

By: Senator(s) Robertson, Albritton,
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To: Finance

SENATE BILL NO. 3078

1 AN ACT TO AMEND SECTION 65-4-15, MISSISSIPPI CODE OF 1972, TO
2 PROHIBIT THE USE OF MONEY FROM THE ECONOMIC DEVELOPMENT HIGHWAY
3 FUND FOR PROJECTS THAT ARE BEING DEVELOPED FOR THE PRIMARY PURPOSE
4 OF CONDUCTING RETAIL SALES; TO AMEND SECTION 65-4-25, MISSISSIPPI
5 CODE OF 1972, TO INCREASE BY \$20,000,000.00 THE AMOUNT OF STATE
6 GENERAL OBLIGATION BONDS THAT MAY BE ISSUED UNDER THE ECONOMIC
7 DEVELOPMENT HIGHWAY ACT; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** Section 65-4-15, Mississippi Code of 1972, is
10 amended as follows:

11 65-4-15. (1) There is hereby established a special fund in
12 the State Treasury to be known as the "Economic Development
13 Highway Fund" which shall consist of such monies as the
14 Legislature shall appropriate thereto or such other monies as the
15 Legislature may designate to be deposited therein. Any monies to
16 the credit of such fund may be expended by the Mississippi
17 Department of Transportation or political subdivision, as
18 appropriate, upon approval of requisitions therefor by the
19 Mississippi Development Authority for any expenses incurred by the
20 Transportation Department or political subdivision in constructing
21 and improving highways and highway segments which have been
22 approved by the Mississippi Development Authority under the
23 provisions of this chapter; however, from and after July 1, 2004,
24 no monies to the credit of the fund may be expended for the
25 construction and improvement of highways for high economic benefit
26 projects that are being developed for the primary purpose of
27 conducting retail sales. The Office of State Aid Road
28 Construction shall be entitled to reimbursement from monies in the
29 fund, upon approval by the Mississippi Development Authority of

30 requisitions therefor by the State Aid Engineer, for the actual
31 expenses incurred by the office in administering and providing
32 engineering services to political subdivisions. Monies remaining
33 unexpended to the credit of such special fund at the end of a
34 fiscal year shall not lapse into the State General Fund, and any
35 interest earned on the investment of monies in the special fund
36 shall be deposited to the credit of the fund.

37 (2) Monies in the Economic Development Highway Fund which
38 are derived from proceeds of bonds issued under this chapter after
39 July 1, 2003, may be used to reimburse reasonable actual and
40 necessary costs incurred by the Mississippi Development Authority
41 in providing assistance to a political subdivision related to a
42 project for which funding is provided from the use of proceeds of
43 such bonds. An accounting of actual costs incurred for which
44 reimbursement is sought shall be maintained for each project by
45 the Mississippi Development Authority. Reimbursement of
46 reasonable actual and necessary costs for a project shall not
47 exceed three percent (3%) of the proceeds of bonds issued for such
48 a project. Monies authorized for a particular project may not be
49 used to reimburse administrative costs for unrelated projects.
50 Reimbursements to the Mississippi Development Authority under this
51 subsection shall satisfy any applicable federal tax law
52 requirements.

53 **SECTION 2.** Section 65-4-25, Mississippi Code of 1972, is
54 amended as follows:

55 65-4-25. The Mississippi Development Authority, acting
56 through its executive director, is authorized, at one time or from
57 time to time, to declare by resolution the necessity for issuance
58 of negotiable general obligation bonds of the State of Mississippi
59 to provide funds for the Economic Development Highway Fund
60 established in Section 65-4-15, Mississippi Code of 1972. Upon
61 the adoption of a resolution by the Executive Director of the
62 Mississippi Development Authority, declaring the necessity for the

63 issuance of any part or all of the general obligation bonds
64 authorized by Sections 65-4-25 through 65-4-45, Mississippi Code
65 of 1972, the executive director shall deliver a certified copy of
66 his resolution or resolutions to the State Bond Commission. Upon
67 receipt of same, the State Bond Commission, in its discretion,
68 shall act as the issuing agent, prescribe the form of the bonds,
69 advertise for and accept bids, issue and sell the bonds so
70 authorized to be sold, and do any and all other things necessary
71 and advisable in connection with the issuance and sale of such
72 bonds. The principal amount of bonds issued under Sections
73 65-4-25 through 65-4-45, Mississippi Code of 1972, shall not
74 exceed One Hundred Eighty Million Dollars (\$180,000,000.00) in the
75 aggregate. However, an additional amount of bonds may be issued
76 under Sections 65-4-25 through 65-4-45, Mississippi Code of 1972,
77 in an amount not to exceed Seven Million Dollars (\$7,000,000.00),
78 and the proceeds of any such additional bonds issued shall be used
79 to provide funding for a high economic benefit project as defined
80 in Section 65-4-5(1)(c)(vi), Mississippi Code of 1972.

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