

**\*\*\*Adopted\*\*\*  
AMENDMENT No. 1 PROPOSED TO**

**House Bill NO. 1335**

**By Senator(s) Committee**

**Amend by striking all after the enacting clause and inserting  
in lieu thereof the following:**

13           **SECTION 1.** Sections 1 through 3 of this act shall be known  
14 and may be cited as the "Mississippi Rural Impact Act."

15           **SECTION 2.** The Legislature finds and determines that:

16                 (a) There exists in the State of Mississippi a  
17 continuing need for gainful employment for the citizens of the  
18 rural areas of the state.

19                 (b) To help provide employment opportunities and to  
20 impact the quality of life in these rural areas, a division within  
21 the Mississippi Development Authority should be created with power  
22 to promote business and economic development through job producing  
23 programs and by providing financial assistance to communities and  
24 businesses.

25                 (c) In accomplishing this purpose, such division will  
26 be acting in all respects for the benefit of the people of the  
27 state in the performance of essential public functions and serving  
28 a valid purpose in improving or otherwise promoting their health,  
29 welfare and prosperity, and the enactment of the provisions  
30 hereinafter set forth is for a valid public purpose.

31                 (d) The borrowing of money and the issuance of bonds  
32 for the purposes hereinafter set forth serves valid public

33 purposes that will contribute to the employment base of the state.

34

35 **SECTION 3.** (1) For the purposes of this section, the  
36 following words and phrases shall have the meanings ascribed in  
37 this section unless the context clearly indicates otherwise:

38 (a) "MDA" means the Mississippi Development Authority.

39 (b) "Project" means construction, rehabilitation or  
40 repair of buildings; sewer systems and transportation directly  
41 affecting the site of the proposed rural business; sewer  
42 facilities, acquisition of real property, development of real  
43 property, improvements to real property, and any other project  
44 approved by the Mississippi Development Authority.

45 (c) "Rural business" means a new or existing business  
46 located or to be located in a rural community or a business or  
47 industry located or to be located within five (5) miles of a rural  
48 community. "Rural business" does not include gaming businesses or  
49 utility businesses.

50 (d) "Rural community" means a county in the State of  
51 Mississippi that meets the population criteria for the term  
52 "limited population county" as provided in Section 57-1-18.  
53 "Rural community" also means a municipality in the State of  
54 Mississippi that meets the population criteria for the term "small  
55 municipality" as provided in Section 57-1-18.

56 (2) (a) There is created in the State Treasury a special  
57 fund to be designated as the "Mississippi Rural Impact Fund,"  
58 which shall consist of funds appropriated or otherwise made  
59 available by the Legislature in any manner and funds from any  
60 other source designated for deposit into such fund. Unexpended  
61 amounts remaining in the fund at the end of a fiscal year shall  
62 not lapse into the State General Fund, and any investment earnings  
63 or interest earned on amounts in the fund shall be deposited to  
64 the credit of the fund. Monies in the fund shall be used to make  
65 grants or loans to rural communities to assist in completing  
66 projects under this section.

67 (b) Monies in the fund which are derived from proceeds

68 of bonds issued after the effective date this act, may be used to  
69 reimburse reasonable actual and necessary costs incurred by the  
70 MDA in providing assistance related to a project for which funding  
71 is provided under this section from the use of proceeds of such  
72 bonds. An accounting of actual costs incurred for which  
73 reimbursement is sought shall be maintained for each project by  
74 the MDA. Reimbursement of reasonable actual and necessary costs  
75 for a project shall not exceed three percent (3%) of the proceeds  
76 of bonds issued for such project. Monies authorized for a  
77 particular project may not be used to reimburse administrative  
78 costs for unrelated projects. Reimbursements under this paragraph  
79 (b) shall satisfy any applicable federal tax law requirements.

80 (c) The MDA may use monies in the fund to pay for the  
81 services of architects, engineers, attorneys and such other  
82 advisors, consultants and agents that MDA determines are necessary  
83 to review loan and grant applications and to implement and  
84 administer the program established under this section.

85 (3) The MDA shall establish a program to make grants and  
86 loans to rural communities from the Mississippi Rural Impact Fund.  
87 A rural community may apply to the MDA for a grant or loan under  
88 this section in the manner provided for in this section.

89 (4) A rural community desiring assistance under this section  
90 must submit an application to the MDA. The application must  
91 include a description of the project for which assistance is  
92 requested, the cost of the project for which assistance is  
93 requested and any other information required by the MDA. The MDA  
94 may waive any requirements of the grant or loan program in order  
95 to expedite funding for unique projects.

96 (5) The MDA shall have all powers necessary to implement and  
97 administer the program established under this section, and the MDA  
98 shall promulgate rules and regulations, in accordance with the  
99 Mississippi Administrative Procedures Law, necessary for the  
100 implementation of this section.

101 **SECTION 4.** As used in Sections 4 through 19 of this act, the  
102 following words shall have the meanings ascribed herein unless the

103 context clearly requires otherwise:

104 (a) "Accreted value" of any bonds means, as of any date  
105 of computation, an amount equal to the sum of (i) the stated  
106 initial value of such bond, plus (ii) the interest accrued thereon  
107 from the issue date to the date of computation at the rate,  
108 compounded semiannually, that is necessary to produce the  
109 approximate yield to maturity shown for bonds of the same  
110 maturity.

111 (b) "State" means the State of Mississippi.

112 (c) "Commission" means the State Bond Commission.

113 **SECTION 5.** (1) The Mississippi Development Authority, at  
114 one time, or from time to time, may declare by resolution the  
115 necessity for issuance of general obligation bonds of the State of  
116 Mississippi to provide funds for the program authorized in Section  
117 3 of this act. Upon the adoption of a resolution by the  
118 Mississippi Development Authority, declaring the necessity for the  
119 issuance of any part or all of the general obligation bonds  
120 authorized by this section, the Mississippi Development Authority  
121 shall deliver a certified copy of its resolution or resolutions to  
122 the commission. Upon receipt of such resolution, the commission,  
123 in its discretion, may act as the issuing agent, prescribe the  
124 form of the bonds, advertise for and accept bids, issue and sell  
125 the bonds so authorized to be sold and do any and all other things  
126 necessary and advisable in connection with the issuance and sale  
127 of such bonds. The total amount of bonds issued under Sections 4  
128 through 19 of this act shall not exceed Fifteen Million Dollars  
129 (\$15,000,000.00). No bonds authorized under Sections 4 through 19  
130 of this act shall be issued after July 1, 2007.

131 (2) The proceeds of bonds issued pursuant to Sections 4  
132 through 19 of this act shall be deposited into the Mississippi  
133 Rural Impact Fund created pursuant to Section 3 of this act. Any  
134 investment earnings on bonds issued pursuant to Sections 4 through  
135 19 of this act shall be used to pay debt service on bonds issued  
136 under Sections 4 through 19 of this act, in accordance with the  
137 proceedings authorizing issuance of such bonds.

138           **SECTION 6.** The principal of and interest on the bonds  
139 authorized under Sections 4 through 19 of this act shall be  
140 payable in the manner provided in this section. Such bonds shall  
141 bear such date or dates, be in such denomination or denominations,  
142 bear interest at such rate or rates (not to exceed the limits set  
143 forth in Section 75-17-101, Mississippi Code of 1972), be payable  
144 at such place or places within or without the State of  
145 Mississippi, shall mature absolutely at such time or times not to  
146 exceed twenty-five (25) years from date of issue, be redeemable  
147 before maturity at such time or times and upon such terms, with or  
148 without premium, shall bear such registration privileges, and  
149 shall be substantially in such form, all as shall be determined by  
150 resolution of the commission.

151           **SECTION 7.** The bonds authorized by Sections 4 through 19 of  
152 this act shall be signed by the chairman of the commission, or by  
153 his facsimile signature, and the official seal of the commission  
154 shall be affixed thereto, attested by the secretary of the  
155 commission. The interest coupons, if any, to be attached to such  
156 bonds may be executed by the facsimile signatures of such  
157 officers. Whenever any such bonds shall have been signed by the  
158 officials designated to sign the bonds who were in office at the  
159 time of such signing but who may have ceased to be such officers  
160 before the sale and delivery of such bonds, or who may not have  
161 been in office on the date such bonds may bear, the signatures of  
162 such officers upon such bonds and coupons shall nevertheless be  
163 valid and sufficient for all purposes and have the same effect as  
164 if the person so officially signing such bonds had remained in  
165 office until their delivery to the purchaser, or had been in  
166 office on the date such bonds may bear. However, notwithstanding  
167 anything herein to the contrary, such bonds may be issued as  
168 provided in the Registered Bond Act of the State of Mississippi.

169           **SECTION 8.** All bonds and interest coupons issued under the  
170 provisions of Sections 4 through 19 of this act have all the  
171 qualities and incidents of negotiable instruments under the  
172 provisions of the Uniform Commercial Code, and in exercising the

173 powers granted by Sections 4 through 19 of this act, the  
174 commission shall not be required to and need not comply with the  
175 provisions of the Uniform Commercial Code.

176         **SECTION 9.** The commission shall act as the issuing agent for  
177 the bonds authorized under Sections 4 through 19 of this act,  
178 prescribe the form of the bonds, advertise for and accept bids,  
179 issue and sell the bonds so authorized to be sold, pay all fees  
180 and costs incurred in such issuance and sale, and do any and all  
181 other things necessary and advisable in connection with the  
182 issuance and sale of such bonds. The commission is authorized and  
183 empowered to pay the costs that are incident to the sale, issuance  
184 and delivery of the bonds authorized under Sections 4 through 19  
185 of this act from the proceeds derived from the sale of such bonds.

186 The commission shall sell such bonds on sealed bids at public  
187 sale, and for such price as it may determine to be for the best  
188 interest of the State of Mississippi, but no such sale shall be  
189 made at a price less than par plus accrued interest to the date of  
190 delivery of the bonds to the purchaser. All interest accruing on  
191 such bonds so issued shall be payable semiannually or annually;  
192 however, the first interest payment may be for any period of not  
193 more than one (1) year.

194         Notice of the sale of any such bonds shall be published at  
195 least one (1) time, not less than ten (10) days before the date of  
196 sale, and shall be so published in one or more newspapers  
197 published or having a general circulation in the City of Jackson,  
198 Mississippi, and in one or more other newspapers or financial  
199 journals with a national circulation, to be selected by the  
200 commission.

201         The commission, when issuing any bonds under the authority of  
202 Sections 4 through 19 of this act, may provide that bonds, at the  
203 option of the State of Mississippi, may be called in for payment  
204 and redemption at the call price named therein and accrued  
205 interest on such date or dates named therein.

206         **SECTION 10.** The bonds issued under the provisions of  
207 Sections 4 through 19 of this act are general obligations of the

208 State of Mississippi, and for the payment thereof the full faith  
209 and credit of the State of Mississippi is irrevocably pledged. If  
210 the funds appropriated by the Legislature are insufficient to pay  
211 the principal of and the interest on such bonds as they become  
212 due, then the deficiency shall be paid by the State Treasurer from  
213 any funds in the State Treasury not otherwise appropriated. All  
214 such bonds shall contain recitals on their faces substantially  
215 covering the provisions of this section.

216       **SECTION 11.** Upon the issuance and sale of bonds under the  
217 provisions of Sections 4 through 19 of this act, the commission  
218 shall transfer the proceeds of any such sale or sales to the  
219 Mississippi Rural Impact Fund created in Section 3 of this act.  
220 The proceeds of such bonds shall be disbursed solely upon the  
221 order of the Mississippi Development Authority under such  
222 restrictions, if any, as may be contained in the resolution  
223 providing for the issuance of the bonds.

224       **SECTION 12.** The bonds authorized under Sections 4 through 19  
225 of this act may be issued without any other proceedings or the  
226 happening of any other conditions or things other than those  
227 proceedings, conditions and things which are specified or required  
228 by Sections 4 through 19 of this act. Any resolution providing  
229 for the issuance of bonds under the provisions of Sections 4  
230 through 19 of this act shall become effective immediately upon its  
231 adoption by the commission, and any such resolution may be adopted  
232 at any regular or special meeting of the commission by a majority  
233 of its members.

234       **SECTION 13.** The bonds authorized under the authority of  
235 Sections 4 through 19 of this act may be validated in the Chancery  
236 Court of the First Judicial District of Hinds County, Mississippi,  
237 in the manner and with the force and effect provided by Chapter  
238 13, Title 31, Mississippi Code of 1972, for the validation of  
239 county, municipal, school district and other bonds. The notice to  
240 taxpayers required by such statutes shall be published in a  
241 newspaper published or having a general circulation in the City of  
242 Jackson, Mississippi.

243           **SECTION 14.** Any holder of bonds issued under the provisions  
244 of Sections 4 through 19 of this act or of any of the interest  
245 coupons pertaining thereto may, either at law or in equity, by  
246 suit, action, mandamus or other proceeding, protect and enforce  
247 any and all rights granted under Sections 4 through 19 of this  
248 act, or under such resolution, and may enforce and compel  
249 performance of all duties required by Sections 4 through 19 of  
250 this act to be performed, in order to provide for the payment of  
251 bonds and interest thereon.

252           **SECTION 15.** All bonds issued under the provisions of  
253 Sections 4 through 19 of this act shall be legal investments for  
254 trustees and other fiduciaries, and for savings banks, trust  
255 companies and insurance companies organized under the laws of the  
256 State of Mississippi, and such bonds shall be legal securities  
257 which may be deposited with and shall be received by all public  
258 officers and bodies of this state and all municipalities and  
259 political subdivisions for the purpose of securing the deposit of  
260 public funds.

261           **SECTION 16.** Bonds issued under the provisions of Sections 4  
262 through 19 of this act and income therefrom shall be exempt from  
263 all taxation in the State of Mississippi.

264           **SECTION 17.** The proceeds of the bonds issued under Sections  
265 4 through 19 of this act shall be used solely for the purposes  
266 therein provided, including the costs incident to the issuance and  
267 sale of such bonds.

268           **SECTION 18.** The State Treasurer is authorized, without  
269 further process of law, to certify to the Department of Finance  
270 and Administration the necessity for warrants, and the Department  
271 of Finance and Administration is authorized and directed to issue  
272 such warrants, in such amounts as may be necessary to pay when due  
273 the principal of, premium, if any, and interest on, or the  
274 accreted value of, all bonds issued under Sections 4 through 19 of  
275 this act; and the State Treasurer shall forward the necessary  
276 amount to the designated place or places of payment of such bonds  
277 in ample time to discharge such bonds, or the interest thereon, on

278 the due dates thereof.

279       **SECTION 19.** Sections 4 through 19 of this act shall be  
280 deemed to be full and complete authority for the exercise of the  
281 powers therein granted, but Sections 4 through 19 of this act  
282 shall not be deemed to repeal or to be in derogation of any  
283 existing law of this state.

284       **SECTION 20.** This act shall take effect and be in force from  
285 and after July 1, 2003.

**Further, amend by striking the title in its entirety and  
inserting in lieu thereof the following:**

1       AN ACT TO CREATE THE MISSISSIPPI RURAL IMPACT ACT FOR THE  
2 PURPOSE OF PROMOTING BUSINESS AND ECONOMIC DEVELOPMENT IN THE  
3 RURAL AREAS OF THE STATE THROUGH JOB PRODUCING PROGRAMS AND BY  
4 PROVIDING FINANCIAL ASSISTANCE TO COMMUNITIES AND BUSINESSES; TO  
5 CREATE THE MISSISSIPPI RURAL IMPACT FUND; TO PROVIDE THAT THE  
6 MISSISSIPPI DEVELOPMENT AUTHORITY SHALL ADMINISTER SUCH FUND FOR  
7 THE PURPOSE OF MAKING GRANTS OR LOANS TO RURAL COMMUNITIES TO  
8 ASSIST IN COMPLETING CERTAIN PROJECTS; TO AUTHORIZE THE ISSUANCE  
9 OF \$15,000,000.00 IN STATE GENERAL OBLIGATION BONDS TO PROVIDE  
10 FUNDS FOR THE MISSISSIPPI RURAL IMPACT FUND; AND FOR RELATED  
11 PURPOSES.