

By: Representatives Nicholson, Arinder

To: Ways and Means

HOUSE BILL NO. 1362

1 AN ACT TO AMEND CHAPTER 529, LAWS OF 1985, TO AUTHORIZE THE
2 NEWTON AND SCOTT DEVELOPMENT DISTRICT TO DISSOLVE; TO PROVIDE FOR
3 THE DISPOSITION OF ANY SURPLUS FUNDS OF THE DISTRICT; AND FOR
4 RELATED PURPOSES.

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

6 **SECTION 1.** Chapter 529, Laws of 1985, is amended as follows:

7 Section 1. As used in this act, the following terms shall
8 have the following meanings:

9 (a) "Bonds" shall mean the General Obligation
10 Industrial Bonds dated July 1, 1969, issued by the district in the
11 aggregate principal amount of Four Hundred Fifty Thousand Dollars
12 (\$450,000.00);

13 (b) "District" shall mean the Newton and Scott
14 Development District composed of Supervisors District No. 3 of
15 Newton County, Mississippi, and Supervisors District No. 5 of
16 Scott County, Mississippi;

17 (c) "Governing body" shall mean the board of
18 commissioners of the district;

19 (d) "Project" shall mean one or more parcels of real
20 property and any buildings or other improvements located thereon
21 within Newton County or Scott County for lease to one or more
22 industrial enterprises;

23 (e) "Surplus funds" shall mean the amount of money
24 retained by the district after payment by the district of the
25 amount required to be paid to the paying agent in connection with
26 the redemption of the bonds together with any amounts earned from
27 the investment of the amounts so paid.

28 Section 2. It is hereby determined and declared that in
29 order to promote the well-being and prosperity of the people of
30 Newton County and Scott County, the district should be authorized
31 to utilize the surplus funds as provided herein; and the district,
32 Newton County and Scott County should be authorized to take such
33 action as provided herein.

34 Section 3. The district is hereby authorized to use the
35 surplus funds for one or more of the following purposes:

36 (a) To acquire one or more projects;

37 (b) In connection with the acquisition of any project,
38 to execute and deliver one or more promissory notes not to exceed
39 in the aggregate Seventy-five Thousand Dollars (\$75,000.00), which
40 notes shall be payable solely from rental payments in connection
41 with the lease of such project;

42 (c) As security for the payment of any notes executed
43 and delivered in connection with the acquisition of a project, to
44 grant one or more deeds of trust on the project;

45 (d) To lease projects to one or more industrial
46 enterprises at rental rates to be determined by the governing
47 body; such leases may include options to purchase such project at
48 a purchase price determined by the governing body;

49 (e) Until the surplus funds are used to defray the cost
50 of the acquisition of one or more projects, to invest the surplus
51 funds as the governing body shall determine;

52 (f) To pay expenses of the members of the governing
53 body in connection with any meetings held for the purpose of
54 determining the disposition of the surplus funds and in connection
55 with the acquisition and disposition of projects; and

56 (g) To pay reasonable fees and expenses for attorneys,
57 consultants and accountants in connection with the disposition of
58 the surplus funds and in connection with the acquisition and
59 disposition of projects.

60 Section 4. Any rental payments or other payments received by
61 the district under any lease agreement entered into pursuant to
62 this act which are not required for the repayment of notes of the
63 district executed and delivered in connection with the acquisition
64 of the project shall be deposited into the general funds of Newton
65 County and Scott County on an equal basis.

66 Section 5. In connection with the acquisition of a project,
67 the district may accept donations from any source. The district
68 may grant deeds of trust on all or any portion of a project in
69 connection with the acquisition thereof but may not pledge the
70 full faith and credit of the district or of either Newton County
71 or Scott County, or any portion thereof, to secure any debt
72 incurred in connection with any project.

73 Section 6. If, upon the termination of any lease agreement
74 pertaining to a project, title to such project reverts to the
75 district, the district shall transfer such title to the county in
76 which such project is located; and, thereafter, such project may
77 be used for any lawful purpose or sold in the manner provided for
78 sales of county property.

79 Section 7. (1) The Newton and Scott Development District is
80 authorized, in the discretion of the boards of supervisors of
81 Newton and Scott Counties, to dissolve itself. The acts of the
82 district and of the boards of supervisors in dissolving the
83 district are hereby ratified, confirmed and validated.

84 (2) Upon the dissolution of the district, any surplus funds
85 that the district may have on deposit shall be disposed of as
86 follows: fifty percent (50%) of the surplus funds shall be
87 transferred to the Board of Supervisors of Newton County to be
88 used exclusively for the benefit of Supervisors District No. 3 of
89 Newton County, and fifty percent (50%) of the surplus funds shall
90 be transferred to the Board of Supervisors of Scott County to be
91 used exclusively for the benefit of Supervisors District No. 5 of
92 Scott County.

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