

By: Senator(s) Robertson

To: Finance

SENATE BILL NO. 2517

1 AN ACT TO AMEND SECTION 57-75-15, MISSISSIPPI CODE OF 1972,
2 TO REMOVE PROVISIONS IN BASE REALIGNMENT AND CLOSURE PROVISIONS OF
3 THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT THAT REQUIRE THE CITY OF
4 MERIDIAN TO REPAY BOND PROCEEDS UNDER CERTAIN CIRCUMSTANCES; AND
5 FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 57-75-15, Mississippi Code of 1972, is
8 amended as follows:

9 57-75-15. (1) Upon notification to the authority by the
10 enterprise that the state has been finally selected as the site
11 for the project, the State Bond Commission shall have the power
12 and is hereby authorized and directed, upon receipt of a
13 declaration from the authority as hereinafter provided, to borrow
14 money and issue general obligation bonds of the state in one or
15 more series for the purposes herein set out. Upon such
16 notification, the authority may thereafter from time to time
17 declare the necessity for the issuance of general obligation bonds
18 as authorized by this section and forward such declaration to the
19 State Bond Commission, provided that before such notification, the
20 authority may enter into agreements with the United States
21 government, private companies and others that will commit the
22 authority to direct the State Bond Commission to issue bonds for
23 eligible undertakings set out in subsection (4) of this section,
24 conditioned on the siting of the project in the state.

25 (2) Upon receipt of any such declaration from the authority,
26 the State Bond Commission shall verify that the state has been
27 selected as the site of the project and shall act as the issuing

28 agent for the series of bonds directed to be issued in such
29 declaration pursuant to authority granted in this section.

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

34 (b) Bonds issued under the authority of this section
35 for projects as defined in Section 57-75-5(f)(ii) shall not exceed
36 Sixty-one Million Dollars (\$61,000,000.00). The authority, with
37 the express direction of the State Bond Commission, is authorized
38 to expend any remaining proceeds of bonds issued under the
39 authority of this act prior to January 1, 1998, for the purpose of
40 financing projects as then defined in Section 57-75-5(f)(ii) or
41 for any other projects as defined in Section 57-75-5(f)(ii), as it
42 may be amended from time to time. * * * If there are any monetary
43 proceeds derived from the disposition of any improvements located
44 on real property in Kemper County purchased pursuant to this act
45 for projects related to the NAAS and if there are any monetary
46 proceeds derived from the disposition of any timber located on
47 real property in Kemper County purchased pursuant to this act for
48 projects related to the NAAS, all of such proceeds (both from the
49 disposition of improvements and the disposition of timber)
50 commencing July 1, 1996, through June 30, 2010, shall be paid to
51 the Board of Education of Kemper County, Mississippi, for
52 expenditure by such board of education to benefit the public
53 schools of Kemper County. No bonds shall be issued under this
54 paragraph (b) until the State Bond Commission by resolution adopts
55 a finding that the issuance of such bonds will improve, expand or
56 otherwise enhance the military installation, its support areas or
57 military operations, or will provide employment opportunities to
58 replace those lost by closure or reductions in operations at the
59 military installation or will support critical studies or
60 investigations authorized by Section 57-75-5(f)(ii); however, not

61 more than One Million Dollars (\$1,000,000.00) in the aggregate
62 shall be authorized for such studies or investigations.

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

67 (d) Bonds issued under the authority of this section
68 for projects defined in Section 57-75-5(f)(iv) shall not exceed
69 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An
70 additional amount of bonds in an amount not to exceed Twelve
71 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be
72 issued under the authority of this section for the purpose of
73 defraying costs associated with the construction of surface water
74 transmission lines for a project defined in Section 57-75-5(f)(iv)
75 or for any facility related to the project. No bonds shall be
76 issued under this paragraph after June 30, 2005.

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

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

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

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

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

98 (j) Bonds issued under the authority of this section
99 for projects defined in Section 57-75-5(f)(xii) shall not exceed
100 Twenty-three Million Seven Hundred Thousand Dollars
101 (\$23,700,000.00). No bonds shall be issued under this paragraph
102 until local governments in or near the county in which the project
103 is located have irrevocably committed funds to the project in an
104 amount of not less than Two Million Five Hundred Thousand Dollars
105 (\$2,500,000.00) in the aggregate. No bonds shall be issued under
106 this paragraph after June 30, 2008.

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

111 (l) Bonds issued under the authority of this section
112 for projects defined in Section 57-75-5(f)(xiv) shall not exceed
113 Ten Million Dollars (\$10,000,000.00). No bonds shall be issued
114 under this paragraph until local governments in the county in
115 which the project is located have irrevocably committed funds to
116 the project in an amount of not less than Two Million Dollars
117 (\$2,000,000.00). No bonds shall be issued under this paragraph
118 after June 30, 2009.

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

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

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

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

133 (i) Defraying all or any designated portion of the
134 costs incurred with respect to acquisition, planning, design,
135 construction, installation, rehabilitation, improvement,
136 relocation and with respect to state-owned property, operation and
137 maintenance of the project and any facility related to the project
138 located within the project area, including costs of design and
139 engineering, all costs incurred to provide land, easements and
140 rights-of-way, relocation costs with respect to the project and
141 with respect to any facility related to the project located within
142 the project area, and costs associated with mitigation of
143 environmental impacts and environmental impact studies;

144 (ii) Defraying the cost of providing for the
145 recruitment, screening, selection, training or retraining of
146 employees, candidates for employment or replacement employees of
147 the project and any related activity;

148 (iii) Reimbursing the Mississippi Development
149 Authority for expenses it incurred in regard to projects defined
150 in Section 57-75-5(f)(iv) prior to November 6, 2000. The
151 Mississippi Development Authority shall submit an itemized list of
152 expenses it incurred in regard to such projects to the Chairmen of
153 the Finance and Appropriations Committees of the Senate and the
154 Chairmen of the Ways and Means and Appropriations Committees of
155 the House of Representatives;

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

- 158 (v) Paying any warranty made by the authority
159 regarding site work for a project defined in Section
160 57-75-5(f)(iv)1;
- 161 (vi) Defraying the cost of marketing and promotion
162 of a project as defined in Section 57-75-5(f)(iv)1. The authority
163 shall submit an itemized list of costs incurred for marketing and
164 promotion of such project to the Chairmen of the Finance and
165 Appropriations Committees of the Senate and the Chairmen of the
166 Ways and Means and Appropriations Committees of the House of
167 Representatives;
- 168 (vii) Providing for the payment of interest on the
169 bonds;
- 170 (viii) Providing debt service reserves;
- 171 (ix) Paying underwriters' discount, original issue
172 discount, accountants' fees, engineers' fees, attorneys' fees,
173 rating agency fees and other fees and expenses in connection with
174 the issuance of the bonds;
- 175 (x) For purposes authorized in paragraphs (b),
176 (c), (d), (e) and (f) of this subsection (4);
- 177 (xi) Providing grants to enterprises operating
178 projects defined in Section 57-75-5(f)(v), or, in connection with
179 a facility related to such a project, for any purposes deemed by
180 the authority in its sole discretion to be necessary and
181 appropriate;
- 182 (xii) Providing grant funds or loans to a public
183 agency or an enterprise owning, leasing or operating a project
184 defined in Section 57-75-5(f)(ii); and
- 185 (xiii) Providing grant funds or loans to an
186 enterprise owning, leasing or operating a project defined in
187 Section 57-75-5(f)(xiv).

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

191 subsection (3) of this section. Proceeds from the sale of the
192 bonds issued under this section may be invested, subject to
193 federal limitations, pending their use, in such securities as may
194 be specified in the resolution authorizing the issuance of the
195 bonds or the trust indenture securing them, and the earning on
196 such investment applied as provided in such resolution or trust
197 indenture.

198 (b) (i) The proceeds of bonds issued after June 21,
199 2002, under this section for projects described in Section
200 57-75-5(f)(iv) may be used to reimburse reasonable actual and
201 necessary costs incurred by the Mississippi Development Authority
202 in providing assistance related to a project for which funding is
203 provided from the use of proceeds of such bonds. The Mississippi
204 Development Authority shall maintain an accounting of actual costs
205 incurred for each project for which reimbursements are sought.
206 Reimbursements under this paragraph (b)(i) shall not exceed Three
207 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
208 Reimbursements under this paragraph (b)(i) shall satisfy any
209 applicable federal tax law requirements.

210 (ii) The proceeds of bonds issued after June 21,
211 2002, under this section for projects described in Section
212 57-75-5(f)(iv) may be used to reimburse reasonable actual and
213 necessary costs incurred by the Department of Audit in providing
214 services related to a project for which funding is provided from
215 the use of proceeds of such bonds. The Department of Audit shall
216 maintain an accounting of actual costs incurred for each project
217 for which reimbursements are sought. The Department of Audit may
218 escalate its budget and expend such funds in accordance with rules
219 and regulations of the Department of Finance and Administration in
220 a manner consistent with the escalation of federal funds.
221 Reimbursements under this paragraph (b)(ii) shall not exceed One
222 Hundred Thousand Dollars (\$100,000.00) in the aggregate.

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

225 (c) (i) The proceeds of bonds issued under this
226 section for projects described in Section 57-75-5(f)(ix) may be
227 used to reimburse reasonable actual and necessary costs incurred
228 by the Mississippi Development Authority in providing assistance
229 related to a project for which funding is provided for the use of
230 proceeds of such bonds. The Mississippi Development Authority
231 shall maintain an accounting of actual costs incurred for each
232 project for which reimbursements are sought. Reimbursements under
233 this paragraph shall not exceed Twenty-five Thousand Dollars
234 (\$25,000.00) in the aggregate.

235 (ii) The proceeds of bonds issued under this
236 section for projects described in Section 57-75-5(f)(ix) may be
237 used to reimburse reasonable actual and necessary costs incurred
238 by the Department of Audit in providing services related to a
239 project for which funding is provided from the use of proceeds of
240 such bonds. The Department of Audit shall maintain an accounting
241 of actual costs incurred for each project for which reimbursements
242 are sought. The Department of Audit may escalate its budget and
243 expend such funds in accordance with rules and regulations of the
244 Department of Finance and Administration in a manner consistent
245 with the escalation of federal funds. Reimbursements under this
246 paragraph shall not exceed Twenty-five Thousand Dollars
247 (\$25,000.00) in the aggregate. Reimbursements under this
248 paragraph shall satisfy any applicable federal tax law
249 requirements.

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

256 shall maintain an accounting of actual costs incurred for each
257 project for which reimbursements are sought. Reimbursements under
258 this paragraph shall not exceed Twenty-five Thousand Dollars
259 (\$25,000.00) in the aggregate.

260 (ii) The proceeds of bonds issued under this
261 section for projects described in Section 57-75-5(f)(x) may be
262 used to reimburse reasonable actual and necessary costs incurred
263 by the Department of Audit in providing services related to a
264 project for which funding is provided from the use of proceeds of
265 such bonds. The Department of Audit shall maintain an accounting
266 of actual costs incurred for each project for which reimbursements
267 are sought. The Department of Audit may escalate its budget and
268 expend such funds in accordance with rules and regulations of the
269 Department of Finance and Administration in a manner consistent
270 with the escalation of federal funds. Reimbursements under this
271 paragraph shall not exceed Twenty-five Thousand Dollars
272 (\$25,000.00) in the aggregate. Reimbursements under this
273 paragraph shall satisfy any applicable federal tax law
274 requirements.

275 (e) (i) The proceeds of bonds issued under this
276 section for projects described in Section 57-75-5(f)(xii) may be
277 used to reimburse reasonable actual and necessary costs incurred
278 by the Mississippi Development Authority in providing assistance
279 related to a project for which funding is provided from the use of
280 proceeds of such bonds. The Mississippi Development Authority
281 shall maintain an accounting of actual costs incurred for each
282 project for which reimbursements are sought. Reimbursements under
283 this paragraph (e)(i) shall not exceed Twenty-five Thousand
284 Dollars (\$25,000.00) in the aggregate.

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

289 project for which funding is provided from the use of proceeds of
290 such bonds. The Department of Audit shall maintain an accounting
291 of actual costs incurred for each project for which reimbursements
292 are sought. The Department of Audit may escalate its budget and
293 expend such funds in accordance with rules and regulations of the
294 Department of Finance and Administration in a manner consistent
295 with the escalation of federal funds. Reimbursements under this
296 paragraph (e)(ii) shall not exceed Twenty-five Thousand Dollars
297 (\$25,000.00) in the aggregate. Reimbursements under this
298 paragraph (e)(ii) shall satisfy any applicable federal tax law
299 requirements.

300 (f) (i) The proceeds of bonds issued under this
301 section for projects described in Section 57-75-5(f)(xiii),
302 (f)(xiv), (f)(xv), (f)(xvi) and (f)(xvii) may be used to reimburse
303 reasonable actual and necessary costs incurred by the Mississippi
304 Development Authority in providing assistance related to a project
305 for which funding is provided from the use of proceeds of such
306 bonds. The Mississippi Development Authority shall maintain an
307 accounting of actual costs incurred for each project for which
308 reimbursements are sought. Reimbursements under this paragraph
309 (f)(i) shall not exceed Twenty-five Thousand Dollars (\$25,000.00)
310 for each project.

311 (ii) The proceeds of bonds issued under this
312 section for projects described in Section 57-75-5(f)(xiii),
313 (f)(xiv), (f)(xv), (f)(xvi) and (f)(xvii) may be used to reimburse
314 reasonable actual and necessary costs incurred by the Department
315 of Audit in providing services related to a project for which
316 funding is provided from the use of proceeds of such bonds. The
317 Department of Audit shall maintain an accounting of actual costs
318 incurred for each project for which reimbursements are sought.
319 The Department of Audit may escalate its budget and expend such
320 funds in accordance with rules and regulations of the Department
321 of Finance and Administration in a manner consistent with the

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

326 (5) The principal of and the interest on the bonds shall be
327 payable in the manner hereinafter set forth. The bonds shall bear
328 date or dates; be in such denomination or denominations; bear
329 interest at such rate or rates; be payable at such place or places
330 within or without the state; mature absolutely at such time or
331 times; be redeemable before maturity at such time or times and
332 upon such terms, with or without premium; bear such registration
333 privileges; and be substantially in such form; all as shall be
334 determined by resolution of the State Bond Commission except that
335 such bonds shall mature or otherwise be retired in annual
336 installments beginning not more than five (5) years from the date
337 thereof and extending not more than twenty-five (25) years from
338 the date thereof. The bonds shall be signed by the Chairman of
339 the State Bond Commission, or by his facsimile signature, and the
340 official seal of the State Bond Commission shall be imprinted on
341 or affixed thereto, attested by the manual or facsimile signature
342 of the Secretary of the State Bond Commission. Whenever any such
343 bonds have been signed by the officials herein designated to sign
344 the bonds, who were in office at the time of such signing but who
345 may have ceased to be such officers before the sale and delivery
346 of such bonds, or who may not have been in office on the date such
347 bonds may bear, the signatures of such officers upon such bonds
348 shall nevertheless be valid and sufficient for all purposes and
349 have the same effect as if the person so officially signing such
350 bonds had remained in office until the delivery of the same to the
351 purchaser, or had been in office on the date such bonds may bear.

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

355 Uniform Commercial Code and in exercising the powers granted by
356 this chapter, the State Bond Commission shall not be required to
357 and need not comply with the provisions of the Uniform Commercial
358 Code.

359 (7) The State Bond Commission shall sell the bonds on sealed
360 bids at public sale, and for such price as it may determine to be
361 for the best interest of the State of Mississippi, but no such
362 sale shall be made at a price less than par plus accrued interest
363 to date of delivery of the bonds to the purchaser. The bonds
364 shall bear interest at such rate or rates not exceeding the limits
365 set forth in Section 75-17-101 as shall be fixed by the State Bond
366 Commission. All interest accruing on such bonds so issued shall
367 be payable semiannually or annually; provided that the first
368 interest payment may be for any period of not more than one (1)
369 year.

370 Notice of the sale of any bonds shall be published at least
371 one time, the first of which shall be made not less than ten (10)
372 days prior to the date of sale, and shall be so published in one
373 or more newspapers having a general circulation in the City of
374 Jackson and in one or more other newspapers or financial journals
375 with a large national circulation, to be selected by the State
376 Bond Commission.

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

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

387 shall contain recitals on their faces substantially covering the
388 foregoing provisions of this section.

389 (9) The State Treasurer is authorized to certify to the
390 Department of Finance and Administration the necessity for
391 warrants, and the Department of Finance and Administration is
392 authorized and directed to issue such warrants payable out of any
393 funds appropriated by the Legislature under this section for such
394 purpose, in such amounts as may be necessary to pay when due the
395 principal of and interest on all bonds issued under the provisions
396 of this section. The State Treasurer shall forward the necessary
397 amount to the designated place or places of payment of such bonds
398 in ample time to discharge such bonds, or the interest thereon, on
399 the due dates thereof.

400 (10) The bonds may be issued without any other proceedings
401 or the happening of any other conditions or things other than
402 those proceedings, conditions and things which are specified or
403 required by this chapter. Any resolution providing for the
404 issuance of general obligation bonds under the provisions of this
405 section shall become effective immediately upon its adoption by
406 the State Bond Commission, and any such resolution may be adopted
407 at any regular or special meeting of the State Bond Commission by
408 a majority of its members.

409 (11) In anticipation of the issuance of bonds hereunder, the
410 State Bond Commission is authorized to negotiate and enter into
411 any purchase, loan, credit or other agreement with any bank, trust
412 company or other lending institution or to issue and sell interim
413 notes for the purpose of making any payments authorized under this
414 section. All borrowings made under this provision shall be
415 evidenced by notes of the state which shall be issued from time to
416 time, for such amounts not exceeding the amount of bonds
417 authorized herein, in such form and in such denomination and
418 subject to such terms and conditions of sale and issuance,
419 prepayment or redemption and maturity, rate or rates of interest

420 not to exceed the maximum rate authorized herein for bonds, and
421 time of payment of interest as the State Bond Commission shall
422 agree to in such agreement. Such notes shall constitute general
423 obligations of the state and shall be backed by the full faith and
424 credit of the state. Such notes may also be issued for the
425 purpose of refunding previously issued notes. No note shall
426 mature more than three (3) years following the date of its
427 issuance. The State Bond Commission is authorized to provide for
428 the compensation of any purchaser of the notes by payment of a
429 fixed fee or commission and for all other costs and expenses of
430 issuance and service, including paying agent costs. Such costs
431 and expenses may be paid from the proceeds of the notes.

432 (12) The bonds and interim notes authorized under the
433 authority of this section may be validated in the First Judicial
434 District of the Chancery Court of Hinds County, Mississippi, in
435 the manner and with the force and effect provided now or hereafter
436 by Chapter 13, Title 31, Mississippi Code of 1972, for the
437 validation of county, municipal, school district and other bonds.
438 The necessary papers for such validation proceedings shall be
439 transmitted to the State Bond Attorney, and the required notice
440 shall be published in a newspaper published in the City of
441 Jackson, Mississippi.

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

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

453 officers and bodies of the state and all municipalities and other
454 political subdivisions thereof for the purpose of securing the
455 deposit of public funds.

456 (15) The Attorney General of the State of Mississippi shall
457 represent the State Bond Commission in issuing, selling and
458 validating bonds herein provided for, and the Bond Commission is
459 hereby authorized and empowered to expend from the proceeds
460 derived from the sale of the bonds authorized hereunder all
461 necessary administrative, legal and other expenses incidental and
462 related to the issuance of bonds authorized under this chapter.

463 (16) There is hereby created a special fund in the State
464 Treasury to be known as the Mississippi Major Economic Impact
465 Authority Fund wherein shall be deposited the proceeds of the
466 bonds issued under this chapter and all monies received by the
467 authority to carry out the purposes of this chapter. Expenditures
468 authorized herein shall be paid by the State Treasurer upon
469 warrants drawn from the fund, and the Department of Finance and
470 Administration shall issue warrants upon requisitions signed by
471 the director of the authority.

472 (17) (a) There is hereby created the Mississippi Economic
473 Impact Authority Sinking Fund from which the principal of and
474 interest on such bonds shall be paid by appropriation. All monies
475 paid into the sinking fund not appropriated to pay accruing bonds
476 and interest shall be invested by the State Treasurer in such
477 securities as are provided by law for the investment of the
478 sinking funds of the state.

479 (b) In the event that all or any part of the bonds and
480 notes are purchased, they shall be cancelled and returned to the
481 loan and transfer agent as cancelled and paid bonds and notes and
482 thereafter all payments of interest thereon shall cease and the
483 cancelled bonds, notes and coupons, together with any other
484 cancelled bonds, notes and coupons, shall be destroyed as promptly
485 as possible after cancellation but not later than two (2) years

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

489 (c) The State Treasurer shall determine and report to
490 the Department of Finance and Administration and Legislative
491 Budget Office by September 1 of each year the amount of money
492 necessary for the payment of the principal of and interest on
493 outstanding obligations for the following fiscal year and the
494 times and amounts of the payments. It shall be the duty of the
495 Governor to include in every executive budget submitted to the
496 Legislature full information relating to the issuance of bonds and
497 notes under the provisions of this chapter and the status of the
498 sinking fund for the payment of the principal of and interest on
499 the bonds and notes.

500 (d) Any monies repaid to the state from loans
501 authorized in Section 57-75-11(hh) shall be deposited into the
502 Mississippi Major Economic Impact Authority Sinking Fund unless
503 the State Bond Commission, at the request of the authority, shall
504 determine that such loan repayments are needed to provide
505 additional loans as authorized under Section 57-75-11(hh). For
506 purposes of providing additional loans, there is hereby created
507 the Mississippi Major Economic Impact Authority Revolving Loan
508 Fund and loan repayments shall be deposited into the fund. The
509 fund shall be maintained for such period as determined by the
510 State Bond Commission for the sole purpose of making additional
511 loans as authorized by Section 57-75-11(hh). Unexpended amounts
512 remaining in the fund at the end of a fiscal year shall not lapse
513 into the State General Fund and any interest earned on amounts in
514 such fund shall be deposited to the credit of the fund.

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

518 (18) (a) Upon receipt of a declaration by the authority
519 that it has determined that the state is a potential site for a
520 project, the State Bond Commission is authorized and directed to
521 authorize the State Treasurer to borrow money from any special
522 fund in the State Treasury not otherwise appropriated to be
523 utilized by the authority for the purposes provided for in this
524 subsection.

525 (b) The proceeds of the money borrowed under this
526 subsection may be utilized by the authority for the purpose of
527 defraying all or a portion of the costs incurred by the authority
528 with respect to acquisition options and planning, design and
529 environmental impact studies with respect to a project defined in
530 Section 57-75-5(f)(xi). The authority may escalate its budget and
531 expend the proceeds of the money borrowed under this subsection in
532 accordance with rules and regulations of the Department of Finance
533 and Administration in a manner consistent with the escalation of
534 federal funds.

535 (c) The authority shall request an appropriation or
536 additional authority to issue general obligation bonds to repay
537 the borrowed funds and establish a date for the repayment of the
538 funds so borrowed.

539 (d) Borrowings made under the provisions of this
540 subsection shall not exceed Five Hundred Thousand Dollars
541 (\$500,000.00) at any one time.

542 **SECTION 2.** This act shall take effect and be in force from
543 and after its passage.