

By: Representative Watson

To: Ways and Means

HOUSE BILL NO. 1709

1 AN ACT TO AUTHORIZE THE ISSUANCE OF \$56,000,000.00 IN STATE
2 GENERAL OBLIGATION BONDS TO PROVIDE FUNDS FOR CAPITAL IMPROVEMENTS
3 AT THE STATE-OWNED SHIPYARD LOCATED IN JACKSON COUNTY,
4 MISSISSIPPI; TO PROVIDE THAT THE ISSUANCE OF SUCH BONDS SHALL BE
5 CONDITIONED ON THE LESSEE INCURRING A CERTAIN AMOUNT OF DEBT FOR
6 CAPITAL IMPROVEMENTS, CAPITAL INVESTMENTS OR CAPITAL UPGRADES TO
7 SHIPYARDS IN MISSISSIPPI OWNED OR LEASED BY SUCH LESSEE; TO AMEND
8 SECTION 57-75-11, MISSISSIPPI CODE OF 1972, TO REVISE THE AMOUNT
9 OF ASSISTANCE THE MISSISSIPPI MAJOR ECONOMIC IMPACT AUTHORITY MAY
10 PROVIDE THROUGH GRANT AND LOAN FUNDS TO ENTERPRISES OWNING OR
11 OPERATING CERTAIN PROJECTS UNDER THE MISSISSIPPI MAJOR ECONOMIC
12 IMPACT ACT; TO AMEND SECTION 57-75-15, MISSISSIPPI CODE OF 1972,
13 TO INCREASE THE AMOUNT OF BONDS THAT MAY BE ISSUED FOR CERTAIN
14 PROJECTS UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; AND FOR
15 RELATED PURPOSES.

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

17 **SECTION 1.** As used in Sections 1 through 19 of this act, the
18 following words shall have the meanings ascribed herein unless the
19 context clearly requires otherwise:

20 (a) "Accreted value" of any bonds means, as of any date
21 of computation, an amount equal to the sum of (i) the stated
22 initial value of such bonds, plus (ii) the interest accrued
23 thereon from the issue date to the date of computation at the
24 rate, compounded semiannually, that is necessary to produce the
25 approximate yield to maturity shown for bonds of the same
26 maturity.

27 (b) "Authority" means the Mississippi Development
28 Authority.

29 (c) "Commission" means the State Bond Commission.

30 (d) "State shipyard" means the shipyard property owned
31 by the state and located in Jackson County, Mississippi.

32 (e) "State" means the State of Mississippi.

33 (f) "This act" means Sections 1 through 19 of this act.

34 **SECTION 2.** (1) The authority may use the proceeds from
35 general obligation bonds issued under this act for the purpose of
36 such capital improvements at the state shipyard as it considers
37 necessary to modernize the facility and keep it competitive with
38 other shipyards.

39 (2) The authority, in its discretion, may set aside for
40 minority businesses not more than twenty percent (20%) of its
41 contracts for making such capital improvements at the state
42 shipyard. For the purposes of this subsection (2), the term
43 "minority business" means a business which is owned by a majority
44 of persons who are United States citizens or permanent resident
45 aliens (as defined by the Immigration and Naturalization Service)
46 of the United States, and who are Asian, Black, Hispanic or Native
47 American, according to the following definitions:

48 (a) "Asian" means persons having origins in any of the
49 original people of the Far East, Southeast Asia, the Indian
50 subcontinent, or the Pacific Islands.

51 (b) "Black" means persons having origins in any black
52 racial group of Africa.

53 (c) "Hispanic" means persons of Spanish or Portuguese
54 culture with origins in Mexico, South or Central America, or the
55 Caribbean Islands, regardless of race.

56 (d) "Native American" means persons having origins in
57 any of the original people of North America, including American
58 Indians, Eskimos and Aleuts.

59 **SECTION 3.** (1) (a) A special fund, to be designated as the
60 "2005 State Shipyard Improvement Fund," is created within the
61 State Treasury. The fund shall be maintained by the State
62 Treasurer as a separate and special fund, separate and apart from
63 the General Fund of the state. Unexpended amounts remaining in
64 the fund at the end of a fiscal year shall not lapse into the
65 State General Fund, and any interest earned or investment earnings
66 on amounts in the fund shall be deposited into such fund.

67 (b) Monies deposited into the fund shall be disbursed,
68 in the discretion of the authority, to pay the costs incurred by
69 the authority in making capital improvements to the state
70 shipyard.

71 (c) Monies in the special fund may be used to reimburse
72 reasonable actual and necessary costs incurred by the authority in
73 providing assistance related to a project for which funding is
74 provided under this act. The authority shall maintain an
75 accounting of actual costs incurred for each project for which
76 reimbursements are sought. Reimbursements under this paragraph
77 (c) shall not exceed Three Hundred Thousand Dollars (\$300,000.00)
78 in the aggregate. Reimbursements under this paragraph (c) shall
79 satisfy any applicable federal tax law requirements.

80 (d) Monies in the special fund may be used to reimburse
81 reasonable actual and necessary costs incurred by the Department
82 of Audit in providing services related to a project for which
83 funding is provided under this act. The Department of Audit shall
84 maintain an accounting of actual costs incurred for each project
85 for which reimbursements are sought. The Department of Audit may
86 escalate its budget and expend such funds in accordance with rules
87 and regulations of the Department of Finance and Administration in
88 a manner consistent with the escalation of federal funds.
89 Reimbursements under this paragraph (d) shall not exceed One
90 Hundred Thousand Dollars (\$100,000.00) in the aggregate.
91 Reimbursements under this paragraph (d) shall satisfy any
92 applicable federal tax law requirements.

93 (2) Amounts deposited into such special fund shall be
94 disbursed to pay the costs of the projects described in subsection
95 (1) of this section. If any monies in the special fund are not
96 used within four (4) years after the date the proceeds of the
97 bonds authorized under this act are deposited into such fund, then
98 the authority shall provide an accounting of such unused monies to
99 the commission. Promptly after the commission has certified, by

100 resolution duly adopted, that the projects described in subsection
101 (1) of this section shall have been completed, abandoned, or
102 cannot be completed in a timely fashion, any amounts remaining in
103 such special fund shall be applied to pay debt service on the
104 bonds issued under this act, in accordance with the proceedings
105 authorizing the issuance of such bonds and as directed by the
106 commission. Before monies in the special fund may be used for the
107 projects described in subsection (1) of this section, the
108 authority shall require that the lessee of the shipyard enter into
109 binding commitments regarding at least the following: (a) that
110 such lessee shall create a certain minimum number of jobs over a
111 certain period of time as determined by the authority (which jobs
112 must be held by persons eligible for employment in the United
113 States under applicable state and federal law) and (b) that if
114 such lessee fails to satisfy any such commitments, the lessee must
115 repay an amount equal to all or a portion of the funds provided by
116 the state under this act as determined by the authority.

117 **SECTION 4.** (1) The commission, at one time, or from time to
118 time, may declare by resolution the necessity for issuance of
119 general obligation bonds of the State of Mississippi to provide
120 funds for all costs incurred or to be incurred for the purposes
121 described in Section 3 of this act. No bonds shall be issued
122 under this act until the authority is provided proof that the
123 lessee of the shipyard has incurred debt or has otherwise
124 irrevocably dedicated funds or a combination of debt and funds in
125 the amount of not less than One Hundred Twelve Million Dollars
126 (\$112,000,000.00) used by the lessee in calendar year 2003, or
127 thereafter, for capital improvements, capital investments or
128 capital upgrades at shipyards in Mississippi owned or leased by
129 the lessee. The debt or dedication of funds or combination of
130 debt and funds required of the lessee under this section shall be
131 in addition to any debt or funds required of the lessee under
132 Section 4 of Chapter 501, Laws of 2003, and Section 4 of Chapter

133 1, Laws of 2004 Third Extraordinary Session. Upon the adoption of
134 a resolution by the authority, declaring that the lessee has
135 incurred the required amount of debt and/or irrevocable dedication
136 of funds and declaring the necessity for the issuance of any part
137 or all of the general obligation bonds authorized by this section,
138 the authority shall deliver a certified copy of its resolution or
139 resolutions to the commission. Upon receipt of such resolution,
140 the commission, in its discretion, may act as the issuing agent,
141 prescribe the form of the bonds, advertise for and accept bids,
142 issue and sell the bonds so authorized to be sold and do any and
143 all other things necessary and advisable in connection with the
144 issuance and sale of such bonds. The total amount of bonds issued
145 under this act shall not exceed Fifty-six Million Dollars
146 (\$56,000,000.00). No bonds shall be issued under this act after
147 July 1, 2008.

148 (2) Any investment earnings on amounts deposited into the
149 special fund created in Section 3 of this act shall be used to pay
150 debt service on bonds issued under this act, in accordance with
151 the proceedings authorizing issuance of such bonds.

152 **SECTION 5.** The principal of and interest on the bonds
153 authorized under this act shall be payable in the manner provided
154 in this section. Such bonds shall bear such date or dates, be in
155 such denomination or denominations, bear interest at such rate or
156 rates (not to exceed the limits set forth in Section 75-17-101,
157 Mississippi Code of 1972), be payable at such place or places
158 within or without the State of Mississippi, shall mature
159 absolutely at such time or times not to exceed twenty (20) years
160 from date of issue, be redeemable before maturity at such time or
161 times and upon such terms, with or without premium, shall bear
162 such registration privileges, and shall be substantially in such
163 form, all as shall be determined by resolution of the commission.

164 **SECTION 6.** The bonds authorized by this act shall be signed
165 by the chairman of the commission, or by his facsimile signature,

166 and the official seal of the commission shall be affixed thereto,
167 attested by the secretary of the commission. The interest
168 coupons, if any, to be attached to such bonds may be executed by
169 the facsimile signatures of such officers. Whenever any such
170 bonds shall have been signed by the officials designated to sign
171 the bonds who were in office at the time of such signing but who
172 may have ceased to be such officers before the sale and delivery
173 of such bonds, or who may not have been in office on the date such
174 bonds may bear, the signatures of such officers upon such bonds
175 and coupons shall nevertheless be valid and sufficient for all
176 purposes and have the same effect as if the person so officially
177 signing such bonds had remained in office until their delivery to
178 the purchaser, or had been in office on the date such bonds may
179 bear. However, notwithstanding anything herein to the contrary,
180 such bonds may be issued as provided in the Registered Bond Act of
181 the State of Mississippi.

182 **SECTION 7.** All bonds and interest coupons issued under the
183 provisions of this act shall have all the qualities and incidents
184 of negotiable instruments under the provisions of the Uniform
185 Commercial Code, and in exercising the powers granted by this act,
186 the commission shall not be required to and need not comply with
187 the provisions of the Uniform Commercial Code.

188 **SECTION 8.** The commission shall act as the issuing agent for
189 the bonds authorized under this act, prescribe the form of the
190 bonds, advertise for and accept bids, issue and sell the bonds so
191 authorized to be sold, pay all fees and costs incurred in such
192 issuance and sale, and do any and all other things necessary and
193 advisable in connection with the issuance and sale of such bonds.
194 The commission is authorized and empowered to pay the costs that
195 are incident to the sale, issuance and delivery of the bonds
196 authorized under this act from the proceeds derived from the sale
197 of such bonds. The commission shall sell such bonds on sealed
198 bids at public sale, and for such price as it may determine to be

199 for the best interest of the State of Mississippi, but no such
200 sale shall be made at a price less than par plus accrued interest
201 to the date of delivery of the bonds to the purchaser. All
202 interest accruing on such bonds so issued shall be payable
203 semiannually or annually; however, the first interest payment may
204 be for any period of not more than one (1) year.

205 Notice of the sale of any such bonds shall be published at
206 least one time, not less than ten (10) days before the date of
207 sale, and shall be so published in one or more newspapers
208 published or having a general circulation in the City of Jackson,
209 Mississippi, and in one or more other newspapers or financial
210 journals with a national circulation, to be selected by the
211 commission.

212 The commission, when issuing any bonds under the authority of
213 this act, may provide that bonds, at the option of the State of
214 Mississippi, may be called in for payment and redemption at the
215 call price named therein and accrued interest on such date or
216 dates named therein.

217 **SECTION 9.** The bonds issued under the provisions of this act
218 are general obligations of the State of Mississippi, and for the
219 payment thereof the full faith and credit of the State of
220 Mississippi is irrevocably pledged. If the funds appropriated by
221 the Legislature for such purposes are insufficient to pay the
222 principal of and the interest on such bonds as they become due,
223 then the deficiency shall be paid by the State Treasurer from any
224 funds in the State Treasury not otherwise appropriated. All such
225 bonds shall contain recitals on their faces substantially covering
226 the provisions of this section.

227 **SECTION 10.** Upon the issuance and sale of bonds under the
228 provisions of this act, the commission shall transfer the proceeds
229 of any such sale or sales to the special fund created in Section 3
230 of this act. The proceeds of such bonds shall be disbursed solely
231 upon the order of the authority under such restrictions, if any,

232 as may be contained in the resolution providing for the issuance
233 of the bonds.

234 **SECTION 11.** The bonds authorized under this act may be
235 issued without any other proceedings or the happening of any other
236 conditions or things other than those proceedings, conditions and
237 things which are specified or required by this act. Any
238 resolution providing for the issuance of bonds under the
239 provisions of this act shall become effective immediately upon its
240 adoption by the commission, and any such resolution may be adopted
241 at any regular or special meeting of the commission by a majority
242 of its members.

243 **SECTION 12.** The bonds authorized under the authority of this
244 act may be validated in the Chancery Court of the First Judicial
245 District of Hinds County, Mississippi, in the manner and with the
246 force and effect provided by Chapter 13, Title 31, Mississippi
247 Code of 1972, for the validation of county, municipal, school
248 district and other bonds. The notice to taxpayers required by
249 such statutes shall be published in a newspaper published or
250 having a general circulation in the City of Jackson, Mississippi.

251 **SECTION 13.** Any holder of bonds issued under the provisions
252 of this act or of any of the interest coupons pertaining thereto
253 may, either at law or in equity, by suit, action, mandamus or
254 other proceeding, protect and enforce any and all rights granted
255 under this act, or under such resolution, and may enforce and
256 compel performance of all duties required by this act to be
257 performed, in order to provide for the payment of bonds and
258 interest thereon.

259 **SECTION 14.** All bonds issued under the provisions of this
260 act shall be legal investments for trustees and other fiduciaries,
261 and for savings banks, trust companies and insurance companies
262 organized under the laws of the State of Mississippi, and such
263 bonds shall be legal securities which may be deposited with and
264 shall be received by all public officers and bodies of this state

265 and all municipalities and political subdivisions for the purpose
266 of securing the deposit of public funds.

267 **SECTION 15.** Bonds issued under the provisions of this act
268 and income therefrom shall be exempt from all taxation in the
269 State of Mississippi.

270 **SECTION 16.** The proceeds of the bonds issued under this act
271 shall be used solely for the purposes provided in this act,
272 including the costs incident to the issuance and sale of such
273 bonds.

274 **SECTION 17.** The State Treasurer is authorized, without
275 further process of law, to certify to the Department of Finance
276 and Administration the necessity for warrants, and the Department
277 of Finance and Administration is authorized and directed to issue
278 such warrants, in such amounts as may be necessary to pay when due
279 the principal of, premium, if any, and interest on, or the
280 accreted value of, all bonds issued under this act; and the State
281 Treasurer shall forward the necessary amount to the designated
282 place or places of payment of such bonds in ample time to
283 discharge such bonds, or the interest thereon, on the due dates
284 thereof.

285 **SECTION 18.** All improvements made to the state shipyard with
286 the proceeds of bonds issued pursuant to this act shall, as
287 state-owned property, be exempt from ad valorem taxation, except
288 ad valorem taxation for school district purposes.

289 **SECTION 19.** This act shall be deemed to be full and complete
290 authority for the exercise of the powers herein granted, but this
291 act shall not be deemed to repeal or to be in derogation of any
292 existing law of this state.

293 **SECTION 20.** Section 57-75-11, Mississippi Code of 1972, is
294 amended as follows:

295 57-75-11. The authority, in addition to any and all powers
296 now or hereafter granted to it, is empowered and shall exercise

297 discretion and the use of these powers depending on the
298 circumstances of the project or projects:

299 (a) To maintain an office at a place or places within
300 the state.

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

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

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

312 (e) (i) To acquire by purchase, lease, gift, or in
313 other manner, including quick-take eminent domain, or obtain
314 options to acquire, and to own, maintain, use, operate and convey
315 any and all property of any kind, real, personal, or mixed, or any
316 interest or estate therein, within the project area, necessary for
317 the project or any facility related to the project. The
318 provisions of this paragraph that allow the acquisition of
319 property by quick-take eminent domain shall be repealed by
320 operation of law on July 1, 1994; and

321 (ii) Notwithstanding any other provision of this
322 paragraph (e), from and after November 6, 2000, to exercise the
323 right of immediate possession pursuant to the provisions of
324 Sections 11-27-81 through 11-27-89 for the purpose of acquiring
325 land, property and/or rights-of-way in the county in which a
326 project as defined in Section 57-75-5(f)(iv)1 is located, that are
327 necessary for such project or any facility related to the project.

328 (f) To acquire by purchase or lease any public lands
329 and public property, including sixteenth section lands and lieu

330 lands, within the project area, which are necessary for the
331 project. Sixteenth section lands or lieu lands acquired under
332 this act shall be deemed to be acquired for the purposes of
333 industrial development thereon and such acquisition will serve a
334 higher public interest in accordance with the purposes of this
335 act.

336 (g) If the authority identifies any land owned by the
337 state as being necessary, for the location or use of the project,
338 or any facility related to the project, to recommend to the
339 Legislature the conveyance of such land or any interest therein,
340 as the Legislature deems appropriate.

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

344 (i) From and after the date of notification to the
345 authority by the enterprise that the state has been finally
346 selected as the site of the project, to acquire by condemnation
347 and to own, maintain, use, operate and convey or otherwise dispose
348 of any and all property of any kind, real, personal or mixed, or
349 any interest or estate therein, within the project area, necessary
350 for the project or any facility related to the project, with the
351 concurrence of the affected public agency, and the exercise of the
352 powers granted by this act, according to the procedures provided
353 by Chapter 27, Title 11, Mississippi Code of 1972, except as
354 modified by this act.

355 (i) Except as otherwise provided in subparagraph
356 (iii) of this paragraph (i), in acquiring lands by condemnation,
357 the authority shall not acquire minerals or royalties in minerals
358 unless a competent registered professional engineer shall have
359 certified that the acquisition of such minerals and royalties in
360 minerals is necessary for purposes of the project; provided that
361 limestone, clay, chalk, sand and gravel shall not be considered as

362 minerals for the purposes of subparagraphs (i) and (ii) of this
363 paragraph (i);

364 (ii) Unless minerals or royalties in minerals have
365 been acquired by condemnation or otherwise, no person or persons
366 owning the drilling rights or the right to share in production of
367 minerals shall be prevented from exploring, developing, or
368 producing oil or gas with necessary rights-of-way for ingress and
369 egress, pipelines and other means of transporting interests on any
370 land or interest therein of the authority held or used for the
371 purposes of this act; but any such activities shall be under such
372 reasonable regulation by the authority as will adequately protect
373 the project contemplated by this act as provided in paragraph (r)
374 of this section; and

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

379 (j) To negotiate the necessary relocation or rerouting
380 of roads and highways, railroad, telephone and telegraph lines and
381 properties, electric power lines, pipelines and related
382 facilities, or to require the anchoring or other protection of any
383 of these, provided due compensation is paid to the owners thereof
384 or agreement is had with such owners regarding the payment of the
385 cost of such relocation, and to acquire by condemnation or
386 otherwise easements or rights-of-way for such relocation or
387 rerouting and to convey the same to the owners of the facilities
388 being relocated or rerouted in connection with the purposes of
389 this act.

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

392 (l) To perform or have performed any and all acts and
393 make all payments necessary to comply with all applicable federal
394 laws, rules or regulations including, but not limited to, the

395 Uniform Relocation Assistance and Real Property Acquisition
396 Policies Act of 1970 (42 USCS 4601, 4602, 4621 to 4638, and 4651
397 to 4655) and relocation rules and regulations promulgated by any
398 agency or department of the federal government.

399 (m) To construct, extend, improve, maintain, and
400 reconstruct, to cause to be constructed, extended, improved,
401 maintained, and reconstructed, and to use and operate any and all
402 components of the project or any facility related to the project,
403 with the concurrence of the affected public agency, within the
404 project area, necessary to the project and to the exercise of such
405 powers, rights, and privileges granted the authority.

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

409 (o) (i) To lease, sell or convey any or all property
410 acquired by the authority under the provisions of this act to the
411 enterprise, its successors or assigns, and in connection therewith
412 to pay the costs of title search, perfection of title, title
413 insurance and recording fees as may be required. The authority
414 may provide in the instrument conveying such property a provision
415 that such property shall revert to the authority if, as and when
416 the property is declared by the enterprise to be no longer needed.

417 (ii) To lease, sell, transfer or convey on any
418 terms agreed upon by the authority any or all real and personal
419 property, improvements, leases, funds and contractual obligations
420 of a project as defined in Section 57-75-5(f)(vi) and conveyed to
421 the State of Mississippi by a Quitclaim Deed from the United
422 States of America dated February 23, 1996, filed of record at
423 pages 511 to 524, Deed Book Number B179, Chancery Clerk's Office,
424 Tishomingo County, Mississippi, to any governmental authority
425 located within the geographic boundaries of the county wherein
426 such project exists upon agreement of such governmental authority
427 to undertake and assume from the State of Mississippi all

428 obligations and responsibilities in connection with ownership and
429 operation of the project. Property leased, sold, transferred or
430 otherwise conveyed by the authority under this paragraph (o) shall
431 be used only for economic development purposes.

432 (p) To enter into contracts with any person or public
433 agency, including, but not limited to, contracts authorized by
434 Section 57-75-17, in furtherance of any of the purposes authorized
435 by this act upon such consideration as the authority and such
436 person or public agency may agree. Any such contract may extend
437 over any period of time, notwithstanding any rule of law to the
438 contrary, may be upon such terms as the parties thereto shall
439 agree, and may provide that it shall continue in effect until
440 bonds specified therein, refunding bonds issued in lieu of such
441 bonds, and all other obligations specified therein are paid or
442 terminated. Any such contract shall be binding upon the parties
443 thereto according to its terms. Such contracts may include an
444 agreement to reimburse the enterprise, its successors and assigns
445 for any assistance provided by the enterprise in the acquisition
446 of real property for the project or any facility related to the
447 project.

448 (q) To establish and maintain reasonable rates and
449 charges for the use of any facility within the project area owned
450 or operated by the authority, and from time to time, to adjust
451 such rates and to impose penalties for failure to pay such rates
452 and charges when due.

453 (r) To adopt and enforce with the concurrence of the
454 affected public agency all necessary and reasonable rules and
455 regulations to carry out and effectuate the implementation of the
456 project and any land use plan or zoning classification adopted for
457 the project area, including, but not limited to, rules,
458 regulations, and restrictions concerning mining, construction,
459 excavation or any other activity the occurrence of which may
460 endanger the structure or operation of the project. Such rules

461 may be enforced within the project area and without the project
462 area as necessary to protect the structure and operation of the
463 project. The authority is authorized to plan or replan, zone or
464 rezone, and make exceptions to any regulations, whether local or
465 state, with the concurrence of the affected public agency which
466 are inconsistent with the design, planning, construction or
467 operation of the project and facilities related to the project.

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

471 (t) To develop plans for technology transfer activities
472 to ensure private sector conduits for exchange of information,
473 technology and expertise related to the project to generate
474 opportunities for commercial development within the state.

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

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

482 (w) To consult with the Office of Minority Business
483 Enterprise Development and other public agencies for the purpose
484 of developing plans for technical assistance and loan programs to
485 maximize the economic impact related to the project for minority
486 business enterprises within the State of Mississippi.

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

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

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

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

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

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

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

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

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

513 (ii) To lease such surface water transmission
514 lines to a public agency or public utility to provide water to
515 such project and to certificated water providers.

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

520 (ff) To enter into negotiations with persons proposing
521 projects defined in Section 57-75-5(f)(xi) and execute acquisition
522 options and conduct planning, design and environmental impact
523 studies with regard to such project.

524 (gg) To establish such guidelines, rules and
525 regulations as the authority may deem necessary and appropriate
526 from time to time in its sole discretion, to promote the purposes
527 of this act.

528 (hh) In connection with projects defined in Section
529 57-75-5(f)(ii):

530 (i) To provide grant funds or loans, or both, to a
531 public agency or an enterprise owning, leasing or operating a
532 project defined in Section 57-75-5(f)(ii) in amounts not to exceed
533 the amount authorized in Section 57-75-15(3)(b);

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

536 (iii) To requisition money in the Mississippi
537 Major Economic Impact Authority Revolving Loan Fund in connection
538 with such loans.

539 (ii) In connection with projects defined under Section
540 57-75-5(f)(xiv):

541 (i) To provide grant funds or loans, or both, to
542 an enterprise owning, leasing or operating a project defined in
543 Section 57-75-5(f)(xiv); however:

544 1. During fiscal year 2005, the amount of any
545 such loan under this paragraph (ii) shall not exceed Eight Million
546 Dollars (\$8,000,000.00) and the amount of any such grant under
547 this paragraph (ii) shall not exceed Two Million Dollars
548 (\$2,000,000.00); and

549 2. During fiscal year 2006, the amount of any
550 such loan under this paragraph (ii) shall not exceed Eight Million
551 Dollars (\$8,000,000.00) and the amount of any such grant under
552 this paragraph (ii) shall not exceed Two Million Dollars
553 (\$2,000,000.00);

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

556 (iii) Notwithstanding any provision of this act to
557 the contrary, such loans shall be for a term not to exceed twenty
558 (20) years as may be determined by the authority, shall bear
559 interest at such rates as may be determined by the authority,
560 shall, in the sole discretion of the authority, be secured in an
561 amount and a manner as may be determined by the authority.

562 **SECTION 21.** Section 57-75-15, Mississippi Code of 1972, is
563 amended as follows:

564 57-75-15. (1) Upon notification to the authority by the
565 enterprise that the state has been finally selected as the site
566 for the project, the State Bond Commission shall have the power
567 and is hereby authorized and directed, upon receipt of a
568 declaration from the authority as hereinafter provided, to borrow
569 money and issue general obligation bonds of the state in one or
570 more series for the purposes herein set out. Upon such
571 notification, the authority may thereafter from time to time
572 declare the necessity for the issuance of general obligation bonds
573 as authorized by this section and forward such declaration to the
574 State Bond Commission, provided that before such notification, the
575 authority may enter into agreements with the United States
576 government, private companies and others that will commit the
577 authority to direct the State Bond Commission to issue bonds for
578 eligible undertakings set out in subsection (4) of this section,
579 conditioned on the siting of the project in the state.

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

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

589 (b) Bonds issued under the authority of this section
590 for projects as defined in Section 57-75-5(f)(ii) shall not exceed
591 Sixty-one Million Dollars (\$61,000,000.00). The authority, with
592 the express direction of the State Bond Commission, is authorized
593 to expend any remaining proceeds of bonds issued under the
594 authority of this act prior to January 1, 1998, for the purpose of
595 financing projects as then defined in Section 57-75-5(f)(ii) or
596 for any other projects as defined in Section 57-75-5(f)(ii), as it
597 may be amended from time to time. If any proceeds of bonds issued
598 for projects related to the Meridian Naval Auxiliary Air Station
599 ("NAAS") are used for the development of a water and sewer service
600 system by the City of Meridian, Mississippi, to serve the NAAS and
601 if the City of Meridian annexes any of the territory served by the
602 water and sewer service system, the city shall repay the State of
603 Mississippi the amount of all bond proceeds expended on any
604 portion of the water and sewer service system project; and if
605 there are any monetary proceeds derived from the disposition of
606 any improvements located on real property in Kemper County
607 purchased pursuant to this act for projects related to the NAAS
608 and if there are any monetary proceeds derived from the
609 disposition of any timber located on real property in Kemper
610 County purchased pursuant to this act for projects related to the
611 NAAS, all of such proceeds (both from the disposition of
612 improvements and the disposition of timber) commencing July 1,
613 1996, through June 30, 2010, shall be paid to the Board of
614 Education of Kemper County, Mississippi, for expenditure by such
615 board of education to benefit the public schools of Kemper County.
616 No bonds shall be issued under this paragraph (b) until the State
617 Bond Commission by resolution adopts a finding that the issuance
618 of such bonds will improve, expand or otherwise enhance the
619 military installation, its support areas or military operations,
620 or will provide employment opportunities to replace those lost by
621 closure or reductions in operations at the military installation

622 or will support critical studies or investigations authorized by
623 Section 57-75-5(f)(ii); however, not more than One Million Dollars
624 (\$1,000,000.00) in the aggregate shall be authorized for such
625 studies or investigations.

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

630 (d) Bonds issued under the authority of this section
631 for projects defined in Section 57-75-5(f)(iv) shall not exceed
632 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An
633 additional amount of bonds in an amount not to exceed Twelve
634 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be
635 issued under the authority of this section for the purpose of
636 defraying costs associated with the construction of surface water
637 transmission lines for a project defined in Section 57-75-5(f)(iv)
638 or for any facility related to the project. No bonds shall be
639 issued under this paragraph after June 30, 2005.

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

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

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

653 (h) Bonds issued under the authority of this section
654 for projects defined in Section 57-75-5(f)(ix) shall not exceed

655 Twenty-four Million Dollars (\$24,000,000.00). No bonds shall be
656 issued under this paragraph after June 30, 2007.

657 (i) Bonds issued under the authority of this section
658 for projects defined in Section 57-75-5(f)(x) shall not exceed
659 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
660 under this paragraph after June 30, 2007.

661 (j) Bonds issued under the authority of this section
662 for projects defined in Section 57-75-5(f)(xii) shall not exceed
663 Twenty-three Million Seven Hundred Thousand Dollars
664 (\$23,700,000.00). No bonds shall be issued under this paragraph
665 until local governments in or near the county in which the project
666 is located have irrevocably committed funds to the project in an
667 amount of not less than Two Million Five Hundred Thousand Dollars
668 (\$2,500,000.00) in the aggregate. No bonds shall be issued under
669 this paragraph after June 30, 2008.

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

674 (l) Bonds issued under the authority of this section
675 for projects defined in Section 57-75-5(f)(xiv) shall not exceed
676 Twenty Million Dollars (\$20,000,000.00). No bonds shall be issued
677 under this paragraph until local governments in the county in
678 which the project is located have irrevocably committed funds to
679 the project in an amount of not less than Two Million Dollars
680 (\$2,000,000.00). No bonds shall be issued under this paragraph
681 after June 30, 2009.

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

686 (n) Bonds issued under the authority of this section
687 for projects defined in Section 57-75-5(f)(xvi) shall not exceed

688 Ten Million Dollars (\$10,000,000.00). No bonds shall be issued
689 under this paragraph after June 30, 2009.

690 (o) Bonds issued under the authority of this section
691 for projects defined in Section 57-75-5(f)(xvii) shall not exceed
692 Three Million Five Hundred Thousand Dollars (\$3,500,000.00). No
693 bonds shall be issued under this paragraph after June 30, 2009.

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

696 (i) Defraying all or any designated portion of the
697 costs incurred with respect to acquisition, planning, design,
698 construction, installation, rehabilitation, improvement,
699 relocation and with respect to state-owned property, operation and
700 maintenance of the project and any facility related to the project
701 located within the project area, including costs of design and
702 engineering, all costs incurred to provide land, easements and
703 rights-of-way, relocation costs with respect to the project and
704 with respect to any facility related to the project located within
705 the project area, and costs associated with mitigation of
706 environmental impacts and environmental impact studies;

707 (ii) Defraying the cost of providing for the
708 recruitment, screening, selection, training or retraining of
709 employees, candidates for employment or replacement employees of
710 the project and any related activity;

711 (iii) Reimbursing the Mississippi Development
712 Authority for expenses it incurred in regard to projects defined
713 in Section 57-75-5(f)(iv) prior to November 6, 2000. The
714 Mississippi Development Authority shall submit an itemized list of
715 expenses it incurred in regard to such projects to the Chairmen of
716 the Finance and Appropriations Committees of the Senate and the
717 Chairmen of the Ways and Means and Appropriations Committees of
718 the House of Representatives;

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

721 (v) Paying any warranty made by the authority
722 regarding site work for a project defined in Section
723 57-75-5(f)(iv)1;

724 (vi) Defraying the cost of marketing and promotion
725 of a project as defined in Section 57-75-5(f)(iv)1. The authority
726 shall submit an itemized list of costs incurred for marketing and
727 promotion of such project to the Chairmen of the Finance and
728 Appropriations Committees of the Senate and the Chairmen of the
729 Ways and Means and Appropriations Committees of the House of
730 Representatives;

731 (vii) Providing for the payment of interest on the
732 bonds;

733 (viii) Providing debt service reserves;

734 (ix) Paying underwriters' discount, original issue
735 discount, accountants' fees, engineers' fees, attorneys' fees,
736 rating agency fees and other fees and expenses in connection with
737 the issuance of the bonds;

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

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

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

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

751 Such bonds shall be issued from time to time and in such
752 principal amounts as shall be designated by the authority, not to
753 exceed in aggregate principal amounts the amount authorized in

754 subsection (3) of this section. Proceeds from the sale of the
755 bonds issued under this section may be invested, subject to
756 federal limitations, pending their use, in such securities as may
757 be specified in the resolution authorizing the issuance of the
758 bonds or the trust indenture securing them, and the earning on
759 such investment applied as provided in such resolution or trust
760 indenture.

761 (b) (i) The proceeds of bonds issued after June 21,
762 2002, under this section for projects described in Section
763 57-75-5(f)(iv) may be used to reimburse reasonable actual and
764 necessary costs incurred by the Mississippi Development Authority
765 in providing assistance related to a project for which funding is
766 provided from the use of proceeds of such bonds. The Mississippi
767 Development Authority shall maintain an accounting of actual costs
768 incurred for each project for which reimbursements are sought.
769 Reimbursements under this paragraph (b)(i) shall not exceed Three
770 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
771 Reimbursements under this paragraph (b)(i) shall satisfy any
772 applicable federal tax law requirements.

773 (ii) The proceeds of bonds issued after June 21,
774 2002, under this section for projects described in Section
775 57-75-5(f)(iv) may be used to reimburse reasonable actual and
776 necessary costs incurred by the Department of Audit in providing
777 services related to a project for which funding is provided from
778 the use of proceeds of such bonds. The Department of Audit shall
779 maintain an accounting of actual costs incurred for each project
780 for which reimbursements are sought. The Department of Audit may
781 escalate its budget and expend such funds in accordance with rules
782 and regulations of the Department of Finance and Administration in
783 a manner consistent with the escalation of federal funds.
784 Reimbursements under this paragraph (b)(ii) shall not exceed One
785 Hundred Thousand Dollars (\$100,000.00) in the aggregate.

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

788 (c) (i) The proceeds of bonds issued under this
789 section for projects described in Section 57-75-5(f)(ix) may be
790 used to reimburse reasonable actual and necessary costs incurred
791 by the Mississippi Development Authority in providing assistance
792 related to a project for which funding is provided for the use of
793 proceeds of such bonds. The Mississippi Development Authority
794 shall maintain an accounting of actual costs incurred for each
795 project for which reimbursements are sought. Reimbursements under
796 this paragraph shall not exceed Twenty-five Thousand Dollars
797 (\$25,000.00) in the aggregate.

798 (ii) The proceeds of bonds issued under this
799 section for projects described in Section 57-75-5(f)(ix) may be
800 used to reimburse reasonable actual and necessary costs incurred
801 by the Department of Audit in providing services related to a
802 project for which funding is provided from the use of proceeds of
803 such bonds. The Department of Audit shall maintain an accounting
804 of actual costs incurred for each project for which reimbursements
805 are sought. The Department of Audit may escalate its budget and
806 expend such funds in accordance with rules and regulations of the
807 Department of Finance and Administration in a manner consistent
808 with the escalation of federal funds. Reimbursements under this
809 paragraph shall not exceed Twenty-five Thousand Dollars
810 (\$25,000.00) in the aggregate. Reimbursements under this
811 paragraph shall satisfy any applicable federal tax law
812 requirements.

813 (d) (i) The proceeds of bonds issued under this
814 section for projects described in Section 57-75-5(f)(x) may be
815 used to reimburse reasonable actual and necessary costs incurred
816 by the Mississippi Development Authority in providing assistance
817 related to a project for which funding is provided for the use of
818 proceeds of such bonds. The Mississippi Development Authority

819 shall maintain an accounting of actual costs incurred for each
820 project for which reimbursements are sought. Reimbursements under
821 this paragraph shall not exceed Twenty-five Thousand Dollars
822 (\$25,000.00) in the aggregate.

823 (ii) The proceeds of bonds issued under this
824 section for projects described in Section 57-75-5(f)(x) may be
825 used to reimburse reasonable actual and necessary costs incurred
826 by the Department of Audit in providing services related to a
827 project for which funding is provided from the use of proceeds of
828 such bonds. The Department of Audit shall maintain an accounting
829 of actual costs incurred for each project for which reimbursements
830 are sought. The Department of Audit may escalate its budget and
831 expend such funds in accordance with rules and regulations of the
832 Department of Finance and Administration in a manner consistent
833 with the escalation of federal funds. Reimbursements under this
834 paragraph shall not exceed Twenty-five Thousand Dollars
835 (\$25,000.00) in the aggregate. Reimbursements under this
836 paragraph shall satisfy any applicable federal tax law
837 requirements.

838 (e) (i) The proceeds of bonds issued under this
839 section for projects described in Section 57-75-5(f)(xii) may be
840 used to reimburse reasonable actual and necessary costs incurred
841 by the Mississippi Development Authority in providing assistance
842 related to a project for which funding is provided from the use of
843 proceeds of such bonds. The Mississippi Development Authority
844 shall maintain an accounting of actual costs incurred for each
845 project for which reimbursements are sought. Reimbursements under
846 this paragraph (e)(i) shall not exceed Twenty-five Thousand
847 Dollars (\$25,000.00) in the aggregate.

848 (ii) The proceeds of bonds issued under this
849 section for projects described in Section 57-75-5(f)(xii) may be
850 used to reimburse reasonable actual and necessary costs incurred
851 by the Department of Audit in providing services related to a

852 project for which funding is provided from the use of proceeds of
853 such bonds. The Department of Audit shall maintain an accounting
854 of actual costs incurred for each project for which reimbursements
855 are sought. The Department of Audit may escalate its budget and
856 expend such funds in accordance with rules and regulations of the
857 Department of Finance and Administration in a manner consistent
858 with the escalation of federal funds. Reimbursements under this
859 paragraph (e)(ii) shall not exceed Twenty-five Thousand Dollars
860 (\$25,000.00) in the aggregate. Reimbursements under this
861 paragraph (e)(ii) shall satisfy any applicable federal tax law
862 requirements.

863 (f) (i) The proceeds of bonds issued under this
864 section for projects described in Section 57-75-5(f)(xiii),
865 (f)(xiv), (f)(xv), (f)(xvi) and (f)(xvii) may be used to reimburse
866 reasonable actual and necessary costs incurred by the Mississippi
867 Development Authority in providing assistance related to a project
868 for which funding is provided from the use of proceeds of such
869 bonds. The Mississippi Development Authority shall maintain an
870 accounting of actual costs incurred for each project for which
871 reimbursements are sought. Reimbursements under this paragraph
872 (f)(i) shall not exceed Twenty-five Thousand Dollars (\$25,000.00)
873 for each project.

874 (ii) The proceeds of bonds issued under this
875 section for projects described in Section 57-75-5(f)(xiii),
876 (f)(xiv), (f)(xv), (f)(xvi) and (f)(xvii) may be used to reimburse
877 reasonable actual and necessary costs incurred by the Department
878 of Audit in providing services related to a project for which
879 funding is provided from the use of proceeds of such bonds. The
880 Department of Audit shall maintain an accounting of actual costs
881 incurred for each project for which reimbursements are sought.
882 The Department of Audit may escalate its budget and expend such
883 funds in accordance with rules and regulations of the Department
884 of Finance and Administration in a manner consistent with the

885 escalation of federal funds. Reimbursements under this paragraph
886 (f)(ii) shall not exceed Twenty-five Thousand Dollars (\$25,000.00)
887 for each project. Reimbursements under this paragraph (f)(ii)
888 shall satisfy any applicable federal tax law requirements.

889 (5) The principal of and the interest on the bonds shall be
890 payable in the manner hereinafter set forth. The bonds shall bear
891 date or dates; be in such denomination or denominations; bear
892 interest at such rate or rates; be payable at such place or places
893 within or without the state; mature absolutely at such time or
894 times; be redeemable before maturity at such time or times and
895 upon such terms, with or without premium; bear such registration
896 privileges; and be substantially in such form; all as shall be
897 determined by resolution of the State Bond Commission except that
898 such bonds shall mature or otherwise be retired in annual
899 installments beginning not more than five (5) years from the date
900 thereof and extending not more than twenty-five (25) years from
901 the date thereof. The bonds shall be signed by the Chairman of
902 the State Bond Commission, or by his facsimile signature, and the
903 official seal of the State Bond Commission shall be imprinted on
904 or affixed thereto, attested by the manual or facsimile signature
905 of the Secretary of the State Bond Commission. Whenever any such
906 bonds have been signed by the officials herein designated to sign
907 the bonds, who were in office at the time of such signing but who
908 may have ceased to be such officers before the sale and delivery
909 of such bonds, or who may not have been in office on the date such
910 bonds may bear, the signatures of such officers upon such bonds
911 shall nevertheless be valid and sufficient for all purposes and
912 have the same effect as if the person so officially signing such
913 bonds had remained in office until the delivery of the same to the
914 purchaser, or had been in office on the date such bonds may bear.

915 (6) All bonds issued under the provisions of this section
916 shall be and are hereby declared to have all the qualities and
917 incidents of negotiable instruments under the provisions of the

918 Uniform Commercial Code and in exercising the powers granted by
919 this chapter, the State Bond Commission shall not be required to
920 and need not comply with the provisions of the Uniform Commercial
921 Code.

922 (7) The State Bond Commission shall sell the bonds on sealed
923 bids at public sale, and for such price as it may determine to be
924 for the best interest of the State of Mississippi, but no such
925 sale shall be made at a price less than par plus accrued interest
926 to date of delivery of the bonds to the purchaser. The bonds
927 shall bear interest at such rate or rates not exceeding the limits
928 set forth in Section 75-17-101 as shall be fixed by the State Bond
929 Commission. All interest accruing on such bonds so issued shall
930 be payable semiannually or annually; provided that the first
931 interest payment may be for any period of not more than one (1)
932 year.

933 Notice of the sale of any bonds shall be published at least
934 one time, the first of which shall be made not less than ten (10)
935 days prior to the date of sale, and shall be so published in one
936 or more newspapers having a general circulation in the City of
937 Jackson and in one or more other newspapers or financial journals
938 with a large national circulation, to be selected by the State
939 Bond Commission.

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

945 (8) State bonds issued under the provisions of this section
946 shall be the general obligations of the state and backed by the
947 full faith and credit of the state. The Legislature shall
948 appropriate annually an amount sufficient to pay the principal of
949 and the interest on such bonds as they become due. All bonds

950 shall contain recitals on their faces substantially covering the
951 foregoing provisions of this section.

952 (9) The State Treasurer is authorized to certify to the
953 Department of Finance and Administration the necessity for
954 warrants, and the Department of Finance and Administration is
955 authorized and directed to issue such warrants payable out of any
956 funds appropriated by the Legislature under this section for such
957 purpose, in such amounts as may be necessary to pay when due the
958 principal of and interest on all bonds issued under the provisions
959 of this section. The State Treasurer shall forward the necessary
960 amount to the designated place or places of payment of such bonds
961 in ample time to discharge such bonds, or the interest thereon, on
962 the due dates thereof.

963 (10) The bonds may be issued without any other proceedings
964 or the happening of any other conditions or things other than
965 those proceedings, conditions and things which are specified or
966 required by this chapter. Any resolution providing for the
967 issuance of general obligation bonds under the provisions of this
968 section shall become effective immediately upon its adoption by
969 the State Bond Commission, and any such resolution may be adopted
970 at any regular or special meeting of the State Bond Commission by
971 a majority of its members.

972 (11) In anticipation of the issuance of bonds hereunder, the
973 State Bond Commission is authorized to negotiate and enter into
974 any purchase, loan, credit or other agreement with any bank, trust
975 company or other lending institution or to issue and sell interim
976 notes for the purpose of making any payments authorized under this
977 section. All borrowings made under this provision shall be
978 evidenced by notes of the state which shall be issued from time to
979 time, for such amounts not exceeding the amount of bonds
980 authorized herein, in such form and in such denomination and
981 subject to such terms and conditions of sale and issuance,
982 prepayment or redemption and maturity, rate or rates of interest

983 not to exceed the maximum rate authorized herein for bonds, and
984 time of payment of interest as the State Bond Commission shall
985 agree to in such agreement. Such notes shall constitute general
986 obligations of the state and shall be backed by the full faith and
987 credit of the state. Such notes may also be issued for the
988 purpose of refunding previously issued notes. No note shall
989 mature more than three (3) years following the date of its
990 issuance. The State Bond Commission is authorized to provide for
991 the compensation of any purchaser of the notes by payment of a
992 fixed fee or commission and for all other costs and expenses of
993 issuance and service, including paying agent costs. Such costs
994 and expenses may be paid from the proceeds of the notes.

995 (12) The bonds and interim notes authorized under the
996 authority of this section may be validated in the First Judicial
997 District of the Chancery Court of Hinds County, Mississippi, in
998 the manner and with the force and effect provided now or hereafter
999 by Chapter 13, Title 31, Mississippi Code of 1972, for the
1000 validation of county, municipal, school district and other bonds.
1001 The necessary papers for such validation proceedings shall be
1002 transmitted to the State Bond Attorney, and the required notice
1003 shall be published in a newspaper published in the City of
1004 Jackson, Mississippi.

1005 (13) Any bonds or interim notes issued under the provisions
1006 of this chapter, a transaction relating to the sale or securing of
1007 such bonds or interim notes, their transfer and the income
1008 therefrom shall at all times be free from taxation by the state or
1009 any local unit or political subdivision or other instrumentality
1010 of the state, excepting inheritance and gift taxes.

1011 (14) All bonds issued under this chapter shall be legal
1012 investments for trustees, other fiduciaries, savings banks, trust
1013 companies and insurance companies organized under the laws of the
1014 State of Mississippi; and such bonds shall be legal securities
1015 which may be deposited with and shall be received by all public

1016 officers and bodies of the state and all municipalities and other
1017 political subdivisions thereof for the purpose of securing the
1018 deposit of public funds.

1019 (15) The Attorney General of the State of Mississippi shall
1020 represent the State Bond Commission in issuing, selling and
1021 validating bonds herein provided for, and the Bond Commission is
1022 hereby authorized and empowered to expend from the proceeds
1023 derived from the sale of the bonds authorized hereunder all
1024 necessary administrative, legal and other expenses incidental and
1025 related to the issuance of bonds authorized under this chapter.

1026 (16) There is hereby created a special fund in the State
1027 Treasury to be known as the Mississippi Major Economic Impact
1028 Authority Fund wherein shall be deposited the proceeds of the
1029 bonds issued under this chapter and all monies received by the
1030 authority to carry out the purposes of this chapter. Expenditures
1031 authorized herein shall be paid by the State Treasurer upon
1032 warrants drawn from the fund, and the Department of Finance and
1033 Administration shall issue warrants upon requisitions signed by
1034 the director of the authority.

1035 (17) (a) There is hereby created the Mississippi Economic
1036 Impact Authority Sinking Fund from which the principal of and
1037 interest on such bonds shall be paid by appropriation. All monies
1038 paid into the sinking fund not appropriated to pay accruing bonds
1039 and interest shall be invested by the State Treasurer in such
1040 securities as are provided by law for the investment of the
1041 sinking funds of the state.

1042 (b) In the event that all or any part of the bonds and
1043 notes are purchased, they shall be cancelled and returned to the
1044 loan and transfer agent as cancelled and paid bonds and notes and
1045 thereafter all payments of interest thereon shall cease and the
1046 cancelled bonds, notes and coupons, together with any other
1047 cancelled bonds, notes and coupons, shall be destroyed as promptly
1048 as possible after cancellation but not later than two (2) years

1049 after cancellation. A certificate evidencing the destruction of
1050 the cancelled bonds, notes and coupons shall be provided by the
1051 loan and transfer agent to the seller.

1052 (c) The State Treasurer shall determine and report to
1053 the Department of Finance and Administration and Legislative
1054 Budget Office by September 1 of each year the amount of money
1055 necessary for the payment of the principal of and interest on
1056 outstanding obligations for the following fiscal year and the
1057 times and amounts of the payments. It shall be the duty of the
1058 Governor to include in every executive budget submitted to the
1059 Legislature full information relating to the issuance of bonds and
1060 notes under the provisions of this chapter and the status of the
1061 sinking fund for the payment of the principal of and interest on
1062 the bonds and notes.

1063 (d) Any monies repaid to the state from loans
1064 authorized in Section 57-75-11(hh) shall be deposited into the
1065 Mississippi Major Economic Impact Authority Sinking Fund unless
1066 the State Bond Commission, at the request of the authority, shall
1067 determine that such loan repayments are needed to provide
1068 additional loans as authorized under Section 57-75-11(hh). For
1069 purposes of providing additional loans, there is hereby created
1070 the Mississippi Major Economic Impact Authority Revolving Loan
1071 Fund and loan repayments shall be deposited into the fund. The
1072 fund shall be maintained for such period as determined by the
1073 State Bond Commission for the sole purpose of making additional
1074 loans as authorized by Section 57-75-11(hh). Unexpended amounts
1075 remaining in the fund at the end of a fiscal year shall not lapse
1076 into the State General Fund and any interest earned on amounts in
1077 such fund shall be deposited to the credit of the fund.

1078 (e) Any monies repaid to the state from loans
1079 authorized in Section 57-75-11(ii) shall be deposited into the
1080 Mississippi Major Economic Impact Authority Sinking Fund.

1081 (18) (a) Upon receipt of a declaration by the authority
1082 that it has determined that the state is a potential site for a
1083 project, the State Bond Commission is authorized and directed to
1084 authorize the State Treasurer to borrow money from any special
1085 fund in the State Treasury not otherwise appropriated to be
1086 utilized by the authority for the purposes provided for in this
1087 subsection.

1088 (b) The proceeds of the money borrowed under this
1089 subsection may be utilized by the authority for the purpose of
1090 defraying all or a portion of the costs incurred by the authority
1091 with respect to acquisition options and planning, design and
1092 environmental impact studies with respect to a project defined in
1093 Section 57-75-5(f)(xi). The authority may escalate its budget and
1094 expend the proceeds of the money borrowed under this subsection in
1095 accordance with rules and regulations of the Department of Finance
1096 and Administration in a manner consistent with the escalation of
1097 federal funds.

1098 (c) The authority shall request an appropriation or
1099 additional authority to issue general obligation bonds to repay
1100 the borrowed funds and establish a date for the repayment of the
1101 funds so borrowed.

1102 (d) Borrowings made under the provisions of this
1103 subsection shall not exceed Five Hundred Thousand Dollars
1104 (\$500,000.00) at any one time.

1105 **SECTION 22.** This act shall take effect and be in force from
1106 and after its passage.