

By: Senator(s) Minor

To: Finance

SENATE BILL NO. 2322
(As Passed the Senate)

1 AN ACT TO AMEND SECTION 29-1-1, MISSISSIPPI CODE OF 1972, TO
 2 EXEMPT CERTAIN PURCHASES OF LAND UNDER THE MISSISSIPPI MAJOR
 3 ECONOMIC IMPACT ACT FROM THE PROVISIONS THAT THE TITLE OF ALL LAND
 4 HELD BY A STATE AGENCY SHALL APPEAR UNDER THE NAME OF THE STATE,
 5 THAT GIVES THE SECRETARY OF STATE CERTAIN POWERS AND DUTIES WITH
 6 REGARD TO THE SALE AND PURCHASE OF LAND BY A STATE AGENCY AND THAT
 7 REQUIRE CERTAIN NOTICE TO BE GIVEN PRIOR TO THE PURCHASE OR SALE
 8 OF LAND BY A STATE AGENCY; TO AMEND SECTION 57-75-15, MISSISSIPPI
 9 CODE OF 1972, TO PROVIDE THAT THE MATURITY DATE FOR BOND
 10 ANTICIPATORY NOTES ISSUED UNDER THE MISSISSIPPI MAJOR ECONOMIC
 11 IMPACT ACT MAY NOT EXCEED THREE YEARS FOLLOWING THE DATE OF ITS
 12 ISSUANCE; TO AUTHORIZE THE STATE BOND COMMISSION TO AUTHORIZE THE
 13 STATE TREASURER TO BORROW MONEY FROM ANY SPECIAL FUND IN THE STATE
 14 TREASURY NOT OTHERWISE APPROPRIATED TO BE USED BY THE MISSISSIPPI
 15 DEVELOPMENT AUTHORITY FOR COSTS INCURRED WITH RESPECT TO CERTAIN
 16 PROJECTS; TO PROVIDE THAT THE AUTHORITY SHALL REQUEST AN
 17 APPROPRIATION OR ADDITIONAL AUTHORITY TO ISSUE GENERAL OBLIGATION
 18 BONDS TO REPAY THE BORROWED FUNDS AND ESTABLISH A DATE FOR THE
 19 REPAYMENT OF THE FUNDS SO BORROWED; TO LIMIT TO \$500,000.00 THE
 20 AMOUNT THAT MAY BE SO BORROWED AT ANY ONE TIME; TO AMEND SECTIONS
 21 57-75-5 AND 57-75-11, MISSISSIPPI CODE OF 1972, IN CONFORMITY
 22 THERETO; AND FOR RELATED PURPOSES.

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

24 **SECTION 1.** Section 29-1-1, Mississippi Code of 1972, is
 25 amended as follows:

26 29-1-1. (1) Except as otherwise provided in subsections
 27 (7), * * * (8) and (9) of this section, the title to all lands
 28 held by any agency of the State of Mississippi which were acquired
 29 solely by the use of funds appropriated by the state shall appear
 30 on all deeds and land records under the name of the "State of
 31 Mississippi." For the purpose of this section, the term "agency"
 32 shall be defined as set forth in Section 31-7-1(a). The
 33 provisions of this section shall not affect the authority of any
 34 agency to use any land held by the agency. No assets or property
 35 of the Public Employees' Retirement System of Mississippi shall be
 36 transferred in violation of Section 272A of the Mississippi
 37 Constitution of 1890. Before September 1, 1993, each state agency



38 shall inventory any state-held lands which were acquired solely by
39 the use of funds appropriated by the state, and which are titled
40 in the name of the agency. The agency shall execute quitclaim
41 deeds and any other necessary documents to transfer the name and
42 title of the property to the State of Mississippi.

43 (2) The Secretary of State, under the general direction of
44 the Governor and as authorized by law, shall sell and convey the
45 public lands in the manner and on the terms provided herein for
46 the several classes thereof; he shall perform all the
47 administrative and executive duties appertaining to the selection,
48 location, surveying, platting, listing, and registering these
49 lands or otherwise concerning them; and he shall investigate the
50 status of the various "percent" funds accrued and accruing to the
51 state from the sale of lands by the United States, and shall
52 collect and pay the funds into the treasury in the manner provided
53 by law.

54 (3) In accordance with Sections 7-11-11 and 7-11-13, the
55 Secretary of State shall be required to sign all conveyances of
56 all state-held land. For purposes of this section, the term
57 "conveyance" shall mean any sale or purchase of land by the State
58 of Mississippi for use by any agency, board or commission thereof.
59 Failure to obtain legislative approval pursuant to subsection (4)
60 of this section and the signature of the Secretary of State on any
61 conveyance regarding the sale or purchase of lands for the state
62 including any agency, board or commission thereof, shall render
63 the attempted sale or purchase of the lands void. Nothing in this
64 section shall be construed to authorize any state agency, board,
65 commission or public official to convey any state-held land unless
66 this authority is otherwise granted by law. The Secretary of
67 State shall not withhold arbitrarily his signature from any
68 purchase or sale authorized by the Mississippi State Legislature.
69 All sales of state-held lands, except those lands forfeited to the
70 state for the nonpayment of taxes and those lands acquired by the



71 Mississippi Transportation Commission under Section 65-1-123,
72 shall be sold for not less than the fair market value as
73 determined by two (2) professional appraisers selected by the
74 State Department of Finance and Administration, who are certified
75 general appraisers of the State of Mississippi. The proceeds from
76 any sale by an agency, board, commission or public official of
77 state-held lands shall be deposited into the State General Fund
78 unless otherwise provided by law.

79 (4) Before any state-held land is sold to any individual or
80 private entity, thirty (30) days' advance notice of the intended
81 sale shall be provided by the Secretary of State to the State
82 Legislature, to all state agencies and to all governing
83 authorities within the state for the purpose of ascertaining
84 whether an agency or governing authority has a need for the land
85 and for the purpose of ascertaining whether the sale of the land
86 was authorized by law. If no agency or governing authority within
87 the state expresses in writing to the Secretary of State by the
88 end of the thirty-day period a desire to use the land, then the
89 Secretary of State, with the prior approval of the Mississippi
90 Legislature to sell the state-held land, may offer the land for
91 sale to any individual or private entity.

92 (5) A cultural resources survey may be performed on any
93 state-held land before the disposition of the land if the State
94 Department of Archives and History deems this survey necessary.
95 The cost of the survey and any archaeological studies deemed
96 necessary by the State Department of Archives and History shall be
97 paid by the selling agency and recouped from the proceeds of the
98 sale.

99 (6) Before any land may be purchased by the state for the
100 benefit of any state agency, the Secretary of State, or his
101 designee, shall search and examine all state land records to
102 determine whether the state owns any land that may fit the
103 particular need of the agency. The Secretary of State, or his



104 designee, shall notify the agency if it is determined that any
105 state-held land is available for use by the agency. The agency
106 shall determine if such land accommodates its needs and shall
107 determine whether to make an official request to the proper
108 authorities to have the use of the land.

109 (7) Any lands purchased or acquired for construction and
110 maintenance of highways or highway rights-of-way by the
111 Mississippi Department of Transportation shall be excluded from
112 the provisions of this section.

113 (8) This section shall not apply to any agency of the State
114 of Mississippi that holds title to lands purchased solely by the
115 use of federal funds or whose authority to transfer or dispose of
116 these lands is governed by federal law or federal regulations.

117 (9) Any lands purchased by the Mississippi Major Economic
118 Impact Authority for a "project" as defined in Section 57-75-5
119 shall be excluded from the provisions of this section.

120 (10) The Secretary of State may recover from any agency,
121 corporation, board, commission, entity or individual any cost that
122 is incurred by his office for the record-keeping responsibilities
123 regarding the sale or purchase of any state-held lands.

124 (11) Subsections (3), (4), (5) and (6) of this section shall
125 not apply to sales or purchases of land when the Legislature
126 expressly authorizes or directs a state agency to sell, purchase
127 or lease-purchase a specifically described property. However,
128 when the Legislature authorizes a state agency to sell or
129 otherwise convey specifically described real property to another
130 state agency or other entity such as a county, municipality,
131 economic development district created under Section 19-5-99 or
132 similar entity, without providing that the conveyance may not be
133 made for less than the fair market value of the property, then the
134 state agency authorized to convey such property must make the
135 following determinations before conveying the property:



136 (a) That the state agency or other entity to which the
137 proposed conveyance is to be made has an immediate need for the
138 property;

139 (b) That there are quantifiable benefits that will
140 inure to the state agency or other entity to which the proposed
141 conveyance is to be made which outweigh any quantifiable costs to
142 the state agency authorized to make the conveyance; and

143 (c) That the state agency or other entity to which the
144 proposed conveyance is to be made lacks available funds to pay
145 fair market value for the property. If the state agency
146 authorized to convey such property fails to make such
147 determinations, then it shall not convey the property for less
148 than the fair market value of the property.

149 **SECTION 2.** Section 57-75-15, Mississippi Code of 1972, is
150 amended as follows:

151 57-75-15. (1) Upon notification to the authority by the
152 enterprise that the state has been finally selected as the site
153 for the project, the State Bond Commission shall have the power
154 and is hereby authorized and directed, upon receipt of a
155 declaration from the authority as hereinafter provided, to borrow
156 money and issue general obligation bonds of the state in one or
157 more series for the purposes herein set out. Upon such
158 notification, the authority may thereafter, from time to time,
159 declare the necessity for the issuance of general obligation bonds
160 as authorized by this section and forward such declaration to the
161 State Bond Commission, provided that before such notification, the
162 authority may enter into agreements with the United States
163 government, private companies and others that will commit the
164 authority to direct the State Bond Commission to issue bonds for
165 eligible undertakings set out in subsection (4) of this section,
166 conditioned on the siting of the project in the state.

167 (2) Upon receipt of any such declaration from the authority,
168 the State Bond Commission shall verify that the state has been



169 selected as the site of the project and shall act as the issuing
170 agent for the series of bonds directed to be issued in such
171 declaration pursuant to authority granted in this section.

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

176 (b) Bonds issued under the authority of this section
177 for projects as defined in Section 57-75-5(f)(ii) shall not exceed
178 Fifty Million Dollars (\$50,000,000.00), nor shall the bonds issued
179 for projects related to any single military installation exceed
180 Sixteen Million Six Hundred Sixty-seven Thousand Dollars
181 (\$16,667,000.00). If any proceeds of bonds issued for projects
182 related to the Meridian Naval Auxiliary Air Station ("NAAS") are
183 used for the development of a water and sewer service system by
184 the City of Meridian, Mississippi, to serve the NAAS and if the
185 City of Meridian annexes any of the territory served by the water
186 and sewer service system, the city shall repay the State of
187 Mississippi the amount of all bond proceeds expended on any
188 portion of the water and sewer service system project; and if
189 there are any monetary proceeds derived from the disposition of
190 any improvements located on real property in Kemper County
191 purchased pursuant to this act for projects related to the NAAS
192 and if there are any monetary proceeds derived from the
193 disposition of any timber located on real property in Kemper
194 County purchased pursuant to this act for projects related to the
195 NAAS, all of such proceeds (both from the disposition of
196 improvements and the disposition of timber) commencing July 1,
197 1996, through June 30, 2010, shall be paid to the Board of
198 Education of Kemper County, Mississippi, for expenditure by such
199 board of education to benefit the public schools of Kemper County.
200 No bonds shall be issued under this paragraph (b) until the State
201 Bond Commission by resolution adopts a finding that the issuance



202 of such bonds will improve, expand or otherwise enhance the
203 military installation, its support areas or military operations,
204 or will provide employment opportunities to replace those lost by
205 closure or reductions in operations at the military installation.
206 From and after July 1, 1997, bonds shall not be issued for any
207 projects, as defined in Section 57-75-5(f)(ii), which are not
208 commenced before July 1, 1997. The proceeds of any bonds issued
209 for projects commenced before July 1, 1997, shall be used for the
210 purposes for which the bonds were issued until completion of the
211 projects.

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

216 (d) Bonds issued under the authority of this section
217 for projects defined in Section 57-75-5(f)(iv) shall not exceed
218 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An
219 additional amount of bonds in an amount not to exceed Twelve
220 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be
221 issued under the authority of this section for the purpose of
222 defraying costs associated with the construction of surface water
223 transmission lines for a project defined in Section 57-75-5(f)(iv)
224 or for any facility related to the project. No bonds shall be
225 issued under this paragraph after June 30, 2005.

226 (e) Bonds issued under the authority of this section
227 for the project defined in Section 57-75-5(f)(v) shall not exceed
228 Twenty Million Three Hundred Seventy Thousand Dollars
229 (\$20,370,000.00). No bonds shall be issued under this paragraph
230 (e) until the State Bond Commission by resolution adopts a finding
231 that the project has secured wire harness contracts or contracts
232 to manufacture thin film polymer lithium-ion rechargeable
233 batteries, or any combination of such contracts, in the aggregate
234 amount of Twenty Million Dollars (\$20,000,000.00), either from the



235 United States government or the private sector. No bonds shall be
236 issued under this paragraph after June 30, 2001.

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

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

245 (h) Bonds issued under the authority of this section
246 for projects defined in Section 57-75-5(f)(ix) shall not exceed
247 Thirty-one Million Five Hundred Thousand Dollars (\$31,500,000.00).
248 No bonds shall be issued under this paragraph after December 31,
249 2005.

250 (4) (a) The proceeds from the sale of the bonds issued
251 under this section may be applied for the purposes of: (i)
252 defraying all or any designated portion of the costs incurred with
253 respect to acquisition, planning, design, construction,
254 installation, rehabilitation, improvement, relocation and with
255 respect to state-owned property, operation and maintenance of the
256 project and any facility related to the project located within the
257 project area, including costs of design and engineering, all costs
258 incurred to provide land, easements and rights-of-way, relocation
259 costs with respect to the project and with respect to any facility
260 related to the project located within the project area, and costs
261 associated with mitigation of environmental impacts and
262 environmental impact studies; (ii) defraying the cost of providing
263 for the recruitment, screening, selection, training or retraining
264 of employees, candidates for employment or replacement employees
265 of the project and any related activity; (iii) reimbursing the
266 Mississippi Development Authority for expenses it incurred in
267 regard to projects defined in Section 57-75-5(f)(iv) prior to



268 November 6, 2000. The Mississippi Development Authority shall
269 submit an itemized list of expenses it incurred in regard to such
270 projects to the Chairmen of the Finance and Appropriations
271 Committees of the Senate and the Chairmen of the Ways and Means
272 and Appropriations Committees of the House of Representatives;
273 (iv) providing grants to enterprises operating projects defined in
274 Section 57-75-5(f)(iv)1; (v) paying any warranty made by the
275 authority regarding site work for a project defined in Section
276 57-75-5(f)(iv)1; (vi) defraying the cost of marketing and
277 promotion of a project as defined in Section 57-75-5(f)(iv)1. The
278 authority shall submit an itemized list of costs incurred for
279 marketing and promotion of such project to the Chairmen of the
280 Finance and Appropriations Committees of the Senate and the
281 Chairmen of the Ways and Means and Appropriations Committees of
282 the House of Representatives; (vii) providing for the payment of
283 interest on the bonds; (viii) providing debt service reserves;
284 (ix) paying underwriters' discount, original issue discount,
285 accountants' fees, engineers' fees, attorneys' fees, rating agency
286 fees and other fees and expenses in connection with the issuance
287 of the bonds; and (x) for purposes authorized in paragraphs (b)
288 and (c) of this subsection (4). Such bonds shall be issued from
289 time to time and in such principal amounts as shall be designated
290 by the authority, not to exceed in aggregate principal amounts the
291 amount authorized in subsection (3) of this section. Proceeds
292 from the sale of the bonds issued under this section may be
293 invested, subject to federal limitations, pending their use, in
294 such securities as may be specified in the resolution authorizing
295 the issuance of the bonds or the trust indenture securing them,
296 and the earning on such investment applied as provided in such
297 resolution or trust indenture.

298 (b) The proceeds of bonds issued after June 21, 2002,
299 under this section for projects described in Section
300 57-75-5(f)(iv) may be used to reimburse reasonable, actual and



301 necessary costs incurred by the Mississippi Development Authority
302 in providing assistance related to a project for which funding is
303 provided from the use of proceeds of such bonds. The Mississippi
304 Development Authority shall maintain an accounting of actual costs
305 incurred for each project for which reimbursements are sought.
306 Reimbursements under this paragraph (b) shall not exceed Three
307 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
308 Reimbursements under this paragraph (b) shall satisfy any
309 applicable federal tax law requirements.

310 (c) The proceeds of bonds issued after June 21, 2002,
311 under this section for projects described in Section
312 57-75-5(f)(iv) may be used to reimburse reasonable, actual and
313 necessary costs incurred by the Department of Audit in providing
314 services related to a project for which funding is provided from
315 the use of proceeds of such bonds. The Department of Audit shall
316 maintain an accounting of actual costs incurred for each project
317 for which reimbursements are sought. The Department of Audit may
318 escalate its budget and expend such funds in accordance with rules
319 and regulations of the Department of Finance and Administration in
320 a manner consistent with the escalation of federal funds.
321 Reimbursements under this paragraph (c) shall not exceed One
322 Hundred Thousand Dollars (\$100,000.00) in the aggregate.
323 Reimbursements under this paragraph (c) shall satisfy any
324 applicable federal tax law requirements.

325 (5) The principal of and the interest on the bonds shall be
326 payable in the manner hereinafter set forth. The bonds shall bear
327 date or dates; be in such denomination or denominations; bear
328 interest at such rate or rates; be payable at such place or places
329 within or without the state; mature absolutely at such time or
330 times; be redeemable before maturity at such time or times and
331 upon such terms, with or without premium; bear such registration
332 privileges; and be substantially in such form; all as shall be
333 determined by resolution of the State Bond Commission except that



334 such bonds shall mature or otherwise be retired in annual
335 installments beginning not more than five (5) years from the date
336 thereof and extending not more than twenty-five (25) years from
337 the date thereof. The bonds shall be signed by the Chairman of
338 the State Bond Commission, or by his facsimile signature, and the
339 official seal of the State Bond Commission shall be imprinted on
340 or affixed thereto, attested by the manual or facsimile signature
341 of the Secretary of the State Bond Commission. Whenever any such
342 bonds have been signed by the officials herein designated to sign
343 the bonds, who were in office at the time of such signing but who
344 may have ceased to be such officers before the sale and delivery
345 of such bonds, or who may not have been in office on the date such
346 bonds may bear, the signatures of such officers upon such bonds
347 shall nevertheless be valid and sufficient for all purposes and
348 have the same effect as if the person so officially signing such
349 bonds had remained in office until the delivery of the same to the
350 purchaser, or had been in office on the date such bonds may bear.

351 (6) All bonds issued under the provisions of this section
352 shall be and are hereby declared to have all the qualities and
353 incidents of negotiable instruments under the provisions of the
354 Uniform Commercial Code and in exercising the powers granted by
355 this chapter, the State Bond Commission shall not be required to
356 and need not comply with the provisions of the Uniform Commercial
357 Code.

358 (7) The State Bond Commission shall sell the bonds on sealed
359 bids at public sale, and for such price as it may determine to be
360 for the best interest of the State of Mississippi, but no such
361 sale shall be made at a price less than par plus accrued interest
362 to date of delivery of the bonds to the purchaser. The bonds
363 shall bear interest at such rate or rates not exceeding the limits
364 set forth in Section 75-17-101 as shall be fixed by the State Bond
365 Commission. All interest accruing on such bonds so issued shall
366 be payable semiannually or annually; provided that the first



367 interest payment may be for any period of not more than one (1)
368 year.

369 Notice of the sale of any bonds shall be published at least
370 one time, the first of which shall be made not less than ten (10)
371 days prior to the date of sale, and shall be so published in one
372 or more newspapers having a general circulation in the City of
373 Jackson and in one or more other newspapers or financial journals
374 with a large national circulation, to be selected by the State
375 Bond Commission.

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

381 (8) State bonds issued under the provisions of this section
382 shall be the general obligations of the state and backed by the
383 full faith and credit of the state. The Legislature shall
384 appropriate annually an amount sufficient to pay the principal of
385 and the interest on such bonds as they become due. All bonds
386 shall contain recitals on their faces substantially covering the
387 foregoing provisions of this section.

388 (9) The State Treasurer is authorized to certify to the
389 Department of Finance and Administration the necessity for
390 warrants, and the Department of Finance and Administration is
391 authorized and directed to issue such warrants payable out of any
392 funds appropriated by the Legislature under this section for such
393 purpose, in such amounts as may be necessary to pay when due the
394 principal of and interest on all bonds issued under the provisions
395 of this section. The State Treasurer shall forward the necessary
396 amount to the designated place or places of payment of such bonds
397 in ample time to discharge such bonds, or the interest thereon, on
398 the due dates thereof.



399 (10) The bonds may be issued without any other proceedings
400 or the happening of any other conditions or things other than
401 those proceedings, conditions and things which are specified or
402 required by this chapter. Any resolution providing for the
403 issuance of general obligation bonds under the provisions of this
404 section shall become effective immediately upon its adoption by
405 the State Bond Commission, and any such resolution may be adopted
406 at any regular or special meeting of the State Bond Commission by
407 a majority of its members.

408 (11) In anticipation of the issuance of bonds hereunder, the
409 State Bond Commission is authorized to negotiate and enter into
410 any purchase, loan, credit or other agreement with any bank, trust
411 company or other lending institution or to issue and sell interim
412 notes for the purpose of making any payments authorized under this
413 section. All borrowings made under this provision shall be
414 evidenced by notes of the state which shall be issued from time to
415 time, for such amounts not exceeding the amount of bonds
416 authorized herein, in such form and in such denomination and
417 subject to such terms and conditions of sale and issuance,
418 prepayment or redemption and maturity, rate or rates of interest
419 not to exceed the maximum rate authorized herein for bonds, and
420 time of payment of interest as the State Bond Commission shall
421 agree to in such agreement. Such notes shall constitute general
422 obligations of the state and shall be backed by the full faith and
423 credit of the state. Such notes may also be issued for the
424 purpose of refunding previously issued notes. * * * No note shall
425 mature more than three (3) years following the date of its
426 issuance * * *. The State Bond Commission is authorized to
427 provide for the compensation of any purchaser of the notes by
428 payment of a fixed fee or commission and for all other costs and
429 expenses of issuance and service, including paying agent costs.
430 Such costs and expenses may be paid from the proceeds of the
431 notes.



432 (12) The bonds and interim notes authorized under the
433 authority of this section may be validated in the First Judicial
434 District of the Chancery Court of Hinds County, Mississippi, in
435 the manner and with the force and effect provided now or hereafter
436 by Chapter 13, Title 31, Mississippi Code of 1972, for the
437 validation of county, municipal, school district and other bonds.
438 The necessary papers for such validation proceedings shall be
439 transmitted to the State Bond Attorney, and the required notice
440 shall be published in a newspaper published in the City of
441 Jackson, Mississippi.

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

448 (14) All bonds issued under this chapter shall be legal
449 investments for trustees, other fiduciaries, savings banks, trust
450 companies and insurance companies organized under the laws of the
451 State of Mississippi; and such bonds shall be legal securities
452 which may be deposited with and shall be received by all public
453 officers and bodies of the state and all municipalities and other
454 political subdivisions thereof for the purpose of securing the
455 deposit of public funds.

456 (15) The Attorney General of the State of Mississippi shall
457 represent the State Bond Commission in issuing, selling and
458 validating bonds herein provided for, and the Bond Commission is
459 hereby authorized and empowered to expend from the proceeds
460 derived from the sale of the bonds authorized hereunder all
461 necessary administrative, legal and other expenses incidental and
462 related to the issuance of bonds authorized under this chapter.

463 (16) There is hereby created a special fund in the State
464 Treasury to be known as the Mississippi Major Economic Impact



465 Authority Fund wherein shall be deposited the proceeds of the
466 bonds issued under this chapter and all monies received by the
467 authority to carry out the purposes of this chapter. Expenditures
468 authorized herein shall be paid by the State Treasurer upon
469 warrants drawn from the fund, and the Department of Finance and
470 Administration shall issue warrants upon requisitions signed by
471 the director of the authority.

472 (17) (a) There is hereby created the Mississippi Economic
473 Impact Authority Sinking Fund from which the principal of and
474 interest on such bonds shall be paid by appropriation. All monies
475 paid into the sinking fund not appropriated to pay accruing bonds
476 and interest shall be invested by the State Treasurer in such
477 securities as are provided by law for the investment of the
478 sinking funds of the state.

479 (b) In the event that all or any part of the bonds and
480 notes are purchased, they shall be canceled and returned to the
481 loan and transfer agent as canceled and paid bonds and notes and
482 thereafter all payments of interest thereon shall cease and the
483 canceled bonds, notes and coupons, together with any other
484 canceled bonds, notes and coupons, shall be destroyed as promptly
485 as possible after cancellation but not later than two (2) years
486 after cancellation. A certificate evidencing the destruction of
487 the canceled bonds, notes and coupons shall be provided by the
488 loan and transfer agent to the seller.

489 (c) The State Treasurer shall determine and report to
490 the Department of Finance and Administration and Legislative
491 Budget Office by September 1 of each year the amount of money
492 necessary for the payment of the principal of and interest on
493 outstanding obligations for the following fiscal year and the
494 times and amounts of the payments. It shall be the duty of the
495 Governor to include in every executive budget submitted to the
496 Legislature full information relating to the issuance of bonds and
497 notes under the provisions of this chapter and the status of the



498 sinking fund for the payment of the principal of and interest on
499 the bonds and notes.

500 (18) (a) Upon receipt of a declaration by the authority
501 that it has determined that the state is a potential site for a
502 project, the State Bond Commission is authorized and directed to
503 authorize the State Treasurer to borrow money from any special
504 fund in the State Treasury not otherwise appropriated to be
505 utilized by the authority for the purposes provided for in this
506 subsection.

507 (b) The proceeds of the money borrowed under this
508 subsection may be utilized by the authority for the purpose of
509 defraying all or a portion of the costs incurred by the authority
510 with respect to acquisition options and planning, design and
511 environmental impact studies with respect to a project defined in
512 Section 57-75-5(f)(x). The authority may escalate its budget and
513 expend the proceeds of the money borrowed under this subsection in
514 accordance with rules and regulations of the Department of Finance
515 and Administration in a manner consistent with the escalation of
516 federal funds.

517 (c) The authority shall request an appropriation or
518 additional authority to issue general obligation bonds to repay
519 the borrowed funds and establish a date for the repayment of the
520 funds so borrowed.

521 (d) Borrowings made under the provisions of this
522 subsection shall not exceed Five Hundred Thousand Dollars
523 (\$500,000.00) at any one time.

524 **SECTION 3.** Section 57-75-5, Mississippi Code of 1972, is
525 amended as follows:

526 57-75-5. Words and phrases used in this chapter shall have
527 meanings as follows, unless the context clearly indicates a
528 different meaning:

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



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

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

536 (d) "Facility related to the project" means and
537 includes any of the following, as the same may pertain to the
538 project within the project area: (i) facilities to provide
539 potable and industrial water supply systems, sewage and waste
540 disposal systems and water, natural gas and electric transmission
541 systems to the site of the project; (ii) airports, airfields and
542 air terminals; (iii) rail lines; (iv) port facilities; (v)
543 highways, streets and other roadways; (vi) public school
544 buildings, classrooms and instructional facilities, training
545 facilities and equipment, including any functionally related
546 facilities; (vii) parks, outdoor recreation facilities and
547 athletic facilities; (viii) auditoriums, pavilions, campgrounds,
548 art centers, cultural centers, folklore centers and other public
549 facilities; (ix) health care facilities, public or private; and
550 (x) fire protection facilities, equipment and elevated water
551 tanks.

552 (e) "Person" means any natural person, corporation,
553 association, partnership, receiver, trustee, guardian, executor,
554 administrator, fiduciary, governmental unit, public agency,
555 political subdivision, or any other group acting as a unit, and
556 the plural as well as the singular.

557 (f) "Project" means:

558 (i) Any industrial, commercial, research and
559 development, warehousing, distribution, transportation,
560 processing, mining, United States government or tourism enterprise
561 together with all real property required for construction,
562 maintenance and operation of the enterprise with an initial
563 capital investment of not less than Three Hundred Million Dollars



564 (\$300,000,000.00) from private or United States government sources
565 together with all buildings, and other supporting land and
566 facilities, structures or improvements of whatever kind required
567 or useful for construction, maintenance and operation of the
568 enterprise; or with an initial capital investment of not less than
569 One Hundred Fifty Million Dollars (\$150,000,000.00) from private
570 or United States government sources together with all buildings
571 and other supporting land and facilities, structures or
572 improvements of whatever kind required or useful for construction,
573 maintenance and operation of the enterprise and which creates at
574 least one thousand (1,000) net new full-time jobs; or which
575 creates at least one thousand (1,000) net new full-time jobs which
576 provides an average salary, excluding benefits which are not
577 subject to Mississippi income taxation, of at least one hundred
578 twenty-five percent (125%) of the most recently published average
579 annual wage of the state as determined by the Mississippi
580 Employment Security Commission. "Project" shall include any
581 addition to or expansion of an existing enterprise if such
582 addition or expansion has an initial capital investment of not
583 less than Three Hundred Million Dollars (\$300,000,000.00) from
584 private or United States government sources, or has an initial
585 capital investment of not less than One Hundred Fifty Million
586 Dollars (\$150,000,000.00) from private or United States government
587 sources together with all buildings and other supporting land and
588 facilities, structures or improvements of whatever kind required
589 or useful for construction, maintenance and operation of the
590 enterprise and which creates at least one thousand (1,000) net new
591 full-time jobs; or which creates at least one thousand (1,000) net
592 new full-time jobs which provides an average salary, excluding
593 benefits which are not subject to Mississippi income taxation, of
594 at least one hundred twenty-five percent (125%) of the most
595 recently published average annual wage of the state as determined
596 by the Mississippi Employment Security Commission. "Project"



597 shall also include any ancillary development or business resulting
598 from the enterprise, of which the authority is notified, within
599 three (3) years from the date that the enterprise entered into
600 commercial production, that the project area has been selected as
601 the site for the ancillary development or business.

602 (ii) Any major capital project designed to
603 improve, expand or otherwise enhance any active duty United States
604 Air Force or Navy training bases or naval stations, their support
605 areas or their military operations, upon designation by the
606 authority that any such base was or is at risk to be recommended
607 for closure or realignment pursuant to the Defense Base Closure
608 and Realignment Act of 1990; or any major development project
609 determined by the authority to be necessary to acquire base
610 properties and to provide employment opportunities through
611 construction of projects as defined in Section 57-3-5, which shall
612 be located on or provide direct support service or access to such
613 military installation property as such property exists on July 1,
614 1993, in the event of closure or reduction of military operations
615 at the installation. From and after July 1, 1997, projects
616 described in this subparagraph (ii) shall not be considered to be
617 within the meaning of the term "project" for purposes of this
618 section, unless such projects are commenced before July 1, 1997,
619 and shall not be eligible for any funding provided under the
620 Mississippi Major Economic Impact Act.

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

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



629 2. "Project" shall also include any ancillary
630 development or business resulting from an enterprise operating a
631 project as defined in item 1 of this paragraph (f)(iv), of which
632 the authority is notified, within three (3) years from the date
633 that the enterprise entered into commercial production, that the
634 state has been selected as the site for the ancillary development
635 or business.

636 (v) Any major capital project designed to
637 construct the corporate headquarters and initial factory, to be
638 located in the Golden Triangle Region of the state, for any
639 Mississippi corporation that develops, constructs and operates
640 automated robotic systems to improve the quality of, and reduce
641 the costs of, manufacturing wire harness assemblies for certain
642 industries, or manufactures thin film polymer lithium-ion
643 rechargeable batteries which project has a ten-year strategic plan
644 of supporting one thousand (1,000) direct project-related jobs for
645 each group of wire harness contracts amounting to Thirty-five
646 Million Dollars (\$35,000,000.00), or which has a ten-year
647 strategic plan of supporting one thousand five hundred (1,500)
648 direct project-related jobs for each group of polymer lithium-ion
649 rechargeable battery contracts amounting to Forty Million Dollars
650 (\$40,000,000.00).

651 (vi) Any real property owned or controlled by the
652 National Aeronautics and Space Administration, the United States
653 government, or any agency thereof, which is legally conveyed to
654 the State of Mississippi or to the State of Mississippi for the
655 benefit of the Mississippi Major Economic Impact Authority, its
656 successors and assigns pursuant to Section 212 of Public Law
657 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

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



662 of not less than Two Hundred Fifty Million Dollars
663 (\$250,000,000.00).

664 (viii) Any major capital project related to the
665 establishment, improvement, expansion and/or other enhancement of
666 any active duty military installation and having a minimum capital
667 investment from any source or combination of sources other than
668 the State of Mississippi of at least Forty Million Dollars
669 (\$40,000,000.00), and which will create at least five hundred
670 (500) military installation related full-time jobs, which jobs may
671 be military jobs, civilian jobs or a combination of military and
672 civilian jobs.

673 (ix) Any major capital project to be constructed
674 and maintained in Jones County, Mississippi, designed to
675 manufacture, produce, assemble and distribute computers and
676 electrical substations, with a capital investment from any source
677 or combination of sources of not less than Eighty Million Dollars
678 (\$80,000,000.00), which will create at least two thousand (2,000)
679 full-time jobs meeting criteria established by the Mississippi
680 Development Authority, and which criteria shall include, but not
681 be limited to, the requirement that such jobs must be held by
682 persons eligible for employment in the United States under
683 applicable state and federal law.

684 (x) Any potential major capital project that the
685 authority has determined is feasible to recruit.

686 (g) "Project area" means the project site, together
687 with any area or territory within the state lying within
688 sixty-five (65) miles of any portion of the project site whether
689 or not such area or territory be contiguous; provided, however,
690 that for the project defined in paragraph (f) (iv) of this section
691 the term "project area" means any area or territory within the
692 state. The project area shall also include all territory within a
693 county if any portion of such county lies within sixty-five (65)
694 miles of any portion of the project site. "Project site" means



695 the real property on which the principal facilities of the
696 enterprise will operate.

697 (h) "Public agency" means:

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

700 (ii) Any city, town, county, political
701 subdivision, school district or other district created or existing
702 under the laws of the state or any public agency of any such city,
703 town, county, political subdivision or district or any other
704 public entity created or existing under local and private
705 legislation;

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

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

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

712 (j) "Fee-in-lieu" means a negotiated fee to be paid by
713 the project in lieu of any franchise taxes imposed on the project
714 by Chapter 13, Title 27, Mississippi Code of 1972. The
715 fee-in-lieu shall not be less than Twenty-five Thousand Dollars
716 (\$25,000.00) annually. A fee-in-lieu may be negotiated with an
717 enterprise operating an existing project defined in Section
718 57-75-5(f)(iv)1; however, a fee-in-lieu shall not be negotiated
719 for other existing enterprises that fall within the definition of
720 the term "project."

721 **SECTION 4.** Section 57-75-11, Mississippi Code of 1972, is
722 amended as follows:

723 57-75-11. The authority, in addition to any and all powers
724 now or hereafter granted to it, is empowered and shall exercise
725 discretion and the use of these powers depending on the
726 circumstances of the project or projects:



727 (a) To maintain an office at a place or places within
728 the state.

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

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

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

740 (e) (i) To acquire by purchase, lease, gift, or in
741 other manner, including quick-take eminent domain, or obtain
742 options to acquire, and to own, maintain, use, operate and convey
743 any and all property of any kind, real, personal, or mixed, or any
744 interest or estate therein, within the project area, necessary for
745 the project or any facility related to the project. The
746 provisions of this paragraph that allow the acquisition of
747 property by quick-take eminent domain shall be repealed by
748 operation of law on July 1, 1994; and

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

756 (f) To acquire by purchase or lease any public lands
757 and public property, including sixteenth section lands and lieu
758 lands, within the project area, which are necessary for the
759 project. Sixteenth section lands or lieu lands acquired under



760 this act shall be deemed to be acquired for the purposes of
761 industrial development thereon and such acquisition will serve a
762 higher public interest in accordance with the purposes of this
763 act.

764 (g) If the authority identifies any land owned by the
765 state as being necessary, for the location or use of the project,
766 or any facility related to the project, to recommend to the
767 Legislature the conveyance of such land or any interest therein,
768 as the Legislature deems appropriate.

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

772 (i) From and after the date of notification to the
773 authority by the enterprise that the state has been finally
774 selected as the site of the project, to acquire by condemnation
775 and to own, maintain, use, operate and convey or otherwise dispose
776 of any and all property of any kind, real, personal or mixed, or
777 any interest or estate therein, within the project area, necessary
778 for the project or any facility related to the project, with the
779 concurrence of the affected public agency, and the exercise of the
780 powers granted by this act, according to the procedures provided
781 by Chapter 27, Title 11, Mississippi Code of 1972, except as
782 modified by this act.

783 (i) Except as otherwise provided in subparagraph
784 (iii) of this paragraph (i), in acquiring lands by condemnation,
785 the authority shall not acquire minerals or royalties in minerals
786 unless a competent registered professional engineer shall have
787 certified that the acquisition of such minerals and royalties in
788 minerals is necessary for purposes of the project; provided that
789 limestone, clay, chalk, sand and gravel shall not be considered as
790 minerals for the purposes of subparagraphs (i) and (ii) of this
791 paragraph (i);



792 (ii) Unless minerals or royalties in minerals have
793 been acquired by condemnation or otherwise, no person or persons
794 owning the drilling rights or the right to share in production of
795 minerals shall be prevented from exploring, developing, or
796 producing oil or gas with necessary rights-of-way for ingress and
797 egress, pipelines and other means of transporting interests on any
798 land or interest therein of the authority held or used for the
799 purposes of this act; but any such activities shall be under such
800 reasonable regulation by the authority as will adequately protect
801 the project contemplated by this act as provided in paragraph (r)
802 of this section; and

803 (iii) In acquiring lands by condemnation,
804 including the exercise of immediate possession, for a project, as
805 defined in Section 57-75-5(f)(iv)1, the authority may acquire
806 minerals or royalties in minerals.

807 (j) To negotiate the necessary relocation or rerouting
808 of roads and highways, railroad, telephone and telegraph lines and
809 properties, electric power lines, pipelines and related
810 facilities, or to require the anchoring or other protection of any
811 of these, provided due compensation is paid to the owners thereof
812 or agreement is had with such owners regarding the payment of the
813 cost of such relocation, and to acquire by condemnation or
814 otherwise easements or rights-of-way for such relocation or
815 rerouting and to convey the same to the owners of the facilities
816 being relocated or rerouted in connection with the purposes of
817 this act.

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

820 (l) To perform or have performed any and all acts and
821 make all payments necessary to comply with all applicable federal
822 laws, rules or regulations including, but not limited to, the
823 Uniform Relocation Assistance and Real Property Acquisition
824 Policies Act of 1970 (42 USCS 4601, 4602, 4621 to 4638, and 4651



825 to 4655) and relocation rules and regulations promulgated by any
826 agency or department of the federal government.

827 (m) To construct, extend, improve, maintain, and
828 reconstruct, to cause to be constructed, extended, improved,
829 maintained, and reconstructed, and to use and operate any and all
830 components of the project or any facility related to the project,
831 with the concurrence of the affected public agency, within the
832 project area, necessary to the project and to the exercise of such
833 powers, rights, and privileges granted the authority.

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

837 (o) To lease, sell or convey any or all property
838 acquired by the authority under the provisions of this act to the
839 enterprise, its successors or assigns, and in connection therewith
840 to pay the costs of title search, perfection of title, title
841 insurance and recording fees as may be required. The authority
842 may provide in the instrument conveying such property a provision
843 that such property shall revert to the authority if, as and when
844 the property is declared by the enterprise to be no longer needed.

845 (p) To enter into contracts with any person or public
846 agency, including, but not limited to, contracts authorized by
847 Section 57-75-17, in furtherance of any of the purposes authorized
848 by this act upon such consideration as the authority and such
849 person or public agency may agree. Any such contract may extend
850 over any period of time, notwithstanding any rule of law to the
851 contrary, may be upon such terms as the parties thereto shall
852 agree, and may provide that it shall continue in effect until
853 bonds specified therein, refunding bonds issued in lieu of such
854 bonds, and all other obligations specified therein are paid or
855 terminated. Any such contract shall be binding upon the parties
856 thereto according to its terms. Such contracts may include an
857 agreement to reimburse the enterprise, its successors and assigns



858 for any assistance provided by the enterprise in the acquisition
859 of real property for the project or any facility related to the
860 project.

861 (q) To establish and maintain reasonable rates and
862 charges for the use of any facility within the project area owned
863 or operated by the authority, and from time to time to adjust such
864 rates and to impose penalties for failure to pay such rates and
865 charges when due.

866 (r) To adopt and enforce with the concurrence of the
867 affected public agency all necessary and reasonable rules and
868 regulations to carry out and effectuate the implementation of the
869 project and any land use plan or zoning classification adopted for
870 the project area, including, but not limited to, rules,
871 regulations, and restrictions concerning mining, construction,
872 excavation or any other activity the occurrence of which may
873 endanger the structure or operation of the project. Such rules
874 may be enforced within the project area and without the project
875 area as necessary to protect the structure and operation of the
876 project. The authority is authorized to plan or replan, zone or
877 rezone, and make exceptions to any regulations, whether local or
878 state, with the concurrence of the affected public agency which
879 are inconsistent with the design, planning, construction or
880 operation of the project and facilities related to the project.

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

884 (t) To develop plans for technology transfer activities
885 to ensure private sector conduits for exchange of information,
886 technology and expertise related to the project to generate
887 opportunities for commercial development within the state.

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



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

895 (w) To consult with the Office of Minority Business
896 Enterprise Development and other public agencies for the purpose
897 of developing plans for technical assistance and loan programs to
898 maximize the economic impact related to the project for minority
899 business enterprises within the State of Mississippi.

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

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

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

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

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

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

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

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

921 (dd) (i) To own surface water transmission lines
922 constructed with the proceeds of bonds issued pursuant to this act



923 that may be utilized to provide water to any project defined in
924 Section 57-75-5(f)(iv) and other consumers; and

925 (ii) To lease such surface water transmission
926 lines to a public agency or public utility to provide water to the
927 project and other consumers.

928 (ee) To enter into negotiations with persons proposing
929 projects defined in Section 57-75-5(f)(x) and execute acquisition
930 options and conduct planning, design and environmental impact
931 studies with regard to such project.

932 **SECTION 5.** This act shall take effect and be in force from
933 and after July 1, 2003.

