

By: Robinson (63rd)

To: Ways and Means

HOUSE BILL NO. 869

1 AN ACT TO AMEND SECTIONS 57-75-5 AND 57-75-15, MISSISSIPPI  
2 CODE OF 1972, TO INCLUDE CERTAIN FORTUNE 500 COMPANIES WITHIN THE  
3 DEFINITION OF THE TERM "PROJECT" UNDER THE MISSISSIPPI MAJOR  
4 ECONOMIC IMPACT ACT, AND TO AUTHORIZE THE ISSUANCE OF  
5 \$25,000,000.00 IN GENERAL OBLIGATION BONDS IN RELATION TO SUCH  
6 PROJECTS; AND FOR RELATED PURPOSES.

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

8 SECTION 1. Section 57-75-5, Mississippi Code of 1972, is  
9 amended as follows:[JWB1]

10 57-75-5. Words and phrases used in this chapter shall have  
11 meanings as follows, unless the context clearly indicates a  
12 different meaning:

13 (a) "Act" means the Mississippi Major Economic Impact  
14 Act as originally enacted or as hereafter amended.

15 (b) "Authority" means the Mississippi Major Economic  
16 Impact Authority created pursuant to the act.

17 (c) "Bonds" means general obligation bonds, interim  
18 notes and other evidences of debt of the State of Mississippi  
19 issued pursuant to this chapter.

20 (d) "Facility related to the project" means and  
21 includes any of the following, as the same may pertain to the  
22 project within the project area: (i) facilities to provide potable  
23 and industrial water supply systems, sewage and waste disposal

24 systems and water, natural gas and electric transmission systems  
25 to the site of the project; (ii) airports, airfields and air  
26 terminals; (iii) rail lines; (iv) port facilities; (v) highways,  
27 streets and other roadways; (vi) public school buildings,  
28 classrooms and instructional facilities, including any  
29 functionally related facilities; (vii) parks, outdoor recreation  
30 facilities and athletic facilities; (viii) auditoriums, pavilions,  
31 campgrounds, art centers, cultural centers, folklore centers and  
32 other public facilities; and (ix) health care facilities, public  
33 or private.

34 (e) "Person" means any natural person, corporation,  
35 association, partnership, receiver, trustee, guardian, executor,  
36 administrator, fiduciary, governmental unit, public agency,  
37 political subdivision, or any other group acting as a unit, and  
38 the plural as well as the singular.

39 (f) "Project" means:

40 (i) Any industrial, commercial, research and  
41 development, warehousing, distribution, transportation,  
42 processing, mining, United States government or tourism enterprise  
43 together with all real property required for construction,  
44 maintenance and operation of the enterprise with an initial  
45 capital investment of not less than Three Hundred Million Dollars  
46 (\$300,000,000.00) from private or United States government sources  
47 together with all buildings, and other supporting land and  
48 facilities, structures or improvements of whatever kind required  
49 or useful for construction, maintenance and operation of the  
50 enterprise; "project" shall also include any addition to or  
51 expansion of an existing enterprise if such addition or expansion  
52 has an initial capital investment of not less than Three Hundred  
53 Million Dollars (\$300,000,000.00) from private or United States  
54 government sources.

55                   (ii) Any enterprise that directly will employ and  
56 maintain a minimum of three thousand five hundred (3,500) people  
57 within a three-year period with an initial capital investment from  
58 any source of not less than Fifty Million Dollars  
59 (\$50,000,000.00). The provisions of this subparagraph (ii) shall  
60 be repealed from and after July 1, 1996.

61                   (iii) Any major capital project designed to  
62 improve, expand or otherwise enhance any active duty United States  
63 Air Force or Navy training bases or naval stations, their support  
64 areas or their military operations, upon designation by the  
65 authority that any such base was or is at risk to be recommended  
66 for closure or realignment pursuant to the Defense Base Closure  
67 and Realignment Act of 1990; or any major development project  
68 determined by the authority to be necessary to acquire base  
69 properties and to provide employment opportunities through  
70 construction of projects as defined in Section 57-3-5, which shall  
71 be located on or provide direct support service or access to such  
72 military installation property as such property exists on July 1,  
73 1993, in the event of closure or reduction of military operations  
74 at the installation. From and after July 1, 1997, projects  
75 described in this subparagraph (iii) shall not be considered to be  
76 within the meaning of the term "project" for purposes of this  
77 section, unless such projects are commenced before July 1, 1997,  
78 and shall not be eligible for any funding provided under the  
79 Mississippi Major Economic Impact Act.

80                   (iv) Any enterprise to be maintained, improved or  
81 constructed in Tishomingo County by or for a National Aeronautics  
82 and Space Administration facility in such county.

83                   (v) Any major capital project designed to improve,  
84 expand or enhance any state-owned port facility located on the  
85 Gulf of Mexico, which project will support and attract a two  
86 million (2,000,000) ton increase in cargo and three hundred fifty  
87 (350) direct port-related jobs and which is in keeping with a  
88 developed and approved master plan, or any major capital project  
89 developed under the name "Project Greystone" and/or any major  
90 capital project designed to build, construct or develop an  
91 automobile or truck assembly facility within the State of  
92 Mississippi, which project or facility will create, directly or  
93 indirectly, two thousand (2,000) jobs with an initial capital  
94 investment from any source of not less than Three Hundred Fifty  
95 Million Dollars (\$350,000,000.00). The architectural and  
96 engineering fees on any such project shall not exceed four and  
97 one-half percent (4-1/2%) of the total construction cost of such  
98 project.

99                   (vi) Any major capital project designed to  
100 construct the corporate headquarters and initial factory, to be  
101 located in the Golden Triangle Region of the state, for any  
102 Mississippi corporation that develops, constructs and operates  
103 automated robotic systems to improve the quality of, and reduce  
104 the costs of, manufacturing wire harness assemblies for certain  
105 industries, or manufactures thin film polymer lithium-ion  
106 rechargeable batteries which project has a ten-year strategic plan  
107 of supporting one thousand (1,000) direct project-related jobs for  
108 each group of wire harness contracts amounting to Thirty-five  
109 Million Dollars (\$35,000,000.00), or which has a ten-year  
110 strategic plan of supporting one thousand five hundred (1,500)

111 direct project-related jobs for each group of polymer lithium-ion  
112 rechargeable battery contracts amounting to Forty Million Dollars  
113 (\$40,000,000.00).

114 (vii) Any real property owned or controlled by the  
115 National Aeronautics and Space Administration, the United States  
116 government, or any agency thereof, which is legally conveyed to  
117 the State of Mississippi or to the State of Mississippi for the  
118 benefit of the Mississippi Major Economic Impact Authority, its  
119 successors and assigns pursuant to Section 212 of Public Law  
120 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

121 (viii) Any major capital project designed to  
122 manufacture, produce and transmit electrical power using natural  
123 gas as its primary raw material to be constructed and maintained  
124 in Panola County, Mississippi, with an initial capital investment  
125 of not less than Two Hundred Fifty Million Dollars  
126 (\$250,000,000.00).

127 (ix) Any Fortune 500 company which is  
128 headquartered and home-based in Mississippi with a resident  
129 employment level of not less than one thousand (1,000) current or  
130 net new full-time jobs, and with not less than fifty thousand  
131 (50,000) total employees and Twenty Billion Dollars  
132 (\$20,000,000,000.00) in gross revenue.

133 (g) "Project area" means the project site, together  
134 with any area or territory within the state lying within  
135 sixty-five (65) miles of any portion of the project site whether  
136 or not such area or territory be contiguous. The project area  
137 shall also include all territory within a county if any portion of  
138 such county lies within sixty-five (65) miles of any portion of

139 the project site. "Project site" means the real property on which  
140 the principal facilities of the enterprise will operate.

141 (h) "Public agency" means:

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

144 (ii) Any city, town, county, political  
145 subdivision, school district or other district created or existing  
146 under the laws of the state or any public agency of any such city,  
147 town, county, political subdivision or district;

148 (iii) Any department, commission, agency or  
149 instrumentality of the United States of America; and

150 (iv) Any other state of the United States of  
151 America which may be cooperating with respect to location of the  
152 project within the state, or any agency thereof.

153 (i) "State" means State of Mississippi.

154 SECTION 2. Section 57-75-15, Mississippi Code of 1972, is  
155 amended as follows:[JWB2]

156 57-75-15. (1) Upon notification to the authority by the  
157 enterprise that the state has been finally selected as the site  
158 for the project, the State Bond Commission shall have the power  
159 and is hereby authorized and directed, upon receipt of a  
160 declaration from the authority as hereinafter provided, to borrow  
161 money and issue general obligation bonds of the state in one or  
162 more series for the purposes herein set out. Upon such  
163 notification, the authority may thereafter from time to time  
164 declare the necessity for the issuance of general obligation bonds  
165 as authorized by this section and forward such declaration to the  
166 State Bond Commission, provided that before such notification, the

167 authority may enter into agreements with the United States  
168 Government, private companies and others that will commit the  
169 authority to direct the State Bond Commission to issue bonds for  
170 eligible undertakings set out in subsection (4) of this section,  
171 conditioned on the siting of the project in the state.

172 (2) Upon receipt of any such declaration from the authority,  
173 the State Bond Commission shall verify that the state has been  
174 selected as the site of the project and shall act as the issuing  
175 agent for the series of bonds directed to be issued in such  
176 declaration pursuant to authority granted in this section.

177 (3) (a) Bonds issued under the authority of this section  
178 for projects as defined in Section 57-75-5(f)(i) shall not exceed  
179 an aggregate principal amount in the sum of Sixty-two Million  
180 Dollars (\$62,000,000.00).

181 (b) Bonds issued under the authority of this section  
182 for projects as defined in Section 57-75-5(f)(ii) shall not exceed  
183 Ninety Million Dollars (\$90,000,000.00). The provisions of this  
184 paragraph (b) shall be repealed from and after July 1, 1996.

185 (c) Bonds issued under the authority of this section  
186 for projects as defined in Section 57-75-5(f)(iii) shall not  
187 exceed Fifty Million Dollars (\$50,000,000.00), nor shall the bonds  
188 issued for projects related to any single military installation  
189 exceed Sixteen Million Six Hundred Sixty-seven Thousand Dollars  
190 (\$16,667,000.00). If any proceeds of bonds issued for projects  
191 related to the Meridian Naval Auxiliary Air Station ("NAAS") are  
192 used for the development of a water and sewer service system by  
193 the City of Meridian, Mississippi, to serve the NAAS and if the  
194 City of Meridian annexes any of the territory served by the water

195 and sewer service system, the city shall repay the State of  
196 Mississippi the amount of all bond proceeds expended on any  
197 portion of the water and sewer service system project; and if  
198 there are any monetary proceeds derived from the disposition of  
199 any improvements located on real property in Kemper County  
200 purchased pursuant to this act for projects related to the NAAS  
201 and if there are any monetary proceeds derived from the  
202 disposition of any timber located on real property in Kemper  
203 County purchased pursuant to this act for projects related to the  
204 NAAS, all of such proceeds (both from the disposition of  
205 improvements and the disposition of timber) commencing July 1,  
206 1996, through June 30, 2010, shall be paid to the Board of  
207 Education of Kemper County, Mississippi, for expenditure by such  
208 board of education to benefit the public schools of Kemper County.

209 No bonds shall be issued under this paragraph (c) until the State  
210 Bond Commission by resolution adopts a finding that the issuance  
211 of such bonds will improve, expand or otherwise enhance the  
212 military installation, its support areas or military operations,  
213 or will provide employment opportunities to replace those lost by  
214 closure or reductions in operations at the military installation.

215 From and after July 1, 1997, bonds shall not be issued for any  
216 projects, as defined in Section 57-75-5(f)(iii), which are not  
217 commenced before July 1, 1997. The proceeds of any bonds issued  
218 for projects commenced before July 1, 1997, shall be used for the  
219 purposes for which the bonds were issued until completion of the  
220 projects.

221 (d) Bonds issued under the authority of this section  
222 for projects as defined in Section 57-75-5(f)(iv) shall not exceed



223 Ten Million Dollars (\$10,000,000.00). No bonds shall be issued  
224 under this paragraph after December 31, 1996.

225 (e) Bonds issued under the authority of this section  
226 for projects defined in Section 57-75-5(f)(v) shall not exceed One  
227 Hundred Ten Million Dollars (\$110,000,000.00). No bonds shall be  
228 issued under this paragraph after June 30, 2001.

229 (f) Bonds issued under the authority of this section  
230 for the project defined in Section 57-75-5(f)(vi) shall not exceed  
231 Twenty Million Three Hundred Seventy Thousand Dollars  
232 (\$20,370,000.00). No bonds shall be issued under this paragraph  
233 (f) until the State Bond Commission by resolution adopts a finding  
234 that the project has secured wire harness contracts or contracts  
235 to manufacture thin film polymer lithium-ion rechargeable  
236 batteries, or any combination of such contracts, in the aggregate  
237 amount of Twenty Million Dollars (\$20,000,000.00), either from the  
238 United States government or the private sector. No bonds shall be  
239 issued under this paragraph after June 30, 2001.

240 (g) Bonds issued under the authority of this section  
241 for projects defined in Section 57-75-5(f)(viii) shall not exceed  
242 Twenty-six Million Dollars (\$26,000,000.00). No bonds shall be  
243 issued after June 30, 2001.

244 (h) Bonds issued under the authority of this section  
245 for projects defined in Section 57-75-5(f)(ix) shall not exceed  
246 Twenty-five Million Dollars (\$25,000,000.00).

247 (4) The proceeds from the sale of the bonds issued under  
248 this section may be applied for the purposes of: (a) defraying all  
249 or any designated portion of the costs incurred with respect to  
250 acquisition, planning, design, construction, installation,

251 rehabilitation, improvement, relocation and with respect to  
252 state-owned property, operation and maintenance of the project and  
253 any facility related to the project located within the project  
254 area, including costs of design and engineering, all costs  
255 incurred to provide land, easements and rights-of-way, relocation  
256 costs with respect to the project and with respect to any facility  
257 related to the project located within the project area, and costs  
258 associated with mitigation of environmental impacts; (b) providing  
259 for the payment of interest on the bonds; (c) providing debt  
260 service reserves; and (d) paying underwriters' discount, original  
261 issue discount, accountants' fees, engineers' fees, attorneys'  
262 fees, rating agency fees and other fees and expenses in connection  
263 with the issuance of the bonds. Such bonds shall be issued from  
264 time to time and in such principal amounts as shall be designated  
265 by the authority, not to exceed in aggregate principal amounts the  
266 amount authorized in subsection (3) of this section. Proceeds  
267 from the sale of the bonds issued under this section may be  
268 invested, subject to federal limitations, pending their use, in  
269 such securities as may be specified in the resolution authorizing  
270 the issuance of the bonds or the trust indenture securing them,  
271 and the earning on such investment applied as provided in such  
272 resolution or trust indenture.

273 (5) The principal of and the interest on the bonds shall be  
274 payable in the manner hereinafter set forth. The bonds shall bear  
275 date or dates; be in such denomination or denominations; bear  
276 interest at such rate or rates; be payable at such place or places  
277 within or without the state; mature absolutely at such time or  
278 times; be redeemable before maturity at such time or times and

279 upon such terms, with or without premium; bear such registration  
280 privileges; and be substantially in such form; all as shall be  
281 determined by resolution of the State Bond Commission except that  
282 such bonds shall mature or otherwise be retired in annual  
283 installments beginning not more than five (5) years from the date  
284 thereof and extending not more than twenty-five (25) years from  
285 the date thereof. The bonds shall be signed by the Chairman of  
286 the State Bond Commission, or by his facsimile signature, and the  
287 official seal of the State Bond Commission shall be imprinted on  
288 or affixed thereto, attested by the manual or facsimile signature  
289 of the Secretary of the State Bond Commission. Whenever any such  
290 bonds have been signed by the officials herein designated to sign  
291 the bonds, who were in office at the time of such signing but who  
292 may have ceased to be such officers before the sale and delivery  
293 of such bonds, or who may not have been in office on the date such  
294 bonds may bear, the signatures of such officers upon such bonds  
295 shall nevertheless be valid and sufficient for all purposes and  
296 have the same effect as if the person so officially signing such  
297 bonds had remained in office until the delivery of the same to the  
298 purchaser, or had been in office on the date such bonds may bear.

299 (6) All bonds issued under the provisions of this section  
300 shall be and are hereby declared to have all the qualities and  
301 incidents of negotiable instruments under the provisions of the  
302 Uniform Commercial Code and in exercising the powers granted by  
303 this chapter, the State Bond Commission shall not be required to  
304 and need not comply with the provisions of the Uniform Commercial  
305 Code.

306 (7) The State Bond Commission shall sell the bonds on sealed

307 bids at public sale, and for such price as it may determine to be  
308 for the best interest of the State of Mississippi, but no such  
309 sale shall be made at a price less than par plus accrued interest  
310 to date of delivery of the bonds to the purchaser. The bonds  
311 shall bear interest at such rate or rates not exceeding the limits  
312 set forth in Section 75-17-101 as shall be fixed by the State Bond  
313 Commission. All interest accruing on such bonds so issued shall  
314 be payable semiannually or annually; provided that the first  
315 interest payment may be for any period of not more than one (1)  
316 year.

317 Notice of the sale of any bonds shall be published at least  
318 one time, the first of which shall be made not less than ten (10)  
319 days prior to the date of sale, and shall be so published in one  
320 or more newspapers having a general circulation in the City of  
321 Jackson and in one or more other newspapers or financial journals  
322 with a large national circulation, to be selected by the State  
323 Bond Commission.

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

329 (8) State bonds issued under the provisions of this section  
330 shall be the general obligations of the state and backed by the  
331 full faith and credit of the state. The Legislature shall  
332 appropriate annually an amount sufficient to pay the principal of  
333 and the interest on such bonds as they become due. All bonds  
334 shall contain recitals on their faces substantially covering the

335 foregoing provisions of this section.

336 (9) The State Treasurer is authorized to certify to the  
337 Department of Finance and Administration the necessity for  
338 warrants, and the Department of Finance and Administration is  
339 authorized and directed to issue such warrants payable out of any  
340 funds appropriated by the Legislature under this section for such  
341 purpose, in such amounts as may be necessary to pay when due the  
342 principal of and interest on all bonds issued under the provisions  
343 of this section. The State Treasurer shall forward the necessary  
344 amount to the designated place or places of payment of such bonds  
345 in ample time to discharge such bonds, or the interest thereon, on  
346 the due dates thereof.

347 (10) The bonds may be issued without any other proceedings  
348 or the happening of any other conditions or things other than  
349 those proceedings, conditions and things which are specified or  
350 required by this chapter. Any resolution providing for the  
351 issuance of general obligation bonds under the provisions of this  
352 section shall become effective immediately upon its adoption by  
353 the State Bond Commission, and any such resolution may be adopted  
354 at any regular or special meeting of the State Bond Commission by  
355 a majority of its members.

356 (11) In anticipation of the issuance of bonds hereunder, the  
357 State Bond Commission is authorized to negotiate and enter into  
358 any purchase, loan, credit or other agreement with any bank, trust  
359 company or other lending institution or to issue and sell interim  
360 notes for the purpose of making any payments authorized under this  
361 section. All borrowings made under this provision shall be  
362 evidenced by notes of the state which shall be issued from time to

363 time, for such amounts not exceeding the amount of bonds  
364 authorized herein, in such form and in such denomination and  
365 subject to such terms and conditions of sale and issuance,  
366 prepayment or redemption and maturity, rate or rates of interest  
367 not to exceed the maximum rate authorized herein for bonds, and  
368 time of payment of interest as the State Bond Commission shall  
369 agree to in such agreement. Such notes shall constitute general  
370 obligations of the state and shall be backed by the full faith and  
371 credit of the state. Such notes may also be issued for the  
372 purpose of refunding previously issued notes; except that no notes  
373 shall mature more than three (3) years following the date of  
374 issuance of the first note hereunder and provided further, that  
375 all outstanding notes shall be retired from the proceeds of the  
376 first issuance of bonds hereunder. The State Bond Commission is  
377 authorized to provide for the compensation of any purchaser of the  
378 notes by payment of a fixed fee or commission and for all other  
379 costs and expenses of issuance and service, including paying agent  
380 costs. Such costs and expenses may be paid from the proceeds of  
381 the notes.

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

388 The necessary papers for such validation proceedings shall be  
389 transmitted to the state bond attorney, and the required notice  
390 shall be published in a newspaper published in the City of

391 Jackson, Mississippi.

392           (13) Any bonds or interim notes issued under the provisions  
393 of this chapter, a transaction relating to the sale or securing of  
394 such bonds or interim notes, their transfer and the income  
395 therefrom shall at all times be free from taxation by the state or  
396 any local unit or political subdivision or other instrumentality  
397 of the state, excepting inheritance and gift taxes.

398           (14) All bonds issued under this chapter shall be legal  
399 investments for trustees, other fiduciaries, savings banks, trust  
400 companies and insurance companies organized under the laws of the  
401 State of Mississippi; and such bonds shall be legal securities  
402 which may be deposited with and shall be received by all public  
403 officers and bodies of the state and all municipalities and other  
404 political subdivisions thereof for the purpose of securing the  
405 deposit of public funds.

406           (15) The Attorney General of the State of Mississippi shall  
407 represent the State Bond Commission in issuing, selling and  
408 validating bonds herein provided for, and the bond commission is  
409 hereby authorized and empowered to expend from the proceeds  
410 derived from the sale of the bonds authorized hereunder all  
411 necessary administrative, legal and other expenses incidental and  
412 related to the issuance of bonds authorized under this chapter.

413           (16) There is hereby created a special fund in the State  
414 Treasury to be known as the Mississippi Major Economic Impact  
415 Authority Fund wherein shall be deposited the proceeds of the  
416 bonds issued under this chapter and all monies received by the  
417 authority to carry out the purposes of this chapter. Expenditures  
418 authorized herein shall be paid by the State Treasurer upon

419 warrants drawn from the fund, and the Department of Finance and  
420 Administration shall issue warrants upon requisitions signed by  
421 the director of the authority.

422       (17) (a) There is hereby created the Mississippi Economic  
423 Impact Authority Sinking Fund from which the principal of and  
424 interest on such bonds shall be paid by appropriation. All monies  
425 paid into the sinking fund not appropriated to pay accruing bonds  
426 and interest shall be invested by the State Treasurer in such  
427 securities as are provided by law for the investment of the  
428 sinking funds of the state.

429       (b) In the event that all or any part of the bonds and  
430 notes are purchased, they shall be canceled and returned to the  
431 loan and transfer agent as canceled and paid bonds and notes and  
432 thereafter all payments of interest thereon shall cease and the  
433 canceled bonds, notes and coupons, together with any other  
434 canceled bonds, notes and coupons, shall be destroyed as promptly  
435 as possible after cancellation but not later than two (2) years  
436 after cancellation. A certificate evidencing the destruction of  
437 the canceled bonds, notes and coupons shall be provided by the  
438 loan and transfer agent to the seller.

439       (c) The State Treasurer shall determine and report to  
440 the Department of Finance and Administration and Legislative  
441 Budget Office by September 1 of each year the amount of money  
442 necessary for the payment of the principal of and interest on  
443 outstanding obligations for the following fiscal year and the  
444 times and amounts of the payments. It shall be the duty of the  
445 Governor to include in every executive budget submitted to the  
446 Legislature full information relating to the issuance of bonds and



447 notes under the provisions of this chapter and the status of the  
448 sinking fund for the payment of the principal of and interest on  
449 the bonds and notes.

450 SECTION 3. This act shall take effect and be in force from  
451 and after July 1, 2000.