

By: Representatives Bennett, Monsour, Dixon,
Hines

To: Gaming; Revenue and
Expenditure General Bills

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1074

1 AN ACT TO CREATE THE "ECONOMIC DEVELOPMENT AND INFRASTRUCTURE
2 FUND" AS A SPECIAL FUND IN THE STATE TREASURY; TO PROVIDE THAT
3 MONIES IN THE FUND WILL BE USED BY THE MISSISSIPPI DEVELOPMENT
4 AUTHORITY TO PROVIDE GRANTS TO ASSIST WITH CONSTRUCTION AND REPAIR
5 OF INFRASTRUCTURE IN COUNTIES WHERE LEGAL GAMING IS BEING
6 CONDUCTED OR IS AUTHORIZED AND FOR STRUCTURES DESIGNED TO PROMOTE
7 THE GAMING AND ENTERTAINMENT INDUSTRY IN SUCH COUNTIES, AND TO
8 ASSIST COMMERCIAL SERVICE AIRPORTS WITH AIR SERVICE DEVELOPMENT
9 GOALS UNDER THE MISSISSIPPI AIR SERVICE DEVELOPMENT PROGRAM ACT;
10 TO AMEND SECTION 1 OF CHAPTER 479, LAWS OF 2015, TO REVISE FROM
11 THE GAMING COUNTIES STATE ASSISTED INFRASTRUCTURE FUND TO THE
12 ECONOMIC DEVELOPMENT AND INFRASTRUCTURE FUND, THE FUND FOR WHICH
13 EXCESS AMOUNTS IN THE SPECIAL BOND SINKING FUND ABOVE THE AMOUNT
14 NEEDED FOR DEBT SERVICE ARE DEPOSITED INTO; TO BRING FORWARD
15 SECTION 76-75-129, MISSISSIPPI CODE OF 1972, FOR PURPOSES OF
16 POSSIBLE AMENDMENT; AND FOR RELATED PURPOSES.

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

18 **SECTION 1.** (1) There is created in the State Treasury a
19 special fund to be designated as the "Economic Development and
20 Infrastructure Fund." The special fund shall consist of monies
21 deposited into the fund and monies from any other source
22 designated for deposit into such fund. Unexpended amounts
23 remaining in the fund at the end of a fiscal year shall not lapse
24 into the State General Fund, and any interest earned or investment
25 earnings on amounts in the fund shall be deposited to the credit



26 of the fund. Monies in the fund shall be used by the Mississippi
27 Development Authority for the purposes authorized in subsection
28 (2) of this section.

29 (2) (a) The Mississippi Development Authority shall
30 establish a program to provide grants (i) to assist with
31 construction and repair of infrastructure in counties in this
32 state where legal gaming is being conducted or is authorized and
33 for structures designed to promote the gaming and entertainment
34 industry in such counties and (ii) to aid in increasing commercial
35 air service at existing commercial service airports by offering to
36 assist Part 121 carriers through the following air service
37 development methods: revenue guaranty, seat guaranty, seat cost
38 mitigation, ground handling and marketing.

39 (b) The Mississippi Development Authority shall
40 establish a procedure for accepting and reviewing applications for
41 grants under this section.

42 (c) If funds are available in the fund created under
43 this section, not less than Two Million Five Hundred Thousand
44 Dollars (\$2,500,000.00) shall be used annually for grants provided
45 for under paragraph (a) (ii) of this subsection (2).

46 (3) The Mississippi Development Authority shall have all
47 powers necessary to implement and administer the program
48 established under this section, and the Mississippi Development
49 Authority shall promulgate rules and regulations, in accordance



50 with the Mississippi Administrative Procedures Law, necessary for
51 the implementation of this section.

52 **SECTION 2.** Section 1 of Chapter 479, Laws of 2015, is
53 amended as follows:

54 Section 1. (1) As used in this section, the following words
55 shall have the meanings ascribed herein unless the context clearly
56 requires otherwise:

57 (a) "Accreted value" of any bond means, as of any date
58 of computation, an amount equal to the sum of (i) the stated
59 initial value of such bond, plus (ii) the interest accrued thereon
60 from the issue date to the date of computation at the rate,
61 compounded semiannually, that is necessary to produce the
62 approximate yield to maturity shown for bonds of the same
63 maturity.

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

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

66 (2) (a) (i) A special fund, to be designated the "2015
67 Mississippi Deficient Bridge and State Aid Road Supplemental Fund"
68 is created within the State Treasury. The fund shall be
69 maintained by the State Treasurer as a separate and special fund,
70 separate and apart from the General Fund of the state. Unexpended
71 amounts remaining in the fund at the end of a fiscal year shall
72 not lapse into the State General Fund, and any interest earned or
73 investment earnings on amounts in the fund shall be deposited into
74 such fund.



75 (ii) Monies deposited into the fund shall be
76 disbursed as follows:

77 1. Eighteen Million Dollars (\$18,000,000.00)
78 shall be utilized by the Department of Transportation to construct
79 a bridge extending the I-20 South Frontage Road, running parallel
80 to Old Highway 27, over the railroad in Vicksburg, Mississippi.

81 2. Twenty Million Dollars (\$20,000,000.00)
82 shall be deposited into the State Aid Road Fund.

83 3. The remainder shall be utilized, in the
84 discretion of the Mississippi Transportation Commission, to pay
85 the costs of repair, rehabilitation, replacement, construction
86 and/or reconstruction of the bridges on state maintained highways
87 that are on a list of deficient bridges compiled by the
88 Mississippi Department of Transportation as of July 1, 2015.
89 Bridges on the list will be determined based on National Bridge
90 Inspection Standards set by the Federal Highway Administration.
91 In expending the funds authorized in this item 3, the Mississippi
92 Transportation Commission should give preference to bridges within
93 and approaching those counties in this state where legal gaming is
94 being conducted or is authorized.

95 (b) Amounts deposited into such special fund shall be
96 disbursed to pay the costs of the projects described in paragraph
97 (a) of this subsection. Promptly after the commission has
98 certified, by resolution duly adopted, that the projects described
99 in paragraph (a) of this subsection shall have been completed,



100 abandoned, or cannot be completed in a timely fashion, any amounts
101 remaining in such special fund shall be applied to pay debt
102 service on the bonds issued under this section, in accordance with
103 the proceedings authorizing the issuance of such bonds and as
104 directed by the commission.

105 (c) The Mississippi Transportation Commission is
106 expressly authorized and empowered to receive and expend any local
107 or other source funds in connection with the expenditure of funds
108 provided for in this subsection. The expenditure of monies
109 deposited into the special fund shall be under the direction of
110 the Mississippi Transportation Commission, and such funds shall be
111 paid by the State Treasurer upon warrants issued by the Department
112 of Finance and Administration, which warrants shall be issued upon
113 requisitions signed by the Executive Director of the Mississippi
114 Department of Transportation, or his designee.

115 (3) For the purpose of providing for the payment of the
116 principal of and interest upon bonds issued under this section,
117 there is created a special bond sinking fund in the State
118 Treasury. The special bond sinking fund shall consist of the
119 monies deposited into the fund under Section 75-76-129,
120 Mississippi Code of 1972, and such other amounts as may be paid
121 into such fund by appropriation or other authorization by the
122 Legislature. Except as otherwise provided in this section, monies
123 in the special bond sinking fund shall be used to pay the debt
124 service requirements of the bonds issued under this section. If



125 the special bond sinking fund has a balance in excess of the
126 amount needed to pay the next maximum annual debt service
127 requirement of the bonds issued under this section, the excess
128 monies may be transferred into the * * * Economic Development and
129 Infrastructure Fund created in Section 1 of this act. Unexpended
130 amounts remaining in the special bond sinking fund at the end of a
131 fiscal year shall not lapse into the State General Fund, and any
132 interest earned or investment earnings on amounts in the special
133 bond sinking fund shall be deposited into such sinking fund.

134 (4) (a) The commission, at one time, or from time to time,
135 may declare by resolution the necessity for issuance of revenue
136 bonds of the State of Mississippi to provide funds for all costs
137 incurred or to be incurred for the purposes described in
138 subsection (2) of this section. Upon the adoption of a resolution
139 by the Mississippi Transportation Commission, declaring the
140 necessity for the issuance of any part or all of the revenue bonds
141 authorized by this subsection, the Mississippi Transportation
142 Commission shall deliver a certified copy of its resolution or
143 resolutions to the commission. Upon receipt of such resolution,
144 the commission, in its discretion, may act as the issuing agent,
145 prescribe the form of the bonds, determine the appropriate method
146 for sale of the bonds, advertise for and accept bids or negotiate
147 the sale of the bonds, issue and sell the bonds so authorized to
148 be sold, and do any and all other things necessary and advisable
149 in connection with the issuance and sale of such bonds. The total



150 amount of bonds issued under this section shall not exceed Two
151 Hundred Million Dollars (\$200,000,000.00).

152 (b) Any investment earnings on amounts deposited into
153 the special fund created in subsection (2) of this section shall
154 be used to pay debt service on bonds issued under this section, in
155 accordance with the proceedings authorizing issuance of such
156 bonds.

157 (5) The principal of and interest on the bonds authorized
158 under this section shall be payable in the manner provided in this
159 subsection. Such bonds shall bear such date or dates, be in such
160 denomination or denominations, bear interest at such rate or rates
161 (not to exceed the limits set forth in Section 75-17-101,
162 Mississippi Code of 1972), be payable at such place or places
163 within or without the State of Mississippi, shall mature
164 absolutely at such time or times not to exceed twenty (20) years
165 from date of issue, be redeemable before maturity at such time or
166 times and upon such terms, with or without premium, shall bear
167 such registration privileges, and shall be substantially in such
168 form, all as shall be determined by resolution of the commission.

169 (6) The bonds authorized by this section shall be signed by
170 the chairman of the commission, or by his facsimile signature, and
171 the official seal of the commission shall be affixed thereto,
172 attested by the secretary of the commission. The interest
173 coupons, if any, to be attached to such bonds may be executed by
174 the facsimile signatures of such officers. Whenever any such



175 bonds shall have been signed by the officials designated to sign
176 the bonds who were in office at the time of such signing but who
177 may have ceased to be such officers before the sale and delivery
178 of such bonds, or who may not have been in office on the date such
179 bonds may bear, the signatures of such officers upon such bonds
180 and coupons shall nevertheless be valid and sufficient for all
181 purposes and have the same effect as if the person so officially
182 signing such bonds had remained in office until their delivery to
183 the purchaser, or had been in office on the date such bonds may
184 bear. However, notwithstanding anything herein to the contrary,
185 such bonds may be issued as provided in the Registered Bond Act of
186 the State of Mississippi.

187 (7) All bonds and interest coupons issued under the
188 provisions of this section have all the qualities and incidents of
189 negotiable instruments under the provisions of the Uniform
190 Commercial Code, and in exercising the powers granted by this
191 section, the commission shall not be required to and need not
192 comply with the provisions of the Uniform Commercial Code.

193 (8) The commission shall act as issuing agent for the bonds
194 authorized under this section, prescribe the form of the bonds,
195 determine the appropriate method for sale of the bonds, advertise
196 for and accept bids or negotiate the sale of the bonds, issue and
197 sell the bonds so authorized to be sold, pay all fees and costs
198 incurred in such issuance and sale, and do any and all other
199 things necessary and advisable in connection with the issuance and



200 sale of such bonds. The commission is authorized and empowered to
201 pay the costs that are incident to the sale, issuance and delivery
202 of the bonds authorized under this section from the proceeds
203 derived from the sale of such bonds. The commission may sell such
204 bonds on sealed bids at public sale or may negotiate the sale of
205 the bonds for such price as it may determine to be for the best
206 interest of the State of Mississippi. All interest accruing on
207 such bonds so issued shall be payable semiannually or annually.

208 If such bonds are sold by sealed bids at public sale, notice
209 of the sale shall be published at least one time, not less than
210 ten (10) days before the date of sale, and shall be so published
211 in one or more newspapers published or having a general
212 circulation in the City of Jackson, Mississippi, selected by the
213 commission.

214 The commission, when issuing any bonds under the authority of
215 this section, may provide that bonds, at the option of the State
216 of Mississippi, may be called in for payment and redemption at the
217 call price named therein and accrued interest on such date or
218 dates named therein.

219 (9) The bonds issued under the provisions of this section
220 shall be revenue bonds of the state, the principal of and interest
221 on which shall be payable solely from and shall be secured by the
222 special bond sinking fund created in subsection (3) of this
223 section. The bonds shall never constitute an indebtedness of the
224 state within the meaning of any state constitutional provision or



225 statutory limitation, and shall never constitute or give rise to a
226 pecuniary liability of the state, or a charge against its general
227 credit or taxing powers, and such fact shall be plainly stated on
228 the face of each such bond. The bonds shall not be considered
229 when computing any limitation of indebtedness of the state. All
230 bonds issued under the authority of this section and all interest
231 coupons applicable thereto shall be construed to be negotiable
232 instruments, despite the fact that they are payable solely from a
233 specified source.

234 (10) Upon the issuance and sale of bonds under the
235 provisions of this section, the commission shall transfer the
236 proceeds of any such sale or sales to the special fund created in
237 subsection (2) of this section. The proceeds of such bonds shall
238 be disbursed solely upon the order of the Mississippi
239 Transportation Commission under such restrictions, if any, as may
240 be contained in the resolution providing for the issuance of the
241 bonds.

242 (11) The bonds authorized under this section may be issued
243 without any other proceedings or the happening of any other
244 conditions or things other than those proceedings, conditions and
245 things which are specified or required by this section. Any
246 resolution providing for the issuance of bonds under the
247 provisions of this section shall become effective immediately upon
248 its adoption by the commission, and any such resolution may be



249 adopted at any regular or special meeting of the commission by a
250 majority of its members.

251 (12) The bonds authorized under the authority of this
252 section may be validated in the Chancery Court of the First
253 Judicial District of Hinds County, Mississippi, in the manner and
254 with the force and effect provided by Chapter 13, Title 31,
255 Mississippi Code of 1972, for the validation of county, municipal,
256 school district and other bonds. The notice to taxpayers required
257 by such statutes shall be published in a newspaper published or
258 having a general circulation in the City of Jackson, Mississippi.

259 (13) Any holder of bonds issued under the provisions of this
260 section or of any of the interest coupons pertaining thereto may,
261 either at law or in equity, by suit, action, mandamus or other
262 proceeding, protect and enforce any and all rights granted under
263 this section, or under such resolution, and may enforce and compel
264 performance of all duties required by this section to be
265 performed, in order to provide for the payment of bonds and
266 interest thereon.

267 (14) All bonds issued under the provisions of this section
268 shall be legal investments for trustees and other fiduciaries, and
269 for savings banks, trust companies and insurance companies
270 organized under the laws of the State of Mississippi, and such
271 bonds shall be legal securities which may be deposited with and
272 shall be received by all public officers and bodies of this state



273 and all municipalities and political subdivisions for the purpose
274 of securing the deposit of public funds.

275 (15) Bonds issued under the provisions of this section and
276 income therefrom shall be exempt from all taxation in the State of
277 Mississippi.

278 (16) The proceeds of the bonds issued under this section
279 shall be used solely for the purposes herein provided, including
280 the costs incident to the issuance and sale of such bonds.

281 (17) The State Treasurer is authorized, without further
282 process of law, to certify to the Department of Finance and
283 Administration the necessity for warrants, and the Department of
284 Finance and Administration is authorized and directed to issue
285 such warrants, in such amounts as may be necessary to pay when due
286 the principal of, premium, if any, and interest on, or the
287 accreted value of, all bonds issued under this section; and the
288 State Treasurer shall forward the necessary amount to the
289 designated place or places of payment of such bonds in ample time
290 to discharge such bonds, or the interest thereon, on the due dates
291 thereof.

292 (18) This section shall be deemed to be full and complete
293 authority for the exercise of the powers herein granted, but this
294 section shall not be deemed to repeal or to be in derogation of
295 any existing law of this state.

296 **SECTION 3.** Section 75-76-129, Mississippi Code of 1972, is
297 brought forward as follows:



298 **[Through December 31, 2015, this section shall read as**
299 **follows:]**

300 75-76-129. On or before the last day of each month all
301 taxes, fees, interest, penalties, damages, fines or other monies
302 collected by the Department of Revenue during that month under the
303 provisions of this chapter, with the exception of (a) the local
304 government fees imposed under Section 75-76-195, and (b) an amount
305 equal to Three Million Dollars (\$3,000,000.00) of the revenue
306 collected pursuant to the fee imposed under Section
307 75-76-177(1)(c) shall be paid by the Department of Revenue to the
308 State Treasurer to be deposited in the State General Fund. The
309 local government fees shall be distributed by the Department of
310 Revenue pursuant to Section 75-76-197. An amount equal to Three
311 Million Dollars (\$3,000,000.00) of the revenue collected during
312 that month pursuant to the fee imposed under Section
313 75-76-177(1)(c) shall be deposited by the Department of Revenue
314 into the bond sinking fund created in Section 65-39-3.

315 **[From and after January 1, 2016, through December 31, 2016,**
316 **this section shall read as follows:]**

317 75-76-129. On or before the last day of each month, all
318 taxes, fees, interest, penalties, damages, fines or other monies
319 collected by the Department of Revenue during that month under the
320 provisions of this chapter, with the exception of (a) the local
321 government fees imposed under Section 75-76-195, (b) an amount
322 equal to Three Million Dollars (\$3,000,000.00) shall be paid by



323 the Department of Revenue to the State Treasurer to be deposited
324 in the State General Fund. The local government fees shall be
325 distributed by the Department of Revenue pursuant to Section
326 75-76-197. An amount equal to Two Million Three Hundred
327 Seventy-five Thousand Dollars (\$2,375,000.00) of the revenue
328 collected during that month pursuant to the fee imposed under
329 Section 75-76-177(1)(c) shall be deposited by the Department of
330 Revenue into the bond sinking fund created in Section 1(3) of
331 Chapter 479, Laws of 2015. An amount equal to Five Hundred
332 Thousand Dollars (\$500,000.00) of the revenue collected during
333 that month pursuant to the fee imposed under Section
334 75-76-177(1)(c) shall be deposited by the Department of Revenue
335 into the 2015-2016 City of Gulfport Aquarium Construction Fund
336 created in Section 2 of Chapter 479, Laws of 2015. An amount
337 equal to Forty-one Thousand Six Hundred Sixty-three Dollars
338 (\$41,663.00) of the revenue collected during that month pursuant
339 to the fee imposed under Section 75-76-177(1)(c) shall be
340 deposited by the Department of Revenue into the 2015 Vicksburg
341 Interpretive Center, Catfish Row Museum Construction Fund created
342 in Section 3 of Chapter 479, Laws of 2015. An amount equal to
343 Eighty-three Thousand Three Hundred Thirty-four Dollars
344 (\$83,334.00) of the revenue collected during that month pursuant
345 to the fee imposed under Section 75-76-177(1)(c) shall be
346 deposited by the Department of Revenue into the 2015 E.E. Bass



347 Cultural Arts Center Fund created in Section 4 of Chapter 479,
348 Laws of 2015.

349 **[From and after January 1, 2017, through December 31, 2017,**
350 **this section shall read as follows:]**

351 75-76-129. On or before the last day of each month all
352 taxes, fees, interest, penalties, damages, fines or other monies
353 collected by the Department of Revenue during that month under the
354 provisions of this chapter, with the exception of (a) the local
355 government fees imposed under Section 75-76-195, and (b) an amount
356 equal to Three Million Dollars (\$3,000,000.00) of the revenue
357 collected pursuant to the fee imposed under Section
358 75-76-177(1)(c) shall be paid by the Department of Revenue to the
359 State Treasurer to be deposited in the State General Fund. The
360 local government fees shall be distributed by the Department of
361 Revenue pursuant to Section 75-76-197. An amount equal to Two
362 Million Five Hundred Thousand Dollars (\$2,500,000.00) of the
363 revenue collected during that month pursuant to the fee imposed
364 under Section 75-76-177(1)(c) shall be deposited by the Department
365 of Revenue into the bond sinking fund created in Section 1(3) of
366 Chapter 479, Laws of 2015. An amount equal to Five Hundred
367 Thousand Dollars (\$500,000.00) of the revenue collected during
368 that month pursuant to the fee imposed under Section
369 75-76-177(1)(c) shall be deposited by the Department of Revenue
370 into the 2015-2016 City of Gulfport Aquarium Construction Fund
371 created in Section 2 of Chapter 479, Laws of 2015 shall be



372 distributed by the Department of Revenue pursuant to Section
373 75-76-197.

374 **[From and after January 1, 2018, this section shall read as**
375 **follows:]**

376 75-76-129. On or before the last day of each month all
377 taxes, fees, interest, penalties, damages, fines or other monies
378 collected by the Department of Revenue during that month under the
379 provisions of this chapter, with the exception of (a) the local
380 government fees imposed under Section 75-76-195, and (b) an amount
381 equal to Three Million Dollars (\$3,000,000.00) of the revenue
382 collected pursuant to the fee imposed under Section
383 75-76-177(1)(c) shall be paid by the Department of Revenue to the
384 State Treasurer to be deposited in the State General Fund. The
385 local government fees shall be distributed by the Department of
386 Revenue pursuant to Section 75-76-197. An amount equal to Three
387 Million Dollars (\$3,000,000.00) of the revenue collected during
388 that month pursuant to the fee imposed under Section
389 75-76-177(1)(c) shall be deposited by the Department of Revenue
390 into the bond sinking fund created in Section 1(3) of Chapter 479,
391 Laws of 2015.

392 **SECTION 4.** This act shall take effect and be in force from
393 and after July 1, 2016.

