

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.