

By: Senator(s) Brown

To: Finance

SENATE BILL NO. 2678

1 AN ACT TO AMEND SECTION 57-75-15, MISSISSIPPI CODE OF 1972,
2 TO AUTHORIZE THE PROCEEDS OF BONDS ISSUED FOR CERTAIN PROJECTS
3 UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT TO BE UTILIZED TO
4 PURCHASE EQUIPMENT; AND FOR RELATED PURPOSES.

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

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

8 57-75-15. (1) Upon notification to the authority by the
9 enterprise that the state has been finally selected as the site
10 for the project, the State Bond Commission shall have the power
11 and is hereby authorized and directed, upon receipt of a
12 declaration from the authority as hereinafter provided, to borrow
13 money and issue general obligation bonds of the state in one or
14 more series for the purposes herein set out. Upon such
15 notification, the authority may thereafter from time to time
16 declare the necessity for the issuance of general obligation bonds
17 as authorized by this section and forward such declaration to the
18 State Bond Commission, provided that before such notification, the
19 authority may enter into agreements with the United States
20 government, private companies and others that will commit the
21 authority to direct the State Bond Commission to issue bonds for
22 eligible undertakings set out in subsection (4) of this section,
23 conditioned on the siting of the project in the state.

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

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

33 (b) Bonds issued under the authority of this section
34 for projects as defined in Section 57-75-5(f)(ii) shall not exceed
35 Sixty-one Million Dollars (\$61,000,000.00). The authority, with
36 the express direction of the State Bond Commission, is authorized
37 to expend any remaining proceeds of bonds issued under the
38 authority of this act prior to January 1, 1998, for the purpose of
39 financing projects as then defined in Section 57-75-5(f)(ii) or
40 for any other projects as defined in Section 57-75-5(f)(ii), as it
41 may be amended from time to time. If any proceeds of bonds issued
42 for projects related to the Meridian Naval Auxiliary Air Station
43 ("NAAS") are used for the development of a water and sewer service
44 system by the City of Meridian, Mississippi, to serve the NAAS and
45 if the City of Meridian annexes any of the territory served by the
46 water and sewer service system, the city shall repay the State of
47 Mississippi the amount of all bond proceeds expended on any
48 portion of the water and sewer service system project; and if
49 there are any monetary proceeds derived from the disposition of
50 any improvements located on real property in Kemper County
51 purchased pursuant to this act for projects related to the NAAS
52 and if there are any monetary proceeds derived from the
53 disposition of any timber located on real property in Kemper
54 County purchased pursuant to this act for projects related to the
55 NAAS, all of such proceeds (both from the disposition of
56 improvements and the disposition of timber) commencing July 1,
57 1996, through June 30, 2010, shall be paid to the Board of
58 Education of Kemper County, Mississippi, for expenditure by such
59 board of education to benefit the public schools of Kemper County.
60 No bonds shall be issued under this paragraph (b) until the State
61 Bond Commission by resolution adopts a finding that the issuance

62 of such bonds will improve, expand or otherwise enhance the
63 military installation, its support areas or military operations,
64 or will provide employment opportunities to replace those lost by
65 closure or reductions in operations at the military installation
66 or will support critical studies or investigations authorized by
67 Section 57-75-5(f)(ii); however, not more than One Million Dollars
68 (\$1,000,000.00) in the aggregate shall be authorized for such
69 studies or investigations.

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

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

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

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

93 (g) Bonds issued under the authority of this section
94 for projects defined in Section 57-75-5(f)(viii) shall not exceed

95 Four Million Five Hundred Thousand Dollars (\$4,500,000.00). No
96 bonds shall be issued under this paragraph after June 30, 2007.

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

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

105 (j) Bonds issued under the authority of this section
106 for projects defined in Section 57-75-5(f)(xii) shall not exceed
107 Twenty-three Million Seven Hundred Thousand Dollars
108 (\$23,700,000.00). No bonds shall be issued under this paragraph
109 until local governments in or near the county in which the project
110 is located have irrevocably committed funds to the project in an
111 amount of not less than Two Million Five Hundred Thousand Dollars
112 (\$2,500,000.00) in the aggregate. No bonds shall be issued under
113 this paragraph after June 30, 2008.

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

118 (l) Bonds issued under the authority of this section
119 for projects defined in Section 57-75-5(f)(xiv) shall not exceed
120 Ten Million Dollars (\$10,000,000.00). No bonds shall be issued
121 under this paragraph until local governments in the county in
122 which the project is located have irrevocably committed funds to
123 the project in an amount of not less than Two Million Dollars
124 (\$2,000,000.00). No bonds shall be issued under this paragraph
125 after June 30, 2009.

126 (m) Bonds issued under the authority of this section
127 for projects defined in Section 57-75-5(f)(xv) shall not exceed

128 Five Hundred Thousand Dollars (\$500,000.00). No bonds shall be
129 issued under this paragraph after June 30, 2009.

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

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

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

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

151 (ii) Defraying the cost of providing for the
152 recruitment, screening, selection, training or retraining of
153 employees, candidates for employment or replacement employees of
154 the project and any related activity;

155 (iii) Reimbursing the Mississippi Development
156 Authority for expenses it incurred in regard to projects defined
157 in Section 57-75-5(f)(iv) prior to November 6, 2000. The
158 Mississippi Development Authority shall submit an itemized list of
159 expenses it incurred in regard to such projects to the Chairmen of
160 the Finance and Appropriations Committees of the Senate and the

161 Chairmen of the Ways and Means and Appropriations Committees of
162 the House of Representatives;

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

165 (v) Paying any warranty made by the authority
166 regarding site work for a project defined in Section
167 57-75-5(f)(iv)1;

168 (vi) Defraying the cost of marketing and promotion
169 of a project as defined in Section 57-75-5(f)(iv)1. The authority
170 shall submit an itemized list of costs incurred for marketing and
171 promotion of such project to the Chairmen of the Finance and
172 Appropriations Committees of the Senate and the Chairmen of the
173 Ways and Means and Appropriations Committees of the House of
174 Representatives;

175 (vii) Providing for the payment of interest on the
176 bonds;

177 (viii) Providing debt service reserves;

178 (ix) Paying underwriters' discount, original issue
179 discount, accountants' fees, engineers' fees, attorneys' fees,
180 rating agency fees and other fees and expenses in connection with
181 the issuance of the bonds;

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

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

189 (xii) Providing grant funds or loans to a public
190 agency or an enterprise owning, leasing or operating a project
191 defined in Section 57-75-5(f)(ii); * * *

192 (xiii) Providing grant funds or loans to an
193 enterprise owning, leasing or operating a project defined in
194 Section 57-75-5(f)(xiv); and

195 (xiv) Purchasing equipment for a project defined
196 in Section 57-75-5(f)(viii) subject to such terms and conditions
197 as the authority considers necessary and appropriate.

198 Such bonds shall be issued from time to time and in such
199 principal amounts as shall be designated by the authority, not to
200 exceed in aggregate principal amounts the amount authorized in
201 subsection (3) of this section. Proceeds from the sale of the
202 bonds issued under this section may be invested, subject to
203 federal limitations, pending their use, in such securities as may
204 be specified in the resolution authorizing the issuance of the
205 bonds or the trust indenture securing them, and the earning on
206 such investment applied as provided in such resolution or trust
207 indenture.

208 (b) (i) The proceeds of bonds issued after June 21,
209 2002, under this section for projects described in Section
210 57-75-5(f)(iv) may be used to reimburse reasonable actual and
211 necessary costs incurred by the Mississippi Development Authority
212 in providing assistance related to a project for which funding is
213 provided from the use of proceeds of such bonds. The Mississippi
214 Development Authority shall maintain an accounting of actual costs
215 incurred for each project for which reimbursements are sought.
216 Reimbursements under this paragraph (b)(i) shall not exceed Three
217 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
218 Reimbursements under this paragraph (b)(i) shall satisfy any
219 applicable federal tax law requirements.

220 (ii) The proceeds of bonds issued after June 21,
221 2002, under this section for projects described in Section
222 57-75-5(f)(iv) may be used to reimburse reasonable actual and
223 necessary costs incurred by the Department of Audit in providing
224 services related to a project for which funding is provided from

225 the use of proceeds of such bonds. The Department of Audit shall
226 maintain an accounting of actual costs incurred for each project
227 for which reimbursements are sought. The Department of Audit may
228 escalate its budget and expend such funds in accordance with rules
229 and regulations of the Department of Finance and Administration in
230 a manner consistent with the escalation of federal funds.

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

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

235 (c) (i) 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 Mississippi Development Authority in providing assistance
239 related to a project for which funding is provided for the use of
240 proceeds of such bonds. The Mississippi Development Authority
241 shall maintain an accounting of actual costs incurred for each
242 project for which reimbursements are sought. Reimbursements under
243 this paragraph shall not exceed Twenty-five Thousand Dollars
244 (\$25,000.00) in the aggregate.

245 (ii) The proceeds of bonds issued under this
246 section for projects described in Section 57-75-5(f)(ix) may be
247 used to reimburse reasonable actual and necessary costs incurred
248 by the Department of Audit in providing services related to a
249 project for which funding is provided from the use of proceeds of
250 such bonds. The Department of Audit shall maintain an accounting
251 of actual costs incurred for each project for which reimbursements
252 are sought. The Department of Audit may escalate its budget and
253 expend such funds in accordance with rules and regulations of the
254 Department of Finance and Administration in a manner consistent
255 with the escalation of federal funds. Reimbursements under this
256 paragraph shall not exceed Twenty-five Thousand Dollars
257 (\$25,000.00) in the aggregate. Reimbursements under this

258 paragraph shall satisfy any applicable federal tax law
259 requirements.

260 (d) (i) 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 Mississippi Development Authority in providing assistance
264 related to a project for which funding is provided for the use of
265 proceeds of such bonds. The Mississippi Development Authority
266 shall maintain an accounting of actual costs incurred for each
267 project for which reimbursements are sought. Reimbursements under
268 this paragraph shall not exceed Twenty-five Thousand Dollars
269 (\$25,000.00) in the aggregate.

270 (ii) The proceeds of bonds issued under this
271 section for projects described in Section 57-75-5(f)(x) may be
272 used to reimburse reasonable actual and necessary costs incurred
273 by the Department of Audit in providing services related to a
274 project for which funding is provided from the use of proceeds of
275 such bonds. The Department of Audit shall maintain an accounting
276 of actual costs incurred for each project for which reimbursements
277 are sought. The Department of Audit may escalate its budget and
278 expend such funds in accordance with rules and regulations of the
279 Department of Finance and Administration in a manner consistent
280 with the escalation of federal funds. Reimbursements under this
281 paragraph shall not exceed Twenty-five Thousand Dollars
282 (\$25,000.00) in the aggregate. Reimbursements under this
283 paragraph shall satisfy any applicable federal tax law
284 requirements.

285 (e) (i) 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 Mississippi Development Authority in providing assistance
289 related to a project for which funding is provided from the use of
290 proceeds of such bonds. The Mississippi Development Authority

291 shall maintain an accounting of actual costs incurred for each
292 project for which reimbursements are sought. Reimbursements under
293 this paragraph (e)(i) shall not exceed Twenty-five Thousand
294 Dollars (\$25,000.00) in the aggregate.

295 (ii) The proceeds of bonds issued under this
296 section for projects described in Section 57-75-5(f)(xii) may be
297 used to reimburse reasonable actual and necessary costs incurred
298 by the Department of Audit in providing services related to a
299 project for which funding is provided from the use of proceeds of
300 such bonds. The Department of Audit shall maintain an accounting
301 of actual costs incurred for each project for which reimbursements
302 are sought. The Department of Audit may escalate its budget and
303 expend such funds in accordance with rules and regulations of the
304 Department of Finance and Administration in a manner consistent
305 with the escalation of federal funds. Reimbursements under this
306 paragraph (e)(ii) shall not exceed Twenty-five Thousand Dollars
307 (\$25,000.00) in the aggregate. Reimbursements under this
308 paragraph (e)(ii) shall satisfy any applicable federal tax law
309 requirements.

310 (f) (i) The proceeds of bonds issued under this
311 section for projects described in Section 57-75-5(f)(xiii),
312 (f)(xiv), (f)(xv), (f)(xvi) and (f)(xvii) may be used to reimburse
313 reasonable actual and necessary costs incurred by the Mississippi
314 Development Authority in providing assistance related to a project
315 for which funding is provided from the use of proceeds of such
316 bonds. The Mississippi Development Authority shall maintain an
317 accounting of actual costs incurred for each project for which
318 reimbursements are sought. Reimbursements under this paragraph
319 (f)(i) shall not exceed Twenty-five Thousand Dollars (\$25,000.00)
320 for each project.

321 (ii) The proceeds of bonds issued under this
322 section for projects described in Section 57-75-5(f)(xiii),
323 (f)(xiv), (f)(xv), (f)(xvi) and (f)(xvii) may be used to reimburse

324 reasonable actual and necessary costs incurred by the Department
325 of Audit in providing services related to a project for which
326 funding is provided from the use of proceeds of such bonds. The
327 Department of Audit shall maintain an accounting of actual costs
328 incurred for each project for which reimbursements are sought.
329 The Department of Audit may escalate its budget and expend such
330 funds in accordance with rules and regulations of the Department
331 of Finance and Administration in a manner consistent with the
332 escalation of federal funds. Reimbursements under this paragraph
333 (f)(ii) shall not exceed Twenty-five Thousand Dollars (\$25,000.00)
334 for each project. Reimbursements under this paragraph (f)(ii)
335 shall satisfy any applicable federal tax law requirements.

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

357 bonds may bear, the signatures of such officers upon such bonds
358 shall nevertheless be valid and sufficient for all purposes and
359 have the same effect as if the person so officially signing such
360 bonds had remained in office until the delivery of the same to the
361 purchaser, or had been in office on the date such bonds may bear.

362 (6) All bonds issued under the provisions of this section
363 shall be and are hereby declared to have all the qualities and
364 incidents of negotiable instruments under the provisions of the
365 Uniform Commercial Code and in exercising the powers granted by
366 this chapter, the State Bond Commission shall not be required to
367 and need not comply with the provisions of the Uniform Commercial
368 Code.

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

380 Notice of the sale of any bonds shall be published at least
381 one time, the first of which shall be made not less than ten (10)
382 days prior to the date of sale, and shall be so published in one
383 or more newspapers having a general circulation in the City of
384 Jackson and in one or more other newspapers or financial journals
385 with a large national circulation, to be selected by the State
386 Bond Commission.

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

390 at the call price named therein and accrued interest on such date
391 or dates named therein.

392 (8) State bonds issued under the provisions of this section
393 shall be the general obligations of the state and backed by the
394 full faith and credit of the state. The Legislature shall
395 appropriate annually an amount sufficient to pay the principal of
396 and the interest on such bonds as they become due. All bonds
397 shall contain recitals on their faces substantially covering the
398 foregoing provisions of this section.

399 (9) The State Treasurer is authorized to certify to the
400 Department of Finance and Administration the necessity for
401 warrants, and the Department of Finance and Administration is
402 authorized and directed to issue such warrants payable out of any
403 funds appropriated by the Legislature under this section for such
404 purpose, in such amounts as may be necessary to pay when due the
405 principal of and interest on all bonds issued under the provisions
406 of this section. The State Treasurer shall forward the necessary
407 amount to the designated place or places of payment of such bonds
408 in ample time to discharge such bonds, or the interest thereon, on
409 the due dates thereof.

410 (10) The bonds may be issued without any other proceedings
411 or the happening of any other conditions or things other than
412 those proceedings, conditions and things which are specified or
413 required by this chapter. Any resolution providing for the
414 issuance of general obligation bonds under the provisions of this
415 section shall become effective immediately upon its adoption by
416 the State Bond Commission, and any such resolution may be adopted
417 at any regular or special meeting of the State Bond Commission by
418 a majority of its members.

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

423 notes for the purpose of making any payments authorized under this
424 section. All borrowings made under this provision shall be
425 evidenced by notes of the state which shall be issued from time to
426 time, for such amounts not exceeding the amount of bonds
427 authorized herein, in such form and in such denomination and
428 subject to such terms and conditions of sale and issuance,
429 prepayment or redemption and maturity, rate or rates of interest
430 not to exceed the maximum rate authorized herein for bonds, and
431 time of payment of interest as the State Bond Commission shall
432 agree to in such agreement. Such notes shall constitute general
433 obligations of the state and shall be backed by the full faith and
434 credit of the state. Such notes may also be issued for the
435 purpose of refunding previously issued notes. No note shall
436 mature more than three (3) years following the date of its
437 issuance. The State Bond Commission is authorized to provide for
438 the compensation of any purchaser of the notes by payment of a
439 fixed fee or commission and for all other costs and expenses of
440 issuance and service, including paying agent costs. Such costs
441 and expenses may be paid from the proceeds of the notes.

442 (12) The bonds and interim notes authorized under the
443 authority of this section may be validated in the First Judicial
444 District of the Chancery Court of Hinds County, Mississippi, in
445 the manner and with the force and effect provided now or hereafter
446 by Chapter 13, Title 31, Mississippi Code of 1972, for the
447 validation of county, municipal, school district and other bonds.
448 The necessary papers for such validation proceedings shall be
449 transmitted to the State Bond Attorney, and the required notice
450 shall be published in a newspaper published in the City of
451 Jackson, Mississippi.

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

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

458 (14) All bonds issued under this chapter shall be legal
459 investments for trustees, other fiduciaries, savings banks, trust
460 companies and insurance companies organized under the laws of the
461 State of Mississippi; and such bonds shall be legal securities
462 which may be deposited with and shall be received by all public
463 officers and bodies of the state and all municipalities and other
464 political subdivisions thereof for the purpose of securing the
465 deposit of public funds.

466 (15) The Attorney General of the State of Mississippi shall
467 represent the State Bond Commission in issuing, selling and
468 validating bonds herein provided for, and the Bond Commission is
469 hereby authorized and empowered to expend from the proceeds
470 derived from the sale of the bonds authorized hereunder all
471 necessary administrative, legal and other expenses incidental and
472 related to the issuance of bonds authorized under this chapter.

473 (16) There is hereby created a special fund in the State
474 Treasury to be known as the Mississippi Major Economic Impact
475 Authority Fund wherein shall be deposited the proceeds of the
476 bonds issued under this chapter and all monies received by the
477 authority to carry out the purposes of this chapter. Expenditures
478 authorized herein shall be paid by the State Treasurer upon
479 warrants drawn from the fund, and the Department of Finance and
480 Administration shall issue warrants upon requisitions signed by
481 the director of the authority.

482 (17) (a) There is hereby created the Mississippi Economic
483 Impact Authority Sinking Fund from which the principal of and
484 interest on such bonds shall be paid by appropriation. All monies
485 paid into the sinking fund not appropriated to pay accruing bonds
486 and interest shall be invested by the State Treasurer in such
487 securities as are provided by law for the investment of the
488 sinking funds of the state.

489 (b) In the event that all or any part of the bonds and
490 notes are purchased, they shall be cancelled and returned to the
491 loan and transfer agent as cancelled and paid bonds and notes and
492 thereafter all payments of interest thereon shall cease and the
493 cancelled bonds, notes and coupons, together with any other
494 cancelled bonds, notes and coupons, shall be destroyed as promptly
495 as possible after cancellation but not later than two (2) years
496 after cancellation. A certificate evidencing the destruction of
497 the cancelled bonds, notes and coupons shall be provided by the
498 loan and transfer agent to the seller.

499 (c) The State Treasurer shall determine and report to
500 the Department of Finance and Administration and Legislative
501 Budget Office by September 1 of each year the amount of money
502 necessary for the payment of the principal of and interest on
503 outstanding obligations for the following fiscal year and the
504 times and amounts of the payments. It shall be the duty of the
505 Governor to include in every executive budget submitted to the
506 Legislature full information relating to the issuance of bonds and
507 notes under the provisions of this chapter and the status of the
508 sinking fund for the payment of the principal of and interest on
509 the bonds and notes.

510 (d) Any monies repaid to the state from loans
511 authorized in Section 57-75-11(hh) shall be deposited into the
512 Mississippi Major Economic Impact Authority Sinking Fund unless
513 the State Bond Commission, at the request of the authority, shall
514 determine that such loan repayments are needed to provide
515 additional loans as authorized under Section 57-75-11(hh). For
516 purposes of providing additional loans, there is hereby created
517 the Mississippi Major Economic Impact Authority Revolving Loan
518 Fund and loan repayments shall be deposited into the fund. The
519 fund shall be maintained for such period as determined by the
520 State Bond Commission for the sole purpose of making additional
521 loans as authorized by Section 57-75-11(hh). Unexpended amounts

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

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

528 (18) (a) Upon receipt of a declaration by the authority
529 that it has determined that the state is a potential site for a
530 project, the State Bond Commission is authorized and directed to
531 authorize the State Treasurer to borrow money from any special
532 fund in the State Treasury not otherwise appropriated to be
533 utilized by the authority for the purposes provided for in this
534 subsection.

535 (b) The proceeds of the money borrowed under this
536 subsection may be utilized by the authority for the purpose of
537 defraying all or a portion of the costs incurred by the authority
538 with respect to acquisition options and planning, design and
539 environmental impact studies with respect to a project defined in
540 Section 57-75-5(f)(xi). The authority may escalate its budget and
541 expend the proceeds of the money borrowed under this subsection in
542 accordance with rules and regulations of the Department of Finance
543 and Administration in a manner consistent with the escalation of
544 federal funds.

545 (c) The authority shall request an appropriation or
546 additional authority to issue general obligation bonds to repay
547 the borrowed funds and establish a date for the repayment of the
548 funds so borrowed.

549 (d) Borrowings made under the provisions of this
550 subsection shall not exceed Five Hundred Thousand Dollars
551 (\$500,000.00) at any one time.

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