or required
334 by Sections 4 through 18 of this act. Any resolution providing
335 for the issuance of bonds under the provisions of Sections 4
336 through 18 of this act shall become effective immediately upon its
337 adoption by the commission, and any such resolution may be adopted
338 at any regular or special meeting of the commission by a majority
339 of its members.

340 SECTION 12. The bonds authorized under the authority of
341 Sections 4 through 18 of this act may be validated in the Chancery
342 Court of the First Judicial District of Hinds County, Mississippi,
343 in the manner and with the force and effect provided by Chapter
344 13, Title 31, Mississippi Code of 1972, for the validation of
345 county, municipal, school district and other bonds. The notice to

346 taxpayers required by such statutes shall be published in a
347 newspaper published or having a general circulation in the City of
348 Jackson, Mississippi.

349 SECTION 13. Any holder of bonds issued under the provisions
350 of Sections 4 through 18 of this act or of any of the interest
351 coupons pertaining thereto may, either at law or in equity, by
352 suit, action, mandamus or other proceeding, protect and enforce
353 any and all rights granted under Sections 4 through 18 of this
354 act, or under such resolution, and may enforce and compel
355 performance of all duties required by Sections 4 through 18 of
356 this act to be performed, in order to provide for the payment of
357 bonds and interest thereon.

358 SECTION 14. All bonds issued under the provisions of
359 Sections 4 through 18 of this act shall be legal investments for
360 trustees and other fiduciaries, and for savings banks, trust
361 companies and insurance companies organized under the laws of the
362 State of Mississippi, and such bonds shall be legal securities
363 which may be deposited with and shall be received by all public
364 officers and bodies of this state and all municipalities and
365 political subdivisions for the purpose of securing the deposit of
366 public funds.

367 SECTION 15. Bonds issued under the provisions of Sections 4
368 through 18 of this act and income therefrom shall be exempt from
369 all taxation in the State of Mississippi.

370 SECTION 16. The proceeds of the bonds issued under Sections
371 4 through 18 of this act shall be used solely for the purposes
372 herein provided, including the costs incident to the issuance and
373 sale of such bonds.

374 SECTION 17. The State Treasurer is authorized, without
375 further process of law, to certify to the Department of Finance
376 and Administration the necessity for warrants, and the Department
377 of Finance and Administration is authorized and directed to issue
378 such warrants, in such amounts as may be necessary to pay when due
379 the principal of, premium, if any, and interest on, or the

380 accreted value of, all bonds issued under Sections 4 through 18 of
381 this act; and the State Treasurer shall forward the necessary
382 amount to the designated place or places of payment of such bonds
383 in ample time to discharge such bonds, or the interest thereon, on
384 the due dates thereof.

385 SECTION 18. Sections 4 through 18 of this act shall be
386 deemed to be full and complete authority for the exercise of the
387 powers herein granted, but Sections 4 through 18 of this act shall
388 not be deemed to repeal or to be in derogation of any existing law
389 of this state.

390 SECTION 19. A special fund, to be designated the
391 "Mississippi 67 Construction Fund," is created within the State
392 Treasury. The fund shall be maintained by the State Treasurer as
393 a separate and special fund, separate and apart from the General
394 Fund of the state, and investment earnings on amounts in the fund
395 shall be deposited into such fund. The expenditure of monies
396 deposited into the fund shall be under the direction of the
397 Department of Transportation, and such funds shall be paid by the
398 State Treasurer upon warrants issued by the Department of
399 Transportation. Monies deposited into such fund shall be
400 utilized, in combination with funds from other sources, by the
401 Department of Transportation for improvements to
402 relocated/reconstructed Mississippi 67 between U.S. 49 and I-110.

403 SECTION 20. (1) Upon receipt of binding commitments in the
404 form of a letter of intent to locate the project as provided for
405 in Section 3 of this act that indicates to the satisfaction of the
406 Department of Transportation that a project will be located in
407 close proximity to Mississippi 67 in Harrison County between U.S.
408 49 and I-110, the Transportation Commission, at one time or from
409 time to time, may declare by resolution the necessity for issuance
410 of general obligation bonds of the State of Mississippi to provide
411 funds for all costs incurred or to be incurred for the purposes
412 described in Section 19 of this act. Upon the adoption of a
413 resolution by the Transportation Commission declaring the

414 necessity for the issuance of any part or all of the general
415 obligation bonds authorized by this section, the Transportation
416 Commission shall deliver a certified copy of its resolution or
417 resolutions to the commission. Upon receipt of such resolution
418 the commission, in its discretion, may act as the issuing agent,
419 prescribe the form of the bonds, advertise for and accept bids,
420 issue and sell the bonds so authorized to be sold, and do any and
421 all other things necessary and advisable in connection with the
422 issuance and sale of such bonds. The amount of bonds issued under
423 this act shall not exceed Twenty Million Dollars (\$20,000,000.00).

424 (2) Any investment earnings on amounts deposited into the
425 special fund created in Section 19 of this act shall be used to
426 pay debt service on bonds issued under this act, in accordance
427 with the proceedings authorizing issuance of such bonds.

428 (3) Upon the completion or abandonment of the project
429 described in Section 19 of this act, as evidenced by a resolution
430 adopted by the Transportation Commission certifying that all such
431 projects have been completed or abandoned, the balance, if any,
432 remaining in the Mississippi 67 Construction Fund shall be
433 promptly applied to pay debt service on bonds issued under
434 Sections 19 through 34 of this act, in accordance with the
435 proceedings authorizing the issuance of such bonds.

436 SECTION 21. The principal of and interest on the bonds
437 authorized under Sections 19 through 34 of this act shall be
438 payable in the manner provided in this section. Such bonds shall
439 bear such date or dates, be in such denomination or denominations,
440 bear interest at such rate or rates (not to exceed the limits set
441 forth in Section 75-17-101), be payable at such place or places
442 within or without the State of Mississippi, shall mature
443 absolutely at such time or times not to exceed twenty-five (25)
444 years from date of issue, be redeemable before maturity at such
445 time or times and upon such terms, with or without premium, shall
446 bear such registration privileges, and shall be substantially in
447 such form, all as shall be determined by resolution of the

448 commission.

449 SECTION 22. The bonds authorized by Sections 19 through 34
450 of this act shall be signed by the chairman of the commission, or
451 by his facsimile signature, and the official seal of the
452 commission shall be affixed thereto, attested by the secretary of
453 the commission. The interest coupons, if any, to be attached to
454 such bonds may be executed by the facsimile signatures of such
455 officers. Whenever any such bonds shall have been signed by the
456 officials designated to sign the bonds who were in office at the
457 time of such signing but who may have ceased to be such officers
458 before the sale and delivery of such bonds, or who may not have
459 been in office on the date such bonds may bear, the signatures of
460 such officers upon such bonds and coupons shall nevertheless be
461 valid and sufficient for all purposes and have the same effect as
462 if the person so officially signing such bonds had remained in
463 office until their delivery to the purchaser, or had been in
464 office on the date such bonds may bear. However, notwithstanding
465 anything herein to the contrary, such bonds may be issued as
466 provided in the Registered Bond Act of the State of Mississippi.

467 SECTION 23. All bonds and interest coupons issued under the
468 provisions of Sections 19 through 34 of this act have all the
469 qualities and incidents of negotiable instruments under the
470 provisions of the Uniform Commercial Code, and in exercising the
471 powers granted by Sections 19 through 34 of this act, the
472 commission shall not be required to and need not comply with the
473 provisions of the Uniform Commercial Code.

474 SECTION 24. The commission shall act as the issuing agent
475 for the bonds authorized under Sections 19 through 34 of this act,
476 prescribe the form of the bonds, advertise for and accept bids,
477 issue and sell the bonds so authorized to be sold, pay all fees
478 and costs incurred in such issuance and sale, and do any and all
479 other things necessary and advisable in connection with the
480 issuance and sale of such bonds. The commission is authorized and
481 empowered to pay the costs that are incident to the sale, issuance

482 and delivery of the bonds authorized under Sections 19 through 34
483 of this act from the proceeds derived from the sale of such bonds.

484 The commission shall sell such bonds on sealed bids at public
485 sale, and for such price as it may determine to be for the best
486 interest of the State of Mississippi, but no such sale shall be
487 made at a price less than par plus accrued interest to the date of
488 delivery of the bonds to the purchaser. All interest accruing on
489 such bonds so issued shall be payable semiannually or annually;
490 however, the first interest payment may be for any period of not
491 more than one (1) year.

492 Notice of the sale of any such bonds shall be published at
493 least one (1) time, not less than ten (10) days before the date of
494 sale, and shall be so published in one or more newspapers
495 published or having a general circulation in the City of Jackson,
496 Mississippi, and in one or more other newspapers or financial
497 journals with a national circulation, to be selected by the
498 commission.

499 The commission, when issuing any bonds under the authority of
500 Sections 19 through 34 of this act, may provide that bonds, at the
501 option of the State of Mississippi, may be called in for payment
502 and redemption at the call price named therein and accrued
503 interest on such date or dates named therein.

504 SECTION 25. The bonds issued under the provisions of
505 Sections 19 through 34 of this act are general obligations of the
506 State of Mississippi, and for the payment thereof the full faith
507 and credit of the State of Mississippi is irrevocably pledged. If
508 the funds appropriated by the Legislature are insufficient to pay
509 the principal of and the interest on such bonds as they become
510 due, then the deficiency shall be paid by the State Treasurer from
511 any funds in the State Treasury not otherwise appropriated. All
512 such bonds shall contain recitals on their faces substantially
513 covering the provisions of this section.

514 SECTION 26. Upon the issuance and sale of bonds under the
515 provisions of Sections 19 through 34 of this act, the commission

516 shall transfer the proceeds of any such sale or sales to the
517 special fund created in Section 19 of this act. The proceeds of
518 such bonds shall be disbursed solely upon the order of the
519 Department of Finance and Administration under such restrictions,
520 if any, as may be contained in the resolution providing for the
521 issuance of the bonds.

522 SECTION 27. The bonds authorized under Sections 19 through
523 34 of this act may be issued without any other proceedings or the
524 happening of any other conditions or things other than those
525 proceedings, conditions and things which are specified or required
526 by Sections 19 through 34 of this act. Any resolution providing
527 for the issuance of bonds under the provisions of Sections 19
528 through 34 of this act shall become effective immediately upon its
529 adoption by the commission, and any such resolution may be adopted
530 at any regular or special meeting of the commission by a majority
531 of its members.

532 SECTION 28. The bonds authorized under the authority of
533 Sections 19 through 34 of this act may be validated in the
534 Chancery Court of the First Judicial District of Hinds County,
535 Mississippi, in the manner and with the force and effect provided
536 by Chapter 13, Title 31, Mississippi Code of 1972, for the
537 validation of county, municipal, school district and other bonds.

538 The notice to taxpayers required by such statutes shall be
539 published in a newspaper published or having a general circulation
540 in the City of Jackson, Mississippi.

541 SECTION 29. Any holder of bonds issued under the provisions
542 of Sections 19 through 34 of this act or of any of the interest
543 coupons pertaining thereto may, either at law or in equity, by
544 suit, action, mandamus or other proceeding, protect and enforce
545 any and all rights granted under Sections 19 through 34 of this
546 act, or under such resolution, and may enforce and compel
547 performance of all duties required by Sections 19 through 34 of
548 this act to be performed, in order to provide for the payment of
549 bonds and interest thereon.

550 SECTION 30. All bonds issued under the provisions of
551 Sections 19 through 34 of this act shall be legal investments for
552 trustees and other fiduciaries, and for savings banks, trust
553 companies and insurance companies organized under the laws of the
554 State of Mississippi, and such bonds shall be legal securities
555 which may be deposited with and shall be received by all public
556 officers and bodies of this state and all municipalities and
557 political subdivisions for the purpose of securing the deposit of
558 public funds.

559 SECTION 31. Bonds issued under the provisions of Sections 19
560 through 34 of this act and income therefrom shall be exempt from
561 all taxation in the State of Mississippi.

562 SECTION 32. The proceeds of the bonds issued under Sections
563 19 through 34 of this act shall be used solely for the purposes
564 herein provided, including the costs incident to the issuance and
565 sale of such bonds.

566 SECTION 33. The State Treasurer is authorized, without
567 further process of law, to certify to the Department of Finance
568 and Administration the necessity for warrants, and the Department
569 of Finance and Administration is authorized and directed to issue
570 such warrants, in such amounts as may be necessary to pay when due
571 the principal of, premium, if any, and interest on, or the
572 accreted value of, all bonds issued under Sections 19 through 34
573 of this act; and the State Treasurer shall forward the necessary
574 amount to the designated place or places of payment of such bonds
575 in ample time to discharge such bonds, or the interest thereon, on
576 the due dates thereof.

577 SECTION 34. Sections 19 through 34 of this act shall be
578 deemed to be full and complete authority for the exercise of the
579 powers therein granted, but Sections 19 through 34 of this act
580 shall not be deemed to repeal or to be in derogation of any
581 existing law of this state.

582 SECTION 35. Section 65-4-3, Mississippi Code of 1972, is
583 amended as follows:

584 65-4-3. It is the purpose of this chapter to promote,
585 attract and secure industrial and other significant development in
586 the state through the construction and improvement of highways in
587 areas of the state which demonstrate actual and immediate
588 potential for the creation or expansion of major industry or other
589 significant development which is heavily dependent upon the use of
590 and direct access to primary highways.

591 SECTION 36. Section 65-4-5, Mississippi Code of 1972, is
592 amended as follows:

593 65-4-5. (1) The following words when used in this chapter
594 shall have the meanings herein ascribed unless the context
595 otherwise clearly requires:

596 (a) "Board" means the Mississippi Department of
597 Economic and Community Development;

598 (b) "Department" means the Mississippi Department of
599 Transportation;

600 (c) "High economic benefit project" means (i) any new
601 investment by a private company with capital investments in land,
602 buildings, depreciable fixed assets and improvements of at least
603 Fifty Million Dollars (\$50,000,000.00); (ii) any new investment of
604 at least Twenty Million Dollars (\$20,000,000.00) by a private
605 company having capital investments in this state in land,
606 buildings, depreciable fixed assets and improvements of at least
607 One Billion Dollars (\$1,000,000,000.00) in the aggregate; (iii)
608 public investment of at least One Hundred Million Dollars
609 (\$100,000,000.00) to take place over a specified period of time
610 and in accordance with a master plan duly adopted by the
611 controlling political subdivision; (iv) any new investments in
612 land, buildings, depreciable fixed assets and improvements by two
613 (2) private companies upon land that is adjacent whenever the new
614 investments of both companies is at least Sixty Million Dollars
615 (\$60,000,000.00) in the aggregate, and such new investments by
616 both private companies provide for the employment of at least five
617 hundred (500) employees in the aggregate; * * * (v) any project

618 which would benefit from the construction of any highway bypass
619 which would aid in economic development and would provide an
620 alternate route to avoid an existing route which underpasses a
621 railroad and which would aid in existing or proposed industry; or
622 (vi) any master planned community consisting of an integrated
623 commercial, industrial, recreational, educational, health care and
624 residential development and improvements located on a project site
625 of which not less than fifty percent (50%) of the housing units
626 within such residential development is set aside for and devoted
627 to retirees and which development is the product of a long-range,
628 multi-phase development plan combining a complementary mix of land
629 uses representing unifying characteristics and design elements and
630 providing comprehensive planning and logical and staged
631 implementation and development;

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

635 (e) "Private company" means (i) any agricultural,
636 aquacultural, maricultural, processing, distribution, warehousing,
637 manufacturing or research and development enterprise; (ii) any air
638 transportation and maintenance facility, regional shopping mall,
639 large hotel, resort or movie industry studio; (iii) the federal
640 government with respect to any specific project which meets the
641 criteria established in paragraph (c)(i) of this subsection; * * *
642 (iv) any existing or proposed industry in regard to a project
643 described in paragraph (c)(v) of this subsection; or (v) a
644 developer with respect to any specific project which meets the
645 criteria established in paragraph (c)(vi) of this subsection.

646 (2) The Mississippi Department of Transportation is hereby
647 authorized to purchase rights-of-way and construct and maintain
648 roads and highways authorized to be constructed pursuant to this
649 chapter.

650 SECTION 37. Section 65-4-25, Mississippi Code of 1972, is
651 brought forward as follows:

652 65-4-25. Mississippi Department of Economic and Community
653 Development, acting through its executive director, is authorized,
654 at one time or from time to time, to declare by resolution the
655 necessity for issuance of negotiable general obligation bonds of
656 the State of Mississippi to provide funds for the Economic
657 Development Highway Fund established in Section 65-4-15,
658 Mississippi Code of 1972. Upon the adoption of a resolution by
659 the Executive Director of the Mississippi Department of Economic
660 and Community Development, declaring the necessity for the
661 issuance of any part or all of the general obligation bonds
662 authorized by Sections 65-4-25 through 65-4-45, Mississippi Code
663 of 1972, the executive director shall deliver a certified copy of
664 his resolution or resolutions to the State Bond Commission. Upon
665 receipt of same, the State Bond Commission, in its discretion,
666 shall act as the issuing agent, prescribe the form of the bonds,
667 advertise for and accept bids, issue and sell the bonds so
668 authorized to be sold, and do any and all other things necessary
669 and advisable in connection with the issuance and sale of such
670 bonds. The principal amount of bonds issued under Sections
671 65-4-25 through 65-4-45, Mississippi Code of 1972, shall not
672 exceed One Hundred Five Million Dollars (\$105,000,000.00) in the
673 aggregate.

674 SECTION 38. Section 19-9-5, Mississippi Code of 1972, is
675 amended as follows:

676 19-9-5. No county shall hereafter issue bonds secured by a
677 pledge of its full faith and credit for the purposes authorized by
678 law in an amount which, when added to the then outstanding bonds
679 of such county, shall exceed either (a) fifteen percent (15%) of
680 the assessed value of the taxable property within such county
681 according to the last completed assessment for taxation, or (b)
682 fifteen percent (15%) of the assessment upon which taxes were
683 levied for its fiscal year ending September 30, 1984, whichever is
684 greater.

685 However, any county in the state which shall have experienced

686 washed-out or collapsed bridges on the public roads of the county
687 for any cause or reason may hereafter issue bonds for bridge
688 purposes as now authorized by law in an amount which, when added
689 to the then outstanding general obligation bonds of such county,
690 shall not exceed either (a) twenty percent (20%) of the assessed
691 value of the taxable property within such county according to the
692 last completed assessment for taxation, or (b) fifteen percent
693 (15%) of the assessment upon which taxes were levied for its
694 fiscal year ending September 30, 1984, whichever is greater.

695 Provided further, in computing such indebtedness, there may
696 be deducted all bonds or other evidences of indebtedness
697 heretofore or hereafter issued, for the construction of hospitals,
698 ports or other capital improvements which are payable primarily
699 from the net revenue to be generated from such hospital, port or
700 other capital improvement, which revenue shall be pledged to the
701 retirement of such bonds or other evidences of indebtedness,
702 together with the full faith and credit of the county. However,
703 in no case shall any county contract any indebtedness payable in
704 whole or in part from proceeds of ad valorem taxes which, when
705 added to all of the outstanding general obligation indebtedness,
706 both bonded and floating, shall exceed either (a) twenty percent
707 (20%) of the assessed value of all taxable property within such
708 county according to the last completed assessment for taxation, or
709 (b) fifteen percent (15%) of the assessment upon which taxes were
710 levied for its fiscal year ending September 30, 1984, whichever is
711 greater. Nothing herein contained shall be construed to apply to
712 contract obligations in any form heretofore or hereafter incurred
713 by any county which are subject to annual appropriations
714 therefor, * * * to bonds heretofore or hereafter issued by any
715 county for school purposes, or to bonds issued by any county under
716 the provisions of Sections 57-1-1 through 57-1-51, or to any
717 indebtedness incurred pursuant to Section 2 of Senate Bill No.
718 , 1999 Regular Session.

719 SECTION 39. Section 21-33-303, Mississippi Code of 1972, is

720 amended as follows:

721 21-33-303. No municipality shall hereafter issue bonds
722 secured by a pledge of its full faith and credit for the purposes
723 authorized by law in an amount which, when added to the then
724 outstanding bonded indebtedness of such municipality, shall exceed
725 either (a) fifteen percent (15%) of the assessed value of the
726 taxable property within such municipality, according to the last
727 completed assessment for taxation, or (b) ten percent (10%) of the
728 assessment upon which taxes were levied for its fiscal year ending
729 September 30, 1984, whichever is greater. In computing such
730 indebtedness, there may be deducted all bonds or other evidences
731 of indebtedness, heretofore or hereafter issued, for school,
732 water, sewerage systems, gas, and light and power purposes and for
733 the construction of special improvements primarily chargeable to
734 the property benefited, or for the purpose of paying the
735 municipality's proportion of any betterment program, a portion of
736 which is primarily chargeable to the property benefited. However,
737 in no case shall any municipality contract any indebtedness which,
738 when added to all of the outstanding general obligation
739 indebtedness, both bonded and floating, shall exceed either (a)
740 twenty percent (20%) of the assessed value of all taxable property
741 within such municipality according to the last completed
742 assessment for taxation or (b) fifteen percent (15%) of the
743 assessment upon which taxes were levied for its fiscal year ending
744 September 30, 1984, whichever is greater. Nothing herein
745 contained shall be construed to apply to contract obligations in
746 any form heretofore or hereafter incurred by any municipality
747 which are subject to annual appropriations therefor, or to bonds
748 heretofore issued by any municipality for school purposes, or to
749 contract obligations in any form heretofore or hereafter incurred
750 by any municipality which are payable exclusively from the
751 revenues of any municipally-owned utility, or to bonds issued by
752 any municipality under the provisions of Sections 57-1-1 through
753 57-1-51, or to any special assessment improvement bonds issued by

754 any municipality under the provisions of Sections 21-41-1 through
755 21-41-53, or to any indebtedness incurred pursuant to Section 2 of
756 Senate Bill No. _____, 1999 Regular Session.

757 All bonds issued prior to July 1, 1990, pursuant to this
758 chapter by any municipality for the purpose of the constructing,
759 replacing, renovating or improving wastewater collection and
760 treatment facilities in order to comply with an administrative
761 order of the Mississippi Department of Natural Resources issued
762 pursuant to the Federal Water Pollution Control Act and amendments
763 thereto, are hereby exempt from the limitation imposed by this
764 section if the governing body of the municipality adopts an order,
765 resolution or ordinance to the effect that the rates paid by the
766 users of such facilities shall be increased to the extent
767 necessary to provide sufficient funds for the payment of the
768 principal of and interest on such bonds as each respectively
769 becomes due and payable as well as the necessary expenses in
770 connection with the operation and maintenance of such facilities.

771 SECTION 40. Section 27-33-77, Mississippi Code of 1972, is
772 amended as follows:

773 27-33-77. Beginning with the 1985 supplemental roll, and for
774 each succeeding year's roll thereafter, the amount of tax loss to
775 be reimbursed because of exemptions provided for in this article
776 shall be Fifty Dollars (\$50.00) each for county taxes exempted and
777 school taxes exempted for a total of One Hundred Dollars (\$100.00)
778 per applicant qualifying for homestead exemption under this
779 article.

780 The reimbursement received by the county shall be distributed
781 by the county treasurer to the general fund. Such reimbursement
782 may be pledged as security for any loan received by the county
783 under Section 2 of Senate Bill No. _____ 1999 Regular Session, or
784 received by the county for the purpose of capital improvements as
785 authorized under Section 57-1-303, or for the purpose of loans as
786 authorized under Section 57-44-7, or for the purpose of water
787 systems improvements as authorized under Section 41-3-16.

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

793 SECTION 41. Section 27-65-75, Mississippi Code of 1972, is
794 amended as follows:

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

796 27-65-75. On or before the fifteenth day of each month, the
797 revenue collected under the provisions of this chapter during the
798 preceding month shall be paid and distributed as follows:

799 (1) On or before August 15, 1992, and each succeeding month
800 thereafter through July 15, 1993, eighteen percent (18%) of the
801 total sales tax revenue collected during the preceding month under
802 the provisions of this chapter, except that collected under the
803 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
804 business activities within a municipal corporation shall be
805 allocated for distribution to such municipality and paid to such
806 municipal corporation. On or before August 15, 1993, and each
807 succeeding month thereafter, eighteen and one-half percent
808 (18-1/2%) of the total sales tax revenue collected during the
809 preceding month under the provisions of this chapter, except that
810 collected under the provisions of Sections 27-65-15, 27-65-19(3)
811 and 27-65-21, on business activities within a municipal
812 corporation shall be allocated for distribution to such
813 municipality and paid to such municipal corporation.

814 A municipal corporation, for the purpose of distributing the
815 tax under this subsection, shall mean and include all incorporated
816 cities, towns and villages.

817 Monies allocated for distribution and credited to a municipal
818 corporation under this subsection may be pledged as security for
819 any loan received by the municipal corporation for the purpose of
820 capital improvements as authorized under Section 57-1-303, or
821 loans as authorized under Section 57-44-7, or water systems

822 improvements as authorized under Section 41-3-16, or loans as
823 authorized under Section 2 of Senate Bill No. _____, 1999 Regular
824 Session.

825 In any county having a county seat which is not an
826 incorporated municipality, the distribution provided hereunder
827 shall be made as though the county seat was an incorporated
828 municipality; however, the distribution to such municipality shall
829 be paid to the county treasury wherein the municipality is located
830 and such funds shall be used for road, bridge and street
831 construction or maintenance therein.

832 (2) On or before September 15, 1987, and each succeeding
833 month thereafter, from the revenue collected under this chapter
834 during the preceding month One Million One Hundred Twenty-five
835 Thousand Dollars (\$1,125,000.00) shall be allocated for
836 distribution to municipal corporations as defined under subsection
837 (1) of this section in the proportion that the number of gallons
838 of gasoline and diesel fuel sold by distributors to consumers and
839 retailers in each such municipality during the preceding fiscal
840 year bears to the total gallons of gasoline and diesel fuel sold
841 by distributors to consumers and retailers in municipalities
842 statewide during the preceding fiscal year. The State Tax
843 Commission shall require all distributors of gasoline and diesel
844 fuel to report to the commission monthly the total number of
845 gallons of gasoline and diesel fuel sold by them to consumers and
846 retailers in each municipality during the preceding month. The
847 State Tax Commission shall have the authority to promulgate such
848 rules and regulations as is necessary to determine the number of
849 gallons of gasoline and diesel fuel sold by distributors to
850 consumers and retailers in each municipality. In determining the
851 percentage allocation of funds under this subsection for the
852 fiscal year beginning July 1, 1987, and ending June 30, 1988, the
853 State Tax Commission may consider gallons of gasoline and diesel
854 fuel sold for a period of less than one (1) fiscal year. For the
855 purposes of this subsection, the term "fiscal year" means the

856 fiscal year beginning July 1 of a year.

857 (3) On or before September 15, 1987, and on or before the
858 fifteenth day of each succeeding month, until the date specified
859 in Section 65-39-35, the proceeds derived from contractors' taxes
860 levied under Section 27-65-21 on contracts for the construction or
861 reconstruction of highways designated under the Four-Lane Highway
862 Program created under Section 65-3-97 shall be deposited into the
863 State Treasury to the credit of the State Highway Fund to be used
864 to fund such Four-Lane Highway Program. The Mississippi
865 Department of Transportation shall provide to the State Tax
866 Commission such information as is necessary to determine the
867 amount of proceeds to be distributed under this subsection.

868 (4) On or before August 15, 1994, and on or before the
869 fifteenth day of each succeeding month, from the proceeds of
870 gasoline, diesel fuel or kerosene taxes as provided in Section
871 27-5-101(a)(ii)1, Four Million Dollars (\$4,000,000.00) shall be
872 deposited in the State Treasury to the credit of a special fund
873 designated as the "State Aid Road Fund," created by Section
874 65-9-17. Such funds shall be pledged to pay the principal of and
875 interest on state aid road bonds heretofore issued under Sections
876 19-9-51 through 19-9-77, in lieu of and in substitution for the
877 funds heretofore allocated to counties under this section. Such
878 funds may not be pledged for the payment of any state aid road
879 bonds issued after April 1, 1981; however, this prohibition
880 against the pledging of any such funds for the payment of bonds
881 shall not apply to any bonds for which intent to issue such bonds
882 has been published, for the first time, as provided by law prior
883 to March 29, 1981. From the amount of taxes paid into the special
884 fund pursuant to this subsection and subsection (9) of this
885 section, there shall be first deducted and paid the amount
886 necessary to pay the expenses of the Office of State Aid Road
887 Construction, as authorized by the Legislature for all other
888 general and special fund agencies. The remainder of the fund
889 shall be allocated monthly to the several counties in accordance

890 with the following formula:

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

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

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

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

904 The amount of funds allocated to any county under this
905 subsection for any fiscal year after Fiscal Year 1994 shall not be
906 less than the amount allocated to such county for Fiscal Year
907 1994. Monies allocated to a county from the State Aid Road Fund
908 for Fiscal Year 1995 or any fiscal year thereafter that exceed the
909 amount of funds allocated to that county from the State Aid Road
910 Fund for Fiscal Year 1994, first must be expended by the county
911 for replacement or rehabilitation of bridges on the state aid road
912 system that have a sufficiency rating of less than twenty-five
913 (25), according to National Bridge Inspection standards before
914 such monies may be approved for expenditure by the State Aid Road
915 Engineer on other projects that qualify for the use of state aid
916 road funds.

917 Any reference in the general laws of this state or the
918 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
919 construed to refer and apply to subsection (4) of Section
920 27-65-75.

921 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
922 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
923 the special fund known as the "State Public School Building Fund"

924 created and existing under the provisions of Sections 37-47-1
925 through 37-47-67. Such payments into said fund are to be made on
926 the last day of each succeeding month hereafter.

927 (6) An amount each month beginning August 15, 1983, through
928 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
929 of 1983, shall be paid into the special fund known as the
930 Correctional Facilities Construction Fund created in Section 6 of
931 Chapter 542, Laws of 1983.

932 (7) On or before August 15, 1992, and each succeeding month
933 thereafter, two and two hundred sixty-six one-thousandths percent
934 (2.266%) of the total sales tax revenue collected during the
935 preceding month under the provisions of this chapter, except that
936 collected under the provisions of Section 27-65-17(2) shall be
937 deposited by the commission into the School Ad Valorem Tax
938 Reduction Fund created pursuant to Section 37-61-35.

939 (8) On or before August 15, 1992, and each succeeding month
940 thereafter, nine and seventy-three one-thousandths percent
941 (9.073%) of the total sales tax revenue collected during the
942 preceding month under the provisions of this chapter, except that
943 collected under the provisions of Section 27-65-17(2) shall be
944 deposited into the Education Enhancement Fund created pursuant to
945 Section 37-61-33.

946 (9) On or before August 15, 1994, and each succeeding month
947 thereafter, from the revenue collected under this chapter during
948 the preceding month, Two Hundred Fifty Thousand Dollars
949 (\$250,000.00) shall be paid into the State Aid Road Fund.

950 (10) On or before August 15, 1994, and each succeeding month
951 thereafter through August 15, 1995, from the revenue collected
952 under this chapter during the preceding month, Two Million Dollars
953 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
954 Valorem Tax Reduction Fund established in Section 27-51-105.

955 (11) Notwithstanding any other provision of this section to
956 the contrary, on or before February 15, 1995, and each succeeding
957 month thereafter, the sales tax revenue collected during the

958 preceding month under the provisions of Section 27-65-17(2) and
959 the corresponding levy in Section 27-65-23 on the rental or lease
960 of private carriers of passengers and light carriers of property
961 as defined in Section 27-51-101 shall be deposited, without
962 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
963 established in Section 27-51-105.

964 (12) Notwithstanding any other provision of this section to
965 the contrary, on or before August 15, 1995, and each succeeding
966 month thereafter, the sales tax revenue collected during the
967 preceding month under the provisions of Section 27-65-17(1) on
968 retail sales of private carriers of passengers and light carriers
969 of property, as defined in Section 27-51-101 and the corresponding
970 levy in Section 27-65-23 on the rental or lease of these vehicles,
971 shall be deposited, after diversion, into the Motor Vehicle Ad
972 Valorem Tax Reduction Fund established in Section 27-51-105.

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

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

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

991 (16) It shall be the duty of the municipal officials of any

992 municipality which expands its limits, or of any community which
993 incorporates as a municipality, to notify the commissioner of such
994 action thirty (30) days before the effective date. Failure to so
995 notify the commissioner shall cause such municipality to forfeit
996 the revenue which it would have been entitled to receive during
997 this period of time when the commissioner had no knowledge of the
998 action. If any funds have been erroneously disbursed to any
999 municipality or any overpayment of tax is recovered by the
1000 taxpayer, the commissioner may make correction and adjust the
1001 error or overpayment with such municipality by withholding the
1002 necessary funds from any subsequent payment to be made to the
1003 municipality.

1004 **[From and after July 1, 2002, this section reads as follows:]**

1005 27-65-75. On or before the fifteenth day of each month, the
1006 revenue collected under the provisions of this chapter during the
1007 preceding month shall be paid and distributed as follows:

1008 (1) On or before August 15, 1992, and each succeeding month
1009 thereafter through July 15, 1993, eighteen percent (18%) of the
1010 total sales tax revenue collected during the preceding month under
1011 the provisions of this chapter, except that collected under the
1012 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
1013 business activities within a municipal corporation shall be
1014 allocated for distribution to such municipality and paid to such
1015 municipal corporation. On or before August 15, 1993, and each
1016 succeeding month thereafter, eighteen and one-half percent
1017 (18-1/2%) of the total sales tax revenue collected during the
1018 preceding month under the provisions of this chapter, except that
1019 collected under the provisions of Sections 27-65-15, 27-65-19(3)
1020 and 27-65-21, on business activities within a municipal
1021 corporation shall be allocated for distribution to such
1022 municipality and paid to such municipal corporation.

1023 A municipal corporation, for the purpose of distributing the
1024 tax under this subsection, shall mean and include all incorporated
1025 cities, towns and villages.

1026 Monies allocated for distribution and credited to a municipal
1027 corporation under this subsection may be pledged as security for
1028 any loan received by the municipal corporation for the purpose of
1029 capital improvements as authorized under Section 57-1-303, or
1030 loans as authorized under Section 57-44-7, or water systems
1031 improvements as authorized under Section 41-3-16, or loans as
1032 authorized under Section 2 of Senate Bill No. _____, 1999 Regular
1033 Session.

1034 In any county having a county seat which is not an
1035 incorporated municipality, the distribution provided hereunder
1036 shall be made as though the county seat was an incorporated
1037 municipality; however, the distribution to such municipality shall
1038 be paid to the county treasury wherein the municipality is located
1039 and such funds shall be used for road, bridge and street
1040 construction or maintenance therein.

1041 (2) On or before September 15, 1987, and each succeeding
1042 month thereafter, from the revenue collected under this chapter
1043 during the preceding month One Million One Hundred Twenty-five
1044 Thousand Dollars (\$1,125,000.00) shall be allocated for
1045 distribution to municipal corporations as defined under subsection
1046 (1) of this section in the proportion that the number of gallons
1047 of gasoline and diesel fuel sold by distributors to consumers and
1048 retailers in each such municipality during the preceding fiscal
1049 year bears to the total gallons of gasoline and diesel fuel sold
1050 by distributors to consumers and retailers in municipalities
1051 statewide during the preceding fiscal year. The State Tax
1052 Commission shall require all distributors of gasoline and diesel
1053 fuel to report to the commission monthly the total number of
1054 gallons of gasoline and diesel fuel sold by them to consumers and
1055 retailers in each municipality during the preceding month. The
1056 State Tax Commission shall have the authority to promulgate such
1057 rules and regulations as is necessary to determine the number of
1058 gallons of gasoline and diesel fuel sold by distributors to
1059 consumers and retailers in each municipality. In determining the

1060 percentage allocation of funds under this subsection for the
1061 fiscal year beginning July 1, 1987, and ending June 30, 1988, the
1062 State Tax Commission may consider gallons of gasoline and diesel
1063 fuel sold for a period of less than one (1) fiscal year. For the
1064 purposes of this subsection, the term "fiscal year" means the
1065 fiscal year beginning July 1 of a year.

1066 (3) On or before September 15, 1987, and on or before the
1067 fifteenth day of each succeeding month, until the date specified
1068 in Section 65-39-35, the proceeds derived from contractors' taxes
1069 levied under Section 27-65-21 on contracts for the construction or
1070 reconstruction of highways designated under the Four-Lane Highway
1071 Program created under Section 65-3-97 shall be deposited into the
1072 State Treasury to the credit of the State Highway Fund to be used
1073 to fund such Four-Lane Highway Program. The Mississippi
1074 Department of Transportation shall provide to the State Tax
1075 Commission such information as is necessary to determine the
1076 amount of proceeds to be distributed under this subsection.

1077 (4) On or before August 15, 1994, and on or before the
1078 fifteenth day of each succeeding month, from the proceeds of
1079 gasoline, diesel fuel or kerosene taxes as provided in Section
1080 27-5-101(a)(ii)1, Four Million Dollars (\$4,000,000.00) shall be
1081 deposited in the State Treasury to the credit of a special fund
1082 designated as the "State Aid Road Fund," created by Section
1083 65-9-17. Such funds shall be pledged to pay the principal of and
1084 interest on state aid road bonds heretofore issued under Sections
1085 19-9-51 through 19-9-77, in lieu of and in substitution for the
1086 funds heretofore allocated to counties under this section. Such
1087 funds may not be pledged for the payment of any state aid road
1088 bonds issued after April 1, 1981; however, this prohibition
1089 against the pledging of any such funds for the payment of bonds
1090 shall not apply to any bonds for which intent to issue such bonds
1091 has been published, for the first time, as provided by law prior
1092 to March 29, 1981. From the amount of taxes paid into the special
1093 fund pursuant to this subsection and subsection (9) of this

1094 section, there shall be first deducted and paid the amount
1095 necessary to pay the expenses of the Office of State Aid Road
1096 Construction, as authorized by the Legislature for all other
1097 general and special fund agencies. The remainder of the fund
1098 shall be allocated monthly to the several counties in accordance
1099 with the following formula:

1100 (a) One-third (1/3) shall be allocated to all counties
1101 in equal shares;

1102 (b) One-third (1/3) shall be allocated to counties
1103 based on the proportion that the total number of rural road miles
1104 in a county bears to the total number of rural road miles in all
1105 counties of the state; and

1106 (c) One-third (1/3) shall be allocated to counties
1107 based on the proportion that the rural population of the county
1108 bears to the total rural population in all counties of the state,
1109 according to the latest federal decennial census.

1110 For the purposes of this subsection, the term "gasoline,
1111 diesel fuel or kerosene taxes" means such taxes as defined in
1112 paragraph (f) of Section 27-5-101.

1113 The amount of funds allocated to any county under this
1114 subsection for any fiscal year after Fiscal Year 1994 shall not be
1115 less than the amount allocated to such county for Fiscal Year
1116 1994. Monies allocated to a county from the State Aid Road Fund
1117 for Fiscal Year 1995 or any fiscal year thereafter that exceed the
1118 amount of funds allocated to that county from the State Aid Road
1119 Fund for Fiscal Year 1994, first must be expended by the county
1120 for replacement or rehabilitation of bridges on the state aid road
1121 system that have a sufficiency rating of less than twenty-five
1122 (25), according to National Bridge Inspection standards before
1123 such monies may be approved for expenditure by the State Aid Road
1124 Engineer on other projects that qualify for the use of state aid
1125 road funds.

1126 Any reference in the general laws of this state or the
1127 Mississippi Code of 1972 to Section 27-5-105 shall mean and be

1128 construed to refer and apply to subsection (4) of Section
1129 27-65-75.

1130 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
1131 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
1132 the special fund known as the "State Public School Building Fund"
1133 created and existing under the provisions of Sections 37-47-1
1134 through 37-47-67. Such payments into said fund are to be made on
1135 the last day of each succeeding month hereafter.

1136 (6) An amount each month beginning August 15, 1983, through
1137 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
1138 of 1983, shall be paid into the special fund known as the
1139 Correctional Facilities Construction Fund created in Section 6 of
1140 Chapter 542, Laws of 1983.

1141 (7) On or before August 15, 1992, and each succeeding month
1142 thereafter, two and two hundred sixty-six one-thousandths percent
1143 (2.266%) of the total sales tax revenue collected during the
1144 preceding month under the provisions of this chapter, except that
1145 collected under the provisions of Section 27-65-17(2), not to
1146 exceed the Fiscal Year 1997 appropriated level shall be deposited
1147 by the commission into the School Ad Valorem Tax Reduction Fund
1148 created pursuant to Section 37-61-35, with the balance to be
1149 transferred to the Education Enhancement Fund created under
1150 Section 37-61-33 for appropriation by the Legislature as other
1151 education needs and not subject to the percentage set asides set
1152 forth in Section 37-61-33.

1153 (8) On or before August 15, 1992, and each succeeding month
1154 thereafter, nine and seventy-three one-thousandths percent
1155 (9.073%) of the total sales tax revenue collected during the
1156 preceding month under the provisions of this chapter, except that
1157 collected under the provisions of Section 27-65-17(2) shall be
1158 deposited into the Education Enhancement Fund created pursuant to
1159 Section 37-61-33.

1160 (9) On or before August 15, 1994, and each succeeding month
1161 thereafter, from the revenue collected under this chapter during

1162 the preceding month, Two Hundred Fifty Thousand Dollars
1163 (\$250,000.00) shall be paid into the State Aid Road Fund.

1164 (10) On or before August 15, 1994, and each succeeding month
1165 thereafter through August 15, 1995, from the revenue collected
1166 under this chapter during the preceding month, Two Million Dollars
1167 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
1168 Valorem Tax Reduction Fund established in Section 27-51-105.

1169 (11) Notwithstanding any other provision of this section to
1170 the contrary, on or before February 15, 1995, and each succeeding
1171 month thereafter, the sales tax revenue collected during the
1172 preceding month under the provisions of Section 27-65-17(2) shall
1173 be deposited, without diversion, into the Motor Vehicle Ad Valorem
1174 Tax Reduction Fund established in Section 27-51-105.

1175 (12) Notwithstanding any other provision of this section to
1176 the contrary, on or before August 15, 1995, and each succeeding
1177 month thereafter, the sales tax revenue collected during the
1178 preceding month under the provisions of Section 27-65-17(1) on
1179 retail sales of private carriers of passengers and light carriers
1180 of property, as defined in Section 27-51-101, shall be deposited,
1181 after diversion, into the Motor Vehicle Ad Valorem Tax Reduction
1182 Fund established in Section 27-51-105.

1183 (13) On or before July 15, 1994, and on or before the
1184 fifteenth day of each succeeding month thereafter, that portion of
1185 the avails of the tax imposed in Section 27-65-22, which is
1186 derived from activities held on the Mississippi state fairgrounds
1187 complex, shall be paid into a special fund hereby created in the
1188 State Treasury and shall be expended pursuant to legislative
1189 appropriations solely to defray the costs of repairs and
1190 renovation at such Trade Mart and Coliseum.

1191 (14) On or before August 15, 1998, and each succeeding month
1192 thereafter through July 15, 2005, that portion of the avails of
1193 the tax imposed in Section 27-65-23 which is derived from sales by
1194 cotton compresses or cotton warehouses and which would otherwise
1195 be paid into the General Fund, shall be deposited in an amount not

1196 to exceed Two Million Dollars (\$2,000,000.00) into the special
1197 fund created pursuant to Section 69-37-39.

1198 (15) The remainder of the amounts collected under the
1199 provisions of this chapter shall be paid into the State Treasury
1200 to the credit of the General Fund.

1201 (16) It shall be the duty of the municipal officials of any
1202 municipality which expands its limits, or of any community which
1203 incorporates as a municipality, to notify the commissioner of such
1204 action thirty (30) days before the effective date. Failure to so
1205 notify the commissioner shall cause such municipality to forfeit
1206 the revenue which it would have been entitled to receive during
1207 this period of time when the commissioner had no knowledge of the
1208 action. If any funds have been erroneously disbursed to any
1209 municipality or any overpayment of tax is recovered by the
1210 taxpayer, the commissioner may make correction and adjust the
1211 error or overpayment with such municipality by withholding the
1212 necessary funds from any subsequent payment to be made to the
1213 municipality.

1214 SECTION 42. This act shall take effect and be in force from
1215 and after its passage.