To: Finance

MISSISSIPPI LEGISLATURE REGULAR SESSION 2003

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

SENATE BILL NO. 2550

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

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

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

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

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

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

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

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

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property by quick-take eminent domain shall be repealed by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

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

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

(g) If the authority identifies any land owned by the
state as being necessary, for the location or use of the project,
or any facility related to the project, to recommend to the
Legislature the conveyance of such land or any interest therein,
as the Legislature deems appropriate.
(h) To make or cause to be made such examinations and surveys as may be necessary to the planning, design, construction and operation of the project.

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

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

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

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

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

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

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

(m) To construct, extend, improve, maintain, and reconstruct, to cause to be constructed, extended, improved, maintained, and reconstructed, and to use and operate any and all components of the project or any facility related to the project, with the concurrence of the affected public agency, within the project area, necessary to the project and to the exercise of such powers, rights, and privileges granted the authority.
(n) To incur or defray any designated portion of the cost of any component of the project or any facility related to the project acquired or constructed by any public agency.

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

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

(q) To establish and maintain reasonable rates and charges for the use of any facility within the project area owned or operated by the authority, and from time to time to adjust such rates and to impose penalties for failure to pay such rates and charges when due.
(r) To adopt and enforce with the concurrence of the affected public agency all necessary and reasonable rules and regulations to carry out and effectuate the implementation of the project and any land use plan or zoning classification adopted for the project area, including, but not limited to, rules, regulations, and restrictions concerning mining, construction, excavation or any other activity the occurrence of which may endanger the structure or operation of the project. Such rules may be enforced within the project area and without the project area as necessary to protect the structure and operation of the project. The authority is authorized to plan or replan, zone or rezone, and make exceptions to any regulations, whether local or state, with the concurrence of the affected public agency which are inconsistent with the design, planning, construction or operation of the project and facilities related to the project.

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

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

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

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

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

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

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

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

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

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

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

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

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

(dd) (i) To own surface water transmission lines constructed with the proceeds of bonds issued pursuant to this act that may be utilized to provide water to any project defined in Section 57-75-5(f)(iv) and other consumers; however, the authority may construct such surface water transmission lines only after examining proposals from interested public agencies and public utilities and selecting the proposal that provides surface water to the project and other consumers at the lowest cost per one thousand (1,000) gallons; and
(ii) To lease such surface water transmission lines to a public agency or public utility to provide water to the project and other consumers; however, such surface water transmission lines may be leased only to public agencies or public utilities whose service area covers the area in which such lines are located.

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

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

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

(3) (a) Bonds issued under the authority of this section for projects as defined in Section 57-75-5(f)(i) shall not exceed an aggregate principal amount in the sum of Sixty-seven Million Three Hundred Fifty Thousand Dollars ($67,350,000.00).
(b) Bonds issued under the authority of this section for projects as defined in Section 57-75-5(f)(ii) shall not exceed Fifty Million Dollars ($50,000,000.00), nor shall the bonds issued for projects related to any single military installation exceed Sixteen Million Six Hundred Sixty-seven Thousand Dollars ($16,667,000.00). If any proceeds of bonds issued for projects related to the Meridian Naval Auxiliary Air Station ("NAAS") are used for the development of a water and sewer service system by the City of Meridian, Mississippi, to serve the NAAS and if the City of Meridian annexes any of the territory served by the water and sewer service system, the city shall repay the State of Mississippi the amount of all bond proceeds expended on any portion of the water and sewer service system project; and if there are any monetary proceeds derived from the disposition of any improvements located on real property in Kemper County purchased pursuant to this act for projects related to the NAAS and if there are any monetary proceeds derived from the disposition of any timber located on real property in Kemper County purchased pursuant to this act for projects related to the NAAS, all of such proceeds (both from the disposition of improvements and the disposition of timber) commencing July 1, 1996, through June 30, 2010, shall be paid to the Board of Education of Kemper County, Mississippi, for expenditure by such board of education to benefit the public schools of Kemper County. No bonds shall be issued under this paragraph (b) until the State Bond Commission by resolution adopts a finding that the issuance of such bonds will improve, expand or otherwise enhance the military installation, its support areas or military operations, or will provide employment opportunities to replace those lost by closure or reductions in operations at the military installation. From and after July 1, 1997, bonds shall not be issued for any projects, as defined in Section 57-75-5(f)(ii), which are not commenced before July 1, 1997. The proceeds of any bonds issued
for projects commenced before July 1, 1997, shall be used for the
purposes for which the bonds were issued until completion of the
projects.

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

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

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

(f) Bonds issued under the authority of this section
for projects defined in Section 57-75-5(f)(vii) shall not exceed
Twenty-six Million Dollars ($26,000,000.00). No bonds shall be
(g) Bonds issued under the authority of this section for projects defined in Section 57-75-5(f)(viii) shall not exceed Five Million Dollars ($5,000,000.00). No bonds shall be issued under this paragraph after June 30, 2006.

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

(4) (a) The proceeds from the sale of the bonds issued under this section may be applied for the purposes of: (i) defraying all or any designated portion of the costs incurred with respect to acquisition, planning, design, construction, installation, rehabilitation, improvement, relocation and with respect to state-owned property, operation and maintenance of the project and any facility related to the project located within the project area, including costs of design and engineering, all costs incurred to provide land, easements and rights-of-way, relocation costs with respect to the project and with respect to any facility related to the project located within the project area, and costs associated with mitigation of environmental impacts and environmental impact studies; (ii) defraying the cost of providing for the recruitment, screening, selection, training or retraining of employees, candidates for employment or replacement employees of the project and any related activity; (iii) reimbursing the Mississippi Development Authority for expenses it incurred in regard to projects defined in Section 57-75-5(f)(iv) prior to November 6, 2000. The Mississippi Development Authority shall submit an itemized list of expenses it incurred in regard to such projects to the Chairmen of the Finance and Appropriations Committees of the Senate and the Chairmen of the Ways and Means and Appropriations Committees of the House of Representatives; (iv) providing grants to enterprises operating projects defined in
Section 57-75-5(f)(iv)1; (v) paying any warranty made by the authority regarding site work for a project defined in Section 57-75-5(f)(iv)1; (vi) defraying the cost of marketing and promotion of a project as defined in Section 57-75-5(f)(iv)1. The authority shall submit an itemized list of costs incurred for marketing and promotion of such project to the Chairmen of the Finance and Appropriations Committees of the Senate and the Chairmen of the Ways and Means and Appropriations Committees of the House of Representatives; (vii) providing for the payment of interest on the bonds; (viii) providing debt service reserves; (ix) paying underwriters' discount, original issue discount, accountants' fees, engineers' fees, attorneys' fees, rating agency fees and other fees and expenses in connection with the issuance of the bonds; and (x) for purposes authorized in paragraphs (b) and (c) of this subsection (4). Such bonds shall be issued from time to time and in such principal amounts as shall be designated by the authority, not to exceed in aggregate principal amounts the amount authorized in subsection (3) of this section. Proceeds from the sale of the bonds issued under this section may be invested, subject to federal limitations, pending their use, in such securities as may be specified in the resolution authorizing the issuance of the bonds or the trust indenture securing them, and the earning on such investment applied as provided in such resolution or trust indenture.

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

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

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

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

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

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

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

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

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

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

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

(12) The bonds and interim notes authorized under the
authority of this section may be validated in the First Judicial
District of the Chancery Court of Hinds County, Mississippi, in
the manner and with the force and effect provided now or hereafter
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.

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

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

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

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

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

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

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

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