

By: Representative Clark

To: Ways and Means

HOUSE BILL NO. 20

1 AN ACT TO AMEND SECTION 57-75-5, MISSISSIPPI CODE OF 1972, TO
 2 REVISE THE DEFINITION OF THE TERM "PROJECT" UNDER THE MISSISSIPPI
 3 MAJOR ECONOMIC IMPACT ACT TO INCLUDE ANY MAJOR CAPITAL PROJECT
 4 DESIGNED TO CONSTRUCT THE INITIAL MANUFACTURING FACTORY IN HOLMES
 5 COUNTY, MISSISSIPPI AND TO CONSTRUCT THE CORPORATE HEADQUARTERS
 6 AND ADDITIONAL MANUFACTURING CAPABILITY IN THE GOLDEN TRIANGLE
 7 REGION OF THE STATE FOR ANY MISSISSIPPI CORPORATION THAT
 8 MANUFACTURES THIN FILM POLYMER LITHIUM-ION RECHARGEABLE BATTERIES
 9 AND HAS A TEN-YEAR STRATEGIC PLAN OF SUPPORTING 1,500 DIRECT
 10 PROJECT-RELATED JOBS FOR EACH GROUP OF POLYMER LITHIUM-ION
 11 RECHARGEABLE BATTERY CONTRACTS AMOUNTING TO \$40,000,000.00; TO
 12 AMEND SECTION 57-75-15, MISSISSIPPI CODE OF 1972, TO INCREASE THE
 13 AMOUNT OF BONDS THAT MAY BE ISSUED FOR CERTAIN PROJECTS UNDER THE
 14 MISSISSIPPI MAJOR ECONOMIC IMPACT ACT FROM \$20,370,000.00 TO
 15 \$29,370,000.00, AND TO REVISE THE DATE BY WHICH BONDS FOR CERTAIN
 16 PROJECTS MUST BE ISSUED; AND FOR RELATED PURPOSES.

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

18 **SECTION 1.** Section 57-75-5, Mississippi Code of 1972, is
 19 amended as follows:

20 57-75-5. Words and phrases used in this chapter shall have
 21 meanings as follows, unless the context clearly indicates a
 22 different meaning:

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 24 Act as originally enacted or as hereafter amended.

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

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

30 (d) "Facility related to the project" means and
 31 includes any of the following, as the same may pertain to the
 32 project within the project area: (i) facilities to provide
 33 potable and industrial water supply systems, sewage and waste
 34 disposal systems and water, natural gas and electric transmission



35 systems to the site of the project; (ii) airports, airfields and
36 air terminals; (iii) rail lines; (iv) port facilities; (v)
37 highways, streets and other roadways; (vi) public school
38 buildings, classrooms and instructional facilities, training
39 facilities and equipment, including any functionally related
40 facilities; (vii) parks, outdoor recreation facilities and
41 athletic facilities; (viii) auditoriums, pavilions, campgrounds,
42 art centers, cultural centers, folklore centers and other public
43 facilities; (ix) health care facilities, public or private; and
44 (x) fire protection facilities, equipment and elevated water
45 tanks.

46 (e) "Person" means any natural person, corporation,
47 association, partnership, receiver, trustee, guardian, executor,
48 administrator, fiduciary, governmental unit, public agency,
49 political subdivision, or any other group acting as a unit, and
50 the plural as well as the singular.

51 (f) "Project" means:

52 (i) Any industrial, commercial, research and
53 development, warehousing, distribution, transportation,
54 processing, mining, United States government or tourism enterprise
55 together with all real property required for construction,
56 maintenance and operation of the enterprise with an initial
57 capital investment of not less than Three Hundred Million Dollars
58 (\$300,000,000.00) from private or United States government sources
59 together with all buildings, and other supporting land and
60 facilities, structures or improvements of whatever kind required
61 or useful for construction, maintenance and operation of the
62 enterprise; or with an initial capital investment of not less than
63 One Hundred Fifty Million Dollars (\$150,000,000.00) from private
64 or United States government sources together with all buildings
65 and other supporting land and facilities, structures or
66 improvements of whatever kind required or useful for construction,
67 maintenance and operation of the enterprise and which creates at



68 least one thousand (1,000) net new full-time jobs; or which
69 creates at least one thousand (1,000) net new full-time jobs which
70 provides an average salary, excluding benefits which are not
71 subject to Mississippi income taxation, of at least one hundred
72 twenty-five percent (125%) of the most recently published average
73 annual wage of the state as determined by the Mississippi
74 Employment Security Commission. "Project" shall include any
75 addition to or expansion of an existing enterprise if such
76 addition or expansion has an initial capital investment of not
77 less than Three Hundred Million Dollars (\$300,000,000.00) from
78 private or United States government sources, or has an initial
79 capital investment of not less than One Hundred Fifty Million
80 Dollars (\$150,000,000.00) from private or United States government
81 sources together with all buildings and other supporting land and
82 facilities, structures or improvements of whatever kind required
83 or useful for construction, maintenance and operation of the
84 enterprise and which creates at least one thousand (1,000) net new
85 full-time jobs; or which creates at least one thousand (1,000) net
86 new full-time jobs which provides an average salary, excluding
87 benefits which are not subject to Mississippi income taxation, of
88 at least one hundred twenty-five percent (125%) of the most
89 recently published average annual wage of the state as determined
90 by the Mississippi Employment Security Commission. "Project"
91 shall also include any ancillary development or business resulting
92 from the enterprise, of which the authority is notified, within
93 three (3) years from the date that the enterprise entered into
94 commercial production, that the project area has been selected as
95 the site for the ancillary development or business.

96 (ii) Any major capital project designed to
97 improve, expand or otherwise enhance any active duty United States
98 Air Force or Navy training bases or naval stations, their support
99 areas or their military operations, upon designation by the
100 authority that any such base was or is at risk to be recommended



101 for closure or realignment pursuant to the Defense Base Closure
102 and Realignment Act of 1990; or any major development project
103 determined by the authority to be necessary to acquire base
104 properties and to provide employment opportunities through
105 construction of projects as defined in Section 57-3-5, which shall
106 be located on or provide direct support service or access to such
107 military installation property as such property exists on July 1,
108 1993, in the event of closure or reduction of military operations
109 at the installation. From and after July 1, 1997, projects
110 described in this subparagraph (ii) shall not be considered to be
111 within the meaning of the term "project" for purposes of this
112 section, unless such projects are commenced before July 1, 1997,
113 and shall not be eligible for any funding provided under the
114 Mississippi Major Economic Impact Act.

115 (iii) Any enterprise to be maintained, improved or
116 constructed in Tishomingo County by or for a National Aeronautics
117 and Space Administration facility in such county.

118 (iv) 1. Any major capital project with an initial
119 capital investment from private sources of not less than Seven
120 Hundred Fifty Million Dollars (\$750,000,000.00) which will create
121 at least three thousand (3,000) new direct jobs as defined in
122 Section 26, Chapter 1, Laws of 2000, Second Extraordinary Session.

123 2. "Project" shall also include any ancillary
124 development or business resulting from an enterprise operating a
125 project as defined in item 1 of this paragraph (f)(iv), of which
126 the authority is notified, within three (3) years from the date
127 that the enterprise entered into commercial production, that the
128 state has been selected as the site for the ancillary development
129 or business.

130 (v) Any major capital project designed to
131 construct the initial manufacturing factory to be located in the
132 federal empowerment zone in Holmes County, Mississippi, and to
133 construct the corporate headquarters and additional manufacturing



134 capability, to be located in the Golden Triangle Region of the
135 state, for any Mississippi corporation that * * * manufactures
136 thin film polymer lithium-ion rechargeable batteries which project
137 has * * * a ten-year strategic plan of supporting one thousand
138 five hundred (1,500) direct project-related jobs for each group of
139 polymer lithium-ion rechargeable battery contracts amounting to
140 Forty Million Dollars (\$40,000,000.00).

141 (vi) Any real property owned or controlled by the
142 National Aeronautics and Space Administration, the United States
143 government, or any agency thereof, which is legally conveyed to
144 the State of Mississippi or to the State of Mississippi for the
145 benefit of the Mississippi Major Economic Impact Authority, its
146 successors and assigns pursuant to Section 212 of Public Law
147 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

148 (vii) Any major capital project designed to
149 manufacture, produce and transmit electrical power using natural
150 gas as its primary raw material to be constructed and maintained
151 in Panola County, Mississippi, with an initial capital investment
152 of not less than Two Hundred Fifty Million Dollars
153 (\$250,000,000.00).

154 (g) "Project area" means the project site, together
155 with any area or territory within the state lying within
156 sixty-five (65) miles of any portion of the project site whether
157 or not such area or territory be contiguous; provided, however,
158 that for the project defined in paragraph (f)(iv) of this section
159 the term "project area" means any area or territory within the
160 state. The project area shall also include all territory within a
161 county if any portion of such county lies within sixty-five (65)
162 miles of any portion of the project site. "Project site" means
163 the real property on which the principal facilities of the
164 enterprise will operate.

165 (h) "Public agency" means:



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

168 (ii) Any city, town, county, political
169 subdivision, school district or other district created or existing
170 under the laws of the state or any public agency of any such city,
171 town, county, political subdivision or district or any other
172 public entity created or existing under local and private
173 legislation;

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

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

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

180 (j) "Fee-in-lieu" means a negotiated fee to be paid by
181 the project in lieu of any franchise taxes imposed on the project
182 by Chapter 13, Title 27, Mississippi Code of 1972. The
183 fee-in-lieu shall not be less than Twenty-five Thousand Dollars
184 (\$25,000.00) annually. A fee-in-lieu shall not be negotiated for
185 existing enterprises that fall within the definition of the term
186 "project."

187 **SECTION 2.** Section 57-75-15, Mississippi Code of 1972, is
188 amended as follows:

189 57-75-15. (1) Upon notification to the authority by the
190 enterprise that the state has been finally selected as the site
191 for the project, the State Bond Commission shall have the power
192 and is hereby authorized and directed, upon receipt of a
193 declaration from the authority as hereinafter provided, to borrow
194 money and issue general obligation bonds of the state in one or
195 more series for the purposes herein set out. Upon such
196 notification, the authority may thereafter from time to time
197 declare the necessity for the issuance of general obligation bonds
198 as authorized by this section and forward such declaration to the



199 State Bond Commission, provided that before such notification, the
200 authority may enter into agreements with the United States
201 government, private companies and others that will commit the
202 authority to direct the State Bond Commission to issue bonds for
203 eligible undertakings set out in subsection (4) of this section,
204 conditioned on the siting of the project in the state.

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

210 (3) (a) Bonds issued under the authority of this section
211 for projects as defined in Section 57-75-5(f)(i) shall not exceed
212 an aggregate principal amount in the sum of Seventy-two Million
213 Three Hundred Fifty Thousand Dollars (\$72,350,000.00).

214 (b) Bonds issued under the authority of this section
215 for projects as defined in Section 57-75-5(f)(ii) shall not exceed
216 Fifty Million Dollars (\$50,000,000.00), nor shall the bonds issued
217 for projects related to any single military installation exceed
218 Sixteen Million Six Hundred Sixty-seven Thousand Dollars
219 (\$16,667,000.00). If any proceeds of bonds issued for projects
220 related to the Meridian Naval Auxiliary Air Station ("NAAS") are
221 used for the development of a water and sewer service system by
222 the City of Meridian, Mississippi, to serve the NAAS and if the
223 City of Meridian annexes any of the territory served by the water
224 and sewer service system, the city shall repay the State of
225 Mississippi the amount of all bond proceeds expended on any
226 portion of the water and sewer service system project; and if
227 there are any monetary proceeds derived from the disposition of
228 any improvements located on real property in Kemper County
229 purchased pursuant to this act for projects related to the NAAS
230 and if there are any monetary proceeds derived from the
231 disposition of any timber located on real property in Kemper



232 County purchased pursuant to this act for projects related to the
233 NAAS, all of such proceeds (both from the disposition of
234 improvements and the disposition of timber) commencing July 1,
235 1996, through June 30, 2010, shall be paid to the Board of
236 Education of Kemper County, Mississippi, for expenditure by such
237 board of education to benefit the public schools of Kemper County.
238 No bonds shall be issued under this paragraph (b) until the State
239 Bond Commission by resolution adopts a finding that the issuance
240 of such bonds will improve, expand or otherwise enhance the
241 military installation, its support areas or military operations,
242 or will provide employment opportunities to replace those lost by
243 closure or reductions in operations at the military installation.
244 From and after July 1, 1997, bonds shall not be issued for any
245 projects, as defined in Section 57-75-5(f)(ii), which are not
246 commenced before July 1, 1997. The proceeds of any bonds issued
247 for projects commenced before July 1, 1997, shall be used for the
248 purposes for which the bonds were issued until completion of the
249 projects.

250 (c) Bonds issued under the authority of this section
251 for projects as defined in Section 57-75-5(f)(iii) shall not
252 exceed Ten Million Dollars (\$10,000,000.00). No bonds shall be
253 issued under this paragraph after December 31, 1996.

254 (d) Bonds issued under the authority of this section
255 for projects defined in Section 57-75-5(f)(iv) shall not exceed
256 Two Hundred Ninety-five Million Dollars (\$295,000,000.00). No
257 bonds shall be issued under this paragraph after June 30, 2003.

258 (e) Bonds issued under the authority of this section
259 for the project defined in Section 57-75-5(f)(v) shall not exceed
260 Twenty-nine Million Three Hundred Seventy Thousand Dollars
261 (\$29,370,000.00). Nine Million Dollars (\$9,000,000.00) of such
262 bonds shall be designated for the Holmes County factory described
263 in Section 57-75-5(f)(v), and Twenty Million Three Hundred Seventy
264 Thousand Dollars (\$20,370,000.00) of such bonds shall be



265 designated for the Golden Triangle facility described in Section
266 57-75-5(f)(v). No bonds shall be issued under this paragraph
267 after June 30, 2005.

268 (f) Bonds issued under the authority of this section
269 for projects defined in Section 57-75-5(f)(vii) shall not exceed
270 Twenty-six Million Dollars (\$26,000,000.00). No bonds shall be
271 issued after June 30, 2001.

272 (4) The proceeds from the sale of the bonds issued under
273 this section may be applied for the purposes of: (a) defraying
274 all or any designated portion of the costs incurred with respect
275 to acquisition, planning, design, construction, installation,
276 rehabilitation, improvement, relocation and with respect to
277 state-owned property, operation and maintenance of the project and
278 any facility related to the project located within the project
279 area, including costs of design and engineering, all costs
280 incurred to provide land, easements and rights-of-way, relocation
281 costs with respect to the project and with respect to any facility
282 related to the project located within the project area, and costs
283 associated with mitigation of environmental impacts and
284 environmental impact studies; (b) defraying the cost of providing
285 for the recruitment, screening, selection, training or retraining
286 of employees, candidates for employment or replacement employees
287 of the project and any related activity; (c) reimbursing the
288 Mississippi Development Authority for expenses it incurred in
289 regard to projects defined in Section 57-75-5(f)(iv) prior to
290 November 6, 2000. The Mississippi Development Authority shall
291 submit an itemized list of expenses it incurred in regard to such
292 projects to the Chairmen of the Finance and Appropriations
293 Committees of the Senate and the Chairmen of the Ways and Means
294 and Appropriations Committees of the House of Representatives; (d)
295 providing grants to enterprises operating projects defined in
296 Section 57-75-5(f)(iv)1; (e) paying any warranty made by the
297 authority regarding site work for a project defined in Section



298 57-75-5(f)(iv)1; (f) defraying the cost of marketing and promotion
299 of a project as defined in Section 57-75-5(f)(iv)1. The authority
300 shall submit an itemized list of costs incurred for marketing and
301 promotion of such project to the Chairmen of the Finance and
302 Appropriations Committees of the Senate and the Chairmen of the
303 Ways and Means and Appropriations Committees of the House of
304 Representatives; (g) providing for the payment of interest on the
305 bonds; (h) providing debt service reserves; and (i) paying
306 underwriters' discount, original issue discount, accountants'
307 fees, engineers' fees, attorneys' fees, rating agency fees and
308 other fees and expenses in connection with the issuance of the
309 bonds. Such bonds shall be issued from time to time and in such
310 principal amounts as shall be designated by the authority, not to
311 exceed in aggregate principal amounts the amount authorized in
312 subsection (3) of this section. Proceeds from the sale of the
313 bonds issued under this section may be invested, subject to
314 federal limitations, pending their use, in such securities as may
315 be specified in the resolution authorizing the issuance of the
316 bonds or the trust indenture securing them, and the earning on
317 such investment applied as provided in such resolution or trust
318 indenture.

319 (5) The principal of and the interest on the bonds shall be
320 payable in the manner hereinafter set forth. The bonds shall bear
321 date or dates; be in such denomination or denominations; bear
322 interest at such rate or rates; be payable at such place or places
323 within or without the state; mature absolutely at such time or
324 times; be redeemable before maturity at such time or times and
325 upon such terms, with or without premium; bear such registration
326 privileges; and be substantially in such form; all as shall be
327 determined by resolution of the State Bond Commission except that
328 such bonds shall mature or otherwise be retired in annual
329 installments beginning not more than five (5) years from the date
330 thereof and extending not more than twenty-five (25) years from



331 the date thereof. The bonds shall be signed by the Chairman of
332 the State Bond Commission, or by his facsimile signature, and the
333 official seal of the State Bond Commission shall be imprinted on
334 or affixed thereto, attested by the manual or facsimile signature
335 of the Secretary of the State Bond Commission. Whenever any such
336 bonds have been signed by the officials herein designated to sign
337 the bonds, who were in office at the time of such signing but who
338 may have ceased to be such officers before the sale and delivery
339 of such bonds, or who may not have been in office on the date such
340 bonds may bear, the signatures of such officers upon such bonds
341 shall nevertheless be valid and sufficient for all purposes and
342 have the same effect as if the person so officially signing such
343 bonds had remained in office until the delivery of the same to the
344 purchaser, or had been in office on the date such bonds may bear.

345 (6) All bonds issued under the provisions of this section
346 shall be and are hereby declared to have all the qualities and
347 incidents of negotiable instruments under the provisions of the
348 Uniform Commercial Code and in exercising the powers granted by
349 this chapter, the State Bond Commission shall not be required to
350 and need not comply with the provisions of the Uniform Commercial
351 Code.

352 (7) The State Bond Commission shall sell the bonds on sealed
353 bids at public sale, and for such price as it may determine to be
354 for the best interest of the State of Mississippi, but no such
355 sale shall be made at a price less than par plus accrued interest
356 to date of delivery of the bonds to the purchaser. The bonds
357 shall bear interest at such rate or rates not exceeding the limits
358 set forth in Section 75-17-101 as shall be fixed by the State Bond
359 Commission. All interest accruing on such bonds so issued shall
360 be payable semiannually or annually; provided that the first
361 interest payment may be for any period of not more than one (1)
362 year.



363 Notice of the sale of any bonds shall be published at least
364 one time, the first of which shall be made not less than ten (10)
365 days prior to the date of sale, and shall be so published in one
366 or more newspapers having a general circulation in the City of
367 Jackson and in one or more other newspapers or financial journals
368 with a large national circulation, to be selected by the State
369 Bond Commission.

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

375 (8) State bonds issued under the provisions of this section
376 shall be the general obligations of the state and backed by the
377 full faith and credit of the state. The Legislature shall
378 appropriate annually an amount sufficient to pay the principal of
379 and the interest on such bonds as they become due. All bonds
380 shall contain recitals on their faces substantially covering the
381 foregoing provisions of this section.

382 (9) The State Treasurer is authorized to certify to the
383 Department of Finance and Administration the necessity for
384 warrants, and the Department of Finance and Administration is
385 authorized and directed to issue such warrants payable out of any
386 funds appropriated by the Legislature under this section for such
387 purpose, in such amounts as may be necessary to pay when due the
388 principal of and interest on all bonds issued under the provisions
389 of this section. The State Treasurer shall forward the necessary
390 amount to the designated place or places of payment of such bonds
391 in ample time to discharge such bonds, or the interest thereon, on
392 the due dates thereof.

393 (10) The bonds may be issued without any other proceedings
394 or the happening of any other conditions or things other than
395 those proceedings, conditions and things which are specified or



396 required by this chapter. Any resolution providing for the
397 issuance of general obligation bonds under the provisions of this
398 section shall become effective immediately upon its adoption by
399 the State Bond Commission, and any such resolution may be adopted
400 at any regular or special meeting of the State Bond Commission by
401 a majority of its members.

402 (11) In anticipation of the issuance of bonds hereunder, the
403 State Bond Commission is authorized to negotiate and enter into
404 any purchase, loan, credit or other agreement with any bank, trust
405 company or other lending institution or to issue and sell interim
406 notes for the purpose of making any payments authorized under this
407 section. All borrowings made under this provision shall be
408 evidenced by notes of the state which shall be issued from time to
409 time, for such amounts not exceeding the amount of bonds
410 authorized herein, in such form and in such denomination and
411 subject to such terms and conditions of sale and issuance,
412 prepayment or redemption and maturity, rate or rates of interest
413 not to exceed the maximum rate authorized herein for bonds, and
414 time of payment of interest as the State Bond Commission shall
415 agree to in such agreement. Such notes shall constitute general
416 obligations of the state and shall be backed by the full faith and
417 credit of the state. Such notes may also be issued for the
418 purpose of refunding previously issued notes; except that no notes
419 shall mature more than three (3) years following the date of
420 issuance of the first note hereunder and provided further, that
421 all outstanding notes shall be retired from the proceeds of the
422 first issuance of bonds hereunder. The State Bond Commission is
423 authorized to provide for the compensation of any purchaser of the
424 notes by payment of a fixed fee or commission and for all other
425 costs and expenses of issuance and service, including paying agent
426 costs. Such costs and expenses may be paid from the proceeds of
427 the notes.



428 (12) The bonds and interim notes authorized under the
429 authority of this section may be validated in the First Judicial
430 District of the Chancery Court of Hinds County, Mississippi, in
431 the manner and with the force and effect provided now or hereafter
432 by Chapter 13, Title 31, Mississippi Code of 1972, for the
433 validation of county, municipal, school district and other bonds.
434 The necessary papers for such validation proceedings shall be
435 transmitted to the state bond attorney, and the required notice
436 shall be published in a newspaper published in the City of
437 Jackson, Mississippi.

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

444 (14) All bonds issued under this chapter shall be legal
445 investments for trustees, other fiduciaries, savings banks, trust
446 companies and insurance companies organized under the laws of the
447 State of Mississippi; and such bonds shall be legal securities
448 which may be deposited with and shall be received by all public
449 officers and bodies of the state and all municipalities and other
450 political subdivisions thereof for the purpose of securing the
451 deposit of public funds.

452 (15) The Attorney General of the State of Mississippi shall
453 represent the State Bond Commission in issuing, selling and
454 validating bonds herein provided for, and the bond commission is
455 hereby authorized and empowered to expend from the proceeds
456 derived from the sale of the bonds authorized hereunder all
457 necessary administrative, legal and other expenses incidental and
458 related to the issuance of bonds authorized under this chapter.

459 (16) There is hereby created a special fund in the State
460 Treasury to be known as the Mississippi Major Economic Impact



461 Authority Fund wherein shall be deposited the proceeds of the
462 bonds issued under this chapter and all monies received by the
463 authority to carry out the purposes of this chapter. Expenditures
464 authorized herein shall be paid by the State Treasurer upon
465 warrants drawn from the fund, and the Department of Finance and
466 Administration shall issue warrants upon requisitions signed by
467 the director of the authority.

468 (17) (a) There is hereby created the Mississippi Economic
469 Impact Authority Sinking Fund from which the principal of and
470 interest on such bonds shall be paid by appropriation. All monies
471 paid into the sinking fund not appropriated to pay accruing bonds
472 and interest shall be invested by the State Treasurer in such
473 securities as are provided by law for the investment of the
474 sinking funds of the state.

475 (b) In the event that all or any part of the bonds and
476 notes are purchased, they shall be canceled and returned to the
477 loan and transfer agent as canceled and paid bonds and notes and
478 thereafter all payments of interest thereon shall cease and the
479 canceled bonds, notes and coupons, together with any other
480 canceled bonds, notes and coupons, shall be destroyed as promptly
481 as possible after cancellation but not later than two (2) years
482 after cancellation. A certificate evidencing the destruction of
483 the canceled bonds, notes and coupons shall be provided by the
484 loan and transfer agent to the seller.

485 (c) The State Treasurer shall determine and report to
486 the Department of Finance and Administration and Legislative
487 Budget Office by September 1 of each year the amount of money
488 necessary for the payment of the principal of and interest on
489 outstanding obligations for the following fiscal year and the
490 times and amounts of the payments. It shall be the duty of the
491 Governor to include in every executive budget submitted to the
492 Legislature full information relating to the issuance of bonds and
493 notes under the provisions of this chapter and the status of the



494 sinking fund for the payment of the principal of and interest on
495 the bonds and notes.

496 **SECTION 3.** This act shall take effect and be in force from
497 and after its passage.

