

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

To: Ways and Means

HOUSE BILL NO. 1
(As Sent to Governor)

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; AND FOR RELATED PURPOSES.

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

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

34 57-75-5. Words and phrases used in this chapter shall have
 35 meanings as follows, unless the context clearly indicates a
 36 different meaning:

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 38 Act as originally enacted or as hereafter amended.

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



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

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

60 (e) "Person" means any natural person, corporation,
61 association, partnership, receiver, trustee, guardian, executor,
62 administrator, fiduciary, governmental unit, public agency,
63 political subdivision, or any other group acting as a unit, and
64 the plural as well as the singular.

65 (f) "Project" means:

66 (i) Any industrial, commercial, research and
67 development, warehousing, distribution, transportation,
68 processing, mining, United States government or tourism enterprise
69 together with all real property required for construction,
70 maintenance and operation of the enterprise with an initial
71 capital investment of not less than Three Hundred Million Dollars
72 (\$300,000,000.00) from private or United States government sources
73 together with all buildings, and other supporting land and



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



107 three (3) years from the date that the enterprise entered into
108 commercial production, that the project area has been selected as
109 the site for the ancillary development or business.

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

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

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

137 2. "Project" shall also include any ancillary
138 development or business resulting from an enterprise operating a
139 project as defined in item 1 of this paragraph (f)(iv), of which



140 the authority is notified, within three (3) years from the date
141 that the enterprise entered into commercial production, that the
142 state has been selected as the site for the ancillary development
143 or business.

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

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

166 (vii) Any major capital project designed to
167 manufacture, produce and transmit electrical power using natural
168 gas as its primary raw material to be constructed and maintained
169 in Panola County, Mississippi, with an initial capital investment
170 of not less than Two Hundred Fifty Million Dollars
171 (\$250,000,000.00).



172 (viii) Any major capital project related to the
173 establishment, improvement, expansion and/or other enhancement of
174 any active duty military installation and having a minimum capital
175 investment from any source or combination of sources other than
176 the State of Mississippi of at least Forty Million Dollars
177 (\$40,000,000.00), and which will create at least five hundred
178 (500) military installation related full-time jobs, which jobs may
179 be military jobs, civilian jobs or a combination of military and
180 civilian jobs.

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

192 (h) "Public agency" means:

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

195 (ii) Any city, town, county, political
196 subdivision, school district or other district created or existing
197 under the laws of the state or any public agency of any such city,
198 town, county, political subdivision or district or any other
199 public entity created or existing under local and private
200 legislation;

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



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

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

207 (j) "Fee-in-lieu" means a negotiated fee to be paid by
208 the project in lieu of any franchise taxes imposed on the project
209 by Chapter 13, Title 27, Mississippi Code of 1972. The
210 fee-in-lieu shall not be less than Twenty-five Thousand Dollars
211 (\$25,000.00) annually. A fee-in-lieu may be negotiated with an
212 enterprise operating an existing project defined in Section
213 57-75-5(f)(iv)1; however, a fee-in-lieu shall not be negotiated
214 for other existing enterprises that fall within the definition of
215 the term "project."

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

218 57-75-11. The authority, in addition to any and all powers
219 now or hereafter granted to it, is empowered and shall exercise
220 discretion and the use of these powers depending on the
221 circumstances of the project or projects:

222 (a) To maintain an office at a place or places within
223 the state.

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

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

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



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

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

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

259 (g) If the authority identifies any land owned by the
260 state as being necessary, for the location or use of the project,
261 or any facility related to the project, to recommend to the
262 Legislature the conveyance of such land or any interest therein,
263 as the Legislature deems appropriate.

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



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

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

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

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



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

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

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

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

322 (m) To construct, extend, improve, maintain, and
323 reconstruct, to cause to be constructed, extended, improved,
324 maintained, and reconstructed, and to use and operate any and all
325 components of the project or any facility related to the project,
326 with the concurrence of the affected public agency, within the
327 project area, necessary to the project and to the exercise of such
328 powers, rights, and privileges granted the authority.

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



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

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

356 (q) To establish and maintain reasonable rates and
357 charges for the use of any facility within the project area owned
358 or operated by the authority, and from time to time to adjust such
359 rates and to impose penalties for failure to pay such rates and
360 charges when due.

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



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

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

379 (t) To develop plans for technology transfer activities
380 to ensure private sector conduits for exchange of information,
381 technology and expertise related to the project to generate
382 opportunities for commercial development within the state.

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

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

390 (w) To consult with the Office of Minority Business
391 Enterprise Development and other public agencies for the purpose
392 of developing plans for technical assistance and loan programs to
393 maximize the economic impact related to the project for minority
394 business enterprises within the State of Mississippi.

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



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

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

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

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

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

409 (bb) To enter into contractual agreements to warrant
410 any site work for a project defined in Section 57-75-5(f)(iv)1;
411 provided, however, that the aggregate amount of * * * such
412 warranties shall not exceed Fifteen Million Dollars
413 (\$15,000,000.00).

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

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

421 (ii) To lease such surface water transmission
422 lines to a public agency or public utility to provide water to the
423 project and other consumers.

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

426 57-75-15. (1) Upon notification to the authority by the
427 enterprise that the state has been finally selected as the site
428 for the project, the State Bond Commission shall have the power
429 and is hereby authorized and directed, upon receipt of a



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

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

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

451 (b) Bonds issued under the authority of this section
452 for projects as defined in Section 57-75-5(f)(ii) shall not exceed
453 Fifty Million Dollars (\$50,000,000.00), nor shall the bonds issued
454 for projects related to any single military installation exceed
455 Sixteen Million Six Hundred Sixty-seven Thousand Dollars
456 (\$16,667,000.00). If any proceeds of bonds issued for projects
457 related to the Meridian Naval Auxiliary Air Station ("NAAS") are
458 used for the development of a water and sewer service system by
459 the City of Meridian, Mississippi, to serve the NAAS and if the
460 City of Meridian annexes any of the territory served by the water
461 and sewer service system, the city shall repay the State of
462 Mississippi the amount of all bond proceeds expended on any



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

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

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



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

501 (e) Bonds issued under the authority of this section
502 for the project defined in Section 57-75-5(f)(v) shall not exceed
503 Twenty Million Three Hundred Seventy Thousand Dollars
504 (\$20,370,000.00). No bonds shall be issued under this paragraph
505 (e) until the State Bond Commission by resolution adopts a finding
506 that the project has secured wire harness contracts or contracts
507 to manufacture thin film polymer lithium-ion rechargeable
508 batteries, or any combination of such contracts, in the aggregate
509 amount of Twenty Million Dollars (\$20,000,000.00), either from the
510 United States government or the private sector. No bonds shall be
511 issued under this paragraph after June 30, 2001.

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

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

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



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



562 from the sale of the bonds issued under this section may be
563 invested, subject to federal limitations, pending their use, in
564 such securities as may be specified in the resolution authorizing
565 the issuance of the bonds or the trust indenture securing them,
566 and the earning on such investment applied as provided in such
567 resolution or trust indenture.

568 (b) The proceeds of bonds issued after the effective
569 date of House Bill No. 1, 2002 First Extraordinary Session, under
570 this section for projects described in Section 57-75-5(f)(iv) may
571 be used to reimburse reasonable, actual and necessary costs
572 incurred by the Mississippi Development Authority in providing
573 assistance related to a project for which funding is provided from
574 the use of proceeds of such bonds. The Mississippi Development
575 Authority shall maintain an accounting of actual costs incurred
576 for each project for which reimbursements are sought.
577 Reimbursements under this paragraph (b) shall not exceed Three
578 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
579 Reimbursements under this paragraph (b) shall satisfy any
580 applicable federal tax law requirements.

581 (c) The proceeds of bonds issued after the effective
582 date of House Bill No. 1, 2002 First Extraordinary Session, under
583 this section for projects described in Section 57-75-5(f)(iv) may
584 be used to reimburse reasonable, actual and necessary costs
585 incurred by the Department of Audit in providing services related
586 to a project for which funding is provided from the use of
587 proceeds of such bonds. The Department of Audit shall maintain an
588 accounting of actual costs incurred for each project for which
589 reimbursements are sought. The Department of Audit may escalate
590 its budget and expend such funds in accordance with rules and
591 regulations of the Department of Finance and Administration in a
592 manner consistent with the escalation of federal funds.
593 Reimbursements under this paragraph (c) shall not exceed One
594 Hundred Thousand Dollars (\$100,000.00) in the aggregate.



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

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

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



628 and need not comply with the provisions of the Uniform Commercial
629 Code.

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

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

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

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



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

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

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



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

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

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

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



726 which may be deposited with and shall be received by all public
727 officers and bodies of the state and all municipalities and other
728 political subdivisions thereof for the purpose of securing the
729 deposit of public funds.

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

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

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

753 (b) In the event that all or any part of the bonds and
754 notes are purchased, they shall be canceled and returned to the
755 loan and transfer agent as canceled and paid bonds and notes and
756 thereafter all payments of interest thereon shall cease and the
757 canceled bonds, notes and coupons, together with any other
758 canceled bonds, notes and coupons, shall be destroyed as promptly



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

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

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

776 27-7-312. Of the revenue collected under the provisions of
777 this article from the new direct jobs of a qualified business or
778 industry as defined in Section 57-62-5 of the Mississippi
779 Advantage Jobs Act, an amount equal to the estimated amount of the
780 quarterly incentive payment for which such qualified business or
781 industry is eligible shall be deposited into the Mississippi
782 Advantage Jobs Incentive Payment Fund created pursuant to Section
783 57-62-1 et seq., on or before the twentieth day of the month
784 following the close of each calendar quarter.

785 **SECTION 5.** This act shall take effect and be in force from
786 and after its passage.

