

By: Senator(s) Fillingane

To: Finance

## SENATE BILL NO. 2975

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS FOR THE PURPOSE OF MAKING CAPITAL IMPROVEMENTS FOR STATE  
3 INSTITUTIONS OF HIGHER LEARNING; TO AUTHORIZE THE ISSUANCE OF  
4 STATE GENERAL OBLIGATION BONDS FOR THE PURPOSE OF MAKING CAPITAL  
5 IMPROVEMENTS FOR COMMUNITY AND JUNIOR COLLEGES; TO AUTHORIZE THE  
6 ISSUANCE OF STATE GENERAL OBLIGATION BONDS IN THE AMOUNT OF  
7 \$1,000,000.00 FOR THE ACE FUND; TO AMEND SECTION 57-61-25,  
8 MISSISSIPPI CODE OF 1972, TO INCREASE BY \$1,000,000.00 THE AMOUNT  
9 OF GENERAL OBLIGATION BONDS THAT MAY BE ISSUED UNDER THE  
10 MISSISSIPPI BUSINESS INVESTMENT ACT; TO AMEND SECTION 57-61-36,  
11 MISSISSIPPI CODE OF 1972, TO INCREASE BY \$1,000,000.00 THE AMOUNT  
12 OF BOND PROCEEDS THAT THE MISSISSIPPI DEVELOPMENT AUTHORITY MAY  
13 UTILIZE UNDER THE MISSISSIPPI BUSINESS INVESTMENT ACT TO MAKE  
14 GRANTS OR LOANS TO COUNTIES AND MUNICIPALITIES THROUGH AN  
15 EQUIPMENT AND PUBLIC FACILITIES GRANT AND LOAN FUND TO AID IN  
16 INFRASTRUCTURE-RELATED IMPROVEMENTS, THE PURCHASE OF EQUIPMENT AND  
17 IN THE PURCHASE, CONSTRUCTION OR REPAIR AND RENOVATION OF PUBLIC  
18 FACILITIES; TO AMEND SECTIONS 65-4-25, 65-4-29, 65-4-31 AND  
19 65-4-33, MISSISSIPPI CODE OF 1972, TO INCREASE BY \$1,000,000.00  
20 THE AMOUNT OF GENERAL OBLIGATION BONDS THAT MAY BE ISSUED UNDER  
21 THE ECONOMIC DEVELOPMENT HIGHWAY ACT; TO DELETE THE REVERTER ON  
22 THE PROVISIONS THAT AUTHORIZE THE STATE BOND COMMISSION TO  
23 NEGOTIATE THE SALE OF BONDS ISSUED UNDER THE ECONOMIC DEVELOPMENT  
24 HIGHWAY ACT AND THAT REQUIRE NOTICE OF THE SALE OF SUCH BONDS ONLY  
25 WHEN THE BONDS ARE TO BE SOLD ON SEALED BIDS AT PUBLIC SALE; TO  
26 AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION BONDS IN THE  
27 AMOUNT OF \$1,000,000.00 TO PROVIDE MATCHING FUNDS FOR FEDERAL  
28 FUNDS FOR THE WATER POLLUTION CONTROL REVOLVING FUND; TO AMEND  
29 SECTION 49-17-85, MISSISSIPPI CODE OF 1972, TO AUTHORIZE INTEREST  
30 AND INVESTMENT EARNINGS ON MONEY IN THE WATER POLLUTION CONTROL  
31 REVOLVING FUND TO BE UTILIZED TO PAY DEBT SERVICE ON THE BONDS  
32 AUTHORIZED TO BE ISSUED BY THIS ACT; TO AMEND SECTIONS 6 THROUGH  
33 20, CHAPTER 521, LAWS OF 1995, AS LAST AMENDED BY SECTION 13,  
34 CHAPTER 480, LAWS OF 2011, TO INCREASE FROM \$29,843,000.00 TO



35 \$30,843,000.00 THE AMOUNT OF STATE GENERAL OBLIGATION BONDS  
36 AUTHORIZED TO BE ISSUED FOR THE LOCAL GOVERNMENT AND RURAL WATER  
37 SYSTEMS REVOLVING LOAN FUND; TO AMEND SECTION 27-25-505,  
38 MISSISSIPPI CODE OF 1972, TO REVISE THE MANNER IN WHICH OIL  
39 SEVERANCE TAXES ARE DISTRIBUTED TO THE STATE AND THE COUNTY IN  
40 WHICH THE OIL WAS PRODUCED; TO BRING FORWARD SECTION 27-65-241,  
41 MISSISSIPPI CODE OF 1972; AND FOR RELATED PURPOSES.

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

43 **SECTION 1.** (1) As used in this section, the following words  
44 shall have the meanings ascribed herein unless the context clearly  
45 requires otherwise:

46 (a) "Accreted value" of any bond means, as of any date  
47 of computation, an amount equal to the sum of (i) the stated  
48 initial value of such bond, plus (ii) the interest accrued thereon  
49 from the issue date to the date of computation at the rate,  
50 compounded semiannually, that is necessary to produce the  
51 approximate yield to maturity shown for bonds of the same  
52 maturity.

53 (b) "State" means the State of Mississippi.

54 (c) "Commission" means the State Bond Commission.

55 (2) (a) (i) A special fund, to be designated as the "2014  
56 IHL Capital Improvements Fund," is created within the State  
57 Treasury. The fund shall be maintained by the State Treasurer as  
58 a separate and special fund, separate and apart from the General  
59 Fund of the state. Unexpended amounts remaining in the fund at  
60 the end of a fiscal year shall not lapse into the State General  
61 Fund, and any interest earned or investment earnings on amounts in  
62 the fund shall be deposited into such fund.



63 (ii) Monies deposited into the fund shall be  
 64 disbursed, in the discretion of the Department of Finance and  
 65 Administration, with the approval of the Board of Trustees of  
 66 State Institutions of Higher Learning on those projects related to  
 67 the universities under its management and control to pay the costs  
 68 of capital improvements, renovation and/or repair of existing  
 69 facilities, furnishings and/or equipping facilities for public  
 70 facilities as hereinafter described:

		<b>AMOUNT</b>
<b>NAME</b>	<b>PROJECT</b>	<b>ALLOCATED</b>
73	Alcorn State University.....	\$ 9,000,000.00
74	Phase I of construction,	
75	furnishing and equipping of	
76	a new Academic Technology	
77	Building and related	
78	facilities.....	\$ 9,000,000.00
79	Delta State University.....	\$ 14,500,000.00
80	Phase I of repair, renovation	
81	furnishing, equipping and	
82	expansion of and additions	
83	to campus buildings	
84	and facilities.....	\$ 14,500,000.00
85	Jackson State University.....	\$ 3,000,000.00
86	Phase I of repair, renovation	
87	furnishing, equipping and	



88 expansion of and additions  
 89 to campus buildings  
 90 and facilities.....\$ 3,000,000.00  
 91 Mississippi University for Women.....\$ 4,900,000.00  
 92 Phase III of repair, renovation  
 93 furnishing, equipping and  
 94 expansion of and additions  
 95 to Fant Memorial Library.....\$ 4,900,000.00  
 96 Mississippi State University.....\$ 7,000,000.00  
 97 Repair, renovation, furnishing,  
 98 equipping and expansion of  
 99 and additions to  
 100 Mitchell Memorial Library.....\$ 7,000,000.00  
 101 Mississippi Valley State University.....\$ 4,500,000.00  
 102 Repair, renovation,  
 103 furnishing and equipping  
 104 of College Hall I.....\$ 4,500,000.00  
 105 University of Mississippi.....\$ 14,000,000.00  
 106 Repair, renovation  
 107 furnishing and equipping  
 108 of Garland, Hedleston  
 109 and Mayes Halls.....\$ 14,000,000.00  
 110 University of Mississippi Medical Center.....\$ 1,000,000.00  
 111 Phase II of construction, furnishing  
 112 and equipping of a new School of



113           Medicine classroom building.....\$ 1,000,000.00  
 114 University of Southern Mississippi.....\$ 5,000,000.00  
 115           Phase I of repair, renovation  
 116           furnishing, equipping and  
 117           expansion of and additions  
 118           to campus buildings  
 119           and facilities.....\$ 5,000,000.00  
 120 **TOTAL..... \$62,900,000.00**

121           (b) (i) Amounts deposited into such special fund shall  
 122 be disbursed to pay the costs of projects described in paragraph  
 123 (a) of this subsection. If any monies in such special fund are  
 124 not used within four (4) years after the date the proceeds of the  
 125 bonds authorized under this section are deposited into the special  
 126 fund, then the institution of higher learning for which any unused  
 127 monies are allocated under paragraph (a) of this subsection shall  
 128 provide an accounting of such unused monies to the commission.  
 129 Promptly after the commission has certified, by resolution duly  
 130 adopted, that the projects described in paragraph (a) of this  
 131 subsection shall have been completed, abandoned, or cannot be  
 132 completed in a timely fashion, any amounts remaining in such  
 133 special fund shall be applied to pay debt service on the bonds  
 134 issued under this section, in accordance with the proceedings  
 135 authorizing the issuance of such bonds and as directed by the  
 136 commission.



137                   (ii) Monies in the special fund may be used to  
138 reimburse reasonable actual and necessary costs incurred by the  
139 Department of Finance and Administration, acting through the  
140 Bureau of Building, Grounds and Real Property Management, in  
141 administering or providing assistance directly related to a  
142 project described in paragraph (a) of this subsection. An  
143 accounting of actual costs incurred for which reimbursement is  
144 sought shall be maintained for each project by the Department of  
145 Finance and Administration, Bureau of Building, Grounds and Real  
146 Property Management. Reimbursement of reasonable actual and  
147 necessary costs for a project shall not exceed two percent (2%) of  
148 the proceeds of bonds issued for such project. Monies authorized  
149 for a particular project may not be used to reimburse  
150 administrative costs for unrelated projects.

151                   (c) The Department of Finance and Administration,  
152 acting through the Bureau of Building, Grounds and Real Property  
153 Management, is expressly authorized and empowered to receive and  
154 expend any local or other source funds in connection with the  
155 expenditure of funds provided for in this subsection. The  
156 expenditure of monies deposited into the special fund shall be  
157 under the direction of the Department of Finance and  
158 Administration, and such funds shall be paid by the State  
159 Treasurer upon warrants issued by such department, which warrants  
160 shall be issued upon requisitions signed by the Executive Director  
161 of the Department of Finance and Administration, or his designee.



162 (d) Any amounts allocated to an institution of higher  
163 learning that are in excess of that needed to complete the  
164 projects at such institution of higher learning that are described  
165 in paragraph (a) of this subsection may be used for general  
166 repairs and renovations at the institution of higher learning.

167 (3) (a) The commission, at one time, or from time to time,  
168 may declare by resolution the necessity for issuance of general  
169 obligation bonds of the State of Mississippi to provide funds for  
170 all costs incurred or to be incurred for the purposes described in  
171 subsection (2) of this section. Upon the adoption of a resolution  
172 by the Department of Finance and Administration declaring the  
173 necessity for the issuance of any part or all of the general  
174 obligation bonds authorized by this section, the Department of  
175 Finance and Administration shall deliver a certified copy of its  
176 resolution or resolutions to the commission. Upon receipt of such  
177 resolution, the commission, in its discretion, may act as issuing  
178 agent, prescribe the form of the bonds, determine the appropriate  
179 method for sale of the bonds, advertise for and accept bids or  
180 negotiate the sale of the bonds, issue and sell the bonds so  
181 authorized to be sold, and do any and all other things necessary  
182 and advisable in connection with the issuance and sale of such  
183 bonds. The total amount of bonds issued under this section shall  
184 not exceed Sixty-two Million Nine Hundred Thousand Dollars  
185 (\$62,900,000.00). No bonds shall be issued under this section  
186 after July 1, 2018.



187           (b) Any investment earnings on amounts deposited into  
188 the special fund created in subsection (2) of this section shall  
189 be used to pay debt service on bonds issued under this section, in  
190 accordance with the proceedings authorizing issuance of such  
191 bonds.

192           (4) The principal of and interest on the bonds authorized  
193 under this section shall be payable in the manner provided in this  
194 subsection. Such bonds shall bear such date or dates, be in such  
195 denomination or denominations, bear interest at such rate or rates  
196 (not to exceed the limits set forth in Section 75-17-101,  
197 Mississippi Code of 1972), be payable at such place or places  
198 within or without the State of Mississippi, shall mature  
199 absolutely at such time or times not to exceed twenty-five (25)  
200 years from date of issue, be redeemable before maturity at such  
201 time or times and upon such terms, with or without premium, shall  
202 bear such registration privileges, and shall be substantially in  
203 such form, all as shall be determined by resolution of the  
204 commission.

205           (5) The bonds authorized by this section shall be signed by  
206 the chairman of the commission, or by his facsimile signature, and  
207 the official seal of the commission shall be affixed thereto,  
208 attested by the secretary of the commission. The interest  
209 coupons, if any, to be attached to such bonds may be executed by  
210 the facsimile signatures of such officers. Whenever any such  
211 bonds shall have been signed by the officials designated to sign





212 the bonds who were in office at the time of such signing but who  
213 may have ceased to be such officers before the sale and delivery  
214 of such bonds, or who may not have been in office on the date such  
215 bonds may bear, the signatures of such officers upon such bonds  
216 and coupons shall nevertheless be valid and sufficient for all  
217 purposes and have the same effect as if the person so officially  
218 signing such bonds had remained in office until their delivery to  
219 the purchaser, or had been in office on the date such bonds may  
220 bear. However, notwithstanding anything herein to the contrary,  
221 such bonds may be issued as provided in the Registered Bond Act of  
222 the State of Mississippi.

223 (6) All bonds and interest coupons issued under the  
224 provisions of this section have all the qualities and incidents of  
225 negotiable instruments under the provisions of the Uniform  
226 Commercial Code, and in exercising the powers granted by this  
227 section, the commission shall not be required to and need not  
228 comply with the provisions of the Uniform Commercial Code.

229 (7) The commission shall act as issuing agent for the bonds  
230 authorized under this section, prescribe the form of the bonds,  
231 determine the appropriate method for sale of the bonds, advertise  
232 for and accept bids or negotiate the sale of the bonds, issue and  
233 sell the bonds, pay all fees and costs incurred in such issuance  
234 and sale, and do any and all other things necessary and advisable  
235 in connection with the issuance and sale of such bonds. The  
236 commission is authorized and empowered to pay the costs that are



237 incident to the sale, issuance and delivery of the bonds  
238 authorized under this section from the proceeds derived from the  
239 sale of such bonds. The commission may sell such bonds on sealed  
240 bids at public sale or may negotiate the sale of the bonds for  
241 such price as it may determine to be for the best interest of the  
242 State of Mississippi. All interest accruing on such bonds so  
243 issued shall be payable semiannually or annually.

244 If such bonds are sold by sealed bids at public sale, notice  
245 of the sale shall be published at least one time, not less than  
246 ten (10) days before the date of sale, and shall be so published  
247 in one or more newspapers published or having a general  
248 circulation in the City of Jackson, Mississippi, selected by the  
249 commission.

250 The commission, when issuing any bonds under the authority of  
251 this section, may provide that bonds, at the option of the State  
252 of Mississippi, may be called in for payment and redemption at the  
253 call price named therein and accrued interest on such date or  
254 dates named therein.

255 (8) The bonds issued under the provisions of this section  
256 are general obligations of the State of Mississippi, and for the  
257 payment thereof the full faith and credit of the State of  
258 Mississippi is irrevocably pledged. If the funds appropriated by  
259 the Legislature are insufficient to pay the principal of and the  
260 interest on such bonds as they become due, then the deficiency  
261 shall be paid by the State Treasurer from any funds in the State



262 Treasury not otherwise appropriated. All such bonds shall contain  
263 recitals on their faces substantially covering the provisions of  
264 this subsection.

265 (9) Upon the issuance and sale of bonds under the provisions  
266 of this section, the commission shall transfer the proceeds of any  
267 such sale or sales to the special funds created in subsection (2)  
268 of this section. The proceeds of such bonds shall be disbursed  
269 solely upon the order of the Department of Finance and  
270 Administration under such restrictions, if any, as may be  
271 contained in the resolution providing for the issuance of the  
272 bonds.

273 (10) The bonds authorized under this section may be issued  
274 without any other proceedings or the happening of any other  
275 conditions or things other than those proceedings, conditions and  
276 things which are specified or required by this section. Any  
277 resolution providing for the issuance of bonds under the  
278 provisions of this section shall become effective immediately upon  
279 its adoption by the commission, and any such resolution may be  
280 adopted at any regular or special meeting of the commission by a  
281 majority of its members.

282 (11) The bonds authorized under the authority of this  
283 section may be validated in the Chancery Court of the First  
284 Judicial District of Hinds County, Mississippi, in the manner and  
285 with the force and effect provided by Chapter 13, Title 31,  
286 Mississippi Code of 1972, for the validation of county, municipal,



287 school district and other bonds. The notice to taxpayers required  
288 by such statutes shall be published in a newspaper published or  
289 having a general circulation in the City of Jackson, Mississippi.

290 (12) Any holder of bonds issued under the provisions of this  
291 section or of any of the interest coupons pertaining thereto may,  
292 either at law or in equity, by suit, action, mandamus or other  
293 proceeding, protect and enforce any and all rights granted under  
294 this section, or under such resolution, and may enforce and compel  
295 performance of all duties required by this section to be  
296 performed, in order to provide for the payment of bonds and  
297 interest thereon.

298 (13) All bonds issued under the provisions of this section  
299 shall be legal investments for trustees and other fiduciaries, and  
300 for savings banks, trust companies and insurance companies  
301 organized under the laws of the State of Mississippi, and such  
302 bonds shall be legal securities which may be deposited with and  
303 shall be received by all public officers and bodies of this state  
304 and all municipalities and political subdivisions for the purpose  
305 of securing the deposit of public funds.

306 (14) Bonds issued under the provisions of this section and  
307 income therefrom shall be exempt from all taxation in the State of  
308 Mississippi.

309 (15) The proceeds of the bonds issued under this section  
310 shall be used solely for the purposes herein provided, including  
311 the costs incident to the issuance and sale of such bonds.



312 (16) The State Treasurer is authorized, without further  
313 process of law, to certify to the Department of Finance and  
314 Administration the necessity for warrants, and the Department of  
315 Finance and Administration is authorized and directed to issue  
316 such warrants, in such amounts as may be necessary to pay when due  
317 the principal of, premium, if any, and interest on, or the  
318 accreted value of, all bonds issued under this section; and the  
319 State Treasurer shall forward the necessary amount to the  
320 designated place or places of payment of such bonds in ample time  
321 to discharge such bonds, or the interest thereon, on the due dates  
322 thereof.

323 (17) This section shall be deemed to be full and complete  
324 authority for the exercise of the powers herein granted, but this  
325 section shall not be deemed to repeal or to be in derogation of  
326 any existing law of this state.

327 **SECTION 2.** (1) As used in this section, the following words  
328 shall have the meanings ascribed herein unless the context clearly  
329 requires otherwise:

330 (a) "Accreted value" of any bond means, as of any date  
331 of computation, an amount equal to the sum of (i) the stated  
332 initial value of such bond, plus (ii) the interest accrued thereon  
333 from the issue date to the date of computation at the rate,  
334 compounded semiannually, that is necessary to produce the  
335 approximate yield to maturity shown for bonds of the same  
336 maturity.



337 (b) "State" means the State of Mississippi.

338 (c) "Commission" means the State Bond Commission.

339 (2) (a) (i) A special fund, to be designated as the "2014  
340 Community and Junior Colleges Capital Improvements Fund," is  
341 created within the State Treasury. The fund shall be maintained  
342 by the State Treasurer as a separate and special fund, separate  
343 and apart from the General Fund of the state. Unexpended amounts  
344 remaining in the fund at the end of a fiscal year shall not lapse  
345 into the State General Fund, and any interest earned or investment  
346 earnings on amounts in the fund shall be deposited to the credit  
347 of the fund. Monies in the fund may not be used or expended for  
348 any purpose except as authorized under this act.

349 (ii) Monies deposited into the fund shall be  
350 disbursed, in the discretion of the Department of Finance and  
351 Administration, to pay the costs of acquisition of real property,  
352 construction of new facilities, equipping and furnishing  
353 facilities, including furniture and technology equipment and  
354 infrastructure, and addition to or renovation of existing  
355 facilities for community and junior college campuses as  
356 recommended by the Mississippi Community College Board. The  
357 amount to be expended at each community and junior college is as  
358 follows:

359	Coahoma.....	\$	1,043,714.00
360	Copiah-Lincoln.....		1,214,720.00
361	East Central.....		1,114,510.00



362	East Mississippi.....	1,408,877.00
363	Hinds.....	2,412,552.00
364	Holmes.....	1,650,815.00
365	Itawamba.....	1,647,540.00
366	Jones.....	1,405,461.00
367	Meridian.....	1,250,410.00
368	Mississippi Delta.....	1,193,836.00
369	Mississippi Gulf Coast.....	2,140,247.00
370	Northeast Mississippi.....	1,233,530.00
371	Northwest Mississippi.....	1,863,353.00
372	Pearl River.....	1,391,551.00
373	Southwest Mississippi.....	1,028,884.00
374	<b>GRAND TOTAL.....</b>	<b>\$ 22,000,000.00</b>

375 (b) Amounts deposited into such special fund shall be  
376 disbursed to pay the costs of projects described in paragraph (a)  
377 of this subsection. If any monies in such special fund are not  
378 used within four (4) years after the date the proceeds of the  
379 bonds authorized under this section are deposited into the special  
380 fund, then the community college or junior college for which any  
381 such monies are allocated under paragraph (a) of this subsection  
382 shall provide an accounting of such unused monies to the  
383 commission. Promptly after the commission has certified, by  
384 resolution duly adopted, that the projects described in paragraph  
385 (a) of this section shall have been completed, abandoned, or  
386 cannot be completed in a timely fashion, any amounts remaining in



387 such special fund shall be applied to pay debt service on the  
388 bonds issued under this section, in accordance with the  
389 proceedings authorizing the issuance of such bonds and as directed  
390 by the commission.

391 (c) The Department of Finance and Administration,  
392 acting through the Bureau of Building, Grounds and Real Property  
393 Management, is expressly authorized and empowered to receive and  
394 expend any local or other source funds in connection with the  
395 expenditure of funds provided for in this section. The  
396 expenditure of monies deposited into the special fund shall be  
397 under the direction of the Department of Finance and  
398 Administration, and such funds shall be paid by the State  
399 Treasurer upon warrants issued by such department, which warrants  
400 shall be issued upon requisitions signed by the Executive Director  
401 of the Department of Finance and Administration, or his designee.

402 (3) (a) The commission, at one time, or from time to time,  
403 may declare by resolution the necessity for issuance of general  
404 obligation bonds of the State of Mississippi to provide funds for  
405 all costs incurred or to be incurred for the purposes described in  
406 subsection (2) of this section. Upon the adoption of a resolution  
407 by the Department of Finance and Administration declaring the  
408 necessity for the issuance of any part or all of the general  
409 obligation bonds authorized by this section, the Department of  
410 Finance and Administration shall deliver a certified copy of its  
411 resolution or resolutions to the commission. Upon receipt of such





412 resolution, the commission, in its discretion, may act as issuing  
413 agent, prescribe the form of the bonds, determine the appropriate  
414 method for sale of the bonds, advertise for and accept bids or  
415 negotiate the sale of the bonds, issue and sell the bonds so  
416 authorized to be sold, and do any and all other things necessary  
417 and advisable in connection with the issuance and sale of such  
418 bonds. The total amount of bonds issued under this section shall  
419 not exceed Twenty-two Million Dollars (\$22,000,000.00). No bonds  
420 shall be issued under this section after July 1, 2018.

421 (b) Any investment earnings on amounts deposited into  
422 the special funds created in subsection (2) of this section shall  
423 be used to pay debt service on bonds issued under this section, in  
424 accordance with the proceedings authorizing issuance of such  
425 bonds.

426 (4) The principal of and interest on the bonds authorized  
427 under this section shall be payable in the manner provided in this  
428 subsection. Such bonds shall bear such date or dates, be in such  
429 denomination or denominations, bear interest at such rate or rates  
430 (not to exceed the limits set forth in Section 75-17-101,  
431 Mississippi Code of 1972), be payable at such place or places  
432 within or without the State of Mississippi, shall mature  
433 absolutely at such time or times not to exceed twenty-five (25)  
434 years from date of issue, be redeemable before maturity at such  
435 time or times and upon such terms, with or without premium, shall  
436 bear such registration privileges, and shall be substantially in



437 such form, all as shall be determined by resolution of the  
438 commission.

439 (5) The bonds authorized by this section shall be signed by  
440 the chairman of the commission, or by his facsimile signature, and  
441 the official seal of the commission shall be affixed thereto,  
442 attested by the secretary of the commission. The interest  
443 coupons, if any, to be attached to such bonds may be executed by  
444 the facsimile signatures of such officers. Whenever any such  
445 bonds shall have been signed by the officials designated to sign  
446 the bonds who were in office at the time of such signing but who  
447 may have ceased to be such officers before the sale and delivery  
448 of such bonds, or who may not have been in office on the date such  
449 bonds may bear, the signatures of such officers upon such bonds  
450 and coupons shall nevertheless be valid and sufficient for all  
451 purposes and have the same effect as if the person so officially  
452 signing such bonds had remained in office until their delivery to  
453 the purchaser, or had been in office on the date such bonds may  
454 bear. However, notwithstanding anything herein to the contrary,  
455 such bonds may be issued as provided in the Registered Bond Act of  
456 the State of Mississippi.

457 (6) All bonds and interest coupons issued under the  
458 provisions of this section have all the qualities and incidents of  
459 negotiable instruments under the provisions of the Uniform  
460 Commercial Code, and in exercising the powers granted by this



461 section, the commission shall not be required to and need not  
462 comply with the provisions of the Uniform Commercial Code.

463 (7) The commission shall act as issuing agent for the bonds  
464 authorized under this section, prescribe the form of the bonds,  
465 determine the appropriate method for sale of the bonds, advertise  
466 for and accept bids or negotiate the sale of the bonds, issue and  
467 sell the bonds, pay all fees and costs incurred in such issuance  
468 and sale, and do any and all other things necessary and advisable  
469 in connection with the issuance and sale of such bonds. The  
470 commission is authorized and empowered to pay the costs that are  
471 incident to the sale, issuance and delivery of the bonds  
472 authorized under this section from the proceeds derived from the  
473 sale of such bonds. The commission may sell such bonds on sealed  
474 bids at public sale or may negotiate the sale of the bonds for  
475 such price as it may determine to be for the best interest of the  
476 State of Mississippi. All interest accruing on such bonds so  
477 issued shall be payable semiannually or annually.

478 If such bonds are sold by sealed bids at public sale, notice  
479 of the sale shall be published at least one time, not less than  
480 ten (10) days before the date of sale, and shall be so published  
481 in one or more newspapers published or having a general  
482 circulation in the City of Jackson, Mississippi, selected by the  
483 commission.

484 The commission, when issuing any bonds under the authority of  
485 this section, may provide that bonds, at the option of the State



486 of Mississippi, may be called in for payment and redemption at the  
487 call price named therein and accrued interest on such date or  
488 dates named therein.

489 (8) The bonds issued under the provisions of this section  
490 are general obligations of the State of Mississippi, and for the  
491 payment thereof the full faith and credit of the State of  
492 Mississippi is irrevocably pledged. If the funds appropriated by  
493 the Legislature are insufficient to pay the principal of and the  
494 interest on such bonds as they become due, then the deficiency  
495 shall be paid by the State Treasurer from any funds in the State  
496 Treasury not otherwise appropriated. All such bonds shall contain  
497 recitals on their faces substantially covering the provisions of  
498 this subsection.

499 (9) Upon the issuance and sale of bonds under the provisions  
500 of this section, the commission shall transfer the proceeds of any  
501 such sale or sales to the special fund created in subsection (2)  
502 of this section. The proceeds of such bonds shall be disbursed  
503 solely upon the order of the Department of Finance and  
504 Administration under such restrictions, if any, as may be  
505 contained in the resolution providing for the issuance of the  
506 bonds.

507 (10) The bonds authorized under this section may be issued  
508 without any other proceedings or the happening of any other  
509 conditions or things other than those proceedings, conditions and  
510 things which are specified or required by this section. Any



511 resolution providing for the issuance of bonds under the  
512 provisions of this section shall become effective immediately upon  
513 its adoption by the commission, and any such resolution may be  
514 adopted at any regular or special meeting of the commission by a  
515 majority of its members.

516 (11) The bonds authorized under the authority of this  
517 section may be validated in the Chancery Court of the First  
518 Judicial District of Hinds County, Mississippi, in the manner and  
519 with the force and effect provided by Chapter 13, Title 31,  
520 Mississippi Code of 1972, for the validation of county, municipal,  
521 school district and other bonds. The notice to taxpayers required  
522 by such statutes shall be published in a newspaper published or  
523 having a general circulation in the City of Jackson, Mississippi.

524 (12) Any holder of bonds issued under the provisions of this  
525 section or of any of the interest coupons pertaining thereto may,  
526 either at law or in equity, by suit, action, mandamus or other  
527 proceeding, protect and enforce any and all rights granted under  
528 this section, or under such resolution, and may enforce and compel  
529 performance of all duties required by this section to be  
530 performed, in order to provide for the payment of bonds and  
531 interest thereon.

532 (13) All bonds issued under the provisions of this section  
533 shall be legal investments for trustees and other fiduciaries, and  
534 for savings banks, trust companies and insurance companies  
535 organized under the laws of the State of Mississippi, and such



536 bonds shall be legal securities which may be deposited with and  
537 shall be received by all public officers and bodies of this state  
538 and all municipalities and political subdivisions for the purpose  
539 of securing the deposit of public funds.

540 (14) Bonds issued under the provisions of this section and  
541 income therefrom shall be exempt from all taxation in the State of  
542 Mississippi.

543 (15) The proceeds of the bonds issued under this section  
544 shall be used solely for the purposes herein provided, including  
545 the costs incident to the issuance and sale of such bonds.

546 (16) The State Treasurer is authorized, without further  
547 process of law, to certify to the Department of Finance and  
548 Administration the necessity for warrants, and the Department of  
549 Finance and Administration is authorized and directed to issue  
550 such warrants, in such amounts as may be necessary to pay when due  
551 the principal of, premium, if any, and interest on, or the  
552 accreted value of, all bonds issued under this section; and the  
553 State Treasurer shall forward the necessary amount to the  
554 designated place or places of payment of such bonds in ample time  
555 to discharge such bonds, or the interest thereon, on the due dates  
556 thereof.

557 (17) This section shall be deemed to be full and complete  
558 authority for the exercise of the powers herein granted, but this  
559 section shall not be deemed to repeal or to be in derogation of  
560 any existing law of this state.



561           **SECTION 3.** (1) As used in this section, the following words  
562 shall have the meanings ascribed herein unless the context clearly  
563 requires otherwise:

564           (a) "Accreted value" of any bonds means, as of any date  
565 of computation, an amount equal to the sum of (i) the stated  
566 initial value of such bond, plus (ii) the interest accrued thereon  
567 from the issue date to the date of computation at the rate,  
568 compounded semiannually, that is necessary to produce the  
569 approximate yield to maturity shown for bonds of the same  
570 maturity.

571           (b) "State" means the State of Mississippi.

572           (c) "Commission" means the State Bond Commission.

573           (2) (a) The Mississippi Development Authority, at one time,  
574 or from time to time, may declare by resolution the necessity for  
575 issuance of general obligation bonds of the State of Mississippi  
576 to provide funds for the program authorized in Section 57-1-16.  
577 Upon the adoption of a resolution by the Mississippi Development  
578 Authority declaring the necessity for the issuance of any part or  
579 all of the general obligation bonds authorized by this subsection,  
580 the Mississippi Development Authority shall deliver a certified  
581 copy of its resolution or resolutions to the commission. Upon  
582 receipt of such resolution, the commission, in its discretion, may  
583 act as the issuing agent, prescribe the form of the bonds,  
584 determine the appropriate method for sale of the bonds, advertise  
585 for and accept bids or negotiate the sale of the bonds, issue and



586 sell the bonds so authorized to be sold, and do any and all other  
587 things necessary and advisable in connection with the issuance and  
588 sale of such bonds. The total amount of bonds issued under this  
589 section shall not exceed One Million Dollars (\$1,000,000.00). No  
590 bonds authorized under this section shall be issued after July 1,  
591 2018.

592 (b) The proceeds of bonds issued pursuant to this  
593 section shall be deposited into the ACE Fund created pursuant to  
594 Section 57-1-16. Any investment earnings on bonds issued pursuant  
595 to this section shall be used to pay debt service on bonds issued  
596 under this section, in accordance with the proceedings authorizing  
597 issuance of such bonds.

598 (3) The principal of and interest on the bonds authorized  
599 under this section shall be payable in the manner provided in this  
600 subsection. Such bonds shall bear such date or dates, be in such  
601 denomination or denominations, bear interest at such rate or rates  
602 (not to exceed the limits set forth in Section 75-17-101,  
603 Mississippi Code of 1972), be payable at such place or places  
604 within or without the State of Mississippi, shall mature  
605 absolutely at such time or times not to exceed twenty-five (25)  
606 years from date of issue, be redeemable before maturity at such  
607 time or times and upon such terms, with or without premium, shall  
608 bear such registration privileges, and shall be substantially in  
609 such form, all as shall be determined by resolution of the  
610 commission.





611 (4) The bonds authorized by this section shall be signed by  
612 the chairman of the commission, or by his facsimile signature, and  
613 the official seal of the commission shall be affixed thereto,  
614 attested by the secretary of the commission. The interest  
615 coupons, if any, to be attached to such bonds may be executed by  
616 the facsimile signatures of such officers. Whenever any such  
617 bonds shall have been signed by the officials designated to sign  
618 the bonds who were in office at the time of such signing but who  
619 may have ceased to be such officers before the sale and delivery  
620 of such bonds, or who may not have been in office on the date such  
621 bonds may bear, the signatures of such officers upon such bonds  
622 and coupons shall nevertheless be valid and sufficient for all  
623 purposes and have the same effect as if the person so officially  
624 signing such bonds had remained in office until their delivery to  
625 the purchaser, or had been in office on the date such bonds may  
626 bear. However, notwithstanding anything herein to the contrary,  
627 such bonds may be issued as provided in the Registered Bond Act of  
628 the State of Mississippi.

629 (5) All bonds and interest coupons issued under the  
630 provisions of this section have all the qualities and incidents of  
631 negotiable instruments under the provisions of the Uniform  
632 Commercial Code, and in exercising the powers granted by this  
633 section, the commission shall not be required to and need not  
634 comply with the provisions of the Uniform Commercial Code.



635           (6) The commission shall act as the issuing agent for the  
636 bonds authorized under this section, prescribe the form of the  
637 bonds, determine the appropriate method for sale of the bonds,  
638 advertise for and accept bids or negotiate the sale of the bonds,  
639 issue and sell the bonds so authorized to be sold, pay all fees  
640 and costs incurred in such issuance and sale, and do any and all  
641 other things necessary and advisable in connection with the  
642 issuance and sale of such bonds. The commission is authorized and  
643 empowered to pay the costs that are incident to the sale, issuance  
644 and delivery of the bonds authorized under this section from the  
645 proceeds derived from the sale of such bonds. The commission  
646 shall sell such bonds on sealed bids at public sale or may  
647 negotiate the sale of the bonds for such price as it may determine  
648 to be for the best interest of the State of Mississippi. All  
649 interest accruing on such bonds so issued shall be payable  
650 semiannually or annually.

651           If the bonds are to be sold on sealed bids at public sale,  
652 notice of the sale of any such bonds shall be published at least  
653 one time, not less than ten (10) days before the date of sale, and  
654 shall be so published in one or more newspapers published or  
655 having a general circulation in the City of Jackson, Mississippi,  
656 selected by the commission.

657           The commission, when issuing any bonds under the authority of  
658 this section, may provide that bonds, at the option of the State  
659 of Mississippi, may be called in for payment and redemption at the



660 call price named therein and accrued interest on such date or  
661 dates named therein.

662 (7) The bonds issued under the provisions of this section  
663 are general obligations of the State of Mississippi, and for the  
664 payment thereof the full faith and credit of the State of  
665 Mississippi is irrevocably pledged. If the funds appropriated by  
666 the Legislature are insufficient to pay the principal of and the  
667 interest on such bonds as they become due, then the deficiency  
668 shall be paid by the State Treasurer from any funds in the State  
669 Treasury not otherwise appropriated. All such bonds shall contain  
670 recitals on their faces substantially covering the provisions of  
671 this subsection.

672 (8) Upon the issuance and sale of bonds under the provisions  
673 of this section, the commission shall transfer the proceeds of any  
674 such sale or sales to the ACE Fund created in Section 57-1-16.  
675 The proceeds of such bonds shall be disbursed solely upon the  
676 order of the Mississippi Development Authority under such  
677 restrictions, if any, as may be contained in the resolution  
678 providing for the issuance of the bonds.

679 (9) The bonds authorized under this section may be issued  
680 without any other proceedings or the happening of any other  
681 conditions or things other than those proceedings, conditions and  
682 things which are specified or required by this section. Any  
683 resolution providing for the issuance of bonds under the  
684 provisions of this section shall become effective immediately upon



685 its adoption by the commission, and any such resolution may be  
686 adopted at any regular or special meeting of the commission by a  
687 majority of its members.

688 (10) The bonds authorized under the authority of this  
689 section may be validated in the Chancery Court of the First  
690 Judicial District of Hinds County, Mississippi, in the manner and  
691 with the force and effect provided by Chapter 13, Title 31,  
692 Mississippi Code of 1972, for the validation of county, municipal,  
693 school district and other bonds. The notice to taxpayers required  
694 by such statutes shall be published in a newspaper published or  
695 having a general circulation in the City of Jackson, Mississippi.

696 (11) Any holder of bonds issued under the provisions of this  
697 section or of any of the interest coupons pertaining thereto may,  
698 either at law or in equity, by suit, action, mandamus or other  
699 proceeding, protect and enforce any and all rights granted under  
700 this section, or under such resolution, and may enforce and compel  
701 performance of all duties required by this section to be  
702 performed, in order to provide for the payment of bonds and  
703 interest thereon.

704 (12) All bonds issued under the provisions of this section  
705 shall be legal investments for trustees and other fiduciaries, and  
706 for savings banks, trust companies and insurance companies  
707 organized under the laws of the State of Mississippi, and such  
708 bonds shall be legal securities which may be deposited with and  
709 shall be received by all public officers and bodies of this state



710 and all municipalities and political subdivisions for the purpose  
711 of securing the deposit of public funds.

712 (13) Bonds issued under the provisions of this section and  
713 income therefrom shall be exempt from all taxation in the State of  
714 Mississippi.

715 (14) The proceeds of the bonds issued under this section  
716 shall be used solely for the purposes therein provided, including  
717 the costs incident to the issuance and sale of such bonds.

718 (15) The State Treasurer is authorized, without further  
719 process of law, to certify to the Department of Finance and  
720 Administration the necessity for warrants, and the Department of  
721 Finance and Administration is authorized and directed to issue  
722 such warrants, in such amounts as may be necessary to pay when due  
723 the principal of, premium, if any, and interest on, or the  
724 accreted value of, all bonds issued under this section; and the  
725 State Treasurer shall forward the necessary amount to the  
726 designated place or places of payment of such bonds in ample time  
727 to discharge such bonds, or the interest thereon, on the due dates  
728 thereof.

729 (16) This section shall be deemed to be full and complete  
730 authority for the exercise of the powers therein granted, but this  
731 section shall not be deemed to repeal or to be in derogation of  
732 any existing law of this state.

733 **SECTION 4.** Section 57-61-25, Mississippi Code of 1972, is  
734 amended as follows:



735           57-61-25. (1) The seller is authorized to borrow, on the  
736 credit of the state upon receipt of a resolution from the  
737 Mississippi Development Authority requesting the same, money not  
738 exceeding the aggregate sum of \* \* \* Three Hundred Forty-two  
739 Million Five Hundred Thousand Dollars (\$342,500,000.00), not  
740 including money borrowed to refund outstanding bonds, notes or  
741 replacement notes, as may be necessary to carry out the purposes  
742 of this chapter. The rate of interest on any such bonds or notes  
743 which are not subject to taxation shall not exceed the rates set  
744 forth in Section 75-17-101, Mississippi Code of 1972, for general  
745 obligation bonds.

746           (2) As evidence of indebtedness authorized in this chapter,  
747 general or limited obligation bonds of the state shall be issued  
748 from time to time to provide monies necessary to carry out the  
749 purposes of this chapter for such total amounts, in such form, in  
750 such denominations payable in such currencies (either domestic or  
751 foreign, or both) and subject to such terms and conditions of  
752 issue, redemption and maturity, rate of interest and time of  
753 payment of interest as the seller directs, except that such bonds  
754 shall mature or otherwise be retired in annual installments  
755 beginning not more than five (5) years from date thereof and  
756 extending not more than thirty (30) years from date thereof.

757           (3) All bonds and notes issued under authority of this  
758 chapter shall be signed by the chairman of the seller, or by his



759 facsimile signature, and the official seal of the seller shall be  
760 affixed thereto, attested by the secretary of the seller.

761 (4) All bonds and notes issued under authority of this  
762 chapter may be general or limited obligations of the state, and  
763 the full faith and credit of the State of Mississippi as to  
764 general obligation bonds, or the revenues derived from projects  
765 assisted as to limited obligation bonds, are hereby pledged for  
766 the payment of the principal of and interest on such bonds and  
767 notes.

768 (5) Such bonds and notes and the income therefrom shall be  
769 exempt from all taxation in the State of Mississippi.

770 (6) The bonds may be issued as coupon bonds or registered as  
771 to both principal and interest, as the seller may determine. If  
772 interest coupons are attached, they shall contain the facsimile  
773 signature of the chairman and secretary of the seller.

774 (7) The seller is authorized to provide, by resolution, for  
775 the issuance of refunding bonds for the purpose of refunding any  
776 debt issued under the provisions of this chapter and then  
777 outstanding, either by voluntary exchange with the holders of the  
778 outstanding debt or to provide funds to redeem and the costs of  
779 issuance and retirement of the debt, at maturity or at any call  
780 date. The issuance of the refunding bonds, the maturities and  
781 other details thereof, the rights of the holders thereof and the  
782 duties of the issuing officials in respect to the same shall be



783 governed by the provisions of this section, insofar as they may be  
784 applicable.

785 (8) As to bonds issued hereunder and designated as taxable  
786 bonds by the seller, any immunity of the state to taxation by the  
787 United States government of interest on bonds or notes issued by  
788 the state is hereby waived.

789 (9) The proceeds of bonds issued under this chapter after  
790 April 9, 2002, may be used to reimburse reasonable actual and  
791 necessary costs incurred by the Mississippi Development Authority  
792 in administering a program or providing assistance related to a  
793 project, or both, for which funding is provided from the use of  
794 proceeds of such bonds. An accounting of actual costs incurred  
795 for which reimbursement is sought shall be maintained for each  
796 project by the Mississippi Development Authority. Reimbursement  
797 of reasonable actual and necessary costs for a program or project  
798 shall not exceed three percent (3%) of the proceeds of bonds  
799 issued for such program or project. Monies authorized for a  
800 particular program or project may not be used to reimburse  
801 administrative costs for unrelated programs or projects.  
802 Reimbursements under this subsection shall satisfy any applicable  
803 federal tax law requirements.

804 **SECTION 5.** Section 57-61-36, Mississippi Code of 1972, is  
805 amended as follows:

806 57-61-36. (1) Notwithstanding any provision of this chapter  
807 to the contrary, the Mississippi Development Authority shall





808 utilize not more than Twelve Million Five Hundred Thousand Dollars  
809 (\$12,500,000.00) out of the proceeds of bonds authorized to be  
810 issued in this chapter for the purpose of making grants to  
811 municipalities through a Development Infrastructure Grant Fund to  
812 complete infrastructure related to new or expanded industry.

813 (2) [Repealed]

814 (3) Notwithstanding any provision of this chapter to the  
815 contrary, the Mississippi Development Authority shall utilize the  
816 money transferred from the Housing Development Revolving Loan Fund  
817 and not more than \* \* \* Fifty-one Million One Hundred Thousand  
818 Dollars (\$51,100,000.00) out of the proceeds of bonds authorized  
819 to be issued in this chapter for the purpose of making grants or  
820 loans to municipalities through an equipment and public facilities  
821 grant and loan fund to aid in infrastructure-related improvements  
822 as determined by the Mississippi Development Authority, the  
823 purchase of equipment and in the purchase, construction or repair  
824 and renovation of public facilities. Any bonds previously issued  
825 for the Development Infrastructure Revolving Loan Program which  
826 have not been loaned or applied for are eligible to be  
827 administered as grants or loans. In making grants and loans under  
828 this section, the Mississippi Development Authority shall attempt  
829 to provide for an equitable distribution of such grants and loans  
830 among each of the congressional districts of this state in order  
831 to promote economic development across the entire state.



832           The requirements of Section 57-61-9 shall not apply to any  
833 grant made under this subsection. The Mississippi Development  
834 Authority may establish criteria and guidelines to govern grants  
835 made pursuant to this subsection.

836           (4) [Repealed]

837           (5) (a) The Mississippi Development Authority may establish  
838 a Capital Access Program and may contract with any financial  
839 institution to participate in the program upon such terms and  
840 conditions as the authority shall consider necessary and proper.  
841 The Mississippi Development Authority may establish loss reserve  
842 accounts at financial institutions that participate in the program  
843 and require payments by the financial institution and the borrower  
844 to such loss reserve accounts. All money in such loss reserve  
845 accounts is the property of the Mississippi Development Authority.

846           (b) Under the Capital Access Program a participating  
847 financial institution may make a loan to any borrower the  
848 Mississippi Development Authority determines to be qualified under  
849 rules and regulations adopted by the authority and be protected  
850 against losses from such loans as provided in the program. Under  
851 such rules and regulations as may be adopted by the Mississippi  
852 Development Authority, a participating financial institution may  
853 submit claims for the reimbursement for losses incurred as a  
854 result of default on loans by qualified borrowers.

855           (c) Under the Capital Access Program a participating  
856 financial institution may make a loan that is secured by the



857 assignment of the proceeds of a contract between the borrower and  
858 a public entity if the Mississippi Development Authority  
859 determines the loan to be qualified under the rules and  
860 regulations adopted by the authority. Under such rules and  
861 regulations as may be adopted by the Mississippi Development  
862 Authority, a participating financial institution may submit an  
863 application to the authority requesting that a loan secured  
864 pursuant to this paragraph be funded under the Capital Access  
865 Program.

866 (d) Notwithstanding any provision of this chapter to  
867 the contrary, the Mississippi Development Authority may utilize  
868 not more than One Million Five Hundred Fifty Thousand Dollars  
869 (\$1,550,000.00) out of the proceeds of bonds authorized to be  
870 issued in this chapter for the purpose of making payments to loan  
871 loss reserve accounts established at financial institutions that  
872 participate in the Capital Access Program established by the  
873 Mississippi Development Authority; however, any portion of the  
874 bond proceeds authorized to be utilized by this paragraph that are  
875 not utilized for making payments to loss reserve accounts may be  
876 utilized by the Mississippi Development Authority to advance funds  
877 to financial institutions that participate in the Capital Access  
878 Program pursuant to paragraph (c) of this subsection.

879 (6) Notwithstanding any provision of this chapter to the  
880 contrary, the Mississippi Development Authority shall utilize not  
881 more than Two Hundred Thousand Dollars (\$200,000.00) out of the



882 proceeds of bonds authorized to be issued in this chapter for the  
883 purpose of assisting Warren County, Mississippi, in the  
884 continuation and completion of the study for the proposed Kings  
885 Point Levee.

886 (7) Notwithstanding any provision of this chapter to the  
887 contrary, the Mississippi Development Authority shall utilize not  
888 more than One Hundred Thousand Dollars (\$100,000.00) out of the  
889 proceeds of bonds authorized to be issued in this chapter for the  
890 purpose of developing a long-range plan for coordinating the  
891 resources of the state institutions of higher learning, the  
892 community and junior colleges, the Mississippi Development  
893 Authority and other state agencies in order to promote economic  
894 development in the state.

895 (8) Notwithstanding any other provision of this chapter to  
896 the contrary, the Mississippi Development Authority shall use not  
897 more than One Hundred Fifty Thousand Dollars (\$150,000.00) out of  
898 the proceeds of bonds authorized to be issued in this chapter for  
899 the purpose of providing assistance to municipalities that have  
900 received Community Development Block Grant funds for repair,  
901 renovation and other improvements to buildings for use as  
902 community centers. Assistance provided to a municipality under  
903 this subsection shall be used by the municipality to match such  
904 Community Development Block Grant funds. The maximum amount of  
905 assistance that may be provided to a municipality under this



906 subsection shall not exceed Seventy-five Thousand Dollars  
907 (\$75,000.00) in the aggregate.

908 (9) Notwithstanding any provision of this chapter to the  
909 contrary, the Mississippi Development Authority shall utilize not  
910 more than Two Million Dollars (\$2,000,000.00) out of the proceeds  
911 of bonds authorized to be issued in this chapter for the purpose  
912 of assisting in paying the costs of constructing a new spillway  
913 and related bridge and dam structures at Lake Mary in Wilkinson  
914 County, Mississippi, including construction of a temporary dam and  
915 diversion canal, removing existing structures, removing and  
916 stockpiling riprap, spillway construction, dam embankment  
917 construction, road access, constructing bridges and related  
918 structures, design and construction engineering and field testing.

919 (10) Notwithstanding any provision of this chapter to the  
920 contrary, the Mississippi Development Authority shall utilize not  
921 more than One Hundred Thousand Dollars (\$100,000.00) out of the  
922 proceeds of bonds authorized to be issued in this chapter for the  
923 purpose of assisting the City of Holly Springs, Mississippi, in  
924 providing water and sewer and other infrastructure services in the  
925 Marshall, Benton and Tippah Counties area.

926 **SECTION 6.** Section 65-4-25, Mississippi Code of 1972, is  
927 amended as follows:

928 \* \* \*

929 65-4-25. The Mississippi Development Authority, acting  
930 through its executive director, is authorized, at one time or from



931 time to time, to declare by resolution the necessity for issuance  
932 of negotiable general obligation bonds of the State of Mississippi  
933 to provide funds for the Economic Development Highway Fund  
934 established in Section 65-4-15, Mississippi Code of 1972. Upon  
935 the adoption of a resolution by the Executive Director of the  
936 Mississippi Development Authority, declaring the necessity for the  
937 issuance of any part or all of the general obligation bonds  
938 authorized by Sections 65-4-25 through 65-4-45, Mississippi Code  
939 of 1972, the executive director shall deliver a certified copy of  
940 his resolution or resolutions to the State Bond Commission. Upon  
941 receipt of the resolution, the State Bond Commission, in its  
942 discretion, shall act as the issuing agent, prescribe the form of  
943 the bonds, determine the appropriate method for the sale of the  
944 bonds, advertise for and accept bids or negotiate the sale of the  
945 bonds, issue and sell the bonds so authorized to be sold, and do  
946 any and all other things necessary and advisable in connection  
947 with the issuance and sale of such bonds. The principal amount of  
948 bonds issued under Sections 65-4-25 through 65-4-45, Mississippi  
949 Code of 1972, shall not exceed \* \* \* Three Hundred Fifty-eight  
950 Million Five Hundred Thousand Dollars (\$358,500,000.00) in the  
951 aggregate. However, an additional amount of bonds may be issued  
952 under Sections 65-4-25 through 65-4-45, Mississippi Code of 1972,  
953 in an amount not to exceed Seven Million Dollars (\$7,000,000.00),  
954 and the proceeds of any such additional bonds issued shall be used



955 to provide funding for a high economic benefit project as defined  
956 in Section 65-4-5(1)(c)(vi), Mississippi Code of 1972.

957 \* \* \*

958 **SECTION 7.** Section 65-4-29, Mississippi Code of 1972, is  
959 amended as follows:

960 \* \* \*

961 65-4-29. Such bonds as are authorized to be issued under  
962 Sections 65-4-25 through 65-4-45 may be executed and delivered by  
963 the state at any time and from time to time, may be in such form  
964 and denominations and of such terms and maturities, may be in  
965 fully registered form or in bearer form registrable either as to  
966 principal or interest, or both, may bear such conversion  
967 privileges and be payable in such installments and at such time or  
968 times not exceeding twenty (20) years from the date thereof, may  
969 be payable at such place or places, whether within or without the  
970 State of Mississippi, may bear interest payable at such time or  
971 times and at such place or places and evidenced in such manner,  
972 and may contain such provisions not inconsistent herewith, all as  
973 shall be provided in the proceedings of the State Bond Commission  
974 under which the bonds are authorized to be issued. Such bonds  
975 shall not bear a greater overall maximum interest rate to maturity  
976 than that authorized by Section 75-17-101. If deemed advisable by  
977 the State Bond Commission, there may be retained in the  
978 proceedings under which any such bonds are authorized to be issued  
979 an option to redeem all or any part thereof as may be specified in



980 such proceedings, at such price or prices and after such notice or  
981 notices and on such terms and conditions as may be set forth in  
982 such proceedings and briefly recited or referred to on the face of  
983 the bonds, but nothing herein contained shall be construed to  
984 confer on the state any right or option to redeem any bonds,  
985 except as may be provided in the proceedings under which they  
986 shall be issued. The State Bond Commission may sell such bonds on  
987 sealed bids at public sale or may negotiate the sale of the bonds  
988 for such price as it may determine to be in the best interest of  
989 the State of Mississippi. The state may pay all expenses,  
990 premiums and commissions which the State Bond Commission may deem  
991 necessary or advantageous in connection with the issuance thereof,  
992 but solely from the proceeds of the bonds. The issuance by the  
993 state of one or more series of bonds shall not preclude it from  
994 issuing other series of bonds, but the proceedings under which any  
995 subsequent bonds may be issued shall recognize and protect any  
996 prior pledge made for any prior issuance of bonds.

997 \* \* \*

998 **SECTION 8.** Section 65-4-31, Mississippi Code of 1972, is  
999 amended as follows:

1000 \* \* \*

1001 65-4-31. No bond issued under Sections 65-4-25 through  
1002 65-4-45 shall bear more than one (1) rate of interest; each bond  
1003 shall bear interest from its date to its stated maturity date at  
1004 the interest rate specified on the bonds; and all bonds of the





1005 same maturity shall bear the same rate of interest from date to  
1006 maturity. All interest accruing on bonds shall be payable  
1007 semiannually or annually. If bonds are issued in coupon form, no  
1008 interest payment shall be evidenced by more than one (1) coupon,  
1009 and neither cancelled nor supplemental coupons shall be permitted.  
1010 If serial bonds, such bonds shall mature annually, and the first  
1011 maturity date thereof shall not be more than five (5) years from  
1012 the date of such bonds.

1013 \* \* \*

1014 **SECTION 9.** Section 65-4-33, Mississippi Code of 1972, is  
1015 amended as follows:

1016 \* \* \*

1017 65-4-33. If the bonds issued under Sections 65-4-25 through  
1018 65-4-45 are to be sold on sealed bids at public sale, notice of  
1019 the sale shall be published at least two (2) times, the first of  
1020 which shall be made not less than ten (10) days prior to the date  
1021 of sale, and shall be so published in one or more newspapers  
1022 having a general circulation in the City of Jackson selected by  
1023 the State Bond Commission.

1024 \* \* \*

1025 **SECTION 10.** (1) As used in this section, the following  
1026 words shall have the meanings ascribed herein unless the context  
1027 clearly requires otherwise:

1028 (a) "Accreted value" of any bonds means, as of any date  
1029 of computation, an amount equal to the sum of (i) the stated



1030 initial value of such bond, plus (ii) the interest accrued thereon  
1031 from the issue date to the date of computation at the rate,  
1032 compounded semiannually, that is necessary to produce the  
1033 approximate yield to maturity shown for bonds of the same  
1034 maturity.

1035 (b) "State" means the State of Mississippi.

1036 (c) "Commission" means the State Bond Commission.

1037 (2) (a) The Commission on Environmental Quality, at one  
1038 time, or from time to time, may declare by resolution the  
1039 necessity for issuance of general obligation bonds of the State of  
1040 Mississippi to provide funds for the Water Pollution Control  
1041 Revolving Fund established in Section 49-17-85. Upon the adoption  
1042 of a resolution by the Commission on Environmental Quality,  
1043 declaring the necessity for the issuance of any part or all of the  
1044 general obligation bonds authorized by this subsection, the  
1045 Commission on Environmental Quality shall deliver a certified copy  
1046 of its resolution or resolutions to the commission; however, the  
1047 Commission on Environmental Quality shall declare the necessity  
1048 for the issuance of bonds only in the amount necessary to match  
1049 projected federal funds available through the following federal  
1050 fiscal year. Upon receipt of such resolution, the commission, in  
1051 its discretion, may act as the issuing agent, prescribe the form  
1052 of the bonds, determine the appropriate method for sale of the  
1053 bonds, advertise for and accept bids or negotiate the sale of the  
1054 bonds, issue and sell the bonds so authorized to be sold, and do



1055 any and all other things necessary and advisable in connection  
1056 with the issuance and sale of such bonds. The total amount of  
1057 bonds issued under this section shall not exceed One Million  
1058 Dollars (\$1,000,000.00).

1059 (b) The proceeds of bonds issued pursuant to this  
1060 subsection shall be deposited into the Water Pollution Control  
1061 Revolving Fund created pursuant to Section 49-17-85.

1062 (3) The principal of and interest on the bonds authorized  
1063 under this section shall be payable in the manner provided in this  
1064 section. Such bonds shall bear such date or dates, be in such  
1065 denomination or denominations, bear interest at such rate or rates  
1066 (not to exceed the limits set forth in Section 75-17-101,  
1067 Mississippi Code of 1972), be payable at such place or places  
1068 within or without the State of Mississippi, shall mature  
1069 absolutely at such time or times not to exceed twenty-five (25)  
1070 years from date of issue, be redeemable before maturity at such  
1071 time or times and upon such terms, with or without premium, shall  
1072 bear such registration privileges, and shall be substantially in  
1073 such form, all as shall be determined by resolution of the  
1074 commission.

1075 (4) The bonds authorized by this section shall be signed by  
1076 the chairman of the commission, or by his facsimile signature, and  
1077 the official seal of the commission shall be affixed thereto,  
1078 attested by the secretary of the commission. The interest  
1079 coupons, if any, to be attached to such bonds may be executed by



1080 the facsimile signatures of such officers. Whenever any such  
1081 bonds shall have been signed by the officials designated to sign  
1082 the bonds who were in office at the time of such signing but who  
1083 may have ceased to be such officers before the sale and delivery  
1084 of such bonds, or who may not have been in office on the date such  
1085 bonds may bear, the signatures of such officers upon such bonds  
1086 and coupons shall nevertheless be valid and sufficient for all  
1087 purposes and have the same effect as if the person so officially  
1088 signing such bonds had remained in office until their delivery to  
1089 the purchaser, or had been in office on the date such bonds may  
1090 bear. However, notwithstanding anything herein to the contrary,  
1091 such bonds may be issued as provided in the Registered Bond Act of  
1092 the State of Mississippi.

1093 (5) All bonds and interest coupons issued under the  
1094 provisions of this section have all the qualities and incidents of  
1095 negotiable instruments under the provisions of the Uniform  
1096 Commercial Code, and in exercising the powers granted by this  
1097 section, the commission shall not be required to and need not  
1098 comply with the provisions of the Uniform Commercial Code.

1099 (6) The commission shall act as the issuing agent for the  
1100 bonds authorized under this section, prescribe the form of the  
1101 bonds, determine the appropriate method for sale of the bonds,  
1102 advertise for and accept bids or negotiate the sale of the bonds,  
1103 issue and sell the bonds so authorized to be sold, pay all fees  
1104 and costs incurred in such issuance and sale, and do any and all



1105 other things necessary and advisable in connection with the  
1106 issuance and sale of such bonds. The commission is authorized and  
1107 empowered to pay the costs that are incident to the sale, issuance  
1108 and delivery of the bonds authorized under this section from the  
1109 proceeds derived from the sale of such bonds. The commission  
1110 shall sell such bonds on sealed bids at public sale or may  
1111 negotiate the sale of the bonds for such price as it may determine  
1112 to be for the best interest of the State of Mississippi. All  
1113 interest accruing on such bonds so issued shall be payable  
1114 semiannually or annually.

1115 If the bonds are to be sold, on sealed bids at public sale,  
1116 notice of the sale of any such bonds shall be published at least  
1117 one time, not less than ten (10) days before the date of sale, and  
1118 shall be so published in one or more newspapers published or  
1119 having a general circulation in the City of Jackson, Mississippi,  
1120 selected by the commission.

1121 The commission, when issuing any bonds under the authority of  
1122 this section, may provide that bonds, at the option of the State  
1123 of Mississippi, may be called in for payment and redemption at the  
1124 call price named therein and accrued interest on such date or  
1125 dates named therein.

1126 (7) The bonds issued under the provisions of this section  
1127 are general obligations of the State of Mississippi, and for the  
1128 payment thereof the full faith and credit of the State of  
1129 Mississippi is irrevocably pledged. Interest and investment



1130 earnings on money in the Water Pollution Control Revolving Fund  
1131 shall be utilized to pay the principal and interest on such bonds  
1132 as they become due. If the interest and investment earnings of  
1133 the fund and any funds appropriated by the Legislature are  
1134 insufficient to pay the principal of and the interest on such  
1135 bonds as they become due, then the deficiency shall be paid by the  
1136 State Treasurer from any funds in the State Treasury not otherwise  
1137 appropriated. All such bonds shall contain recitals on their  
1138 faces substantially covering the provisions of this section.

1139 (8) Upon the issuance and sale of bonds under the provisions  
1140 of this section, the commission shall transfer the proceeds of any  
1141 such sale or sales to the Water Pollution Control Revolving Fund  
1142 created in Section 49-17-85. After the transfer of the proceeds  
1143 of any such sale or sales to the Water Pollution Control Revolving  
1144 Fund, any investment earnings or interest earned on the proceeds  
1145 of such bonds shall be deposited to the credit of the Water  
1146 Pollution Control Revolving Fund and shall be used only for the  
1147 purposes provided in Section 49-17-85. The proceeds of such bonds  
1148 shall be disbursed solely upon the order of the Commission on  
1149 Environmental Quality under such restrictions, if any, as may be  
1150 contained in the resolution providing for the issuance of the  
1151 bonds.

1152 (9) The bonds authorized under this section may be issued  
1153 without any other proceedings or the happening of any other  
1154 conditions or things other than those proceedings, conditions and



1155 things which are specified or required by this section. Any  
1156 resolution providing for the issuance of bonds under the  
1157 provisions of this section shall become effective immediately upon  
1158 its adoption by the commission, and any such resolution may be  
1159 adopted at any regular or special meeting of the commission by a  
1160 majority of its members.

1161 (10) The bonds authorized under the authority of this  
1162 section may be validated in the Chancery Court of the First  
1163 Judicial District of Hinds County, Mississippi, in the manner and  
1164 with the force and effect provided by Chapter 13, Title 31,  
1165 Mississippi Code of 1972, for the validation of county, municipal,  
1166 school district and other bonds. The notice to taxpayers required  
1167 by such statutes shall be published in a newspaper published or  
1168 having a general circulation in the City of Jackson, Mississippi.

1169 (11) Any holder of bonds issued under the provisions of this  
1170 section or of any of the interest coupons pertaining thereto may,  
1171 either at law or in equity, by suit, action, mandamus or other  
1172 proceeding, protect and enforce any and all rights granted under  
1173 this section, or under such resolution, and may enforce and compel  
1174 performance of all duties required by this section to be  
1175 performed, in order to provide for the payment of bonds and  
1176 interest thereon.

1177 (12) All bonds issued under the provisions of this section  
1178 shall be legal investments for trustees and other fiduciaries, and  
1179 for savings banks, trust companies and insurance companies



1180 organized under the laws of the State of Mississippi, and such  
1181 bonds shall be legal securities which may be deposited with and  
1182 shall be received by all public officers and bodies of this state  
1183 and all municipalities and political subdivisions for the purpose  
1184 of securing the deposit of public funds.

1185 (13) Bonds issued under the provisions of this section and  
1186 income therefrom shall be exempt from all taxation in the State of  
1187 Mississippi.

1188 (14) The proceeds of the bonds issued under this section  
1189 shall be used solely for the purposes therein provided, including  
1190 the costs incident to the issuance and sale of such bonds.

1191 (15) The State Treasurer is authorized, without further  
1192 process of law, to certify to the Department of Finance and  
1193 Administration the necessity for warrants, and the Department of  
1194 Finance and Administration is authorized and directed to issue  
1195 such warrants, in such amounts as may be necessary to pay when due  
1196 the principal of, premium, if any, and interest on, or the  
1197 accreted value of, all bonds issued under this section; and the  
1198 State Treasurer shall forward the necessary amount to the  
1199 designated place or places of payment of such bonds in ample time  
1200 to discharge such bonds, or the interest thereon, on the due dates  
1201 thereof.

1202 (16) This section shall be deemed to be full and complete  
1203 authority for the exercise of the powers therein granted, but this





1204 section shall not be deemed to repeal or to be in derogation of  
1205 any existing law of this state.

1206         **SECTION 11.** Section 49-17-85, Mississippi Code of 1972, is  
1207 amended as follows:

1208         49-17-85. (1) There is established in the State Treasury a  
1209 fund to be known as the "Water Pollution Control Revolving Fund"  
1210 which shall be administered by the commission acting through the  
1211 department. The revolving fund may receive bond proceeds and  
1212 funds appropriated or otherwise made available by the Legislature  
1213 in any manner and funds from any other source, public or private.  
1214 The revolving fund shall be maintained in perpetuity for the  
1215 purposes established in this section.

1216         (2) There is established in the State Treasury a fund to be  
1217 known as the "Water Pollution Control Hardship Grants Fund," which  
1218 shall be administered by the commission acting through the  
1219 department. The grants fund shall be maintained in perpetuity for  
1220 the purposes established in this section. Any interest earned on  
1221 monies in the grants fund shall be credited to that fund.

1222         (3) The commission shall promulgate regulations for the  
1223 administration of the revolving fund program, the hardship grants  
1224 program and for related programs authorized under this section.  
1225 The regulations shall be in accordance with the federal Water  
1226 Quality Act of 1987, as amended, and regulations and guidance  
1227 issued under that act. The commission may enter into  
1228 capitalization grant agreements with the United States



1229 Environmental Protection Agency and may accept capitalization  
1230 grant awards made under Title VI of the Water Quality Act of 1987,  
1231 as amended.

1232 (4) The commission shall establish a loan program which  
1233 shall commence after October 1, 1988, to assist political  
1234 subdivisions in the construction of water pollution control  
1235 projects. Loans from the revolving fund may be made to political  
1236 subdivisions as set forth in a loan agreement in amounts not  
1237 exceeding one hundred percent (100%) of eligible project costs as  
1238 established by the commission. Notwithstanding loan amount  
1239 limitations set forth in Section 49-17-61, the commission may  
1240 require local participation or funding from other sources, or  
1241 otherwise limit the percentage of costs covered by loans from the  
1242 revolving fund. The commission may establish a maximum amount for  
1243 any loan in order to provide for broad and equitable participation  
1244 in the program.

1245 (5) The commission shall establish a hardship grants program  
1246 for rural communities, which shall commence after July 1, 1997, to  
1247 assist severely economically disadvantaged small rural political  
1248 subdivisions in the construction of water pollution control  
1249 projects. The commission may receive and administer state or  
1250 federal funds, or both, appropriated for the operation of this  
1251 grants program and may take all actions necessary to implement the  
1252 program in accordance with the federal hardship grants program.



1253 The hardship grants program shall operate in conjunction with the  
1254 revolving loan program administered under this section.

1255 (6) The commission shall act for the state in all matters  
1256 and with respect to all determinations under Title VI of the  
1257 federal Water Quality Act of 1987, as amended, and the federal  
1258 Omnibus Appropriations and Recision Act of 1996.

1259 (7) Except as otherwise provided in this section, the  
1260 revolving fund may be used only:

1261 (a) To make loans on the condition that:

1262 (i) The loans are made at or below market interest  
1263 rates, at terms not to exceed the maximum time allowed by federal  
1264 law after project completion; the interest rate and term may vary  
1265 from time to time and from loan to loan at the discretion of the  
1266 commission;

1267 (ii) Periodic principal and interest payments will  
1268 commence when required by the commission but not later than one  
1269 (1) year after project completion and all loans will be fully  
1270 amortized when required by the commission but not later than the  
1271 maximum time allowed by federal law after project completion;

1272 (iii) The recipient of a loan will establish a  
1273 dedicated source of revenue for repayment of loans;

1274 (b) To buy or refinance the debt obligation of  
1275 political subdivisions at or below market rates, where the debt  
1276 obligations were incurred after March 7, 1985, and where the



1277 projects were constructed in compliance with applicable federal  
1278 and state regulations;

1279 (c) To guarantee, or purchase insurance for,  
1280 obligations of political subdivisions where the action would  
1281 improve credit market access or reduce interest rates;

1282 (d) To provide loan guarantees for similar revolving  
1283 funds established by municipalities or intermunicipal agencies;

1284 (e) To earn interest on fund accounts;

1285 (f) To establish nonpoint source pollution control  
1286 management programs;

1287 (g) To establish estuary conservation and management  
1288 programs;

1289 (h) For the reasonable costs of administering the  
1290 revolving fund and conducting activities under this act, subject  
1291 to the limitations established in Section 603(d)(7) of Title VI of  
1292 the federal Clean Water Act, as amended, and subject to annual  
1293 appropriation by the Legislature;

1294 (i) In connection with the issuance, sale and purchase  
1295 of bonds under Section 31-25-1 et seq., related to the funding of  
1296 projects, to provide security or a pledge of revenues for the  
1297 repayment of the bonds; and

1298 (j) To pay the principal and interest on bonds issued  
1299 pursuant to Section 11 of Chapter 580, Laws of 2007, Section 1 of  
1300 Chapter 492, Laws of 2008, Section 47 of Chapter 557, Laws of  
1301 2009, Section 45 of Chapter 533, Laws of 2010, Section 3 of



1302 Chapter 480, Laws of 2011, \* \* \* Section 36 of Chapter 569, Laws  
1303 of 2013, and Section 10 of this act as they become due; however,  
1304 only interest and investment earnings on money in the fund may be  
1305 utilized for this purpose.

1306 (8) The hardship grants program shall be used only to  
1307 provide hardship grants consistent with the federal hardship  
1308 grants program for rural communities, regulations and guidance  
1309 issued by the United States Environmental Protection Agency,  
1310 subsections (3) and (5) of this section and regulations  
1311 promulgated and guidance issued by the commission under this  
1312 section.

1313 (9) The commission shall establish by regulation a system of  
1314 priorities and a priority list of projects eligible for funding  
1315 with loans from the revolving fund.

1316 (10) The commission may provide a loan from the revolving  
1317 fund only with respect to a project if that project is on the  
1318 priority list established by the commission.

1319 (11) The revolving fund shall be credited with all payments  
1320 of principal and interest derived from the fund uses described in  
1321 subsection (7) of this section. However, notwithstanding any  
1322 other provision of law to the contrary, all or any portion of  
1323 payments of principal and interest derived from the fund uses  
1324 described in subsection (7) of this section may be designated or  
1325 pledged for repayment of a loan as provided for in Section



1326 31-25-28 in connection with a loan from the Mississippi  
1327 Development Bank.

1328 (12) The commission may establish and collect fees to defray  
1329 the reasonable costs of administering the revolving fund if it  
1330 determines that the administrative costs will exceed the  
1331 limitations established in Section 603(d)(7) of Title VI of the  
1332 federal Clean Water Act, as amended. The administration fees may  
1333 be included in loan amounts to political subdivisions for the  
1334 purpose of facilitating payment to the commission. The fees may  
1335 not exceed five percent (5%) of the loan amount.

1336 (13) The commission may, on a case-by-case basis and to the  
1337 extent allowed by federal law, renegotiate the payment of  
1338 principal and interest on loans made under this section to the six  
1339 (6) most southern counties of the state covered by the  
1340 Presidential Declaration of Major Disaster for the State of  
1341 Mississippi (FEMA-1604-DR) dated August 29, 2005, and to political  
1342 subdivisions located in such counties; however, the interest on  
1343 the loans shall not be forgiven for a period of more than  
1344 twenty-four (24) months and the maturity of the loans shall not be  
1345 extended for a period of more than forty-eight (48) months.

1346 **SECTION 12.** Sections 6 through 20, Chapter 521, Laws of  
1347 1995, as amended by Section 17, Chapter 503, Laws of 2003, as  
1348 amended by Section 2, Chapter 477, Laws of 2004, as amended by  
1349 Section 2, Chapter 456, Laws of 2006, as amended by Section 3,  
1350 Chapter 492, Laws of 2008, as amended by Section 47, Chapter 533,



1351 Laws of 2010, as amended by Section 13, Chapter 480, Laws of 2011,  
1352 as amended by Section 35, Chapter 569, Laws of 2013, are amended  
1353 as follows:

1354       Section 6. The board created in Section 41-3-16, at one  
1355 time, or from time to time, may declare by resolution the  
1356 necessity for issuance of general obligation bonds of the State of  
1357 Mississippi to provide funds for all costs incurred or to be  
1358 incurred by the board in constructing new water systems or  
1359 repairing existing water systems described in Section 41-3-16.  
1360 Upon the adoption of a resolution by the board declaring the  
1361 necessity for the issuance of any part or all of the general  
1362 obligation bonds authorized by this section, the board shall  
1363 deliver a certified copy of its resolution or resolutions to the  
1364 State Bond Commission. Upon receipt of such resolution, the State  
1365 Bond Commission, in its discretion, may act as the issuing agent,  
1366 prescribe the form of the bonds, determine the appropriate method  
1367 for the sale of the bonds, advertise for and accept bids or  
1368 negotiate the sale of the bonds, issue and sell the tax exempt or  
1369 taxable bonds so authorized to be sold, and do any and all other  
1370 things necessary and advisable in connection with the issuance and  
1371 sale of such bonds. The amount of bonds issued under Sections 6  
1372 through 20 of this act shall not exceed \* \* \* Thirty Million Eight  
1373 Hundred Forty-three Thousand Dollars (\$30,843,000.00), the  
1374 proceeds of which shall be deposited in the revolving fund and



1375 Five Million Dollars (\$5,000,000.00), the proceeds of which shall  
1376 be deposited in the emergency fund.

1377 Section 7. The principal of and interest on the bonds  
1378 authorized under Section 6 of this act shall be payable in the  
1379 manner provided in this section. Such bonds shall bear such date  
1380 or dates, be in such denomination or denominations, bear interest  
1381 at such rate or rates (not to exceed the limits set forth in  
1382 Section 75-17-101), be payable at such place or places within or  
1383 without the State of Mississippi, shall mature absolutely at such  
1384 time or times not to exceed twenty-five (25) years from date of  
1385 issue, be redeemable before maturity at such time or times and  
1386 upon such terms, with or without premium, shall bear such  
1387 registration privileges, and shall be substantially in such form,  
1388 all as shall be determined by resolution of the State Bond  
1389 Commission.

1390 Section 8. The bonds authorized by Section 6 of this act  
1391 shall be signed by the Chairman of the State Bond Commission, or  
1392 by his facsimile signature, and the official seal of the State  
1393 Bond Commission shall be affixed thereto, attested by the  
1394 Secretary of the State Bond Commission. The interest coupons, if  
1395 any, to be attached to such bonds may be executed by the facsimile  
1396 signatures of such officers. Whenever any such bonds shall have  
1397 been signed by the officials designated to sign the bonds who were  
1398 in office at the time of such signing but who may have ceased to  
1399 be such officers before the sale and delivery of such bonds, or





1400 who may not have been in office on the date such bonds may bear,  
1401 the signatures of such officers upon such bonds and coupons shall  
1402 nevertheless be valid and sufficient for all purposes and have the  
1403 same effect as if the person so officially signing such bonds had  
1404 remained in office until their delivery to the purchaser, or had  
1405 been in office on the date such bonds may bear. However,  
1406 notwithstanding anything herein to the contrary, such bonds may be  
1407 issued as provided in the Registered Bond Act of the State of  
1408 Mississippi.

1409       Section 9. All bonds and interest coupons issued under the  
1410 provisions of Sections 6 through 20 of this act have all the  
1411 qualities and incidents of negotiable instruments under the  
1412 provisions of the Uniform Commercial Code, and in exercising the  
1413 powers granted by Sections 6 through 20 of this act, the State  
1414 Bond Commission shall not be required to and need not comply with  
1415 the provisions of the Uniform Commercial Code.

1416       Section 10. The State Bond Commission shall act as the  
1417 issuing agent for the bonds authorized under Sections 6 through 20  
1418 of this act, prescribe the form of the bonds, determine the  
1419 appropriate method for sale of the bonds, advertise for and accept  
1420 bids or negotiate the sale of the bonds, issue and sell the bonds  
1421 so authorized to be sold, pay all fees and costs incurred in such  
1422 issuance and sale, and do all other things necessary and advisable  
1423 in connection with the issuance and sale of the bonds. The State  
1424 Bond Commission may pay the costs that are incident to the sale,



1425 issuance and delivery of the bonds authorized under Sections 6  
1426 through 20 of this act from the proceeds derived from the sale of  
1427 the bonds. The State Bond Commission shall sell such bonds on  
1428 sealed bids at public sale or may negotiate the sale of the bonds  
1429 for such price as it may determine to be for the best interest of  
1430 the State of Mississippi. All interest accruing on such bonds so  
1431 issued shall be payable semiannually or annually.

1432 If the bonds are sold on sealed bids at public sale, notice  
1433 of the sale of any such bonds shall be published at least one  
1434 time, not less than ten (10) days before the date of sale, and  
1435 shall be so published in one or more newspapers published or  
1436 having a general circulation in the City of Jackson, Mississippi,  
1437 to be selected by the State Bond Commission.

1438 The State Bond Commission, when issuing any bonds under the  
1439 authority of Sections 6 through 20 of this act, may provide that  
1440 bonds, at the option of the State of Mississippi, may be called in  
1441 for payment and redemption at the call price named therein and  
1442 accrued interest on such date or dates named therein.

1443 Section 11. The bonds issued under the provisions of  
1444 Sections 6 through 20 of this act are general obligations of the  
1445 State of Mississippi, and for the payment thereof the full faith  
1446 and credit of the State of Mississippi is irrevocably pledged. If  
1447 the funds appropriated by the Legislature are insufficient to pay  
1448 the principal of and interest on such bonds as they become due,  
1449 then the deficiency shall be paid by the State Treasurer from any



1450 funds in the State Treasury not otherwise appropriated. All such  
1451 bonds shall contain recitals on their faces substantially covering  
1452 the provisions of this section.

1453         Section 12. The State Treasurer is authorized, without  
1454 further process of law, to certify to the Department of Finance  
1455 and Administration the necessity for warrants, and the Department  
1456 of Finance and Administration is authorized and directed to issue  
1457 such warrants, in such amounts as may be necessary to pay when due  
1458 the principal of, premium, if any, and interest on, or the  
1459 accreted value of, all bonds issued under Sections 6 through 20 of  
1460 this act; and the State Treasurer shall forward the necessary  
1461 amount to the designated place or places of payment of such bonds  
1462 in ample time to discharge such bonds, or the interest on the  
1463 bonds, on their due dates.

1464         Section 13. Upon the issuance and sale of bonds under the  
1465 provisions of Sections 6 through 20 of this act, the State Bond  
1466 Commission shall transfer the proceeds of any sale or sales of  
1467 bonds to the revolving fund and the emergency fund in the amounts  
1468 specified in Section 6 of this act. After such transfer, all  
1469 investment earnings or interest earned on the proceeds of such  
1470 bonds shall be deposited to the credit of the revolving fund and  
1471 the emergency fund, and shall be used only for the purposes  
1472 established in Section 41-3-16. The proceeds of such bonds shall  
1473 be disbursed solely upon the order of the board created in Section



1474 1 of this act under such restrictions, if any, as may be contained  
1475 in the resolution providing for the issuance of the bonds.

1476 Section 14. The bonds authorized under Sections 6 through 20  
1477 of this act may be issued without any other proceedings or the  
1478 happening of any other conditions or things other than those  
1479 proceedings, conditions and things which are specified or required  
1480 by Sections 6 through 20 of this act. Any resolution providing  
1481 for the issuance of bonds under the provisions of Sections 6  
1482 through 20 of this act shall become effective immediately upon its  
1483 adoption by the State Bond Commission, and any such resolution may  
1484 be adopted at any regular or special meeting of the State Bond  
1485 Commission by a majority of its members.

1486 Section 15. The bonds authorized under the authority of  
1487 Sections 6 through 20 of this act may be validated in the Chancery  
1488 Court of the First Judicial District of Hinds County, Mississippi,  
1489 in the manner and with the force and effect provided by Chapter  
1490 13, Title 31, Mississippi Code of 1972, for the validation of  
1491 county, municipal, school district and other bonds. The notice to  
1492 taxpayers required by such statutes shall be published in a  
1493 newspaper published or having a general circulation in the City of  
1494 Jackson, Mississippi.

1495 Section 16. Any holder of bonds issued under the provisions  
1496 of Sections 6 through 20 of this act or of any of the interest  
1497 coupons pertaining thereto may, either at law or in equity, by  
1498 suit, action, mandamus or other proceeding, protect and enforce



1499 all rights granted under Sections 6 through 20 of this act, or  
1500 under such resolution, and may enforce and compel performance of  
1501 all duties required by Sections 6 through 20 of this act to be  
1502 performed, in order to provide for the payment of bonds and  
1503 interest thereon.

1504 Section 17. All bonds issued under the provisions of  
1505 Sections 6 through 20 of this act shall be legal investments for  
1506 trustees and other fiduciaries, and for savings banks, trust  
1507 companies and insurance companies organized under the laws of the  
1508 State of Mississippi, and such bonds shall be legal securities  
1509 which may be deposited with and shall be received by all public  
1510 officers and bodies of this state and all municipalities and  
1511 political subdivisions for the purpose of securing the deposit of  
1512 public funds.

1513 Section 18. Bonds issued under the provisions of Sections 6  
1514 through 20 of this act and income therefrom shall be exempt from  
1515 all taxation in the State of Mississippi.

1516 Section 19. The proceeds of the bonds issued under the  
1517 provisions of Sections 6 through 20 of this act shall be used  
1518 solely for the purposes herein provided, including the costs  
1519 incident to the issuance and sale of such bonds.

1520 Section 20. Sections 6 through 20 of this act shall be  
1521 deemed to be full and complete authority for the exercise of the  
1522 powers granted, but Sections 6 through 20 of this act shall not be



1523 deemed to repeal or to be in derogation of any existing law of  
1524 this state.

1525         **SECTION 13.** Section 27-25-505, Mississippi Code of 1972, is  
1526 amended as follows:

1527         **[With regard to any county which is exempt from the**  
1528 **provisions of Section 19-2-3, this section shall read as follows:]**

1529         27-25-505. (1) All taxes levied in this article and  
1530 collected by the Department of Revenue shall be paid into the  
1531 State Treasury on the same day collected.

1532         (2) Except as otherwise provided in this section, the  
1533 commissioner shall apportion all the tax collections made pursuant  
1534 to this article to the state and to the county in which the oil  
1535 was produced, in accordance with the following schedule and so  
1536 certify such apportionment to the State Treasurer at the end of  
1537 each month:

1538         On the first Six Hundred Thousand Dollars (\$600,000.00) or  
1539 any part thereof, sixty-six and two-thirds percent (66-2/3%) to  
1540 the state and thirty-three and one-third percent (33-1/3%) to the  
1541 county.

1542         \* \* \* Above and exceeding Six Hundred Thousand Dollars  
1543 (\$600,000.00), or any part thereof, ninety percent (90%) to the  
1544 state and ten percent (10%) to the county through June 30, 1989;  
1545 eighty-five percent (85%) to the state and fifteen percent (15%)  
1546 to the county from July 1, 1989, through June 30, 1990; \* \* \*  
1547 eighty percent (80%) to the state and twenty percent (20%) to the



1548 county from July 1, 1990, through June 30, 2015; seventy-nine  
1549 percent (79%) to the state and twenty-one percent (21%) to the  
1550 county from July 1, 2015, through June 30, 2016; seventy-eight  
1551 percent (78%) to the state and twenty-two percent (22%) to the  
1552 county from July 1, 2016, through June 30, 2017; seventy-seven  
1553 percent (77%) to the state and twenty-three percent (23%) to the  
1554 county from July 1, 2017, through June 30, 2018; seventy-six  
1555 percent (76%) to the state and twenty-four percent (24%) to the  
1556 county from July 1, 2018, through June 30, 2019; and seventy-four  
1557 percent (74%) to the state and twenty-six percent (26%) to the  
1558 county for each fiscal year thereafter.

1559 \* \* \*

1560 (3) The state's share of all oil severance taxes collected  
1561 pursuant to this article shall be deposited as provided for in  
1562 Section 27-25-506.

1563 (4) The commissioner shall apportion all the tax collections  
1564 made pursuant to Section 27-25-503(1)(c) to the county in which  
1565 the oil was produced.

1566 (5) The State Treasurer shall remit the county's share of  
1567 taxes collected pursuant to this article on or before the  
1568 twentieth day of the month next succeeding the month in which the  
1569 collections were made, for division among the municipalities and  
1570 taxing districts of the county. He shall accompany his remittance  
1571 with a report to the county receiving the funds prepared by the  
1572 commissioner showing from whom the tax was collected. Upon



1573 receipt of the funds, the board of supervisors of the county shall  
1574 allocate the funds to the municipalities and to the various  
1575 maintenance and bond and interest funds of the county, school  
1576 districts, supervisors districts and road districts, as provided  
1577 in this subsection.

1578 (6) Except as provided in subsection (8) of this section,  
1579 when there are any oil producing properties within the corporate  
1580 limits of any municipality, then the municipality shall  
1581 participate in the division of the tax returned to the county in  
1582 which the municipality is located, in the proportion which the tax  
1583 on production of oil from any properties located within the  
1584 municipal corporate limits bears to the tax on the total  
1585 production of oil in the county. In no event, however, shall the  
1586 amount allocated to municipalities exceed one-third (1/3) of the  
1587 tax produced in the municipality and returned to the county. Any  
1588 amount received by any municipality as a result of the allocation  
1589 provided for in this subsection shall be used only for such  
1590 purposes as are authorized by law.

1591 (7) Except as provided in subsection (8) of this section,  
1592 the balance remaining of any amount of tax returned to the county  
1593 after the allocation to municipalities shall be divided among the  
1594 various maintenance and bond interest funds of the county, school  
1595 districts, supervisors districts and road districts, in the  
1596 discretion of the board of supervisors, and the board shall make  
1597 the division in consideration of the needs of the various taxing





1598 districts. The funds so allocated shall be used only for purposes  
1599 as are authorized by law.

1600 (8) Any amount above and exceeding Six Hundred Thousand  
1601 Dollars (\$600,000.00) that is remitted to the county that is more  
1602 than twenty percent (20%) of the taxes above and exceeding Six  
1603 Hundred Thousand Dollars (\$600,000.00) collected on oil produced  
1604 in the county, shall be utilized by the county for infrastructure  
1605 repairs.

1606 **[With regard to any county which is required to operate on a**  
1607 **countywide system of road administration as described in Section**  
1608 **19-2-3, this section shall read as follows:]**

1609 27-25-505. (1) All taxes levied in this article and  
1610 collected by the Department of Revenue shall be paid into the  
1611 State Treasury on the same day collected.

1612 (2) Except as otherwise provided in this section, the  
1613 commissioner shall apportion all the tax collections made pursuant  
1614 to this article to the state and to the county in which the oil  
1615 was produced, in accordance with the following schedule and so  
1616 certify such apportionment to the State Treasurer at the end of  
1617 each month:

1618 On the first Six Hundred Thousand Dollars (\$600,000.00) or  
1619 any part thereof, sixty-six and two-thirds percent (66-2/3%) to  
1620 the state and thirty-three and one-third percent (33-1/3%) to the  
1621 county.



1622           \* \* \* Above and exceeding Six Hundred Thousand Dollars  
1623   (\$600,000.00), or any part thereof, ninety percent (90%) to the  
1624   state and ten percent (10%) to the county through June 30, 1989;  
1625   eighty-five percent (85%) to the state and fifteen percent (15%)  
1626   to the county from July 1, 1989, through June 30, 1990; \* \* \*  
1627   eighty percent (80%) to the state and twenty percent (20%) to the  
1628   county from July 1, 1990, through June 30, 2015; seventy-nine  
1629   percent (79%) to the state and twenty-one percent (21%) to the  
1630   county from July 1, 2015, through June 30, 2016; seventy-eight  
1631   percent (78%) to the state and twenty-two percent (22%) to the  
1632   county from July 1, 2016, through June 30, 2017; seventy-seven  
1633   percent (77%) to the state and twenty-three percent (23%) to the  
1634   county from July 1, 2017, through June 30, 2018; seventy-six  
1635   percent (76%) to the state and twenty-four percent (24%) to the  
1636   county from July 1, 2018, through June 30, 2019; and seventy-four  
1637   percent (74%) to the state and twenty-six percent (26%) to the  
1638   county for each fiscal year thereafter.

1639   \* \* \*

1640           (3) The state's share of all oil severance taxes collected  
1641   pursuant to this article shall be deposited as provided for in  
1642   Section 27-25-506.

1643           (4) The commissioner shall apportion all the tax collections  
1644   made pursuant to the tax levied in Section 27-25-503(1)(c) to the  
1645   county in which the oil was produced.



1646           (5) The State Treasurer shall remit the county's share of  
1647 the taxes collected pursuant to this article on or before the  
1648 twentieth day of the month next succeeding the month in which the  
1649 collections were made, for division among the municipalities and  
1650 taxing districts of the county. He shall accompany his remittance  
1651 with a report to the county receiving the funds prepared by the  
1652 commissioner showing from whom the tax was collected. Upon  
1653 receipt of the funds, the board of supervisors of the county shall  
1654 allocate the funds to the municipalities and to the various  
1655 maintenance and bond and interest funds of the county and school  
1656 districts, as provided in this subsection.

1657           (6) Except as provided in subsection (8) of this section,  
1658 when there are any oil producing properties within the corporate  
1659 limits of any municipality, then the municipality shall  
1660 participate in the division of the tax returned to the county in  
1661 which the municipality is located, in the proportion which the tax  
1662 on production of oil from any properties located within the  
1663 municipal corporate limits bears to the tax on the total  
1664 production of oil in the county. In no event, however, shall the  
1665 amount allocated to municipalities exceed one-third (1/3) of the  
1666 tax produced in the municipality and returned to the county. Any  
1667 amount received by any municipality as a result of the allocation  
1668 provided in this subsection shall be used only for such purposes  
1669 as are authorized by law.



1670           (7) Except as provided in subsection (8) of this section,  
1671 the balance remaining of any amount of tax returned to the county  
1672 after the allocation to municipalities shall be divided among the  
1673 various maintenance and bond interest funds of the county and  
1674 school districts, in the discretion of the board of supervisors,  
1675 and the board shall make the division in consideration of the  
1676 needs of the various taxing districts. The funds so allocated  
1677 shall be used only for purposes as are authorized by law.

1678           (8) Any amount above and exceeding Six Hundred Thousand  
1679 Dollars (\$600,000.00) that is remitted to the county that is more  
1680 than twenty percent (20%) of the taxes above and exceeding Six  
1681 Hundred Thousand Dollars (\$600,000.00) collected on oil produced  
1682 in the county, shall be utilized by the county for infrastructure  
1683 repairs.

1684           **SECTION 14.** Section 27-65-241, Mississippi Code of 1972, is  
1685 brought forward as follows:

1686           27-65-241. (1) As used in this section, the following terms  
1687 shall have the meanings ascribed to them in this section unless  
1688 otherwise clearly indicated by the context in which they are used:

1689           (a) "Hotel" or "motel" means and includes a place of  
1690 lodging that at any one time will accommodate transient guests on  
1691 a daily or weekly basis and that is known to the trade as such.  
1692 Such terms shall not include a place of lodging with ten (10) or  
1693 less rental units.



1694                   (b) "Municipality" means any municipality in the State  
1695 of Mississippi with a population of one hundred fifty thousand  
1696 (150,000) or more according to the most recent federal decennial  
1697 census.

1698                   (c) "Restaurant" means and includes all places where  
1699 prepared food is sold and whose annual gross proceeds of sales or  
1700 gross income for the preceding calendar year equals or exceeds One  
1701 Hundred Thousand Dollars (\$100,000.00). The term "restaurant"  
1702 shall not include any nonprofit organization that is exempt from  
1703 federal income taxation under Section 501(c)(3) of the Internal  
1704 Revenue Code. For the purpose of calculating gross proceeds of  
1705 sales or gross income, the sales or income of all establishments  
1706 owned, operated or controlled by the same person, persons or  
1707 corporation shall be aggregated.

1708                   (2) (a) Subject to the provisions of this section, the  
1709 governing authorities of a municipality may impose upon all  
1710 persons as a privilege for engaging or continuing in business or  
1711 doing business within such municipality, a special sales tax at  
1712 the rate of not more than one percent (1%) of the gross proceeds  
1713 of sales or gross income of the business, as the case may be,  
1714 derived from any of the activities taxed at the rate of seven  
1715 percent (7%) or more under the Mississippi Sales Tax Law, Section  
1716 27-65-1 et seq.

1717                   (b) The tax levied under this section shall apply to  
1718 every person making sales, delivery or installations of tangible



1719 personal property or services within the municipality but shall  
1720 not apply to:

1721 (i) Sales exempted by Sections 27-65-19,  
1722 27-65-101, 27-65-103, 27-65-105, 27-65-107, 27-65-109 and  
1723 27-65-111 of the Mississippi Sales Tax Law;

1724 (ii) Gross proceeds of sales or gross income of  
1725 restaurants derived from the sale of food and beverages;

1726 (iii) Gross proceeds of sales or gross income of  
1727 hotels and motels derived from the sale of hotel rooms and motel  
1728 rooms for lodging purposes;

1729 (iv) Retail sales of food for human consumption  
1730 not purchased with food stamps issued by the United States  
1731 Department of Agriculture, or other federal agency, but which  
1732 would be exempt under Section 27-65-111(o) from the taxes imposed  
1733 by this chapter if the food items were purchased with food stamps;  
1734 and

1735 (v) Gross income of businesses engaging or  
1736 continuing in the business of TV cable systems, subscription TV  
1737 services, and other similar activities, including, but not limited  
1738 to, cable Internet services.

1739 (3) (a) Before any tax authorized under this section may be  
1740 imposed, the governing authorities of the municipality shall adopt  
1741 a resolution declaring its intention to levy the tax, setting  
1742 forth the amount of the tax to be imposed, the purposes for which  
1743 the revenue collected pursuant to the tax levy may be used and



1744 expended, the date upon which the tax shall become effective, the  
1745 date upon which the tax shall be repealed, and calling for an  
1746 election to be held on the question. The date of the election  
1747 shall be set in the resolution. Notice of the election shall be  
1748 published once each week for at least three (3) consecutive weeks  
1749 in a newspaper published or having a general circulation in the  
1750 municipality, with the first publication of the notice to be made  
1751 not less than twenty-one (21) days before the date fixed in the  
1752 resolution for the election and the last publication to be made  
1753 not more than seven (7) days before the election. At the  
1754 election, all qualified electors of the municipality may vote.  
1755 The ballots used at the election shall have printed thereon a  
1756 brief description of the sales tax, the amount of the sales tax  
1757 levy, a description of the purposes for which the tax revenue may  
1758 be used and expended and the words "FOR THE LOCAL SALES TAX" and  
1759 "AGAINST THE LOCAL SALES TAX" and the voter shall vote by placing  
1760 a cross (X) or check mark (✓) opposite his choice on the  
1761 proposition. When the results of the election have been canvassed  
1762 by the election commissioners of the municipality and certified by  
1763 them to the governing authorities, it shall be the duty of such  
1764 governing authorities to determine and adjudicate whether at least  
1765 three-fifths (3/5) of the qualified electors who voted in the  
1766 election voted in favor of the tax. If at least three-fifths  
1767 (3/5) of the qualified electors who voted in the election voted in  
1768 favor of the tax, the governing authorities shall adopt a



1769 resolution declaring the levy and collection of the tax provided  
1770 in this section and shall set the first day of the second month  
1771 following the date of such adoption as the effective date of the  
1772 tax levy. A certified copy of this resolution, together with the  
1773 result of the election, shall be furnished to the Department of  
1774 Revenue not less than thirty (30) days before the effective date  
1775 of the levy.

1776 (b) A municipality shall not hold more than two (2)  
1777 elections under this subsection.

1778 (4) The revenue collected pursuant to the tax levy imposed  
1779 under this section may be expended to pay the cost of road and  
1780 street repair, reconstruction and resurfacing projects based on  
1781 traffic patterns, need and usage, and to pay the costs of water,  
1782 sewer and drainage projects in accordance with a master plan  
1783 adopted by the commission established pursuant to subsection (7).

1784 (5) (a) The special sales tax authorized by this section  
1785 shall be collected by the Department of Revenue, shall be  
1786 accounted for separately from the amount of sales tax collected  
1787 for the state in the municipality and shall be paid to the  
1788 municipality. The Department of Revenue may retain one percent  
1789 (1%) of the proceeds of such tax for the purpose of defraying the  
1790 costs incurred by the department in the collection of the tax.  
1791 Payments to the municipality shall be made by the Department of  
1792 Revenue on or before the fifteenth day of the month following the  
1793 month in which the tax was collected.





1794           (b) The proceeds of the special sales tax shall be  
1795 placed into a special municipal fund apart from the municipal  
1796 general fund and any other funds of the municipality, and shall be  
1797 expended by the municipality solely for the purposes authorized in  
1798 subsection (4) of this section. The records reflecting the  
1799 receipts and expenditures of the revenue from the special sales  
1800 tax shall be audited annually by an independent certified public  
1801 accountant. The accountant shall make a report of his findings to  
1802 the governing authorities of the municipality and file a copy of  
1803 his report with the Secretary of the Senate and the Clerk of the  
1804 House of Representatives. The audit shall be made and completed  
1805 as soon as practical after the close of the fiscal year of the  
1806 municipality, and expenses of the audit shall be paid from the  
1807 funds derived by the municipality pursuant to this section.

1808           (c) All provisions of the Mississippi Sales Tax Law  
1809 applicable to filing of returns, discounts to the taxpayer,  
1810 remittances to the Department of Revenue, enforced collection,  
1811 rights of taxpayers, recovery of improper taxes, refunds of  
1812 overpaid taxes or other provisions of law providing for imposition  
1813 and collection of the state sales tax shall apply to the special  
1814 sales tax authorized by this section, except where there is a  
1815 conflict, in which case the provisions of this section shall  
1816 control. Any damages, penalties or interest collected for the  
1817 nonpayment of taxes imposed under this section, or for  
1818 noncompliance with the provisions of this section, shall be paid



1819 to the municipality on the same basis and in the same manner as  
1820 the tax proceeds. Any overpayment of tax for any reason that has  
1821 been disbursed to a municipality or any payment of the tax to a  
1822 municipality in error may be adjusted by the Department of Revenue  
1823 on any subsequent payment to the municipality pursuant to the  
1824 provisions of the Mississippi Sales Tax Law. The Department of  
1825 Revenue may, from time to time, make such rules and regulations  
1826 not inconsistent with this section as may be deemed necessary to  
1827 carry out the provisions of this section, and such rules and  
1828 regulations shall have the full force and effect of law.

1829 (6) If a municipality expands its corporate boundaries, the  
1830 governing authorities of the municipality may not impose the  
1831 special sales tax in the annexed area unless the tax is approved  
1832 at an election conducted, as far as is practicable, in the manner  
1833 provided in subsection (3) of this section, except that only  
1834 qualified electors in the annexed area may vote in the election.

1835 (7) (a) Any municipality that levies the special sales tax  
1836 authorized under this section shall establish a commission as  
1837 provided for in this section. Expenditures of revenue from the  
1838 special sales tax authorized by this section shall be in  
1839 accordance with a master plan adopted by the commission pursuant  
1840 to this subsection.

1841 (b) The commission shall be composed of ten (10) voting  
1842 members who shall be known as commissioners appointed as follows:



1843 (i) Four (4) members representing the business  
1844 community in the municipality appointed by the local chamber of  
1845 commerce for initial terms of one (1), two (2), four (4) and five  
1846 (5) years respectively. The members appointed pursuant to this  
1847 paragraph shall be persons who represent businesses located within  
1848 the city limits of the municipality.

1849 (ii) Three (3) members shall be appointed at large  
1850 by the mayor of the municipality, with the advice and consent of  
1851 the legislative body of the municipality, for initial terms of two  
1852 (2), three (3) and four (4) years respectively. All appointments  
1853 made by the mayor pursuant to this paragraph shall be residents of  
1854 the municipality.

1855 (iii) One (1) member shall be appointed at large  
1856 by the Governor for an initial term of four (4) years. All  
1857 appointments made by the Governor pursuant to this paragraph shall  
1858 be residents of the municipality.

1859 (iv) One (1) member shall be appointed at large by  
1860 the Lieutenant Governor for an initial term of four (4) years.  
1861 All appointments made by the Lieutenant Governor pursuant to this  
1862 paragraph shall be residents of the municipality.

1863 (v) One (1) member shall be appointed at large by  
1864 the Speaker of the House of Representatives for a term of four (4)  
1865 years. All appointments made by the Speaker of the House of  
1866 Representatives pursuant to this paragraph shall be residents of  
1867 the municipality.



1868                   (c) The terms of all appointments made subsequent to  
1869 the initial appointment shall be made for five (5) years. Any  
1870 vacancy which may occur shall be filled in the same manner as the  
1871 original appointment and shall be made for the unexpired term.  
1872 Each member of the commission shall serve until his successor is  
1873 appointed and qualified.

1874                   (d) The mayor of the municipality shall designate a  
1875 chairman of the commission from among the membership of the  
1876 commission. The vice chairman and secretary shall be elected by  
1877 the commission from among the membership of the commission for a  
1878 term of two (2) years. The vice chairman and secretary may be  
1879 reelected, and the chairman may be reappointed.

1880                   (e) The commissioners shall serve without compensation.

1881                   (f) Any commissioner shall be disqualified and shall be  
1882 removed from office for either of the following reasons:

1883                   (i) Conviction of a felony in any state court or  
1884 in federal court; or

1885                   (ii) Failure to attend three (3) consecutive  
1886 meetings without just cause.

1887                   If a commissioner is removed for any of the above reasons,  
1888 the vacancy shall be filled in the manner prescribed in this  
1889 section and shall be made for the unexpired term.

1890                   (g) A quorum shall consist of six (6) voting members of  
1891 the commission. The commission shall adopt such rules and



1892 regulations as may govern the time and place for holding meetings,  
1893 regular and special.

1894 (h) The commission shall, with input from the  
1895 municipality, establish a master plan for road and street repair,  
1896 reconstruction and resurfacing projects based on traffic patterns,  
1897 need and usage, and for water, sewer and drainage projects.  
1898 Expenditures of the revenue from the tax authorized to be imposed  
1899 pursuant to this section shall be made at the discretion of the  
1900 governing authorities of the municipality if the expenditures  
1901 comply with the master plan. The commission shall monitor the  
1902 compliance of the municipality with the master plan.

1903 (8) This section shall stand repealed from and after July 1,  
1904 2032; however, if the tax fails to be adopted at an election held  
1905 for such purpose prior to July 1, 2014, this section shall stand  
1906 repealed from and after July 1, 2014.

1907 **SECTION 15.** This act shall take effect and be in force from  
1908 and after its passage.

