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To: Ways and Means

HOUSE BILL NO. 1594

1 AN ACT TO AMEND SECTION 57-75-5, MISSISSIPPI CODE OF 1972, TO
2 REVISE THE DEFINITION OF THE TERM "PROJECT" FOR PURPOSES OF THE
3 MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO AMEND SECTION 57-75-15,
4 MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE ISSUANCE OF GENERAL
5 OBLIGATION BONDS IN THE AMOUNT OF \$16,000,000.00 FOR A PROJECT
6 UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; AND FOR RELATED
7 PURPOSES.

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

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

11 57-75-5. Words and phrases used in this chapter shall have
12 meanings as follows, unless the context clearly indicates a
13 different meaning:

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15 Act as originally enacted or as hereafter amended.

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

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

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

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

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

42 (f) "Project" means:

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

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

87 (ii) 1. Any major capital project designed to
88 improve, expand or otherwise enhance any active duty or reserve
89 United States Armed Services bases and facilities or any major
90 Mississippi National Guard training installations, their support
91 areas or their military operations, upon designation by the
92 authority that any such base was or is at risk to be recommended
93 for closure or realignment pursuant to the Defense Base Closure
94 and Realignment Act of 1990, as amended, or other applicable
95 federal law; or any major development project determined by the

96 authority to be necessary to acquire or improve base properties
97 and to provide employment opportunities through construction of
98 projects as defined in Section 57-3-5, which shall be located on
99 or provide direct support service or access to such military
100 installation property in the event of closure or reduction of
101 military operations at the installation.

102 2. Any major study or investigation related
103 to such a facility, installation or base, upon a determination by
104 the authority that the study or investigation is critical to the
105 expansion, retention or reuse of the facility, installation or
106 base.

107 3. Any project as defined in Section 57-3-5,
108 any business or enterprise determined to be in the furtherance of
109 the public purposes of this act as determined by the authority or
110 any facility related to such project each of which shall be,
111 directly or indirectly, related to any military base or other
112 military-related facility no longer operated by the United States
113 Armed Services or the Mississippi National Guard.

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

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

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

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

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

139 2. The project and any facility related to
140 the project shall include a total investment from private sources
141 of not less than Sixty Million Dollars (\$60,000,000.00), or from
142 any combination of sources of not less than Eighty Million Dollars
143 (\$80,000,000.00).

144 (vi) Any real property owned or controlled by the
145 National Aeronautics and Space Administration, the United States
146 government, or any agency thereof, which is legally conveyed to
147 the State of Mississippi or to the State of Mississippi for the
148 benefit of the Mississippi Major Economic Impact Authority, its
149 successors and assigns pursuant to Section 212 of Public Law
150 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

151 (vii) Any major capital project related to the
152 establishment, improvement, expansion and/or other enhancement of
153 any active duty military installation and having a minimum capital
154 investment from any source or combination of sources other than
155 the State of Mississippi of at least Forty Million Dollars
156 (\$40,000,000.00), and which will create at least four hundred
157 (400) military installation related full-time jobs, which jobs may
158 be military jobs, civilian jobs or a combination of military and
159 civilian jobs. The authority shall require that binding
160 commitments be entered into requiring that the minimum

161 requirements for the project provided for in this subparagraph
162 shall be met not later than July 1, 2008.

163 (viii) Any major capital project with an initial
164 capital investment from any source or combination of sources of
165 not less than Ten Million Dollars (\$10,000,000.00) which will
166 create at least eighty (80) full-time jobs which provide an
167 average annual salary, excluding benefits which are not subject to
168 Mississippi income taxes, of at least one hundred thirty-five
169 percent (135%) of the most recently published average annual wage
170 of the state or the most recently published average annual wage of
171 the county in which the project is located as determined by the
172 Mississippi Department of Employment Security, whichever is the
173 lesser. The authority shall require that binding commitments be
174 entered into requiring that:

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

177 2. * * * If such commitments are not met, all
178 or a portion of the funds provided by the state for the project as
179 determined by the authority shall be repaid.

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

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

190 2. * * * If such commitments are not met, all
191 or a portion of the funds provided by the state for the project as
192 determined by the authority shall be repaid.

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

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

207 2. * * * If such commitments are not met, all
208 or a portion of the funds provided by the state for the project as
209 determined by the authority shall be repaid.

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

212 (xii) Any project built according to the
213 specifications and federal provisions set forth by the National
214 Aeronautics and Space Administration Center Operations Directorate
215 at Stennis Space Center for the purpose of consolidating common
216 services from National Aeronautics and Space Administration
217 centers in human resources, procurement, financial management and
218 information technology located on land owned or controlled by the
219 National Aeronautics and Space Administration, which will create
220 at least four hundred seventy (470) full-time jobs.

221 (xiii) Any major capital project with an initial
222 capital investment from any source or combination of sources of
223 not less than Ten Million Dollars (\$10,000,000.00) which will
224 create at least two hundred fifty (250) full-time jobs. The

225 authority shall require that binding commitments be entered into
226 requiring that:

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

229 2. * * * If such commitments are not met, all
230 or a portion of the funds provided by the state for the project as
231 determined by the authority shall be repaid.

232 (xiv) Any major pharmaceutical facility with a
233 capital investment of not less than Fifty Million Dollars
234 (\$50,000,000.00) made after July 1, 2002, through four (4) years
235 after the initial date of any loan or grant made by the authority
236 for such project, which will maintain at least seven hundred fifty
237 (750) full-time employees. The authority shall require that
238 binding commitments be entered into requiring that:

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

241 2. * * * If such commitments are not met, all
242 or a portion of the funds provided by the state for the project as
243 determined by the authority shall be repaid.

244 (xv) Any pharmaceutical manufacturing, packaging
245 and distribution facility with an initial capital investment from
246 any local or federal sources of not less than Five Hundred
247 Thousand Dollars (\$500,000.00) which will create at least ninety
248 (90) full-time jobs. The authority shall require that binding
249 commitments be entered into requiring that:

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

252 2. * * * If such commitments are not met, all
253 or a portion of the funds provided by the state for the project as
254 determined by the authority shall be repaid.

255 (xvi) Any major industrial wood processing
256 facility with an initial capital investment of not less than One
257 Hundred Million Dollars (\$100,000,000.00) which will create at

258 least one hundred twenty-five (125) full-time jobs which provide
259 an average annual salary, excluding benefits which are not subject
260 to Mississippi income taxes, of at least Thirty Thousand Dollars
261 (\$30,000.00). The authority shall require that binding
262 commitments be entered into requiring that:

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

265 2. * * * If such commitments are not met, all
266 or a portion of the funds provided by the state for the project as
267 determined by the authority shall be repaid.

268 (xvii) Any technical, engineering,
269 manufacturing-logistic service provider with an initial capital
270 investment of not less than One Million Dollars (\$1,000,000.00)
271 which will create at least ninety (90) full-time jobs. The
272 authority shall require that binding commitments be entered into
273 requiring that:

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

276 2. * * * If such commitments are not met, all
277 or a portion of the funds provided by the state for the project as
278 determined by the authority shall be repaid.

279 (xviii) Any economic development and tourism
280 destination facility that features a space, science and education
281 center with an initial capital investment from private, local
282 and/or federal sources of not less than Nineteen Million Dollars
283 (\$19,000,000.00) which will create at least fifty-one (51)
284 full-time jobs. The authority shall require that binding
285 commitments be entered into requiring that:

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

288 2. If such commitments are not met, all or a
289 portion of the funds provided by the state for the project as
290 determined by the authority shall be repaid.

291 (g) "Project area" means the project site, together
292 with any area or territory within the state lying within
293 sixty-five (65) miles of any portion of the project site whether
294 or not such area or territory be contiguous; however, for the
295 project defined in paragraph (f)(iv) of this section the term
296 "project area" means any area or territory within the state. The
297 project area shall also include all territory within a county if
298 any portion of such county lies within sixty-five (65) miles of
299 any portion of the project site. "Project site" means the real
300 property on which the principal facilities of the enterprise will
301 operate.

302 (h) "Public agency" means:

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

305 (ii) Any city, town, county, political
306 subdivision, school district or other district created or existing
307 under the laws of the state or any public agency of any such city,
308 town, county, political subdivision or district or any other
309 public entity created or existing under local and private
310 legislation;

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

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

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

317 (j) "Fee-in-lieu" means a negotiated fee to be paid by
318 the project in lieu of any franchise taxes imposed on the project
319 by Chapter 13, Title 27, Mississippi Code of 1972. The
320 fee-in-lieu shall not be less than Twenty-five Thousand Dollars
321 (\$25,000.00) annually. A fee-in-lieu may be negotiated with an
322 enterprise operating an existing project defined in Section
323 57-75-5(f)(iv)1; however, a fee-in-lieu shall not be negotiated

324 for other existing enterprises that fall within the definition of
325 the term "project."

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

328 57-75-15. (1) Upon notification to the authority by the
329 enterprise that the state has been finally selected as the site
330 for the project, the State Bond Commission shall have the power
331 and is hereby authorized and directed, upon receipt of a
332 declaration from the authority as hereinafter provided, to borrow
333 money and issue general obligation bonds of the state in one or
334 more series for the purposes herein set out. Upon such
335 notification, the authority may thereafter from time to time
336 declare the necessity for the issuance of general obligation bonds
337 as authorized by this section and forward such declaration to the
338 State Bond Commission, provided that before such notification, the
339 authority may enter into agreements with the United States
340 government, private companies and others that will commit the
341 authority to direct the State Bond Commission to issue bonds for
342 eligible undertakings set out in subsection (4) of this section,
343 conditioned on the siting of the project in the state.

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

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

353 (b) Bonds issued under the authority of this section
354 for projects as defined in Section 57-75-5(f)(ii) shall not exceed
355 Sixty-one Million Dollars (\$61,000,000.00). The authority, with
356 the express direction of the State Bond Commission, is authorized

357 to expend any remaining proceeds of bonds issued under the
358 authority of this act prior to January 1, 1998, for the purpose of
359 financing projects as then defined in Section 57-75-5(f)(ii) or
360 for any other projects as defined in Section 57-75-5(f)(ii), as it
361 may be amended from time to time. If any proceeds of bonds issued
362 for projects related to the Meridian Naval Auxiliary Air Station
363 ("NAAS") are used for the development of a water and sewer service
364 system by the City of Meridian, Mississippi, to serve the NAAS and
365 if the City of Meridian annexes any of the territory served by the
366 water and sewer service system, the city shall repay the State of
367 Mississippi the amount of all bond proceeds expended on any
368 portion of the water and sewer service system project; and if
369 there are any monetary proceeds derived from the disposition of
370 any improvements located on real property in Kemper County
371 purchased pursuant to this act for projects related to the NAAS
372 and if there are any monetary proceeds derived from the
373 disposition of any timber located on real property in Kemper
374 County purchased pursuant to this act for projects related to the
375 NAAS, all of such proceeds (both from the disposition of
376 improvements and the disposition of timber) commencing July 1,
377 1996, through June 30, 2010, shall be paid to the Board of
378 Education of Kemper County, Mississippi, for expenditure by such
379 board of education to benefit the public schools of Kemper County.
380 No bonds shall be issued under this paragraph (b) until the State
381 Bond Commission by resolution adopts a finding that the issuance
382 of such bonds will improve, expand or otherwise enhance the
383 military installation, its support areas or military operations,
384 or will provide employment opportunities to replace those lost by
385 closure or reductions in operations at the military installation
386 or will support critical studies or investigations authorized by
387 Section 57-75-5(f)(ii); however, not more than One Million Dollars
388 (\$1,000,000.00) in the aggregate shall be authorized for such
389 studies or investigations.

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

394 (d) Bonds issued under the authority of this section
395 for projects defined in Section 57-75-5(f)(iv) shall not exceed
396 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An
397 additional amount of bonds in an amount not to exceed Twelve
398 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be
399 issued under the authority of this section for the purpose of
400 defraying costs associated with the construction of surface water
401 transmission lines for a project defined in Section 57-75-5(f)(iv)
402 or for any facility related to the project. No bonds shall be
403 issued under this paragraph after June 30, 2005.

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

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

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

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

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

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

425 (j) Bonds issued under the authority of this section
426 for projects defined in Section 57-75-5(f)(xii) shall not exceed
427 Twenty-three Million Seven Hundred Thousand Dollars
428 (\$23,700,000.00). No bonds shall be issued under this paragraph
429 until local governments in or near the county in which the project
430 is located have irrevocably committed funds to the project in an
431 amount of not less than Two Million Five Hundred Thousand Dollars
432 (\$2,500,000.00) in the aggregate. No bonds shall be issued under
433 this paragraph after June 30, 2008.

434 (k) Bonds issued under the authority of this section
435 for projects defined in Section 57-75-5(f)(xiii) shall not exceed
436 Three Million Dollars (\$3,000,000.00). No bonds shall be issued
437 under this paragraph after June 30, 2009.

438 (l) Bonds issued under the authority of this section
439 for projects defined in Section 57-75-5(f)(xiv) shall not exceed
440 Ten Million Dollars (\$10,000,000.00). No bonds shall be issued
441 under this paragraph until local governments in the county in
442 which the project is located have irrevocably committed funds to
443 the project in an amount of not less than Two Million Dollars
444 (\$2,000,000.00). No bonds shall be issued under this paragraph
445 after June 30, 2009.

446 (m) Bonds issued under the authority of this section
447 for projects defined in Section 57-75-5(f)(xv) shall not exceed
448 Five Hundred Thousand Dollars (\$500,000.00). No bonds shall be
449 issued under this paragraph after June 30, 2009.

450 (n) Bonds issued under the authority of this section
451 for projects defined in Section 57-75-5(f)(xvi) shall not exceed
452 Ten Million Dollars (\$10,000,000.00). No bonds shall be issued
453 under this paragraph after June 30, 2009.

454 (o) Bonds issued under the authority of this section
455 for projects defined in Section 57-75-5(f)(xvii) shall not exceed

456 Three Million Five Hundred Thousand Dollars (\$3,500,000.00). No
457 bonds shall be issued under this paragraph after June 30, 2009.

458 (p) Bonds issued under the authority of this section
459 for projects defined in Section 57-75-5(f)(xviii) shall not exceed
460 Sixteen Million Dollars (\$16,000,000.00); however, not more than
461 Eight Million Dollars (\$8,000,000.00) of the bonds authorized to
462 be issued under this paragraph may be issued in any one fiscal
463 year. No bonds shall be issued under this paragraph after June
464 30, 2010.

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

467 (i) Defraying all or any designated portion of the
468 costs incurred with respect to acquisition, planning, design,
469 construction, installation, rehabilitation, improvement,
470 relocation and with respect to state-owned property, operation and
471 maintenance of the project and any facility related to the project
472 located within the project area, including costs of design and
473 engineering, all costs incurred to provide land, easements and
474 rights-of-way, relocation costs with respect to the project and
475 with respect to any facility related to the project located within
476 the project area, and costs associated with mitigation of
477 environmental impacts and environmental impact studies;

478 (ii) Defraying the cost of providing for the
479 recruitment, screening, selection, training or retraining of
480 employees, candidates for employment or replacement employees of
481 the project and any related activity;

482 (iii) Reimbursing the Mississippi Development
483 Authority for expenses it incurred in regard to projects defined
484 in Section 57-75-5(f)(iv) prior to November 6, 2000. The
485 Mississippi Development Authority shall submit an itemized list of
486 expenses it incurred in regard to such projects to the Chairmen of
487 the Finance and Appropriations Committees of the Senate and the

488 Chairmen of the Ways and Means and Appropriations Committees of
489 the House of Representatives;

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

492 (v) Paying any warranty made by the authority
493 regarding site work for a project defined in Section
494 57-75-5(f)(iv)1;

495 (vi) Defraying the cost of marketing and promotion
496 of a project as defined in Section 57-75-5(f)(iv)1. The authority
497 shall submit an itemized list of costs incurred for marketing and
498 promotion of such project to the Chairmen of the Finance and
499 Appropriations Committees of the Senate and the Chairmen of the
500 Ways and Means and Appropriations Committees of the House of
501 Representatives;

502 (vii) Providing for the payment of interest on the
503 bonds;

504 (viii) Providing debt service reserves;

505 (ix) Paying underwriters' discount, original issue
506 discount, accountants' fees, engineers' fees, attorneys' fees,
507 rating agency fees and other fees and expenses in connection with
508 the issuance of the bonds;

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

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

516 (xii) Providing grant funds or loans to a public
517 agency or an enterprise owning, leasing or operating a project
518 defined in Section 57-75-5(f)(ii); and

519 (xiii) Providing grant funds or loans to an
520 enterprise owning, leasing or operating a project defined in
521 Section 57-75-5(f)(xiv).

522 Such bonds shall be issued from time to time and in such
523 principal amounts as shall be designated by the authority, not to
524 exceed in aggregate principal amounts the amount authorized in
525 subsection (3) of this section. Proceeds from the sale of the
526 bonds issued under this section may be invested, subject to
527 federal limitations, pending their use, in such securities as may
528 be specified in the resolution authorizing the issuance of the
529 bonds or the trust indenture securing them, and the earning on
530 such investment applied as provided in such resolution or trust
531 indenture.

532 (b) (i) The proceeds of bonds issued after June 21,
533 2002, under this section for projects described in Section
534 57-75-5(f)(iv) may be used to reimburse reasonable actual and
535 necessary costs incurred by the Mississippi Development Authority
536 in providing assistance related to a project for which funding is
537 provided from the use of proceeds of such bonds. The Mississippi
538 Development Authority shall maintain an accounting of actual costs
539 incurred for each project for which reimbursements are sought.
540 Reimbursements under this paragraph (b)(i) shall not exceed Three
541 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
542 Reimbursements under this paragraph (b)(i) shall satisfy any
543 applicable federal tax law requirements.

544 (ii) The proceeds of bonds issued after June 21,
545 2002, under this section for projects described in Section
546 57-75-5(f)(iv) may be used to reimburse reasonable actual and
547 necessary costs incurred by the Department of Audit in providing
548 services related to a project for which funding is provided from
549 the use of proceeds of such bonds. The Department of Audit shall
550 maintain an accounting of actual costs incurred for each project
551 for which reimbursements are sought. The Department of Audit may

552 escalate its budget and expend such funds in accordance with rules
553 and regulations of the Department of Finance and Administration in
554 a manner consistent with the escalation of federal funds.

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

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

559 (c) (i) The proceeds of bonds issued under this
560 section for projects described in Section 57-75-5(f)(ix) may be
561 used to reimburse reasonable actual and necessary costs incurred
562 by the Mississippi Development Authority in providing assistance
563 related to a project for which funding is provided for the use of
564 proceeds of such bonds. The Mississippi Development Authority
565 shall maintain an accounting of actual costs incurred for each
566 project for which reimbursements are sought. Reimbursements under
567 this paragraph shall not exceed Twenty-five Thousand Dollars
568 (\$25,000.00) in the aggregate.

569 (ii) The proceeds of bonds issued under this
570 section for projects described in Section 57-75-5(f)(ix) may be
571 used to reimburse reasonable actual and necessary costs incurred
572 by the Department of Audit in providing services related to a
573 project for which funding is provided from the use of proceeds of
574 such bonds. The Department of Audit shall maintain an accounting
575 of actual costs incurred for each project for which reimbursements
576 are sought. The Department of Audit may escalate its budget and
577 expend such funds in accordance with rules and regulations of the
578 Department of Finance and Administration in a manner consistent
579 with the escalation of federal funds. Reimbursements under this
580 paragraph shall not exceed Twenty-five Thousand Dollars
581 (\$25,000.00) in the aggregate. Reimbursements under this
582 paragraph shall satisfy any applicable federal tax law
583 requirements.

584 (d) (i) The proceeds of bonds issued under this
585 section for projects described in Section 57-75-5(f)(x) may be
586 used to reimburse reasonable actual and necessary costs incurred
587 by the Mississippi Development Authority in providing assistance
588 related to a project for which funding is provided for the use of
589 proceeds of such bonds. The Mississippi Development Authority
590 shall maintain an accounting of actual costs incurred for each
591 project for which reimbursements are sought. Reimbursements under
592 this paragraph shall not exceed Twenty-five Thousand Dollars
593 (\$25,000.00) in the aggregate.

594 (ii) The proceeds of bonds issued under this
595 section for projects described in Section 57-75-5(f)(x) may be
596 used to reimburse reasonable actual and necessary costs incurred
597 by the Department of Audit in providing services related to a
598 project for which funding is provided from the use of proceeds of
599 such bonds. The Department of Audit shall maintain an accounting
600 of actual costs incurred for each project for which reimbursements
601 are sought. The Department of Audit may escalate its budget and
602 expend such funds in accordance with rules and regulations of the
603 Department of Finance and Administration in a manner consistent
604 with the escalation of federal funds. Reimbursements under this
605 paragraph shall not exceed Twenty-five Thousand Dollars
606 (\$25,000.00) in the aggregate. Reimbursements under this
607 paragraph shall satisfy any applicable federal tax law
608 requirements.

609 (e) (i) The proceeds of bonds issued under this
610 section for projects described in Section 57-75-5(f)(xii) may be
611 used to reimburse reasonable actual and necessary costs incurred
612 by the Mississippi Development Authority in providing assistance
613 related to a project for which funding is provided from the use of
614 proceeds of such bonds. The Mississippi Development Authority
615 shall maintain an accounting of actual costs incurred for each
616 project for which reimbursements are sought. Reimbursements under

617 this paragraph (e)(i) shall not exceed Twenty-five Thousand
618 Dollars (\$25,000.00) in the aggregate.

619 (ii) The proceeds of bonds issued under this
620 section for projects described in Section 57-75-5(f)(xii) may be
621 used to reimburse reasonable actual and necessary costs incurred
622 by the Department of Audit in providing services related to a
623 project for which funding is provided from the use of proceeds of
624 such bonds. The Department of Audit shall maintain an accounting
625 of actual costs incurred for each project for which reimbursements
626 are sought. The Department of Audit may escalate its budget and
627 expend such funds in accordance with rules and regulations of the
628 Department of Finance and Administration in a manner consistent
629 with the escalation of federal funds. Reimbursements under this
630 paragraph (e)(ii) shall not exceed Twenty-five Thousand Dollars
631 (\$25,000.00) in the aggregate. Reimbursements under this
632 paragraph (e)(ii) shall satisfy any applicable federal tax law
633 requirements.

634 (f) (i) The proceeds of bonds issued under this
635 section for projects described in Section 57-75-5(f)(xiii),
636 (f)(xiv), (f)(xv), (f)(xvi), (f)(xvii) and (f)(xviii) may be used
637 to reimburse reasonable actual and necessary costs incurred by the
638 Mississippi Development Authority in providing assistance related
639 to a project for which funding is provided from the use of
640 proceeds of such bonds. The Mississippi Development Authority
641 shall maintain an accounting of actual costs incurred for each
642 project for which reimbursements are sought. Reimbursements under
643 this paragraph (f)(i) shall not exceed Twenty-five Thousand
644 Dollars (\$25,000.00) for each project.

645 (ii) The proceeds of bonds issued under this
646 section for projects described in Section 57-75-5(f)(xiii),
647 (f)(xiv), (f)(xv), (f)(xvi), (f)(xvii) and (f)(xviii) may be used
648 to reimburse reasonable actual and necessary costs incurred by the
649 Department of Audit in providing services related to a project for

650 which funding is provided from the use of proceeds of such bonds.
651 The Department of Audit shall maintain an accounting of actual
652 costs incurred for each project for which reimbursements are
653 sought. The Department of Audit may escalate its budget and
654 expend such funds in accordance with rules and regulations of the
655 Department of Finance and Administration in a manner consistent
656 with the escalation of federal funds. Reimbursements under this
657 paragraph (f)(ii) shall not exceed Twenty-five Thousand Dollars
658 (\$25,000.00) for each project. Reimbursements under this
659 paragraph (f)(ii) shall satisfy any applicable federal tax law
660 requirements.

661 (5) The principal of and the interest on the bonds shall be
662 payable in the manner hereinafter set forth. The bonds shall bear
663 date or dates; be in such denomination or denominations; bear
664 interest at such rate or rates; be payable at such place or places
665 within or without the state; mature absolutely at such time or
666 times; be redeemable before maturity at such time or times and
667 upon such terms, with or without premium; bear such registration
668 privileges; and be substantially in such form; all as shall be
669 determined by resolution of the State Bond Commission except that
670 such bonds shall mature or otherwise be retired in annual
671 installments beginning not more than five (5) years from the date
672 thereof and extending not more than twenty-five (25) years from
673 the date thereof. The bonds shall be signed by the Chairman of
674 the State Bond Commission, or by his facsimile signature, and the
675 official seal of the State Bond Commission shall be imprinted on
676 or affixed thereto, attested by the manual or facsimile signature
677 of the Secretary of the State Bond Commission. Whenever any such
678 bonds have been signed by the officials herein designated to sign
679 the bonds, who were in office at the time of such signing but who
680 may have ceased to be such officers before the sale and delivery
681 of such bonds, or who may not have been in office on the date such
682 bonds may bear, the signatures of such officers upon such bonds

683 shall nevertheless be valid and sufficient for all purposes and
684 have the same effect as if the person so officially signing such
685 bonds had remained in office until the delivery of the same to the
686 purchaser, or had been in office on the date such bonds may bear.

687 (6) All bonds issued under the provisions of this section
688 shall be and are hereby declared to have all the qualities and
689 incidents of negotiable instruments under the provisions of the
690 Uniform Commercial Code and in exercising the powers granted by
691 this chapter, the State Bond Commission shall not be required to
692 and need not comply with the provisions of the Uniform Commercial
693 Code.

694 (7) The State Bond Commission shall sell the bonds on sealed
695 bids at public sale, and for such price as it may determine to be
696 for the best interest of the State of Mississippi, but no such
697 sale shall be made at a price less than par plus accrued interest
698 to date of delivery of the bonds to the purchaser. The bonds
699 shall bear interest at such rate or rates not exceeding the limits
700 set forth in Section 75-17-101 as shall be fixed by the State Bond
701 Commission. All interest accruing on such bonds so issued shall
702 be payable semiannually or annually; provided that the first
703 interest payment may be for any period of not more than one (1)
704 year.

705 Notice of the sale of any bonds shall be published at least
706 one time, the first of which shall be made not less than ten (10)
707 days prior to the date of sale, and shall be so published in one
708 or more newspapers having a general circulation in the City of
709 Jackson and in one or more other newspapers or financial journals
710 with a large national circulation, to be selected by the State
711 Bond Commission.

712 The State Bond Commission, when issuing any bonds under the
713 authority of this section, may provide that the bonds, at the
714 option of the state, may be called in for payment and redemption

715 at the call price named therein and accrued interest on such date
716 or dates named therein.

717 (8) State bonds issued under the provisions of this section
718 shall be the general obligations of the state and backed by the
719 full faith and credit of the state. The Legislature shall
720 appropriate annually an amount sufficient to pay the principal of
721 and the interest on such bonds as they become due. All bonds
722 shall contain recitals on their faces substantially covering the
723 foregoing provisions of this section.

724 (9) The State Treasurer is authorized to certify to the
725 Department of Finance and Administration the necessity for
726 warrants, and the Department of Finance and Administration is
727 authorized and directed to issue such warrants payable out of any
728 funds appropriated by the Legislature under this section for such
729 purpose, in such amounts as may be necessary to pay when due the
730 principal of and interest on all bonds issued under the provisions
731 of this section. The State Treasurer shall forward the necessary
732 amount to the designated place or places of payment of such bonds
733 in ample time to discharge such bonds, or the interest thereon, on
734 the due dates thereof.

735 (10) The bonds may be issued without any other proceedings
736 or the happening of any other conditions or things other than
737 those proceedings, conditions and things which are specified or
738 required by this chapter. Any resolution providing for the
739 issuance of general obligation bonds under the provisions of this
740 section shall become effective immediately upon its adoption by
741 the State Bond Commission, and any such resolution may be adopted
742 at any regular or special meeting of the State Bond Commission by
743 a majority of its members.

744 (11) In anticipation of the issuance of bonds hereunder, the
745 State Bond Commission is authorized to negotiate and enter into
746 any purchase, loan, credit or other agreement with any bank, trust
747 company or other lending institution or to issue and sell interim

748 notes for the purpose of making any payments authorized under this
749 section. All borrowings made under this provision shall be
750 evidenced by notes of the state which shall be issued from time to
751 time, for such amounts not exceeding the amount of bonds
752 authorized herein, in such form and in such denomination and
753 subject to such terms and conditions of sale and issuance,
754 prepayment or redemption and maturity, rate or rates of interest
755 not to exceed the maximum rate authorized herein for bonds, and
756 time of payment of interest as the State Bond Commission shall
757 agree to in such agreement. Such notes shall constitute general
758 obligations of the state and shall be backed by the full faith and
759 credit of the state. Such notes may also be issued for the
760 purpose of refunding previously issued notes. No note shall
761 mature more than three (3) years following the date of its
762 issuance. The State Bond Commission is authorized to provide for
763 the compensation of any purchaser of the notes by payment of a
764 fixed fee or commission and for all other costs and expenses of
765 issuance and service, including paying agent costs. Such costs
766 and expenses may be paid from the proceeds of the notes.

767 (12) The bonds and interim notes authorized under the
768 authority of this section may be validated in the First Judicial
769 District of the Chancery Court of Hinds County, Mississippi, in
770 the manner and with the force and effect provided now or hereafter
771 by Chapter 13, Title 31, Mississippi Code of 1972, for the
772 validation of county, municipal, school district and other bonds.
773 The necessary papers for such validation proceedings shall be
774 transmitted to the State Bond Attorney, and the required notice
775 shall be published in a newspaper published in the City of
776 Jackson, Mississippi.

777 (13) Any bonds or interim notes issued under the provisions
778 of this chapter, a transaction relating to the sale or securing of
779 such bonds or interim notes, their transfer and the income
780 therefrom shall at all times be free from taxation by the state or

781 any local unit or political subdivision or other instrumentality
782 of the state, excepting inheritance and gift taxes.

783 (14) All bonds issued under this chapter shall be legal
784 investments for trustees, other fiduciaries, savings banks, trust
785 companies and insurance companies organized under the laws of the
786 State of Mississippi; and such bonds shall be legal securities
787 which may be deposited with and shall be received by all public
788 officers and bodies of the state and all municipalities and other
789 political subdivisions thereof for the purpose of securing the
790 deposit of public funds.

791 (15) The Attorney General of the State of Mississippi shall
792 represent the State Bond Commission in issuing, selling and
793 validating bonds herein provided for, and the Bond Commission is
794 hereby authorized and empowered to expend from the proceeds
795 derived from the sale of the bonds authorized hereunder all
796 necessary administrative, legal and other expenses incidental and
797 related to the issuance of bonds authorized under this chapter.

798 (16) There is hereby created a special fund in the State
799 Treasury to be known as the Mississippi Major Economic Impact
800 Authority Fund wherein shall be deposited the proceeds of the
801 bonds issued under this chapter and all monies received by the
802 authority to carry out the purposes of this chapter. Expenditures
803 authorized herein shall be paid by the State Treasurer upon
804 warrants drawn from the fund, and the Department of Finance and
805 Administration shall issue warrants upon requisitions signed by
806 the director of the authority.

807 (17) (a) There is hereby created the Mississippi Economic
808 Impact Authority Sinking Fund from which the principal of and
809 interest on such bonds shall be paid by appropriation. All monies
810 paid into the sinking fund not appropriated to pay accruing bonds
811 and interest shall be invested by the State Treasurer in such
812 securities as are provided by law for the investment of the
813 sinking funds of the state.

814 (b) In the event that all or any part of the bonds and
815 notes are purchased, they shall be cancelled and returned to the
816 loan and transfer agent as cancelled and paid bonds and notes and
817 thereafter all payments of interest thereon shall cease and the
818 cancelled bonds, notes and coupons, together with any other
819 cancelled bonds, notes and coupons, shall be destroyed as promptly
820 as possible after cancellation but not later than two (2) years
821 after cancellation. A certificate evidencing the destruction of
822 the cancelled bonds, notes and coupons shall be provided by the
823 loan and transfer agent to the seller.

824 (c) The State Treasurer shall determine and report to
825 the Department of Finance and Administration and Legislative
826 Budget Office by September 1 of each year the amount of money
827 necessary for the payment of the principal of and interest on
828 outstanding obligations for the following fiscal year and the
829 times and amounts of the payments. It shall be the duty of the
830 Governor to include in every executive budget submitted to the
831 Legislature full information relating to the issuance of bonds and
832 notes under the provisions of this chapter and the status of the
833 sinking fund for the payment of the principal of and interest on
834 the bonds and notes.

835 (d) Any monies repaid to the state from loans
836 authorized in Section 57-75-11(hh) shall be deposited into the
837 Mississippi Major Economic Impact Authority Sinking Fund unless
838 the State Bond Commission, at the request of the authority, shall
839 determine that such loan repayments are needed to provide
840 additional loans as authorized under Section 57-75-11(hh). For
841 purposes of providing additional loans, there is hereby created
842 the Mississippi Major Economic Impact Authority Revolving Loan
843 Fund and loan repayments shall be deposited into the fund. The
844 fund shall be maintained for such period as determined by the
845 State Bond Commission for the sole purpose of making additional
846 loans as authorized by Section 57-75-11(hh). Unexpended amounts

847 remaining in the fund at the end of a fiscal year shall not lapse
848 into the State General Fund and any interest earned on amounts in
849 such fund shall be deposited to the credit of the fund.

850 (e) Any monies repaid to the state from loans
851 authorized in Section 57-75-11(ii) shall be deposited into the
852 Mississippi Major Economic Impact Authority Sinking Fund.

853 (18) (a) Upon receipt of a declaration by the authority
854 that it has determined that the state is a potential site for a
855 project, the State Bond Commission is authorized and directed to
856 authorize the State Treasurer to borrow money from any special
857 fund in the State Treasury not otherwise appropriated to be
858 utilized by the authority for the purposes provided for in this
859 subsection.

860 (b) The proceeds of the money borrowed under this
861 subsection may be utilized by the authority for the purpose of
862 defraying all or a portion of the costs incurred by the authority
863 with respect to acquisition options and planning, design and
864 environmental impact studies with respect to a project defined in
865 Section 57-75-5(f)(xi). The authority may escalate its budget and
866 expend the proceeds of the money borrowed under this subsection in
867 accordance with rules and regulations of the Department of Finance
868 and Administration in a manner consistent with the escalation of
869 federal funds.

870 (c) The authority shall request an appropriation or
871 additional authority to issue general obligation bonds to repay
872 the borrowed funds and establish a date for the repayment of the
873 funds so borrowed.

874 (d) Borrowings made under the provisions of this
875 subsection shall not exceed Five Hundred Thousand Dollars
876 (\$500,000.00) at any one time.

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