

By: Senator(s) Minor, Dearing

To: Finance

SENATE BILL NO. 2876  
(As Sent to Governor)

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 Sixty Million Dollars (\$160,000,000.00) in the  
34 aggregate. However, an additional amount of bonds may be issued  
35 under Sections 65-4-25 through 65-4-45, Mississippi Code of 1972,  
36 in an amount not to exceed Seven Million Dollars (\$7,000,000.00),  
37 and the proceeds of any such additional bonds issued shall be used  
38 to provide funding for a high economic benefit project as defined  
39 in Section 65-4-5(1)(c)(vi), Mississippi Code of 1972.

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

42 65-4-15. (1) There is hereby established a special fund in  
43 the State Treasury to be known as the "Economic Development  
44 Highway Fund" which shall consist of such monies as the  
45 Legislature shall appropriate thereto or such other monies as the  
46 Legislature may designate to be deposited therein. Any monies to  
47 the credit of such fund may be expended by the Mississippi  
48 Department of Transportation or political subdivision, as  
49 appropriate, upon approval of requisitions therefor by the  
50 Mississippi Development Authority for any expenses incurred by the  
51 Transportation Department or political subdivision in constructing  
52 and improving highways and highway segments which have been  
53 approved by the Mississippi Development Authority under the  
54 provisions of this chapter. The Office of State Aid Road  
55 Construction shall be entitled to reimbursement from monies in the  
56 fund, upon approval by the Mississippi Development Authority of  
57 requisitions therefor by the State Aid Engineer, for the actual  
58 expenses incurred by the office in administering and providing  
59 engineering services to political subdivisions. Monies remaining  
60 unexpended to the credit of such special fund at the end of a  
61 fiscal year shall not lapse into the State General Fund, and any  
62 interest earned on the investment of monies in the special fund  
63 shall be deposited to the credit of the fund.



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

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

