

By: Representatives Johnson, Mims,
Cockerham, Middleton

To: Ways and Means

HOUSE BILL NO. 1524

1 AN ACT TO AMEND SECTION 57-75-5, MISSISSIPPI CODE OF 1972, TO
2 REVISE THE DEFINITION OF THE TERM "PROJECT" UNDER THE MISSISSIPPI
3 MAJOR ECONOMIC IMPACT ACT; TO AMEND SECTION 57-75-15, MISSISSIPPI
4 CODE OF 1972, TO AUTHORIZE THE ISSUANCE OF BONDS FOR CERTAIN
5 PROJECTS UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; AND FOR
6 RELATED PURPOSES.

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

8 **SECTION 1.** Section 57-75-5, Mississippi Code of 1972, is
9 amended as follows:

10 57-75-5. Words and phrases used in this chapter shall have
11 meanings as follows, unless the context clearly indicates a
12 different meaning:

13 (a) "Act" means the Mississippi Major Economic Impact
14 Act as originally enacted or as hereafter amended.

15 (b) "Authority" means the Mississippi Major Economic
16 Impact Authority created pursuant to the act.

17 (c) "Bonds" means general obligation bonds, interim
18 notes and other evidences of debt of the State of Mississippi
19 issued pursuant to this chapter.

20 (d) "Facility related to the project" means and
21 includes any of the following, as the same may pertain to the
22 project within the project area: (i) facilities to provide
23 potable and industrial water supply systems, sewage and waste
24 disposal systems and water, natural gas and electric transmission
25 systems to the site of the project; (ii) airports, airfields and
26 air terminals; (iii) rail lines; (iv) port facilities; (v)
27 highways, streets and other roadways; (vi) public school
28 buildings, classrooms and instructional facilities, training
29 facilities and equipment, including any functionally related

30 facilities; (vii) parks, outdoor recreation facilities and
31 athletic facilities; (viii) auditoriums, pavilions, campgrounds,
32 art centers, cultural centers, folklore centers and other public
33 facilities; (ix) health care facilities, public or private; and
34 (x) fire protection facilities, equipment and elevated water
35 tanks.

36 (e) "Person" means any natural person, corporation,
37 association, partnership, receiver, trustee, guardian, executor,
38 administrator, fiduciary, governmental unit, public agency,
39 political subdivision, or any other group acting as a unit, and
40 the plural as well as the singular.

41 (f) "Project" means:

42 (i) Any industrial, commercial, research and
43 development, warehousing, distribution, transportation,
44 processing, mining, United States government or tourism enterprise
45 together with all real property required for construction,
46 maintenance and operation of the enterprise with an initial
47 capital investment of not less than Three Hundred Million Dollars
48 (\$300,000,000.00) from private or United States government sources
49 together with all buildings, and other supporting land and
50 facilities, structures or improvements of whatever kind required
51 or useful for construction, maintenance and operation of the
52 enterprise; or with an initial capital investment of not less than
53 One Hundred Fifty Million Dollars (\$150,000,000.00) from private
54 or United States government sources together with all buildings
55 and other supporting land and facilities, structures or
56 improvements of whatever kind required or useful for construction,
57 maintenance and operation of the enterprise and which creates at
58 least one thousand (1,000) net new full-time jobs; or which
59 creates at least one thousand (1,000) net new full-time jobs which
60 provides an average salary, excluding benefits which are not
61 subject to Mississippi income taxation, of at least one hundred
62 twenty-five percent (125%) of the most recently published average

63 annual wage of the state as determined by the Mississippi
64 Department of Employment Security. "Project" shall include any
65 addition to or expansion of an existing enterprise if such
66 addition or expansion has an initial capital investment of not
67 less than Three Hundred Million Dollars (\$300,000,000.00) from
68 private or United States government sources, or has an initial
69 capital investment of not less than One Hundred Fifty Million
70 Dollars (\$150,000,000.00) from private or United States government
71 sources together with all buildings and other supporting land and
72 facilities, structures or improvements of whatever kind required
73 or useful for construction, maintenance and operation of the
74 enterprise and which creates at least one thousand (1,000) net new
75 full-time jobs; or which creates at least one thousand (1,000) net
76 new full-time jobs which provides an average salary, excluding
77 benefits which are not subject to Mississippi income taxation, of
78 at least one hundred twenty-five percent (125%) of the most
79 recently published average annual wage of the state as determined
80 by the Mississippi Department of Employment Security. "Project"
81 shall also include any ancillary development or business resulting
82 from the enterprise, of which the authority is notified, within
83 three (3) years from the date that the enterprise entered into
84 commercial production, that the project area has been selected as
85 the site for the ancillary development or business.

86 (ii) 1. Any major capital project designed to
87 improve, expand or otherwise enhance any active duty or reserve
88 United States armed services bases and facilities or any major
89 Mississippi National Guard training installations, their support
90 areas or their military operations, upon designation by the
91 authority that any such base was or is at risk to be recommended
92 for closure or realignment pursuant to the Defense Base Closure
93 and Realignment Act of 1990, as amended, or other applicable
94 federal law; or any major development project determined by the
95 authority to be necessary to acquire or improve base properties

96 and to provide employment opportunities through construction of
97 projects as defined in Section 57-3-5, which shall be located on
98 or provide direct support service or access to such military
99 installation property in the event of closure or reduction of
100 military operations at the installation.

101 2. Any major study or investigation related
102 to such a facility, installation or base, upon a determination by
103 the authority that the study or investigation is critical to the
104 expansion, retention or reuse of the facility, installation or
105 base.

106 3. Any project as defined in Section 57-3-5,
107 any business or enterprise determined to be in the furtherance of
108 the public purposes of this act as determined by the authority or
109 any facility related to such project each of which shall be,
110 directly or indirectly, related to any military base or other
111 military-related facility no longer operated by the United States
112 armed services or the Mississippi National Guard.

113 (iii) Any enterprise to be maintained, improved or
114 constructed in Tishomingo County by or for a National Aeronautics
115 and Space Administration facility in such county.

116 (iv) 1. Any major capital project with an initial
117 capital investment from private sources of not less than Seven
118 Hundred Fifty Million Dollars (\$750,000,000.00) which will create
119 at least three thousand (3,000) jobs meeting criteria established
120 by the Mississippi Development Authority.

121 2. "Project" shall also include any ancillary
122 development or business resulting from an enterprise operating a
123 project as defined in item 1 of this paragraph (f)(iv), of which
124 the authority is notified, within three (3) years from the date
125 that the enterprise entered into commercial production, that the
126 state has been selected as the site for the ancillary development
127 or business.

128 (v) Any manufacturing, processing or industrial
129 project determined by the authority, in its sole discretion, to
130 contribute uniquely and significantly to the economic growth and
131 development of the state, and which meets the following criteria:

132 1. The project shall create at least two
133 thousand (2,000) net new full-time jobs meeting criteria
134 established by the authority, which criteria shall include, but
135 not be limited to, the requirement that such jobs must be held by
136 persons eligible for employment in the United States under
137 applicable state and federal law.

138 2. The project and any facility related to
139 the project shall include a total investment from private sources
140 of not less than Sixty Million Dollars (\$60,000,000.00), or from
141 any combination of sources of not less than Eighty Million Dollars
142 (\$80,000,000.00).

143 (vi) Any real property owned or controlled by the
144 National Aeronautics and Space Administration, the United States
145 government, or any agency thereof, which is legally conveyed to
146 the State of Mississippi or to the State of Mississippi for the
147 benefit of the Mississippi Major Economic Impact Authority, its
148 successors and assigns pursuant to Section 212 of Public Law
149 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

150 (vii) Any major capital project related to the
151 establishment, improvement, expansion and/or other enhancement of
152 any active duty military installation and having a minimum capital
153 investment from any source or combination of sources other than
154 the State of Mississippi of at least Forty Million Dollars
155 (\$40,000,000.00), and which will create at least four hundred
156 (400) military installation related full-time jobs, which jobs may
157 be military jobs, civilian jobs or a combination of military and
158 civilian jobs. The authority shall require that binding
159 commitments be entered into requiring that the minimum

160 requirements for the project provided for in this subparagraph
161 shall be met not later than July 1, 2008.

162 (viii) Any major capital project with an initial
163 capital investment from any source or combination of sources of
164 not less than Ten Million Dollars (\$10,000,000.00) which will
165 create at least eighty (80) full-time jobs which provide an
166 average annual salary, excluding benefits which are not subject to
167 Mississippi income taxes, of at least one hundred thirty-five
168 percent (135%) of the most recently published average annual wage
169 of the state or the most recently published average annual wage of
170 the county in which the project is located as determined by the
171 Mississippi Department of Employment Security, whichever is the
172 lesser. The authority shall require that binding commitments be
173 entered into requiring that:

174 1. The minimum requirements for the project
175 provided for in this subparagraph shall be met, and

176 2. That if such commitments are not met, all
177 or a portion of the funds provided by the state for the project as
178 determined by the authority shall be repaid.

179 (ix) Any regional retail shopping mall with an
180 initial capital investment from private sources in excess of One
181 Hundred Fifty Million Dollars (\$150,000,000.00), with a square
182 footage in excess of eight hundred thousand (800,000) square feet,
183 which will create at least seven hundred (700) full-time jobs with
184 an average hourly wage of Eleven Dollars (\$11.00) per hour. The
185 authority shall require that binding commitments be entered into
186 requiring that:

187 1. The minimum requirements for the project
188 provided for in this subparagraph shall be met, and

189 2. That if such commitments are not met, all
190 or a portion of the funds provided by the state for the project as
191 determined by the authority shall be repaid.

192 (x) Any major capital project with an initial
193 capital investment from any source or combination of sources of
194 not less than Seventy-five Million Dollars (\$75,000,000.00) which
195 will create at least one hundred twenty-five (125) full-time jobs
196 which provide an average annual salary, excluding benefits which
197 are not subject to Mississippi income taxes, of at least one
198 hundred thirty-five percent (135%) of the most recently published
199 average annual wage of the state or the most recently published
200 average annual wage of the county in which the project is located
201 as determined by the Mississippi Department of Employment
202 Security, whichever is the greater. The authority shall require
203 that binding commitments be entered into requiring that:

204 1. The minimum requirements for the project
205 provided for in this subparagraph shall be met; and

206 2. That if such commitments are not met, all
207 or a portion of the funds provided by the state for the project as
208 determined by the authority shall be repaid.

209 (xi) Any potential major capital project that the
210 authority has determined is feasible to recruit.

211 (xii) Any project built according to the
212 specifications and federal provisions set forth by the National
213 Aeronautics and Space Administration Center Operations Directorate
214 at Stennis Space Center for the purpose of consolidating common
215 services from National Aeronautics and Space Administration
216 centers in human resources, procurement, financial management and
217 information technology located on land owned or controlled by the
218 National Aeronautics and Space Administration, which will create
219 at least four hundred seventy (470) full-time jobs.

220 (xiii) Any major capital project with an initial
221 capital investment from any source or combination of sources of
222 not less than Ten Million Dollars (\$10,000,000.00) which will
223 create at least two hundred fifty (250) full-time jobs. The

224 authority shall require that binding commitments be entered into
225 requiring that:

226 1. The minimum requirements for the project
227 provided for in this subparagraph shall be met; and

228 2. That if such commitments are not met, all
229 or a portion of the funds provided by the state for the project as
230 determined by the authority shall be repaid.

231 (xiv) Any major pharmaceutical facility with a
232 capital investment of not less than Fifty Million Dollars
233 (\$50,000,000.00) made after July 1, 2002, through four (4) years
234 after the initial date of any loan or grant made by the authority
235 for such project, which will maintain at least seven hundred fifty
236 (750) full-time employees. The authority shall require that
237 binding commitments be entered into requiring that:

238 1. The minimum requirements for the project
239 provided for in this subparagraph shall be met; and

240 2. That if such commitments are not met, all
241 or a portion of the funds provided by the state for the project as
242 determined by the authority shall be repaid.

243 (xv) Any pharmaceutical manufacturing, packaging
244 and distribution facility with an initial capital investment from
245 any local or federal sources of not less than Five Hundred
246 Thousand Dollars (\$500,000.00) which will create at least ninety
247 (90) full-time jobs. The authority shall require that binding
248 commitments be entered into requiring that:

249 1. The minimum requirements for the project
250 provided for in this subparagraph shall be met; and

251 2. That if such commitments are not met, all
252 or a portion of the funds provided by the state for the project as
253 determined by the authority shall be repaid.

254 (xvi) Any major industrial wood processing
255 facility with an initial capital investment of not less than One
256 Hundred Million Dollars (\$100,000,000.00) which will create at

257 least one hundred twenty-five (125) full-time jobs which provide
258 an average annual salary, excluding benefits which are not subject
259 to Mississippi income taxes, of at least Thirty Thousand Dollars
260 (\$30,000.00). The authority shall require that binding
261 commitments be entered into requiring that:

262 1. The minimum requirements for the project
263 provided for in this subparagraph shall be met; and

264 2. That if such commitments are not met, all
265 or a portion of the funds provided by the state for the project as
266 determined by the authority shall be repaid.

267 (xvii) Any technical, engineering,
268 manufacturing-logistic service provider with an initial capital
269 investment of not less than One Million Dollars (\$1,000,000.00)
270 which will create at least ninety (90) full-time jobs. The
271 authority shall require that binding commitments be entered into
272 requiring that:

273 1. The minimum requirements for the project
274 provided for in this subparagraph shall be met; and

275 2. That if such commitments are not met, all
276 or a portion of the funds provided by the state for the project as
277 determined by the authority shall be repaid.

278 (xviii) Any major capital project with an initial
279 capital investment from any source or combination of sources other
280 than the State of Mississippi of not less than Six Hundred Million
281 Dollars (\$600,000,000.00) which will create at least four hundred
282 fifty (450) full-time jobs with an average annual salary,
283 excluding benefits which are not subject to Mississippi income
284 taxes, of at least Seventy Thousand Dollars (\$70,000.00). The
285 authority shall require that binding commitments be entered into
286 requiring that:

287 1. The minimum requirements for the project
288 provided for in this subparagraph shall be met, and

289 2. That if such commitments are not met, all
290 or a portion of the funds provided by the state for the project as
291 determined by the authority shall be repaid.

292 (xix) Any major coal and/or petroleum coke
293 gasification project with an initial capital investment from any
294 source or combination of sources other than the State of
295 Mississippi of not less than Eight Hundred Million Dollars
296 (\$800,000,000.00) which will create at least two hundred (200)
297 full-time jobs with an average annual salary, excluding benefits
298 which are not subject to Mississippi income taxes, of at least
299 Forty-five Thousand Dollars (\$45,000.00). The authority shall
300 require that binding commitments be entered into requiring that:

301 1. The minimum requirements for the project
302 provided for in this subparagraph shall be met, and

303 2. That if such commitments are not met, all
304 or a portion of the funds provided by the state for the project as
305 determined by the authority shall be repaid.

306 (g) "Project area" means the project site, together
307 with any area or territory within the state lying within
308 sixty-five (65) miles of any portion of the project site whether
309 or not such area or territory be contiguous; however, for the
310 project defined in paragraph (f)(iv) of this section the term
311 "project area" means any area or territory within the state. The
312 project area shall also include all territory within a county if
313 any portion of such county lies within sixty-five (65) miles of
314 any portion of the project site. "Project site" means the real
315 property on which the principal facilities of the enterprise will
316 operate.

317 (h) "Public agency" means:

318 (i) Any department, board, commission, institution
319 or other agency or instrumentality of the state;

320 (ii) Any city, town, county, political
321 subdivision, school district or other district created or existing

322 under the laws of the state or any public agency of any such city,
323 town, county, political subdivision or district or any other
324 public entity created or existing under local and private
325 legislation;

326 (iii) Any department, commission, agency or
327 instrumentality of the United States of America; and

328 (iv) Any other state of the United States of
329 America which may be cooperating with respect to location of the
330 project within the state, or any agency thereof.

331 (i) "State" means State of Mississippi.

332 (j) "Fee-in-lieu" means a negotiated fee to be paid by
333 the project in lieu of any franchise taxes imposed on the project
334 by Chapter 13, Title 27, Mississippi Code of 1972. The
335 fee-in-lieu shall not be less than Twenty-five Thousand Dollars
336 (\$25,000.00) annually. A fee-in-lieu may be negotiated with an
337 enterprise operating an existing project defined in Section
338 57-75-5(f)(iv)1; however, a fee-in-lieu shall not be negotiated
339 for other existing enterprises that fall within the definition of
340 the term "project."

341 **SECTION 2.** Section 57-75-15, Mississippi Code of 1972, is
342 amended as follows:

343 57-75-15. (1) Upon notification to the authority by the
344 enterprise that the state has been finally selected as the site
345 for the project, the State Bond Commission shall have the power
346 and is hereby authorized and directed, upon receipt of a
347 declaration from the authority as hereinafter provided, to borrow
348 money and issue general obligation bonds of the state in one or
349 more series for the purposes herein set out. Upon such
350 notification, the authority may thereafter from time to time
351 declare the necessity for the issuance of general obligation bonds
352 as authorized by this section and forward such declaration to the
353 State Bond Commission, provided that before such notification, the
354 authority may enter into agreements with the United States

355 government, private companies and others that will commit the
356 authority to direct the State Bond Commission to issue bonds for
357 eligible undertakings set out in subsection (4) of this section,
358 conditioned on the siting of the project in the state.

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

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

368 (b) Bonds issued under the authority of this section
369 for projects as defined in Section 57-75-5(f)(ii) shall not exceed
370 Sixty-one Million Dollars (\$61,000,000.00). The authority, with
371 the express direction of the State Bond Commission, is authorized
372 to expend any remaining proceeds of bonds issued under the
373 authority of this act prior to January 1, 1998, for the purpose of
374 financing projects as then defined in Section 57-75-5(f)(ii) or
375 for any other projects as defined in Section 57-75-5(f)(ii), as it
376 may be amended from time to time. If there are any monetary
377 proceeds derived from the disposition of any improvements located
378 on real property in Kemper County purchased pursuant to this act
379 for projects related to the NAAS and if there are any monetary
380 proceeds derived from the disposition of any timber located on
381 real property in Kemper County purchased pursuant to this act for
382 projects related to the NAAS, all of such proceeds (both from the
383 disposition of improvements and the disposition of timber)
384 commencing July 1, 1996, through June 30, 2010, shall be paid to
385 the Board of Education of Kemper County, Mississippi, for
386 expenditure by such board of education to benefit the public
387 schools of Kemper County. No bonds shall be issued under this

388 paragraph (b) until the State Bond Commission by resolution adopts
389 a finding that the issuance of such bonds will improve, expand or
390 otherwise enhance the military installation, its support areas or
391 military operations, or will provide employment opportunities to
392 replace those lost by closure or reductions in operations at the
393 military installation or will support critical studies or
394 investigations authorized by Section 57-75-5(f)(ii).

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

399 (d) Bonds issued under the authority of this section
400 for projects defined in Section 57-75-5(f)(iv) shall not exceed
401 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An
402 additional amount of bonds in an amount not to exceed Twelve
403 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be
404 issued under the authority of this section for the purpose of
405 defraying costs associated with the construction of surface water
406 transmission lines for a project defined in Section 57-75-5(f)(iv)
407 or for any facility related to the project. No bonds shall be
408 issued under this paragraph after June 30, 2005.

409 (e) Bonds issued under the authority of this section
410 for projects defined in Section 57-75-5(f)(v) and for facilities
411 related to such projects shall not exceed Thirty-eight Million
412 Five Hundred Thousand Dollars (\$38,500,000.00). No bonds shall be
413 issued under this paragraph after April 1, 2005.

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

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

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

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

426 (i) Bonds issued under the authority of this section
427 for projects defined in Section 57-75-5(f)(x) shall not exceed
428 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
429 under this paragraph after April 1, 2005.

430 (j) Bonds issued under the authority of this section
431 for projects defined in Section 57-75-5(f)(xii) shall not exceed
432 Twenty-three Million Seven Hundred Thousand Dollars
433 (\$23,700,000.00). No bonds shall be issued under this paragraph
434 until local governments in or near the county in which the project
435 is located have irrevocably committed funds to the project in an
436 amount of not less than Two Million Five Hundred Thousand Dollars
437 (\$2,500,000.00) in the aggregate. No bonds shall be issued under
438 this paragraph after June 30, 2008.

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

443 (l) Bonds issued under the authority of this section
444 for projects defined in Section 57-75-5(f)(xiv) shall not exceed
445 Twenty-four Million Dollars (\$24,000,000.00). No bonds shall be
446 issued under this paragraph until local governments in the county
447 in which the project is located have irrevocably committed funds
448 to the project in an amount of not less than Two Million Dollars
449 (\$2,000,000.00). No bonds shall be issued under this paragraph
450 after June 30, 2009.

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

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

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

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

463 (p) Bonds issued under the authority of this section
464 for projects defined in Section 57-75-5(f)(xviii) shall not exceed
465 Ninety-six Million Dollars (\$96,000,000.00). No bonds shall be
466 issued under this paragraph after June 30, 2016.

467 (q) Bonds issued under the authority of this section
468 for projects defined in Section 57-75-5(f)(xix) shall not exceed
469 Fifteen Million Dollars (\$15,000,000.00). No bonds shall be
470 issued under this paragraph after June 30, 2010.

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

473 (i) Defraying all or any designated portion of the
474 costs incurred with respect to acquisition, planning, design,
475 construction, installation, rehabilitation, improvement,
476 relocation and with respect to state-owned property, operation and
477 maintenance of the project and any facility related to the project
478 located within the project area, including costs of design and
479 engineering, all costs incurred to provide land, easements and
480 rights-of-way, relocation costs with respect to the project and
481 with respect to any facility related to the project located within
482 the project area, and costs associated with mitigation of
483 environmental impacts and environmental impact studies;

484 (ii) Defraying the cost of providing for the
485 recruitment, screening, selection, training or retraining of

486 employees, candidates for employment or replacement employees of
487 the project and any related activity;

488 (iii) Reimbursing the Mississippi Development
489 Authority for expenses it incurred in regard to projects defined
490 in Section 57-75-5(f)(iv) prior to November 6, 2000. The
491 Mississippi Development Authority shall submit an itemized list of
492 expenses it incurred in regard to such projects to the Chairmen of
493 the Finance and Appropriations Committees of the Senate and the
494 Chairmen of the Ways and Means and Appropriations Committees of
495 the House of Representatives;

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

498 (v) Paying any warranty made by the authority
499 regarding site work for a project defined in Section
500 57-75-5(f)(iv)1;

501 (vi) Defraying the cost of marketing and promotion
502 of a project as defined in Section 57-75-5(f)(iv)1. The authority
503 shall submit an itemized list of costs incurred for marketing and
504 promotion of such project to the Chairmen of the Finance and
505 Appropriations Committees of the Senate and the Chairmen of the
506 Ways and Means and Appropriations Committees of the House of
507 Representatives;

508 (vii) Providing for the payment of interest on the
509 bonds;

510 (viii) Providing debt service reserves;

511 (ix) Paying underwriters' discount, original issue
512 discount, accountants' fees, engineers' fees, attorneys' fees,
513 rating agency fees and other fees and expenses in connection with
514 the issuance of the bonds;

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

517 (xi) Providing grants to enterprises operating
518 projects defined in Section 57-75-5(f)(v), or, in connection with

519 a facility related to such a project, for any purposes deemed by
520 the authority in its sole discretion to be necessary and
521 appropriate;

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

525 (xiii) Providing grant funds or loans to an
526 enterprise owning, leasing or operating a project defined in
527 Section 57-75-5(f)(xiv);

528 (xiv) Providing grants, loans and payments to or
529 for the benefit of an enterprise owning or operating a project
530 defined in Section 57-75-5(f)(xviii); and

531 (xv) Purchasing equipment for a project defined in
532 Section 57-75-5(f)(viii) subject to such terms and conditions as
533 the authority considers necessary and appropriate.

534 Such bonds shall be issued from time to time and in such
535 principal amounts as shall be designated by the authority, not to
536 exceed in aggregate principal amounts the amount authorized in
537 subsection (3) of this section. Proceeds from the sale of the
538 bonds issued under this section may be invested, subject to
539 federal limitations, pending their use, in such securities as may
540 be specified in the resolution authorizing the issuance of the
541 bonds or the trust indenture securing them, and the earning on
542 such investment applied as provided in such resolution or trust
543 indenture.

544 (b) (i) The proceeds of bonds issued after June 21,
545 2002, under this section for projects described in Section
546 57-75-5(f)(iv) may be used to reimburse reasonable actual and
547 necessary costs incurred by the Mississippi Development Authority
548 in providing assistance related to a project for which funding is
549 provided from the use of proceeds of such bonds. The Mississippi
550 Development Authority shall maintain an accounting of actual costs
551 incurred for each project for which reimbursements are sought.

552 Reimbursements under this paragraph (b)(i) shall not exceed Three
553 Hundred Thousand Dollars (\$300,000.00) in the aggregate.

554 Reimbursements under this paragraph (b)(i) shall satisfy any
555 applicable federal tax law requirements.

556 (ii) The proceeds of bonds issued after June 21,
557 2002, under this section for projects described in Section
558 57-75-5(f)(iv) may be used to reimburse reasonable actual and
559 necessary costs incurred by the Department of Audit in providing
560 services related to a project for which funding is provided from
561 the use of proceeds of such bonds. The Department of Audit shall
562 maintain an accounting of actual costs incurred for each project
563 for which reimbursements are sought. The Department of Audit may
564 escalate its budget and expend such funds in accordance with rules
565 and regulations of the Department of Finance and Administration in
566 a manner consistent with the escalation of federal funds.

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

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

571 (c) (i) The proceeds of bonds issued under this
572 section for projects described in Section 57-75-5(f)(ix) may be
573 used to reimburse reasonable actual and necessary costs incurred
574 by the Mississippi Development Authority in providing assistance
575 related to a project for which funding is provided for the use of
576 proceeds of such bonds. The Mississippi Development Authority
577 shall maintain an accounting of actual costs incurred for each
578 project for which reimbursements are sought. Reimbursements under
579 this paragraph shall not exceed Twenty-five Thousand Dollars
580 (\$25,000.00) in the aggregate.

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

585 project for which funding is provided from the use of proceeds of
586 such bonds. The Department of Audit shall maintain an accounting
587 of actual costs incurred for each project for which reimbursements
588 are sought. The Department of Audit may escalate its budget and
589 expend such funds in accordance with rules and regulations of the
590 Department of Finance and Administration in a manner consistent
591 with the escalation of federal funds. Reimbursements under this
592 paragraph shall not exceed Twenty-five Thousand Dollars
593 (\$25,000.00) in the aggregate. Reimbursements under this
594 paragraph shall satisfy any applicable federal tax law
595 requirements.

596 (d) (i) The proceeds of bonds issued under this
597 section for projects described in Section 57-75-5(f)(x) may be
598 used to reimburse reasonable actual and necessary costs incurred
599 by the Mississippi Development Authority in providing assistance
600 related to a project for which funding is provided for the use of
601 proceeds of such bonds. The Mississippi Development Authority
602 shall maintain an accounting of actual costs incurred for each
603 project for which reimbursements are sought. Reimbursements under
604 this paragraph shall not exceed Twenty-five Thousand Dollars
605 (\$25,000.00) in the aggregate.

606 (ii) The proceeds of bonds issued under this
607 section for projects described in Section 57-75-5(f)(x) may be
608 used to reimburse reasonable actual and necessary costs incurred
609 by the Department of Audit in providing services related to a
610 project for which funding is provided from the use of proceeds of
611 such bonds. The Department of Audit shall maintain an accounting
612 of actual costs incurred for each project for which reimbursements
613 are sought. The Department of Audit may escalate its budget and
614 expend such funds in accordance with rules and regulations of the
615 Department of Finance and Administration in a manner consistent
616 with the escalation of federal funds. Reimbursements under this
617 paragraph shall not exceed Twenty-five Thousand Dollars

618 (\$25,000.00) in the aggregate. Reimbursements under this
619 paragraph shall satisfy any applicable federal tax law
620 requirements.

621 (e) (i) The proceeds of bonds issued under this
622 section for projects described in Section 57-75-5(f)(xii) may be
623 used to reimburse reasonable actual and necessary costs incurred
624 by the Mississippi Development Authority in providing assistance
625 related to a project for which funding is provided from the use of
626 proceeds of such bonds. The Mississippi Development Authority
627 shall maintain an accounting of actual costs incurred for each
628 project for which reimbursements are sought. Reimbursements under
629 this paragraph (e)(i) shall not exceed Twenty-five Thousand
630 Dollars (\$25,000.00) in the aggregate.

631 (ii) The proceeds of bonds issued under this
632 section for projects described in Section 57-75-5(f)(xii) may be
633 used to reimburse reasonable actual and necessary costs incurred
634 by the Department of Audit in providing services related to a
635 project for which funding is provided from the use of proceeds of
636 such bonds. The Department of Audit shall maintain an accounting
637 of actual costs incurred for each project for which reimbursements
638 are sought. The Department of Audit may escalate its budget and
639 expend such funds in accordance with rules and regulations of the
640 Department of Finance and Administration in a manner consistent
641 with the escalation of federal funds. Reimbursements under this
642 paragraph (e)(ii) shall not exceed Twenty-five Thousand Dollars
643 (\$25,000.00) in the aggregate. Reimbursements under this
644 paragraph (e)(ii) shall satisfy any applicable federal tax law
645 requirements.

646 (f) (i) The proceeds of bonds issued under this
647 section for projects described in Section 57-75-5(f)(xiii),
648 (f)(xiv), (f)(xv), (f)(xvi), (f)(xvii) and (f)(xviii) may be used
649 to reimburse reasonable actual and necessary costs incurred by the
650 Mississippi Development Authority in providing assistance related

651 to a project for which funding is provided from the use of
652 proceeds of such bonds. The Mississippi Development Authority
653 shall maintain an accounting of actual costs incurred for each
654 project for which reimbursements are sought. Reimbursements under
655 this paragraph (f)(i) shall not exceed Twenty-five Thousand
656 Dollars (\$25,000.00) for each project.

657 (ii) The proceeds of bonds issued under this
658 section for projects described in Section 57-75-5(f)(xiii),
659 (f)(xiv), (f)(xv), (f)(xvi), (f)(xvii) and (f)(xviii) may be used
660 to reimburse reasonable actual and necessary costs incurred by the
661 Department of Audit in providing services related to a project for
662 which funding is provided from the use of proceeds of such bonds.
663 The Department of Audit shall maintain an accounting of actual
664 costs incurred for each project for which reimbursements are
665 sought. The Department of Audit may escalate its budget and
666 expend such funds in accordance with rules and regulations of the
667 Department of Finance and Administration in a manner consistent
668 with the escalation of federal funds. Reimbursements under this
669 paragraph (f)(ii) shall not exceed Twenty-five Thousand Dollars
670 (\$25,000.00) for each project. Reimbursements under this
671 paragraph (f)(ii) shall satisfy any applicable federal tax law
672 requirements.

673 (5) The principal of and the interest on the bonds shall be
674 payable in the manner hereinafter set forth. The bonds shall bear
675 date or dates; be in such denomination or denominations; bear
676 interest at such rate or rates; be payable at such place or places
677 within or without the state; mature absolutely at such time or
678 times; be redeemable before maturity at such time or times and
679 upon such terms, with or without premium; bear such registration
680 privileges; and be substantially in such form; all as shall be
681 determined by resolution of the State Bond Commission except that
682 such bonds shall mature or otherwise be retired in annual
683 installments beginning not more than five (5) years from the date

684 thereof and extending not more than twenty-five (25) years from
685 the date thereof. The bonds shall be signed by the Chairman of
686 the State Bond Commission, or by his facsimile signature, and the
687 official seal of the State Bond Commission shall be imprinted on
688 or affixed thereto, attested by the manual or facsimile signature
689 of the Secretary of the State Bond Commission. Whenever any such
690 bonds have been signed by the officials herein designated to sign
691 the bonds, who were in office at the time of such signing but who
692 may have ceased to be such officers before the sale and delivery
693 of such bonds, or who may not have been in office on the date such
694 bonds may bear, the signatures of such officers upon such bonds
695 shall nevertheless be valid and sufficient for all purposes and
696 have the same effect as if the person so officially signing such
697 bonds had remained in office until the delivery of the same to the
698 purchaser, or had been in office on the date such bonds may bear.

699 (6) All bonds issued under the provisions of this section
700 shall be and are hereby declared to have all the qualities and
701 incidents of negotiable instruments under the provisions of the
702 Uniform Commercial Code and in exercising the powers granted by
703 this chapter, the State Bond Commission shall not be required to
704 and need not comply with the provisions of the Uniform Commercial
705 Code.

706 (7) The State Bond Commission shall sell the bonds on sealed
707 bids at public sale, and for such price as it may determine to be
708 for the best interest of the State of Mississippi, but no such
709 sale shall be made at a price less than par plus accrued interest
710 to date of delivery of the bonds to the purchaser. The bonds
711 shall bear interest at such rate or rates not exceeding the limits
712 set forth in Section 75-17-101 as shall be fixed by the State Bond
713 Commission. All interest accruing on such bonds so issued shall
714 be payable semiannually or annually; provided that the first
715 interest payment may be for any period of not more than one (1)
716 year.

717 Notice of the sale of any bonds shall be published at least
718 one time, the first of which shall be made not less than ten (10)
719 days prior to the date of sale, and shall be so published in one
720 or more newspapers having a general circulation in the City of
721 Jackson and in one or more other newspapers or financial journals
722 with a large national circulation, to be selected by the State
723 Bond Commission.

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

729 (8) State bonds issued under the provisions of this section
730 shall be the general obligations of the state and backed by the
731 full faith and credit of the state. The Legislature shall
732 appropriate annually an amount sufficient to pay the principal of
733 and the interest on such bonds as they become due. All bonds
734 shall contain recitals on their faces substantially covering the
735 foregoing provisions of this section.

736 (9) The State Treasurer is authorized to certify to the
737 Department of Finance and Administration the necessity for
738 warrants, and the Department of Finance and Administration is
739 authorized and directed to issue such warrants payable out of any
740 funds appropriated by the Legislature under this section for such
741 purpose, in such amounts as may be necessary to pay when due the
742 principal of and interest on all bonds issued under the provisions
743 of this section. The State Treasurer shall forward the necessary
744 amount to the designated place or places of payment of such bonds
745 in ample time to discharge such bonds, or the interest thereon, on
746 the due dates thereof.

747 (10) The bonds may be issued without any other proceedings
748 or the happening of any other conditions or things other than
749 those proceedings, conditions and things which are specified or

750 required by this chapter. Any resolution providing for the
751 issuance of general obligation bonds under the provisions of this
752 section shall become effective immediately upon its adoption by
753 the State Bond Commission, and any such resolution may be adopted
754 at any regular or special meeting of the State Bond Commission by
755 a majority of its members.

756 (11) In anticipation of the issuance of bonds hereunder, the
757 State Bond Commission is authorized to negotiate and enter into
758 any purchase, loan, credit or other agreement with any bank, trust
759 company or other lending institution or to issue and sell interim
760 notes for the purpose of making any payments authorized under this
761 section. All borrowings made under this provision shall be
762 evidenced by notes of the state which shall be issued from time to
763 time, for such amounts not exceeding the amount of bonds
764 authorized herein, in such form and in such denomination and
765 subject to such terms and conditions of sale and issuance,
766 prepayment or redemption and maturity, rate or rates of interest
767 not to exceed the maximum rate authorized herein for bonds, and
768 time of payment of interest as the State Bond Commission shall
769 agree to in such agreement. Such notes shall constitute general
770 obligations of the state and shall be backed by the full faith and
771 credit of the state. Such notes may also be issued for the
772 purpose of refunding previously issued notes. No note shall
773 mature more than three (3) years following the date of its
774 issuance. The State Bond Commission is authorized to provide for
775 the compensation of any purchaser of the notes by payment of a
776 fixed fee or commission and for all other costs and expenses of
777 issuance and service, including paying agent costs. Such costs
778 and expenses may be paid from the proceeds of the notes.

779 (12) The bonds and interim notes authorized under the
780 authority of this section may be validated in the First Judicial
781 District of the Chancery Court of Hinds County, Mississippi, in
782 the manner and with the force and effect provided now or hereafter

783 by Chapter 13, Title 31, Mississippi Code of 1972, for the
784 validation of county, municipal, school district and other bonds.
785 The necessary papers for such validation proceedings shall be
786 transmitted to the State Bond Attorney, and the required notice
787 shall be published in a newspaper published in the City of
788 Jackson, Mississippi.

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

795 (14) All bonds issued under this chapter shall be legal
796 investments for trustees, other fiduciaries, savings banks, trust
797 companies and insurance companies organized under the laws of the
798 State of Mississippi; and such bonds shall be legal securities
799 which may be deposited with and shall be received by all public
800 officers and bodies of the state and all municipalities and other
801 political subdivisions thereof for the purpose of securing the
802 deposit of public funds.

803 (15) The Attorney General of the State of Mississippi shall
804 represent the State Bond Commission in issuing, selling and
805 validating bonds herein provided for, and the Bond Commission is
806 hereby authorized and empowered to expend from the proceeds
807 derived from the sale of the bonds authorized hereunder all
808 necessary administrative, legal and other expenses incidental and
809 related to the issuance of bonds authorized under this chapter.

810 (16) There is hereby created a special fund in the State
811 Treasury to be known as the Mississippi Major Economic Impact
812 Authority Fund wherein shall be deposited the proceeds of the
813 bonds issued under this chapter and all monies received by the
814 authority to carry out the purposes of this chapter. Expenditures
815 authorized herein shall be paid by the State Treasurer upon

816 warrants drawn from the fund, and the Department of Finance and
817 Administration shall issue warrants upon requisitions signed by
818 the director of the authority.

819 (17) (a) There is hereby created the Mississippi Economic
820 Impact Authority Sinking Fund from which the principal of and
821 interest on such bonds shall be paid by appropriation. All monies
822 paid into the sinking fund not appropriated to pay accruing bonds
823 and interest shall be invested by the State Treasurer in such
824 securities as are provided by law for the investment of the
825 sinking funds of the state.

826 (b) In the event that all or any part of the bonds and
827 notes are purchased, they shall be cancelled and returned to the
828 loan and transfer agent as cancelled and paid bonds and notes and
829 thereafter all payments of interest thereon shall cease and the
830 cancelled bonds, notes and coupons, together with any other
831 cancelled bonds, notes and coupons, shall be destroyed as promptly
832 as possible after cancellation but not later than two (2) years
833 after cancellation. A certificate evidencing the destruction of
834 the cancelled bonds, notes and coupons shall be provided by the
835 loan and transfer agent to the seller.

836 (c) The State Treasurer shall determine and report to
837 the Department of Finance and Administration and Legislative
838 Budget Office by September 1 of each year the amount of money
839 necessary for the payment of the principal of and interest on
840 outstanding obligations for the following fiscal year and the
841 times and amounts of the payments. It shall be the duty of the
842 Governor to include in every executive budget submitted to the
843 Legislature full information relating to the issuance of bonds and
844 notes under the provisions of this chapter and the status of the
845 sinking fund for the payment of the principal of and interest on
846 the bonds and notes.

847 (d) Any monies repaid to the state from loans
848 authorized in Section 57-75-11(hh) shall be deposited into the

849 Mississippi Major Economic Impact Authority Sinking Fund unless
850 the State Bond Commission, at the request of the authority, shall
851 determine that such loan repayments are needed to provide
852 additional loans as authorized under Section 57-75-11(hh). For
853 purposes of providing additional loans, there is hereby created
854 the Mississippi Major Economic Impact Authority Revolving Loan
855 Fund and loan repayments shall be deposited into the fund. The
856 fund shall be maintained for such period as determined by the
857 State Bond Commission for the sole purpose of making additional
858 loans as authorized by Section 57-75-11(hh). Unexpended amounts
859 remaining in the fund at the end of a fiscal year shall not lapse
860 into the State General Fund and any interest earned on amounts in
861 such fund shall be deposited to the credit of the fund.

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

865 (f) Any monies repaid to the state from loans
866 authorized in Section 57-75-11(jj) shall be deposited into the
867 Mississippi Major Economic Impact Authority Sinking Fund.

868 (18) (a) Upon receipt of a declaration by the authority
869 that it has determined that the state is a potential site for a
870 project, the State Bond Commission is authorized and directed to
871 authorize the State Treasurer to borrow money from any special
872 fund in the State Treasury not otherwise appropriated to be
873 utilized by the authority for the purposes provided for in this
874 subsection.

875 (b) The proceeds of the money borrowed under this
876 subsection may be utilized by the authority for the purpose of
877 defraying all or a portion of the costs incurred by the authority
878 with respect to acquisition options and planning, design and
879 environmental impact studies with respect to a project defined in
880 Section 57-75-5(f)(xi). The authority may escalate its budget and
881 expend the proceeds of the money borrowed under this subsection in

882 accordance with rules and regulations of the Department of Finance
883 and Administration in a manner consistent with the escalation of
884 federal funds.

885 (c) The authority shall request an appropriation or
886 additional authority to issue general obligation bonds to repay
887 the borrowed funds and establish a date for the repayment of the
888 funds so borrowed.

889 (d) Borrowings made under the provisions of this
890 subsection shall not exceed Five Hundred Thousand Dollars
891 (\$500,000.00) at any one time.

892 **SECTION 3.** This act shall take effect and be in force from
893 and after July 1, 2006.