

By: Representatives McCoy,
Morris, Smith (39th)

To: Ways and Means

HOUSE BILL NO. 1

1 AN ACT TO AMEND SECTION 57-75-5, MISSISSIPPI CODE OF 1972, TO
2 REVISE THE DEFINITION OF THE TERM "PROJECT" FOR PURPOSES OF THE
3 MISSISSIPPI MAJOR ECONOMIC IMPACT ACT TO REVISE THE TYPE OF JOBS
4 THAT MAY BE CONSIDERED IN DETERMINING WHETHER A PROJECT MEETS THE
5 MINIMUM JOBS REQUIREMENT FOR CERTAIN PROJECTS UNDER SUCH ACT; TO
6 AUTHORIZE A FEE-IN-LIEU OF FRANCHISE TAXES TO BE NEGOTIATED BY THE
7 MISSISSIPPI MAJOR ECONOMIC IMPACT AUTHORITY WITH ENTERPRISES
8 OPERATING CERTAIN EXISTING PROJECTS; TO AMEND SECTION 57-75-11,
9 MISSISSIPPI CODE OF 1972, TO INCREASE THE AGGREGATE AMOUNT OF
10 CONTRACTS OR AGREEMENTS THAT THE MISSISSIPPI MAJOR ECONOMIC IMPACT
11 AUTHORITY MAY ENTER INTO TO WARRANT SITE WORK AT CERTAIN PROJECTS
12 FROM \$10,000,000.00 TO \$15,000,000.00; TO INCREASE THE AMOUNT
13 AUTHORIZED FOR GRANTS TO ENTERPRISES OPERATING CERTAIN PROJECTS
14 FROM \$17,000,000.00 TO \$39,000,000.00; TO AUTHORIZE THE
15 MISSISSIPPI MAJOR ECONOMIC IMPACT AUTHORITY TO OWN CERTAIN SURFACE
16 WATER TRANSMISSION LINES AND LEASE SUCH SURFACE WATER TRANSMISSION
17 LINES TO PUBLIC AGENCIES OR UTILITIES; TO AMEND SECTION 57-75-15,
18 MISSISSIPPI CODE OF 1972, TO INCREASE THE AMOUNT OF BONDS THAT MAY
19 BE ISSUED UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT FOR
20 CERTAIN PROJECTS FROM \$295,000,000.00 TO \$351,000,000.00 AND TO
21 PROVIDE FOR THE ISSUANCE OF ADDITIONAL BONDS IN THE AMOUNT OF
22 \$12,500,000.00 FOR THE PURPOSE OF DEFRAYING THE COST OF
23 CONSTRUCTION OF SURFACE WATER TRANSMISSION LINES FOR SUCH PROJECTS
24 OR FOR ANY FACILITY RELATED TO THE PROJECTS; TO AMEND SECTION
25 27-7-312, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT WITHHOLDING
26 TAXES MAY BE COLLECTED FROM ALL NEW DIRECT JOBS OF A QUALIFIED
27 BUSINESS INDUSTRY UNDER THE MISSISSIPPI ADVANTAGE JOBS ACT AND
28 DEPOSITED INTO THE MISSISSIPPI JOBS INCENTIVE PAYMENT FUND IN THE
29 AMOUNT NECESSARY TO MAKE INCENTIVE PAYMENTS TO THE QUALIFIED
30 BUSINESS OR INDUSTRY; TO REQUIRE THE GOVERNOR TO DIRECT THAT A
31 PORTION OF FUNDS AVAILABLE TO THE STATE OF MISSISSIPPI UNDER THE
32 WORKFORCE INVESTMENT ACT OF 1998, OR ANY OTHER FEDERAL MONIES
33 AVAILABLE FOR SIMILAR PURPOSES, WHICH HAVE NOT OTHERWISE BEEN
34 COMMITTED, WILL BE USED FOR THE PURPOSE OF PROVIDING WORKFORCE
35 TRAINING RELATED TO CERTAIN PROJECTS UNDER THE MISSISSIPPI MAJOR
36 ECONOMIC IMPACT ACT; AND FOR RELATED PURPOSES.

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

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

40 57-75-5. Words and phrases used in this chapter shall have
41 meanings as follows, unless the context clearly indicates a
42 different meaning:

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

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

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

50 (d) "Facility related to the project" means and
51 includes any of the following, as the same may pertain to the
52 project within the project area: (i) facilities to provide
53 potable and industrial water supply systems, sewage and waste
54 disposal systems and water, natural gas and electric transmission
55 systems to the site of the project; (ii) airports, airfields and
56 air terminals; (iii) rail lines; (iv) port facilities; (v)
57 highways, streets and other roadways; (vi) public school
58 buildings, classrooms and instructional facilities, training
59 facilities and equipment, including any functionally related
60 facilities; (vii) parks, outdoor recreation facilities and
61 athletic facilities; (viii) auditoriums, pavilions, campgrounds,
62 art centers, cultural centers, folklore centers and other public
63 facilities; (ix) health care facilities, public or private; and
64 (x) fire protection facilities, equipment and elevated water
65 tanks.

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

71 (f) "Project" means:

72 (i) Any industrial, commercial, research and
73 development, warehousing, distribution, transportation,
74 processing, mining, United States government or tourism enterprise
75 together with all real property required for construction,
76 maintenance and operation of the enterprise with an initial
77 capital investment of not less than Three Hundred Million Dollars

78 (\$300,000,000.00) from private or United States government sources
79 together with all buildings, and other supporting land and
80 facilities, structures or improvements of whatever kind required
81 or useful for construction, maintenance and operation of the
82 enterprise; or with an initial capital investment of not less than
83 One Hundred Fifty Million Dollars (\$150,000,000.00) from private
84 or United States government sources together with all buildings
85 and other supporting land and facilities, structures or
86 improvements of whatever kind required or useful for construction,
87 maintenance and operation of the enterprise and which creates at
88 least one thousand (1,000) net new full-time jobs; or which
89 creates at least one thousand (1,000) net new full-time jobs which
90 provides an average salary, excluding benefits which are not
91 subject to Mississippi income taxation, of at least one hundred
92 twenty-five percent (125%) of the most recently published average
93 annual wage of the state as determined by the Mississippi
94 Employment Security Commission. "Project" shall include any
95 addition to or expansion of an existing enterprise if such
96 addition or expansion has an initial capital investment of not
97 less than Three Hundred Million Dollars (\$300,000,000.00) from
98 private or United States government sources, or has an initial
99 capital investment of not less than One Hundred Fifty Million
100 Dollars (\$150,000,000.00) from private or United States government
101 sources together with all buildings and other supporting land and
102 facilities, structures or improvements of whatever kind required
103 or useful for construction, maintenance and operation of the
104 enterprise and which creates at least one thousand (1,000) net new
105 full-time jobs; or which creates at least one thousand (1,000) net
106 new full-time jobs which provides an average salary, excluding
107 benefits which are not subject to Mississippi income taxation, of
108 at least one hundred twenty-five percent (125%) of the most
109 recently published average annual wage of the state as determined
110 by the Mississippi Employment Security Commission. "Project"

111 shall also include any ancillary development or business resulting
112 from the enterprise, of which the authority is notified, within
113 three (3) years from the date that the enterprise entered into
114 commercial production, that the project area has been selected as
115 the site for the ancillary development or business.

116 (ii) Any major capital project designed to
117 improve, expand or otherwise enhance any active duty United States
118 Air Force or Navy training bases or naval stations, their support
119 areas or their military operations, upon designation by the
120 authority that any such base was or is at risk to be recommended
121 for closure or realignment pursuant to the Defense Base Closure
122 and Realignment Act of 1990; or any major development project
123 determined by the authority to be necessary to acquire base
124 properties and to provide employment opportunities through
125 construction of projects as defined in Section 57-3-5, which shall
126 be located on or provide direct support service or access to such
127 military installation property as such property exists on July 1,
128 1993, in the event of closure or reduction of military operations
129 at the installation. From and after July 1, 1997, projects
130 described in this subparagraph (ii) shall not be considered to be
131 within the meaning of the term "project" for purposes of this
132 section, unless such projects are commenced before July 1, 1997,
133 and shall not be eligible for any funding provided under the
134 Mississippi Major Economic Impact Act.

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

138 (iv) 1. Any major capital project with an initial
139 capital investment from private sources of not less than Seven
140 Hundred Fifty Million Dollars (\$750,000,000.00) which will create
141 at least three thousand (3,000) jobs meeting criteria established
142 by the Mississippi Development Authority.

143 2. "Project" shall also include any ancillary
144 development or business resulting from an enterprise operating a
145 project as defined in item 1 of this paragraph (f)(iv), of which
146 the authority is notified, within three (3) years from the date
147 that the enterprise entered into commercial production, that the
148 state has been selected as the site for the ancillary development
149 or business.

150 (v) Any major capital project designed to
151 construct the corporate headquarters and initial factory, to be
152 located in the Golden Triangle Region of the state, for any
153 Mississippi corporation that develops, constructs and operates
154 automated robotic systems to improve the quality of, and reduce
155 the costs of, manufacturing wire harness assemblies for certain
156 industries, or manufactures thin film polymer lithium-ion
157 rechargeable batteries which project has a ten-year strategic plan
158 of supporting one thousand (1,000) direct project-related jobs for
159 each group of wire harness contracts amounting to Thirty-five
160 Million Dollars (\$35,000,000.00), or which has a ten-year
161 strategic plan of supporting one thousand five hundred (1,500)
162 direct project-related jobs for each group of polymer lithium-ion
163 rechargeable battery contracts amounting to Forty Million Dollars
164 (\$40,000,000.00).

165 (vi) Any real property owned or controlled by the
166 National Aeronautics and Space Administration, the United States
167 government, or any agency thereof, which is legally conveyed to
168 the State of Mississippi or to the State of Mississippi for the
169 benefit of the Mississippi Major Economic Impact Authority, its
170 successors and assigns pursuant to Section 212 of Public Law
171 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

172 (vii) Any major capital project designed to
173 manufacture, produce and transmit electrical power using natural
174 gas as its primary raw material to be constructed and maintained
175 in Panola County, Mississippi, with an initial capital investment

176 of not less than Two Hundred Fifty Million Dollars
177 (\$250,000,000.00).

178 (viii) Any major capital project related to the
179 establishment, improvement, expansion and/or other enhancement of
180 any active duty military installation and having a minimum capital
181 investment from any source or combination of sources other than
182 the State of Mississippi of at least Forty Million Dollars
183 (\$40,000,000.00), and which will create at least five hundred
184 (500) military installation related full-time jobs, which jobs may
185 be military jobs, civilian jobs or a combination of military and
186 civilian jobs.

187 (g) "Project area" means the project site, together
188 with any area or territory within the state lying within
189 sixty-five (65) miles of any portion of the project site whether
190 or not such area or territory be contiguous; provided, however,
191 that for the project defined in paragraph (f)(iv) of this section
192 the term "project area" means any area or territory within the
193 state. The project area shall also include all territory within a
194 county if any portion of such county lies within sixty-five (65)
195 miles of any portion of the project site. "Project site" means
196 the real property on which the principal facilities of the
197 enterprise will operate.

198 (h) "Public agency" means:

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

201 (ii) Any city, town, county, political
202 subdivision, school district or other district created or existing
203 under the laws of the state or any public agency of any such city,
204 town, county, political subdivision or district or any other
205 public entity created or existing under local and private
206 legislation;

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

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

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

213 (j) "Fee-in-lieu" means a negotiated fee to be paid by
214 the project in lieu of any franchise taxes imposed on the project
215 by Chapter 13, Title 27, Mississippi Code of 1972. The
216 fee-in-lieu shall not be less than Twenty-five Thousand Dollars
217 (\$25,000.00) annually. A fee-in-lieu may be negotiated with an
218 enterprise operating an existing project defined in Section
219 57-75-5(f)(iv)1; however, a fee-in-lieu shall not be negotiated
220 for other existing enterprises that fall within the definition of
221 the term "project."

222 **SECTION 2.** Section 57-75-11, Mississippi Code of 1972, is
223 amended as follows:

224 57-75-11. The authority, in addition to any and all powers
225 now or hereafter granted to it, is empowered and shall exercise
226 discretion and the use of these powers depending on the
227 circumstances of the project or projects:

228 (a) To maintain an office at a place or places within
229 the state.

230 (b) To employ or contract with architects, engineers,
231 attorneys, accountants, construction and financial experts and
232 such other advisors, consultants and agents as may be necessary in
233 its judgment and to fix and pay their compensation.

234 (c) To make such applications and enter into such
235 contracts for financial assistance as may be appropriate under
236 applicable federal or state law.

237 (d) To apply for, accept and utilize grants, gifts and
238 other funds or aid from any source for any purpose contemplated by
239 the act, and to comply, subject to the provisions of this act,
240 with the terms and conditions thereof.

241 (e) (i) To acquire by purchase, lease, gift, or in
242 other manner, including quick-take eminent domain, or obtain
243 options to acquire, and to own, maintain, use, operate and convey
244 any and all property of any kind, real, personal, or mixed, or any
245 interest or estate therein, within the project area, necessary for
246 the project or any facility related to the project. The
247 provisions of this paragraph that allow the acquisition of
248 property by quick-take eminent domain shall be repealed by
249 operation of law on July 1, 1994; and

250 (ii) Notwithstanding any other provision of this
251 paragraph (e), from and after November 6, 2000, to exercise the
252 right of immediate possession pursuant to the provisions of
253 Sections 11-27-81 through 11-27-89 for the purpose of acquiring
254 land, property and/or rights-of-way in the county in which a
255 project as defined in Section 57-75-5(f)(iv)1 is located, that are
256 necessary for such project or any facility related to the project.

257 (f) To acquire by purchase or lease any public lands
258 and public property, including sixteenth section lands and lieu
259 lands, within the project area, which are necessary for the
260 project. Sixteenth section lands or lieu lands acquired under
261 this act shall be deemed to be acquired for the purposes of
262 industrial development thereon and such acquisition will serve a
263 higher public interest in accordance with the purposes of this
264 act.

265 (g) If the authority identifies any land owned by the
266 state as being necessary, for the location or use of the project,
267 or any facility related to the project, to recommend to the
268 Legislature the conveyance of such land or any interest therein,
269 as the Legislature deems appropriate.

270 (h) To make or cause to be made such examinations and
271 surveys as may be necessary to the planning, design, construction
272 and operation of the project.

273 (i) From and after the date of notification to the
274 authority by the enterprise that the state has been finally
275 selected as the site of the project, to acquire by condemnation
276 and to own, maintain, use, operate and convey or otherwise dispose
277 of any and all property of any kind, real, personal or mixed, or
278 any interest or estate therein, within the project area, necessary
279 for the project or any facility related to the project, with the
280 concurrence of the affected public agency, and the exercise of the
281 powers granted by this act, according to the procedures provided
282 by Chapter 27, Title 11, Mississippi Code of 1972, except as
283 modified by this act.

284 (i) Except as otherwise provided in subparagraph
285 (iii) of this paragraph (i), in acquiring lands by condemnation,
286 the authority shall not acquire minerals or royalties in minerals
287 unless a competent registered professional engineer shall have
288 certified that the acquisition of such minerals and royalties in
289 minerals is necessary for purposes of the project; provided that
290 limestone, clay, chalk, sand and gravel shall not be considered as
291 minerals for the purposes of subparagraphs (i) and (ii) of this
292 paragraph (i);

293 (ii) Unless minerals or royalties in minerals have
294 been acquired by condemnation or otherwise, no person or persons
295 owning the drilling rights or the right to share in production of
296 minerals shall be prevented from exploring, developing, or
297 producing oil or gas with necessary rights-of-way for ingress and
298 egress, pipelines and other means of transporting interests on any
299 land or interest therein of the authority held or used for the
300 purposes of this act; but any such activities shall be under such
301 reasonable regulation by the authority as will adequately protect
302 the project contemplated by this act as provided in paragraph (r)
303 of this section; and

304 (iii) In acquiring lands by condemnation,
305 including the exercise of immediate possession, for a project, as

306 defined in Section 57-75-5(f)(iv)1, the authority may acquire
307 minerals or royalties in minerals.

308 (j) To negotiate the necessary relocation or rerouting
309 of roads and highways, railroad, telephone and telegraph lines and
310 properties, electric power lines, pipelines and related
311 facilities, or to require the anchoring or other protection of any
312 of these, provided due compensation is paid to the owners thereof
313 or agreement is had with such owners regarding the payment of the
314 cost of such relocation, and to acquire by condemnation or
315 otherwise easements or rights-of-way for such relocation or
316 rerouting and to convey the same to the owners of the facilities
317 being relocated or rerouted in connection with the purposes of
318 this act.

319 (k) To negotiate the necessary relocation of graves and
320 cemeteries and to pay all reasonable costs thereof.

321 (l) To perform or have performed any and all acts and
322 make all payments necessary to comply with all applicable federal
323 laws, rules or regulations including, but not limited to, the
324 Uniform Relocation Assistance and Real Property Acquisition
325 Policies Act of 1970 (42 USCS 4601, 4602, 4621 to 4638, and 4651
326 to 4655) and relocation rules and regulations promulgated by any
327 agency or department of the federal government.

328 (m) To construct, extend, improve, maintain, and
329 reconstruct, to cause to be constructed, extended, improved,
330 maintained, and reconstructed, and to use and operate any and all
331 components of the project or any facility related to the project,
332 with the concurrence of the affected public agency, within the
333 project area, necessary to the project and to the exercise of such
334 powers, rights, and privileges granted the authority.

335 (n) To incur or defray any designated portion of the
336 cost of any component of the project or any facility related to
337 the project acquired or constructed by any public agency.

338 (o) To lease, sell or convey any or all property
339 acquired by the authority under the provisions of this act to the
340 enterprise, its successors or assigns, and in connection therewith
341 to pay the costs of title search, perfection of title, title
342 insurance and recording fees as may be required. The authority
343 may provide in the instrument conveying such property a provision
344 that such property shall revert to the authority if, as and when
345 the property is declared by the enterprise to be no longer needed.

346 (p) To enter into contracts with any person or public
347 agency, including, but not limited to, contracts authorized by
348 Section 57-75-17, in furtherance of any of the purposes authorized
349 by this act upon such consideration as the authority and such
350 person or public agency may agree. Any such contract may extend
351 over any period of time, notwithstanding any rule of law to the
352 contrary, may be upon such terms as the parties thereto shall
353 agree, and may provide that it shall continue in effect until
354 bonds specified therein, refunding bonds issued in lieu of such
355 bonds, and all other obligations specified therein are paid or
356 terminated. Any such contract shall be binding upon the parties
357 thereto according to its terms. Such contracts may include an
358 agreement to reimburse the enterprise, its successors and assigns
359 for any assistance provided by the enterprise in the acquisition
360 of real property for the project or any facility related to the
361 project.

362 (q) To establish and maintain reasonable rates and
363 charges for the use of any facility within the project area owned
364 or operated by the authority, and from time to time to adjust such
365 rates and to impose penalties for failure to pay such rates and
366 charges when due.

367 (r) To adopt and enforce with the concurrence of the
368 affected public agency all necessary and reasonable rules and
369 regulations to carry out and effectuate the implementation of the
370 project and any land use plan or zoning classification adopted for

371 the project area, including, but not limited to, rules,
372 regulations, and restrictions concerning mining, construction,
373 excavation or any other activity the occurrence of which may
374 endanger the structure or operation of the project. Such rules
375 may be enforced within the project area and without the project
376 area as necessary to protect the structure and operation of the
377 project. The authority is authorized to plan or replan, zone or
378 rezone, and make exceptions to any regulations, whether local or
379 state, with the concurrence of the affected public agency which
380 are inconsistent with the design, planning, construction or
381 operation of the project and facilities related to the project.

382 (s) To plan, design, coordinate and implement measures
383 and programs to mitigate impacts on the natural environment caused
384 by the project or any facility related to the project.

385 (t) To develop plans for technology transfer activities
386 to ensure private sector conduits for exchange of information,
387 technology and expertise related to the project to generate
388 opportunities for commercial development within the state.

389 (u) To consult with the State Department of Education
390 and other public agencies for the purpose of improving public
391 schools and curricula within the project area.

392 (v) To consult with the State Board of Health and other
393 public agencies for the purpose of improving medical centers,
394 hospitals and public health centers in order to provide
395 appropriate health care facilities within the project area.

396 (w) To consult with the Office of Minority Business
397 Enterprise Development and other public agencies for the purpose
398 of developing plans for technical assistance and loan programs to
399 maximize the economic impact related to the project for minority
400 business enterprises within the State of Mississippi.

401 (x) To deposit into the "Yellow Creek Project Area
402 Fund" created pursuant to Section 57-75-31:

403 (i) Any funds or aid received as authorized in
404 this section for the project described in Section 57-75-5(f)(vi),
405 and

406 (ii) Any funds received from the sale or lease of
407 property from the project described in Section 57-75-5(f)(vi)
408 pursuant to the powers exercised under this section.

409 (y) To manage and develop the project described in
410 Section 57-75-5(f)(vi).

411 (z) To promulgate rules and regulations necessary to
412 effectuate the purposes of this act.

413 (aa) To negotiate a fee-in-lieu with the owners of the
414 project.

415 (bb) To enter into contractual agreements to warrant
416 any site work for a project defined in Section 57-75-5(f)(iv)1;
417 provided, however, that the aggregate amount of * * * such
418 warranties shall not exceed Fifteen Million Dollars
419 (\$15,000,000.00).

420 (cc) To provide grant funds to an enterprise operating
421 a project defined in Section 57-75-5(f)(iv)1 in an amount not to
422 exceed Thirty-nine Million Dollars (\$39,000,000.00).

423 (dd) (i) To own surface water transmission lines
424 constructed with the proceeds of bonds issued pursuant to this act
425 that may be utilized to provide water to any project defined in
426 Section 57-75-5(f)(iv) and other consumers; and

427 (ii) To lease such surface water transmission
428 lines to a public agency or public utility to provide water to the
429 project and other consumers.

430 **SECTION 3.** Section 57-75-15, Mississippi Code of 1972, is
431 amended as follows:

432 57-75-15. (1) Upon notification to the authority by the
433 enterprise that the state has been finally selected as the site
434 for the project, the State Bond Commission shall have the power
435 and is hereby authorized and directed, upon receipt of a

436 declaration from the authority as hereinafter provided, to borrow
437 money and issue general obligation bonds of the state in one or
438 more series for the purposes herein set out. Upon such
439 notification, the authority may thereafter from time to time
440 declare the necessity for the issuance of general obligation bonds
441 as authorized by this section and forward such declaration to the
442 State Bond Commission, provided that before such notification, the
443 authority may enter into agreements with the United States
444 government, private companies and others that will commit the
445 authority to direct the State Bond Commission to issue bonds for
446 eligible undertakings set out in subsection (4) of this section,
447 conditioned on the siting of the project in the state.

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

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

457 (b) Bonds issued under the authority of this section
458 for projects as defined in Section 57-75-5(f)(ii) shall not exceed
459 Fifty Million Dollars (\$50,000,000.00), nor shall the bonds issued
460 for projects related to any single military installation exceed
461 Sixteen Million Six Hundred Sixty-seven Thousand Dollars
462 (\$16,667,000.00). If any proceeds of bonds issued for projects
463 related to the Meridian Naval Auxiliary Air Station ("NAAS") are
464 used for the development of a water and sewer service system by
465 the City of Meridian, Mississippi, to serve the NAAS and if the
466 City of Meridian annexes any of the territory served by the water
467 and sewer service system, the city shall repay the State of
468 Mississippi the amount of all bond proceeds expended on any

469 portion of the water and sewer service system project; and if
470 there are any monetary proceeds derived from the disposition of
471 any improvements located on real property in Kemper County
472 purchased pursuant to this act for projects related to the NAAS
473 and if there are any monetary proceeds derived from the
474 disposition of any timber located on real property in Kemper
475 County purchased pursuant to this act for projects related to the
476 NAAS, all of such proceeds (both from the disposition of
477 improvements and the disposition of timber) commencing July 1,
478 1996, through June 30, 2010, shall be paid to the Board of
479 Education of Kemper County, Mississippi, for expenditure by such
480 board of education to benefit the public schools of Kemper County.
481 No bonds shall be issued under this paragraph (b) until the State
482 Bond Commission by resolution adopts a finding that the issuance
483 of such bonds will improve, expand or otherwise enhance the
484 military installation, its support areas or military operations,
485 or will provide employment opportunities to replace those lost by
486 closure or reductions in operations at the military installation.
487 From and after July 1, 1997, bonds shall not be issued for any
488 projects, as defined in Section 57-75-5(f)(ii), which are not
489 commenced before July 1, 1997. The proceeds of any bonds issued
490 for projects commenced before July 1, 1997, shall be used for the
491 purposes for which the bonds were issued until completion of the
492 projects.

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

497 (d) Bonds issued under the authority of this section
498 for projects defined in Section 57-75-5(f)(iv) shall not exceed
499 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An
500 additional amount of bonds in an amount not to exceed Twelve
501 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be

502 issued under the authority of this section for the purpose of
503 defraying costs associated with the construction of surface water
504 transmission lines for a project defined in Section 57-75-5(f)(iv)
505 or for any facility related to the project. No bonds shall be
506 issued under this paragraph after June 30, 2005.

507 (e) Bonds issued under the authority of this section
508 for the project defined in Section 57-75-5(f)(v) shall not exceed
509 Twenty Million Three Hundred Seventy Thousand Dollars
510 (\$20,370,000.00). No bonds shall be issued under this paragraph
511 (e) until the State Bond Commission by resolution adopts a finding
512 that the project has secured wire harness contracts or contracts
513 to manufacture thin film polymer lithium-ion rechargeable
514 batteries, or any combination of such contracts, in the aggregate
515 amount of Twenty Million Dollars (\$20,000,000.00), either from the
516 United States government or the private sector. No bonds shall be
517 issued under this paragraph after June 30, 2001.

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

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

526 (4) (a) The proceeds from the sale of the bonds issued
527 under this section may be applied for the purposes of: (i)
528 defraying all or any designated portion of the costs incurred with
529 respect to acquisition, planning, design, construction,
530 installation, rehabilitation, improvement, relocation and with
531 respect to state-owned property, operation and maintenance of the
532 project and any facility related to the project located within the
533 project area, including costs of design and engineering, all costs
534 incurred to provide land, easements and rights-of-way, relocation

535 costs with respect to the project and with respect to any facility
536 related to the project located within the project area, and costs
537 associated with mitigation of environmental impacts and
538 environmental impact studies; (ii) defraying the cost of providing
539 for the recruitment, screening, selection, training or retraining
540 of employees, candidates for employment or replacement employees
541 of the project and any related activity; (iii) reimbursing the
542 Mississippi Development Authority for expenses it incurred in
543 regard to projects defined in Section 57-75-5(f)(iv) prior to
544 November 6, 2000. The Mississippi Development Authority shall
545 submit an itemized list of expenses it incurred in regard to such
546 projects to the Chairmen of the Finance and Appropriations
547 Committees of the Senate and the Chairmen of the Ways and Means
548 and Appropriations Committees of the House of Representatives;
549 (iv) providing grants to enterprises operating projects defined in
550 Section 57-75-5(f)(iv)1; (v) paying any warranty made by the
551 authority regarding site work for a project defined in Section
552 57-75-5(f)(iv)1; (vi) defraying the cost of marketing and
553 promotion of a project as defined in Section 57-75-5(f)(iv)1. The
554 authority shall submit an itemized list of costs incurred for
555 marketing and promotion of such project to the Chairmen of the
556 Finance and Appropriations Committees of the Senate and the
557 Chairmen of the Ways and Means and Appropriations Committees of
558 the House of Representatives; (vii) providing for the payment of
559 interest on the bonds; (viii) providing debt service reserves; and
560 (ix) paying underwriters' discount, original issue discount,
561 accountants' fees, engineers' fees, attorneys' fees, rating agency
562 fees and other fees and expenses in connection with the issuance
563 of the bonds; and (x) for purposes authorized in paragraphs (b)
564 and (c) of this subsection (4). Such bonds shall be issued from
565 time to time and in such principal amounts as shall be designated
566 by the authority, not to exceed in aggregate principal amounts the
567 amount authorized in subsection (3) of this section. Proceeds

568 from the sale of the bonds issued under this section may be
569 invested, subject to federal limitations, pending their use, in
570 such securities as may be specified in the resolution authorizing
571 the issuance of the bonds or the trust indenture securing them,
572 and the earning on such investment applied as provided in such
573 resolution or trust indenture.

574 (b) The proceeds of bonds issued after the effective
575 date of House Bill No. , 2002 First Extraordinary Session,
576 under this section for projects described in Section
577 57-75-5(f)(iv) may be used to reimburse reasonable, actual and
578 necessary costs incurred by the Mississippi Development Authority
579 in providing assistance related to a project for which funding is
580 provided from the use of proceeds of such bonds. The Mississippi
581 Development Authority shall maintain an accounting of actual costs
582 incurred for each project for which reimbursements are sought.
583 Reimbursements under this paragraph (b) shall not exceed Three
584 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
585 Reimbursements under this paragraph (b) shall satisfy any
586 applicable federal tax law requirements.

587 (c) The proceeds of bonds issued after the effective
588 date of House Bill No. , 2002 First Extraordinary Session,
589 under this section for projects described in Section
590 57-75-5(f)(iv) may be used to reimburse reasonable, actual and
591 necessary costs incurred by the Department of Audit in providing
592 services related to a project for which funding is provided from
593 the use of proceeds of such bonds. The Department of Audit shall
594 maintain an accounting of actual costs incurred for each project
595 for which reimbursements are sought. The Department of Audit may
596 escalate its budget and expend such funds in accordance with rules
597 and regulations of the Department of Finance and Administration in
598 a manner consistent with the escalation of federal funds.
599 Reimbursements under this paragraph (c) shall not exceed One
600 Hundred Thousand Dollars (\$100,000.00) in the aggregate.

601 Reimbursements under this paragraph (c) shall satisfy any
602 applicable federal tax law requirements.

603 (5) The principal of and the interest on the bonds shall be
604 payable in the manner hereinafter set forth. The bonds shall bear
605 date or dates; be in such denomination or denominations; bear
606 interest at such rate or rates; be payable at such place or places
607 within or without the state; mature absolutely at such time or
608 times; be redeemable before maturity at such time or times and
609 upon such terms, with or without premium; bear such registration
610 privileges; and be substantially in such form; all as shall be
611 determined by resolution of the State Bond Commission except that
612 such bonds shall mature or otherwise be retired in annual
613 installments beginning not more than five (5) years from the date
614 thereof and extending not more than twenty-five (25) years from
615 the date thereof. The bonds shall be signed by the Chairman of
616 the State Bond Commission, or by his facsimile signature, and the
617 official seal of the State Bond Commission shall be imprinted on
618 or affixed thereto, attested by the manual or facsimile signature
619 of the Secretary of the State Bond Commission. Whenever any such
620 bonds have been signed by the officials herein designated to sign
621 the bonds, who were in office at the time of such signing but who
622 may have ceased to be such officers before the sale and delivery
623 of such bonds, or who may not have been in office on the date such
624 bonds may bear, the signatures of such officers upon such bonds
625 shall nevertheless be valid and sufficient for all purposes and
626 have the same effect as if the person so officially signing such
627 bonds had remained in office until the delivery of the same to the
628 purchaser, or had been in office on the date such bonds may bear.

629 (6) All bonds issued under the provisions of this section
630 shall be and are hereby declared to have all the qualities and
631 incidents of negotiable instruments under the provisions of the
632 Uniform Commercial Code and in exercising the powers granted by
633 this chapter, the State Bond Commission shall not be required to

634 and need not comply with the provisions of the Uniform Commercial
635 Code.

636 (7) The State Bond Commission shall sell the bonds on sealed
637 bids at public sale, and for such price as it may determine to be
638 for the best interest of the State of Mississippi, but no such
639 sale shall be made at a price less than par plus accrued interest
640 to date of delivery of the bonds to the purchaser. The bonds
641 shall bear interest at such rate or rates not exceeding the limits
642 set forth in Section 75-17-101 as shall be fixed by the State Bond
643 Commission. All interest accruing on such bonds so issued shall
644 be payable semiannually or annually; provided that the first
645 interest payment may be for any period of not more than one (1)
646 year.

647 Notice of the sale of any bonds shall be published at least
648 one time, the first of which shall be made not less than ten (10)
649 days prior to the date of sale, and shall be so published in one
650 or more newspapers having a general circulation in the City of
651 Jackson and in one or more other newspapers or financial journals
652 with a large national circulation, to be selected by the State
653 Bond Commission.

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

659 (8) State bonds issued under the provisions of this section
660 shall be the general obligations of the state and backed by the
661 full faith and credit of the state. The Legislature shall
662 appropriate annually an amount sufficient to pay the principal of
663 and the interest on such bonds as they become due. All bonds
664 shall contain recitals on their faces substantially covering the
665 foregoing provisions of this section.

666 (9) The State Treasurer is authorized to certify to the
667 Department of Finance and Administration the necessity for
668 warrants, and the Department of Finance and Administration is
669 authorized and directed to issue such warrants payable out of any
670 funds appropriated by the Legislature under this section for such
671 purpose, in such amounts as may be necessary to pay when due the
672 principal of and interest on all bonds issued under the provisions
673 of this section. The State Treasurer shall forward the necessary
674 amount to the designated place or places of payment of such bonds
675 in ample time to discharge such bonds, or the interest thereon, on
676 the due dates thereof.

677 (10) The bonds may be issued without any other proceedings
678 or the happening of any other conditions or things other than
679 those proceedings, conditions and things which are specified or
680 required by this chapter. Any resolution providing for the
681 issuance of general obligation bonds under the provisions of this
682 section shall become effective immediately upon its adoption by
683 the State Bond Commission, and any such resolution may be adopted
684 at any regular or special meeting of the State Bond Commission by
685 a majority of its members.

686 (11) In anticipation of the issuance of bonds hereunder, the
687 State Bond Commission is authorized to negotiate and enter into
688 any purchase, loan, credit or other agreement with any bank, trust
689 company or other lending institution or to issue and sell interim
690 notes for the purpose of making any payments authorized under this
691 section. All borrowings made under this provision shall be
692 evidenced by notes of the state which shall be issued from time to
693 time, for such amounts not exceeding the amount of bonds
694 authorized herein, in such form and in such denomination and
695 subject to such terms and conditions of sale and issuance,
696 prepayment or redemption and maturity, rate or rates of interest
697 not to exceed the maximum rate authorized herein for bonds, and
698 time of payment of interest as the State Bond Commission shall

699 agree to in such agreement. Such notes shall constitute general
700 obligations of the state and shall be backed by the full faith and
701 credit of the state. Such notes may also be issued for the
702 purpose of refunding previously issued notes; except that no notes
703 shall mature more than three (3) years following the date of
704 issuance of the first note hereunder and provided further, that
705 all outstanding notes shall be retired from the proceeds of the
706 first issuance of bonds hereunder. The State Bond Commission is
707 authorized to provide for the compensation of any purchaser of the
708 notes by payment of a fixed fee or commission and for all other
709 costs and expenses of issuance and service, including paying agent
710 costs. Such costs and expenses may be paid from the proceeds of
711 the notes.

712 (12) The bonds and interim notes authorized under the
713 authority of this section may be validated in the First Judicial
714 District of the Chancery Court of Hinds County, Mississippi, in
715 the manner and with the force and effect provided now or hereafter
716 by Chapter 13, Title 31, Mississippi Code of 1972, for the
717 validation of county, municipal, school district and other bonds.
718 The necessary papers for such validation proceedings shall be
719 transmitted to the State Bond Attorney, and the required notice
720 shall be published in a newspaper published in the City of
721 Jackson, Mississippi.

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

728 (14) All bonds issued under this chapter shall be legal
729 investments for trustees, other fiduciaries, savings banks, trust
730 companies and insurance companies organized under the laws of the
731 State of Mississippi; and such bonds shall be legal securities

732 which may be deposited with and shall be received by all public
733 officers and bodies of the state and all municipalities and other
734 political subdivisions thereof for the purpose of securing the
735 deposit of public funds.

736 (15) The Attorney General of the State of Mississippi shall
737 represent the State Bond Commission in issuing, selling and
738 validating bonds herein provided for, and the Bond Commission is
739 hereby authorized and empowered to expend from the proceeds
740 derived from the sale of the bonds authorized hereunder all
741 necessary administrative, legal and other expenses incidental and
742 related to the issuance of bonds authorized under this chapter.

743 (16) There is hereby created a special fund in the State
744 Treasury to be known as the Mississippi Major Economic Impact
745 Authority Fund wherein shall be deposited the proceeds of the
746 bonds issued under this chapter and all monies received by the
747 authority to carry out the purposes of this chapter. Expenditures
748 authorized herein shall be paid by the State Treasurer upon
749 warrants drawn from the fund, and the Department of Finance and
750 Administration shall issue warrants upon requisitions signed by
751 the director of the authority.

752 (17) (a) There is hereby created the Mississippi Economic
753 Impact Authority Sinking Fund from which the principal of and
754 interest on such bonds shall be paid by appropriation. All monies
755 paid into the sinking fund not appropriated to pay accruing bonds
756 and interest shall be invested by the State Treasurer in such
757 securities as are provided by law for the investment of the
758 sinking funds of the state.

759 (b) In the event that all or any part of the bonds and
760 notes are purchased, they shall be canceled and returned to the
761 loan and transfer agent as canceled and paid bonds and notes and
762 thereafter all payments of interest thereon shall cease and the
763 canceled bonds, notes and coupons, together with any other
764 canceled bonds, notes and coupons, shall be destroyed as promptly

765 as possible after cancellation but not later than two (2) years
766 after cancellation. A certificate evidencing the destruction of
767 the canceled bonds, notes and coupons shall be provided by the
768 loan and transfer agent to the seller.

769 (c) The State Treasurer shall determine and report to
770 the Department of Finance and Administration and Legislative
771 Budget Office by September 1 of each year the amount of money
772 necessary for the payment of the principal of and interest on
773 outstanding obligations for the following fiscal year and the
774 times and amounts of the payments. It shall be the duty of the
775 Governor to include in every executive budget submitted to the
776 Legislature full information relating to the issuance of bonds and
777 notes under the provisions of this chapter and the status of the
778 sinking fund for the payment of the principal of and interest on
779 the bonds and notes.

780 **SECTION 4.** Section 27-7-312, Mississippi Code of 1972, is
781 amended as follows:

782 27-7-312. Of the revenue collected under the provisions of
783 this article from the new direct jobs of a qualified business or
784 industry as defined in Section 57-62-5 of the Mississippi
785 Advantage Jobs Act, an amount equal to the estimated amount of the
786 quarterly incentive payment for which such qualified business or
787 industry is eligible shall be deposited into the Mississippi
788 Advantage Jobs Incentive Payment Fund created pursuant to Section
789 57-62-1 et seq., on or before the twentieth day of the month
790 following the close of each calendar quarter.

791 **SECTION 5.** The Governor shall direct that a portion of
792 funds available to the State of Mississippi under the Workforce
793 Investment Act of 1998, or any other federal monies available to
794 the State of Mississippi for similar purposes, which have not
795 otherwise been committed, will be used for the purpose of
796 providing workforce training related to a project defined in
797 Section 57-75-5(f)(iv).

798 **SECTION 6.** This act shall take effect and be in force from
799 and after its passage.