

*****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.