

By: Senator(s) Ross, Johnson (19th)

To: Finance

SENATE BILL NO. 2550

1 AN ACT TO AMEND SECTION 57-75-11, MISSISSIPPI CODE OF 1972,
 2 TO PROVIDE THAT THE MISSISSIPPI MAJOR ECONOMIC IMPACT AUTHORITY
 3 MAY CONSTRUCT SURFACE WATER TRANSMISSION LINES ONLY AFTER
 4 EXAMINING PROPOSALS FROM INTERESTED PUBLIC AGENCIES AND PUBLIC
 5 UTILITIES AND SELECTING THE PROPOSAL THAT PROVIDES SURFACE WATER
 6 TO THE PROJECT AT THE LOWEST COST PER 1,000 GALLONS; TO PROVIDE
 7 THAT SURFACE WATER TRANSMISSION LINES OWNED BY THE AUTHORITY MAY
 8 BE LEASED ONLY TO PUBLIC AGENCIES OR PUBLIC UTILITIES WHOSE
 9 SERVICE AREA COVERS THE AREA IN WHICH SUCH LINES ARE LOCATED; TO
 10 AMEND SECTION 57-75-15, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT
 11 THE PROCEEDS OF CERTAIN BONDS ISSUED UNDER THE MISSISSIPPI MAJOR
 12 ECONOMIC IMPACT ACT MAY BE UTILIZED TO DEFRAY COSTS ASSOCIATED
 13 WITH WATER TREATMENT FACILITIES; AND FOR RELATED PURPOSES.

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

15 **SECTION 1.** Section 57-75-11, Mississippi Code of 1972, is
 16 amended as follows:

17 57-75-11. The authority, in addition to any and all powers
 18 now or hereafter granted to it, is empowered and shall exercise
 19 discretion and the use of these powers depending on the
 20 circumstances of the project or projects:

21 (a) To maintain an office at a place or places within
 22 the state.

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

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

30 (d) To apply for, accept and utilize grants, gifts and
 31 other funds or aid from any source for any purpose contemplated by



32 the act, and to comply, subject to the provisions of this act,
33 with the terms and conditions thereof.

34 (e) (i) To acquire by purchase, lease, gift, or in
35 other manner, including quick-take eminent domain, or obtain
36 options to acquire, and to own, maintain, use, operate and convey
37 any and all property of any kind, real, personal, or mixed, or any
38 interest or estate therein, within the project area, necessary for
39 the project or any facility related to the project. The
40 provisions of this paragraph that allow the acquisition of
41 property by quick-take eminent domain shall be repealed by
42 operation of law on July 1, 1994; and

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

50 (f) To acquire by purchase or lease any public lands
51 and public property, including sixteenth section lands and lieu
52 lands, within the project area, which are necessary for the
53 project. Sixteenth section lands or lieu lands acquired under
54 this act shall be deemed to be acquired for the purposes of
55 industrial development thereon and such acquisition will serve a
56 higher public interest in accordance with the purposes of this
57 act.

58 (g) If the authority identifies any land owned by the
59 state as being necessary, for the location or use of the project,
60 or any facility related to the project, to recommend to the
61 Legislature the conveyance of such land or any interest therein,
62 as the Legislature deems appropriate.



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

66 (i) From and after the date of notification to the
67 authority by the enterprise that the state has been finally
68 selected as the site of the project, to acquire by condemnation
69 and to own, maintain, use, operate and convey or otherwise dispose
70 of any and all property of any kind, real, personal or mixed, or
71 any interest or estate therein, within the project area, necessary
72 for the project or any facility related to the project, with the
73 concurrence of the affected public agency, and the exercise of the
74 powers granted by this act, according to the procedures provided
75 by Chapter 27, Title 11, Mississippi Code of 1972, except as
76 modified by this act.

77 (i) Except as otherwise provided in subparagraph
78 (iii) of this paragraph (i), in acquiring lands by condemnation,
79 the authority shall not acquire minerals or royalties in minerals
80 unless a competent registered professional engineer shall have
81 certified that the acquisition of such minerals and royalties in
82 minerals is necessary for purposes of the project; provided that
83 limestone, clay, chalk, sand and gravel shall not be considered as
84 minerals for the purposes of subparagraphs (i) and (ii) of this
85 paragraph (i);

86 (ii) Unless minerals or royalties in minerals have
87 been acquired by condemnation or otherwise, no person or persons
88 owning the drilling rights or the right to share in production of
89 minerals shall be prevented from exploring, developing, or
90 producing oil or gas with necessary rights-of-way for ingress and
91 egress, pipelines and other means of transporting interests on any
92 land or interest therein of the authority held or used for the
93 purposes of this act; but any such activities shall be under such
94 reasonable regulation by the authority as will adequately protect



95 the project contemplated by this act as provided in paragraph (r)
96 of this section; and

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

101 (j) To negotiate the necessary relocation or rerouting
102 of roads and highways, railroad, telephone and telegraph lines and
103 properties, electric power lines, pipelines and related
104 facilities, or to require the anchoring or other protection of any
105 of these, provided due compensation is paid to the owners thereof
106 or agreement is had with such owners regarding the payment of the
107 cost of such relocation, and to acquire by condemnation or
108 otherwise easements or rights-of-way for such relocation or
109 rerouting and to convey the same to the owners of the facilities
110 being relocated or rerouted in connection with the purposes of
111 this act.

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

114 (l) To perform or have performed any and all acts and
115 make all payments necessary to comply with all applicable federal
116 laws, rules or regulations including, but not limited to, the
117 Uniform Relocation Assistance and Real Property Acquisition
118 Policies Act of 1970 (42 USCS 4601, 4602, 4621 to 4638, and 4651
119 to 4655) and relocation rules and regulations promulgated by any
120 agency or department of the federal government.

121 (m) To construct, extend, improve, maintain, and
122 reconstruct, to cause to be constructed, extended, improved,
123 maintained, and reconstructed, and to use and operate any and all
124 components of the project or any facility related to the project,
125 with the concurrence of the affected public agency, within the
126 project area, necessary to the project and to the exercise of such
127 powers, rights, and privileges granted the authority.



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

131 (o) To lease, sell or convey any or all property
132 acquired by the authority under the provisions of this act to the
133 enterprise, its successors or assigns, and in connection therewith
134 to pay the costs of title search, perfection of title, title
135 insurance and recording fees as may be required. The authority
136 may provide in the instrument conveying such property a provision
137 that such property shall revert to the authority if, as and when
138 the property is declared by the enterprise to be no longer needed.

139 (p) To enter into contracts with any person or public
140 agency, including, but not limited to, contracts authorized by
141 Section 57-75-17, in furtherance of any of the purposes authorized
142 by this act upon such consideration as the authority and such
143 person or public agency may agree. Any such contract may extend
144 over any period of time, notwithstanding any rule of law to the
145 contrary, may be upon such terms as the parties thereto shall
146 agree, and may provide that it shall continue in effect until
147 bonds specified therein, refunding bonds issued in lieu of such
148 bonds, and all other obligations specified therein are paid or
149 terminated. Any such contract shall be binding upon the parties
150 thereto according to its terms. Such contracts may include an
151 agreement to reimburse the enterprise, its successors and assigns
152 for any assistance provided by the enterprise in the acquisition
153 of real property for the project or any facility related to the
154 project.

155 (q) To establish and maintain reasonable rates and
156 charges for the use of any facility within the project area owned
157 or operated by the authority, and from time to time to adjust such
158 rates and to impose penalties for failure to pay such rates and
159 charges when due.



160 (r) To adopt and enforce with the concurrence of the
161 affected public agency all necessary and reasonable rules and
162 regulations to carry out and effectuate the implementation of the
163 project and any land use plan or zoning classification adopted for
164 the project area, including, but not limited to, rules,
165 regulations, and restrictions concerning mining, construction,
166 excavation or any other activity the occurrence of which may
167 endanger the structure or operation of the project. Such rules
168 may be enforced within the project area and without the project
169 area as necessary to protect the structure and operation of the
170 project. The authority is authorized to plan or replan, zone or
171 rezone, and make exceptions to any regulations, whether local or
172 state, with the concurrence of the affected public agency which
173 are inconsistent with the design, planning, construction or
174 operation of the project and facilities related to the project.

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

178 (t) To develop plans for technology transfer activities
179 to ensure private sector conduits for exchange of information,
180 technology and expertise related to the project to generate
181 opportunities for commercial development within the state.

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

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

189 (w) To consult with the Office of Minority Business
190 Enterprise Development and other public agencies for the purpose
191 of developing plans for technical assistance and loan programs to



192 maximize the economic impact related to the project for minority
193 business enterprises within the State of Mississippi.

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

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

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

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

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

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

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

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

215 (dd) (i) To own surface water transmission lines
216 constructed with the proceeds of bonds issued pursuant to this act
217 that may be utilized to provide water to any project defined in
218 Section 57-75-5(f)(iv) and other consumers; however, the authority
219 may construct such surface water transmission lines only after
220 examining proposals from interested public agencies and public
221 utilities and selecting the proposal that provides surface water
222 to the project and other consumers at the lowest cost per one
223 thousand (1,000) gallons; and



224 (ii) To lease such surface water transmission
225 lines to a public agency or public utility to provide water to the
226 project and other consumers; however, such surface water
227 transmission lines may be leased only to public agencies or public
228 utilities whose service area covers the area in which such lines
229 are located.

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

232 57-75-15. (1) Upon notification to the authority by the
233 enterprise that the state has been finally selected as the site
234 for the project, the State Bond Commission shall have the power
235 and is hereby authorized and directed, upon receipt of a
236 declaration from the authority as hereinafter provided, to borrow
237 money and issue general obligation bonds of the state in one or
238 more series for the purposes herein set out. Upon such
239 notification, the authority may thereafter, from time to time,
240 declare the necessity for the issuance of general obligation bonds
241 as authorized by this section and forward such declaration to the
242 State Bond Commission, provided that before such notification, the
243 authority may enter into agreements with the United States
244 government, private companies and others that will commit the
245 authority to direct the State Bond Commission to issue bonds for
246 eligible undertakings set out in subsection (4) of this section,
247 conditioned on the siting of the project in the state.

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

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



257 (b) Bonds issued under the authority of this section
258 for projects as defined in Section 57-75-5(f)(ii) shall not exceed
259 Fifty Million Dollars (\$50,000,000.00), nor shall the bonds issued
260 for projects related to any single military installation exceed
261 Sixteen Million Six Hundred Sixty-seven Thousand Dollars
262 (\$16,667,000.00). If any proceeds of bonds issued for projects
263 related to the Meridian Naval Auxiliary Air Station ("NAAS") are
264 used for the development of a water and sewer service system by
265 the City of Meridian, Mississippi, to serve the NAAS and if the
266 City of Meridian annexes any of the territory served by the water
267 and sewer service system, the city shall repay the State of
268 Mississippi the amount of all bond proceeds expended on any
269 portion of the water and sewer service system project; and if
270 there are any monetary proceeds derived from the disposition of
271 any improvements located on real property in Kemper County
272 purchased pursuant to this act for projects related to the NAAS
273 and if there are any monetary proceeds derived from the
274 disposition of any timber located on real property in Kemper
275 County purchased pursuant to this act for projects related to the
276 NAAS, all of such proceeds (both from the disposition of
277 improvements and the disposition of timber) commencing July 1,
278 1996, through June 30, 2010, shall be paid to the Board of
279 Education of Kemper County, Mississippi, for expenditure by such
280 board of education to benefit the public schools of Kemper County.
281 No bonds shall be issued under this paragraph (b) until the State
282 Bond Commission by resolution adopts a finding that the issuance
283 of such bonds will improve, expand or otherwise enhance the
284 military installation, its support areas or military operations,
285 or will provide employment opportunities to replace those lost by
286 closure or reductions in operations at the military installation.
287 From and after July 1, 1997, bonds shall not be issued for any
288 projects, as defined in Section 57-75-5(f)(ii), which are not
289 commenced before July 1, 1997. The proceeds of any bonds issued



290 for projects commenced before July 1, 1997, shall be used for the
291 purposes for which the bonds were issued until completion of the
292 projects.

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

297 (d) Bonds issued under the authority of this section
298 for projects defined in Section 57-75-5(f)(iv) shall not exceed
299 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An
300 additional amount of bonds in an amount not to exceed Twelve
301 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be
302 issued under the authority of this section for the purpose of
303 defraying costs associated with the construction of surface water
304 transmission lines, water treatment facilities and/or related
305 facilities for a project defined in Section 57-75-5(f)(iv) or for
306 any facility related to the project. No bonds shall be issued
307 under this paragraph after June 30, 2005.

308 (e) Bonds issued under the authority of this section
309 for the project defined in Section 57-75-5(f)(v) shall not exceed
310 Twenty Million Three Hundred Seventy Thousand Dollars
311 (\$20,370,000.00). No bonds shall be issued under this paragraph
312 (e) until the State Bond Commission by resolution adopts a finding
313 that the project has secured wire harness contracts or contracts
314 to manufacture thin film polymer lithium-ion rechargeable
315 batteries, or any combination of such contracts, in the aggregate
316 amount of Twenty Million Dollars (\$20,000,000.00), either from the
317 United States government or the private sector. No bonds shall be
318 issued under this paragraph after June 30, 2001.

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



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

327 (h) Bonds issued under the authority of this section
328 for projects defined in Section 57-75-5(f)(ix) shall not exceed
329 Thirty-one Million Five Hundred Thousand Dollars (\$31,500,000.00).
330 No bonds shall be issued under this paragraph after December 31,
331 2005.

332 (4) (a) The proceeds from the sale of the bonds issued
333 under this section may be applied for the purposes of: (i)
334 defraying all or any designated portion of the costs incurred with
335 respect to acquisition, planning, design, construction,
336 installation, rehabilitation, improvement, relocation and with
337 respect to state-owned property, operation and maintenance of the
338 project and any facility related to the project located within the
339 project area, including costs of design and engineering, all costs
340 incurred to provide land, easements and rights-of-way, relocation
341 costs with respect to the project and with respect to any facility
342 related to the project located within the project area, and costs
343 associated with mitigation of environmental impacts and
344 environmental impact studies; (ii) defraying the cost of providing
345 for the recruitment, screening, selection, training or retraining
346 of employees, candidates for employment or replacement employees
347 of the project and any related activity; (iii) reimbursing the
348 Mississippi Development Authority for expenses it incurred in
349 regard to projects defined in Section 57-75-5(f)(iv) prior to
350 November 6, 2000. The Mississippi Development Authority shall
351 submit an itemized list of expenses it incurred in regard to such
352 projects to the Chairmen of the Finance and Appropriations
353 Committees of the Senate and the Chairmen of the Ways and Means
354 and Appropriations Committees of the House of Representatives;
355 (iv) providing grants to enterprises operating projects defined in



356 Section 57-75-5(f)(iv)1; (v) paying any warranty made by the
357 authority regarding site work for a project defined in Section
358 57-75-5(f)(iv)1; (vi) defraying the cost of marketing and
359 promotion of a project as defined in Section 57-75-5(f)(iv)1. The
360 authority shall submit an itemized list of costs incurred for
361 marketing and promotion of such project to the Chairmen of the
362 Finance and Appropriations Committees of the Senate and the
363 Chairmen of the Ways and Means and Appropriations Committees of
364 the House of Representatives; (vii) providing for the payment of
365 interest on the bonds; (viii) providing debt service reserves;
366 (ix) paying underwriters' discount, original issue discount,
367 accountants' fees, engineers' fees, attorneys' fees, rating agency
368 fees and other fees and expenses in connection with the issuance
369 of the bonds; and (x) for purposes authorized in paragraphs (b)
370 and (c) of this subsection (4). Such bonds shall be issued from
371 time to time and in such principal amounts as shall be designated
372 by the authority, not to exceed in aggregate principal amounts the
373 amount authorized in subsection (3) of this section. Proceeds
374 from the sale of the bonds issued under this section may be
375 invested, subject to federal limitations, pending their use, in
376 such securities as may be specified in the resolution authorizing
377 the issuance of the bonds or the trust indenture securing them,
378 and the earning on such investment applied as provided in such
379 resolution or trust indenture.

380 (b) The proceeds of bonds issued after June 21, 2002,
381 under this section for projects described in Section
382 57-75-5(f)(iv) may be used to reimburse reasonable, actual and
383 necessary costs incurred by the Mississippi Development Authority
384 in providing assistance related to a project for which funding is
385 provided from the use of proceeds of such bonds. The Mississippi
386 Development Authority shall maintain an accounting of actual costs
387 incurred for each project for which reimbursements are sought.
388 Reimbursements under this paragraph (b) shall not exceed Three



389 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
390 Reimbursements under this paragraph (b) shall satisfy any
391 applicable federal tax law requirements.

392 (c) The proceeds of bonds issued after June 21, 2002,
393 under this section for projects described in Section
394 57-75-5(f) (iv) may be used to reimburse reasonable, actual and
395 necessary costs incurred by the Department of Audit in providing
396 services related to a project for which funding is provided from
397 the use of proceeds of such bonds. The Department of Audit shall
398 maintain an accounting of actual costs incurred for each project
399 for which reimbursements are sought. The Department of Audit may
400 escalate its budget and expend such funds in accordance with rules
401 and regulations of the Department of Finance and Administration in
402 a manner consistent with the escalation of federal funds.
403 Reimbursements under this paragraph (c) shall not exceed One
404 Hundred Thousand Dollars (\$100,000.00) in the aggregate.
405 Reimbursements under this paragraph (c) shall satisfy any
406 applicable federal tax law requirements.

407 (5) The principal of and the interest on the bonds shall be
408 payable in the manner hereinafter set forth. The bonds shall bear
409 date or dates; be in such denomination or denominations; bear
410 interest at such rate or rates; be payable at such place or places
411 within or without the state; mature absolutely at such time or
412 times; be redeemable before maturity at such time or times and
413 upon such terms, with or without premium; bear such registration
414 privileges; and be substantially in such form; all as shall be
415 determined by resolution of the State Bond Commission except that
416 such bonds shall mature or otherwise be retired in annual
417 installments beginning not more than five (5) years from the date
418 thereof and extending not more than twenty-five (25) years from
419 the date thereof. The bonds shall be signed by the Chairman of
420 the State Bond Commission, or by his facsimile signature, and the
421 official seal of the State Bond Commission shall be imprinted on



422 or affixed thereto, attested by the manual or facsimile signature
423 of the Secretary of the State Bond Commission. Whenever any such
424 bonds have been signed by the officials herein designated to sign
425 the bonds, who were in office at the time of such signing but who
426 may have ceased to be such officers before the sale and delivery
427 of such bonds, or who may not have been in office on the date such
428 bonds may bear, the signatures of such officers upon such bonds
429 shall nevertheless be valid and sufficient for all purposes and
430 have the same effect as if the person so officially signing such
431 bonds had remained in office until the delivery of the same to the
432 purchaser, or had been in office on the date such bonds may bear.

433 (6) All bonds issued under the provisions of this section
434 shall be and are hereby declared to have all the qualities and
435 incidents of negotiable instruments under the provisions of the
436 Uniform Commercial Code and in exercising the powers granted by
437 this chapter, the State Bond Commission shall not be required to
438 and need not comply with the provisions of the Uniform Commercial
439 Code.

440 (7) The State Bond Commission shall sell the bonds on sealed
441 bids at public sale, and for such price as it may determine to be
442 for the best interest of the State of Mississippi, but no such
443 sale shall be made at a price less than par plus accrued interest
444 to date of delivery of the bonds to the purchaser. The bonds
445 shall bear interest at such rate or rates not exceeding the limits
446 set forth in Section 75-17-101 as shall be fixed by the State Bond
447 Commission. All interest accruing on such bonds so issued shall
448 be payable semiannually or annually; provided that the first
449 interest payment may be for any period of not more than one (1)
450 year.

451 Notice of the sale of any bonds shall be published at least
452 one time, the first of which shall be made not less than ten (10)
453 days prior to the date of sale, and shall be so published in one
454 or more newspapers having a general circulation in the City of



455 Jackson and in one or more other newspapers or financial journals
456 with a large national circulation, to be selected by the State
457 Bond Commission.

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

463 (8) State bonds issued under the provisions of this section
464 shall be the general obligations of the state and backed by the
465 full faith and credit of the state. The Legislature shall
466 appropriate annually an amount sufficient to pay the principal of
467 and the interest on such bonds as they become due. All bonds
468 shall contain recitals on their faces substantially covering the
469 foregoing provisions of this section.

470 (9) The State Treasurer is authorized to certify to the
471 Department of Finance and Administration the necessity for
472 warrants, and the Department of Finance and Administration is
473 authorized and directed to issue such warrants payable out of any
474 funds appropriated by the Legislature under this section for such
475 purpose, in such amounts as may be necessary to pay when due the
476 principal of and interest on all bonds issued under the provisions
477 of this section. The State Treasurer shall forward the necessary
478 amount to the designated place or places of payment of such bonds
479 in ample time to discharge such bonds, or the interest thereon, on
480 the due dates thereof.

481 (10) The bonds may be issued without any other proceedings
482 or the happening of any other conditions or things other than
483 those proceedings, conditions and things which are specified or
484 required by this chapter. Any resolution providing for the
485 issuance of general obligation bonds under the provisions of this
486 section shall become effective immediately upon its adoption by
487 the State Bond Commission, and any such resolution may be adopted



488 at any regular or special meeting of the State Bond Commission by
489 a majority of its members.

490 (11) In anticipation of the issuance of bonds hereunder, the
491 State Bond Commission is authorized to negotiate and enter into
492 any purchase, loan, credit or other agreement with any bank, trust
493 company or other lending institution or to issue and sell interim
494 notes for the purpose of making any payments authorized under this
495 section. All borrowings made under this provision shall be
496 evidenced by notes of the state which shall be issued from time to
497 time, for such amounts not exceeding the amount of bonds
498 authorized herein, in such form and in such denomination and
499 subject to such terms and conditions of sale and issuance,
500 prepayment or redemption and maturity, rate or rates of interest
501 not to exceed the maximum rate authorized herein for bonds, and
502 time of payment of interest as the State Bond Commission shall
503 agree to in such agreement. Such notes shall constitute general
504 obligations of the state and shall be backed by the full faith and
505 credit of the state. Such notes may also be issued for the
506 purpose of refunding previously issued notes; except that no notes
507 shall mature more than three (3) years following the date of
508 issuance of the first note hereunder and provided further, that
509 all outstanding notes shall be retired from the proceeds of the
510 first issuance of bonds hereunder. The State Bond Commission is
511 authorized to provide for the compensation of any purchaser of the
512 notes by payment of a fixed fee or commission and for all other
513 costs and expenses of issuance and service, including paying agent
514 costs. Such costs and expenses may be paid from the proceeds of
515 the notes.

516 (12) The bonds and interim notes authorized under the
517 authority of this section may be validated in the First Judicial
518 District of the Chancery Court of Hinds County, Mississippi, in
519 the manner and with the force and effect provided now or hereafter
520 by Chapter 13, Title 31, Mississippi Code of 1972, for the



521 validation of county, municipal, school district and other bonds.
522 The necessary papers for such validation proceedings shall be
523 transmitted to the State Bond Attorney, and the required notice
524 shall be published in a newspaper published in the City of
525 Jackson, Mississippi.

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

532 (14) All bonds issued under this chapter shall be legal
533 investments for trustees, other fiduciaries, savings banks, trust
534 companies and insurance companies organized under the laws of the
535 State of Mississippi; and such bonds shall be legal securities
536 which may be deposited with and shall be received by all public
537 officers and bodies of the state and all municipalities and other
538 political subdivisions thereof for the purpose of securing the
539 deposit of public funds.

540 (15) The Attorney General of the State of Mississippi shall
541 represent the State Bond Commission in issuing, selling and
542 validating bonds herein provided for, and the Bond Commission is
543 hereby authorized and empowered to expend from the proceeds
544 derived from the sale of the bonds authorized hereunder all
545 necessary administrative, legal and other expenses incidental and
546 related to the issuance of bonds authorized under this chapter.

547 (16) There is hereby created a special fund in the State
548 Treasury to be known as the Mississippi Major Economic Impact
549 Authority Fund wherein shall be deposited the proceeds of the
550 bonds issued under this chapter and all monies received by the
551 authority to carry out the purposes of this chapter. Expenditures
552 authorized herein shall be paid by the State Treasurer upon
553 warrants drawn from the fund, and the Department of Finance and



554 Administration shall issue warrants upon requisitions signed by
555 the director of the authority.

556 (17) (a) There is hereby created the Mississippi Economic
557 Impact Authority Sinking Fund from which the principal of and
558 interest on such bonds shall be paid by appropriation. All monies
559 paid into the sinking fund not appropriated to pay accruing bonds
560 and interest shall be invested by the State Treasurer in such
561 securities as are provided by law for the investment of the
562 sinking funds of the state.

563 (b) In the event that all or any part of the bonds and
564 notes are purchased, they shall be canceled and returned to the
565 loan and transfer agent as canceled and paid bonds and notes and
566 thereafter all payments of interest thereon shall cease and the
567 canceled bonds, notes and coupons, together with any other
568 canceled bonds, notes and coupons, shall be destroyed as promptly
569 as possible after cancellation but not later than two (2) years
570 after cancellation. A certificate evidencing the destruction of
571 the canceled bonds, notes and coupons shall be provided by the
572 loan and transfer agent to the seller.

573 (c) The State Treasurer shall determine and report to
574 the Department of Finance and Administration and Legislative
575 Budget Office by September 1 of each year the amount of money
576 necessary for the payment of the principal of and interest on
577 outstanding obligations for the following fiscal year and the
578 times and amounts of the payments. It shall be the duty of the
579 Governor to include in every executive budget submitted to the
580 Legislature full information relating to the issuance of bonds and
581 notes under the provisions of this chapter and the status of the
582 sinking fund for the payment of the principal of and interest on
583 the bonds and notes.

584 **SECTION 3.** This act shall take effect and be in force from
585 and after its passage.

