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(65th), Calhoun, Clarke, Denny, Dortch, Gibbs  
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To: Ways and Means

## HOUSE BILL NO. 1631

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS IN THE AMOUNT OF \$50,000,000.00 TO ASSIST THE RANKIN-HINDS  
3 PEARL RIVER FLOOD AND DRAINAGE CONTROL DISTRICT IN THE  
4 CONSTRUCTION OF A FLOOD CONTROL PROJECT ON THE PEARL RIVER IN  
5 HINDS AND RANKIN COUNTIES; TO AMEND SECTION 57-61-36, MISSISSIPPI  
6 CODE OF 1972, TO REQUIRE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO  
7 USE NOT MORE THAN \$45,000,000.00 OUT OF THE UNOBLIGATED PROCEEDS  
8 OF BONDS AUTHORIZED TO BE ISSUED UNDER THE MISSISSIPPI BUSINESS  
9 INVESTMENT ACT AS GRANTS TO URBAN FLOOD CONTROL DISTRICTS FOR THE  
10 PURPOSE OF AIDING IN THE CONSTRUCTION OF A FLOOD CONTROL PROJECT  
11 THAT ENHANCES THE ECONOMY OF THE DISTRICT AREA; TO AMEND SECTION  
12 57-61-9, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND FOR  
13 RELATED PURPOSES.

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

15 **SECTION 1.** (1) As used in this act:

16 (a) "Accreted value" of any bond means, as of any date  
17 of computation, an amount equal to the sum of the stated initial  
18 value of the bond, plus the interest accrued on the bond from the  
19 issue date to the date of computation at the rate, compounded  
20 semiannually, that is necessary to produce the approximate yield  
21 to maturity shown for bonds of the same maturity.

22 (b) "Commission" means the State Bond Commission.



(c) "District" means the Rankin-Hinds Pearl River Flood and Drainage Control District.

(d) "State" means the State of Mississippi.

(2) (a) (i) There is created in the State Treasury a special fund to be known as the "Metropolitan Flood Control Project Loan Fund." The fund shall be maintained by the State Treasurer as a special fund, separate and apart from the State General Fund. Unexpended amounts remaining in the special fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the special fund shall be deposited to the credit of the special fund. Monies in the special fund may not be used or expended for any purpose except as provided in this subsection.

(ii) Money deposited into the special fund shall be disbursed, in the discretion of the Mississippi Development Authority, to provide loans to the district to be utilized by the district to acquire property for, and to plan, design and construct a flood control project on the Pearl River in Hinds and Rankin Counties.

(b) The district may apply to the Mississippi Development Authority for a loan under this section. The proceeds of the loan shall be utilized by the district for the purposes provided for in paragraph (a)(ii) of this subsection.

(c) (i) The Mississippi Development Authority may require district participation or funding from other sources.



48 (ii) The Mississippi Development Authority shall  
49 negotiate and enter into a loan agreement on such terms and  
50 conditions and with such safeguards as would best promote and  
51 protect the public interest.

52 (d) If the district receives a loan under this section,  
53 the district shall pledge for repayment of the loan any part of  
54 the project revenue generated for the district by the project  
55 funded by a loan, pursuant to the negotiated terms of the loan  
56 agreement. The loan agreement shall provide for:

57 (i) Semiannual payments,  
58 (ii) Annual payments, or  
59 (iii) Other periodic payments, as set forth in the  
60 loan agreement.

61 (e) The loan agreement shall provide for the repayment  
62 of all funds received within not more than thirty (30) years from  
63 the date of issuance. There shall be no penalty for early  
64 repayment of the loan.

65 (f) Loan payments of the district shall be deposited  
66 into the bond sinking fund created in subsection (4) of this  
67 section.

68 (g) If the loan payments of the district appear to be  
69 in violation of the repayment terms set forth in the loan  
70 agreement, the Mississippi Development Authority shall audit the  
71 receipts and expenditures of the district. If the Mississippi  
72 Development Authority finds that the district is in arrears in



73 such payments pursuant to the terms of the loan agreement, the  
74 district shall deposit into the bond sinking fund created in  
75 subsection (4) of this section all project revenues after the  
76 payment of operations and maintenance expenses of the district and  
77 the fulfillment of reserve requirements, until such time as the  
78 district is again current in its loan repayment obligations under  
79 the loan agreement, as certified by the Mississippi Development  
80 Authority.

81 (3) In administering the provisions of this act, the  
82 Mississippi Development Authority shall have the following powers  
83 and duties:

84 (a) To supervise the use of all funds made available  
85 under this act;

86 (b) To review and certify that the funds that are made  
87 available under this act are utilized as authorized under this  
88 act;

89 (c) To requisition money in the Metropolitan Flood  
90 Control Project Loan Fund and distribute it in accordance with the  
91 provisions of this act and the loan agreement;

92 (d) To maintain an accurate record of all funds made  
93 available to the district under this act; and

94 (e) To adopt and promulgate such rules and regulations  
95 as may be necessary or desirable for the purpose of implementing  
96 the provisions of this act.



97           (4)   (a)   For the purposes of providing for the payment of  
98   the principal of and interest on bonds issued under this section,  
99   there is created in the State Treasury a special fund to be known  
100   as the "Metropolitan Flood Control Project Loan Bond Sinking  
101   Fund."   The bond sinking fund shall consist of monies deposited  
102   into the fund by the district for repayment of loans issued under  
103   this act, and such other amounts as may be paid into the bond  
104   sinking fund by appropriation, other authorization by the  
105   Legislature, or other funds.   Unexpended amounts remaining in the  
106   bond sinking fund at the end of a fiscal year shall not lapse into  
107   the State General Fund, and any interest earned or investment  
108   earnings on amounts in the bond sinking fund shall be deposited  
109   into the bond sinking fund.

110           (b)   At any time when the funds required to pay the  
111   principal of and interest on the bonds issued under this act are  
112   more than the amounts available in the bond sinking fund, the  
113   Legislature shall appropriate the balance of the amount necessary  
114   to pay the principal of and interest on the bonds issued under  
115   this act from the State General Fund.

116           (c)   The total amount of all payments deposited into the  
117   bond sinking fund until the maturity date of the bonds authorized  
118   under this act shall be in an amount sufficient to retire the  
119   bonds.

120           (5)   (a)   The Mississippi Development Authority, at one time,  
121   or from time to time, may declare by resolution the necessity for



122 issuance of general obligation bonds of the State of Mississippi  
123 to provide funds for all costs incurred or to be incurred for the  
124 purposes described in subsection (2) of this section. Upon the  
125 adoption of a resolution by the Mississippi Development Authority  
126 declaring the necessity for the issuance of any part or all of the  
127 bonds authorized by this section, the Mississippi Development  
128 Authority shall deliver a certified copy of its resolution or  
129 resolutions to the commission. Upon receipt of the resolution,  
130 the commission, in its discretion, may act as the issuing agent,  
131 prescribe the form of the bonds, determine the appropriate method  
132 for sale of the bonds, advertise for and accept bids or negotiate  
133 the sale of the bonds, issue and sell the bonds so authorized to  
134 be sold, and do any and all other things necessary and advisable  
135 in connection with the issuance and sale of the bonds. The total  
136 amount of bonds issued under this act shall not exceed Fifty  
137 Million Dollars (\$50,000,000 00).

138 (b) Any investment earnings on amounts deposited into  
139 the special fund created in subsection (2) of this section shall  
140 be used to pay debt service on bonds issued under this section, in  
141 accordance with the proceedings authorizing issuance of the bonds.

142 (6) The principal of and interest on the bonds authorized  
143 under this section shall be payable in the manner provided in this  
144 subsection. The bonds shall bear such date or dates, be in such  
145 denomination or denominations, bear interest at such rate or rates  
146 (not to exceed the limits set forth in Section 75-17-101,



Mississippi Code of 1972), be payable at such place or places within or without the State of Mississippi, shall mature absolutely at such time or times not to exceed thirty (30) years from date of issue, be redeemable before maturity at such time or times and upon such terms, with or without premium, shall bear such registration privileges, and shall be substantially in such form, all as determined by resolution of the commission.

(7) The bonds authorized by this section shall be signed by the chairman of the commission, or by his facsimile signature, and the official seal of the commission shall be affixed thereto, attested by the secretary of the commission. The interest coupons, if any, to be attached to the bonds may be executed by the facsimile signatures of those officers. Whenever any such bonds have been signed by the officials designated to sign the bonds who were in office at the time of the signing but who may have ceased to be those officers before the sale and delivery of the bonds, or who may not have been in office on the date that the bonds may bear, the signatures of those officers upon the bonds and coupons shall nevertheless be valid and sufficient for all purposes and have the same effect as if the person so officially signing the bonds had remained in office until their delivery to the purchaser, or had been in office on the date the bonds may bear. However, notwithstanding anything in this act to the contrary, the bonds may be issued as provided in the Registered Bond Act of the State of Mississippi.



172           (8) All bonds and interest coupons issued under the  
173 provisions of this section have all the qualities and incidents of  
174 negotiable instruments under the provisions of the Uniform  
175 Commercial Code, and in exercising the powers granted by this  
176 section, the commission shall not be required to and need not  
177 comply with the provisions of the Uniform Commercial Code.

178           (9) The commission shall act as the issuing agent for the  
179 bonds authorized under this section, prescribe the form of the  
180 bonds, determine the appropriate method for sale of the bonds,  
181 advertise for and accept bids or negotiate the sale of the bonds,  
182 issue and sell the bonds so authorized to be sold, pay all fees  
183 and costs incurred in the issuance and sale, and do any and all  
184 other things necessary and advisable in connection with the  
185 issuance and sale of the bonds. The commission is authorized and  
186 empowered to pay the costs that are incident to the sale, issuance  
187 and delivery of the bonds authorized under this section from the  
188 proceeds derived from the sale of the bonds. The commission may  
189 sell the bonds on sealed bids at public sale or may negotiate the  
190 sale of the bonds for such price as it may determine to be for the  
191 best interest of the State of Mississippi. All interest accruing  
192 on the bonds so issued shall be payable semiannually or annually.

193           If the bonds are to be sold on sealed bids at public sale,  
194 notice of the sale of any such bonds shall be published at least  
195 one time, not less than ten (10) days before the date of sale, and  
196 shall be so published in one or more newspapers published or





197 having a general circulation in the City of Jackson, Mississippi,  
198 selected by the commission.

199 The commission, when issuing any bonds under the authority of  
200 this section, may provide that bonds, at the option of the State  
201 of Mississippi, may be called in for payment and redemption at the  
202 call price named therein and accrued interest on such date or  
203 dates named therein.

204 (10) The bonds issued under the provisions of this section  
205 are general obligations of the State of Mississippi, and for the  
206 payment thereof, the full faith and credit of the State of  
207 Mississippi is irrevocably pledged. The principal of and the  
208 interest on the bonds shall be payable primarily from the bond  
209 sinking fund created in subsection (4) of this section in the  
210 manner provided in that subsection. If the funds available in the  
211 bond sinking fund and any funds appropriated by the Legislature  
212 for those purposes are insufficient to pay the principal of and  
213 the interest on the bonds as they become due, then the amount of  
214 the deficiency shall be paid by the State Treasurer from any funds  
215 in the State Treasury not otherwise appropriated. All those bonds  
216 shall contain recitals on their faces substantially covering the  
217 provisions of this section.

218 (11) Upon the issuance and sale of bonds under the  
219 provisions of this section, the commission shall transfer the  
220 proceeds of any such sale or sales to the special fund created in  
221 subsection (2) of this section. The proceeds of the bonds shall



be disbursed solely upon the order of the Mississippi Development Authority under such restrictions, if any, as may be contained in the resolution providing for the issuance of the bonds.

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

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

(14) Any holder of bonds issued under the provisions of this section or of any of the interest coupons pertaining to those bonds may, either at law or in equity, by suit, action, mandamus or other proceeding, protect and enforce any and all rights granted under this section, or under the resolution, and may



247 enforce and compel performance of all duties required by this  
248 section to be performed, in order to provide for the payment of  
249 bonds and interest on the bonds.

250 (15) All bonds issued under the provisions of this section  
251 shall be legal investments for trustees and other fiduciaries, and  
252 for savings banks, trust companies and insurance companies  
253 organized under the laws of the State of Mississippi, and the  
254 bonds shall be legal securities that may be deposited with and  
255 shall be received by all public officers and bodies of this state  
256 and all municipalities and political subdivisions for the purpose  
257 of securing the deposit of public funds.

258 (16) Bonds issued under the provisions of this section and  
259 income from the bonds shall be exempt from all taxation in the  
260 State of Mississippi.

261 (17) The proceeds of the bonds issued under this section  
262 shall be used solely for the purposes herein provided, including  
263 the costs incident to the issuance and sale of such bonds.

264 (18) The State Treasurer is authorized, without further  
265 process of law, to certify to the Department of Finance and  
266 Administration the necessity for warrants, and the department is  
267 authorized and directed to issue those warrants, in such amounts  
268 as may be necessary to pay when due the principal of, premium, if  
269 any, and interest on, or the accreted value of, all bonds issued  
270 under this section; and the State Treasurer shall forward the  
271 necessary amount to the designated place or places of payment of



those bonds in ample time to discharge the bonds, or the interest on the bonds, on the due dates thereof.

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

**SECTION 2.** Section 57-61-36, Mississippi Code of 1972, is amended as follows:

57-61-36. (1) Notwithstanding any provision of this chapter to the contrary, the Mississippi Development Authority shall utilize not more than Fourteen Million Five Hundred Thousand Dollars (\$14,500,000.00) out of the proceeds of bonds authorized to be issued in this chapter for the purpose of making grants to municipalities through a Development Infrastructure Grant Fund to complete infrastructure related to new or expanded industry.

(2) [Repealed]

(3) Notwithstanding any provision of this chapter to the contrary, the Mississippi Development Authority shall utilize the monies transferred from the Housing Development Revolving Loan Fund and not more than Sixty-five Million One Hundred Thousand Dollars (\$65,100,000.00) out of the proceeds of bonds authorized to be issued in this chapter for the purpose of making grants or loans to municipalities through an equipment and public facilities grant and loan fund to aid in infrastructure-related improvements as determined by the Mississippi Development Authority, the



297 purchase of equipment and in the purchase, construction or repair  
298 and renovation of public facilities. Any bonds previously issued  
299 for the Development Infrastructure Revolving Loan Program which  
300 have not been loaned or applied for are eligible to be  
301 administered as grants or loans. In making grants and loans under  
302 this section, the Mississippi Development Authority shall attempt  
303 to provide for an equitable distribution of such grants and loans  
304 among each of the congressional districts of this state in order  
305 to promote economic development across the entire state.

306 The requirements of Section 57-61-9 shall not apply to any  
307 grant made under this subsection. The Mississippi Development  
308 Authority may establish criteria and guidelines to govern grants  
309 made pursuant to this subsection.

310 (4) [Repealed]

311 (5) (a) The Mississippi Development Authority may establish  
312 a Capital Access Program and may contract with any financial  
313 institution to participate in the program upon such terms and  
314 conditions as the authority shall consider necessary and proper.  
315 The Mississippi Development Authority may establish loss reserve  
316 accounts at financial institutions that participate in the program  
317 and require payments by the financial institution and the borrower  
318 to such loss reserve accounts. All monies in such loss reserve  
319 accounts is the property of the Mississippi Development Authority.

320 (b) Under the Capital Access Program a participating  
321 financial institution may make a loan to any borrower the



Mississippi Development Authority determines to be qualified under rules and regulations adopted by the authority and be protected against losses from such loans as provided in the program. Under such rules and regulations as may be adopted by the Mississippi Development Authority, a participating financial institution may submit claims for the reimbursement for losses incurred as a result of default on loans by qualified borrowers.

(c) Under the Capital Access Program a participating financial institution may make a loan that is secured by the assignment of the proceeds of a contract between the borrower and a public entity if the Mississippi Development Authority determines the loan to be qualified under the rules and regulations adopted by the authority. Under such rules and regulations as may be adopted by the Mississippi Development Authority, a participating financial institution may submit an application to the authority requesting that a loan secured pursuant to this paragraph be funded under the Capital Access Program.

(d) Notwithstanding any provision of this chapter to the contrary, the Mississippi Development Authority may utilize not more than One Million Five Hundred Fifty Thousand Dollars (\$1,550,000.00) out of the proceeds of bonds authorized to be issued in this chapter for the purpose of making payments to loan loss reserve accounts established at financial institutions that participate in the Capital Access Program established by the



Mississippi Development Authority; however, any portion of the bond proceeds authorized to be utilized by this paragraph that are not utilized for making payments to loss reserve accounts may be utilized by the Mississippi Development Authority to advance funds to financial institutions that participate in the Capital Access Program pursuant to paragraph (c) of this subsection.

(6) Notwithstanding any provision of this chapter to the contrary, the Mississippi Development Authority shall utilize not more than Two Hundred Thousand Dollars (\$200,000.00) out of the proceeds of bonds authorized to be issued in this chapter for the purpose of assisting Warren County, Mississippi, in the continuation and completion of the study for the proposed Kings Point Levee.

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

(8) Notwithstanding any other provision of this chapter to the contrary, the Mississippi Development Authority shall use not more than One Hundred Fifty Thousand Dollars (\$150,000.00) out of



the proceeds of bonds authorized to be issued in this chapter for the purpose of providing assistance to municipalities that have received Community Development Block Grant funds for repair, renovation and other improvements to buildings for use as community centers. Assistance provided to a municipality under this subsection shall be used by the municipality to match such Community Development Block Grant funds. The maximum amount of assistance that may be provided to a municipality under this subsection shall not exceed Seventy-five Thousand Dollars (\$75,000.00) in the aggregate.

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

(10) Notwithstanding any provision of this chapter to the contrary, the Mississippi Development Authority shall utilize not more than One Hundred Thousand Dollars (\$100,000.00) out of the proceeds of bonds authorized to be issued in this chapter for the





purpose of assisting the City of Holly Springs, Mississippi, in providing water and sewer and other infrastructure services in the Marshall, Benton and Tippah Counties area.

(11) (a) Notwithstanding any provision of this chapter to the contrary, the Mississippi Development Authority shall use not more than Forty-five Million Dollars (\$45,000,000.00) out of the unobligated proceeds of bonds authorized to be issued under this chapter, except those authorized to be utilized by the Mississippi Development Authority under subsections (1) through (10) of this section and Section 57-61-41, for the purpose of making grants to urban flood control districts for the purpose of aiding in the construction of a flood control project that enhances the economy of the district area.

(b) Grant funds authorized under this subsection may be used by the recipient for all reasonable, actual and necessary costs to acquire property for, and to plan, design and construct the flood control project, as approved by the Mississippi Development Authority. The urban flood control district shall maintain an accounting of the actual costs incurred for the project for which funding is provided under this subsection.

(c) The Mississippi Development Authority may require that any urban flood control district receiving a grant under this subsection utilize the grant funds to match other funds available for the flood control project.



(d) The requirements of Section 57-61-9 shall not apply to any grant made under this subsection. The Mississippi Development Authority shall establish criteria and guidelines to govern grants made pursuant to this subsection.

**SECTION 3.** Section 57-61-9, Mississippi Code of 1972, is amended as follows:

57-61-9. (1) Any private company desiring assistance from a municipality shall submit to the municipality a letter of intent to locate, expand or build a facility entirely or partially within the municipality or on land the municipality is authorized to own or otherwise acquire. The letter of intent shall include:

(a) Except for strategic investments, a commitment that the proposed project will create and maintain a minimum of ten (10) net new full-time equivalent jobs, will create and maintain at least a five percent (5%) increase in full-time equivalent jobs in the case of expansion of an enterprise already located at the site or at least a twenty-five percent (25%) increase in full-time equivalent jobs pursuant to subsection (9) of Section 57-61-15 and will create and maintain at least one (1) net new full-time equivalent job for every Fifteen Thousand Dollars (\$15,000.00) either loaned or granted for the project. The commitment required by this paragraph (a) shall include any jobs created prior to March 31, 1986, resulting from contracts entered into contingent upon assistance being made available under this chapter. All jobs required to be maintained by this paragraph (a) shall be



maintained until such time as any loan made under this chapter for the benefit of a private company is repaid.

(b) A statement that the specific improvements are necessary for the efficient and cost-effective operation of the private company, together with supporting financial and engineering documentation.

(c) Any commitment to pay rental on, or to make loan repayments related to, the improvements to be made with funds loaned to a municipality under this chapter.

(d) If required by the Mississippi Development Authority, a notarized statement of willingness to grant a lien on the facility for which the improvement is being provided, in an amount and a manner to be determined by the Mississippi Development Authority, which lien may be foreclosed in the event that the private company fails to operate in the facility according to the terms of the agreement and/or to collateralize the loan made for the benefit of the private company for which the improvement is being provided in an amount and manner to be determined by the Mississippi Development Authority. In the event the contractual agreement is to be entered into with a department or subsidiary of the United States government, the Mississippi Development Authority shall determine that the governmental unit will operate the proposed project for a sufficient number of years to retire the loan based on increased revenue estimates by the University Research Center and any agreement entered into shall



reflect that the interest paid on any loan for such purpose shall be included in Mississippi's contributory value in the project. In the event the private company requesting the assistance is a subsidiary of another corporation, if required by the Mississippi Development Authority, any contractual agreement entered into shall also require the parent company to unconditionally warrant the performance of the subsidiary in carrying out the terms of the agreement or it shall require the subsidiary and/or the parent company to pledge assets in an amount and a manner to be determined by the Mississippi Development Authority and/or to collateralize the loan in an amount and a manner to be determined by the Mississippi Development Authority to ensure the performance of the terms of the contract.

(2) Upon receipt of the letter of intent from a private company, the municipality may apply to the Mississippi Development Authority for a loan or grant. The application from the municipality shall include, but not be limited to:

(a) A statement of the purpose of the proposed loan or grant, including a list of eligible items and the cost of each.

(b) A statement showing the sources of funding for the entire project, including the private company's or governmental unit's investment in the project and any public and other private sources of funding.



494 (c) A certified copy of the signed letter of intent  
495 from a private company or governmental unit, as specified in this  
496 section.

497 (d) Evidence that there will be a private match of at  
498 least Three Dollars (\$3.00) for every One Dollar (\$1.00) of state  
499 assistance, except:

500 (i) In the case of ports the private match will be  
501 at least Two Dollars (\$2.00) for every One Dollar (\$1.00) of state  
502 assistance; and

503 (ii) In the case where the Mississippi Development  
504 Authority determines that a private company is a high technology  
505 enterprise the private match will be at least Two Dollars (\$2.00)  
506 for every One Dollar (\$1.00) of state assistance.

507 The Mississippi Development Authority shall establish  
508 criteria for determining whether a private company is a high  
509 technology enterprise.

510 (e) Demonstration that the private company is  
511 financially sound and is likely to fulfill the commitments made in  
512 its letter of intent.

513 (f) A proposed timetable for the provision of the  
514 improvements.

515 (g) Evidence that the project will be expeditiously  
516 carried out and completed as planned.

517 (h) A demonstration that insufficient local capital  
518 improvement funds at reasonable rates and terms are available



519 within the necessary time to provide the needed improvement on  
520 public property. This includes local funds available through  
521 issuance of bonds or other means, state funds available through  
522 existing programs, and available federal program funds such as  
523 community development block grant funds, urban development action  
524 grant funds, and economic development administration funds.

525 (i) A demonstration that insufficient private funds are  
526 available at reasonable rates and terms within the necessary time  
527 to fund improvement on property owned by the private company.

528 (3) The Mississippi Development Authority shall consider  
529 grant and loan applications based on the following criteria:

530 (a) The number of net new full-time equivalent jobs  
531 that will be provided and the amount of additional state and local  
532 tax revenue estimated by the University Research Center to be  
533 directly generated by the private company's new investment, and  
534 additionally, as to loan applications by state agencies, the  
535 extent to which shipping through the port will be increased by the  
536 proposed port development projects, the degree to which jobs will  
537 be increased in the port area and the impact on port revenues.

538 (b) The ability to repay the principal and interest, in  
539 the case of a loan, based on increased revenue estimates and any  
540 revenue-producing provision of a contractual agreement.

541 (c) The increase in the employment base of the state.

542 The Mississippi Development Authority and the University  
543 Research Center may use the resources and capabilities of the



544 planning and development districts in carrying out the provisions  
545 of this chapter.

546 (4) No loan shall be made in excess of the amounts which can  
547 be repaid with the increased revenues estimated by the University  
548 Research Center, provided that this subsection (4) shall not apply  
549 to loans in connection with a United States Navy home port.

550 (5) (a) Notwithstanding anything contained in this chapter,  
551 an agency of the State of Mississippi operating a state-owned  
552 port, and hereinabove identified as a "municipality" and  
553 "governmental unit" for purposes of this chapter, may make  
554 application for a loan or grant under the terms and provisions of  
555 this chapter. In addition, a public agency operating a port  
556 bordering on the Gulf of Mexico, which shall be considered to be a  
557 "municipality" or a "governmental unit" for the purposes of this  
558 chapter, may make application for a loan or grant under the terms  
559 and provisions of this chapter from funds other than those funds  
560 authorized for a state-owned port under paragraph (e)(iii) of  
561 Section 57-61-11. The application shall be initiated by  
562 submission of a letter of intent to engage in a project or  
563 projects for the purpose of effecting enlargement and improvement  
564 in all facilities used and useful in attracting international and  
565 foreign commerce through the port. Projects eligible for  
566 inclusion in the letter of intent may include, but not be  
567 restricted to:



568                   (i) Dredging and deepening the access channel and  
569 harbor basin of the port;

570                   (ii) Effecting the enlargement of the land area of  
571 the port by reclamation;

572                   (iii) Construction and installation of piling,  
573 bulkheads, docks, wharves, warehouses and appurtenances; and

574                   (iv) Acquisition of facilities and equipment for  
575 handling bulk and containerized cargo.

576                   (b) With respect to a state-owned port bordering on the  
577 Gulf of Mexico, the letter of intent shall include the following  
578 information and any other information required by the Mississippi  
579 Development Authority:

580                   (i) Present and future annual tonnages expected as  
581 a result of the improvements.

582                   (ii) Reasons why present facilities are inadequate  
583 to enable the port to compete, including limitations imposed by  
584 insufficient depth of channel and basin.

585                   (iii) Increased channel and basin depths necessary  
586 to accommodate modern shipping.

587                   (iv) Comparison of the percentage of the world's  
588 cargo shipping that can now be accommodated with what could be  
589 accommodated with project improvements.

590                   (v) Economic contribution to the region and state  
591 resulting from increased shipping activity.





(vi) Statement of degree to which port revenues are expected to be increased as a result of projects.

(vii) Financial data of port activities, including cost of project, degree of federal funding available and required local participation.

On or before January 1, 1989, a state-owned port described in this paragraph (b) shall submit to the Senate Finance Committee and the House Ways and Means Committee of the Mississippi Legislature a comprehensive, written report updating for each committee the information listed in items (i) through (vii) of this paragraph (b) with particular emphasis on the economic contribution to the region and state by shipping activity at the port; on financial data with respect to the degree of federal funding available and local participation in funding port activities; and on progress made in dredging and completing other improvements necessary to accommodate modern shipping.

(c) The Mississippi Development Authority shall consider grant and loan applications based on the following:

(i) The extent to which shipping through the port will be increased by the proposed projects.

(ii) The degree to which jobs will be increased in the port area.

(iii) Impact on port revenues.

(iv) The ability of the port to repay interest and principal in the case of a loan.



617           (6) A municipality may apply to the Mississippi Development  
618 Authority for a grant under the terms and provisions of this  
619 chapter, and the Mississippi Development Authority may award  
620 grants to a municipality subject to limitations contained in this  
621 chapter. The application shall be initiated by submission of a  
622 letter of intent to engage in a project or projects for the  
623 purpose of providing improvements necessary to accommodate a  
624 United States Navy home port.

625           (7) The Legislature hereby finds and determines that  
626 financing facilities necessary to accommodate a Navy home port  
627 serves a valid public purpose in that a Navy home port will  
628 significantly contribute to the employment base of the state which  
629 is in great need of assistance; provided, that in the event such  
630 facilities are no longer required for use by the Navy as a home  
631 port, such facilities shall revert as provided in Section 59-9-21.

632           (8) Notwithstanding any provision or requirement of this  
633 chapter to the contrary, a municipality may make application for a  
634 loan under this chapter, in an amount not to exceed Five Million  
635 Dollars (\$5,000,000.00), for the purpose of acquiring and  
636 developing land to be used as a technology/industrial park for  
637 which there is a binding commitment by one or more private  
638 companies to create and maintain not less than an aggregate of  
639 three hundred (300) jobs meeting minimum criteria established by  
640 the Mississippi Development Authority. Such a commitment by a  
641 private company shall not disqualify the private company from



obtaining assistance under this section. The match requirements of this section shall not apply to any loan made pursuant to this subsection (8).

(9) Notwithstanding any provision or requirement of this chapter to the contrary, a municipality operating a county-owned port or municipally owned port may make application for a loan under this chapter, in an amount not to exceed Three Million Dollars (\$3,000,000.00), for the purpose of acquiring land, buildings and other improvements and for repairing, renovating, maintaining and improving such a port.

(10) (a) A municipality is authorized to negotiate a contract for the acquisition, construction and erection of a project or any portion of a project hereunder where a municipality finds that, because of the particular nature of a project or any portion thereof, it would be in the best public interest of the municipality to negotiate.

(b) Contracts by a private company for the acquisition, construction or erection of a project which receives assistance under this chapter shall be effected in the manner prescribed by law for public contracts, unless the Mississippi Development Authority makes a written finding that, because of special circumstances with respect to the projects or any portion thereof, it would better serve the public interest or more effectively achieve the purposes of this chapter to enter into such contracts based on negotiation.



667           (11) A municipality is authorized upon such terms and  
668 conditions as the municipality may deem advisable, provided such  
669 terms and conditions shall not be in conflict with the provisions  
670 of this chapter, to (a) acquire, whether by construction,  
671 purchase, gift or lease, all of or any portion of a project  
672 hereunder; (b) to lease or sell to others all of or any portion of  
673 a project hereunder; and (c) to lend to the private company the  
674 proceeds of the loan from the board to such municipality.

675           (12) All agreements between a municipality and a private  
676 company related directly or indirectly to a project or a portion  
677 of a project to be funded in whole or in part under this chapter  
678 are subject to approval by the Mississippi Development Authority.

679           (13) This section shall not apply to grants made under  
680 Section 57-61-36(11).

681           **SECTION 4.** This act shall take effect and be in force from  
682 and after its passage.

