

By: Senator(s) Minor, Dearing

To: Finance

SENATE BILL NO. 2876

1 AN ACT TO AMEND SECTION 65-4-25, MISSISSIPPI CODE OF 1972, TO  
 2 INCREASE THE AMOUNT OF STATE GENERAL OBLIGATION BONDS THAT MAY BE  
 3 ISSUED UNDER THE ECONOMIC DEVELOPMENT HIGHWAY ACT; TO AMEND  
 4 SECTION 65-4-15, TO PROVIDE THAT MONIES IN THE ECONOMIC  
 5 DEVELOPMENT HIGHWAY FUND WHICH ARE DERIVED FROM THE PROCEEDS OF  
 6 BONDS ISSUED UNDER THE ECONOMIC DEVELOPMENT HIGHWAY ACT AFTER THE  
 7 EFFECTIVE DATE OF THIS ACT MAY BE USED TO REIMBURSE THE  
 8 MISSISSIPPI DEVELOPMENT AUTHORITY FOR CERTAIN COSTS INCURRED IN  
 9 PROVIDING ASSISTANCE UNDER THE ECONOMIC DEVELOPMENT HIGHWAY ACT;  
 10 AND FOR RELATED PURPOSES.

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

12 **SECTION 1.** Section 65-4-25, Mississippi Code of 1972, is  
 13 amended as follows:

14 65-4-25. The Mississippi Development Authority, acting  
 15 through its executive director, is authorized, at one time or from  
 16 time to time, to declare by resolution the necessity for issuance  
 17 of negotiable general obligation bonds of the State of Mississippi  
 18 to provide funds for the Economic Development Highway Fund  
 19 established in Section 65-4-15, Mississippi Code of 1972. Upon  
 20 the adoption of a resolution by the Executive Director of the  
 21 Mississippi Development Authority, declaring the necessity for the  
 22 issuance of any part or all of the general obligation bonds  
 23 authorized by Sections 65-4-25 through 65-4-45, Mississippi Code  
 24 of 1972, the executive director shall deliver a certified copy of  
 25 his resolution or resolutions to the State Bond Commission. Upon  
 26 receipt of same, the State Bond Commission, in its discretion,  
 27 shall act as the issuing agent, prescribe the form of the bonds,  
 28 advertise for and accept bids, issue and sell the bonds so  
 29 authorized to be sold, and do any and all other things necessary  
 30 and advisable in connection with the issuance and sale of such  
 31 bonds. The principal amount of bonds issued under Sections



32 65-4-25 through 65-4-45, Mississippi Code of 1972, shall not  
33 exceed One Hundred Seventy Million Dollars (\$170,000,000.00) in  
34 the aggregate. However, an additional amount of bonds may be  
35 issued under Sections 65-4-25 through 65-4-45, Mississippi Code of  
36 1972, in an amount not to exceed Seven Million Dollars  
37 (\$7,000,000.00), and the proceeds of any such additional bonds  
38 issued shall be used to provide funding for a high economic  
39 benefit project as defined in Section 65-4-5(1)(c)(vi),  
40 Mississippi Code of 1972.

41 **SECTION 2.** Section 65-4-15, Mississippi Code of 1972, is  
42 amended as follows:

43 65-4-15. (1) There is hereby established a special fund in  
44 the State Treasury to be known as the "Economic Development  
45 Highway Fund" which shall consist of such monies as the  
46 Legislature shall appropriate thereto or such other monies as the  
47 Legislature may designate to be deposited therein. Any monies to  
48 the credit of such fund may be expended by the Mississippi  
49 Department of Transportation or political subdivision, as  
50 appropriate, upon approval of requisitions therefor by the  
51 Mississippi Development Authority for any expenses incurred by the  
52 Transportation Department or political subdivision in constructing  
53 and improving highways and highway segments which have been  
54 approved by the Mississippi Development Authority under the  
55 provisions of this chapter. The Office of State Aid Road  
56 Construction shall be entitled to reimbursement from monies in the  
57 fund, upon approval by the Mississippi Development Authority of  
58 requisitions therefor by the State Aid Engineer, for the actual  
59 expenses incurred by the office in administering and providing  
60 engineering services to political subdivisions. Monies remaining  
61 unexpended to the credit of such special fund at the end of a  
62 fiscal year shall not lapse into the State General Fund, and any  
63 interest earned on the investment of monies in the special fund  
64 shall be deposited to the credit of the fund.



65       (2) Monies in the Economic Development Highway Fund which  
66 are derived from proceeds of bonds issued under this chapter after  
67 the effective date of Senate Bill No. 2876, 2003 Regular Session,  
68 may be used to reimburse reasonable, actual and necessary costs  
69 incurred by the Mississippi Development Authority in providing  
70 assistance to a political subdivision related to a project for  
71 which funding is provided from the use of proceeds of such bonds.  
72 An accounting of actual costs incurred for which reimbursement is  
73 sought shall be maintained for each project by the Mississippi  
74 Development Authority. Reimbursement of reasonable, actual and  
75 necessary costs for a project shall not exceed three percent (3%)  
76 of the proceeds of bonds issued for such a project. Monies  
77 authorized for a particular project may not be used to reimburse  
78 administrative costs for unrelated projects. Reimbursements to  
79 the Mississippi Development Authority under this subsection shall  
80 satisfy any applicable federal tax law requirements.

81       **SECTION 3.** This act shall take effect and be in force from  
82 and after July 1, 2003.

