

By: Representatives McCoy,  
Morris, Smith (39th), Shows,  
Ellzey, Scott (80th), Stringer,  
Eaton, Holland, Cameron, Taylor,  
Woods, Formby, Davis, Guice,  
Eakes, Rotenberry, Coleman (65th), Howell

To: Ways and Means

HOUSE BILL NO. 1

1 AN ACT TO AMEND SECTION 57-61-25, MISSISSIPPI CODE OF 1972,  
2 TO INCREASE FROM \$260,000,000.00 TO \$280,000,000.00, THE AMOUNT OF  
3 BONDS THAT MAY BE ISSUED UNDER THE MISSISSIPPI BUSINESS INVESTMENT  
4 ACT; TO AMEND SECTION 57-75-5, MISSISSIPPI CODE OF 1972, TO REVISE  
5 THE DEFINITION OF THE TERM "PROJECT" FOR PURPOSES OF THE  
6 MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO AMEND SECTION 57-75-15,  
7 MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE ISSUANCE OF BONDS FOR  
8 CERTAIN PROJECTS UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT;  
9 AND FOR RELATED PURPOSES.

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

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

13 57-61-25. (1) The seller is authorized to borrow, on the  
14 credit of the state upon receipt of a resolution from the  
15 Mississippi Development Authority requesting the same, money not  
16 exceeding the aggregate sum of Two Hundred Eighty Million Dollars  
17 (\$280,000,000.00), not including money borrowed to refund  
18 outstanding bonds, notes or replacement notes, as may be necessary  
19 to carry out the purposes of this chapter. The aggregate amount  
20 of bonds issued prior to June 30, 1987, shall not exceed Fifty  
21 Million Dollars (\$50,000,000.00); provided, however, this Fifty  
22 Million Dollars (\$50,000,000.00) limitation shall not be construed  
23 to limit the aggregate amount of grants which may be awarded prior  
24 to June 30, 1987, to less than the full amount authorized under  
25 Section 57-61-15(1), Mississippi Code of 1972. The rate of  
26 interest on any such bonds or notes which are not subject to  
27 taxation shall not exceed the rates set forth in Section  
28 75-17-101, Mississippi Code of 1972, for general obligation bonds.

29 (2) As evidence of indebtedness authorized in this chapter,  
30 general or limited obligation bonds of the state shall be issued



31 from time to time, to provide monies necessary to carry out the  
32 purposes of this chapter for such total amounts, in such form, in  
33 such denominations payable in such currencies (either domestic or  
34 foreign or both) and subject to such terms and conditions of  
35 issue, redemption and maturity, rate of interest and time of  
36 payment of interest as the seller directs, except that such bonds  
37 shall mature or otherwise be retired in annual installments  
38 beginning not more than five (5) years from date thereof and  
39 extending not more than thirty (30) years from date thereof.

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

44 (4) All bonds and notes issued under authority of this  
45 chapter may be general or limited obligations of the state, and  
46 the full faith and credit of the State of Mississippi as to  
47 general obligation bonds, or the revenues derived from projects  
48 assisted as to limited obligation bonds, are hereby pledged for  
49 the payment of the principal of and interest on such bonds and  
50 notes.

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

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

57 (7) The seller is authorized to provide, by resolution, for  
58 the issuance of refunding bonds for the purpose of refunding any  
59 debt issued under the provision of this chapter and then  
60 outstanding, either by voluntary exchange with the holders of the  
61 outstanding debt or to provide funds to redeem and the costs of  
62 issuance and retirement of the debt, at maturity or at any call  
63 date. The issuance of the refunding bonds, the maturities and



64 other details thereof, the rights of the holders thereof and the  
65 duties of the issuing officials in respect to the same shall be  
66 governed by the provisions of this section, insofar as they may be  
67 applicable.

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

72 (9) The proceeds of bonds issued under this chapter after  
73 April 9, 2002, may be used to reimburse reasonable, actual and  
74 necessary costs incurred by the Mississippi Development Authority  
75 in administering a program or providing assistance related to a  
76 project, or both, for which funding is provided from the use of  
77 proceeds of such bonds. An accounting of actual costs incurred  
78 for which reimbursement is sought shall be maintained for each  
79 project by the Mississippi Development Authority. Reimbursement  
80 of reasonable, actual and necessary costs for a program or project  
81 shall not exceed three percent (3%) of the proceeds of bonds  
82 issued for such program or project. Monies authorized for a  
83 particular program or project may not be used to reimburse  
84 administrative costs for unrelated programs or projects.  
85 Reimbursements under this subsection shall satisfy any applicable  
86 federal tax law requirements.

87 **SECTION 2.** Section 57-75-5, Mississippi Code of 1972, is  
88 amended as follows:

89 57-75-5. Words and phrases used in this chapter shall have  
90 meanings as follows, unless the context clearly indicates a  
91 different meaning:

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

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



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

99 (d) "Facility related to the project" means and  
100 includes any of the following, as the same may pertain to the  
101 project within the project area: (i) facilities to provide  
102 potable and industrial water supply systems, sewage and waste  
103 disposal systems and water, natural gas and electric transmission  
104 systems to the site of the project; (ii) airports, airfields and  
105 air terminals; (iii) rail lines; (iv) port facilities; (v)  
106 highways, streets and other roadways; (vi) public school  
107 buildings, classrooms and instructional facilities, training  
108 facilities and equipment, including any functionally related  
109 facilities; (vii) parks, outdoor recreation facilities and  
110 athletic facilities; (viii) auditoriums, pavilions, campgrounds,  
111 art centers, cultural centers, folklore centers and other public  
112 facilities; (ix) health care facilities, public or private; and  
113 (x) fire protection facilities, equipment and elevated water  
114 tanks.

115 (e) "Person" means any natural person, corporation,  
116 association, partnership, receiver, trustee, guardian, executor,  
117 administrator, fiduciary, governmental unit, public agency,  
118 political subdivision, or any other group acting as a unit, and  
119 the plural as well as the singular.

120 (f) "Project" means:

121 (i) Any industrial, commercial, research and  
122 development, warehousing, distribution, transportation,  
123 processing, mining, United States government or tourism enterprise  
124 together with all real property required for construction,  
125 maintenance and operation of the enterprise with an initial  
126 capital investment of not less than Three Hundred Million Dollars  
127 (\$300,000,000.00) from private or United States government sources  
128 together with all buildings, and other supporting land and



129 facilities, structures or improvements of whatever kind required  
130 or useful for construction, maintenance and operation of the  
131 enterprise; or with an initial capital investment of not less than  
132 One Hundred Fifty Million Dollars (\$150,000,000.00) from private  
133 or United States government sources together with all buildings  
134 and other supporting land and facilities, structures or  
135 improvements of whatever kind required or useful for construction,  
136 maintenance and operation of the enterprise and which creates at  
137 least one thousand (1,000) net new full-time jobs; or which  
138 creates at least one thousand (1,000) net new full-time jobs which  
139 provides an average salary, excluding benefits which are not  
140 subject to Mississippi income taxation, of at least one hundred  
141 twenty-five percent (125%) of the most recently published average  
142 annual wage of the state as determined by the Mississippi  
143 Employment Security Commission. "Project" shall include any  
144 addition to or expansion of an existing enterprise if such  
145 addition or expansion has an initial capital investment of not  
146 less than Three Hundred Million Dollars (\$300,000,000.00) from  
147 private or United States government sources, or has an initial  
148 capital investment of not less than One Hundred Fifty Million  
149 Dollars (\$150,000,000.00) from private or United States government  
150 sources together with all buildings and other supporting land and  
151 facilities, structures or improvements of whatever kind required  
152 or useful for construction, maintenance and operation of the  
153 enterprise and which creates at least one thousand (1,000) net new  
154 full-time jobs; or which creates at least one thousand (1,000) net  
155 new full-time jobs which provides an average salary, excluding  
156 benefits which are not subject to Mississippi income taxation, of  
157 at least one hundred twenty-five percent (125%) of the most  
158 recently published average annual wage of the state as determined  
159 by the Mississippi Employment Security Commission. "Project"  
160 shall also include any ancillary development or business resulting  
161 from the enterprise, of which the authority is notified, within



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

165 (ii) Any major capital project designed to  
166 improve, expand or otherwise enhance any active duty United States  
167 Air Force or Navy training bases or naval stations, their support  
168 areas or their military operations, upon designation by the  
169 authority that any such base was or is at risk to be recommended  
170 for closure or realignment pursuant to the Defense Base Closure  
171 and Realignment Act of 1990; or any major development project  
172 determined by the authority to be necessary to acquire base  
173 properties and to provide employment opportunities through  
174 construction of projects as defined in Section 57-3-5, which shall  
175 be located on or provide direct support service or access to such  
176 military installation property as such property exists on July 1,  
177 1993, in the event of closure or reduction of military operations  
178 at the installation. From and after July 1, 1997, projects  
179 described in this subparagraph (ii) shall not be considered to be  
180 within the meaning of the term "project" for purposes of this  
181 section, unless such projects are commenced before July 1, 1997,  
182 and shall not be eligible for any funding provided under the  
183 Mississippi Major Economic Impact Act.

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

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

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



195 the authority is notified, within three (3) years from the date  
196 that the enterprise entered into commercial production, that the  
197 state has been selected as the site for the ancillary development  
198 or business.

199 (v) Any major capital project designed to  
200 construct the corporate headquarters and initial factory, to be  
201 located in the Golden Triangle Region of the state, for any  
202 Mississippi corporation that develops, constructs and operates  
203 automated robotic systems to improve the quality of, and reduce  
204 the costs of, manufacturing wire harness assemblies for certain  
205 industries, or manufactures thin film polymer lithium-ion  
206 rechargeable batteries which project has a ten-year strategic plan  
207 of supporting one thousand (1,000) direct project-related jobs for  
208 each group of wire harness contracts amounting to Thirty-five  
209 Million Dollars (\$35,000,000.00), or which has a ten-year  
210 strategic plan of supporting one thousand five hundred (1,500)  
211 direct project-related jobs for each group of polymer lithium-ion  
212 rechargeable battery contracts amounting to Forty Million Dollars  
213 (\$40,000,000.00).

214 (vi) Any real property owned or controlled by the  
215 National Aeronautics and Space Administration, the United States  
216 government, or any agency thereof, which is legally conveyed to  
217 the State of Mississippi or to the State of Mississippi for the  
218 benefit of the Mississippi Major Economic Impact Authority, its  
219 successors and assigns pursuant to Section 212 of Public Law  
220 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

221 (vii) Any major capital project designed to  
222 manufacture, produce and transmit electrical power using natural  
223 gas as its primary raw material to be constructed and maintained  
224 in Panola County, Mississippi, with an initial capital investment  
225 of not less than Two Hundred Fifty Million Dollars  
226 (\$250,000,000.00).



227 (viii) Any major capital project related to the  
228 establishment, improvement, expansion and/or other enhancement of  
229 any active duty military installation and having a minimum capital  
230 investment from any source or combination of sources other than  
231 the State of Mississippi of at least Forty Million Dollars  
232 (\$40,000,000.00), and which will create at least five hundred  
233 (500) military installation related full-time jobs, which jobs may  
234 be military jobs, civilian jobs or a combination of military and  
235 civilian jobs.

236 (ix) Any major capital project to be constructed  
237 and maintained in Jones County, Mississippi, designed to  
238 manufacture, produce, assemble and distribute computers and  
239 electrical substations, with a capital investment from any source  
240 or combination of sources of not less than Eighty Million Dollars  
241 (\$80,000,000.00), which will create at least two thousand (2,000)  
242 full-time jobs meeting criteria established by the Mississippi  
243 Development Authority, and which criteria shall include, but not  
244 be limited to, the requirement that such jobs must be held by  
245 persons eligible for employment in the United States under  
246 applicable state and federal law.

247 (g) "Project area" means the project site, together  
248 with any area or territory within the state lying within  
249 sixty-five (65) miles of any portion of the project site whether  
250 or not such area or territory be contiguous; provided, however,  
251 that for the project defined in paragraph (f)(iv) of this section  
252 the term "project area" means any area or territory within the  
253 state. The project area shall also include all territory within a  
254 county if any portion of such county lies within sixty-five (65)  
255 miles of any portion of the project site. "Project site" means  
256 the real property on which the principal facilities of the  
257 enterprise will operate.

258 (h) "Public agency" means:





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

261 (ii) Any city, town, county, political  
262 subdivision, school district or other district created or existing  
263 under the laws of the state or any public agency of any such city,  
264 town, county, political subdivision or district or any other  
265 public entity created or existing under local and private  
266 legislation;

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

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

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

273 (j) "Fee-in-lieu" means a negotiated fee to be paid by  
274 the project in lieu of any franchise taxes imposed on the project  
275 by Chapter 13, Title 27, Mississippi Code of 1972. The  
276 fee-in-lieu shall not be less than Twenty-five Thousand Dollars  
277 (\$25,000.00) annually. A fee-in-lieu may be negotiated with an  
278 enterprise operating an existing project defined in Section  
279 57-75-5(f)(iv)1; however, a fee-in-lieu shall not be negotiated  
280 for other existing enterprises that fall within the definition of  
281 the term "project."

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

284 57-75-15. (1) Upon notification to the authority by the  
285 enterprise that the state has been finally selected as the site  
286 for the project, the State Bond Commission shall have the power  
287 and is hereby authorized and directed, upon receipt of a  
288 declaration from the authority as hereinafter provided, to borrow  
289 money and issue general obligation bonds of the state in one or  
290 more series for the purposes herein set out. Upon such  
291 notification, the authority may thereafter from time to time



292 declare the necessity for the issuance of general obligation bonds  
293 as authorized by this section and forward such declaration to the  
294 State Bond Commission, provided that before such notification, the  
295 authority may enter into agreements with the United States  
296 government, private companies and others that will commit the  
297 authority to direct the State Bond Commission to issue bonds for  
298 eligible undertakings set out in subsection (4) of this section,  
299 conditioned on the siting of the project in the state.

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

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

309 (b) Bonds issued under the authority of this section  
310 for projects as defined in Section 57-75-5(f)(ii) shall not exceed  
311 Fifty Million Dollars (\$50,000,000.00), nor shall the bonds issued  
312 for projects related to any single military installation exceed  
313 Sixteen Million Six Hundred Sixty-seven Thousand Dollars  
314 (\$16,667,000.00). If any proceeds of bonds issued for projects  
315 related to the Meridian Naval Auxiliary Air Station ("NAAS") are  
316 used for the development of a water and sewer service system by  
317 the City of Meridian, Mississippi, to serve the NAAS and if the  
318 City of Meridian annexes any of the territory served by the water  
319 and sewer service system, the city shall repay the State of  
320 Mississippi the amount of all bond proceeds expended on any  
321 portion of the water and sewer service system project; and if  
322 there are any monetary proceeds derived from the disposition of  
323 any improvements located on real property in Kemper County  
324 purchased pursuant to this act for projects related to the NAAS



325 and if there are any monetary proceeds derived from the  
326 disposition of any timber located on real property in Kemper  
327 County purchased pursuant to this act for projects related to the  
328 NAAS, all of such proceeds (both from the disposition of  
329 improvements and the disposition of timber) commencing July 1,  
330 1996, through June 30, 2010, shall be paid to the Board of  
331 Education of Kemper County, Mississippi, for expenditure by such  
332 board of education to benefit the public schools of Kemper County.  
333 No bonds shall be issued under this paragraph (b) until the State  
334 Bond Commission by resolution adopts a finding that the issuance  
335 of such bonds will improve, expand or otherwise enhance the  
336 military installation, its support areas or military operations,  
337 or will provide employment opportunities to replace those lost by  
338 closure or reductions in operations at the military installation.  
339 From and after July 1, 1997, bonds shall not be issued for any  
340 projects, as defined in Section 57-75-5(f)(ii), which are not  
341 commenced before July 1, 1997. The proceeds of any bonds issued  
342 for projects commenced before July 1, 1997, shall be used for the  
343 purposes for which the bonds were issued until completion of the  
344 projects.

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

349 (d) Bonds issued under the authority of this section  
350 for projects defined in Section 57-75-5(f)(iv) shall not exceed  
351 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An  
352 additional amount of bonds in an amount not to exceed Twelve  
353 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be  
354 issued under the authority of this section for the purpose of  
355 defraying costs associated with the construction of surface water  
356 transmission lines for a project defined in Section 57-75-5(f)(iv)



357 or for any facility related to the project. No bonds shall be  
358 issued under this paragraph after June 30, 2005.

359 (e) Bonds issued under the authority of this section  
360 for the project defined in Section 57-75-5(f)(v) shall not exceed  
361 Twenty Million Three Hundred Seventy Thousand Dollars  
362 (\$20,370,000.00). No bonds shall be issued under this paragraph  
363 (e) until the State Bond Commission by resolution adopts a finding  
364 that the project has secured wire harness contracts or contracts  
365 to manufacture thin film polymer lithium-ion rechargeable  
366 batteries, or any combination of such contracts, in the aggregate  
367 amount of Twenty Million Dollars (\$20,000,000.00), either from the  
368 United States government or the private sector. No bonds shall be  
369 issued under this paragraph after June 30, 2001.

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

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

378 (h) Bonds issued under the authority of this section  
379 for projects defined in Section 57-75-5(f)(ix) shall not exceed  
380 Thirty-one Million Five Hundred Thousand Dollars (\$31,500,000.00).  
381 No bonds shall be issued under this paragraph after December 31,  
382 2005.

383 (4) (a) The proceeds from the sale of the bonds issued  
384 under this section may be applied for the purposes of: (i)  
385 defraying all or any designated portion of the costs incurred with  
386 respect to acquisition, planning, design, construction,  
387 installation, rehabilitation, improvement, relocation and with  
388 respect to state-owned property, operation and maintenance of the  
389 project and any facility related to the project located within the



390 project area, including costs of design and engineering, all costs  
391 incurred to provide land, easements and rights-of-way, relocation  
392 costs with respect to the project and with respect to any facility  
393 related to the project located within the project area, and costs  
394 associated with mitigation of environmental impacts and  
395 environmental impact studies; (ii) defraying the cost of providing  
396 for the recruitment, screening, selection, training or retraining  
397 of employees, candidates for employment or replacement employees  
398 of the project and any related activity; (iii) reimbursing the  
399 Mississippi Development Authority for expenses it incurred in  
400 regard to projects defined in Section 57-75-5(f)(iv) prior to  
401 November 6, 2000. The Mississippi Development Authority shall  
402 submit an itemized list of expenses it incurred in regard to such  
403 projects to the Chairmen of the Finance and Appropriations  
404 Committees of the Senate and the Chairmen of the Ways and Means  
405 and Appropriations Committees of the House of Representatives;  
406 (iv) providing grants to enterprises operating projects defined in  
407 Section 57-75-5(f)(iv)1; (v) paying any warranty made by the  
408 authority regarding site work for a project defined in Section  
409 57-75-5(f)(iv)1; (vi) defraying the cost of marketing and  
410 promotion of a project as defined in Section 57-75-5(f)(iv)1. The  
411 authority shall submit an itemized list of costs incurred for  
412 marketing and promotion of such project to the Chairmen of the  
413 Finance and Appropriations Committees of the Senate and the  
414 Chairmen of the Ways and Means and Appropriations Committees of  
415 the House of Representatives; (vii) providing for the payment of  
416 interest on the bonds; (viii) providing debt service reserves;  
417 (ix) paying underwriters' discount, original issue discount,  
418 accountants' fees, engineers' fees, attorneys' fees, rating agency  
419 fees and other fees and expenses in connection with the issuance  
420 of the bonds; and (x) for purposes authorized in paragraphs (b)  
421 and (c) of this subsection (4). Such bonds shall be issued from  
422 time to time and in such principal amounts as shall be designated



423 by the authority, not to exceed in aggregate principal amounts the  
424 amount authorized in subsection (3) of this section. Proceeds  
425 from the sale of the bonds issued under this section may be  
426 invested, subject to federal limitations, pending their use, in  
427 such securities as may be specified in the resolution authorizing  
428 the issuance of the bonds or the trust indenture securing them,  
429 and the earning on such investment applied as provided in such  
430 resolution or trust indenture.

431 (b) The proceeds of bonds issued after June 21, 2002,  
432 under this section for projects described in Section  
433 57-75-5(f)(iv) may be used to reimburse reasonable, actual and  
434 necessary costs incurred by the Mississippi Development Authority  
435 in providing assistance related to a project for which funding is  
436 provided from the use of proceeds of such bonds. The Mississippi  
437 Development Authority shall maintain an accounting of actual costs  
438 incurred for each project for which reimbursements are sought.  
439 Reimbursements under this paragraph (b) shall not exceed Three  
440 Hundred Thousand Dollars (\$300,000.00) in the aggregate.  
441 Reimbursements under this paragraph (b) shall satisfy any  
442 applicable federal tax law requirements.

443 (c) The proceeds of bonds issued after June 21, 2002,  
444 under this section for projects described in Section  
445 57-75-5(f)(iv) may be used to reimburse reasonable, actual and  
446 necessary costs incurred by the Department of Audit in providing  
447 services related to a project for which funding is provided from  
448 the use of proceeds of such bonds. The Department of Audit shall  
449 maintain an accounting of actual costs incurred for each project  
450 for which reimbursements are sought. The Department of Audit may  
451 escalate its budget and expend such funds in accordance with rules  
452 and regulations of the Department of Finance and Administration in  
453 a manner consistent with the escalation of federal funds.  
454 Reimbursements under this paragraph (c) shall not exceed One  
455 Hundred Thousand Dollars (\$100,000.00) in the aggregate.



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

458         (5) The principal of and the interest on the bonds shall be  
459 payable in the manner hereinafter set forth. The bonds shall bear  
460 date or dates; be in such denomination or denominations; bear  
461 interest at such rate or rates; be payable at such place or places  
462 within or without the state; mature absolutely at such time or  
463 times; be redeemable before maturity at such time or times and  
464 upon such terms, with or without premium; bear such registration  
465 privileges; and be substantially in such form; all as shall be  
466 determined by resolution of the State Bond Commission except that  
467 such bonds shall mature or otherwise be retired in annual  
468 installments beginning not more than five (5) years from the date  
469 thereof and extending not more than twenty-five (25) years from  
470 the date thereof. The bonds shall be signed by the Chairman of  
471 the State Bond Commission, or by his facsimile signature, and the  
472 official seal of the State Bond Commission shall be imprinted on  
473 or affixed thereto, attested by the manual or facsimile signature  
474 of the Secretary of the State Bond Commission. Whenever any such  
475 bonds have been signed by the officials herein designated to sign  
476 the bonds, who were in office at the time of such signing but who  
477 may have ceased to be such officers before the sale and delivery  
478 of such bonds, or who may not have been in office on the date such  
479 bonds may bear, the signatures of such officers upon such bonds  
480 shall nevertheless be valid and sufficient for all purposes and  
481 have the same effect as if the person so officially signing such  
482 bonds had remained in office until the delivery of the same to the  
483 purchaser, or had been in office on the date such bonds may bear.

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



489 and need not comply with the provisions of the Uniform Commercial  
490 Code.

491 (7) The State Bond Commission shall sell the bonds on sealed  
492 bids at public sale, and for such price as it may determine to be  
493 for the best interest of the State of Mississippi, but no such  
494 sale shall be made at a price less than par plus accrued interest  
495 to date of delivery of the bonds to the purchaser. The bonds  
496 shall bear interest at such rate or rates not exceeding the limits  
497 set forth in Section 75-17-101 as shall be fixed by the State Bond  
498 Commission. All interest accruing on such bonds so issued shall  
499 be payable semiannually or annually; provided that the first  
500 interest payment may be for any period of not more than one (1)  
501 year.

502 Notice of the sale of any bonds shall be published at least  
503 one time, the first of which shall be made not less than ten (10)  
504 days prior to the date of sale, and shall be so published in one  
505 or more newspapers having a general circulation in the City of  
506 Jackson and in one or more other newspapers or financial journals  
507 with a large national circulation, to be selected by the State  
508 Bond Commission.

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

514 (8) State bonds issued under the provisions of this section  
515 shall be the general obligations of the state and backed by the  
516 full faith and credit of the state. The Legislature shall  
517 appropriate annually an amount sufficient to pay the principal of  
518 and the interest on such bonds as they become due. All bonds  
519 shall contain recitals on their faces substantially covering the  
520 foregoing provisions of this section.





521           (9) The State Treasurer is authorized to certify to the  
522 Department of Finance and Administration the necessity for  
523 warrants, and the Department of Finance and Administration is  
524 authorized and directed to issue such warrants payable out of any  
525 funds appropriated by the Legislature under this section for such  
526 purpose, in such amounts as may be necessary to pay when due the  
527 principal of and interest on all bonds issued under the provisions  
528 of this section. The State Treasurer shall forward the necessary  
529 amount to the designated place or places of payment of such bonds  
530 in ample time to discharge such bonds, or the interest thereon, on  
531 the due dates thereof.

532           (10) The bonds may be issued without any other proceedings  
533 or the happening of any other conditions or things other than  
534 those proceedings, conditions and things which are specified or  
535 required by this chapter. Any resolution providing for the  
536 issuance of general obligation bonds under the provisions of this  
537 section shall become effective immediately upon its adoption by  
538 the State Bond Commission, and any such resolution may be adopted  
539 at any regular or special meeting of the State Bond Commission by  
540 a majority of its members.

541           (11) In anticipation of the issuance of bonds hereunder, the  
542 State Bond Commission is authorized to negotiate and enter into  
543 any purchase, loan, credit or other agreement with any bank, trust  
544 company or other lending institution or to issue and sell interim  
545 notes for the purpose of making any payments authorized under this  
546 section. All borrowings made under this provision shall be  
547 evidenced by notes of the state which shall be issued from time to  
548 time, for such amounts not exceeding the amount of bonds  
549 authorized herein, in such form and in such denomination and  
550 subject to such terms and conditions of sale and issuance,  
551 prepayment or redemption and maturity, rate or rates of interest  
552 not to exceed the maximum rate authorized herein for bonds, and  
553 time of payment of interest as the State Bond Commission shall



554 agree to in such agreement. Such notes shall constitute general  
555 obligations of the state and shall be backed by the full faith and  
556 credit of the state. Such notes may also be issued for the  
557 purpose of refunding previously issued notes; except that no notes  
558 shall mature more than three (3) years following the date of  
559 issuance of the first note hereunder and provided further, that  
560 all outstanding notes shall be retired from the proceeds of the  
561 first issuance of bonds hereunder. The State Bond Commission is  
562 authorized to provide for the compensation of any purchaser of the  
563 notes by payment of a fixed fee or commission and for all other  
564 costs and expenses of issuance and service, including paying agent  
565 costs. Such costs and expenses may be paid from the proceeds of  
566 the notes.

567 (12) The bonds and interim notes authorized under the  
568 authority of this section may be validated in the First Judicial  
569 District of the Chancery Court of Hinds County, Mississippi, in  
570 the manner and with the force and effect provided now or hereafter  
571 by Chapter 13, Title 31, Mississippi Code of 1972, for the  
572 validation of county, municipal, school district and other bonds.  
573 The necessary papers for such validation proceedings shall be  
574 transmitted to the State Bond Attorney, and the required notice  
575 shall be published in a newspaper published in the City of  
576 Jackson, Mississippi.

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

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



587 which may be deposited with and shall be received by all public  
588 officers and bodies of the state and all municipalities and other  
589 political subdivisions thereof for the purpose of securing the  
590 deposit of public funds.

591 (15) The Attorney General of the State of Mississippi shall  
592 represent the State Bond Commission in issuing, selling and  
593 validating bonds herein provided for, and the Bond Commission is  
594 hereby authorized and empowered to expend from the proceeds  
595 derived from the sale of the bonds authorized hereunder all  
596 necessary administrative, legal and other expenses incidental and  
597 related to the issuance of bonds authorized under this chapter.

598 (16) There is hereby created a special fund in the State  
599 Treasury to be known as the Mississippi Major Economic Impact  
600 Authority Fund wherein shall be deposited the proceeds of the  
601 bonds issued under this chapter and all monies received by the  
602 authority to carry out the purposes of this chapter. Expenditures  
603 authorized herein shall be paid by the State Treasurer upon  
604 warrants drawn from the fund, and the Department of Finance and  
605 Administration shall issue warrants upon requisitions signed by  
606 the director of the authority.

607 (17) (a) There is hereby created the Mississippi Economic  
608 Impact Authority Sinking Fund from which the principal of and  
609 interest on such bonds shall be paid by appropriation. All monies  
610 paid into the sinking fund not appropriated to pay accruing bonds  
611 and interest shall be invested by the State Treasurer in such  
612 securities as are provided by law for the investment of the  
613 sinking funds of the state.

614 (b) In the event that all or any part of the bonds and  
615 notes are purchased, they shall be canceled and returned to the  
616 loan and transfer agent as canceled and paid bonds and notes and  
617 thereafter all payments of interest thereon shall cease and the  
618 canceled bonds, notes and coupons, together with any other  
619 canceled bonds, notes and coupons, shall be destroyed as promptly



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

624 (c) The State Treasurer shall determine and report to  
625 the Department of Finance and Administration and Legislative  
626 Budget Office by September 1 of each year the amount of money  
627 necessary for the payment of the principal of and interest on  
628 outstanding obligations for the following fiscal year and the  
629 times and amounts of the payments. It shall be the duty of the  
630 Governor to include in every executive budget submitted to the  
631 Legislature full information relating to the issuance of bonds and  
632 notes under the provisions of this chapter and the status of the  
633 sinking fund for the payment of the principal of and interest on  
634 the bonds and notes.

635 **SECTION 4.** This act shall take effect and be in force from  
636 and after its passage.

