

By: The Entire Membership

To: Ways and Means

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1654

1 AN ACT TO AMEND SECTION 57-75-5, MISSISSIPPI CODE OF 1972, TO
2 REVISE THE DEFINITION OF THE TERM "PROJECT" UNDER THE MISSISSIPPI
3 MAJOR ECONOMIC IMPACT ACT TO FURTHER ADDRESS INFRASTRUCTURE AND
4 OTHER NEEDS AT MILITARY BASES IN MISSISSIPPI UPON DESIGNATION BY
5 THE MISSISSIPPI MAJOR ECONOMIC IMPACT AUTHORITY THAT ANY SUCH BASE
6 WAS OR IS AT RISK TO BE RECOMMENDED FOR CLOSURE OR REALIGNMENT
7 PURSUANT TO THE DEFENSE BASE CLOSURE AND REALIGNMENT ACT OF 1990;
8 TO AMEND SECTION 57-75-15, MISSISSIPPI CODE OF 1972, TO AUTHORIZE
9 THE ISSUANCE OF AN ADDITIONAL \$11,000,000.00 IN STATE GENERAL
10 OBLIGATION BONDS FOR SUCH PURPOSES; AND FOR RELATED PURPOSES.

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

12 **SECTION 1.** Section 57-75-5, Mississippi Code of 1972, is
13 amended as follows:

14 57-75-5. Words and phrases used in this chapter shall have
15 meanings as follows, unless the context clearly indicates a
16 different meaning:

17 (a) "Act" means the Mississippi Major Economic Impact
18 Act as originally enacted or as hereafter amended.

19 (b) "Authority" means the Mississippi Major Economic
20 Impact Authority created pursuant to the act.

21 (c) "Bonds" means general obligation bonds, interim
22 notes and other evidences of debt of the State of Mississippi
23 issued pursuant to this chapter.

24 (d) "Facility related to the project" means and
25 includes any of the following, as the same may pertain to the
26 project within the project area: (i) facilities to provide
27 potable and industrial water supply systems, sewage and waste
28 disposal systems and water, natural gas and electric transmission
29 systems to the site of the project; (ii) airports, airfields and
30 air terminals; (iii) rail lines; (iv) port facilities; (v)
31 highways, streets and other roadways; (vi) public school

32 buildings, classrooms and instructional facilities, training
33 facilities and equipment, including any functionally related
34 facilities; (vii) parks, outdoor recreation facilities and
35 athletic facilities; (viii) auditoriums, pavilions, campgrounds,
36 art centers, cultural centers, folklore centers and other public
37 facilities; (ix) health care facilities, public or private; and
38 (x) fire protection facilities, equipment and elevated water
39 tanks.

40 (e) "Person" means any natural person, corporation,
41 association, partnership, receiver, trustee, guardian, executor,
42 administrator, fiduciary, governmental unit, public agency,
43 political subdivision, or any other group acting as a unit, and
44 the plural as well as the singular.

45 (f) "Project" means:

46 (i) Any industrial, commercial, research and
47 development, warehousing, distribution, transportation,
48 processing, mining, United States government or tourism enterprise
49 together with all real property required for construction,
50 maintenance and operation of the enterprise with an initial
51 capital investment of not less than Three Hundred Million Dollars
52 (\$300,000,000.00) from private or United States government sources
53 together with all buildings, and other supporting land and
54 facilities, structures or improvements of whatever kind required
55 or useful for construction, maintenance and operation of the
56 enterprise; or with an initial capital investment of not less than
57 One Hundred Fifty Million Dollars (\$150,000,000.00) from private
58 or United States government sources together with all buildings
59 and other supporting land and facilities, structures or
60 improvements of whatever kind required or useful for construction,
61 maintenance and operation of the enterprise and which creates at
62 least one thousand (1,000) net new full-time jobs; or which
63 creates at least one thousand (1,000) net new full-time jobs which
64 provides an average salary, excluding benefits which are not

65 subject to Mississippi income taxation, of at least one hundred
66 twenty-five percent (125%) of the most recently published average
67 annual wage of the state as determined by the Mississippi
68 Employment Security Commission. "Project" shall include any
69 addition to or expansion of an existing enterprise if such
70 addition or expansion has an initial capital investment of not
71 less than Three Hundred Million Dollars (\$300,000,000.00) from
72 private or United States government sources, or has an initial
73 capital investment of not less than One Hundred Fifty Million
74 Dollars (\$150,000,000.00) from private or United States government
75 sources together with all buildings and other supporting land and
76 facilities, structures or improvements of whatever kind required
77 or useful for construction, maintenance and operation of the
78 enterprise and which creates at least one thousand (1,000) net new
79 full-time jobs; or which creates at least one thousand (1,000) net
80 new full-time jobs which provides an average salary, excluding
81 benefits which are not subject to Mississippi income taxation, of
82 at least one hundred twenty-five percent (125%) of the most
83 recently published average annual wage of the state as determined
84 by the Mississippi Employment Security Commission. "Project"
85 shall also include any ancillary development or business resulting
86 from the enterprise, of which the authority is notified, within
87 three (3) years from the date that the enterprise entered into
88 commercial production, that the project area has been selected as
89 the site for the ancillary development or business.

90 (ii) Any major capital project designed to
91 improve, expand or otherwise enhance any active duty or reserve
92 United States Armed Services bases or facilities or any major
93 Mississippi National Guard or Air National Guard training
94 installations, their support areas or their military operations,
95 upon designation by the authority that any such base was or is at
96 risk to be recommended for closure or realignment pursuant to the
97 Defense Base Closure and Realignment Act of 1990; or any major

98 development project determined by the authority to be necessary to
99 acquire base properties and to provide employment opportunities
100 through construction of projects as defined in Section 57-3-5,
101 which shall be located on or provide direct support service or
102 access to such military installation property as such property
103 exists on July 1, 2004, in the event of closure or reduction of
104 military operations at the installation. * * *

105 (iii) Any enterprise to be maintained, improved or
106 constructed in Tishomingo County by or for a National Aeronautics
107 and Space Administration facility in such county.

108 (iv) 1. Any major capital project with an initial
109 capital investment from private sources of not less than Seven
110 Hundred Fifty Million Dollars (\$750,000,000.00) which will create
111 at least three thousand (3,000) jobs meeting criteria established
112 by the Mississippi Development Authority.

113 2. "Project" shall also include any ancillary
114 development or business resulting from an enterprise operating a
115 project as defined in item 1 of this paragraph (f)(iv), of which
116 the authority is notified, within three (3) years from the date
117 that the enterprise entered into commercial production, that the
118 state has been selected as the site for the ancillary development
119 or business.

120 (v) Any manufacturing, processing or industrial
121 project determined by the authority, in its sole discretion, to
122 contribute uniquely and significantly to the economic growth and
123 development of the state, and which meets the following criteria:

124 1. The project shall create at least two
125 thousand (2,000) net new full-time jobs meeting criteria
126 established by the authority, which criteria shall include, but
127 not be limited to, the requirement that such jobs must be held by
128 persons eligible for employment in the United States under
129 applicable state and federal law.

130 2. The project and any facility related to
131 the project shall include a total investment from private sources
132 of not less than Sixty Million Dollars (\$60,000,000.00), or from
133 any combination of sources of not less than Eighty Million Dollars
134 (\$80,000,000.00).

135 (vi) Any real property owned or controlled by the
136 National Aeronautics and Space Administration, the United States
137 government, or any agency thereof, which is legally conveyed to
138 the State of Mississippi or to the State of Mississippi for the
139 benefit of the Mississippi Major Economic Impact Authority, its
140 successors and assigns pursuant to Section 212 of Public Law
141 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

142 (vii) Any major capital project related to the
143 establishment, improvement, expansion and/or other enhancement of
144 any active duty military installation and having a minimum capital
145 investment from any source or combination of sources other than
146 the State of Mississippi of at least Forty Million Dollars
147 (\$40,000,000.00), and which will create at least four hundred
148 (400) military installation related full-time jobs, which jobs may
149 be military jobs, civilian jobs or a combination of military and
150 civilian jobs. The authority shall require that binding
151 commitments be entered into requiring that the minimum
152 requirements for the project provided for in this subparagraph
153 shall be met not later than July 1, 2008.

154 (viii) Any major capital project with an initial
155 capital investment from any source or combination of sources of
156 not less than Ten Million Dollars (\$10,000,000.00) which will
157 create at least eighty (80) full-time jobs which provide an
158 average annual salary, excluding benefits which are not subject to
159 Mississippi income taxes, of at least one hundred thirty-five
160 percent (135%) of the most recently published average annual wage
161 of the state or the most recently published average annual wage of
162 the county in which the project is located as determined by the

163 Mississippi Employment Security Commission, whichever is the
164 lesser. The authority shall require that binding commitments be
165 entered into requiring that:

166 1. The minimum requirements for the project
167 provided for in this subparagraph shall be met, and

168 2. That if such commitments are not met, all
169 or a portion of the funds provided by the state for the project as
170 determined by the authority shall be repaid.

171 (ix) Any regional retail shopping mall with an
172 initial capital investment from private sources in excess of One
173 Hundred Fifty Million Dollars (\$150,000,000.00), with a square
174 footage in excess of eight hundred thousand (800,000) square feet,
175 which will create at least seven hundred (700) full-time jobs with
176 an average hourly wage of Eleven Dollars (\$11.00) per hour. The
177 authority shall require that binding commitments be entered into
178 requiring that:

179 1. The minimum requirements for the project
180 provided for in this subparagraph shall be met, and

181 2. That if such commitments are not met, all
182 or a portion of the funds provided by the state for the project as
183 determined by the authority shall be repaid.

184 (x) Any major capital project with an initial
185 capital investment from any source or combination of sources of
186 not less than Seventy-five Million Dollars (\$75,000,000.00) which
187 will create at least one hundred twenty-five (125) full-time jobs
188 which provide an average annual salary, excluding benefits which
189 are not subject to Mississippi income taxes, of at least one
190 hundred thirty-five percent (135%) of the most recently published
191 average annual wage of the state or the most recently published
192 average annual wage of the county in which the project is located
193 as determined by the Mississippi Employment Security Commission,
194 whichever is the greater. The authority shall require that
195 binding commitments be entered into requiring that:

196 1. The minimum requirements for the project
197 provided for in this subparagraph shall be met; and

198 2. That if such commitments are not met, all
199 or a portion of the funds provided by the state for the project as
200 determined by the authority shall be repaid.

201 (xi) Any potential major capital project that the
202 authority has determined is feasible to recruit.

203 (g) "Project area" means the project site, together
204 with any area or territory within the state lying within
205 sixty-five (65) miles of any portion of the project site whether
206 or not such area or territory be contiguous; provided, however,
207 that for the project defined in paragraph (f)(iv) of this section
208 the term "project area" means any area or territory within the
209 state. The project area shall also include all territory within a
210 county if any portion of such county lies within sixty-five (65)
211 miles of any portion of the project site. "Project site" means
212 the real property on which the principal facilities of the
213 enterprise will operate.

214 (h) "Public agency" means:

215 (i) Any department, board, commission, institution
216 or other agency or instrumentality of the state;

217 (ii) Any city, town, county, political
218 subdivision, school district or other district created or existing
219 under the laws of the state or any public agency of any such city,
220 town, county, political subdivision or district or any other
221 public entity created or existing under local and private
222 legislation;

223 (iii) Any department, commission, agency or
224 instrumentality of the United States of America; and

225 (iv) Any other state of the United States of
226 America which may be cooperating with respect to location of the
227 project within the state, or any agency thereof.

228 (i) "State" means State of Mississippi.

229 (j) "Fee-in-lieu" means a negotiated fee to be paid by
230 the project in lieu of any franchise taxes imposed on the project
231 by Chapter 13, Title 27, Mississippi Code of 1972. The
232 fee-in-lieu shall not be less than Twenty-five Thousand Dollars
233 (\$25,000.00) annually. A fee-in-lieu may be negotiated with an
234 enterprise operating an existing project defined in Section
235 57-75-5(f)(iv)1; however, a fee-in-lieu shall not be negotiated
236 for other existing enterprises that fall within the definition of
237 the term "project."

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

240 57-75-15. (1) Upon notification to the authority by the
241 enterprise that the state has been finally selected as the site
242 for the project, the State Bond Commission shall have the power
243 and is hereby authorized and directed, upon receipt of a
244 declaration from the authority as hereinafter provided, to borrow
245 money and issue general obligation bonds of the state in one or
246 more series for the purposes herein set out. Upon such
247 notification, the authority may thereafter from time to time
248 declare the necessity for the issuance of general obligation bonds
249 as authorized by this section and forward such declaration to the
250 State Bond Commission, provided that before such notification, the
251 authority may enter into agreements with the United States
252 government, private companies and others that will commit the
253 authority to direct the State Bond Commission to issue bonds for
254 eligible undertakings set out in subsection (4) of this section,
255 conditioned on the siting of the project in the state.

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

261 (3) (a) Bonds issued under the authority of this section
262 for projects as defined in Section 57-75-5(f)(i) shall not exceed
263 an aggregate principal amount in the sum of Sixty-seven Million
264 Three Hundred Fifty Thousand Dollars (\$67,350,000.00).

265 (b) Bonds issued under the authority of this section
266 for projects as defined in Section 57-75-5(f)(ii) shall not exceed
267 Sixty-one Million Dollars (\$61,000,000.00). If any proceeds of
268 bonds issued for projects related to the Meridian Naval Auxiliary
269 Air Station ("NAAS") are used for the development of a water and
270 sewer service system by the City of Meridian, Mississippi, to
271 serve the NAAS and if the City of Meridian annexes any of the
272 territory served by the water and sewer service system, the city
273 shall repay the State of Mississippi the amount of all bond
274 proceeds expended on any portion of the water and sewer service
275 system project; and if there are any monetary proceeds derived
276 from the disposition of any improvements located on real property
277 in Kemper County purchased pursuant to this act for projects
278 related to the NAAS and if there are any monetary proceeds derived
279 from the disposition of any timber located on real property in
280 Kemper County purchased pursuant to this act for projects related
281 to the NAAS, all of such proceeds (both from the disposition of
282 improvements and the disposition of timber) commencing July 1,
283 1996, through June 30, 2010, shall be paid to the Board of
284 Education of Kemper County, Mississippi, for expenditure by such
285 board of education to benefit the public schools of Kemper County.
286 No bonds shall be issued under this paragraph (b) until the State
287 Bond Commission by resolution adopts a finding that the issuance
288 of such bonds will improve, expand or otherwise enhance the
289 military installation, its support areas or military operations,
290 or will provide employment opportunities to replace those lost by
291 closure or reductions in operations at the military
292 installation. * * *

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

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

307 (e) Bonds issued under the authority of this section
308 for projects defined in Section 57-75-5(f)(v) and for facilities
309 related to such projects shall not exceed Thirty-eight Million
310 Five Hundred Thousand Dollars (\$38,500,000.00). No bonds shall be
311 issued under this paragraph after December 31, 2005.

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

316 (g) Bonds issued under the authority of this section
317 for projects defined in Section 57-75-5(f)(viii) shall not exceed
318 One Million Five Hundred Thousand Dollars (\$1,500,000.00). No
319 bonds shall be issued under this paragraph after June 30, 2007.

320 (h) Bonds issued under the authority of this section
321 for projects defined in Section 57-75-5(f)(ix) shall not exceed
322 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
323 under this paragraph after June 30, 2007.

324 (i) Bonds issued under the authority of this section
325 for projects defined in Section 57-75-5(f)(x) shall not exceed

326 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
327 under this paragraph after June 30, 2007.

328 (4) (a) The proceeds from the sale of the bonds issued
329 under this section may be applied for the following purposes:

330 (i) Defraying all or any designated portion of the
331 costs incurred with respect to acquisition, planning, design,
332 construction, installation, rehabilitation, improvement,
333 relocation and with respect to state-owned property, operation and
334 maintenance of the project and any facility related to the project
335 located within the project area, including costs of design and
336 engineering, all costs incurred to provide land, easements and
337 rights-of-way, relocation costs with respect to the project and
338 with respect to any facility related to the project located within
339 the project area, and costs associated with mitigation of
340 environmental impacts and environmental impact studies;

341 (ii) Defraying the cost of providing for the
342 recruitment, screening, selection, training or retraining of
343 employees, candidates for employment or replacement employees of
344 the project and any related activity;

345 (iii) Reimbursing the Mississippi Development
346 Authority for expenses it incurred in regard to projects defined
347 in Section 57-75-5(f)(iv) prior to November 6, 2000. The
348 Mississippi Development Authority shall submit an itemized list of
349 expenses it incurred in regard to such projects to the Chairmen of
350 the Finance and Appropriations Committees of the Senate and the
351 Chairmen of the Ways and Means and Appropriations Committees of
352 the House of Representatives;

353 (iv) Providing grants to enterprises operating
354 projects defined in Section 57-75-5(f)(iv)1;

355 (v) Paying any warranty made by the authority
356 regarding site work for a project defined in Section
357 57-75-5(f)(iv)1;

358 (vi) Defraying the cost of marketing and promotion
359 of a project as defined in Section 57-75-5(f)(iv)1. The authority
360 shall submit an itemized list of costs incurred for marketing and
361 promotion of such project to the Chairmen of the Finance and
362 Appropriations Committees of the Senate and the Chairmen of the
363 Ways and Means and Appropriations Committees of the House of
364 Representatives;

365 (vii) Providing for the payment of interest on the
366 bonds;

367 (viii) Providing debt service reserves;

368 (ix) Paying underwriters' discount, original issue
369 discount, accountants' fees, engineers' fees, attorneys' fees,
370 rating agency fees and other fees and expenses in connection with
371 the issuance of the bonds;

372 (x) For purposes authorized in paragraphs (b) and
373 (c) of this subsection (4); and

374 (xi) Providing grants to enterprises operating
375 projects defined in Section 57-75-5(f)(v), or, in connection with
376 a facility related to such a project, for any purposes deemed by
377 the authority in its sole discretion to be necessary and
378 appropriate.

379 Such bonds shall be issued from time to time and in such
380 principal amounts as shall be designated by the authority, not to
381 exceed in aggregate principal amounts the amount authorized in
382 subsection (3) of this section. Proceeds from the sale of the
383 bonds issued under this section may be invested, subject to
384 federal limitations, pending their use, in such securities as may
385 be specified in the resolution authorizing the issuance of the
386 bonds or the trust indenture securing them, and the earning on
387 such investment applied as provided in such resolution or trust
388 indenture.

389 (b) * * * The proceeds of bonds issued after June 21,
390 2002, under this section for projects described in Section

391 57-75-5(f)(iv) may be used to reimburse reasonable actual and
392 necessary costs incurred by the Mississippi Development Authority
393 in providing assistance related to a project for which funding is
394 provided from the use of proceeds of such bonds. The Mississippi
395 Development Authority shall maintain an accounting of actual costs
396 incurred for each project for which reimbursements are sought.
397 Reimbursements under this paragraph (b) shall not exceed Three
398 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
399 Reimbursements under this paragraph (b) shall satisfy any
400 applicable federal tax law requirements.

401 (c) The proceeds of bonds issued after June 21, 2002,
402 under this section for projects described in Section
403 57-75-5(f)(iv) may be used to reimburse reasonable actual and
404 necessary costs incurred by the Department of Audit in providing
405 services related to a project for which funding is provided from
406 the use of proceeds of such bonds. The Department of Audit shall
407 maintain an accounting of actual costs incurred for each project
408 for which reimbursements are sought. The Department of Audit may
409 escalate its budget and expend such funds in accordance with rules
410 and regulations of the Department of Finance and Administration in
411 a manner consistent with the escalation of federal funds.
412 Reimbursements under this paragraph (c) shall not exceed One
413 Hundred Thousand Dollars (\$100,000.00) in the aggregate.
414 Reimbursements under this paragraph (c) shall satisfy any
415 applicable federal tax law requirements.

416 (d) The proceeds of bonds issued under this section for
417 projects described in Section 57-75-5(f)(ix) may be used to
418 reimburse reasonable actual and necessary costs incurred by the
419 Mississippi Development Authority in providing assistance related
420 to a project for which funding is provided for the use of proceeds
421 of such bonds. The Mississippi Development Authority shall
422 maintain an accounting of actual costs incurred for each project
423 for which reimbursements are sought. Reimbursements under this

424 paragraph shall not exceed Twenty-five Thousand Dollars
425 (\$25,000.00) in the aggregate.

426 (e) The proceeds of bonds issued under this section for
427 projects described in Section 57-75-5(f)(ix) may be used to
428 reimburse reasonable actual and necessary costs incurred by the
429 Department of Audit in providing services related to a project for
430 which funding is provided from the use of proceeds of such bonds.
431 The Department of Audit shall maintain an accounting of actual
432 costs incurred for each project for which reimbursements are
433 sought. The Department of Audit may escalate its budget and
434 expend such funds in accordance with rules and regulations of the
435 Department of Finance and Administration in a manner consistent
436 with the escalation of federal funds. Reimbursements under this
437 paragraph shall not exceed Twenty-five Thousand Dollars
438 (\$25,000.00) in the aggregate. Reimbursements under this
439 paragraph shall satisfy any applicable federal tax law
440 requirements.

441 (f) The proceeds of bonds issued under this section for
442 projects described in Section 57-75-5(f)(x) may be used to
443 reimburse reasonable actual and necessary costs incurred by the
444 Mississippi Development Authority in providing assistance related
445 to a project for which funding is provided for the use of proceeds
446 of such bonds. The Mississippi Development Authority shall
447 maintain an accounting of actual costs incurred for each project
448 for which reimbursements are sought. Reimbursements under this
449 paragraph shall not exceed Twenty-five Thousand Dollars
450 (\$25,000.00) in the aggregate.

451 (g) The proceeds of bonds issued under this section for
452 projects described in Section 57-75-5(f)(x) may be used to
453 reimburse reasonable actual and necessary costs incurred by the
454 Department of Audit in providing services related to a project for
455 which funding is provided from the use of proceeds of such bonds.
456 The Department of Audit shall maintain an accounting of actual

457 costs incurred for each project for which reimbursements are
458 sought. The Department of Audit may escalate its budget and
459 expend such funds in accordance with rules and regulations of the
460 Department of Finance and Administration in a manner consistent
461 with the escalation of federal funds. Reimbursements under this
462 paragraph shall not exceed Twenty-five Thousand Dollars
463 (\$25,000.00) in the aggregate. Reimbursements under this
464 paragraph shall satisfy any applicable federal tax law
465 requirements.

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

490 bonds had remained in office until the delivery of the same to the
491 purchaser, or had been in office on the date such bonds may bear.

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

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

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

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

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

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

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

549 (11) In anticipation of the issuance of bonds hereunder, the
550 State Bond Commission is authorized to negotiate and enter into
551 any purchase, loan, credit or other agreement with any bank, trust
552 company or other lending institution or to issue and sell interim
553 notes for the purpose of making any payments authorized under this
554 section. All borrowings made under this provision shall be

555 evidenced by notes of the state which shall be issued from time to
556 time, for such amounts not exceeding the amount of bonds
557 authorized herein, in such form and in such denomination and
558 subject to such terms and conditions of sale and issuance,
559 prepayment or redemption and maturity, rate or rates of interest
560 not to exceed the maximum rate authorized herein for bonds, and
561 time of payment of interest as the State Bond Commission shall
562 agree to in such agreement. Such notes shall constitute general
563 obligations of the state and shall be backed by the full faith and
564 credit of the state. Such notes may also be issued for the
565 purpose of refunding previously issued notes. No note shall
566 mature more than three (3) years following the date of its
567 issuance. The State Bond Commission is authorized to provide for
568 the compensation of any purchaser of the notes by payment of a
569 fixed fee or commission and for all other costs and expenses of
570 issuance and service, including paying agent costs. Such costs
571 and expenses may be paid from the proceeds of the notes.

572 (12) The bonds and interim notes authorized under the
573 authority of this section may be validated in the First Judicial
574 District of the Chancery Court of Hinds County, Mississippi, in
575 the manner and with the force and effect provided now or hereafter
576 by Chapter 13, Title 31, Mississippi Code of 1972, for the
577 validation of county, municipal, school district and other bonds.
578 The necessary papers for such validation proceedings shall be
579 transmitted to the State Bond Attorney, and the required notice
580 shall be published in a newspaper published in the City of
581 Jackson, Mississippi.

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

588 (14) All bonds issued under this chapter shall be legal
589 investments for trustees, other fiduciaries, savings banks, trust
590 companies and insurance companies organized under the laws of the
591 State of Mississippi; and such bonds shall be legal securities
592 which may be deposited with and shall be received by all public
593 officers and bodies of the state and all municipalities and other
594 political subdivisions thereof for the purpose of securing the
595 deposit of public funds.

596 (15) The Attorney General of the State of Mississippi shall
597 represent the State Bond Commission in issuing, selling and
598 validating bonds herein provided for, and the Bond Commission is
599 hereby authorized and empowered to expend from the proceeds
600 derived from the sale of the bonds authorized hereunder all
601 necessary administrative, legal and other expenses incidental and
602 related to the issuance of bonds authorized under this chapter.

603 (16) There is hereby created a special fund in the State
604 Treasury to be known as the Mississippi Major Economic Impact
605 Authority Fund wherein shall be deposited the proceeds of the
606 bonds issued under this chapter and all monies received by the
607 authority to carry out the purposes of this chapter. Expenditures
608 authorized herein shall be paid by the State Treasurer upon
609 warrants drawn from the fund, and the Department of Finance and
610 Administration shall issue warrants upon requisitions signed by
611 the director of the authority.

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

619 (b) In the event that all or any part of the bonds and
620 notes are purchased, they shall be canceled and returned to the

621 loan and transfer agent as canceled and paid bonds and notes and
622 thereafter all payments of interest thereon shall cease and the
623 canceled bonds, notes and coupons, together with any other
624 canceled bonds, notes and coupons, shall be destroyed as promptly
625 as possible after cancellation but not later than two (2) years
626 after cancellation. A certificate evidencing the destruction of
627 the canceled bonds, notes and coupons shall be provided by the
628 loan and transfer agent to the seller.

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

640 (18) (a) Upon receipt of a declaration by the authority
641 that it has determined that the state is a potential site for a
642 project, the State Bond Commission is authorized and directed to
643 authorize the State Treasurer to borrow money from any special
644 fund in the State Treasury not otherwise appropriated to be
645 utilized by the authority for the purposes provided for in this
646 subsection.

647 (b) The proceeds of the money borrowed under this
648 subsection may be utilized by the authority for the purpose of
649 defraying all or a portion of the costs incurred by the authority
650 with respect to acquisition options and planning, design and
651 environmental impact studies with respect to a project defined in
652 Section 57-75-5(f)(xi). The authority may escalate its budget and
653 expend the proceeds of the money borrowed under this subsection in

654 accordance with rules and regulations of the Department of Finance
655 and Administration in a manner consistent with the escalation of
656 federal funds.

657 (c) The authority shall request an appropriation or
658 additional authority to issue general obligation bonds to repay
659 the borrowed funds and establish a date for the repayment of the
660 funds so borrowed.

661 (d) Borrowings made under the provisions of this
662 subsection shall not exceed Five Hundred Thousand Dollars
663 (\$500,000.00) at any one time.

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