

By: Senator(s) Robertson, Albritton, Browning, Chaney, Dawkins, Dearing, Harden, Horhn, Jackson (11th), Jackson (32nd), King, Morgan, Simmons, Walls, Williamson

To: Finance

SENATE BILL NO. 3078
(As Passed the Senate)

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 CERTAIN PROJECTS THAT ARE BEING DEVELOPED FOR THE PRIMARY
4 PURPOSE OF CONDUCTING RETAIL SALES; TO AMEND SECTION 65-4-25,
5 MISSISSIPPI CODE OF 1972, TO INCREASE BY \$20,000,000.00 THE AMOUNT
6 OF STATE GENERAL OBLIGATION BONDS THAT MAY BE ISSUED UNDER THE
7 ECONOMIC 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. From and after July 1, 2004, no
24 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 unless the Mississippi Development
28 Authority has received an application for the project prior to
29 July 1, 2004. The Office of State Aid Road Construction shall be

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

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

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

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

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

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