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To: Finance

SENATE BILL NO. 2001

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 STATE
8 GENERAL OBLIGATION BONDS IN THE AMOUNT OF \$31,500,000.00 FOR
9 CERTAIN PROJECTS UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT;
10 AND FOR RELATED PURPOSES.

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

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

14 57-61-25. (1) The seller is authorized to borrow, on the
15 credit of the state upon receipt of a resolution from the
16 Mississippi Development Authority requesting the same, money not
17 exceeding the aggregate sum of Two Hundred Eighty Million Dollars
18 (\$280,000,000.00), not including money borrowed to refund
19 outstanding bonds, notes or replacement notes, as may be necessary
20 to carry out the purposes of this chapter. The aggregate amount
21 of bonds issued prior to June 30, 1987, shall not exceed Fifty
22 Million Dollars (\$50,000,000.00); provided, however, this Fifty
23 Million Dollars (\$50,000,000.00) limitation shall not be construed
24 to limit the aggregate amount of grants which may be awarded prior
25 to June 30, 1987, to less than the full amount authorized under
26 Section 57-61-15(1), Mississippi Code of 1972. The rate of
27 interest on any such bonds or notes which are not subject to
28 taxation shall not exceed the rates set forth in Section
29 75-17-101, Mississippi Code of 1972, for general obligation bonds.

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



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

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

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

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

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

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



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

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

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

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

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

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

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



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

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

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

121 (f) "Project" means:

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



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



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

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

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

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

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



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

200 (v) Any major capital project designed to
201 construct the corporate headquarters and initial factory, to be
202 located in the Golden Triangle Region of the state, for any
203 Mississippi corporation that develops, constructs and operates
204 automated robotic systems to improve the quality of, and reduce
205 the costs of, manufacturing wire harness assemblies for certain
206 industries, or manufactures thin film polymer lithium-ion
207 rechargeable batteries which project has a ten-year strategic plan
208 of supporting one thousand (1,000) direct project-related jobs for
209 each group of wire harness contracts amounting to Thirty-five
210 Million Dollars (\$35,000,000.00), or which has a ten-year
211 strategic plan of supporting one thousand five hundred (1,500)
212 direct project-related jobs for each group of polymer lithium-ion
213 rechargeable battery contracts amounting to Forty Million Dollars
214 (\$40,000,000.00).

215 (vi) Any real property owned or controlled by the
216 National Aeronautics and Space Administration, the United States
217 government, or any agency thereof, which is legally conveyed to
218 the State of Mississippi or to the State of Mississippi for the
219 benefit of the Mississippi Major Economic Impact Authority, its
220 successors and assigns pursuant to Section 212 of Public Law
221 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

222 (vii) Any major capital project designed to
223 manufacture, produce and transmit electrical power using natural
224 gas as its primary raw material to be constructed and maintained
225 in Panola County, Mississippi, with an initial capital investment
226 of not less than Two Hundred Fifty Million Dollars
227 (\$250,000,000.00).



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

237 (ix) Any major capital project to be constructed
238 and maintained in Jones County, Mississippi, designed to
239 manufacture, produce, assemble and distribute computers and
240 electrical substations, with a capital investment from any source
241 or combination of sources of not less than Eighty Million Dollars
242 (\$80,000,000.00), and which will create at least two thousand
243 (2,000) full-time jobs meeting criteria established by the
244 Mississippi Development Authority.

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

256 (h) "Public agency" means:

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

259 (ii) Any city, town, county, political
260 subdivision, school district or other district created or existing



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

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

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

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

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

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

282 57-75-15. (1) Upon notification to the authority by the
283 enterprise that the state has been finally selected as the site
284 for the project, the State Bond Commission shall have the power
285 and is hereby authorized and directed, upon receipt of a
286 declaration from the authority as hereinafter provided, to borrow
287 money and issue general obligation bonds of the state in one or
288 more series for the purposes herein set out. Upon such
289 notification, the authority may thereafter from time to time
290 declare the necessity for the issuance of general obligation bonds
291 as authorized by this section and forward such declaration to the
292 State Bond Commission, provided that before such notification, the
293 authority may enter into agreements with the United States



294 government, private companies and others that will commit the
295 authority to direct the State Bond Commission to issue bonds for
296 eligible undertakings set out in subsection (4) of this section,
297 conditioned on the siting of the project in the state.

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

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

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



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

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

347 (d) Bonds issued under the authority of this section
348 for projects defined in Section 57-75-5(f)(iv) shall not exceed
349 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An
350 additional amount of bonds in an amount not to exceed Twelve
351 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be
352 issued under the authority of this section for the purpose of
353 defraying costs associated with the construction of surface water
354 transmission lines for a project defined in Section 57-75-5(f)(iv)
355 or for any facility related to the project. No bonds shall be
356 issued under this paragraph after June 30, 2005.

357 (e) Bonds issued under the authority of this section
358 for the project defined in Section 57-75-5(f)(v) shall not exceed
359 Twenty Million Three Hundred Seventy Thousand Dollars



360 (\$20,370,000.00). No bonds shall be issued under this paragraph
361 (e) until the State Bond Commission by resolution adopts a finding
362 that the project has secured wire harness contracts or contracts
363 to manufacture thin film polymer lithium-ion rechargeable
364 batteries, or any combination of such contracts, in the aggregate
365 amount of Twenty Million Dollars (\$20,000,000.00), either from the
366 United States government or the private sector. No bonds shall be
367 issued under this paragraph after June 30, 2001.

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

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

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

381 (4) (a) The proceeds from the sale of the bonds issued
382 under this section may be applied for the purposes of: (i)
383 defraying all or any designated portion of the costs incurred with
384 respect to acquisition, planning, design, construction,
385 installation, rehabilitation, improvement, relocation and with
386 respect to state-owned property, operation and maintenance of the
387 project and any facility related to the project located within the
388 project area, including costs of design and engineering, all costs
389 incurred to provide land, easements and rights-of-way, relocation
390 costs with respect to the project and with respect to any facility
391 related to the project located within the project area, and costs
392 associated with mitigation of environmental impacts and



393 environmental impact studies; (ii) defraying the cost of providing
394 for the recruitment, screening, selection, training or retraining
395 of employees, candidates for employment or replacement employees
396 of the project and any related activity; (iii) reimbursing the
397 Mississippi Development Authority for expenses it incurred in
398 regard to projects defined in Section 57-75-5(f)(iv) prior to
399 November 6, 2000. The Mississippi Development Authority shall
400 submit an itemized list of expenses it incurred in regard to such
401 projects to the Chairmen of the Finance and Appropriations
402 Committees of the Senate and the Chairmen of the Ways and Means
403 and Appropriations Committees of the House of Representatives;
404 (iv) providing grants to enterprises operating projects defined in
405 Section 57-75-5(f)(iv)1; (v) paying any warranty made by the
406 authority regarding site work for a project defined in Section
407 57-75-5(f)(iv)1; (vi) defraying the cost of marketing and
408 promotion of a project as defined in Section 57-75-5(f)(iv)1. The
409 authority shall submit an itemized list of costs incurred for
410 marketing and promotion of such project to the Chairmen of the
411 Finance and Appropriations Committees of the Senate and the
412 Chairmen of the Ways and Means and Appropriations Committees of
413 the House of Representatives; (vii) providing for the payment of
414 interest on the bonds; (viii) providing debt service reserves;
415 (ix) paying underwriters' discount, original issue discount,
416 accountants' fees, engineers' fees, attorneys' fees, rating agency
417 fees and other fees and expenses in connection with the issuance
418 of the bonds; and (x) for purposes authorized in paragraphs (b)
419 and (c) of this subsection (4). Such bonds shall be issued from
420 time to time and in such principal amounts as shall be designated
421 by the authority, not to exceed in aggregate principal amounts the
422 amount authorized in subsection (3) of this section. Proceeds
423 from the sale of the bonds issued under this section may be
424 invested, subject to federal limitations, pending their use, in
425 such securities as may be specified in the resolution authorizing



426 the issuance of the bonds or the trust indenture securing them,
427 and the earning on such investment applied as provided in such
428 resolution or trust indenture.

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

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

456 (5) The principal of and the interest on the bonds shall be
457 payable in the manner hereinafter set forth. The bonds shall bear
458 date or dates; be in such denomination or denominations; bear



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

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

489 (7) The State Bond Commission shall sell the bonds on sealed
490 bids at public sale, and for such price as it may determine to be
491 for the best interest of the State of Mississippi, but no such



492 sale shall be made at a price less than par plus accrued interest
493 to date of delivery of the bonds to the purchaser. The bonds
494 shall bear interest at such rate or rates not exceeding the limits
495 set forth in Section 75-17-101 as shall be fixed by the State Bond
496 Commission. All interest accruing on such bonds so issued shall
497 be payable semiannually or annually; provided that the first
498 interest payment may be for any period of not more than one (1)
499 year.

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

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

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

519 (9) The State Treasurer is authorized to certify to the
520 Department of Finance and Administration the necessity for
521 warrants, and the Department of Finance and Administration is
522 authorized and directed to issue such warrants payable out of any
523 funds appropriated by the Legislature under this section for such
524 purpose, in such amounts as may be necessary to pay when due the



525 principal of and interest on all bonds issued under the provisions
526 of this section. The State Treasurer shall forward the necessary
527 amount to the designated place or places of payment of such bonds
528 in ample time to discharge such bonds, or the interest thereon, on
529 the due dates thereof.

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

539 (11) In anticipation of the issuance of bonds hereunder, the
540 State Bond Commission is authorized to negotiate and enter into
541 any purchase, loan, credit or other agreement with any bank, trust
542 company or other lending institution or to issue and sell interim
543 notes for the purpose of making any payments authorized under this
544 section. All borrowings made under this provision shall be
545 evidenced by notes of the state which shall be issued from time to
546 time, for such amounts not exceeding the amount of bonds
547 authorized herein, in such form and in such denomination and
548 subject to such terms and conditions of sale and issuance,
549 prepayment or redemption and maturity, rate or rates of interest
550 not to exceed the maximum rate authorized herein for bonds, and
551 time of payment of interest as the State Bond Commission shall
552 agree to in such agreement. Such notes shall constitute general
553 obligations of the state and shall be backed by the full faith and
554 credit of the state. Such notes may also be issued for the
555 purpose of refunding previously issued notes; except that no notes
556 shall mature more than three (3) years following the date of
557 issuance of the first note hereunder and provided further, that



558 all outstanding notes shall be retired from the proceeds of the
559 first issuance of bonds hereunder. The State Bond Commission is
560 authorized to provide for the compensation of any purchaser of the
561 notes by payment of a fixed fee or commission and for all other
562 costs and expenses of issuance and service, including paying agent
563 costs. Such costs and expenses may be paid from the proceeds of
564 the notes.

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

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

581 (14) All bonds issued under this chapter shall be legal
582 investments for trustees, other fiduciaries, savings banks, trust
583 companies and insurance companies organized under the laws of the
584 State of Mississippi; and such bonds shall be legal securities
585 which may be deposited with and shall be received by all public
586 officers and bodies of the state and all municipalities and other
587 political subdivisions thereof for the purpose of securing the
588 deposit of public funds.

589 (15) The Attorney General of the State of Mississippi shall
590 represent the State Bond Commission in issuing, selling and



591 validating bonds herein provided for, and the Bond Commission is
592 hereby authorized and empowered to expend from the proceeds
593 derived from the sale of the bonds authorized hereunder all
594 necessary administrative, legal and other expenses incidental and
595 related to the issuance of bonds authorized under this chapter.

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

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

612 (b) In the event that all or any part of the bonds and
613 notes are purchased, they shall be canceled and returned to the
614 loan and transfer agent as canceled and paid bonds and notes and
615 thereafter all payments of interest thereon shall cease and the
616 canceled bonds, notes and coupons, together with any other
617 canceled bonds, notes and coupons, shall be destroyed as promptly
618 as possible after cancellation but not later than two (2) years
619 after cancellation. A certificate evidencing the destruction of
620 the canceled bonds, notes and coupons shall be provided by the
621 loan and transfer agent to the seller.

622 (c) The State Treasurer shall determine and report to
623 the Department of Finance and Administration and Legislative



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

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

