HOUSE BILL NO. 1352

AN ACT TO CREATE THE SOUTHWEST MISSISSIPPI EMPOWERMENT ZONE ACT; TO ESTABLISH UNDER THE DIRECTION OF THE MISSISSIPPI DEVELOPMENT AUTHORITY THE SOUTHWEST MISSISSIPPI EMPOWERMENT ZONE GRANT PROGRAM FOR THE PURPOSE OF MAKING GRANTS TO ELIGIBLE BUSINESSES FOR THE PURPOSE OF STIMULATING BUSINESS AND INDUSTRIAL GROWTH IN THE SOUTHWEST MISSISSIPPI EMPOWERMENT ZONE; TO ESTABLISH CERTAIN CRITERIA THAT A BUSINESS MUST MEET IN ORDER TO BE ELIGIBLE FOR ASSISTANCE UNDER THIS ACT; TO REQUIRE THAT UNDER CERTAIN CIRCUMSTANCES A BUSINESS RECEIVING ASSISTANCE SHALL BE REQUIRED TO REPAY ALL OR A PORTION OF SUCH ASSISTANCE; TO CREATE A SPECIAL FUND KNOWN AS THE SOUTHWEST MISSISSIPPI EMPOWERMENT ZONE GRANT FUND INTO WHICH ALL MONEY RECEIVED FROM THE ISSUANCE OF BONDS PURSUANT TO THIS ACT SHALL BE DEPOSITED; TO PROVIDE FOR THE ISSUANCE OF $35,000,000.00 IN STATE GENERAL OBLIGATION BONDS TO FUND THE SOUTHWEST MISSISSIPPI EMPOWERMENT ZONE GRANT PROGRAM; AND FOR RELATED PURPOSES.

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

SECTION 1. This act shall be known and may be cited as the "Southwest Mississippi Empowerment Zone Act."

SECTION 2. As used in this act, the following words shall have the meanings ascribed herein unless the context clearly requires otherwise:

(a) "Accreted value" of any bond means, as of any date of computation, an amount equal to the sum of (i) the stated initial value of such bond, plus (ii) the interest accrued thereon from the issue date to the date of computation at the rate, compounded semiannually, that is necessary to produce the approximate yield to maturity shown for bonds of the same maturity.

(b) "State" means the State of Mississippi.

(c) "Commission" means the State Bond Commission.

(d) "Eligible business" means any enterprise that will employ and maintain a minimum of three hundred (300) people on a full-time basis with an average hourly wage of at least Eight
Dollars ($8.00) per hour, or any existing enterprise that expands or will expand which, with such expansion, will create a minimum number of one hundred fifty (150) new full-time jobs with an average hourly wage of at least Eight Dollars ($8.00) per hour; except that new full-time jobs created in Adams County, Mississippi, by a new enterprise or by the expansion of an existing enterprise, must have an average hourly wage of at least Nine Dollars ($9.00) per hour.

(e) "Southwest Mississippi Empowerment Zone" means the area comprised of the following counties in Mississippi: Adams County, Jefferson County, Amite County, Franklin County, Claiborne County and Wilkinson County.

SECTION 3. There is established under the direction of the Mississippi Development Authority, a program to be known as the "Southwest Mississippi Empowerment Zone Grant Program" for the purpose of stimulating business and industrial growth in the Southwest Mississippi Empowerment Zone by providing financial assistance in the form of grants to businesses in the empowerment zone.

SECTION 4. There is created a special fund in the State Treasury to be designated as the "Southwest Mississippi Empowerment Zone Grant Fund," which shall consist of monies from the proceeds of bonds authorized to be issued under this act. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the fund shall be deposited to the fund.

SECTION 5. (1) The Mississippi Development Authority shall use monies in the Southwest Mississippi Empowerment Zone Grant Fund to provide grants to eligible businesses in the Southwest Mississippi Empowerment Zone. No more than Twenty-five Million Dollars ($25,000,000.00) may be disbursed from the fund to provide grants during the state's 2004 fiscal year and no more than Five
Million Dollars ($5,000,000.00) may be disbursed as grants during any subsequent fiscal year. Any business desiring assistance under this act may apply to the Mississippi Development Authority for a grant under the Southwest Mississippi Empowerment Zone Grant Program. The application from the business shall include:

(a) A description of the business and the type of industry in which it is engaged;

(b) The number of employees the business employs or intends to employ and the hourly wage for each employee;

(c) The amount of initial capital investment the business intends to make in the Southwest Mississippi Empowerment Zone;

(d) A letter of intent from the business indicating that it is committed to remaining in the Southwest Mississippi Empowerment Zone for at least five (5) years; and

(e) Any other information required by the Mississippi Development Authority.

(2) If the Executive Director of the Mississippi Development Authority determines that the applicant is an eligible business, the executive director shall authorize a grant to the eligible business in the amount of One Million Dollars ($1,000,000.00) for each Ten Million Dollars ($10,000,000.00) of capital investment made by the eligible business.

(3) If an eligible business receives a grant under the Southwest Mississippi Empowerment Zone Grant Program and the business leaves the Southwest Mississippi Empowerment Zone within five (5) years after receiving the grant or if within such period of time the eligible business’s number of employees or the average hourly wage of its employees falls below the level required to be an eligible business, the business shall be required to repay the grant in the proportionate amount that the number of years, or part of a year, remaining until the expiration of five (5) years bears to five (5) years.
SECTION 6. (1) The commission, at one time, or from time to time, may declare by resolution the necessity for issuance of general obligation bonds of the State of Mississippi to provide funds for all costs incurred or to be incurred for the purposes described in Sections 3 through 5 of this act. Upon the adoption of a resolution by the Mississippi Development Authority, declaring the necessity for the issuance of any part or all of the general obligation bonds authorized by this section, the Mississippi Development Authority shall deliver a certified copy of its resolution or resolutions to the commission. Upon receipt of such resolution, the commission, in its discretion, may act as the issuing agent, prescribe the form of the bonds, advertise for and accept bids, issue and sell the bonds so authorized to be sold and do any and all other things necessary and advisable in connection with the issuance and sale of such bonds. The total amount of bonds issued under this act shall not exceed Thirty-five Million Dollars ($35,000,000.00).

SECTION 7. The principal of and interest on the bonds authorized under this act shall be payable in the manner provided in this section. Such bonds shall bear such date or dates, be in such denomination or denominations, bear interest at such rate or rates (not to exceed the limits set forth in Section 75-17-101, Mississippi Code of 1972), be payable at such place or places within or without the State of Mississippi, shall mature absolutely at such time or times not to exceed twenty-five (25) years from date of issue, be redeemable before maturity at such time or times and upon such terms, with or without premium, shall bear such registration privileges, and shall be substantially in such form, all as shall be determined by resolution of the commission.

SECTION 8. The bonds authorized by this act shall be signed by the chairman of the commission, or by his facsimile signature, and the official seal of the commission shall be affixed thereto,
attested by the secretary of the commission. The interest coupons, if any, to be attached to such bonds may be executed by the facsimile signatures of such officers. Whenever any such bonds shall have been signed by the officials designated to sign the bonds who were in office at the time of such signing but who may have ceased to be such officers before the sale and delivery of such bonds, or who may not have been in office on the date such bonds may bear, the signatures of such officers upon such bonds and coupons shall nevertheless be valid and sufficient for all purposes and have the same effect as if the person so officially signing such bonds had remained in office until their delivery to the purchaser, or had been in office on the date such bonds may bear. However, notwithstanding anything herein to the contrary, such bonds may be issued as provided in the Registered Bond Act of the State of Mississippi.

SECTION 9. All bonds and interest coupons issued under the provisions of this act have all the qualities and incidents of negotiable instruments under the provisions of the Uniform Commercial Code, and in exercising the powers granted by this act, the commission shall not be required to and need not comply with the provisions of the Uniform Commercial Code.

SECTION 10. The commission shall act as the issuing agent for the bonds authorized under this act, prescribe the form of the bonds, advertise for and accept bids, issue and sell the bonds so authorized to be sold, pay all fees and costs incurred in such issuance and sale, and do any and all other things necessary and advisable in connection with the issuance and sale of such bonds. The commission is authorized and empowered to pay the costs that are incident to the sale, issuance and delivery of the bonds authorized under this act from the proceeds derived from the sale of such bonds. The commission shall sell such bonds on sealed bids at public sale, and for such price as it may determine to be for the best interest of the State of Mississippi, but no such
sale shall be made at a price less than par plus accrued interest to the date of delivery of the bonds to the purchaser. All interest accruing on such bonds so issued shall be payable semiannually or annually; however, the first interest payment may be for any period of not more than one (1) year.

Notice of the sale of any such bonds shall be published at least one time, not less than ten (10) days before the date of sale, and shall be so published in one or more newspapers published or having a general circulation in the City of Jackson, Mississippi, and in one or more other newspapers or financial journals with a national circulation, to be selected by the commission.

The commission, when issuing any bonds under the authority of this act, may provide that bonds, at the option of the State of Mississippi, may be called in for payment and redemption at the call price named therein and accrued interest on such date or dates named therein.

SECTION 11. The bonds issued under the provisions of this act are general obligations of the State of Mississippi, and for the payment thereof the full faith and credit of the State of Mississippi is irrevocably pledged. If the funds appropriated by the Legislature are insufficient to pay the principal of and the interest on such bonds as they become due, then the deficiency shall be paid by the State Treasurer from any funds in the State Treasury not otherwise appropriated. All such bonds shall contain recitals on their faces substantially covering the provisions of this section.

SECTION 12. Upon the issuance and sale of bonds under the provisions of this act, the commission shall transfer the proceeds of any such sale or sales to the special fund created in Section 4 of this act. The proceeds of such bonds shall be disbursed solely upon the order of the Mississippi Development Authority under such
restrictions, if any, as may be contained in the resolution

SECTION 13. The bonds authorized under this act may be
issued without any other proceedings or the happening of any other
conditions or things other than those proceedings, conditions and
things which are specified or required by this act. Any
resolution providing for the issuance of bonds under the
provisions of this act shall become effective immediately upon its
adoption by the commission, and any such resolution may be adopted
at any regular or special meeting of the commission by a majority
of its members.

SECTION 14. The bonds authorized under the authority of this
act may be validated in the Chancery Court of the First Judicial
District of Hinds County, Mississippi, in the manner and with the
force and effect provided by Chapter 13, Title 31, Mississippi
Code of 1972, for the validation of county, municipal, school
district and other bonds. The notice to taxpayers required by
such statutes shall be published in a newspaper published or
having a general circulation in the City of Jackson, Mississippi.

SECTION 15. Any holder of bonds issued under the provisions
of this act or of any of the interest coupons pertaining thereto
may, either at law or in equity, by suit, action, mandamus or
other proceeding, protect and enforce any and all rights granted
under this act, or under such resolution, and may enforce and
compel performance of all duties required by this act to be
performed, in order to provide for the payment of bonds and
interest thereon.

SECTION 16. All bonds issued under the provisions of this
act shall be legal investments for trustees and other fiduciaries,
and for savings banks, trust companies and insurance companies
organized under the laws of the State of Mississippi, and such
bonds shall be legal securities which may be deposited with and
shall be received by all public officers and bodies of this state
and all municipalities and political subdivisions for the purpose of securing the deposit of public funds.

SECTION 17. Bonds issued under the provisions of this act and income therefrom shall be exempt from all taxation in the State of Mississippi.

SECTION 18. The proceeds of the bonds issued under this act shall be used solely for the purposes herein provided, including the costs incident to the issuance and sale of such bonds.

SECTION 19. The State Treasurer is authorized, without further process of law, to certify to the Department of Finance and Administration the necessity for warrants, and the Department of Finance and Administration is authorized and directed to issue such warrants, in such amounts as may be necessary to pay when due the principal of, premium, if any, and interest on, or the accreted value of, all bonds issued under this act; and the State Treasurer shall forward the necessary amount to the designated place or places of payment of such bonds in ample time to discharge such bonds, or the interest thereon, on the due dates thereof.

SECTION 20. This act shall be deemed to be full and complete authority for the exercise of the powers herein granted, but this act shall not be deemed to repeal or to be in derogation of any existing law of this state.

SECTION 21. This act shall take effect and be in force from and after its passage.