

By: Representative Ford

To: Ways and Means

HOUSE BILL NO. 437

1 AN ACT TO REENACT SECTIONS 21-33-501 THROUGH 21-33-525,
2 MISSISSIPPI CODE OF 1972, WHICH AUTHORIZE CERTAIN MUNICIPALITIES
3 TO CREATE LOCAL IMPROVEMENT TAXING DISTRICTS, PRESCRIBE THE POWERS
4 AND DUTIES OF MUNICIPALITIES WITHIN SPECIAL TAXING DISTRICTS,
5 PROVIDE FOR THE USE OF PROCEEDS FROM SPECIAL TAX LEVIED ON REAL
6 ESTATE AND PROVIDE FOR THE ISSUANCE, EXECUTION AND PAYMENT OF
7 BONDS; TO AMEND SECTION 14, CHAPTER 573, LAWS OF 1993, AS AMENDED
8 BY SECTION 14, CHAPTER 502, LAWS OF 1998, TO EXTEND THE REPEALER
9 ON LOCAL IMPROVEMENT TAXING DISTRICTS FROM JULY 1, 2001, TO JULY
10 1, 2002; AND FOR RELATED PURPOSES.

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

12 SECTION 1. Section 21-33-501, Mississippi Code of 1972, is
13 reenacted as follows:

14 **[Until Laws, 2000, Chapter 459, Section 1, is effectuated**
15 **under Section 5 of the Voting Rights Act of 1965, this section**
16 **will read as follows:]**

17 21-33-501. For the purposes of this article, the following
18 words and phrases shall have the meanings ascribed herein unless
19 the context clearly indicates otherwise:

20 (a) "Issuing authority" means any municipality or any
21 urban renewal agency or redevelopment authority within such city
22 or town having authority to issue bonds pursuant to this article.

23 (b) "Local improvements" means (i) any improvements
24 constructed within a special local improvement taxing district or
25 services established under this article to improve the appearance
26 or functioning of property located within the district including,
27 but not limited to, parks and related facilities, sidewalks,
28 streets, street curbing, street medians, planting areas, walls,
29 lighting equipment, fountains and flagpoles; (ii) trees, shrubs,
30 flowers and other vegetation; (iii) security enhancements
31 including, but not limited to, cameras, radios, monitors and



32 related equipment; (iv) private patrol services; and (v) any
33 expenditures made in conjunction with the improvements set forth
34 above such as the removal and relocation of utility service or
35 purchase and removal of signs.

36 (c) "Special local improvement taxing district" means a
37 district established pursuant to Section 21-33-503 and may be
38 comprised of either residential or nonresidential real property.
39 Nonresidential real property located within or immediately
40 adjacent to a special local improvement taxing district comprised
41 of residential real property may be included within such special
42 local improvement taxing district by a request submitted in
43 writing by the owner of such nonresidential property to the
44 governing authorities of the municipality. Residential real
45 estate property located within or immediately adjacent to a
46 special local improvement taxing district comprised of
47 nonresidential real property may be included within such special
48 local improvement taxing district by a request submitted in
49 writing by the owner of such residential property to the governing
50 authorities of the municipality.

51 (d) "Municipality" means any city or town incorporated
52 under the laws of the State of Mississippi with a population in
53 excess of one hundred ninety thousand (190,000) according to the
54 latest federal decennial census.

55 **[From and after the date Laws, 2000, Chapter 459, Section 1,**
56 **is effectuated under Section 5 of the Voting Rights Act of 1965,**
57 **this section will read as follows:]**

58 21-33-501. For the purposes of this article, the following
59 words and phrases shall have the meanings ascribed herein unless
60 the context clearly indicates otherwise:

61 (a) "Issuing authority" means any municipality or any
62 urban renewal agency or redevelopment authority within such city
63 or town having authority to issue bonds pursuant to this article.



64 (b) "Local improvements" means (i) any improvements
65 constructed within a special local improvement taxing district or
66 services established under this article to improve the appearance
67 or functioning of property located within the district including,
68 but not limited to, parks and related facilities, sidewalks,
69 streets, street curbing, street medians, planting areas, walls,
70 lighting equipment, fountains and flagpoles; (ii) trees, shrubs,
71 flowers and other vegetation; (iii) security enhancements
72 including, but not limited to, cameras, radios, monitors and
73 related equipment; (iv) private patrol services; (v) the
74 acquisition, rehabilitation and sale of property in a special
75 local improvement taxing district; and (vi) any expenditures made
76 in conjunction with the improvements set forth above such as the
77 removal and relocation of utility service or purchase and removal
78 of signs.

79 (c) "Special local improvement taxing district" means a
80 district established pursuant to Section 21-33-503 and may be
81 comprised of either residential or nonresidential real property.
82 Nonresidential real property located within or immediately
83 adjacent to a special local improvement taxing district comprised
84 of residential real property may be included within such special
85 local improvement taxing district by a request submitted in
86 writing by the owner of such nonresidential property to the
87 governing authorities of the municipality. Residential real
88 estate property located within or immediately adjacent to a
89 special local improvement taxing district comprised of
90 nonresidential real property may be included within such special
91 local improvement taxing district by a request submitted in
92 writing by the owner of such residential property to the governing
93 authorities of the municipality.

94 (d) "Municipality" means any city or town incorporated
95 under the laws of the State of Mississippi with a population in



96 excess of one hundred ninety thousand (190,000) according to the
97 latest federal decennial census.

98 SECTION 2. Section 21-33-503, Mississippi Code of 1972, is
99 reenacted as follows:

100 **[Until Laws, 200, Chapter 459, Section 2, is effectuated**
101 **under Section 5 of the Voting Rights Act of 1965, this section**
102 **will read as follows:]**

103 21-33-503. (1) The governing authority of a municipality is
104 authorized to establish one or more special local improvement
105 taxing districts and to levy and collect an annual special tax not
106 to exceed six (6) mills against only that taxable real property
107 that is included within each such district, provided that such a
108 special tax shall not be levied or collected unless the governing
109 authority (a) shall have adopted a resolution (i) designating an
110 area a special local improvement taxing district and (ii)
111 specifying the maximum millage to be levied on taxable real
112 property in the district under this section, and (b) has received
113 a petition in favor of the levy of such tax signed by the owners
114 of at least seventy percent (70%) of the taxable real property in
115 the proposed district. For purposes of this subsection, "owners"
116 means those persons possessing a majority of the ownership
117 interest in a piece of taxable real property.

118 (2) Such special tax levy shall be excluded from the
119 limitations imposed under Section 27-39-321. Before adopting such
120 resolution, the governing authority shall hold a public hearing
121 with respect thereto after public notice by publication at least
122 twice, once a week for two (2) consecutive weeks in a newspaper of
123 general circulation in the municipality, with the first
124 publication being not less than fourteen (14) calendar days before
125 the date specified for such hearing, such notice to include the
126 date, time and place of such hearing, the proposed boundaries of
127 such special local improvement taxing district and the maximum



128 special tax to be levied on property in such district under this
129 section.

130 (3) The boundaries of the special local improvement taxing
131 district shall not be modified and special taxes shall not be
132 levied in excess of the maximum set forth in such resolution,
133 unless:

134 (a) The governing authority shall have amended such
135 resolution to reflect such modifications in the boundaries and tax
136 levy;

137 (b) The governing authority has received a petition in
138 favor of the levy of the special tax signed by owners, as that
139 term is defined in subsection (1) of this section, of at least
140 seventy percent (70%) of the taxable real property within the
141 modified boundaries of the district; and

142 (c) A public hearing is held as provided in subsection
143 (2) of this section. Any special local improvement taxing
144 district established under this article may include any real
145 property located within the corporate boundaries of the
146 municipality.

147 **[From and after the date Laws, 2000, Chapter 459, Section 2,**
148 **is effectuated under Section 5 of the Voting Rights Act of 1965,**
149 **this section will read as follows:]**

150 21-33-503. (1) (a) The governing authority of a
151 municipality is authorized to establish one or more special local
152 improvement taxing districts and to levy and collect an annual
153 special tax not to exceed six (6) mills against only that taxable
154 real property that is included within each such district, provided
155 that such a special tax shall not be levied or collected unless
156 the governing authority (a) shall have adopted a resolution (i)
157 designating an area a special local improvement taxing district
158 and (ii) specifying the maximum millage to be levied on taxable
159 real property in the district under this section, and (b) has
160 received a petition in favor of the levy of such tax signed by the



161 owners of at least sixty percent (60%) of the taxable real
162 property in the proposed district. For purposes of this
163 subsection, "owners" means those persons possessing a majority of
164 the ownership interest in a piece of taxable real property.

165 (b) Such special tax levy shall be excluded from the
166 limitations imposed under Section 27-39-321. Before adopting such
167 resolution, the governing authority shall hold a public hearing
168 with respect thereto after public notice by publication at least
169 twice, once a week for two (2) consecutive weeks in a newspaper of
170 general circulation in the municipality, with the first
171 publication being not less than fourteen (14) calendar days before
172 the date specified for such hearing, such notice to include the
173 date, time and place of such hearing, the proposed boundaries of
174 such special local improvement taxing district and the maximum
175 special tax to be levied on property in such district under this
176 section.

177 (c) The boundaries of the special local improvement
178 taxing district shall not be modified and special taxes shall not
179 be levied in excess of the maximum set forth in such resolution,
180 unless:

181 (i) The governing authority shall have amended
182 such resolution to reflect such modifications in the boundaries
183 and tax levy;

184 (ii) The governing authority has received a
185 petition in favor of the levy of the special tax signed by owners,
186 as that term is defined in subsection (1) of this section, of at
187 least seventy percent (70%) of the taxable real property within
188 the modified boundaries of the district; and

189 (iii) A public hearing is held as provided in
190 subsection (2) of this section. Any special local improvement
191 taxing district established under this article may include any
192 real property located within the corporate boundaries of the
193 municipality.



194 (2) (a) As an alternative to the procedure provided in
195 subsection (1) of this section, a special local improvement taxing
196 district may be created under this subsection (2) if the
197 boundaries of the proposed special local improvement taxing
198 district are within the boundaries of the homeowners' association
199 representing that area. Upon delivery of a petition to the clerk
200 of the municipality in which the proposed district is located,
201 signed by the owners of at least sixty percent (60%) of the
202 taxable real property in the homeowners' association representing
203 the area in the proposed district, the municipality shall begin
204 efforts to establish the district. Within fifteen (15) days after
205 receipt of such a petition, the clerk of the municipality shall
206 mail ballots to all of the property owners in the proposed special
207 local improvement taxing district providing for a referendum on
208 the issue of creating the district. The ballot shall clearly
209 state the issue to be decided and shall indicate the date by which
210 the ballot must be returned to the clerk of the municipality,
211 which date may not be later than thirty (30) days after the date
212 the clerk mailed the ballots. The governing authorities of the
213 municipality shall adopt a resolution creating the special local
214 improvement taxing district if on or before the last day fixed for
215 the return of ballots, the owners of at least sixty percent (60%)
216 of the taxable real property in the proposed special local
217 improvement taxing district vote in favor of creating the
218 district. The resolution shall contain a description of the
219 boundaries of the district and shall specify the maximum millage
220 rate to be levied upon taxable real property in the district for
221 the municipality's fiscal year.

222 (b) The homeowners' association representing the
223 property owners in the special local improvement taxing district
224 shall submit a plan to the municipality specifying the local
225 improvements proposed for the district during the municipality's
226 upcoming fiscal year and the total amount proposed to be expended



227 for the improvements. The governing authorities of the
228 municipality may levy a special tax not to exceed six (6) mills
229 upon all taxable real property in the district to provide funds
230 for the local improvements.

231 (c) The procedures required in this subsection (2) for
232 the establishment of a district shall be used for the modification
233 of the boundaries of a district.

234 SECTION 3. Section 21-33-505, Mississippi Code of 1972, is
235 reenacted as follows:

236 **[Until Laws, 2000, Chapter 459, Section 3, is effectuated**
237 **under Section 5 of the Voting Rights Act of 1965, this section**
238 **will read as follows:]**

239 21-33-505. (1) Upon the adoption of a resolution
240 establishing a special local improvement taxing district as set
241 forth under Section 21-33-503, the governing authority of a
242 municipality shall be authorized to exercise the following powers
243 within any special local improvement taxing district:

244 (a) To provide for the planning and design of local
245 improvements and the coordination of landscape design on different
246 parcels of property, including the preparation of working drawings
247 for the construction, acquisition and installation of local
248 improvements;

249 (b) To purchase, acquire, install and construct local
250 improvements;

251 (c) To purchase and acquire easements, air rights,
252 scenic rights-of-way and other interests in land on which local
253 improvements can be placed and which are necessary or desirable in
254 connection with any local improvements;

255 (d) To provide for the management of local
256 improvements, including but not limited to, providing maintenance
257 and services within the district; and

258 (e) To contract with a nonprofit local association duly
259 incorporated under the laws of the State of Mississippi to



260 undertake all or a portion of the activities within the local
261 improvement district.

262 (2) A special local improvement taxing district shall be
263 dissolved by resolution of the governing authority of the
264 municipality if all activities for which such district was
265 established have been completed and no debts incurred in
266 connection with such activities are outstanding.

267 **[From and after the date Laws, 2000, chapter 459, Section 3,**
268 **is effectuated under Section 5 of the Voting Rights Act of 1965,**
269 **this section will read as follows:]**

270 21-33-505. (1) (a) Upon the adoption of a resolution
271 establishing a special local improvement taxing district as set
272 forth under Section 21-33-503(1), the governing authority of a
273 municipality shall be authorized to exercise the following powers
274 within any special local improvement taxing district:

275 (i) To provide for the planning and design of
276 local improvements and the coordination of landscape design on
277 different parcels of property, including the preparation of
278 working drawings for the construction, acquisition and
279 installation of local improvements;

280 (ii) To purchase, acquire, install and construct
281 local improvements;

282 (iii) To purchase and acquire easements, air
283 rights, scenic rights-of-way and other interests in land on which
284 local improvements can be placed and which are necessary or
285 desirable in connection with any local improvements;

286 (iv) To provide for the management of local
287 improvements, including but not limited to, providing maintenance
288 and services within the district; and

289 (v) To contract with a nonprofit local association
290 duly incorporated under the laws of the State of Mississippi to
291 undertake all or a portion of the activities within the local
292 improvement district.



293 (b) A special local improvement taxing district created
294 under Section 21-33-503(1) shall be dissolved by resolution of the
295 governing authority of the municipality if all activities for
296 which such district was established have been completed and no
297 debts incurred in connection with such activities are outstanding.

298 (2) (a) Upon the adoption of a resolution establishing a
299 special local improvement taxing district as set forth under
300 Section 21-33-503(2), the homeowners' association representing the
301 property area in the district shall be authorized to exercise the
302 following powers within the special local improvement taxing
303 district:

304 (i) To provide for the planning and design of
305 local improvements and the coordination of landscape design on
306 different parcels of property, including the preparation of
307 working drawings for the construction, acquisition and
308 installation of local improvements;

309 (ii) To purchase, acquire, install and construct
310 local improvements;

311 (iii) To purchase and acquire easements, air
312 rights, scenic rights-of-way and other interests in land on which
313 local improvements can be placed and which are necessary or
314 desirable in connection with any local improvements;

315 (iv) To provide for the management of local
316 improvements, including but not limited to, providing maintenance
317 and services within the district; and

318 (v) To contract with a nonprofit local association
319 duly incorporated under the laws of the State of Mississippi to
320 undertake all or a portion of the activities within the district.

321 (b) A special local improvement taxing district
322 established under Section 21-33-503(2) that has satisfied all
323 indebtedness incurred in connection with activities of the
324 district may be dissolved by following the petition and ballot



325 procedures provided for the establishment of the district in
326 Section 21-33-503(2).

327 SECTION 4. Section 21-33-507, Mississippi Code of 1972, is
328 reenacted as follows:

329 **[Until Laws, 2000, Chapter 459, Section 4, is effectuated**
330 **under Section 5 of the Voting Rights Act of 1965, this section**
331 **will read as follows:]**

332 21-33-507. The proceeds of any special tax levied on real
333 estate property located within a special local improvement taxing
334 district under Section 21-33-503 may be used to pay costs
335 including administrative costs of and relating to exercising the
336 powers set forth in Section 21-33-505.

337 Nothing stated herein shall prevent the use of such special
338 tax for the purpose of planning and design of local improvement
339 for any property located within a district and the coordination of
340 landscape design on different parcels of property.

341 **[From and after the date Laws, 2000, Chapter 459, Section 4,**
342 **is effectuated under Section 5 of the Voting Rights Act of 1965,**
343 **this section will read as follows:]**

344 21-33-507. (1) The proceeds of any special tax levied on
345 real estate property located within a special local improvement
346 taxing district under Section 21-33-503(1) may be used to pay
347 costs including administrative costs of and relating to exercising
348 the powers set forth in Section 21-33-505(1).

349 Nothing stated herein shall prevent the use of such special
350 tax for the purpose of planning and design of local improvement
351 for any property located within a district and the coordination of
352 landscape design on different parcels of property.

353 (2) (a) The proceeds of any special ad valorem tax levied
354 on real property located within a special local improvement taxing
355 district under Section 21-33-503(2) may be used to pay costs
356 including administrative costs of and relating to exercising the
357 powers set forth in Section 21-33-505(2). The municipality shall



358 hold the proceeds of the special ad valorem tax levy until
359 disbursing the proceeds to the homeowners' association
360 representing the area in a district created under Section
361 21-33-503(2). The proceeds from the special ad valorem tax levy
362 disbursed to a homeowners' association shall remain public funds
363 and shall be subject to review by the State Auditor of Public
364 Accounts. The municipality may retain a portion of the proceeds
365 of such tax levy in an amount necessary to defray costs incurred
366 by the municipality in establishing a district or modifying the
367 boundaries of a district. A homeowners' association shall keep
368 the proceeds of such ad valorem tax levy separate and apart from
369 other funds of the association. Accounting for receipts and
370 expenditures of proceeds from the ad valorem tax levy shall be
371 made separately and apart from the accounting of receipts and
372 expenditures of the homeowners' association for other funds of the
373 district. The homeowners' association shall have its books and
374 records audited annually by an independent certified public
375 accountant and shall file a written report of the audit with the
376 clerk of the municipality. The clerk of the municipality shall
377 make the report of the audit available for public review. A
378 special local improvement taxing district shall operate on the
379 same fiscal year as the municipality.

380 (b) Nothing in this subsection (2) shall prevent the
381 use of such special tax for the purpose of planning and design of
382 local improvements for any property located within a district and
383 the coordination of landscape design on different parcels of
384 property.

385 SECTION 5. Section 21-33-509, Mississippi Code of 1972, is
386 reenacted as follows:

387 **[Until Laws, 2000, Chapter 459, Section 5, is effectuated**
388 **under Section 5 of the Voting Rights Act of 1965, this section**
389 **will read as follows:]**



390 21-33-509. The governing authority of a municipality
391 exercising the authority to levy a special tax as set forth in
392 Section 21-33-503 shall levy such tax at the maximum rate
393 specified in the resolution provided for in Section 21-33-503
394 against all property in such special local improvement taxing
395 district unless a lesser rate will provide revenues sufficient to
396 pay debt service on all bonds payable from such tax and to pay
397 costs of exercising the powers authorized pursuant to Section
398 21-33-505, and if a municipality has delegated to an urban renewal
399 agency or redevelopment authority any of its authority under this
400 article, the governing authority of such urban renewal agency or
401 redevelopment authority shall have certified to the municipality
402 that a lesser tax rate will be sufficient to make such payments,
403 in which event the governing authority of the municipality shall
404 levy such tax at such lesser rate.

405 The governing authority may also enter into agreements for
406 the benefit of holders of bonds issued by an urban renewal agency
407 or redevelopment authority of the municipality pursuant to Section
408 21-33-511 including, without limitation, agreements limiting or
409 restricting issuance of bonds by the municipality which would be
410 payable from such special tax, to the extent that such governing
411 authorities shall determine that such agreements are necessary or
412 desirable in connection with the issuance of bonds by an urban
413 renewal agency or redevelopment authority pursuant to Section
414 21-33-511.

415 **[From and after the date Laws, 2000, Chapter 459, Section 5,**
416 **is effectuated under Section 5 of the Voting Rights Act of 1965,**
417 **this section will read as follows:]**

418 21-33-509. (1) (a) The governing authority of a
419 municipality exercising the authority to levy a special tax as set
420 forth in Section 21-33-503(1) shall levy such tax at the maximum
421 rate specified in the resolution provided for in Section
422 21-33-503(1) against all property in such special local



423 improvement taxing district unless a lesser rate will provide
424 revenues sufficient to pay debt service on all bonds payable from
425 such tax and to pay costs of exercising the powers authorized
426 pursuant to Section 21-33-505(1), and if a municipality has
427 delegated to an urban renewal agency or redevelopment authority
428 any of its authority under this article, the governing authority
429 of such urban renewal agency or redevelopment authority shall have
430 certified to the municipality that a lesser tax rate will be
431 sufficient to make such payments, in which event the governing
432 authority of the municipality shall levy such tax at such lesser
433 rate.

434 (b) The governing authority may also enter into
435 agreements for the benefit of holders of bonds issued by an urban
436 renewal agency or redevelopment authority of the municipality
437 pursuant to Section 21-33-511 including, without limitation,
438 agreements limiting or restricting issuance of bonds by the
439 municipality which would be payable from such special tax, to the
440 extent that such governing authorities shall determine that such
441 agreements are necessary or desirable in connection with the
442 issuance of bonds by an urban renewal agency or redevelopment
443 authority pursuant to Section 21-33-511.

444 (2) The governing authorities of a municipality exercising
445 the authority to levy a special tax as set forth in Section
446 21-33-503(2) shall levy such tax at the maximum rate specified in
447 the resolution provided for in Section 21-33-503(2) against all
448 taxable property in such special local improvement taxing district
449 unless a lesser rate will provide revenues sufficient to pay the
450 costs of improvements included in the plan submitted to the
451 municipality under Section 21-33-503(2) (b) .

452 SECTION 6. Section 21-33-511, Mississippi Code of 1972, is
453 reenacted as follows:



454 **[Until Laws, 2000, Chapter 459, Section 6, is effectuated**
455 **under Section 5 of the Voting Rights Act of 1965, this section**
456 **will read as follows:]**

457 21-33-511. The governing authority which has elected to
458 exercise the authority to establish special local improvement
459 taxing districts as provided in this article and the governing
460 authority of any urban renewal agency or redevelopment authority
461 to which authority under this article shall have been delegated,
462 are authorized, in their discretion, to issue bonds for the
463 purpose of defraying any costs described in Section 21-33-507;
464 refunding outstanding bonds; paying costs relating to the issuance
465 of such bonds; and establishing any reserve funds determined to be
466 appropriate. Such bonds may be issued without an election thereon
467 upon the adoption of a resolution by the governing authority of
468 the issuing authority. Such bonds shall not be subject to any
469 limitation as to amount and shall not be included in computing the
470 statutory limitation of indebtedness of such issuing authority
471 under any present or future law. Such bonds shall bear such date
472 or dates, shall be of such denomination or denominations, shall
473 bear interest at such rate or rates as shall be approved by the
474 issuing authority, shall be payable at such place or places within
475 or without the State of Mississippi, shall mature at such time or
476 times and upon such terms and may be made redeemable prior to
477 maturity with or without premium, shall bear such registration
478 privileges and shall be in substantially such form as shall be
479 determined by resolution of the governing authority of such
480 issuing authority. Any bonds issued under this article may be
481 sold at public or private sale at such price as may be determined
482 by the governing authority.

483 Such bonds shall be executed by the manual or facsimile
484 signature of the official or officials of such issuing authority
485 which have been designated by the governing authority, with the
486 seal of the issuing authority affixed thereto or reproduced



487 thereon. Whenever such bonds shall have been signed by the
488 officials designated to sign the same who were in office at the
489 time of such signing but who may have ceased to be such officials
490 prior to the date of the sale and delivery of such bonds, or who
491 may not have been in office on the date such bonds may bear, the
492 signatures of such officials upon such bonds shall nevertheless be
493 valid and sufficient for all purposes and have the same effect as
494 if the person so officially signing such bonds had remained in
495 office until the delivery of the same to the purchaser or had been
496 in office on the date such bonds may bear.

497 **[From and after the date Laws, 2000, Chapter 459, Section 6,**
498 **is effectuated under Section 5 of the Voting Rights Act of 1965,**
499 **this section will read as follows:]**

500 21-33-511. The governing authority which has elected to
501 exercise the authority to establish special local improvement
502 taxing districts as provided in Section 21-33-503(1) and the
503 governing authority of any urban renewal agency or redevelopment
504 authority to which authority under this article shall have been
505 delegated, are authorized, in their discretion, to issue bonds for
506 the purpose of defraying any costs described in Section
507 21-33-507(1); refunding outstanding bonds; paying costs relating
508 to the issuance of such bonds; and establishing any reserve funds
509 determined to be appropriate. Such bonds may be issued without an
510 election thereon upon the adoption of a resolution by the
511 governing authority of the issuing authority. Such bonds shall
512 not be subject to any limitation as to amount and shall not be
513 included in computing the statutory limitation of indebtedness of
514 such issuing authority under any present or future law. Such
515 bonds shall bear such date or dates, shall be of such denomination
516 or denominations, shall bear interest at such rate or rates as
517 shall be approved by the issuing authority, shall be payable at
518 such place or places within or without the State of Mississippi,
519 shall mature at such time or times and upon such terms and may be



520 made redeemable prior to maturity with or without premium, shall
521 bear such registration privileges and shall be in substantially
522 such form as shall be determined by resolution of the governing
523 authority of such issuing authority. Any bonds issued under this
524 article may be sold at public or private sale at such price as may
525 be determined by the governing authority.

526 Such bonds shall be executed by the manual or facsimile
527 signature of the official or officials of such issuing authority
528 which have been designated by the governing authority, with the
529 seal of the issuing authority affixed thereto or reproduced
530 thereon. Whenever such bonds shall have been signed by the
531 officials designated to sign the same who were in office at the
532 time of such signing but who may have ceased to be such officials
533 prior to the date of the sale and delivery of such bonds, or who
534 may not have been in office on the date such bonds may bear, the
535 signatures of such officials upon such bonds shall nevertheless be
536 valid and sufficient for all purposes and have the same effect as
537 if the person so officially signing such bonds had remained in
538 office until the delivery of the same to the purchaser or had been
539 in office on the date such bonds may bear.

540 SECTION 7. Section 21-33-513, Mississippi Code of 1972, is
541 reenacted as follows:

542 **[Until Laws, 2000, Chapter 459, Section 7, is effectuated**
543 **under Section 5 of the Voting Rights Act of 1965, this section**
544 **will read as follows:]**

545 21-33-513. Bonds issued under the provisions of this article
546 shall be payable, both as to principal and interest, solely out of
547 such special taxes levied pursuant to Section 21-33-503, and any
548 contributions received by the issuing authority for such purpose,
549 as shall be specified in the resolution authorizing issuance of
550 such bonds, and the full faith and credit of the issuing authority
551 shall not be pledged therefor, and such fact shall be recited on
552 the face of each bond.



553 **[From and after the date Laws, 2000, Chapter 459, Section 7,**
554 **is effectuated under Section 5 of the Voting Rights Act of 1965,**
555 **this section will read as follows:]**

556 21-33-513. Bonds issued under the provisions of this article
557 shall be payable, both as to principal and interest, solely out of
558 such special taxes levied pursuant to Section 21-33-503(1), and
559 any contributions received by the issuing authority for such
560 purpose, as shall be specified in the resolution authorizing
561 issuance of such bonds, and the full faith and credit of the
562 issuing authority shall not be pledged therefor, and such fact
563 shall be recited on the face of each bond.

564 SECTION 8. Section 21-33-515, Mississippi Code of 1972, is
565 reenacted as follows:

566 21-33-515. (1) A resolution issuing bonds in compliance
567 with this article may include any covenants which the governing
568 authority deems necessary to make such bonds secure and
569 marketable, including, but without limitation, covenants regarding
570 the application of the bond proceeds; the pledging, application
571 and securing of special taxes; the creation and maintenance of
572 reserves; covenants to levy special taxes; covenants to enforce
573 agreements; the investment of funds; the issuance of additional
574 bonds; the terms and conditions upon which bondholders may
575 exercise their rights and remedies; the replacement of lost,
576 destroyed or mutilated bonds; the definition, consequences and
577 remedies of an event of default; and the appointment of a receiver
578 in the event of a default.

579 (2) All taxes or other revenues pledged to the payment of
580 such bonds shall be subject to a lien in favor of the holders of
581 such bonds, and all such taxes received by the issuing authority,
582 or the municipality if such bonds shall have been issued by a
583 redevelopment authority or an urban renewal agency shall be
584 immediately subject to such lien without any physical delivery
585 thereof or further act by the issuing authority, and such lien



586 shall be effective as against all parties asserting claims against
587 the issuing authority or municipality, whether by way of tort,
588 contract or otherwise, whether or not such parties may have had
589 notice of such lien. Such pledge or trust agreement creating the
590 same need not be filed or recorded except in the official minutes
591 of the issuing authority.

592 (3) The state does hereby covenant with the holders of any
593 such bonds that it will not, while any such bonds shall be
594 outstanding, limit or diminish the right and power of any
595 municipality to levy the special taxes authorized by this article,
596 or the right and power of any municipality, urban renewal agency
597 or redevelopment authority to fulfill any covenants with or for
598 the benefit of such bondholders.

599 SECTION 9. Section 21-33-517, Mississippi Code of 1972, is
600 reenacted as follows:

601 **[Until Laws, 2000, Chapter 459, Section 8, is effectuated**
602 **under Section 5 of the Voting Rights Act of 1965, this section**
603 **will read as follows:]**

604 21-33-517. The governing body of a municipality act, by
605 resolution or order adopted by such governing body, may delegate
606 the other authority granted under this article, including the
607 authority to plan, construct and maintain local improvements
608 pursuant to Section 21-33-505 and the authority to issue bonds
609 pursuant to Section 21-33-511, to the urban renewal agency or the
610 redevelopment authority of the municipality. If such authority
611 has been so delegated hereunder and thereafter exercised, then any
612 taxes levied hereunder shall be paid, upon receipt by the
613 municipality, to the entity to which such authority has been
614 delegated.

615 **[From and after the date Laws, 2000, Chapter 459, Section 8,**
616 **is effectuated under Section 5 of the Voting Rights Act of 1965,**
617 **this section will read as follows:]**



618 21-33-517. The governing body of a municipality that has
619 established a special local improvement taxing district under
620 Section 21-33-503(1), by resolution or order adopted by such
621 governing body, may delegate the other authority granted under
622 this article, including the authority to plan, construct and
623 maintain local improvements pursuant to Section 21-33-505(1) and
624 the authority to issue bonds pursuant to Section 21-33-511, to the
625 urban renewal agency or the redevelopment authority of the
626 municipality. If such authority has been so delegated hereunder
627 and thereafter exercised, then any taxes levied hereunder shall be
628 paid, upon receipt by the municipality, to the entity to which
629 such authority has been delegated.

630 SECTION 10. Section 21-33-519, Mississippi Code of 1972, is
631 reenacted as follows:

632 **[Until Laws, 2000, chapter 459, Section 9, is effectuated**
633 **under Section 5 of the Voting Rights Act of 1965, this section**
634 **will read as follows:]**

635 21-33-519. Any municipality which has formed a special
636 local improvement taxing district under the authority of this
637 article, and any urban renewal agency or redevelopment authority
638 which has been delegated authority under this article, may accept
639 and expend contributions from any other sources and apply such
640 contributions to any of the purposes set forth in this article.

641 **[From and after the date Laws, 2000, Chapter 459, Section 9,**
642 **is effectuated under Section 5 of the Voting Rights Act of 1965,**
643 **this section will read as follows:]**

644 21-33-519. Any municipality which has formed a special
645 local improvement taxing district under the authority of Section
646 21-33-503(1), any urban renewal agency or redevelopment authority
647 which has been delegated authority under this article, and any
648 homeowners' association representing the area in a district
649 established under Section 21-33-503(2), may accept and expend



650 contributions from any other sources and apply such contributions
651 to any of the purposes set forth in this article.

652 SECTION 11. Section 21-33-521, Mississippi Code of 1972, is
653 reenacted as follows:

654 21-33-521. Bonds issued under the provisions of this article
655 shall be legal investments for commercial banks, savings and loan
656 associations and insurance companies organized under the laws of
657 this state.

658 SECTION 12. Section 21-33-523, Mississippi Code of 1972, is
659 reenacted as follows:

660 21-33-523. This article, without reference to any statute
661 not referred to herein, shall be deemed to be full and complete
662 authority for the issuance of bonds, and shall be construed as an
663 additional and alternative method therefor, and none of the
664 present restrictions, requirements, conditions or limitations of
665 law applicable to the issuance or sale of bonds, notes or other
666 obligations by issuers in this state shall apply to the issuance
667 and sale of bonds under this article, and no proceedings shall be
668 required for the issuance of bonds other than those provided for
669 and required herein, and all powers necessary to be exercised in
670 order to carry out the provisions of this article are hereby
671 conferred.

672 SECTION 13. Section 21-33-525, Mississippi Code of 1972, is
673 reenacted as follows:

674 21-33-525. The bonds authorized by this article and the
675 income therefrom shall be exempt from all taxation in the State of
676 Mississippi.

677 SECTION 14. Section 14, Chapter 573, Laws of 1993, as
678 amended by Section 14, Chapter 502, Laws of 1998, is amended as
679 follows:

680 Section 14. This act shall take effect and be in force from
681 and after its passage and shall stand repealed July 1, 2002.



682 SECTION 15. The Attorney General of the State of Mississippi
683 shall submit this act, immediately upon approval by the Governor,
684 or upon approval by the Legislature subsequent to a veto, to the
685 Attorney General of the United States or to the United States
686 District Court for the District of Columbia in accordance with the
687 provisions of the Voting Rights Act of 1965, as amended and
688 extended.

689 SECTION 16. This act shall take effect and be in force from
690 and after the date it is effectuated under Section 5 of the Voting
691 Rights Act of 1965, as amended and extended.

