

By: Representative Morris

To: Ways and Means

## HOUSE BILL NO. 1834

1 AN ACT TO AMEND SECTION 57-61-25, MISSISSIPPI CODE OF 1972,  
2 TO INCREASE FROM \$254,750,000.00 TO \$270,000,000.00, THE AGGREGATE  
3 AMOUNT OF BONDS THAT MAY BE ISSUED UNDER THE MISSISSIPPI BUSINESS  
4 INVESTMENT ACT; TO AMEND SECTION 57-61-34, MISSISSIPPI CODE OF  
5 1972, TO INCREASE FROM \$5,000,000.00 TO \$7,000,000.00, THE AMOUNT  
6 OF BOND PROCEEDS THAT THE MISSISSIPPI DEVELOPMENT AUTHORITY MAY  
7 MAKE AVAILABLE UNDER THE MISSISSIPPI BUSINESS INVESTMENT ACT AS  
8 INTEREST BEARING LOANS TO AID IN THE ESTABLISHMENT OF BUSINESS  
9 INCUBATION CENTERS AND THE CREATION OF NEW AND EXPANDING  
10 TECHNOLOGY-BASED BUSINESS AND INDUSTRY; TO AMEND SECTION 57-61-36,  
11 MISSISSIPPI CODE OF 1972, TO INCREASE FROM \$6,500,000.00 TO  
12 \$8,000,000.00, THE AMOUNT OF BOND PROCEEDS THAT THE MISSISSIPPI  
13 DEVELOPMENT AUTHORITY MAY USE UNDER THE MISSISSIPPI BUSINESS  
14 INVESTMENT ACT FOR THE PURPOSE OF MAKING GRANTS AND LOANS TO  
15 COUNTIES AND MUNICIPALITIES TO AID IN INFRASTRUCTURE RELATED  
16 IMPROVEMENTS, THE PURCHASE OF EQUIPMENT AND THE PURCHASE,  
17 CONSTRUCTION, REPAIR AND RENOVATION OF PUBLIC FACILITIES; TO  
18 EXTEND THE DATE OF REPEAL ON THE PROVISION OF LAW THAT AUTHORIZES  
19 THE MISSISSIPPI DEVELOPMENT AUTHORITY TO USE A PORTION OF THE BOND  
20 PROCEEDS UNDER THE MISSISSIPPI BUSINESS INVESTMENT ACT TO MAKE  
21 INTEREST BEARING LOANS TO CERTAIN ENTITIES THROUGH A HOUSING  
22 DEVELOPMENT REVOLVING LOAN FUND FOR LOW TO MODERATE INCOME HOUSING  
23 PURPOSES; TO AMEND SECTION 57-75-5, MISSISSIPPI CODE OF 1972, TO  
24 REVISE THE DEFINITION OF THE TERM "PROJECT" UNDER THE MISSISSIPPI  
25 MAJOR ECONOMIC IMPACT ACT TO INCLUDE ANY MAJOR CAPITAL PROJECT  
26 RELATED TO THE ESTABLISHMENT, IMPROVEMENT, EXPANSION AND/OR  
27 OTHERWISE ENHANCEMENT OF ANY ACTIVE DUTY MILITARY INSTALLATION AND  
28 HAVING A MINIMUM CAPITAL INVESTMENT FROM ANY SOURCE OR COMBINATION  
29 OF SOURCES OTHER THAN THE STATE OF MISSISSIPPI, OF AT LEAST  
30 \$40,000,000.00, AND WHICH WILL CREATE AT LEAST FIVE HUNDRED  
31 MILITARY INSTALLATION RELATED FULL-TIME JOBS, WHICH JOBS MAY BE  
32 MILITARY JOBS, CIVILIAN JOBS OR A COMBINATION OF MILITARY AND  
33 CIVILIAN JOBS; TO AMEND SECTION 57-75-15, MISSISSIPPI CODE OF  
34 1972, TO DECREASE THE AMOUNT OF BONDS THAT MAY BE ISSUED FOR  
35 CERTAIN PROJECTS UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT  
36 AND TO AUTHORIZE THE ISSUANCE OF BONDS FOR CERTAIN PROJECTS UNDER  
37 THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO AMEND SECTION  
38 69-2-19, MISSISSIPPI CODE OF 1972, TO INCREASE FROM  
39 \$102,000,000.00 TO \$123,000,000.00, THE AGGREGATE AMOUNT OF BONDS  
40 THAT MAY BE ISSUED FOR THE EMERGING CROPS FUND; TO EXTEND THE TIME  
41 WITHIN WHICH BONDS MAY BE ISSUED FOR THE EMERGING CROPS FUND; AND  
42 FOR RELATED PURPOSES.

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

44 **SECTION 1.** Section 57-61-25, Mississippi Code of 1972, is  
45 amended as follows:

46 57-61-25. (1) The seller is authorized to borrow, on the  
47 credit of the state upon receipt of a resolution from the



48 Mississippi Development Authority requesting the same, money not  
49 exceeding the aggregate sum of Two Hundred Seventy Million Dollars  
50 (\$270,000,000.00), not including money borrowed to refund  
51 outstanding bonds, notes or replacement notes, as may be necessary  
52 to carry out the purposes of this chapter. The aggregate amount  
53 of bonds issued prior to June 30, 1987, shall not exceed Fifty  
54 Million Dollars (\$50,000,000.00); provided, however, this Fifty  
55 Million Dollar (\$50,000,000.00) limitation shall not be construed  
56 to limit the aggregate amount of grants which may be awarded prior  
57 to June 30, 1987, to less than the full amount authorized under  
58 Section 57-61-15(1), Mississippi Code of 1972. The rate of  
59 interest on any such bonds or notes which are not subject to  
60 taxation shall not exceed the rates set forth in Section  
61 75-17-101, Mississippi Code of 1972, for general obligation bonds.

62 (2) As evidence of indebtedness authorized in this chapter,  
63 general or limited obligation bonds of the state shall be issued  
64 from time to time, to provide monies necessary to carry out the  
65 purposes of this chapter for such total amounts, in such form, in  
66 such denominations payable in such currencies (either domestic or  
67 foreign or both) and subject to such terms and conditions of  
68 issue, redemption and maturity, rate of interest and time of  
69 payment of interest as the seller directs, except that such bonds  
70 shall mature or otherwise be retired in annual installments  
71 beginning not more than five (5) years from date thereof and  
72 extending not more than thirty (30) years from date thereof.

73 (3) All bonds and notes issued under authority of this  
74 chapter shall be signed by the chairman of the seller, or by his  
75 facsimile signature, and the official seal of the seller shall be  
76 affixed thereto, attested by the secretary of the seller.

77 (4) All bonds and notes issued under authority of this  
78 chapter may be general or limited obligations of the state, and  
79 the full faith and credit of the State of Mississippi as to  
80 general obligation bonds, or the revenues derived from projects



81 assisted as to limited obligation bonds, are hereby pledged for  
82 the payment of the principal of and interest on such bonds and  
83 notes.

84 (5) Such bonds and notes and the income therefrom shall be  
85 exempt from all taxation in the State of Mississippi.

86 (6) The bonds may be issued as coupon bonds or registered as  
87 to both principal and interest, as the seller may determine. If  
88 interest coupons are attached, they shall contain the facsimile  
89 signature of the chairman and secretary of the seller.

90 (7) The seller is authorized to provide, by resolution, for  
91 the issuance of refunding bonds for the purpose of refunding any  
92 debt issued under the provision of this chapter and then  
93 outstanding, either by voluntary exchange with the holders of the  
94 outstanding debt or to provide funds to redeem and the costs of  
95 issuance and retirement of the debt, at maturity or at any call  
96 date. The issuance of the refunding bonds, the maturities and  
97 other details thereof, the rights of the holders thereof and the  
98 duties of the issuing officials in respect to the same shall be  
99 governed by the provisions of this section, insofar as they may be  
100 applicable.

101 (8) As to bonds issued hereunder and designated as taxable  
102 bonds by the seller, any immunity of the state to taxation by the  
103 United States government of interest on bonds or notes issued by  
104 the state is hereby waived.

105 **SECTION 2.** Section 57-61-34, Mississippi Code of 1972, is  
106 amended as follows:

107 57-61-34. Notwithstanding any provision of this chapter to  
108 the contrary, the Mississippi Development Authority shall utilize  
109 not more than Seven Million Dollars (\$7,000,000.00) out of the  
110 proceeds of bonds authorized to be issued in this chapter to be  
111 made available as interest-bearing loans to municipalities or  
112 private companies to aid in the establishment of business



113 incubation centers and the creation of new and expanding  
114 technology-based business and industry.

115 In exercising the power given it under this section, the  
116 Mississippi Development Authority shall work in conjunction with  
117 the University Research Center and may contract with the center to  
118 provide space and assistance to business incubation centers as the  
119 center is authorized to do pursuant to Section 57-13-13.

120 The requirements of Section 57-61-9 shall not apply to any  
121 loan made under this section. The Mississippi Development  
122 Authority shall establish criteria and guidelines to govern loans  
123 made pursuant to this section.

124 **SECTION 3.** Section 57-61-36, Mississippi Code of 1972, is  
125 amended as follows:

126 57-61-36. (1) Notwithstanding any provision of this chapter  
127 to the contrary, the Mississippi Development Authority shall  
128 utilize not more than Ten Million Five Hundred Thousand Dollars  
129 (\$10,500,000.00) out of the proceeds of bonds authorized to be  
130 issued in this chapter for the purpose of making grants to  
131 municipalities through a development infrastructure grant fund to  
132 complete infrastructure related to new or expanded industry.

133 (2) Notwithstanding any provision of this chapter to the  
134 contrary, the Mississippi Development Authority may utilize not  
135 more than Seven Million Dollars (\$7,000,000.00) out of the  
136 proceeds of bonds authorized to be issued in this chapter for the  
137 purpose of making interest-bearing loans to any agency,  
138 department, institution, instrumentality or political subdivision  
139 of the state; or any agency, department, institution or  
140 instrumentality of any political subdivision of the state; or any  
141 business, organization, corporation, association or other legal  
142 entity meeting criteria established by the department, through a  
143 housing development revolving loan fund, to construct or repair  
144 housing for low or moderate income earners; provided, however,  
145 that the department may not utilize any bond proceeds authorized



146 under this chapter for the purpose of making any loans to the  
147 Mississippi Home Corporation for any purpose whatsoever. No more  
148 than forty percent (40%) of the additional bonds authorized by  
149 this section in House Bill No. 1694, 1998 Regular Session [Laws,  
150 1998, Chapter 559], may be used for multiple family housing  
151 activities. Funds authorized under this subsection may be  
152 deposited in the Mississippi Affordable Housing Development Fund  
153 authorized in Section 43-33-759 and used for purposes authorized  
154 by that section. This subsection (2) shall be repealed from and  
155 after July 1, 2004.

156 (3) Notwithstanding any provision of this chapter to the  
157 contrary, the Mississippi Development Authority shall utilize not  
158 more than Eight Million Dollars (\$8,000,000.00) out of the  
159 proceeds of bonds authorized to be issued in this chapter for the  
160 purpose of making grants or loans to municipalities through an  
161 equipment and public facilities grant and loan fund to aid in  
162 infrastructure-related improvements as determined by the  
163 Mississippi Development Authority, the purchase of equipment and  
164 in the purchase, construction or repair and renovation of public  
165 facilities. Any bonds previously issued for the Development  
166 Infrastructure Revolving Loan Program which have not been loaned  
167 or applied for are eligible to be administered as grants or loans.

168 The requirements of Section 57-61-9 shall not apply to any  
169 grant made under this subsection. The Mississippi Development  
170 Authority may establish criteria and guidelines to govern grants  
171 made pursuant to this subsection.

172 (4) Notwithstanding any provision of this chapter to the  
173 contrary, the Mississippi Development Authority may utilize not  
174 more than Seven Hundred Fifty Thousand Dollars (\$750,000.00) out  
175 of the proceeds of bonds authorized to be issued in this chapter  
176 in order to match federal funds available from the United States  
177 Department of Agriculture for the purpose of establishing an  
178 intermediary relending program to be administered by the



179 Mississippi Development Authority. The Mississippi Development  
180 Authority may establish criteria and guidelines to govern loans  
181 made under such program.

182 (5) The Mississippi Development Authority may establish a  
183 capital access program and may contract with any financial  
184 institution to participate in the program upon such terms and  
185 conditions as the authority shall consider necessary and proper.  
186 The Mississippi Development Authority may establish loss reserve  
187 accounts at financial institutions that participate in the program  
188 and require payments by the financial institution and the borrower  
189 to such loss reserve accounts. All money in such loss reserve  
190 accounts is the property of the Mississippi Development Authority.

191 Under the capital access program a participating financial  
192 institution may make a loan to any borrower the Mississippi  
193 Development Authority determines to be qualified under rules and  
194 regulations adopted by the authority and be protected against  
195 losses from such loans as provided in the program. Under such  
196 rules and regulations as may be adopted by the Mississippi  
197 Development Authority, a participating financial institution may  
198 submit claims for the reimbursement for losses incurred as a  
199 result of default on loans by qualified borrowers.

200 Notwithstanding any provision of this chapter to the  
201 contrary, the Mississippi Development Authority may utilize not  
202 more than Seven Hundred Fifty Thousand Dollars (\$750,000.00) out  
203 of the proceeds of bonds authorized to be issued in this chapter  
204 for the purpose of making payments to loan loss reserve accounts  
205 established at financial institutions that participate in the  
206 capital access program established by the Mississippi Development  
207 Authority.

208 (6) Notwithstanding any provision of this chapter to the  
209 contrary, the Mississippi Development Authority shall utilize not  
210 more than Two Hundred Thousand Dollars (\$200,000.00) out of the  
211 proceeds of bonds authorized to be issued in this chapter for the



212 purpose of assisting Warren County, Mississippi, in the  
213 continuation and completion of the study for the proposed Kings  
214 Point levee.

215 **SECTION 4.** Section 57-75-5, Mississippi Code of 1972, is  
216 amended as follows:

217 57-75-5. Words and phrases used in this chapter shall have  
218 meanings as follows, unless the context clearly indicates a  
219 different meaning:

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

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

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

227 (d) "Facility related to the project" means and  
228 includes any of the following, as the same may pertain to the  
229 project within the project area: (i) facilities to provide  
230 potable and industrial water supply systems, sewage and waste  
231 disposal systems and water, natural gas and electric transmission  
232 systems to the site of the project; (ii) airports, airfields and  
233 air terminals; (iii) rail lines; (iv) port facilities; (v)  
234 highways, streets and other roadways; (vi) public school  
235 buildings, classrooms and instructional facilities, training  
236 facilities and equipment, including any functionally related  
237 facilities; (vii) parks, outdoor recreation facilities and  
238 athletic facilities; (viii) auditoriums, pavilions, campgrounds,  
239 art centers, cultural centers, folklore centers and other public  
240 facilities; (ix) health care facilities, public or private; and  
241 (x) fire protection facilities, equipment and elevated water  
242 tanks.

243 (e) "Person" means any natural person, corporation,  
244 association, partnership, receiver, trustee, guardian, executor,



245 administrator, fiduciary, governmental unit, public agency,  
246 political subdivision, or any other group acting as a unit, and  
247 the plural as well as the singular.

248 (f) "Project" means:

249 (i) Any industrial, commercial, research and  
250 development, warehousing, distribution, transportation,  
251 processing, mining, United States government or tourism enterprise  
252 together with all real property required for construction,  
253 maintenance and operation of the enterprise with an initial  
254 capital investment of not less than Three Hundred Million Dollars  
255 (\$300,000,000.00) from private or United States government sources  
256 together with all buildings, and other supporting land and  
257 facilities, structures or improvements of whatever kind required  
258 or useful for construction, maintenance and operation of the  
259 enterprise; or with an initial capital investment of not less than  
260 One Hundred Fifty Million Dollars (\$150,000,000.00) from private  
261 or United States government sources together with all buildings  
262 and other supporting land and facilities, structures or  
263 improvements of whatever kind required or useful for construction,  
264 maintenance and operation of the enterprise and which creates at  
265 least one thousand (1,000) net new full-time jobs; or which  
266 creates at least one thousand (1,000) net new full-time jobs which  
267 provides an average salary, excluding benefits which are not  
268 subject to Mississippi income taxation, of at least one hundred  
269 twenty-five percent (125%) of the most recently published average  
270 annual wage of the state as determined by the Mississippi  
271 Employment Security Commission. "Project" shall include any  
272 addition to or expansion of an existing enterprise if such  
273 addition or expansion has an initial capital investment of not  
274 less than Three Hundred Million Dollars (\$300,000,000.00) from  
275 private or United States government sources, or has an initial  
276 capital investment of not less than One Hundred Fifty Million  
277 Dollars (\$150,000,000.00) from private or United States government





278 sources together with all buildings and other supporting land and  
279 facilities, structures or improvements of whatever kind required  
280 or useful for construction, maintenance and operation of the  
281 enterprise and which creates at least one thousand (1,000) net new  
282 full-time jobs; or which creates at least one thousand (1,000) net  
283 new full-time jobs which provides an average salary, excluding  
284 benefits which are not subject to Mississippi income taxation, of  
285 at least one hundred twenty-five percent (125%) of the most  
286 recently published average annual wage of the state as determined  
287 by the Mississippi Employment Security Commission. "Project"  
288 shall also include any ancillary development or business resulting  
289 from the enterprise, of which the authority is notified, within  
290 three (3) years from the date that the enterprise entered into  
291 commercial production, that the project area has been selected as  
292 the site for the ancillary development or business.

293 (ii) Any major capital project designed to  
294 improve, expand or otherwise enhance any active duty United States  
295 Air Force or Navy training bases or naval stations, their support  
296 areas or their military operations, upon designation by the  
297 authority that any such base was or is at risk to be recommended  
298 for closure or realignment pursuant to the Defense Base Closure  
299 and Realignment Act of 1990; or any major development project  
300 determined by the authority to be necessary to acquire base  
301 properties and to provide employment opportunities through  
302 construction of projects as defined in Section 57-3-5, which shall  
303 be located on or provide direct support service or access to such  
304 military installation property as such property exists on July 1,  
305 1993, in the event of closure or reduction of military operations  
306 at the installation. From and after July 1, 1997, projects  
307 described in this subparagraph (ii) shall not be considered to be  
308 within the meaning of the term "project" for purposes of this  
309 section, unless such projects are commenced before July 1, 1997,



310 and shall not be eligible for any funding provided under the  
311 Mississippi Major Economic Impact Act.

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

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

320 2. "Project" shall also include any ancillary  
321 development or business resulting from an enterprise operating a  
322 project as defined in item 1 of this paragraph (f)(iv), of which  
323 the authority is notified, within three (3) years from the date  
324 that the enterprise entered into commercial production, that the  
325 state has been selected as the site for the ancillary development  
326 or business.

327 (v) Any major capital project designed to  
328 construct the corporate headquarters and initial factory, to be  
329 located in the Golden Triangle Region of the state, for any  
330 Mississippi corporation that develops, constructs and operates  
331 automated robotic systems to improve the quality of, and reduce  
332 the costs of, manufacturing wire harness assemblies for certain  
333 industries, or manufactures thin film polymer lithium-ion  
334 rechargeable batteries which project has a ten-year strategic plan  
335 of supporting one thousand (1,000) direct project-related jobs for  
336 each group of wire harness contracts amounting to Thirty-five  
337 Million Dollars (\$35,000,000.00), or which has a ten-year  
338 strategic plan of supporting one thousand five hundred (1,500)  
339 direct project-related jobs for each group of polymer lithium-ion  
340 rechargeable battery contracts amounting to Forty Million Dollars  
341 (\$40,000,000.00).



342 (vi) Any real property owned or controlled by the  
343 National Aeronautics and Space Administration, the United States  
344 government, or any agency thereof, which is legally conveyed to  
345 the State of Mississippi or to the State of Mississippi for the  
346 benefit of the Mississippi Major Economic Impact Authority, its  
347 successors and assigns pursuant to Section 212 of Public Law  
348 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

349 (vii) Any major capital project designed to  
350 manufacture, produce and transmit electrical power using natural  
351 gas as its primary raw material to be constructed and maintained  
352 in Panola County, Mississippi, with an initial capital investment  
353 of not less than Two Hundred Fifty Million Dollars  
354 (\$250,000,000.00).

355 (viii) Any major capital project related to the  
356 establishment, improvement, expansion and/or other enhancement of  
357 any active duty military installation and having a minimum capital  
358 investment from any source or combination of sources other than  
359 the State of Mississippi of at least Forty Million Dollars  
360 (\$40,000,000.00), and which will create at least five hundred  
361 (500) military installation related full-time jobs, which jobs may  
362 be military jobs, civilian jobs or a combination of military and  
363 civilian jobs.

364 (g) "Project area" means the project site, together  
365 with any area or territory within the state lying within  
366 sixty-five (65) miles of any portion of the project site whether  
367 or not such area or territory be contiguous; provided, however,  
368 that for the project defined in paragraph (f)(iv) of this section  
369 the term "project area" means any area or territory within the  
370 state. The project area shall also include all territory within a  
371 county if any portion of such county lies within sixty-five (65)  
372 miles of any portion of the project site. "Project site" means  
373 the real property on which the principal facilities of the  
374 enterprise will operate.



375 (h) "Public agency" means:  
376 (i) Any department, board, commission, institution  
377 or other agency or instrumentality of the state;  
378 (ii) Any city, town, county, political  
379 subdivision, school district or other district created or existing  
380 under the laws of the state or any public agency of any such city,  
381 town, county, political subdivision or district or any other  
382 public entity created or existing under local and private  
383 legislation;  
384 (iii) Any department, commission, agency or  
385 instrumentality of the United States of America; and  
386 (iv) Any other state of the United States of  
387 America which may be cooperating with respect to location of the  
388 project within the state, or any agency thereof.  
389 (i) "State" means State of Mississippi.  
390 (j) "Fee-in-lieu" means a negotiated fee to be paid by  
391 the project in lieu of any franchise taxes imposed on the project  
392 by Chapter 13, Title 27, Mississippi Code of 1972. The  
393 fee-in-lieu shall not be less than Twenty-five Thousand Dollars  
394 (\$25,000.00) annually. A fee-in-lieu shall not be negotiated for  
395 existing enterprises that fall within the definition of the term  
396 "project."

397 **SECTION 5.** Section 57-75-15, Mississippi Code of 1972, is  
398 amended as follows:

399 57-75-15. (1) Upon notification to the authority by the  
400 enterprise that the state has been finally selected as the site  
401 for the project, the State Bond Commission shall have the power  
402 and is hereby authorized and directed, upon receipt of a  
403 declaration from the authority as hereinafter provided, to borrow  
404 money and issue general obligation bonds of the state in one or  
405 more series for the purposes herein set out. Upon such  
406 notification, the authority may thereafter from time to time  
407 declare the necessity for the issuance of general obligation bonds



408 as authorized by this section and forward such declaration to the  
409 State Bond Commission, provided that before such notification, the  
410 authority may enter into agreements with the United States  
411 government, private companies and others that will commit the  
412 authority to direct the State Bond Commission to issue bonds for  
413 eligible undertakings set out in subsection (4) of this section,  
414 conditioned on the siting of the project in the state.

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

420 (3) (a) Bonds issued under the authority of this section  
421 for projects as defined in Section 57-75-5(f)(i) shall not exceed  
422 an aggregate principal amount in the sum of Sixty-seven Million  
423 Three Hundred Fifty Thousand Dollars (\$67,350,000.00).

424 (b) Bonds issued under the authority of this section  
425 for projects as defined in Section 57-75-5(f)(ii) shall not exceed  
426 Fifty Million Dollars (\$50,000,000.00), nor shall the bonds issued  
427 for projects related to any single military installation exceed  
428 Sixteen Million Six Hundred Sixty-seven Thousand Dollars  
429 (\$16,667,000.00). If any proceeds of bonds issued for projects  
430 related to the Meridian Naval Auxiliary Air Station ("NAAS") are  
431 used for the development of a water and sewer service system by  
432 the City of Meridian, Mississippi, to serve the NAAS and if the  
433 City of Meridian annexes any of the territory served by the water  
434 and sewer service system, the city shall repay the State of  
435 Mississippi the amount of all bond proceeds expended on any  
436 portion of the water and sewer service system project; and if  
437 there are any monetary proceeds derived from the disposition of  
438 any improvements located on real property in Kemper County  
439 purchased pursuant to this act for projects related to the NAAS  
440 and if there are any monetary proceeds derived from the



441 disposition of any timber located on real property in Kemper  
442 County purchased pursuant to this act for projects related to the  
443 NAAS, all of such proceeds (both from the disposition of  
444 improvements and the disposition of timber) commencing July 1,  
445 1996, through June 30, 2010, shall be paid to the Board of  
446 Education of Kemper County, Mississippi, for expenditure by such  
447 board of education to benefit the public schools of Kemper County.  
448 No bonds shall be issued under this paragraph (b) until the State  
449 Bond Commission by resolution adopts a finding that the issuance  
450 of such bonds will improve, expand or otherwise enhance the  
451 military installation, its support areas or military operations,  
452 or will provide employment opportunities to replace those lost by  
453 closure or reductions in operations at the military installation.  
454 From and after July 1, 1997, bonds shall not be issued for any  
455 projects, as defined in Section 57-75-5(f)(ii), which are not  
456 commenced before July 1, 1997. The proceeds of any bonds issued  
457 for projects commenced before July 1, 1997, shall be used for the  
458 purposes for which the bonds were issued until completion of the  
459 projects.

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

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

468 (e) Bonds issued under the authority of this section  
469 for the project defined in Section 57-75-5(f)(v) shall not exceed  
470 Twenty Million Three Hundred Seventy Thousand Dollars  
471 (\$20,370,000.00). No bonds shall be issued under this paragraph  
472 (e) until the State Bond Commission by resolution adopts a finding  
473 that the project has secured wire harness contracts or contracts



474 to manufacture thin film polymer lithium-ion rechargeable  
475 batteries, or any combination of such contracts, in the aggregate  
476 amount of Twenty Million Dollars (\$20,000,000.00), either from the  
477 United States government or the private sector. No bonds shall be  
478 issued under this paragraph after June 30, 2001.

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

483 (g) Bonds issued under the authority of this section  
484 for projects defined in Section 57-75-5(f)(viii) shall not exceed  
485 Five Million Dollars (\$5,000,000.00). No bonds shall be issued  
486 under this paragraph after June 30, 2006.

487 (4) The proceeds from the sale of the bonds issued under  
488 this section may be applied for the purposes of: (a) defraying  
489 all or any designated portion of the costs incurred with respect  
490 to acquisition, planning, design, construction, installation,  
491 rehabilitation, improvement, relocation and with respect to  
492 state-owned property, operation and maintenance of the project and  
493 any facility related to the project located within the project  
494 area, including costs of design and engineering, all costs  
495 incurred to provide land, easements and rights-of-way, relocation  
496 costs with respect to the project and with respect to any facility  
497 related to the project located within the project area, and costs  
498 associated with mitigation of environmental impacts and  
499 environmental impact studies; (b) defraying the cost of providing  
500 for the recruitment, screening, selection, training or retraining  
501 of employees, candidates for employment or replacement employees  
502 of the project and any related activity; (c) reimbursing the  
503 Mississippi Development Authority for expenses it incurred in  
504 regard to projects defined in Section 57-75-5(f)(iv) prior to  
505 November 6, 2000. The Mississippi Development Authority shall  
506 submit an itemized list of expenses it incurred in regard to such



507 projects to the Chairmen of the Finance and Appropriations  
508 Committees of the Senate and the Chairmen of the Ways and Means  
509 and Appropriations Committees of the House of Representatives; (d)  
510 providing grants to enterprises operating projects defined in  
511 Section 57-75-5(f)(iv)1; (e) paying any warranty made by the  
512 authority regarding site work for a project defined in Section  
513 57-75-5(f)(iv)1; (f) defraying the cost of marketing and promotion  
514 of a project as defined in Section 57-75-5(f)(iv)1. The authority  
515 shall submit an itemized list of costs incurred for marketing and  
516 promotion of such project to the Chairmen of the Finance and  
517 Appropriations Committees of the Senate and the Chairmen of the  
518 Ways and Means and Appropriations Committees of the House of  
519 Representatives; (g) providing for the payment of interest on the  
520 bonds; (h) providing debt service reserves; and (i) paying  
521 underwriters' discount, original issue discount, accountants'  
522 fees, engineers' fees, attorneys' fees, rating agency fees and  
523 other fees and expenses in connection with the issuance of the  
524 bonds. Such bonds shall be issued from time to time and in such  
525 principal amounts as shall be designated by the authority, not to  
526 exceed in aggregate principal amounts the amount authorized in  
527 subsection (3) of this section. Proceeds from the sale of the  
528 bonds issued under this section may be invested, subject to  
529 federal limitations, pending their use, in such securities as may  
530 be specified in the resolution authorizing the issuance of the  
531 bonds or the trust indenture securing them, and the earning on  
532 such investment applied as provided in such resolution or trust  
533 indenture.

534 (5) The principal of and the interest on the bonds shall be  
535 payable in the manner hereinafter set forth. The bonds shall bear  
536 date or dates; be in such denomination or denominations; bear  
537 interest at such rate or rates; be payable at such place or places  
538 within or without the state; mature absolutely at such time or  
539 times; be redeemable before maturity at such time or times and





540 upon such terms, with or without premium; bear such registration  
541 privileges; and be substantially in such form; all as shall be  
542 determined by resolution of the State Bond Commission except that  
543 such bonds shall mature or otherwise be retired in annual  
544 installments beginning not more than five (5) years from the date  
545 thereof and extending not more than twenty-five (25) years from  
546 the date thereof. The bonds shall be signed by the Chairman of  
547 the State Bond Commission, or by his facsimile signature, and the  
548 official seal of the State Bond Commission shall be imprinted on  
549 or affixed thereto, attested by the manual or facsimile signature  
550 of the Secretary of the State Bond Commission. Whenever any such  
551 bonds have been signed by the officials herein designated to sign  
552 the bonds, who were in office at the time of such signing but who  
553 may have ceased to be such officers before the sale and delivery  
554 of such bonds, or who may not have been in office on the date such  
555 bonds may bear, the signatures of such officers upon such bonds  
556 shall nevertheless be valid and sufficient for all purposes and  
557 have the same effect as if the person so officially signing such  
558 bonds had remained in office until the delivery of the same to the  
559 purchaser, or had been in office on the date such bonds may bear.

560 (6) All bonds issued under the provisions of this section  
561 shall be and are hereby declared to have all the qualities and  
562 incidents of negotiable instruments under the provisions of the  
563 Uniform Commercial Code and in exercising the powers granted by  
564 this chapter, the State Bond Commission shall not be required to  
565 and need not comply with the provisions of the Uniform Commercial  
566 Code.

567 (7) The State Bond Commission shall sell the bonds on sealed  
568 bids at public sale, and for such price as it may determine to be  
569 for the best interest of the State of Mississippi, but no such  
570 sale shall be made at a price less than par plus accrued interest  
571 to date of delivery of the bonds to the purchaser. The bonds  
572 shall bear interest at such rate or rates not exceeding the limits



573 set forth in Section 75-17-101 as shall be fixed by the State Bond  
574 Commission. All interest accruing on such bonds so issued shall  
575 be payable semiannually or annually; provided that the first  
576 interest payment may be for any period of not more than one (1)  
577 year.

578 Notice of the sale of any bonds shall be published at least  
579 one time, the first of which shall be made not less than ten (10)  
580 days prior to the date of sale, and shall be so published in one  
581 or more newspapers having a general circulation in the City of  
582 Jackson and in one or more other newspapers or financial journals  
583 with a large national circulation, to be selected by the State  
584 Bond Commission.

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

590 (8) State bonds issued under the provisions of this section  
591 shall be the general obligations of the state and backed by the  
592 full faith and credit of the state. The Legislature shall  
593 appropriate annually an amount sufficient to pay the principal of  
594 and the interest on such bonds as they become due. All bonds  
595 shall contain recitals on their faces substantially covering the  
596 foregoing provisions of this section.

597 (9) The State Treasurer is authorized to certify to the  
598 Department of Finance and Administration the necessity for  
599 warrants, and the Department of Finance and Administration is  
600 authorized and directed to issue such warrants payable out of any  
601 funds appropriated by the Legislature under this section for such  
602 purpose, in such amounts as may be necessary to pay when due the  
603 principal of and interest on all bonds issued under the provisions  
604 of this section. The State Treasurer shall forward the necessary  
605 amount to the designated place or places of payment of such bonds



606 in ample time to discharge such bonds, or the interest thereon, on  
607 the due dates thereof.

608 (10) The bonds may be issued without any other proceedings  
609 or the happening of any other conditions or things other than  
610 those proceedings, conditions and things which are specified or  
611 required by this chapter. Any resolution providing for the  
612 issuance of general obligation bonds under the provisions of this  
613 section shall become effective immediately upon its adoption by  
614 the State Bond Commission, and any such resolution may be adopted  
615 at any regular or special meeting of the State Bond Commission by  
616 a majority of its members.

617 (11) In anticipation of the issuance of bonds hereunder, the  
618 State Bond Commission is authorized to negotiate and enter into  
619 any purchase, loan, credit or other agreement with any bank, trust  
620 company or other lending institution or to issue and sell interim  
621 notes for the purpose of making any payments authorized under this  
622 section. All borrowings made under this provision shall be  
623 evidenced by notes of the state which shall be issued from time to  
624 time, for such amounts not exceeding the amount of bonds  
625 authorized herein, in such form and in such denomination and  
626 subject to such terms and conditions of sale and issuance,  
627 prepayment or redemption and maturity, rate or rates of interest  
628 not to exceed the maximum rate authorized herein for bonds, and  
629 time of payment of interest as the State Bond Commission shall  
630 agree to in such agreement. Such notes shall constitute general  
631 obligations of the state and shall be backed by the full faith and  
632 credit of the state. Such notes may also be issued for the  
633 purpose of refunding previously issued notes; except that no notes  
634 shall mature more than three (3) years following the date of  
635 issuance of the first note hereunder and provided further, that  
636 all outstanding notes shall be retired from the proceeds of the  
637 first issuance of bonds hereunder. The State Bond Commission is  
638 authorized to provide for the compensation of any purchaser of the



639 notes by payment of a fixed fee or commission and for all other  
640 costs and expenses of issuance and service, including paying agent  
641 costs. Such costs and expenses may be paid from the proceeds of  
642 the notes.

643 (12) The bonds and interim notes authorized under the  
644 authority of this section may be validated in the First Judicial  
645 District of the Chancery Court of Hinds County, Mississippi, in  
646 the manner and with the force and effect provided now or hereafter  
647 by Chapter 13, Title 31, Mississippi Code of 1972, for the  
648 validation of county, municipal, school district and other bonds.  
649 The necessary papers for such validation proceedings shall be  
650 transmitted to the state bond attorney, and the required notice  
651 shall be published in a newspaper published in the City of  
652 Jackson, Mississippi.

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

659 (14) All bonds issued under this chapter shall be legal  
660 investments for trustees, other fiduciaries, savings banks, trust  
661 companies and insurance companies organized under the laws of the  
662 State of Mississippi; and such bonds shall be legal securities  
663 which may be deposited with and shall be received by all public  
664 officers and bodies of the state and all municipalities and other  
665 political subdivisions thereof for the purpose of securing the  
666 deposit of public funds.

667 (15) The Attorney General of the State of Mississippi shall  
668 represent the State Bond Commission in issuing, selling and  
669 validating bonds herein provided for, and the Bond Commission is  
670 hereby authorized and empowered to expend from the proceeds  
671 derived from the sale of the bonds authorized hereunder all



672 necessary administrative, legal and other expenses incidental and  
673 related to the issuance of bonds authorized under this chapter.

674 (16) There is hereby created a special fund in the State  
675 Treasury to be known as the Mississippi Major Economic Impact  
676 Authority Fund wherein shall be deposited the proceeds of the  
677 bonds issued under this chapter and all monies received by the  
678 authority to carry out the purposes of this chapter. Expenditures  
679 authorized herein shall be paid by the State Treasurer upon  
680 warrants drawn from the fund, and the Department of Finance and  
681 Administration shall issue warrants upon requisitions signed by  
682 the director of the authority.

683 (17) (a) There is hereby created the Mississippi Economic  
684 Impact Authority Sinking Fund from which the principal of and  
685 interest on such bonds shall be paid by appropriation. All monies  
686 paid into the sinking fund not appropriated to pay accruing bonds  
687 and interest shall be invested by the State Treasurer in such  
688 securities as are provided by law for the investment of the  
689 sinking funds of the state.

690 (b) In the event that all or any part of the bonds and  
691 notes are purchased, they shall be canceled and returned to the  
692 loan and transfer agent as canceled and paid bonds and notes and  
693 thereafter all payments of interest thereon shall cease and the  
694 canceled bonds, notes and coupons, together with any other  
695 canceled bonds, notes and coupons, shall be destroyed as promptly  
696 as possible after cancellation but not later than two (2) years  
697 after cancellation. A certificate evidencing the destruction of  
698 the canceled bonds, notes and coupons shall be provided by the  
699 loan and transfer agent to the seller.

700 (c) The State Treasurer shall determine and report to  
701 the Department of Finance and Administration and Legislative  
702 Budget Office by September 1 of each year the amount of money  
703 necessary for the payment of the principal of and interest on  
704 outstanding obligations for the following fiscal year and the



705 times and amounts of the payments. It shall be the duty of the  
706 Governor to include in every executive budget submitted to the  
707 Legislature full information relating to the issuance of bonds and  
708 notes under the provisions of this chapter and the status of the  
709 sinking fund for the payment of the principal of and interest on  
710 the bonds and notes.

711 **SECTION 6.** Section 69-2-19, Mississippi Code of 1972, is  
712 amended as follows:

713 69-2-19. The Mississippi Development Authority is  
714 authorized, at one (1) time or from time to time, to declare by  
715 resolution the necessity for issuance of negotiable general  
716 obligation bonds of the State of Mississippi to provide funds for  
717 the Emerging Crops Fund established in Section 69-2-13. Upon the  
718 adoption of a resolution by the board, declaring the necessity for  
719 the issuance of any part or all of the general obligation bonds  
720 authorized by Sections 69-2-19 through 69-2-39, the authority  
721 shall deliver a certified copy of its resolution or resolutions to  
722 the State Bond Commission. Upon receipt of same, the State Bond  
723 Commission, in its discretion, shall act as the issuing agent,  
724 prescribe the form of the bonds, advertise for and accept bids,  
725 issue and sell the bonds so authorized to be sold, and do any and  
726 all other things necessary and advisable in connection with the  
727 issuance and sale of such bonds. The amount of bonds issued under  
728 Sections 69-2-19 through 69-2-39 shall not exceed One Hundred  
729 Twenty-three Million Dollars (\$123,000,000.00) in the aggregate.  
730 No bonds may be issued under Sections 69-2-19 through 69-2-39  
731 after October 1, 2004.

732 **SECTION 7.** This act shall take effect and be in force from  
733 and after its passage.

