

By: Representatives Capps,
Coleman (29th)

To: Ways and Means

HOUSE BILL NO. 4

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 AMEND SECTION 57-75-11, MISSISSIPPI
4 CODE OF 1972, TO AUTHORIZE THE MISSISSIPPI MAJOR ECONOMIC IMPACT
5 AUTHORITY TO PROVIDE GRANT OR LOAN FUNDS TO PUBLIC AGENCIES OR
6 ENTERPRISES OWNING OR OPERATING CERTAIN PROJECTS AND TO GIVE THE
7 AUTHORITY CERTAIN POWERS WITH REGARD TO SUCH GRANTS OR LOANS; TO
8 AMEND SECTION 57-75-15, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE
9 ISSUANCE OF ADDITIONAL STATE GENERAL OBLIGATION BONDS FOR CERTAIN
10 PROJECTS UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; AND FOR
11 RELATED PURPOSES.

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

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

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

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19 Act as originally enacted or as hereafter amended.

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

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

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

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

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

46 (f) "Project" means:

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

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

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

98 project determined by the authority to be necessary to acquire
99 base properties and to provide employment opportunities through
100 construction of projects as defined in Section 57-3-5, which shall
101 be located on or provide direct support service or access to such
102 military installation property as such property exists on July 1,
103 1993, in the event of closure or reduction of military operations
104 at the installation. From and after July 1, 1997, projects
105 described in this subparagraph (ii) shall not be considered to be
106 within the meaning of the term "project" for purposes of this
107 section, unless such projects are commenced before July 1, 1997,
108 and shall not be eligible for any funding provided under the
109 Mississippi Major Economic Impact Act.

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

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

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

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

129 1. The project shall create at least two
130 thousand (2,000) net new full-time jobs meeting criteria

131 established by the authority, which criteria shall include, but
132 not be limited to, the requirement that such jobs must be held by
133 persons eligible for employment in the United States under
134 applicable state and federal law.

135 2. The project and any facility related to
136 the project shall include a total investment from private sources
137 of not less than Sixty Million Dollars (\$60,000,000.00), or from
138 any combination of sources of not less than Eighty Million Dollars
139 (\$80,000,000.00).

140 (vi) Any real property owned or controlled by the
141 National Aeronautics and Space Administration, the United States
142 government, or any agency thereof, which is legally conveyed to
143 the State of Mississippi or to the State of Mississippi for the
144 benefit of the Mississippi Major Economic Impact Authority, its
145 successors and assigns pursuant to Section 212 of Public Law
146 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

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

159 (viii) Any major capital project with an initial
160 capital investment from any source or combination of sources of
161 not less than Ten Million Dollars (\$10,000,000.00) which will
162 create at least eighty (80) full-time jobs which provide an
163 average annual salary, excluding benefits which are not subject to

164 Mississippi income taxes, of at least one hundred thirty-five
165 percent (135%) of the most recently published average annual wage
166 of the state or the most recently published average annual wage of
167 the county in which the project is located as determined by the
168 Mississippi Department of Employment Security, whichever is the
169 lesser. The authority shall require that binding commitments be
170 entered into requiring that:

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

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

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

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

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

189 (x) Any major capital project with an initial
190 capital investment from any source or combination of sources of
191 not less than Seventy-five Million Dollars (\$75,000,000.00) which
192 will create at least one hundred twenty-five (125) full-time jobs
193 which provide an average annual salary, excluding benefits which
194 are not subject to Mississippi income taxes, of at least one
195 hundred thirty-five percent (135%) of the most recently published
196 average annual wage of the state or the most recently published

197 average annual wage of the county in which the project is located
198 as determined by the Mississippi Department of Employment
199 Security, whichever is the greater. The authority shall require
200 that binding commitments be entered into requiring that:

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

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

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

208 (xii) Any project built according to the
209 specifications and federal provisions set forth by the National
210 Aeronautics and Space Administration Center Operations Directorate
211 at Stennis Space Center for the purpose of consolidating common
212 services from National Aeronautics and Space Administration
213 centers in human resources, procurement, financial management and
214 information technology located on land owned or controlled by the
215 National Aeronautics and Space Administration, which will create
216 at least four hundred seventy (470) full-time jobs with an average
217 annual salary of at least Sixty Thousand Dollars (\$60,000.00).

218 (xiii) Any major pharmaceutical facility with a
219 capital investment of not less than Fifty Million Dollars
220 (\$50,000,000.00) made after July 1, 2002, through four (4) years
221 after the initial date of any loan or grant made by the authority
222 for such project, which will maintain at least seven hundred fifty
223 (750) full-time employees. The authority shall require that
224 binding commitments be entered into requiring that:

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

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

230 (g) "Project area" means the project site, together
231 with any area or territory within the state lying within
232 sixty-five (65) miles of any portion of the project site whether
233 or not such area or territory be contiguous; however, for the
234 project defined in paragraph (f)(iv) of this section the term
235 "project area" means any area or territory within the state. The
236 project area shall also include all territory within a county if
237 any portion of such county lies within sixty-five (65) miles of
238 any portion of the project site. "Project site" means the real
239 property on which the principal facilities of the enterprise will
240 operate.

241 (h) "Public agency" means:

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

244 (ii) Any city, town, county, political
245 subdivision, school district or other district created or existing
246 under the laws of the state or any public agency of any such city,
247 town, county, political subdivision or district or any other
248 public entity created or existing under local and private
249 legislation;

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

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

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

256 (j) "Fee-in-lieu" means a negotiated fee to be paid by
257 the project in lieu of any franchise taxes imposed on the project
258 by Chapter 13, Title 27, Mississippi Code of 1972. The
259 fee-in-lieu shall not be less than Twenty-five Thousand Dollars
260 (\$25,000.00) annually. A fee-in-lieu may be negotiated with an
261 enterprise operating an existing project defined in Section
262 57-75-5(f)(iv)1; however, a fee-in-lieu shall not be negotiated

263 for other existing enterprises that fall within the definition of
264 the term "project."

265 **SECTION 2.** Section 57-75-11, Mississippi Code of 1972, is
266 amended as follows:

267 57-75-11. The authority, in addition to any and all powers
268 now or hereafter granted to it, is empowered and shall exercise
269 discretion and the use of these powers depending on the
270 circumstances of the project or projects:

271 (a) To maintain an office at a place or places within
272 the state.

273 (b) To employ or contract with architects, engineers,
274 attorneys, accountants, construction and financial experts and
275 such other advisors, consultants and agents as may be necessary in
276 its judgment and to fix and pay their compensation.

277 (c) To make such applications and enter into such
278 contracts for financial assistance as may be appropriate under
279 applicable federal or state law.

280 (d) To apply for, accept and utilize grants, gifts and
281 other funds or aid from any source for any purpose contemplated by
282 the act, and to comply, subject to the provisions of this act,
283 with the terms and conditions thereof.

284 (e) (i) To acquire by purchase, lease, gift, or in
285 other manner, including quick-take eminent domain, or obtain
286 options to acquire, and to own, maintain, use, operate and convey
287 any and all property of any kind, real, personal, or mixed, or any
288 interest or estate therein, within the project area, necessary for
289 the project or any facility related to the project. The
290 provisions of this paragraph that allow the acquisition of
291 property by quick-take eminent domain shall be repealed by
292 operation of law on July 1, 1994; and

293 (ii) Notwithstanding any other provision of this
294 paragraph (e), from and after November 6, 2000, to exercise the
295 right of immediate possession pursuant to the provisions of

296 Sections 11-27-81 through 11-27-89 for the purpose of acquiring
297 land, property and/or rights-of-way in the county in which a
298 project as defined in Section 57-75-5(f)(iv)1 is located, that are
299 necessary for such project or any facility related to the project.

300 (f) To acquire by purchase or lease any public lands
301 and public property, including sixteenth section lands and lieu
302 lands, within the project area, which are necessary for the
303 project. Sixteenth section lands or lieu lands acquired under
304 this act shall be deemed to be acquired for the purposes of
305 industrial development thereon and such acquisition will serve a
306 higher public interest in accordance with the purposes of this
307 act.

308 (g) If the authority identifies any land owned by the
309 state as being necessary, for the location or use of the project,
310 or any facility related to the project, to recommend to the
311 Legislature the conveyance of such land or any interest therein,
312 as the Legislature deems appropriate.

313 (h) To make or cause to be made such examinations and
314 surveys as may be necessary to the planning, design, construction
315 and operation of the project.

316 (i) From and after the date of notification to the
317 authority by the enterprise that the state has been finally
318 selected as the site of the project, to acquire by condemnation
319 and to own, maintain, use, operate and convey or otherwise dispose
320 of any and all property of any kind, real, personal or mixed, or
321 any interest or estate therein, within the project area, necessary
322 for the project or any facility related to the project, with the
323 concurrence of the affected public agency, and the exercise of the
324 powers granted by this act, according to the procedures provided
325 by Chapter 27, Title 11, Mississippi Code of 1972, except as
326 modified by this act.

327 (i) Except as otherwise provided in subparagraph
328 (iii) of this paragraph (i), in acquiring lands by condemnation,

329 the authority shall not acquire minerals or royalties in minerals
330 unless a competent registered professional engineer shall have
331 certified that the acquisition of such minerals and royalties in
332 minerals is necessary for purposes of the project; provided that
333 limestone, clay, chalk, sand and gravel shall not be considered as
334 minerals for the purposes of subparagraphs (i) and (ii) of this
335 paragraph (i);

336 (ii) Unless minerals or royalties in minerals have
337 been acquired by condemnation or otherwise, no person or persons
338 owning the drilling rights or the right to share in production of
339 minerals shall be prevented from exploring, developing, or
340 producing oil or gas with necessary rights-of-way for ingress and
341 egress, pipelines and other means of transporting interests on any
342 land or interest therein of the authority held or used for the
343 purposes of this act; but any such activities shall be under such
344 reasonable regulation by the authority as will adequately protect
345 the project contemplated by this act as provided in paragraph (r)
346 of this section; and

347 (iii) In acquiring lands by condemnation,
348 including the exercise of immediate possession, for a project, as
349 defined in Section 57-75-5(f)(iv)1, the authority may acquire
350 minerals or royalties in minerals.

351 (j) To negotiate the necessary relocation or rerouting
352 of roads and highways, railroad, telephone and telegraph lines and
353 properties, electric power lines, pipelines and related
354 facilities, or to require the anchoring or other protection of any
355 of these, provided due compensation is paid to the owners thereof
356 or agreement is had with such owners regarding the payment of the
357 cost of such relocation, and to acquire by condemnation or
358 otherwise easements or rights-of-way for such relocation or
359 rerouting and to convey the same to the owners of the facilities
360 being relocated or rerouted in connection with the purposes of
361 this act.

362 (k) To negotiate the necessary relocation of graves and
363 cemeteries and to pay all reasonable costs thereof.

364 (l) To perform or have performed any and all acts and
365 make all payments necessary to comply with all applicable federal
366 laws, rules or regulations including, but not limited to, the
367 Uniform Relocation Assistance and Real Property Acquisition
368 Policies Act of 1970 (42 USCS 4601, 4602, 4621 to 4638, and 4651
369 to 4655) and relocation rules and regulations promulgated by any
370 agency or department of the federal government.

371 (m) To construct, extend, improve, maintain, and
372 reconstruct, to cause to be constructed, extended, improved,
373 maintained, and reconstructed, and to use and operate any and all
374 components of the project or any facility related to the project,
375 with the concurrence of the affected public agency, within the
376 project area, necessary to the project and to the exercise of such
377 powers, rights, and privileges granted the authority.

378 (n) To incur or defray any designated portion of the
379 cost of any component of the project or any facility related to
380 the project acquired or constructed by any public agency.

381 (o) (i) To lease, sell or convey any or all property
382 acquired by the authority under the provisions of this act to the
383 enterprise, its successors or assigns, and in connection therewith
384 to pay the costs of title search, perfection of title, title
385 insurance and recording fees as may be required. The authority
386 may provide in the instrument conveying such property a provision
387 that such property shall revert to the authority if, as and when
388 the property is declared by the enterprise to be no longer needed.

389 (ii) To lease, sell, transfer or convey on any
390 terms agreed upon by the authority any or all real and personal
391 property, improvements, leases, funds and contractual obligations
392 of a project as defined in Section 57-75-5(f)(vi) and conveyed to
393 the State of Mississippi by a Quitclaim Deed from the United
394 States of America dated February 23, 1996, filed of record at

395 pages 511 to 524, Deed Book Number B179, Chancery Clerk's Office,
396 Tishomingo County, Mississippi, to any governmental authority
397 located within the geographic boundaries of the county wherein
398 such project exists upon agreement of such governmental authority
399 to undertake and assume from the State of Mississippi all
400 obligations and responsibilities in connection with ownership and
401 operation of the project. Property leased, sold, transferred or
402 otherwise conveyed by the authority under this paragraph (o) shall
403 be used only for economic development purposes.

404 (p) To enter into contracts with any person or public
405 agency, including, but not limited to, contracts authorized by
406 Section 57-75-17, in furtherance of any of the purposes authorized
407 by this act upon such consideration as the authority and such
408 person or public agency may agree. Any such contract may extend
409 over any period of time, notwithstanding any rule of law to the
410 contrary, may be upon such terms as the parties thereto shall
411 agree, and may provide that it shall continue in effect until
412 bonds specified therein, refunding bonds issued in lieu of such
413 bonds, and all other obligations specified therein are paid or
414 terminated. Any such contract shall be binding upon the parties
415 thereto according to its terms. Such contracts may include an
416 agreement to reimburse the enterprise, its successors and assigns
417 for any assistance provided by the enterprise in the acquisition
418 of real property for the project or any facility related to the
419 project.

420 (q) To establish and maintain reasonable rates and
421 charges for the use of any facility within the project area owned
422 or operated by the authority, and from time to time, to adjust
423 such rates and to impose penalties for failure to pay such rates
424 and charges when due.

425 (r) To adopt and enforce with the concurrence of the
426 affected public agency all necessary and reasonable rules and
427 regulations to carry out and effectuate the implementation of the

428 project and any land use plan or zoning classification adopted for
429 the project area, including, but not limited to, rules,
430 regulations, and restrictions concerning mining, construction,
431 excavation or any other activity the occurrence of which may
432 endanger the structure or operation of the project. Such rules
433 may be enforced within the project area and without the project
434 area as necessary to protect the structure and operation of the
435 project. The authority is authorized to plan or replan, zone or
436 rezone, and make exceptions to any regulations, whether local or
437 state, with the concurrence of the affected public agency which
438 are inconsistent with the design, planning, construction or
439 operation of the project and facilities related to the project.

440 (s) To plan, design, coordinate and implement measures
441 and programs to mitigate impacts on the natural environment caused
442 by the project or any facility related to the project.

443 (t) To develop plans for technology transfer activities
444 to ensure private sector conduits for exchange of information,
445 technology and expertise related to the project to generate
446 opportunities for commercial development within the state.

447 (u) To consult with the State Department of Education
448 and other public agencies for the purpose of improving public
449 schools and curricula within the project area.

450 (v) To consult with the State Board of Health and other
451 public agencies for the purpose of improving medical centers,
452 hospitals and public health centers in order to provide
453 appropriate health care facilities within the project area.

454 (w) To consult with the Office of Minority Business
455 Enterprise Development and other public agencies for the purpose
456 of developing plans for technical assistance and loan programs to
457 maximize the economic impact related to the project for minority
458 business enterprises within the State of Mississippi.

459 (x) To deposit into the "Yellow Creek Project Area
460 Fund" created pursuant to Section 57-75-31:

461 (i) Any funds or aid received as authorized in
462 this section for the project described in Section 57-75-5(f)(vi),
463 and

464 (ii) Any funds received from the sale or lease of
465 property from the project described in Section 57-75-5(f)(vi)
466 pursuant to the powers exercised under this section.

467 (y) To manage and develop the project described in
468 Section 57-75-5(f)(vi).

469 (z) To promulgate rules and regulations necessary to
470 effectuate the purposes of this act.

471 (aa) To negotiate a fee-in-lieu with the owners of the
472 project.

473 (bb) To enter into contractual agreements to warrant
474 any site work for a project defined in Section 57-75-5(f)(iv)1;
475 provided, however, that the aggregate amount of such warranties
476 shall not exceed Fifteen Million Dollars (\$15,000,000.00).

477 (cc) To provide grant funds to an enterprise operating
478 a project defined in Section 57-75-5(f)(iv)1 in an amount not to
479 exceed Thirty-nine Million Dollars (\$39,000,000.00).

480 (dd) (i) To own surface water transmission lines
481 constructed with the proceeds of bonds issued pursuant to this act
482 and in connection therewith to purchase and provide water to any
483 project defined in Section 57-75-5(f)(iv) and to certificated
484 water providers; and

485 (ii) To lease such surface water transmission
486 lines to a public agency or public utility to provide water to
487 such project and to certificated water providers.

488 (ee) To provide grant funds to an enterprise operating
489 a project defined in Section 57-75-5(f)(v) or, in connection with
490 a facility related to such a project, for job training, recruiting
491 and infrastructure.

492 (ff) To enter into negotiations with persons proposing
493 projects defined in Section 57-75-5(f)(xi) and execute acquisition

494 options and conduct planning, design and environmental impact
495 studies with regard to such project.

496 (gg) To establish such guidelines, rules and
497 regulations as the authority may deem necessary and appropriate
498 from time to time in its sole discretion, to promote the purposes
499 of this act.

500 (hh) In connection with projects defined under Section
501 57-75-5(f)(xiii):

502 (i) To provide grant funds or loans to an
503 enterprise owning, leasing or operating a project defined in
504 Section 57-75-5(f)(xiii); however:

505 1. During fiscal year 2005, the amount of any
506 such loan under this paragraph (ii) shall not exceed Eight Million
507 Dollars (\$8,000,000.00) and the amount of any such grant under
508 this paragraph (ii) shall not exceed Two Million Dollars
509 (\$2,000,000.00);

510 2. During fiscal year 2006, the amount of any
511 such loan under this paragraph (ii) shall not exceed Eight Million
512 Dollars (\$8,000,000.00) and the amount of any such grant under
513 this paragraph (ii) shall not exceed Two Million Dollars
514 (\$2,000,000.00); and

515 3. During fiscal year 2007, the amount of any
516 such loan under this paragraph (ii) shall not exceed Two Million
517 Dollars (\$2,000,000.00) and the amount of any such grant under
518 this paragraph (ii) shall not exceed Two Million Dollars
519 (\$2,000,000.00);

520 (ii) To supervise the use of all such grant funds
521 or loans; and

522 (iii) Notwithstanding any provision of this act to
523 the contrary, such loans shall be for a term not to exceed twenty
524 (20) years as may be determined by the authority, shall bear
525 interest at such rates as may be determined by the authority,

526 shall, in the sole discretion of the authority, be secured in an
527 amount and a manner as may be determined by the authority.

528 **SECTION 3.** Section 57-75-15, Mississippi Code of 1972, is
529 amended as follows:

530 57-75-15. (1) Upon notification to the authority by the
531 enterprise that the state has been finally selected as the site
532 for the project, the State Bond Commission shall have the power
533 and is hereby authorized and directed, upon receipt of a
534 declaration from the authority as hereinafter provided, to borrow
535 money and issue general obligation bonds of the state in one or
536 more series for the purposes herein set out. Upon such
537 notification, the authority may thereafter from time to time
538 declare the necessity for the issuance of general obligation bonds
539 as authorized by this section and forward such declaration to the
540 State Bond Commission, provided that before such notification, the
541 authority may enter into agreements with the United States
542 government, private companies and others that will commit the
543 authority to direct the State Bond Commission to issue bonds for
544 eligible undertakings set out in subsection (4) of this section,
545 conditioned on the siting of the project in the state.

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

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

555 (b) Bonds issued under the authority of this section
556 for projects as defined in Section 57-75-5(f)(ii) shall not exceed
557 Fifty Million Dollars (\$50,000,000.00), nor shall the bonds issued
558 for projects related to any single military installation exceed

559 Sixteen Million Six Hundred Sixty-seven Thousand Dollars
560 (\$16,667,000.00). If any proceeds of bonds issued for projects
561 related to the Meridian Naval Auxiliary Air Station ("NAAS") are
562 used for the development of a water and sewer service system by
563 the City of Meridian, Mississippi, to serve the NAAS and if the
564 City of Meridian annexes any of the territory served by the water
565 and sewer service system, the city shall repay the State of
566 Mississippi the amount of all bond proceeds expended on any
567 portion of the water and sewer service system project; and if
568 there are any monetary proceeds derived from the disposition of
569 any improvements located on real property in Kemper County
570 purchased pursuant to this act for projects related to the NAAS
571 and if there are any monetary proceeds derived from the
572 disposition of any timber located on real property in Kemper
573 County purchased pursuant to this act for projects related to the
574 NAAS, all of such proceeds (both from the disposition of
575 improvements and the disposition of timber) commencing July 1,
576 1996, through June 30, 2010, shall be paid to the Board of
577 Education of Kemper County, Mississippi, for expenditure by such
578 board of education to benefit the public schools of Kemper County.
579 No bonds shall be issued under this paragraph (b) until the State
580 Bond Commission by resolution adopts a finding that the issuance
581 of such bonds will improve, expand or otherwise enhance the
582 military installation, its support areas or military operations,
583 or will provide employment opportunities to replace those lost by
584 closure or reductions in operations at the military installation.
585 From and after July 1, 1997, bonds shall not be issued for any
586 projects, as defined in Section 57-75-5(f)(ii), which are not
587 commenced before July 1, 1997. The proceeds of any bonds issued
588 for projects commenced before July 1, 1997, shall be used for the
589 purposes for which the bonds were issued until completion of the
590 projects.

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

595 (d) Bonds issued under the authority of this section
596 for projects defined in Section 57-75-5(f)(iv) shall not exceed
597 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An
598 additional amount of bonds in an amount not to exceed Twelve
599 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be
600 issued under the authority of this section for the purpose of
601 defraying costs associated with the construction of surface water
602 transmission lines for a project defined in Section 57-75-5(f)(iv)
603 or for any facility related to the project. No bonds shall be
604 issued under this paragraph after June 30, 2005.

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

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

614 (g) Bonds issued under the authority of this section
615 for projects defined in Section 57-75-5(f)(viii) shall not exceed
616 Four Million Five Hundred Thousand Dollars (\$4,500,000.00). No
617 bonds shall be issued under this paragraph after June 30, 2007.

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

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

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

626 (j) Bonds issued under the authority of this section
627 for projects defined in Section 57-75-5(f)(xii) shall not exceed
628 Nineteen Million Five Hundred Thousand Dollars (\$19,500,000.00).
629 No bond shall be issued under this paragraph until local
630 governments in or near the county in which the project is located
631 have irrevocably committed funds to the project in an amount of
632 not less than Two Million Five Hundred Thousand Dollars
633 (\$2,500,000.00) in the aggregate. No bonds shall be issued under
634 this paragraph after June 30, 2008.

635 (k) Bonds issued under the authority of this section
636 for projects defined in Section 57-75-5(f)(xiv) shall not exceed
637 Twenty-four Million Dollars (\$24,000,000.00). No bonds shall be
638 issued under this paragraph until local governments in the county
639 in which the project is located have irrevocably committed funds
640 to the project in an amount of not less than Two Million Dollars
641 (\$2,000,000.00). No bonds shall be issued under this paragraph
642 after June 30, 2009.

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

645 (i) Defraying all or any designated portion of the
646 costs incurred with respect to acquisition, planning, design,
647 construction, installation, rehabilitation, improvement,
648 relocation and with respect to state-owned property, operation and
649 maintenance of the project and any facility related to the project
650 located within the project area, including costs of design and
651 engineering, all costs incurred to provide land, easements and
652 rights-of-way, relocation costs with respect to the project and
653 with respect to any facility related to the project located within
654 the project area, and costs associated with mitigation of
655 environmental impacts and environmental impact studies;

656 (ii) Defraying the cost of providing for the
657 recruitment, screening, selection, training or retraining of
658 employees, candidates for employment or replacement employees of
659 the project and any related activity;

660 (iii) Reimbursing the Mississippi Development
661 Authority for expenses it incurred in regard to projects defined
662 in Section 57-75-5(f)(iv) prior to November 6, 2000. The
663 Mississippi Development Authority shall submit an itemized list of
664 expenses it incurred in regard to such projects to the Chairmen of
665 the Finance and Appropriations Committees of the Senate and the
666 Chairmen of the Ways and Means and Appropriations Committees of
667 the House of Representatives;

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

670 (v) Paying any warranty made by the authority
671 regarding site work for a project defined in Section
672 57-75-5(f)(iv)1;

673 (vi) Defraying the cost of marketing and promotion
674 of a project as defined in Section 57-75-5(f)(iv)1. The authority
675 shall submit an itemized list of costs incurred for marketing and
676 promotion of such project to the Chairmen of the Finance and
677 Appropriations Committees of the Senate and the Chairmen of the
678 Ways and Means and Appropriations Committees of the House of
679 Representatives;

680 (vii) Providing for the payment of interest on the
681 bonds;

682 (viii) Providing debt service reserves;

683 (ix) Paying underwriters' discount, original issue
684 discount, accountants' fees, engineers' fees, attorneys' fees,
685 rating agency fees and other fees and expenses in connection with
686 the issuance of the bonds;

687 (x) For purposes authorized in paragraphs (b),
688 (c), (d), (e) and (f) of this subsection (4); * * *

689 (xi) Providing grants to enterprises operating
690 projects defined in Section 57-75-5(f)(v), or, in connection with
691 a facility related to such a project, for any purposes deemed by
692 the authority in its sole discretion to be necessary and
693 appropriate;

694 (xii) Providing grant funds or loans to an
695 enterprise owning, leasing or operating a project defined in
696 Section 57-75-5(f)(xiii).

697 Such bonds shall be issued from time to time and in such
698 principal amounts as shall be designated by the authority, not to
699 exceed in aggregate principal amounts the amount authorized in
700 subsection (3) of this section. Proceeds from the sale of the
701 bonds issued under this section may be invested, subject to
702 federal limitations, pending their use, in such securities as may
703 be specified in the resolution authorizing the issuance of the
704 bonds or the trust indenture securing them, and the earning on
705 such investment applied as provided in such resolution or trust
706 indenture.

707 (b) (i) The proceeds of bonds issued after June 21,
708 2002, under this section for projects described in Section
709 57-75-5(f)(iv) may be used to reimburse reasonable actual and
710 necessary costs incurred by the Mississippi Development Authority
711 in providing assistance related to a project for which funding is
712 provided from the use of proceeds of such bonds. The Mississippi
713 Development Authority shall maintain an accounting of actual costs
714 incurred for each project for which reimbursements are sought.
715 Reimbursements under this paragraph (b)(i) shall not exceed Three
716 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
717 Reimbursements under this paragraph (b)(i) shall satisfy any
718 applicable federal tax law requirements.

719 (ii) The proceeds of bonds issued after June 21,
720 2002, under this section for projects described in Section
721 57-75-5(f)(iv) may be used to reimburse reasonable actual and

722 necessary costs incurred by the Department of Audit in providing
723 services related to a project for which funding is provided from
724 the use of proceeds of such bonds. The Department of Audit shall
725 maintain an accounting of actual costs incurred for each project
726 for which reimbursements are sought. The Department of Audit may
727 escalate its budget and expend such funds in accordance with rules
728 and regulations of the Department of Finance and Administration in
729 a manner consistent with the escalation of federal funds.

730 Reimbursements under this paragraph (b)(ii) shall not exceed One
731 Hundred Thousand Dollars (\$100,000.00) in the aggregate.

732 Reimbursements under this paragraph (b)(ii) shall satisfy any
733 applicable federal tax law requirements.

734 (c) (i) The proceeds of bonds issued under this
735 section for projects described in Section 57-75-5(f)(ix) may be
736 used to reimburse reasonable actual and necessary costs incurred
737 by the Mississippi Development Authority in providing assistance
738 related to a project for which funding is provided for the use of
739 proceeds of such bonds. The Mississippi Development Authority
740 shall maintain an accounting of actual costs incurred for each
741 project for which reimbursements are sought. Reimbursements under
742 this paragraph shall not exceed Twenty-five Thousand Dollars
743 (\$25,000.00) in the aggregate.

744 (ii) The proceeds of bonds issued under this
745 section for projects described in Section 57-75-5(f)(ix) may be
746 used to reimburse reasonable actual and necessary costs incurred
747 by the Department of Audit in providing services related to a
748 project for which funding is provided from the use of proceeds of
749 such bonds. The Department of Audit shall maintain an accounting
750 of actual costs incurred for each project for which reimbursements
751 are sought. The Department of Audit may escalate its budget and
752 expend such funds in accordance with rules and regulations of the
753 Department of Finance and Administration in a manner consistent
754 with the escalation of federal funds. Reimbursements under this

755 paragraph shall not exceed Twenty-five Thousand Dollars
756 (\$25,000.00) in the aggregate. Reimbursements under this
757 paragraph shall satisfy any applicable federal tax law
758 requirements.

759 (d) (i) The proceeds of bonds issued under this
760 section for projects described in Section 57-75-5(f)(x) may be
761 used to reimburse reasonable actual and necessary costs incurred
762 by the Mississippi Development Authority in providing assistance
763 related to a project for which funding is provided for the use of
764 proceeds of such bonds. The Mississippi Development Authority
765 shall maintain an accounting of actual costs incurred for each
766 project for which reimbursements are sought. Reimbursements under
767 this paragraph shall not exceed Twenty-five Thousand Dollars
768 (\$25,000.00) in the aggregate.

769 (ii) The proceeds of bonds issued under this
770 section for projects described in Section 57-75-5(f)(x) may be
771 used to reimburse reasonable actual and necessary costs incurred
772 by the Department of Audit in providing services related to a
773 project for which funding is provided from the use of proceeds of
774 such bonds. The Department of Audit shall maintain an accounting
775 of actual costs incurred for each project for which reimbursements
776 are sought. The Department of Audit may escalate its budget and
777 expend such funds in accordance with rules and regulations of the
778 Department of Finance and Administration in a manner consistent
779 with the escalation of federal funds. Reimbursements under this
780 paragraph shall not exceed Twenty-five Thousand Dollars
781 (\$25,000.00) in the aggregate. Reimbursements under this
782 paragraph shall satisfy any applicable federal tax law
783 requirements.

784 (e) (i) The proceeds of bonds issued under this
785 section for projects described in Section 57-75-5(f)(xii) may be
786 used to reimburse reasonable actual and necessary costs incurred
787 by the Mississippi Development Authority in providing assistance

788 related to a project for which funding is provided from the use of
789 proceeds of such bonds. The Mississippi Development Authority
790 shall maintain an accounting of actual costs incurred for each
791 project for which reimbursements are sought. Reimbursements under
792 this paragraph (e)(i) shall not exceed Twenty-five Thousand
793 Dollars (\$25,000.00) in the aggregate.

794 (ii) The proceeds of bonds issued under this
795 section for projects described in Section 57-75-5(f)(xii) may be
796 used to reimburse reasonable actual and necessary costs incurred
797 by the Department of Audit in providing services related to a
798 project for which funding is provided from the use of proceeds of
799 such bonds. The Department of Audit shall maintain an accounting
800 of actual costs incurred for each project for which reimbursements
801 are sought. The Department of Audit may escalate its budget and
802 expend such funds in accordance with rules and regulations of the
803 Department of Finance and Administration in a manner consistent
804 with the escalation of federal funds. Reimbursements under this
805 paragraph (e)(ii) shall not exceed Twenty-five Thousand Dollars
806 (\$25,000.00) in the aggregate. Reimbursements under this
807 paragraph (e)(ii) shall satisfy any applicable federal tax law
808 requirements.

809 (f) (i) The proceeds of bonds issued under this
810 section for projects described in Section 57-75-5(f)(xiii) may be
811 used to reimburse reasonable actual and necessary costs incurred
812 by the Mississippi Development Authority in providing assistance
813 related to a project for which funding is provided from the use of
814 proceeds of such bonds. The Mississippi Development Authority
815 shall maintain an accounting of actual costs incurred for each
816 project for which reimbursements are sought. Reimbursements under
817 this paragraph (f)(i) shall not exceed Twenty-five Thousand
818 Dollars (\$25,000.00) for each project.

819 (ii) The proceeds of bonds issued under this
820 section for projects described in Section 57-75-5(f)(xiii) may be

821 used to reimburse reasonable actual and necessary costs incurred
822 by the Department of Audit in providing services related to a
823 project for which funding is provided from the use of proceeds of
824 such bonds. The Department of Audit shall maintain an accounting
825 of actual costs incurred for each project for which reimbursements
826 are sought. The Department of Audit may escalate its budget and
827 expend such funds in accordance with rules and regulations of the
828 Department of Finance and Administration in a manner consistent
829 with the escalation of federal funds. Reimbursements under this
830 paragraph (f)(ii) shall not exceed Twenty-five Thousand Dollars
831 (\$25,000.00) for each project. Reimbursements under this
832 paragraph (f)(ii) shall satisfy any applicable federal tax law
833 requirements.

834 (5) The principal of and the interest on the bonds shall be
835 payable in the manner hereinafter set forth. The bonds shall bear
836 date or dates; be in such denomination or denominations; bear
837 interest at such rate or rates; be payable at such place or places
838 within or without the state; mature absolutely at such time or
839 times; be redeemable before maturity at such time or times and
840 upon such terms, with or without premium; bear such registration
841 privileges; and be substantially in such form; all as shall be
842 determined by resolution of the State Bond Commission except that
843 such bonds shall mature or otherwise be retired in annual
844 installments beginning not more than five (5) years from the date
845 thereof and extending not more than twenty-five (25) years from
846 the date thereof. The bonds shall be signed by the Chairman of
847 the State Bond Commission, or by his facsimile signature, and the
848 official seal of the State Bond Commission shall be imprinted on
849 or affixed thereto, attested by the manual or facsimile signature
850 of the Secretary of the State Bond Commission. Whenever any such
851 bonds have been signed by the officials herein designated to sign
852 the bonds, who were in office at the time of such signing but who
853 may have ceased to be such officers before the sale and delivery

854 of such bonds, or who may not have been in office on the date such
855 bonds may bear, the signatures of such officers upon such bonds
856 shall nevertheless be valid and sufficient for all purposes and
857 have the same effect as if the person so officially signing such
858 bonds had remained in office until the delivery of the same to the
859 purchaser, or had been in office on the date such bonds may bear.

860 (6) All bonds issued under the provisions of this section
861 shall be and are hereby declared to have all the qualities and
862 incidents of negotiable instruments under the provisions of the
863 Uniform Commercial Code and in exercising the powers granted by
864 this chapter, the State Bond Commission shall not be required to
865 and need not comply with the provisions of the Uniform Commercial
866 Code.

867 (7) The State Bond Commission shall sell the bonds on sealed
868 bids at public sale, and for such price as it may determine to be
869 for the best interest of the State of Mississippi, but no such
870 sale shall be made at a price less than par plus accrued interest
871 to date of delivery of the bonds to the purchaser. The bonds
872 shall bear interest at such rate or rates not exceeding the limits
873 set forth in Section 75-17-101 as shall be fixed by the State Bond
874 Commission. All interest accruing on such bonds so issued shall
875 be payable semiannually or annually; provided that the first
876 interest payment may be for any period of not more than one (1)
877 year.

878 Notice of the sale of any bonds shall be published at least
879 one time, the first of which shall be made not less than ten (10)
880 days prior to the date of sale, and shall be so published in one
881 or more newspapers having a general circulation in the City of
882 Jackson and in one or more other newspapers or financial journals
883 with a large national circulation, to be selected by the State
884 Bond Commission.

885 The State Bond Commission, when issuing any bonds under the
886 authority of this section, may provide that the bonds, at the

887 option of the state, may be called in for payment and redemption
888 at the call price named therein and accrued interest on such date
889 or dates named therein.

890 (8) State bonds issued under the provisions of this section
891 shall be the general obligations of the state and backed by the
892 full faith and credit of the state. The Legislature shall
893 appropriate annually an amount sufficient to pay the principal of
894 and the interest on such bonds as they become due. All bonds
895 shall contain recitals on their faces substantially covering the
896 foregoing provisions of this section.

897 (9) The State Treasurer is authorized to certify to the
898 Department of Finance and Administration the necessity for
899 warrants, and the Department of Finance and Administration is
900 authorized and directed to issue such warrants payable out of any
901 funds appropriated by the Legislature under this section for such
902 purpose, in such amounts as may be necessary to pay when due the
903 principal of and interest on all bonds issued under the provisions
904 of this section. The State Treasurer shall forward the necessary
905 amount to the designated place or places of payment of such bonds
906 in ample time to discharge such bonds, or the interest thereon, on
907 the due dates thereof.

908 (10) The bonds may be issued without any other proceedings
909 or the happening of any other conditions or things other than
910 those proceedings, conditions and things which are specified or
911 required by this chapter. Any resolution providing for the
912 issuance of general obligation bonds under the provisions of this
913 section shall become effective immediately upon its adoption by
914 the State Bond Commission, and any such resolution may be adopted
915 at any regular or special meeting of the State Bond Commission by
916 a majority of its members.

917 (11) In anticipation of the issuance of bonds hereunder, the
918 State Bond Commission is authorized to negotiate and enter into
919 any purchase, loan, credit or other agreement with any bank, trust

920 company or other lending institution or to issue and sell interim
921 notes for the purpose of making any payments authorized under this
922 section. All borrowings made under this provision shall be
923 evidenced by notes of the state which shall be issued from time to
924 time, for such amounts not exceeding the amount of bonds
925 authorized herein, in such form and in such denomination and
926 subject to such terms and conditions of sale and issuance,
927 prepayment or redemption and maturity, rate or rates of interest
928 not to exceed the maximum rate authorized herein for bonds, and
929 time of payment of interest as the State Bond Commission shall
930 agree to in such agreement. Such notes shall constitute general
931 obligations of the state and shall be backed by the full faith and
932 credit of the state. Such notes may also be issued for the
933 purpose of refunding previously issued notes. No note shall
934 mature more than three (3) years following the date of its
935 issuance. The State Bond Commission is authorized to provide for
936 the compensation of any purchaser of the notes by payment of a
937 fixed fee or commission and for all other costs and expenses of
938 issuance and service, including paying agent costs. Such costs
939 and expenses may be paid from the proceeds of the notes.

940 (12) The bonds and interim notes authorized under the
941 authority of this section may be validated in the First Judicial
942 District of the Chancery Court of Hinds County, Mississippi, in
943 the manner and with the force and effect provided now or hereafter
944 by Chapter 13, Title 31, Mississippi Code of 1972, for the
945 validation of county, municipal, school district and other bonds.
946 The necessary papers for such validation proceedings shall be
947 transmitted to the State Bond Attorney, and the required notice
948 shall be published in a newspaper published in the City of
949 Jackson, Mississippi.

950 (13) Any bonds or interim notes issued under the provisions
951 of this chapter, a transaction relating to the sale or securing of
952 such bonds or interim notes, their transfer and the income

953 therefrom shall at all times be free from taxation by the state or
954 any local unit or political subdivision or other instrumentality
955 of the state, excepting inheritance and gift taxes.

956 (14) All bonds issued under this chapter shall be legal
957 investments for trustees, other fiduciaries, savings banks, trust
958 companies and insurance companies organized under the laws of the
959 State of Mississippi; and such bonds shall be legal securities
960 which may be deposited with and shall be received by all public
961 officers and bodies of the state and all municipalities and other
962 political subdivisions thereof for the purpose of securing the
963 deposit of public funds.

964 (15) The Attorney General of the State of Mississippi shall
965 represent the State Bond Commission in issuing, selling and
966 validating bonds herein provided for, and the Bond Commission is
967 hereby authorized and empowered to expend from the proceeds
968 derived from the sale of the bonds authorized hereunder all
969 necessary administrative, legal and other expenses incidental and
970 related to the issuance of bonds authorized under this chapter.

971 (16) There is hereby created a special fund in the State
972 Treasury to be known as the Mississippi Major Economic Impact
973 Authority Fund wherein shall be deposited the proceeds of the
974 bonds issued under this chapter and all monies received by the
975 authority to carry out the purposes of this chapter. Expenditures
976 authorized herein shall be paid by the State Treasurer upon
977 warrants drawn from the fund, and the Department of Finance and
978 Administration shall issue warrants upon requisitions signed by
979 the director of the authority.

980 (17) (a) There is hereby created the Mississippi Economic
981 Impact Authority Sinking Fund from which the principal of and
982 interest on such bonds shall be paid by appropriation. All monies
983 paid into the sinking fund not appropriated to pay accruing bonds
984 and interest shall be invested by the State Treasurer in such

985 securities as are provided by law for the investment of the
986 sinking funds of the state.

987 (b) In the event that all or any part of the bonds and
988 notes are purchased, they shall be canceled and returned to the
989 loan and transfer agent as canceled and paid bonds and notes and
990 thereafter all payments of interest thereon shall cease and the
991 canceled bonds, notes and coupons, together with any other
992 canceled bonds, notes and coupons, shall be destroyed as promptly
993 as possible after cancellation but not later than two (2) years
994 after cancellation. A certificate evidencing the destruction of
995 the canceled bonds, notes and coupons shall be provided by the
996 loan and transfer agent to the seller.

997 (c) The State Treasurer shall determine and report to
998 the Department of Finance and Administration and Legislative
999 Budget Office by September 1 of each year the amount of money
1000 necessary for the payment of the principal of and interest on
1001 outstanding obligations for the following fiscal year and the
1002 times and amounts of the payments. It shall be the duty of the
1003 Governor to include in every executive budget submitted to the
1004 Legislature full information relating to the issuance of bonds and
1005 notes under the provisions of this chapter and the status of the
1006 sinking fund for the payment of the principal of and interest on
1007 the bonds and notes.

1008 (d) Any monies repaid to the state from loans
1009 authorized in Section 57-75-11(hh) shall be deposited into the
1010 Mississippi Major Economic Impact Authority Sinking Fund.

1011 (18) (a) Upon receipt of a declaration by the authority
1012 that it has determined that the state is a potential site for a
1013 project, the State Bond Commission is authorized and directed to
1014 authorize the State Treasurer to borrow money from any special
1015 fund in the State Treasury not otherwise appropriated to be
1016 utilized by the authority for the purposes provided for in this
1017 subsection.

1018 (b) The proceeds of the money borrowed under this
1019 subsection may be utilized by the authority for the purpose of
1020 defraying all or a portion of the costs incurred by the authority
1021 with respect to acquisition options and planning, design and
1022 environmental impact studies with respect to a project defined in
1023 Section 57-75-5(f)(xi). The authority may escalate its budget and
1024 expend the proceeds of the money borrowed under this subsection in
1025 accordance with rules and regulations of the Department of Finance
1026 and Administration in a manner consistent with the escalation of
1027 federal funds.

1028 (c) The authority shall request an appropriation or
1029 additional authority to issue general obligation bonds to repay
1030 the borrowed funds and establish a date for the repayment of the
1031 funds so borrowed.

1032 (d) Borrowings made under the provisions of this
1033 subsection shall not exceed Five Hundred Thousand Dollars
1034 (\$500,000.00) at any one time.

1035 **SECTION 4.** This act shall take effect and be in force from
1036 and after its passage.