

By: Representative Warren

To: Ways and Means

HOUSE BILL NO. 562
(As Passed the House)

1 AN ACT TO REENACT SECTIONS 27-7-22.3, 57-10-401, 57-10-403,
2 57-10-405, 57-10-407, 57-10-409, 57-10-411, 57-10-413, 57-10-415,
3 57-10-417, 57-10-419, 57-10-421, 57-10-423, 57-10-425, 57-10-427,
4 57-10-429, 57-10-431, 57-10-433, 57-10-435, 57-10-437, 57-10-439,
5 57-10-441, 57-10-443, 57-10-445 AND 57-10-447, MISSISSIPPI CODE OF
6 1972, WHICH PROVIDE FOR BONDS TO FINANCE ECONOMIC DEVELOPMENT
7 PROJECTS; TO AMEND SECTION 57-10-449, MISSISSIPPI CODE OF 1972, TO
8 EXTEND THE DATE OF REPEAL FOR SUCH REENACTED SECTIONS; AND FOR
9 RELATED PURPOSES.

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

11 **SECTION 1.** Section 27-7-22.3, Mississippi Code of 1972, is
12 reenacted as follows:

13 **[In cases involving an economic development project for which**
14 **the Mississippi Business Finance Corporation has issued bonds for**
15 **the purpose of financing the approved costs of such project prior**
16 **to July 1, 1994, this section shall read as follows:]**

17 27-7-22.3. (1) For taxpayers who are required to pay a job
18 assessment fee as provided in Section 57-10-413, there shall be
19 allowed as a credit against the taxes imposed by this chapter, an
20 amount equal to the amount of the job assessment fee imposed upon
21 such taxpayer pursuant to Section 57-10-413. If the amount
22 allowable as a credit exceeds the tax imposed by this article and
23 Section 27-7-22.3, the amount of such excess shall not be
24 refundable or carried forward to any other taxable year.

25 (2) For any approved company as defined in Section
26 57-10-401, there shall be allowed against the taxes imposed by
27 this chapter on the income of the approved company generated by or
28 arising out of the economic development project (as defined in
29 Section 57-10-401), a credit in an amount not to exceed the total
30 debt service paid under a financing agreement entered into under

31 Section 57-10-409. The tax credit allowed in this subsection
32 shall not exceed the amount of taxes due the State of Mississippi.

33 **[In cases involving an economic development project for which**
34 **the Mississippi Business Finance Corporation has not issued bonds**
35 **for the purpose of financing the approved costs of such project**
36 **prior to July 1, 1994, but has issued bonds for such project prior**
37 **to July 1, 1997, or in cases involving an economic development**
38 **project which has been induced by a resolution of the Board of**
39 **Directors of the Mississippi Business Finance Corporation that has**
40 **been filed with the State Tax Commission prior to July 1, 1997,**
41 **this section shall read as follows:]**

42 27-7-22.3. (1) For taxpayers who are required to pay a job
43 assessment fee as provided in Section 57-10-413, there shall be
44 allowed as a credit against the taxes imposed by this chapter, an
45 amount equal to the amount of the job assessment fee imposed upon
46 such taxpayer pursuant to Section 57-10-413. If the amount
47 allowable as a credit exceeds the tax imposed by this article and
48 Section 27-7-22.3, the amount of such excess shall not be
49 refundable or carried forward to any other taxable year.

50 (2) For any approved company as defined in Section
51 57-10-401, there shall be allowed against the taxes imposed by
52 this chapter on the income of the approved company generated by or
53 arising out of the economic development project (as defined in
54 Section 57-10-401), a credit in an amount not to exceed the total
55 debt service paid under a financing agreement entered into under
56 Section 57-10-409. The tax credit allowed in this subsection
57 shall not exceed the amount of taxes due the State of Mississippi.
58 The amount of income of the approved company generated by or
59 arising out of the economic development project shall be
60 determined by a formula adopted by the Mississippi Business
61 Finance Corporation.

62 **[In cases involving an economic development project for which**
63 **the Mississippi Business Finance Corporation has not issued bonds**

64 for the purpose of financing the approved costs of such project
65 prior to July 1, 1997, or in cases involving an economic
66 development project which has not been induced by a resolution of
67 the Board of Directors of the Mississippi Business Finance
68 Corporation that has been filed with the State Tax Commission
69 prior to July 1, 1997, this section shall read as follows:]

70 27-7-22.3. For any approved company as defined in Section
71 57-10-401, there shall be allowed against the taxes imposed by
72 this chapter on the income of the approved company generated by or
73 arising out of the economic development project (as defined in
74 Section 57-10-401), a credit in an amount not to exceed the total
75 debt service paid under a financing agreement entered into under
76 Section 57-10-409; provided, however, that the tax credit allowed
77 in this subsection shall not exceed eighty percent (80%) of the
78 amount of taxes due the State of Mississippi prior to the
79 application of the credit. To the extent that financing agreement
80 annual payments exceed the amount of the credit authorized
81 pursuant to this section in any taxable year, such excess payment
82 may be recouped from excess credits in succeeding years not to
83 exceed three (3) years following the date upon which the credit
84 was earned. The amount of income of the approved company
85 generated by or arising out of the economic development project
86 shall be determined by a formula adopted by the Mississippi
87 Business Finance Corporation.

88 **SECTION 2.** Section 57-10-401, Mississippi Code of 1972, is
89 reenacted as follows:

90 [In cases involving an economic development project for which
91 the Mississippi Business Finance Corporation has issued bonds for
92 the purpose of financing the approved costs of such project prior
93 to July 1, 1994, this section shall read as follows:]

94 57-10-401. As used in Sections 57-10-401 through 57-10-445
95 the following terms shall have the meanings ascribed to them
96 herein unless the context clearly indicates otherwise:

97 (a) "Approved company" means any eligible company
98 seeking to locate an economic development project in a county,
99 which eligible company is approved by the corporation.

100 (b) "Approved costs" means:

101 (i) Obligations incurred for equipment and labor
102 and to contractors, subcontractors, builders and materialmen in
103 connection with the acquisition, construction and installation of
104 an economic development project;

105 (ii) The cost of acquiring land or rights in land
106 and any cost incidental thereto, including recording fees;

107 (iii) The cost of contract bonds and of insurance
108 of all kinds that may be required or necessary during the course
109 of acquisition, construction and installation of an economic
110 development project which is not paid by the contractor or
111 contractors or otherwise provided for;

112 (iv) All costs of architectural and engineering
113 services, including test borings, surveys, estimates, plans and
114 specifications, preliminary investigations, and supervision of
115 construction, as well as for the performance of all the duties
116 required by or consequent upon the acquisition, construction and
117 installation of an economic development project;

118 (v) All costs which shall be required to be paid
119 under the terms of any contract or contracts for the acquisition,
120 construction and installation of an economic development project;

121 (vi) All costs, expenses and fees incurred in
122 connection with the issuance of bonds pursuant to Sections
123 57-10-401 through 57-10-445;

124 (vii) All costs funded by a loan made under the
125 Mississippi Small Enterprise Development Finance Act; and

126 (viii) All costs of professionals permitted to be
127 engaged under the Mississippi Small Enterprise Development Finance
128 Act for a loan made under such act.

129 (c) "Assessment" means the job development assessment
130 fee authorized in Section 57-10-413.

131 (d) "Bonds" means the revenue bonds, notes or other
132 debt obligations of the corporation authorized to be issued by the
133 corporation on behalf of an eligible company or other state
134 agency.

135 (e) "Corporation" means the Mississippi Business
136 Finance Corporation created under Section 57-10-167, Mississippi
137 Code of 1972.

138 (f) "Economic development project" means and includes
139 the acquisition of any equipment or real estate in a county and
140 the construction and installation thereon, and with respect
141 thereto, of improvements and facilities necessary or desirable for
142 improvement of the real estate, including surveys, site tests and
143 inspections, subsurface site work, excavation, removal of
144 structures, roadways, cemeteries and other surface obstructions,
145 filling, grading and provision of drainage, storm water detention,
146 installation of utilities such as water, sewer, sewage treatment,
147 gas, electricity, communications and similar facilities, off-site
148 construction of utility extensions to the boundaries of the real
149 estate, and the acquisition, construction and installation of
150 manufacturing, telecommunications, data processing, distribution
151 or warehouse facilities on the real estate, for lease or financial
152 arrangement by the corporation to an approved company for use and
153 occupancy by the approved company or its affiliates for
154 manufacturing, telecommunications, data processing, distribution
155 or warehouse purposes. Such term also includes, without
156 limitation, any project the financing of which has been approved
157 under the Mississippi Small Enterprise Development Finance Act.

158 (g) "Eligible company" means any corporation,
159 partnership, sole proprietorship, business trust, or other entity
160 which is:

161 (i) Engaged in manufacturing which meets the
162 standards promulgated by the corporation under Sections 57-10-401
163 through 57-10-445;

164 (ii) A private company approved by the corporation
165 for a loan under the Mississippi Small Enterprise Development
166 Finance Act;

167 (iii) A distribution or warehouse facility
168 employing a minimum of fifty (50) people or employing a minimum of
169 twenty (20) people and having a capital investment in such
170 facility of at least Five Million Dollars (\$5,000,000.00); or

171 (iv) A telecommunications or data processing
172 business.

173 (h) "Executive director" means the Executive Director
174 of the Mississippi Business Finance Corporation.

175 (i) "Financing agreement" means any financing documents
176 and agreements, indentures, loan agreements, lease agreements,
177 security agreements and the like, entered into by and among the
178 corporation, private lenders and an approved company with respect
179 to an economic development project.

180 (j) "Manufacturing" means any activity involving the
181 manufacturing, processing, assembling or production of any
182 property, including the processing resulting in a change in the
183 conditions of the property and any activity functionally related
184 thereto, together with the storage, warehousing, distribution and
185 related office facilities in respect thereof as determined by the
186 Mississippi Business Finance Corporation; however, in no event
187 shall "manufacturing" include mining, coal or mineral processing,
188 or extraction of Mississippi minerals.

189 (k) "State agency" means any state board, commission,
190 committee, council, university, department or unit thereof created
191 by the Constitution or laws of this state.

192 (l) "Revenues" shall not be considered state funds.

193 (m) "State" means the State of Mississippi.

194 (n) "Mississippi Small Enterprise Development Finance
195 Act" means the provisions of law contained in Section 57-71-1 et
196 seq.

197 **[In cases involving an economic development project for which**
198 **the Mississippi Business Finance Corporation has not issued bonds**
199 **for the purpose of financing the approved costs of such project**
200 **prior to July 1, 1994, this section shall read as follows:]**

201 57-10-401. As used in Sections 57-10-401 through 57-10-445
202 the following terms shall have the meanings ascribed to them
203 herein unless the context clearly indicates otherwise:

204 (a) "Approved company" means any eligible company
205 seeking to locate an economic development project in a county,
206 which eligible company is approved by the corporation.

207 (b) "Approved costs" means:

208 (i) Obligations incurred for equipment and labor
209 and to contractors, subcontractors, builders and materialmen in
210 connection with the acquisition, construction and installation of
211 an economic development project;

212 (ii) The cost of acquiring land or rights in land
213 and any cost incidental thereto, including recording fees;

214 (iii) The cost of contract bonds and of insurance
215 of all kinds that may be required or necessary during the course
216 of acquisition, construction and installation of an economic
217 development project which is not paid by the contractor or
218 contractors or otherwise provided for;

219 (iv) All costs of architectural and engineering
220 services, including test borings, surveys, estimates, plans and
221 specifications, preliminary investigations, and supervision of
222 construction, as well as for the performance of all the duties
223 required by or consequent upon the acquisition, construction and
224 installation of an economic development project;

225 (v) All costs which shall be required to be paid
226 under the terms of any contract or contracts for the acquisition,
227 construction and installation of an economic development project;

228 (vi) All costs, expenses and fees incurred in
229 connection with the issuance of bonds pursuant to Sections
230 57-10-401 through 57-10-445;

231 (vii) All costs funded by a loan made under the
232 Mississippi Small Enterprise Development Finance Act; and

233 (viii) All costs of professionals permitted to be
234 engaged under the Mississippi Small Enterprise Development Finance
235 Act for a loan made under such act.

236 (c) "Assessment" means the job development assessment
237 fee authorized in Section 57-10-413.

238 (d) "Bonds" means the revenue bonds, notes or other
239 debt obligations of the corporation authorized to be issued by the
240 corporation on behalf of an eligible company or other state
241 agency.

242 (e) "Corporation" means the Mississippi Business
243 Finance Corporation created under Section 57-10-167, Mississippi
244 Code of 1972.

245 (f) "Economic development project" means and includes
246 the acquisition of any equipment or real estate in a county and
247 the construction and installation thereon, and with respect
248 thereto, of improvements and facilities necessary or desirable for
249 improvement of the real estate, including surveys, site tests and
250 inspections, subsurface site work, excavation, removal of
251 structures, roadways, cemeteries and other surface obstructions,
252 filling, grading and provision of drainage, storm water detention,
253 installation of utilities such as water, sewer, sewage treatment,
254 gas, electricity, communications and similar facilities, off-site
255 construction of utility extensions to the boundaries of the real
256 estate, and the acquisition, construction and installation of
257 manufacturing, telecommunications, data processing, distribution

258 or warehouse facilities on the real estate, for lease or financial
259 arrangement by the corporation to an approved company for use and
260 occupancy by the approved company or its affiliates for
261 manufacturing, telecommunications, data processing, distribution
262 or warehouse purposes. Such term also includes, without
263 limitation, any project the financing of which has been approved
264 under the Mississippi Small Enterprise Development Finance Act.

265 If an eligible company closes a facility in this state and
266 becomes an approved company under the provisions of Sections
267 57-10-401 through 57-10-449, only that portion of the project for
268 which such company is attempting to obtain financing that is in
269 excess of the value of the closed facility shall be included
270 within the definition of the term "economic development project."
271 The Mississippi Business Finance Corporation shall promulgate
272 rules and regulations to govern the determination of the
273 difference between the value of the closed facility and the new
274 facility.

275 (g) "Eligible company" means any corporation,
276 partnership, sole proprietorship, business trust, or other entity
277 which:

278 (i) Engaged in manufacturing which meets the
279 standards promulgated by the corporation under Sections 57-10-401
280 through 57-10-445;

281 (ii) A private company approved by the corporation
282 for a loan under the Mississippi Small Enterprise Development
283 Finance Act;

284 (iii) A distribution or warehouse facility
285 employing a minimum of fifty (50) people or employing a minimum of
286 twenty (20) people and having a capital investment in such
287 facility of at least Five Million Dollars (\$5,000,000.00);

288 (iv) A telecommunications or data/information
289 processing business meeting criteria established by the
290 Mississippi Business Finance Corporation;

291 (v) National or regional headquarters meeting
292 criteria established by the Mississippi Business Finance
293 Corporation;

294 (vi) Research and development facilities meeting
295 criteria established by the Mississippi Business Finance
296 Corporation; or

297 (vii) Technology intensive enterprises or
298 facilities meeting criteria established by the Mississippi
299 Business Finance Corporation.

300 (h) "Executive director" means the Executive Director
301 of the Mississippi Business Finance Corporation.

302 (i) "Financing agreement" means any financing documents
303 and agreements, indentures, loan agreements, lease agreements,
304 security agreements and the like, entered into by and among the
305 corporation, private lenders and an approved company with respect
306 to an economic development project.

307 (j) "Manufacturing" means any activity involving the
308 manufacturing, processing, assembling or production of any
309 property, including the processing resulting in a change in the
310 conditions of the property and any activity functionally related
311 thereto, together with the storage, warehousing, distribution and
312 related office facilities in respect thereof as determined by the
313 Mississippi Business Finance Corporation; however, in no event
314 shall "manufacturing" include mining, coal or mineral processing,
315 or extraction of Mississippi minerals.

316 (k) "State agency" means any state board, commission,
317 committee, council, university, department or unit thereof created
318 by the Constitution or laws of this state.

319 (l) "Revenues" shall not be considered state funds.

320 (m) "State" means the State of Mississippi.

321 (n) "Mississippi Small Enterprise Development Finance
322 Act" means the provisions of law contained in Section 57-71-1 et
323 seq.

324 **SECTION 3.** Section 57-10-403, Mississippi Code of 1972, is
325 reenacted as follows:

326 57-10-403. (1) The Legislature finds and declares that the
327 general welfare and material well-being of citizens of the state
328 depend in large measure upon the development and growth of
329 industry in the state.

330 (2) The Legislature finds and declares further that it is in
331 the best interest of the state to induce the location or expansion
332 of manufacturing facilities within this state in order to advance
333 the public purposes of relieving unemployment by creating new jobs
334 within this state that, but for the inducements to be offered by
335 the corporation to approved companies as herein provided, would
336 not exist, and of creating new sources of tax revenues for the
337 support of the public services provided by this state and country.

338 (3) The Legislature finds and declares further that the
339 authority granted by this article and the purposes to be
340 accomplished hereby are proper governmental and public purposes
341 for which public monies may be expended, and that the inducement
342 of the location or expansion of manufacturing facilities within
343 the state is of paramount importance, mandating that the
344 provisions of this article be liberally construed and applied in
345 order to advance the public purposes.

346 **SECTION 4.** Section 57-10-405, Mississippi Code of 1972, is
347 reenacted as follows:

348 57-10-405. In addition to its other powers and duties, the
349 corporation shall have all the powers necessary or convenient to
350 carry out and effectuate the purposes and provisions of Sections
351 57-10-401 through 57-10-445, including, but without limiting the
352 generality of the foregoing, the power:

353 (a) To provide and finance economic development
354 projects under the provisions of Sections 57-10-401 through
355 57-10-445, and cooperate with counties, municipalities and

356 eligible companies in order to promote, foster and support
357 economic development within the counties and municipalities;

358 (b) To conduct hearings and inquiries, in the manner
359 and by the methods as it deems desirable, including, without
360 limitation, appointment of special committees, for the purpose of
361 gathering information with respect to counties, municipalities,
362 eligible companies and economic development projects, for the
363 purpose of making any determinations necessary or desirable in the
364 furtherance of Sections 57-10-401 through 57-10-445;

365 (c) To negotiate the terms of, and enter into financing
366 agreements with, approved companies, and in connection therewith
367 to acquire, convey, sell, own, lease, mortgage, finance, foreclose
368 or otherwise dispose of any property, real or personal, in
369 connection with an economic development project, and to pay, or
370 cause to be paid, in accordance with the provisions of a financing
371 agreement, the approved costs of an economic development project
372 from any funds available therefor, including, without limitation,
373 funds available as the result of the issuance of bonds under the
374 Mississippi Small Enterprise Development Finance Act;

375 (d) To delegate to the executive director the rights
376 and powers of the corporation required for the proper and
377 desirable execution of the purposes of this article;

378 (e) To consent, if it deems it necessary or desirable
379 in the fulfillment of its purposes, to the modification of the
380 terms of any financing agreements of any kind to which the
381 corporation is a party;

382 (f) To include in any borrowing the amounts deemed
383 necessary by the corporation to pay financing charges, consultant,
384 advisory and legal fees, fees for bond insurance, letters of
385 credit or other forms of credit enhancement, investment advisory
386 fees, trustees' fees and other expenses necessary or incident to
387 the borrowing;

388 (g) To make and publish administrative regulations
389 respecting its programs and other administrative regulations
390 necessary or appropriate to effectuate the purposes of Sections
391 57-10-401 through 57-10-445, and necessary to administer the
392 procedures and program as provided for in Sections 57-10-401
393 through 57-10-445;

394 (h) To make, execute and effectuate any and all
395 agreements or other documents with any governmental agency or any
396 person, corporation, association, partnership, or other
397 organization or entity, necessary or appropriate to accomplish the
398 purposes of Sections 57-10-401 through 57-10-445, including any
399 financing agreements with state agencies or any political
400 subdivisions of the state under which funds may be pledged by or
401 to the corporation for the payment of its bonds;

402 (i) To accept gifts, devises, bequests, grants, loans,
403 appropriations, revenue sharing, other financing and assistance
404 and any other aid from any source and to agree to, and to comply
405 with, conditions attached thereto;

406 (j) To sue and be sued in its own name, plead and be
407 impleaded; and

408 (k) To invest any funds held by the corporation or its
409 agents or trustees, under Sections 57-10-401 through 57-10-445,
410 including, but not limited to, the proceeds of bonds issued under
411 Sections 57-10-401 through 57-10-445, reserve or other funds, or
412 any monies not required for immediate disbursement, and the
413 investment income on any of the foregoing, in obligations
414 authorized by Sections 57-10-401 through 57-10-445.

415 **SECTION 5.** Section 57-10-407, Mississippi Code of 1972, is
416 reenacted as follows:

417 57-10-407. The corporation may accept and expend: (a)
418 monies which may be appropriated from time to time by the
419 Legislature; (b) monies which may be available under the
420 Mississippi Small Enterprise Development Finance Act; or (c)

421 monies which may be received from any source, including income
422 from the corporation's operations, under Sections 57-10-401
423 through 57-10-445, for effectuating the purposes of Sections
424 57-10-401 through 57-10-445, including, without limitation, the
425 payment of the expenses of administration and operation incurred
426 pursuant to Sections 57-10-401 through 57-10-445 and the
427 establishment and, if deemed desirable, maintenance of a reserve
428 or contingency fund for the administration of Sections 57-10-401
429 through 57-10-445.

430 **SECTION 6.** Section 57-10-409, Mississippi Code of 1972, is
431 reenacted as follows:

432 **[In cases involving an economic development project for which**
433 **the Mississippi Business Finance Corporation has issued bonds for**
434 **the purpose of financing the approved costs of such project prior**
435 **to July 1, 1994, this section shall read as follows:]**

436 57-10-409. The corporation may enter into, with any approved
437 company, a financing agreement with respect to its economic
438 development project. The terms and provisions of each financing
439 agreement shall be determined by negotiations between the
440 corporation and the approved company, except that each financing
441 agreement shall include the following provisions:

442 (a) If the corporation issues any bonds in connection
443 with an economic development project, the term of the financing
444 agreement shall not be less than the last maturity of the bonds
445 issued with respect to the economic development project, except
446 that the financing agreement may terminate upon the earlier
447 redemption of all of the bonds issued with respect to the economic
448 development project and may grant to the approved company an
449 option to purchase the economic development project from the
450 corporation upon the termination of the financing agreement for
451 such consideration and under such terms and conditions the
452 corporation may approve. Nothing in this paragraph shall limit

453 the extension of the term of a financing agreement if there is a
454 refunding of the correlative bonds or otherwise.

455 (b) If the corporation issues any bonds in connection
456 with an economic development project, the financing agreement
457 shall specify that the annual obligations of the approved company
458 under Sections 57-10-401 through 57-10-445 shall equal in each
459 year at least the annual debt service for that year on the bonds
460 issued with respect to the economic development project; and the
461 approved company shall pay such obligation of the financing
462 agreement to the trustee for bonds issued for the benefit of the
463 approved company, at such time and in such amounts sufficient to
464 amortize such bonds.

465 (c) If the corporation loans funds to an approved
466 company that is a private company under the Mississippi Small
467 Enterprise Development Finance Act, the financing agreement shall
468 include the terms and conditions of the loan required by Section
469 57-71-1 et seq.

470 (d) (i) In consideration for financing agreement
471 payment, the approved company may be permitted the following
472 during the period of time in which the financing agreement is in
473 effect, not to exceed twenty-five (25) years:

474 1. A tax credit on the amount provided for in
475 Section 27-7-22.3(2), Mississippi Code of 1972; plus

476 2. The aggregate assessment withheld by the
477 approved company in each year.

478 (ii) The income tax credited to the approved
479 company referred to herein shall be credited in the fiscal year of
480 the financing agreement in which the tax return of the approved
481 company is filed. The approved company shall not be required to
482 pay estimated tax payments under Section 27-7-319, Mississippi
483 Code of 1972.

484 (e) (i) The financing agreement shall provide that the
485 assessments, when added to the credit for the state corporate

486 income tax herein granted, shall not exceed the total financing
487 agreement annual payment by the approved company in any year;
488 however, to the extent that financing agreement annual payments
489 exceed credits received and assessments collected in any year, the
490 excess payment may be recouped from excess credits or assessment
491 collections in succeeding years.

492 (ii) If during any fiscal year of the financing
493 agreement the total of the income tax credit granted to the
494 approved company plus the assessment collected from the wages of
495 the employees equals the annual payment pursuant to the financing
496 agreement, and if all excess payments pursuant to the financing
497 agreement accumulated in prior years have been recouped, the
498 assessment collected from the wages of the employees shall cease
499 for the remainder of the fiscal year of the financing agreement.

500 (f) The financing agreement shall provide that:

501 (i) It may be assigned by the approved company
502 only upon the prior written consent of the corporation following
503 the adoption of a resolution by the corporation to such effect;
504 and

505 (ii) Upon the default by the approved company in
506 the obligation to render its annual payment, the corporation shall
507 have the right, at its option, to declare the financing agreement
508 in default and to accelerate the total of all annual payments that
509 are to be made or to terminate the financing agreement and cause
510 to be sold the economic development project at public or private
511 sale, or to pursue any other remedies available under the Uniform
512 Commercial Code, as from time to time amended, or otherwise
513 available in law or equity.

514 **[In cases involving an economic development project for which**
515 **the Mississippi Business Finance Corporation has not issued bonds**
516 **for the purpose of financing the approved costs of such project**
517 **prior to July 1, 1994, but has issued bonds for such project prior**
518 **to July 1, 1997, or in cases involving an economic development**

519 project which has been induced by a resolution of the Board of
520 Directors of the Mississippi Business Finance Corporation that has
521 been filed with the State Tax Commission prior to July 1, 1997,
522 this section shall read as follows:]

523 57-10-409. The corporation may enter into, with any approved
524 company, a financing agreement with respect to its economic
525 development project. The terms and provisions of each financing
526 agreement shall be determined by negotiations between the
527 corporation and the approved company, except that each financing
528 agreement shall include the following provisions:

529 (a) If the corporation issues any bonds in connection
530 with an economic development project, the term of the financing
531 agreement shall not be less than the last maturity of the bonds
532 issued with respect to the economic development project, except
533 that the financing agreement may terminate upon the earlier
534 redemption of all of the bonds issued with respect to the economic
535 development project and may grant to the approved company an
536 option to purchase the economic development project from the
537 corporation upon the termination of the financing agreement for
538 such consideration and under such terms and conditions the
539 corporation may approve. Nothing in this paragraph shall limit
540 the extension of the term of a financing agreement if there is a
541 refunding of the correlative bonds or otherwise.

542 (b) If the corporation issues any bonds in connection
543 with an economic development project, the financing agreement
544 shall specify that the annual obligations of the approved company
545 under Sections 57-10-401 through 57-10-445 shall equal in each
546 year at least the annual debt service for that year on the bonds
547 issued with respect to the economic development project; and the
548 approved company shall pay such obligation of the financing
549 agreement to the trustee for bonds issued for the benefit of the
550 approved company, at such time and in such amounts sufficient to
551 amortize such bonds.

552 (c) If the corporation loans funds to an approved
553 company that is a private company under the Mississippi Small
554 Enterprise Development Finance Act, the financing agreement shall
555 include the terms and conditions of the loan required by Section
556 57-71-1 et seq.

557 (d) (i) In consideration for financing agreement
558 payment, the approved company may be permitted the following
559 during the period of time in which the financing agreement is in
560 effect, not to exceed twenty-five (25) years:

561 1. A tax credit on the amount provided for in
562 Section 27-7-22.3(2), Mississippi Code of 1972; plus

563 2. The aggregate assessment withheld by the
564 approved company in each year.

565 (ii) The income tax credited to the approved
566 company referred to herein shall be credited in the fiscal year of
567 the financing agreement in which the tax return of the approved
568 company is filed. The approved company shall not be required to
569 pay estimated tax payments under Section 27-7-319, Mississippi
570 Code of 1972.

571 (e) (i) The financing agreement shall provide that the
572 assessments, when added to the credit for the state corporate
573 income tax herein granted, shall not exceed the total financing
574 agreement annual payment by the approved company in any year;
575 however, to the extent that financing agreement annual payments
576 exceed credits received and assessments collected in any year, the
577 excess payment may be recouped from excess credits or assessment
578 collections in succeeding years not to exceed three (3) years
579 following the termination of the period of time during which the
580 financing agreement is in effect.

581 (ii) If during any fiscal year of the financing
582 agreement the total of the income tax credit granted to the
583 approved company plus the assessment collected from the wages of
584 the employees equals the annual payment pursuant to the financing

585 agreement, and if all excess payments pursuant to the financing
586 agreement accumulated in prior years have been recouped, the
587 assessment collected from the wages of the employees shall cease
588 for the remainder of the fiscal year of the financing agreement.

589 (f) The financing agreement shall provide that:

590 (i) It may be assigned by the approved company
591 only upon the prior written consent of the corporation following
592 the adoption of a resolution by the corporation to such effect;
593 and

594 (ii) Upon the default by the approved company in
595 the obligation to render its annual payment, the corporation shall
596 have the right, at its option, to declare the financing agreement
597 in default and to accelerate the total of all annual payments that
598 are to be made or to terminate the financing agreement and cause
599 to be sold the economic development project at public or private
600 sale, or to pursue any other remedies available under the Uniform
601 Commercial Code, as from time to time amended, or otherwise
602 available in law or equity.

603 **[In cases involving an economic development project for which**
604 **the Mississippi Business Finance Corporation has not issued bonds**
605 **for the purpose of financing the approved costs of such project**
606 **prior to July 1, 1997, or in cases involving an economic**
607 **development project which has not been induced by a resolution of**
608 **the Board of Directors of the Mississippi Business Finance**
609 **Corporation that has been filed with the State Tax Commission**
610 **prior to July 1, 1997, this section shall read as follows:]**

611 57-10-409. The corporation may enter into, with any approved
612 company, a financing agreement with respect to its economic
613 development project. The terms and provisions of each financing
614 agreement shall be determined by negotiations between the
615 corporation and the approved company, except that each financing
616 agreement shall include the following provisions:

617 (a) If the corporation issues any bonds in connection
618 with an economic development project, the term of the financing
619 agreement shall not be less than the last maturity of the bonds
620 issued with respect to the economic development project, except
621 that the financing agreement may terminate upon the earlier
622 redemption of all of the bonds issued with respect to the economic
623 development project and may grant to the approved company an
624 option to purchase the economic development project from the
625 corporation upon the termination of the financing agreement for
626 such consideration and under such terms and conditions the
627 corporation may approve. Nothing in this paragraph shall limit
628 the extension of the term of a financing agreement if there is a
629 refunding of the correlative bonds or otherwise.

630 (b) If the corporation issues any bonds in connection
631 with an economic development project, the financing agreement
632 shall specify that the annual obligations of the approved company
633 under Sections 57-10-401 through 57-10-445 shall equal in each
634 year at least the annual debt service for that year on the bonds
635 issued with respect to the economic development project; and the
636 approved company shall pay such obligation of the financing
637 agreement to the trustee for bonds issued for the benefit of the
638 approved company, at such time and in such amounts sufficient to
639 amortize such bonds.

640 (c) If the corporation loans funds to an approved
641 company that is a private company under the Mississippi Small
642 Enterprise Development Finance Act, the financing agreement shall
643 include the terms and conditions of the loan required by Section
644 57-71-1 et seq.

645 (d) (i) In consideration for financing agreement
646 payment, the approved company may be permitted a tax credit on the
647 amount provided for in Section 27-7-22.3(2), Mississippi Code of
648 1972, during the period of time in which the financing agreement
649 is in effect, not to exceed twenty-five (25) years.

650 (ii) The income tax credited to the approved
651 company referred to herein shall be credited in the fiscal year of
652 the financing agreement in which the tax return of the approved
653 company is filed. The approved company shall not be required to
654 pay estimated tax payments under Section 27-7-319, Mississippi
655 Code of 1972.

656 (e) The financing agreement shall provide that:

657 (i) It may be assigned by the approved company
658 only upon the prior written consent of the corporation following
659 the adoption of a resolution by the corporation to such effect;
660 and

661 (ii) Upon the default by the approved company in
662 the obligation to render its annual payment, the corporation shall
663 have the right, at its option, to declare the financing agreement
664 in default and to accelerate the total of all annual payments that
665 are to be made or to terminate the financing agreement and cause
666 to be sold the economic development project at public or private
667 sale, or to pursue any other remedies available under the Uniform
668 Commercial Code, as from time to time amended, or otherwise
669 available in law or equity.

670 **SECTION 7.** Section 57-10-411, Mississippi Code of 1972, is
671 reenacted as follows:

672 57-10-411. Ninety (90) days after the filing of the tax
673 return of the approved company, the State Tax Commission shall
674 certify to the corporation the state income tax liability for the
675 preceding year of each approved company with respect to an
676 economic development project financed under Sections 57-10-401
677 through 57-10-445, and the amounts of any tax credits taken under
678 Sections 57-10-401 through 57-10-445.

679 **SECTION 8.** Section 57-10-413, Mississippi Code of 1972, is
680 reenacted as follows:

681 **[In cases involving an economic development project for which**
682 **the Mississippi Business Finance Corporation has issued bonds for**

683 **the purpose of financing the approved costs of such project prior**
684 **to July 1, 1994, this section shall read as follows:]**

685 57-10-413. (1) The approved company may require that each
686 employee whose gross wages are equivalent to Five Dollars (\$5.00)
687 or more per hour, as a condition of employment, agrees to pay a
688 job development assessment fee not to exceed a certain percentage
689 of the gross wages of each such employee whose job was created as
690 a result of the economic development project, for the purpose of
691 retiring the bonds which fund the economic development project or
692 other indebtedness. The job development assessment fee shall not
693 exceed the following percentages of the gross wages of the
694 employee:

695 (a) Two percent (2%), if the gross wages of the
696 employee are equivalent to Five Dollars (\$5.00) or more per hour
697 but less than Seven Dollars (\$7.00) per hour;

698 (b) Four percent (4%), if the gross wages of the
699 employee are equivalent to Seven Dollars (\$7.00) or more per hour
700 but less than Nine Dollars (\$9.00) per hour; and

701 (c) Six percent (6%), if the gross wages of the
702 employee are equivalent to Nine Dollars (\$9.00) or more per hour.

703 (2) Each employee so assessed shall be entitled to credits
704 against Mississippi income taxes as provided in Section 27-7-22.3.

705 (3) If an approved company shall elect to impose the
706 assessment as a condition of employment, it shall deduct the
707 assessment from each paycheck of each employee.

708 (4) Any approved company collecting an assessment as
709 provided in subsection (1) of this section shall make its payroll
710 books and records available to the corporation at such reasonable
711 times as the corporation shall request and shall file with the
712 corporation documentation respecting the assessment as the
713 corporation may require.

714 (5) Any assessment of the wages of employees of an approved
715 company in connection with their employment at an economic

716 development project under subsection (1) of this section shall
717 lapse on the date the bonds are retired.

718 **[In cases involving an economic development project for which**
719 **the Mississippi Business Finance Corporation has not issued bonds**
720 **for the purpose of financing the approved costs of such project**
721 **prior to July 1, 1994, but has issued bonds for such project prior**
722 **to July 1, 1997, or in cases involving an economic development**
723 **project which has been induced by a resolution of the Board of**
724 **Directors of the Mississippi Business Finance Corporation that has**
725 **been filed with the State Tax Commission prior to July 1, 1997,**
726 **this section shall read as follows:]**

727 57-10-413. (1) Except as otherwise provided for in
728 subsection (6) of this section, the approved company may require
729 that each employee whose gross wages are equivalent to Five
730 Dollars (\$5.00) or more per hour, as a condition of employment,
731 agrees to pay a job development assessment fee not to exceed a
732 certain percentage of the gross wages of each such employee whose
733 job was created as a result of the economic development project,
734 for the purpose of retiring the bonds which fund the economic
735 development project or other indebtedness. The job development
736 assessment fee shall not exceed the following percentages of the
737 gross wages of the employee:

738 (a) Two percent (2%), if the gross wages of the
739 employee are equivalent to Five Dollars (\$5.00) or more per hour
740 but less than Seven Dollars (\$7.00) per hour;

741 (b) Four percent (4%), if the gross wages of the
742 employee are equivalent to Seven Dollars (\$7.00) or more per hour
743 but less than Nine Dollars (\$9.00) per hour; and

744 (c) Six percent (6%), if the gross wages of the
745 employee are equivalent to Nine Dollars (\$9.00) or more per hour.

746 (2) Each employee so assessed shall be entitled to credits
747 against Mississippi income taxes as provided in Section 27-7-22.3.

748 (3) If an approved company shall elect to impose the
749 assessment as a condition of employment, it shall deduct the
750 assessment from each paycheck of each employee.

751 (4) Any approved company collecting an assessment as
752 provided in subsection (1) of this section shall make its payroll
753 books and records available to the corporation at such reasonable
754 times as the corporation shall request and shall file with the
755 corporation documentation respecting the assessment as the
756 corporation may require.

757 (5) Any assessment of the wages of employees of an approved
758 company in connection with their employment at an economic
759 development project under subsection (1) of this section shall
760 lapse on the date the bonds are retired.

761 (6) If an eligible company closes a facility in this state
762 and becomes an approved company under the provisions of Sections
763 57-10-401 through 57-10-449, only those jobs created in excess of
764 those that existed at the closed facility at the time of the
765 closure shall be eligible for the imposition of the job
766 development assessment fee. The Mississippi Business Finance
767 Corporation shall promulgate rules and regulations to govern the
768 determination of the number of jobs upon which the job development
769 assessment fee may be imposed.

770 **SECTION 9.** Section 57-10-415, Mississippi Code of 1972, is
771 reenacted as follows:

772 57-10-415. Every issue of bonds under Sections 57-10-401
773 through 57-10-445 shall be payable solely out of any revenues of
774 the corporation as provided in Sections 57-10-401 through
775 57-10-445. The bonds additionally may be secured by a pledge of
776 any grant, contribution or guarantee from the federal government
777 or any person or a pledge by the corporation of any revenues from
778 any source.

779 **SECTION 10.** Section 57-10-417, Mississippi Code of 1972, is
780 reenacted as follows:

781 57-10-417. The bonds issued by the corporation under
782 Sections 57-10-401 through 57-10-445 shall be limited obligations
783 of the corporation and shall not constitute a debt, liability or
784 general obligation of the state or any political subdivision
785 thereof (other than the corporation), or a pledge of the faith and
786 credit of the state or any political subdivision thereof (other
787 than the corporation), but shall be payable solely as provided by
788 the corporation under Sections 57-10-401 through 57-10-445. No
789 member or officer of the board of directors of the corporation nor
790 any person executing the bonds shall be liable personally on the
791 bonds by reason of the issuance thereof. Each bond issued under
792 Sections 57-10-401 through 57-10-445 shall contain on the face
793 thereof a statement that neither the state, nor any other
794 political subdivision thereof, shall be obligated to pay the same
795 or the interest thereon or other costs incident thereto except
796 from the revenue or money pledged by the corporation and that
797 neither the faith and credit nor the taxing power of the state or
798 any political subdivision thereof is pledged to the payment of the
799 principal of, or the interest on, such bond.

800 **SECTION 11.** Section 57-10-419, Mississippi Code of 1972, is
801 reenacted as follows:

802 57-10-419. (1) The corporation may issue in its own name,
803 from time to time, for the purpose of financing the approved costs
804 of an economic development project, its bonds and may pledge for
805 the payment thereof funds derived in respect of any financing
806 agreement or other arrangement entered into by the corporation and
807 an approved company under Sections 57-10-401 through 57-10-445.

808 (2) In anticipation of the issuance of bonds, the
809 corporation may provide for the issuance, at one time or from time
810 to time, of bond anticipation notes. The principal of and the
811 interest on the notes shall be payable solely from the funds
812 herein provided for the payment. Any notes may be made payable
813 from the proceeds of bonds or renewal notes; or, if bond or

814 renewal note proceeds are not available, the notes may be paid
815 from any available revenues or assets of the corporation.

816 (3) The bonds issued under Sections 57-10-401 through
817 57-10-445 shall be authorized by a resolution of the corporation,
818 shall bear such date or dates, and shall mature at such time or
819 times as such resolution may provide, except that no bond shall
820 mature more than twenty-five (25) years from the date of issue.
821 Bonds which are not subject to taxation shall bear interest at
822 such rate or rates, be in such denominations, be in such form,
823 carry such registration privileges, be executed in such manner, be
824 payable in such medium of payment, at such place or places, and be
825 subject to such terms of redemption, including redemption before
826 maturity, as such resolution may provide. Except as expressly
827 provided otherwise in Sections 57-10-401 through 57-10-445, the
828 provisions of other laws of the state relating to the issuance of
829 revenue bonds shall not apply to bonds issued by the corporation.
830 As to bonds issued hereunder and designated as taxable bonds by
831 the corporation, any immunity to taxation by the United States
832 government of interest on such bonds or notes is hereby waived.
833 Bonds of the corporation may be sold by the corporation at public
834 or private sale, from time to time, and at such price or prices as
835 the corporation shall determine.

836 (4) The proceeds of any bonds shall be used solely for the
837 purposes for which issued and shall be disbursed in the manner and
838 under the restrictions, if any, that the corporation may provide
839 in the resolution authorizing the issuance of the bonds or in a
840 trust indenture securing the same.

841 (5) The principal and interest on the bonds issued by the
842 corporation shall be payable solely and only from proceeds derived
843 under a financing agreement and shall be secured solely by the
844 economic development project, the proceeds of the financing
845 agreement, and such other assets as may be available, but not
846 including revenues of the state.

847 (6) Before the preparation of definitive certificates
848 evidencing the bonds, the corporation may issue, under like
849 restrictions, interim receipts or temporary certificates, with or
850 without coupons, exchangeable for definitive certificates when the
851 certificates have been executed and are available for delivery.
852 The corporation may also provide for the replacement of any
853 certificates which become mutilated or are destroyed or lost.

854 **SECTION 12.** Section 57-10-421, Mississippi Code of 1972, is
855 reenacted as follows:

856 57-10-421. In addition to the requirements provided for in
857 Section 57-10-419, any resolution authorizing the issuance of
858 bonds under Sections 57-10-401 through 57-10-445 may contain
859 provisions as to:

860 (a) The setting aside of reserves or sinking funds and
861 the regulations and disposition thereof;

862 (b) Limitations on the issuance of additional bonds,
863 the terms upon which additional bonds may be issued and secured,
864 and the refunding of outstanding or other bonds;

865 (c) The procedure, if any, by which the terms of any of
866 the proceedings under which the bonds are being issued may be
867 amended or abrogated, the number or percentage of bondholders who
868 or which must consent thereto, and the manner in which the consent
869 may be given;

870 (d) The vesting in a trustee or trustees of such
871 property, rights, powers and duties in trust as the company may
872 determine, and limiting or abrogating the right of bondholders to
873 appoint a trustee or limiting the rights, powers and duties of the
874 trustee;

875 (e) Defining the act or omissions to act which shall
876 constitute a default and the obligations or duties of the
877 corporation to the holders of the bonds, and providing for the
878 rights and remedies of the holders of the bonds in the event of
879 default, which rights and remedies may include the general laws of

880 the state and other provisions of Sections 57-10-401 through
881 57-10-445; or

882 (f) Any other matter, of like or different character,
883 which in any way affects the security or protection of the holders
884 of the bonds.

885 **SECTION 13.** Section 57-10-423, Mississippi Code of 1972, is
886 reenacted as follows:

887 57-10-423. Any pledge made by the corporation shall be valid
888 and binding from the time when the pledge was made. The revenues
889 or properties so pledged and thereafter received by the
890 corporation shall immediately be subject to the lien of such
891 pledge without any physical delivery thereof or further act, and
892 the lien of any such pledge shall be valid and binding as against
893 all parties having claims of any kind in tort, contract or
894 otherwise against the corporation, irrespective of whether the
895 parties have notice thereof. Neither the resolution nor any other
896 instrument by which a pledge is created need be recorded.

897 **SECTION 14.** Section 57-10-425, Mississippi Code of 1972, is
898 reenacted as follows:

899 57-10-425. The corporation, subject to the provisions in
900 proceedings relating to outstanding bonds as may then exist, may
901 purchase bonds out of any funds available therefor, which shall
902 thereupon be canceled, at any reasonable price which, if the bonds
903 are then redeemable, shall not exceed the redemption price (and
904 premium, if any) then applicable plus accrued interest to the
905 redemption date thereof.

906 **SECTION 15.** Section 57-10-427, Mississippi Code of 1972, is
907 reenacted as follows:

908 57-10-427. The bonds may be secured by an indenture by and
909 between the corporation and a corporate trustee which may be any
910 bank or other corporation having the power of a trust company or
911 any trust company within or without this state. Such indenture
912 may contain such provisions for protecting and enforcing the

913 rights and remedies of the bondholders as may be reasonable and
914 proper and not in violation of law, including covenants setting
915 forth the duties of the corporation in relation to the exercise of
916 its powers and the custody, safekeeping and application of all
917 money. The corporation may provide by the indenture for the
918 payment of the proceeds of the bonds and revenues to the trustee
919 under the indenture or other depository, and for the method of
920 disbursement thereof, with such safeguards and restrictions as the
921 corporation may determine. If the bonds shall be secured by an
922 indenture, the bondholders shall have no authority to appoint a
923 separate trustee to represent them.

924 **SECTION 16.** Section 57-10-429, Mississippi Code of 1972, is
925 reenacted as follows:

926 57-10-429. In the event that any of the members or officers
927 of the board of directors of the corporation shall cease to be
928 members or officers of the board prior to the delivery of any
929 bonds signed by them, their signatures or facsimiles thereof shall
930 nevertheless be valid and sufficient for all purposes, the same as
931 if such members or officers had remained in office until such
932 delivery.

933 **SECTION 17.** Section 57-10-431, Mississippi Code of 1972, is
934 reenacted as follows:

935 57-10-431. The corporation may create and establish such
936 funds and accounts as may be necessary or desirable for its
937 purposes under Sections 57-10-401 through 57-10-445.

938 **SECTION 18.** Section 57-10-433, Mississippi Code of 1972, is
939 reenacted as follows:

940 57-10-433. The corporation shall have the power to contract
941 with the holders of any of its bonds issued under Sections
942 57-10-401 through 57-10-445 as to the custody, collection,
943 securing, investment and payment of any money of the corporation,
944 and of any money held in trust or otherwise for the payment of
945 bonds, and to carry out such contract. Money held in trust or

946 otherwise for the payment of bonds or in any way to secure bonds
947 and deposits of money may be secured in the same manner as money
948 of the corporation, and all banks and trust companies are
949 authorized to give security for the deposits.

950 **SECTION 19.** Section 57-10-435, Mississippi Code of 1972, is
951 reenacted as follows:

952 57-10-435. Amendments to Sections 57-10-401 through
953 57-10-445, enacted after July 1, 1993, shall not limit the rights
954 vested in the corporation with respect to any agreements made
955 with, or remedies available to, the holders of bonds issued under
956 this article or Section 27-7-22.3 prior to the enactment of the
957 amendments until the bonds, together with all interest thereon,
958 and all costs and expenses in connection with any proceeding by or
959 on behalf of the holders, are fully met and discharged.

960 **SECTION 20.** Section 57-10-437, Mississippi Code of 1972, is
961 reenacted as follows:

962 57-10-437. All expenses incurred by the corporation in
963 carrying out the provisions of Sections 57-10-401 through
964 57-10-445 shall be payable solely from funds provided under
965 Sections 57-10-401 through 57-10-445, or other funds of the
966 corporation. Nothing in Sections 57-10-401 through 57-10-445
967 shall be construed to authorize the corporation to incur
968 indebtedness or liability on behalf of or payable by the state or
969 any other political subdivision thereof.

970 **SECTION 21.** Section 57-10-439, Mississippi Code of 1972, is
971 reenacted as follows:

972 57-10-439. (1) The corporation is hereby declared to be
973 performing a public function and to be a public body corporate and
974 a political subdivision of the state. Accordingly, the income,
975 including any profit made on the sale thereof from all bonds
976 issued by the corporation, shall at all times be exempt from all
977 taxation by the state or any political subdivision thereof. If,
978 after all indebtedness and other obligations of the corporation

979 are discharged, the corporation is dissolved, its remaining assets
980 shall inure to the benefit of the state.

981 (2) With the approval of the appropriate local taxing
982 authority, all mortgages or deeds of trust executed as security
983 therefor, all lease or purchase agreements made pursuant to the
984 provisions hereof, and all purchases required to establish the
985 industrial enterprise and financed by proceeds from bonds issued
986 under Sections 57-10-401 through 57-10-445, shall likewise be
987 exempt from all taxation in the State of Mississippi except the
988 contractors' tax imposed by Section 27-65-21, and except ad
989 valorem taxes levied for school district purposes. All projects
990 and the revenue derived therefrom from any lease thereof shall be
991 exempt from all taxation in the State of Mississippi, except the
992 tax levied by Section 27-65-21, except the tax levied under
993 Chapter 7, Title 27, Mississippi Code of 1972, and except ad
994 valorem taxes levied for school district purposes.

995 **SECTION 22.** Section 57-10-441, Mississippi Code of 1972, is
996 reenacted as follows:

997 57-10-441. The bonds issued by and under the authority of
998 Sections 57-10-401 through 57-10-445 by the corporation are
999 declared to be legal investments in which all public officers or
1000 public bodies of the state, its political subdivisions, all
1001 municipalities and municipal subdivisions, all insurance companies
1002 and associations, and other persons carrying on insurance
1003 business, all banks, bankers, banking associations, trust
1004 companies, savings associations, including savings and loan
1005 associations, building and loan associations, investment
1006 companies, and other persons carrying on a banking business, all
1007 administrators, guardians, executors, trustees and other
1008 fiduciaries, and all other persons who are now or may later be
1009 authorized to invest in bonds or in other obligations of the
1010 state, may invest funds, including capital, in their control or
1011 belonging to them. Such bonds are also hereby made securities

1012 which may be deposited with and received by all public officers
1013 and bodies of the state or any agency or political subdivision of
1014 the state and all municipalities and public corporations for any
1015 purpose for which the deposit of bonds or other obligations of the
1016 state is now or may be later authorized by law.

1017 **SECTION 23.** Section 57-10-443, Mississippi Code of 1972, is
1018 reenacted as follows:

1019 57-10-443. The corporation, within one hundred twenty (120)
1020 days of the close of each fiscal year, shall submit an annual
1021 report of its activities in regard to Sections 57-10-401 through
1022 57-10-445 for the preceding year to the Governor. The Clerk of
1023 the House of Representatives and the Secretary of the Senate each
1024 shall receive a copy of the report by making a request for it to
1025 the corporation. Each report shall set forth a complete operating
1026 and financial statement in regard to Sections 57-10-401 through
1027 57-10-445 for the corporation during the fiscal year it covers.

1028 **SECTION 24.** Section 57-10-445, Mississippi Code of 1972, is
1029 reenacted as follows:

1030 57-10-445. Nothing contained in Sections 57-10-401 through
1031 57-10-445 is to be construed as a restriction or limitation upon
1032 any powers which the corporation might otherwise have under any
1033 other law of the state. Insofar as the provisions of Sections
1034 57-10-401 through 57-10-445 are inconsistent with the provisions
1035 of any other law, the provisions of Sections 57-10-401 through
1036 57-10-445 shall be controlling, and the powers conferred by
1037 Sections 57-10-401 through 57-10-445 shall be regarded as
1038 supplemental and additional to powers conferred by any other laws.
1039 No proceedings, notice or approval shall be required for the
1040 issuance of any bonds or any instrument or the security therefor,
1041 except as provided in Sections 57-10-401 through 57-10-445.

1042 The provisions of Sections 57-10-401 through 57-10-445 shall
1043 be liberally construed to accomplish the purposes of Sections
1044 57-10-401 through 57-10-445.

1045 The powers granted and the duties imposed in Sections
1046 57-10-401 through 57-10-445 shall be construed to be independent
1047 and severable. If any one or more sections, subsections,
1048 sentences or parts of any of Sections 57-10-401 through 57-10-445
1049 shall be adjudged unconstitutional or invalid, such adjudication
1050 shall not affect, impair or invalidate the remaining provisions
1051 thereof, but shall be confined in its operation to the specific
1052 provisions so held unconstitutional or invalid.

1053 **SECTION 25.** Section 57-10-447, Mississippi Code of 1972, is
1054 reenacted as follows:

1055 57-10-447. No elected or appointed official shall derive any
1056 pecuniary benefit, directly or indirectly, as a result of such
1057 elected or appointed official's duties under Sections 57-10-401
1058 through 57-10-445. Any member of the Legislature, any elected or
1059 appointed official, any member of the immediate family of a member
1060 of the Legislature, or any partner or associate of such a member
1061 of the Legislature or elected or appointed official, shall not
1062 derive any income from the issuance of any bonds under Sections
1063 57-10-401 through 57-10-445, contrary to the provisions of Section
1064 109, Mississippi Constitution of 1890, or Article 3, Chapter 4,
1065 Title 25, Mississippi Code of 1972. The provisions of this
1066 section shall not apply to any person performing clerical or
1067 administrative functions, which are other than legal services
1068 provided by an attorney, that are associated with the issuance of
1069 any bonds under Sections 57-10-401 through 57-10-445, such as the
1070 printing of bonds or other materials. Any person convicted of a
1071 violation of this section shall be punished by imprisonment for
1072 not less than one (1) year and not more than five (5) years and a
1073 fine of not less than Two Thousand Five Hundred Dollars
1074 (\$2,500.00) and not more than Ten Thousand Dollars (\$10,000.00).

1075 **SECTION 26.** Section 57-10-449, Mississippi Code of 1972, is
1076 amended as follows:

1077 57-10-449. Sections 57-10-401 through 57-10-445 and
1078 27-7-22.3 shall be repealed from and after October 1, 2011.

1079 **SECTION 27.** This act shall take effect and be in force from
1080 and after July 1, 2007.