

By: Senator(s) Fillingane

To: Finance

SENATE BILL NO. 2272
(As Sent to Governor)

1 AN ACT TO AMEND SECTIONS 57-1-16, 57-1-18, 57-1-221,
2 57-1-421, 57-1-601, 57-1-701 (AS AMENDED BY SECTION 2, HOUSE BILL
3 NO. 1427, 2019 REGULAR SESSION), 57-46-1, 57-61-25 (AS AMENDED BY
4 SECTION 4, HOUSE BILL NO. 1427, 2019 REGULAR SESSION), 57-85-5,
5 57-93-1, 57-95-1, 57-111-1 AND 65-4-15, MISSISSIPPI CODE OF 1972,
6 TO REVISE THE PROCEDURE BY WHICH UP TO 3% OF BOND PROCEEDS IN
7 VARIOUS FUNDS MAY BE USED TO REIMBURSE THE MISSISSIPPI DEVELOPMENT
8 AUTHORITY FOR COSTS INCURRED IN THE ADMINISTRATION OF VARIOUS
9 GRANT, LOAN AND FINANCIAL INCENTIVE PROGRAMS, TO ALLOW THE
10 MISSISSIPPI DEVELOPMENT AUTHORITY TO APPLY THE PROCEEDS FOR
11 REIMBURSEMENT ACROSS FUNDS AND PROGRAMS; AND FOR RELATED PURPOSES.

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

13 **SECTION 1.** Section 57-1-16, Mississippi Code of 1972, is
14 amended as follows:

15 57-1-16. (1) As used in this section:

16 (a) "Extraordinary economic development opportunity"
17 means a new or expanded business or industry which maintains a
18 strong financial condition and minimal credit risk and creates
19 substantial employment, particularly in areas of high
20 unemployment.

21 (b) "Local economic development entities" means state
22 institutions of higher learning or public or private nonprofit



23 local economic development entities including, but not limited to,
24 chambers of commerce, local authorities, commissions or other
25 entities created by local and private legislation or districts
26 created pursuant to Section 19-5-99.

27 (c) "MDA" means the Mississippi Development Authority.

28 (2) (a) There is hereby created in the State Treasury a
29 special fund to be designated as the ACE Fund, which shall consist
30 of money from any public or private source designated for deposit
31 into such fund. Unexpended amounts remaining in the fund at the
32 end of a fiscal year shall not lapse into the State General Fund,
33 and any interest earned on amounts in the fund shall be deposited
34 to the credit of the fund. The purpose of the fund shall be to
35 assist in maximizing extraordinary economic development
36 opportunities related to any new or expanded business or industry
37 or to assist a local unit of government as authorized in
38 subsection (5) of this section. Such funds may be used to make
39 grants to local economic development entities to assist any new or
40 expanding business or industry that meets the criteria provided in
41 this section when such assistance aids the consummation of a
42 project within the State of Mississippi, or to make grants to a
43 local unit of government as authorized in subsection (5) of this
44 section.

45 (b) Monies in the fund which are derived from the
46 proceeds of general obligation bonds may be used to reimburse
47 reasonable actual and necessary costs incurred by the MDA * * *



48 for the administration of the various grant, loan and financial
49 incentive programs administered by the MDA. An accounting of
50 actual costs incurred for which reimbursement is sought shall be
51 maintained * * * by the MDA. Reimbursement of reasonable actual
52 and necessary costs * * * shall not exceed three percent (3%) of
53 the proceeds of bonds issued * * *. * * * Reimbursements made
54 under this subsection shall satisfy any applicable federal tax law
55 requirements.

56 (3) The MDA shall establish a grant program to make grants
57 from the ACE Fund created under this section. Local economic
58 development entities may apply to the MDA for a grant under this
59 section in the manner provided for in subsection (4) of this
60 section. Local units of government may apply to the MDA for a
61 grant under this section in the manner provided in subsection (5)
62 of this section.

63 (4) (a) Any business or industry desiring assistance from a
64 local economic development entity under this section shall submit
65 an application to the local economic development entity which
66 shall include, at a minimum:

67 (i) Evidence that the business or industry meets
68 the definition of an extraordinary economic development
69 opportunity;

70 (ii) A demonstration that the business or industry
71 is at an economic disadvantage by locating the new or expanded
72 project in the county;



73 (iii) A description, including the cost, of the
74 requested assistance;

75 (iv) A description of the purpose for which the
76 assistance is requested;

77 (v) A two-year business plan;

78 (vi) Financial statements or tax returns for the
79 three (3) years immediately prior to the application;

80 (vii) Credit reports on all persons or entities
81 with a twenty percent (20%) or greater interest in the business or
82 industry; and

83 (viii) Any other information required by the MDA.

84 (b) The MDA shall require that binding commitments be
85 entered into requiring that:

86 (i) The minimum requirements of this section and
87 such other requirements as the MDA considers proper shall be met;
88 and

89 (ii) If such requirements are not met, all or a
90 portion of the funds provided by this section as determined by the
91 MDA shall be repaid.

92 (c) Upon receipt of the application from a business or
93 industry, the local economic development entity may apply to the
94 MDA for assistance under this section. Such application must
95 contain evidence that the business or industry meets the
96 definition of an extraordinary economic development opportunity, a
97 demonstration that the business or industry is at an economic



98 disadvantage by locating the new or expanded project in the
99 county, a description, including the cost, of the requested
100 assistance, and a statement of what efforts have been made or are
101 being made by the business or industry for securing or qualifying
102 for other local, state, federal or private funds for the project.

103 (d) The MDA shall have sole discretion in the awarding
104 of ACE funds, provided that the business or industry and the local
105 economic development entity have met the statutory requirements of
106 this section. However, in making grants under this section, the
107 MDA shall attempt to provide for an equitable distribution of such
108 grants among each of the congressional districts of this state in
109 order to promote economic development across the entire state.

110 (5) (a) The MDA may make grants to local units of
111 government to assist the local unit of government in purchasing
112 real property for the benefit of an existing industry that commits
113 to maintain a minimum of one thousand three hundred (1,300) jobs
114 for a minimum of ten (10) years after the date the grant is made.

115 (b) Any local unit of government seeking a grant
116 authorized under this subsection shall apply to MDA. The
117 application shall contain such information as the MDA may require.

118 (c) The MDA shall require that binding commitments be
119 entered into requiring that:

120 (i) The minimum requirements of this subsection
121 and such other requirements as the MDA considers proper shall be
122 met; and



123 (ii) If such requirements are not met, all or a
124 portion of the funds provided by this section as determined by the
125 MDA shall be repaid.

126 (6) The MDA shall promulgate rules and regulations, in
127 accordance with the Mississippi Administrative Procedures Law, for
128 the implementation of this section. However, before the
129 implementation of any such rules and regulations, they shall be
130 submitted to a committee consisting of five (5) members of the
131 Senate Finance Committee and five (5) members of the House of
132 Representatives Ways and Means Committee, appointed by the
133 respective committee chairmen.

134 **SECTION 2.** Section 57-1-18, Mississippi Code of 1972, is
135 amended as follows:

136 57-1-18. (1) For the purposes of this section, the
137 following terms shall have the meanings ascribed in this section
138 unless the context clearly indicates otherwise:

139 (a) "Limited population county" means a county in the
140 State of Mississippi with a population of thirty thousand (30,000)
141 or less according to the most recent federal decennial census at
142 the time the county submits its application to the MDA under this
143 section.

144 (b) "MDA" means the Mississippi Development Authority.

145 (c) "Project" means highways, streets and other
146 roadways, bridges, sidewalks, utilities, airfields, airports,
147 acquisition of equipment, acquisition of real property,



148 development of real property, improvements to real property, and
149 any other project approved by the MDA.

150 (d) "Small municipality" means a municipality in the
151 State of Mississippi with a population of ten thousand (10,000) or
152 less according to the most recent federal decennial census at the
153 time the municipality submits its application to the MDA under
154 this section. The term "small municipality" also includes a
155 municipal historical hamlet as defined in Section 17-27-5.

156 (2) (a) There is hereby created in the State Treasury a
157 special fund to be designated as the "Small Municipalities and
158 Limited Population Counties Fund," which shall consist of funds
159 appropriated or otherwise made available by the Legislature in any
160 manner and funds from any other source designated for deposit into
161 such fund. Unexpended amounts remaining in the fund at the end of
162 a fiscal year shall not lapse into the State General Fund, and any
163 investment earnings or interest earned on amounts in the fund
164 shall be deposited to the credit of the fund. Monies in the fund
165 shall be used to make grants to small municipalities and limited
166 population counties or natural gas districts created by law and
167 contained therein to assist in completing projects under this
168 section.

169 (b) Monies in the fund which are derived from proceeds
170 of bonds issued under Sections 1 through 16 of Chapter 538, Laws
171 of 2002, Sections 1 through 16 of Chapter 508, Laws of 2003,
172 Sections 55 through 70 of Chapter 1, Laws of 2004 Third



173 Extraordinary Session, Sections 1 through 16 of Chapter 482, Laws
174 of 2006, Section 15 of Chapter 580, Laws of 2007, Section 1 of
175 Chapter 503, Laws of 2008, Section 42 of Chapter 557, Laws of
176 2009, Section 38 of Chapter 533, Laws of 2010, Section 41 of
177 Chapter 480, Laws of 2011, Section 30 of Chapter 569, Laws of
178 2013, Section 4 of Chapter 530, Laws of 2014, Section 11 of
179 Chapter 472, Laws of 2015, Section 19 of Chapter 511, Laws of
180 2016, or Section 5 of Chapter 452, Laws of 2018, may be used to
181 reimburse reasonable actual and necessary costs incurred by the
182 MDA * * * for the administration of the various grant, loan and
183 financial incentive programs administered by the MDA. An
184 accounting of actual costs incurred for which reimbursement is
185 sought shall be maintained * * * by the MDA. Reimbursement of
186 reasonable actual and necessary costs * * * shall not exceed three
187 percent (3%) of the proceeds of bonds issued * * *. * * *
188 Reimbursements under this subsection shall satisfy any applicable
189 federal tax law requirements.

190 (3) The MDA shall establish a grant program to make grants
191 to small municipalities and limited population counties from the
192 Small Municipalities and Limited Population Counties Fund. Grants
193 made under this section to a small municipality or a limited
194 population county shall not exceed Two Hundred Fifty Thousand
195 Dollars (\$250,000.00) during any grant period established by the
196 MDA. A small municipality or limited population county may apply



197 to the MDA for a grant under this section in the manner provided
198 for in this section.

199 (4) A small municipality or limited population county
200 desiring assistance under this section must submit an application
201 to the MDA. The application must include a description of the
202 project for which assistance is requested, the cost of the project
203 for which assistance is requested, the amount of assistance
204 requested and any other information required by the MDA.

205 (5) The MDA shall have all powers necessary to implement and
206 administer the program established under this section, and the
207 department shall promulgate rules and regulations, in accordance
208 with the Mississippi Administrative Procedures Law, necessary for
209 the implementation of this section.

210 (6) The MDA shall file an annual report with the Governor,
211 the Secretary of the Senate and the Clerk of the House of
212 Representatives not later than December 1 of each year, describing
213 all assistance provided under this section.

214 **SECTION 3.** Section 57-1-221, Mississippi Code of 1972, is
215 amended as follows:

216 57-1-221. (1) As used in this section:

217 (a) "Approved business enterprise" means any project
218 that:

219 (i) Locates or expands in this state and creates a
220 minimum of two hundred fifty (250) new, full-time jobs with a



221 total capital investment in the state of a minimum of Thirty
222 Million Dollars (\$30,000,000.00) in Tier 1 or Tier 2 counties;

223 (ii) Locates or expands in this state and creates
224 a minimum of one hundred fifty (150) new, full-time jobs with a
225 total capital investment in the state of a minimum of Fifteen
226 Million Dollars (\$15,000,000.00) in areas federally designated as
227 low-income census tracts;

228 (iii) Locates or expands in this state and creates
229 a minimum of one thousand (1,000) new, full-time jobs;

230 (iv) Is a manufacturer of high-end kitchen
231 appliances having at least four hundred (400) employees working at
232 its Mississippi facilities on January 1, 2015, and with a capital
233 investment of at least Five Million Dollars (\$5,000,000.00) made
234 after July 1, 2014, through four (4) years after July 1, 2015,
235 that expands in this state, and retains a minimum of four hundred
236 (400) jobs; or

237 (v) Locates or expands in this state with
238 significant regional impact as determined by MDA.

239 (b) "MDA" means the Mississippi Development Authority.

240 (c) "Facility related to the project" means and
241 includes any of the following, as they may pertain to the project:

242 (i) Facilities to provide potable and industrial
243 water supply systems, sewage and waste disposal systems and water,
244 natural gas and electric transmission systems to the site of the
245 project;



246 (ii) Building facilities and equipment necessary
247 to operate the facility;
248 (iii) Rail lines;
249 (iv) Airports, airfields, air terminals and port
250 facilities;
251 (v) Highways, streets and other roadways; and
252 (vi) Fire protection facilities, equipment and
253 elevated water tanks.

254 (d) "Project" means any industrial, commercial,
255 research and development, warehousing, distribution,
256 transportation, processing, mining, United States government or
257 tourism enterprise together with all real property required for
258 construction, maintenance and operation of the enterprise that is
259 approved by the MDA.

260 (2) (a) There is created a special fund in the State
261 Treasury to be known as the Mississippi Industry Incentive
262 Financing Revolving Fund which shall consist of * * * monies from
263 any source designated for deposit into the fund. Unexpended
264 amounts remaining in the fund at the end of a fiscal year shall
265 not lapse into the State General Fund, and any interest earned on
266 amounts in the fund shall be deposited to the credit of the
267 fund. * * * Monies in the fund shall be disbursed by the
268 Mississippi Development Authority for the purposes authorized in
269 subsection (3) of this section.



270 (b) * * * Monies in the fund that * * * are derived
271 from the proceeds of general obligation bonds may be used to
272 reimburse reasonable actual and necessary costs incurred by the
273 MDA * * * for the administration of the various grant, loan and
274 financial incentive programs administered by the MDA. An
275 accounting of actual costs incurred for which reimbursement is
276 sought shall be maintained * * * by the MDA. Reimbursement of
277 reasonable actual and necessary costs * * * shall not exceed three
278 percent (3%) of the proceeds of bonds issued * * *.
279 Reimbursements made under this subsection shall satisfy any
280 applicable federal tax law requirements.

281 (3) The MDA shall establish a program to make grants or
282 loans from the Mississippi Industry Incentive Financing Revolving
283 Fund to local governments, including, but not limited to,
284 counties, municipalities, industrial development authorities and
285 economic development districts, and approved business enterprises
286 to construct or otherwise provide facilities related to the
287 project. Local governments are authorized to accept grants and
288 enter into loans authorized under the program, and to sell, lease
289 or otherwise dispose of a project or any property related to the
290 project in whole or in part.

291 (4) (a) Any business enterprise or local government
292 desiring a grant or loan under this section shall submit an
293 application to the MDA which shall include, at a minimum:



294 (i) Evidence that the business or industry meets
295 the definition of an approved business enterprise;

296 (ii) A description, including the cost, of the
297 requested assistance;

298 (iii) A description of the purpose for which the
299 assistance is requested; and

300 (iv) Any other information required by the MDA.

301 (b) The MDA shall require that binding commitments be
302 entered into requiring that:

303 (i) The minimum requirements of this section and
304 such other requirements as the MDA considers proper shall be met;
305 and

306 (ii) If such requirements are not met, all or a
307 portion of the funds provided by this section as determined by the
308 MDA shall be repaid.

309 (c) Upon receipt of the application from a business
310 enterprise or local government for a grant or loan under this
311 section, the MDA shall determine whether the enterprise meets the
312 definition of an approved business enterprise and determine
313 whether to provide the assistance requested in the form of a grant
314 or a loan.

315 (d) The MDA shall have sole discretion in providing
316 grants or loans under this section. The terms of a grant or loan
317 provided under this section and the manner of repayment of any
318 loan shall be within the discretion of the MDA. Repayments of



319 loans made under this section shall be deposited to the credit of
320 the Mississippi Industry Incentive Financing Revolving Fund until
321 the uncommitted balance in the fund reaches Fifty Million Dollars
322 (\$50,000,000.00). Once the uncommitted balance in the fund
323 reaches Fifty Million Dollars (\$50,000,000.00), repayments of
324 loans under this section shall be deposited to the credit of Fund
325 No. 3951 in the State Treasury to pay debt service on bonds until
326 such time as the uncommitted balance in the fund falls below Fifty
327 Million Dollars (\$50,000,000.00).

328 (e) The MDA shall notify the Chairman of the Senate
329 Finance Committee and the Chairman of the House Ways and Means
330 Committee of the approval of any grant or loan application thirty
331 (30) days prior to the disbursement of any * * * monies for the
332 loan or grant from the Mississippi Industry Incentive Financing
333 Revolving Fund. The notification shall identify the applicant and
334 the purposes for which the loan or grant is made.

335 (5) (a) Contracts, by local governments, including, but not
336 limited to, design and construction contracts, for the
337 acquisition, purchase, construction or installation of a project
338 shall be exempt from the provisions of Section 31-7-13 if:

339 (i) The MDA finds and records such finding on its
340 minutes, that because of availability or the particular nature of
341 a project, it would not be in the public interest or would less
342 effectively achieve the purposes of this section to enter into
343 such contracts on the basis of Section 31-7-13; and



344 (ii) The approved business enterprise that is
345 involved in the project concurs in such finding.

346 (b) When the requirements of paragraph (a) of this
347 subsection are met:

348 (i) The requirements of Section 31-7-13 shall not
349 apply to such contracts; and

350 (ii) The contracts may be entered into on the
351 basis of negotiation.

352 (6) It is the policy of the MDA and the MDA is authorized to
353 accommodate and support any enterprise that receives a loan under
354 this section for a project defined in Section 17-25-23 that wishes
355 to have a program of diversity in contracting, and/or that wishes
356 to do business with or cause its prime contractor to do business
357 with Mississippi companies, including those companies that are
358 small business concerns owned and controlled by socially and
359 economically disadvantaged individuals. The term "socially and
360 economically disadvantaged individuals" shall have the meaning
361 ascribed to such term under Section 8(d) of the Small Business Act
362 (15 USCS 637(d)) and relevant subcontracting regulations
363 promulgated pursuant thereto; except that women shall be presumed
364 to be socially and economically disadvantaged individuals for the
365 purposes of this subsection.

366 (7) The MDA shall promulgate rules and regulations, in
367 accordance with the Mississippi Administrative Procedures Law, for
368 the implementation of this section.



369 **SECTION 4.** Section 57-1-421, Mississippi Code of 1972, is
370 amended as follows:

371 57-1-421. (1) As used in this subsection:

372 (a) "Alternative fuel" means compressed natural gas and
373 liquefied natural gas, as defined in Section 27-59-3, and propane
374 fuel when used as a fuel in a motor vehicle or motor vehicles on
375 the highways of the state.

376 (b) "Alternative fuel school bus" means a school bus
377 propelled by alternative fuel either as a dedicated alternative
378 fuel vehicle, as a bi-fuel vehicle using alternative fuel as one
379 of its fuels, or as a dual-fuel vehicle using alternative fuel as
380 one of its fuels.

381 (c) "Conversion kit" means the fuel system equipment
382 necessary in order to retrofit a motor vehicle propelled by
383 gasoline, diesel or other fuel so that the motor vehicle may be
384 converted or modified into an alternative fuel motor vehicle.

385 (d) "Cost of qualified alternative fuel motor vehicle
386 fuel property" means any of the following:

387 (i) The actual cost per school bus paid by the
388 school district for the purchase and installation of qualified
389 alternative fuel motor vehicle fuel property described in
390 paragraph (1)(i) of this subsection.

391 (ii) The incremental cost per school bus paid by
392 the school district upon the purchase of an OEM alternative fuel
393 school bus for the qualified alternative fuel motor vehicle fuel



394 property (including installation) described in paragraph (1)(ii)
395 of this subsection.

396 (iii) The cost of the qualified alternative fuel
397 motor vehicle fuel property described in paragraph (1)(iii) of
398 this subsection and its installation.

399 (iv) The cost of the qualified alternative fuel
400 motor vehicle fuel property described in paragraph (1)(iv) of this
401 subsection and its construction and installation. The cost
402 directly related to a refueling station shall not include costs
403 associated with exploration and development activities necessary
404 for severing natural resources from the soil or ground.

405 (e) "Fuel system equipment" means tanks, pumps, hoses,
406 injectors, electronic controls and related supplies, materials,
407 parts and components for the storage of alternative fuel as fuel
408 for an alternative fuel school bus, the delivery of alternative
409 fuel to the engine of an alternative fuel school bus, and the
410 exhaust from an alternative fuel school bus of gases from
411 combustion of alternative fuel used to propel an alternative fuel
412 school bus, excluding equipment necessary for operation of a
413 school bus on gasoline, diesel or any fuel other than alternative
414 fuel.

415 (f) "Incremental cost" means:

416 (i) The stated MSRP of the fuel system equipment
417 and its installation for an OEM alternative fuel school bus; or



418 (ii) If no separate MSRP is stated, the difference
419 between the MSRP of the OEM alternative fuel school bus and the
420 MSRP of the same make and model of school bus manufactured without
421 the fuel system equipment but otherwise identically equipped.

422 When an OEM alternative fuel school bus is sold for less (or
423 more) than its MSRP, the amount determined in subparagraph (i) or
424 (ii) of this paragraph (f) shall be proportionately reduced (or
425 increased) by the same percentage as the discount (or premium) on
426 the MSRP, as applicable.

427 (g) "School district" means a public school district.

428 (h) "OEM alternative fuel motor vehicle" means an
429 alternative fuel school bus manufactured by the original vehicle
430 manufacturer (or its contractor) with the fuel system equipment
431 installed as original equipment by the manufacturer (or its
432 contractor) at the factory or at another installation site
433 approved by the manufacturer (or its contractor).

434 (i) "Motor vehicle" shall have the meaning ascribed to
435 such term in Section 27-59-3.

436 (j) "MSRP" means manufacturer's suggested retail price.

437 (k) "Original purchase" means the purchase directly
438 from a dealer at retail of a new OEM alternative fuel school bus
439 which has never been titled.

440 (l) "Qualified alternative fuel motor vehicle fuel
441 property" means any of the following:



442 (i) A conversion kit which has not previously been
443 used to retrofit any motor vehicle and is installed and results in
444 a reduction in emissions.

445 (ii) The fuel system equipment on an OEM
446 alternative fuel school bus which results in a reduction in
447 emissions.

448 (iii) A refueling system installed at a
449 governmental entity location for the nonpublic refueling with
450 alternative fuel of the governmental entity's alternative fuel
451 school buses.

452 (iv) A refueling station located in the state and
453 operated by a school district for refueling of alternative fuel
454 motor vehicles owned by the school district.

455 (v) Upgrades to a refueling system included in
456 subparagraphs (iii) and (iv) of this paragraph (1).

457 (vi) Portable or mobile refueling systems.

458 (m) "Reduction in emissions" means a reduction in
459 atmospheric emissions from fuel consumption by an alternative fuel
460 motor vehicle as demonstrated by certification of the fuel system
461 equipment by the federal Environmental Protection Agency or the
462 Mississippi Department of Environmental Quality or any other test
463 or standard recognized by the Mississippi Department of
464 Environmental Quality.

465 (n) "Refueling system" means compressors (whether used
466 separately or in combination with cascade tanks), process piping,



467 hoses, dispensing units at the point where alternative fuel is
468 delivered as a fuel, meters and other parts and equipment and
469 installation supplies and materials therefor that constitute a
470 refueling system capable of dispensing alternative fuel into fuel
471 tanks of alternative fuel motor vehicles for use as a fuel.

472 (o) "Refueling station" means property constituting a
473 facility operated for dispensing alternative fuel into fuel tanks
474 of alternative fuel motor vehicles, which shall include:

475 (i) A refueling system; and

476 (ii) A building or other structural components
477 constructed or installed as part of and directly related to such
478 refueling system.

479 (p) "Retrofit" means the installation of a conversion
480 kit in a school bus designed to operate on gasoline, diesel or
481 other fuel in order to convert or modify the bus vehicle into an
482 alternative fuel school bus.

483 (q) "School bus" means a vehicle owned by a school
484 district that is primarily used by the school district to
485 transport students.

486 (2) As used in this subsection:

487 (a) "Alternative fuel" means compressed natural gas and
488 liquefied natural gas, as defined in Section 27-59-3, and propane
489 fuel when used as a fuel in a motor vehicle or motor vehicles on
490 the highways of the state.



491 (b) "Conversion kit" means the fuel system equipment
492 necessary in order to retrofit a motor vehicle propelled by
493 gasoline, diesel or other fuel so that the motor vehicle may be
494 converted or modified into an alternative fuel motor vehicle.

495 (c) "Cost of qualified alternative fuel motor vehicle
496 fuel property" means any of the following:

497 (i) The actual cost per vehicle paid by the
498 municipality for the purchase and installation of qualified
499 alternative fuel motor vehicle fuel property described in
500 paragraph (1)(i) of this subsection.

501 (ii) The incremental cost per vehicle paid by the
502 municipality upon the purchase of an OEM alternative fuel motor
503 vehicle for the qualified alternative fuel motor vehicle fuel
504 property (including installation) described in paragraph (1)(ii)
505 of this subsection.

506 (iii) The cost of the qualified alternative fuel
507 motor vehicle fuel property described in paragraph (1)(iii) of
508 this subsection and its installation.

509 (iv) The cost of the qualified alternative fuel
510 motor vehicle fuel property described in paragraph (1)(iv) of this
511 subsection and its construction and installation. The cost
512 directly related to a refueling station shall not include costs
513 associated with exploration and development activities necessary
514 for severing natural resources from the soil or ground.



515 (d) "Fuel system equipment" means tanks, pumps, hoses,
516 injectors, electronic controls and related supplies, materials,
517 parts and components for the storage of alternative fuel as fuel
518 for an alternative fuel motor vehicle, the delivery of alternative
519 fuel to the engine of an alternative fuel motor vehicle, and the
520 exhaust from an alternative fuel motor vehicle of gases from
521 combustion of alternative fuel used to propel an alternative fuel
522 motor vehicle, excluding equipment necessary for operation of a
523 motor vehicle on gasoline, diesel or any fuel other than
524 alternative fuel.

525 (e) "Incremental cost" means:

526 (i) The stated MSRP of the fuel system equipment
527 and its installation for an OEM alternative fuel motor vehicle; or

528 (ii) If no separate MSRP is stated, the difference
529 between the MSRP of the OEM alternative fuel motor vehicle and the
530 MSRP of the same make and model of motor vehicle manufactured
531 without the fuel system equipment but otherwise identically
532 equipped.

533 When an OEM alternative fuel motor vehicle is sold for less
534 (or more) than its MSRP, the amount determined in subparagraph (i)
535 or (ii) of this paragraph (e) shall be proportionately reduced (or
536 increased) by the same percentage as the discount (or premium) on
537 the MSRP, as applicable.

538 (f) "Municipality" means an incorporated city, town or
539 village in the State of Mississippi.



540 (g) "OEM alternative fuel motor vehicle" means an
541 alternative fuel motor vehicle manufactured by the original
542 vehicle manufacturer (or its contractor) with the fuel system
543 equipment installed as original equipment by the manufacturer (or
544 its contractor) at the factory or at another installation site
545 approved by the manufacturer (or its contractor).

546 (h) "Motor vehicle" shall have the meaning ascribed to
547 such term in Section 27-59-3.

548 (i) "MSRP" means manufacturer's suggested retail price.

549 (j) "Alternative fuel motor vehicle" means a motor
550 vehicle propelled by alternative fuel either as a dedicated
551 alternative fuel vehicle, as a bi-fuel vehicle using alternative
552 fuel as one of its fuels, or as a dual fuel vehicle using
553 alternative fuel as one of its fuels.

554 (k) "Original purchase" means the purchase directly
555 from a dealer at retail of a new OEM alternative fuel motor
556 vehicle which has never been titled.

557 (l) "Qualified alternative fuel motor vehicle fuel
558 property" means any of the following:

559 (i) A conversion kit which has not previously been
560 used to retrofit any motor vehicle and is installed and results in
561 a reduction in emissions.

562 (ii) The fuel system equipment on an OEM
563 alternative fuel motor vehicle which results in a reduction in
564 emissions.



565 (iii) A refueling system installed at a
566 municipality location for the nonpublic refueling with alternative
567 fuel of the municipality's alternative fuel motor vehicles.

568 (iv) A refueling station located in the state and
569 operated by a municipality for refueling of alternative fuel motor
570 vehicles owned by the municipality.

571 (v) Upgrades to a refueling system included in
572 subparagraphs (iii) and (iv) of this paragraph (1).

573 (vi) Portable or mobile refueling systems.

574 (m) "Reduction in emissions" means a reduction in
575 atmospheric emissions from fuel consumption by an alternative fuel
576 motor vehicle as demonstrated by certification of the fuel system
577 equipment by the federal Environmental Protection Agency or the
578 Mississippi Department of Environmental Quality or any other test
579 or standard recognized by the Mississippi Department of
580 Environmental Quality.

581 (n) "Refueling system" means compressors (whether used
582 separately or in combination with cascade tanks), process piping,
583 hoses, dispensing units at the point where alternative fuel is
584 delivered as a fuel, meters and other parts and equipment and
585 installation supplies and materials therefor that constitute a
586 refueling system capable of dispensing alternative fuel into fuel
587 tanks of alternative fuel motor vehicles for use as a fuel.



588 (o) "Refueling station" means property constituting a
589 facility operated for dispensing alternative fuel into fuel tanks
590 of alternative fuel motor vehicles, which shall include:

591 (i) A refueling system; and

592 (ii) A building or other structural components
593 constructed or installed as part of and directly related to such
594 refueling system.

595 (p) "Retrofit" means the installation of a conversion
596 kit in a motor vehicle designed to operate on gasoline, diesel or
597 other fuel in order to convert or modify such motor vehicle into
598 an alternative fuel motor vehicle.

599 (3) (a) The Mississippi Development Authority shall
600 establish a revolving loan program to provide loans to (i) school
601 districts for the purpose of assisting school districts with
602 paying the cost of qualified alternative fuel motor vehicle fuel
603 property and (ii) municipalities for the purpose of assisting
604 municipalities with paying the cost of qualified alternative fuel
605 motor vehicle fuel property. Loans made under this section shall
606 bear no interest.

607 (b) A school district or municipality desiring a loan
608 under this section must submit an application to the Mississippi
609 Development Authority. The application shall include:

610 (i) A description of the purpose for which the
611 loan is requested;

612 (ii) The amount of the loan requested; and



613 (iii) Any other information required by the
614 Mississippi Development Authority.

615 (c) Repayments of loans made under this section shall
616 be deposited to the credit of the Mississippi Alternative Fuel
617 School Bus and Municipal Motor Vehicle Revolving Loan Fund.

618 (4) (a) There is created in the State Treasury a special
619 fund to be designated as the "Mississippi Alternative Fuel School
620 Bus and Municipal Motor Vehicle Revolving Loan Fund," which shall
621 consist of funds appropriated or otherwise made available by the
622 Legislature in any manner and funds from any other source
623 designated for deposit into such fund. Unexpended amounts
624 remaining in the fund at the end of a fiscal year shall not lapse
625 into the State General Fund, and any investment earnings or
626 interest earned on amounts in the fund shall be deposited to the
627 credit of the fund. Monies in the fund shall be used by the
628 Mississippi Development Authority for the purposes described in
629 this section.

630 (b) Monies in the fund which are derived from the
631 proceeds of general obligation bonds may be used to reimburse
632 reasonable actual and necessary costs incurred by the Mississippi
633 Development Authority * * * for the administration of the various
634 grant, loan and financial incentive programs administered by the
635 authority. * * * Reimbursements made under this subsection shall
636 satisfy any applicable federal tax law requirements.



637 (5) The Mississippi Development Authority shall have all
638 powers necessary to implement and administer the program
639 established under this section, and the Mississippi Development
640 Authority shall promulgate rules and regulations, in accordance
641 with the Mississippi Administrative Procedures Law, necessary for
642 the implementation of this section.

643 **SECTION 5.** Section 57-1-601, Mississippi Code of 1972, is
644 amended as follows:

645 57-1-601. (1) For the purposes of this section, the
646 following words shall have the following meanings ascribed in this
647 section, unless the context clearly otherwise requires:

648 (a) "MDA" means the Mississippi Development Authority.

649 (b) "Municipality" means any municipality with a
650 population of less than fifteen thousand (15,000) according to the
651 latest federal decennial census at the time the municipality
652 submits an application to the MDA under this section.

653 (c) "Revitalization zone" means an area in a
654 municipality officially designated by ordinance or resolution of
655 the governing authorities of the municipality as a revitalization
656 zone and approved and certified by the MDA as meeting the
657 requirements of this section.

658 (2) (a) There is created in the State Treasury a special
659 fund to be designated as the "Mississippi Main Street Investment
660 Revolving Loan Fund" which shall consist of funds from any source
661 designated for deposit into the fund. Unexpended amounts



662 remaining in the fund at the end of a fiscal year shall not lapse
663 into the State General Fund, and any interest earned on amounts in
664 the fund shall be deposited to the credit of the fund. Monies in
665 the fund shall be used by the MDA for the purposes authorized in
666 subsection (3) of this section.

667 (b) Monies in the fund which are derived from the
668 proceeds of general obligation bonds may be used to reimburse
669 reasonable actual and necessary costs incurred by the MDA * * *
670 for the administration of the various grant, loan and financial
671 incentive programs administered by the MDA. An accounting of
672 actual costs incurred for which reimbursement is sought shall be
673 maintained * * *. Reimbursement of reasonable actual and
674 necessary costs * * * shall not exceed three percent (3%) of the
675 proceeds of bonds issued * * *. Reimbursements made under this
676 subsection shall satisfy any applicable federal tax law
677 requirements.

678 (3) The MDA shall establish a program to make loans to
679 municipalities to assist with maintaining and improving the
680 viability of revitalization zones. The proceeds of a loan made to
681 a municipality under this section may be used for maintaining
682 and/or improving the viability of a revitalization zone through
683 means deemed appropriate by the governing authorities of the
684 municipality, including, but not limited to, making loans, grants
685 and/or other forms of assistance to any person or public or
686 private association or other entity for use for infrastructure



687 projects, improvements to properties, signage and other purposes
688 related to maintaining and/or improving the viability of the
689 revitalization zone.

690 (4) (a) A municipality desiring a loan under this section
691 shall submit an application to the MDA seeking (i) approval and
692 certification of the proposed revitalization zone and (ii) a loan
693 for the purposes authorized in this section. The application
694 shall include, at a minimum:

695 1. The name of the proposed revitalization
696 zone, which shall include the name of the municipality in which
697 the revitalization zone is to be located, together with the words,
698 "revitalization zone";

699 2. A description of the revitalization zone
700 by metes and bounds;

701 3. A map showing the parcels of real property
702 included in the revitalization zone and the present use of such
703 parcels;

704 4. A master plan for the revitalization zone
705 that has been approved by sixty percent (60%) of the property
706 owners within the zone at the time the municipality submits the
707 application; and

708 5. Any other information required by the MDA.
709 The governing authorities of a municipality may designate the
710 boundaries of a proposed revitalization zone by adoption of an



711 ordinance or resolution that is spread upon its minutes and
712 describes the boundaries of the zone.

713 (b) The MDA shall review the application to confirm
714 that the revitalization zone meets the requirements of this
715 section. A revitalization zone may embrace two (2) or more
716 separate parcels of real property, and such property may be
717 publicly and/or privately owned. Each revitalization zone shall
718 be of such size and form as to include all properties that, in the
719 determination of the municipality and the MDA, constitute an
720 integral part of the revitalization zone. If the MDA determines
721 that the boundaries of the proposed revitalization zone exceed the
722 area that is reasonably deemed to be integral to the
723 revitalization zone, the MDA may reduce the boundaries of the
724 proposed area.

725 (c) The MDA shall establish a deadline for the
726 submitting of applications during a state fiscal year. Upon
727 expiration of the application deadline, the MDA shall review and
728 evaluate all completed applications and approve and select no more
729 than two (2) municipal revitalization zone projects in the state
730 during each state fiscal year. Upon the approval and selection of
731 a municipal revitalization zone project, the MDA shall certify the
732 revitalization zone.

733 (d) Repayments of loans made under this section shall
734 be deposited to the credit of the Mississippi Main Street
735 Investment Revolving Loan Fund.



736 (5) The MDA shall have all powers necessary to implement and
737 administer the program established under this section, and the MDA
738 shall promulgate rules and regulations, in accordance with the
739 Mississippi Administrative Procedures Law, necessary for the
740 implementation of this section.

741 **SECTION 6.** Section 57-1-701, Mississippi Code of 1972, as
742 amended by Section 2, House Bill No. 1427, 2019 Regular Session,
743 is amended as follows:

744 57-1-701. (1) For the purposes of this section, the
745 following words and phrases shall have the meanings ascribed in
746 this subsection unless the context clearly indicates otherwise:

747 (a) "Eligible entity" means any (i) county, (ii)
748 municipality or (iii) public or private nonprofit local economic
749 development entity including, but not limited to, local
750 authorities, commissions, or other entities created by local and
751 private legislation or pursuant to Section 19-5-99.

752 (b) "Eligible expenditures" means:

753 (i) Fees for architects, engineers, environmental
754 consultants, attorneys, and such other advisors, consultants and
755 agents that MDA determines are necessary to complete site due
756 diligence associated with site development improvements located on
757 industrial property that is publicly owned; and/or

758 (ii) Contributions toward site development
759 improvements, as approved by MDA, located on industrial property
760 that is publicly owned.



761 (c) "MDA" means the Mississippi Development Authority.

762 (d) "Site development improvements" means site
763 clearing, grading, and environmental mitigation; improvements to
764 drainage systems; easement and right-of-way acquisition; sewer
765 systems; transportation directly affecting the site, including
766 roads, bridges or rail; bulkheads; land reclamation; water supply
767 (storage, treatment and distribution); aesthetic improvements; the
768 dredging of channels and basins; or other improvements as approved
769 by MDA.

770 (2) (a) There is hereby created in the State Treasury a
771 special fund to be designated as the "Mississippi Site Development
772 Grant Fund," which shall consist of funds made available by the
773 Legislature in any manner and funds from any other source
774 designated for deposit into such fund. Unexpended amounts
775 remaining in the fund at the end of a fiscal year shall not lapse
776 into the State General Fund, and any investment earnings or
777 interest earned on amounts in the fund shall be deposited to the
778 credit of the fund. Monies in the fund shall be used to make
779 grants to assist eligible entities as provided in this section.

780 (b) Monies in the fund which are derived from proceeds
781 of bonds issued under Section 2 of Chapter 390, Laws of 2017,
782 Section 5 of Chapter 412, Laws of 2018, or Section 1, House Bill
783 No. 1427, 2019 Regular Session, may be used to reimburse
784 reasonable actual and necessary costs incurred by MDA * * * for
785 the administration of the various grant, loan and financial



786 incentive programs administered by MDA. An accounting of actual
787 costs incurred for which reimbursement is sought shall be
788 maintained * * * by MDA. Reimbursement of reasonable actual and
789 necessary costs * * * shall not exceed three percent (3%) of the
790 proceeds of bonds issued * * *. Reimbursements under this
791 subsection shall satisfy any applicable federal tax law
792 requirements.

793 (3) (a) MDA shall establish a program to make grants to
794 eligible entities to match local or other funds associated with
795 improving the marketability of publicly owned industrial property
796 for industrial economic development purposes and other property
797 improvements as approved by MDA. An eligible entity may apply to
798 MDA for a grant under this program in the manner provided for in
799 this section. An eligible entity desiring assistance under this
800 section must provide matching funds in an amount determined by
801 MDA. Matching funds may be provided in the form of cash and/or
802 in-kind services as determined by MDA.

803 (b) An eligible entity desiring assistance under this
804 section must submit an application to MDA. The application must
805 include:

- 806 (i) A description of the eligible expenditures for
807 which assistance is requested;
- 808 (ii) The amount of assistance requested;
- 809 (iii) The amount and type of matching funds to be
810 provided by the eligible entity; and



811 (iv) Any other information required by MDA.

812 (c) Upon request by MDA, an eligible entity shall
813 provide MDA with access to all studies, reports, documents and/or
814 plans developed as a result of or related to an eligible entity
815 receiving assistance under this section.

816 (4) MDA shall have all powers necessary to implement and
817 administer the program established under this section, and the
818 department shall promulgate rules and regulations, in accordance
819 with the Mississippi Administrative Procedures Law, necessary for
820 the implementation of this section.

821 (5) MDA shall file an annual report with the Governor, the
822 Secretary of the Senate and the Clerk of the House of
823 Representatives not later than December 1 of each year, describing
824 all assistance provided under this section.

825 **SECTION 7.** Section 57-46-1, Mississippi Code of 1972, is
826 amended as follows:

827 57-46-1. (1) (a) There is created a special fund in the
828 State Treasury to be known as the Mississippi Railroad
829 Improvements Fund which shall consist of monies from any source
830 designated for deposit into the fund. Unexpended amounts
831 remaining in the fund at the end of a fiscal year shall not lapse
832 into the State General Fund, and any investment earnings or
833 interest earned on amounts in the fund shall be deposited to the
834 credit of the fund. Monies in the fund shall be disbursed by the



835 Mississippi Development Authority (MDA) for the purposes
836 authorized in subsection (2) of this section.

837 (b) Monies in the fund that are derived from the
838 proceeds of general obligation bonds may be used to reimburse
839 reasonable actual and necessary costs incurred by the MDA * * *
840 for the administration of the various grant, loan and financial
841 incentive programs administered by the MDA. An accounting of
842 actual costs incurred for which reimbursement is sought shall be
843 maintained * * * by the MDA. Reimbursement of reasonable actual
844 and necessary costs * * * shall not exceed three percent (3%) of
845 the proceeds of bonds issued * * *. Reimbursements made under
846 this subsection shall satisfy any applicable federal tax law
847 requirements.

848 (2) The MDA shall establish a program to make grants from
849 the Mississippi Railroad Improvements Fund to assist in paying a
850 portion of the costs associated with the repair, rehabilitation,
851 construction, reconstruction, upgrading and improvement of
852 railroad lines and related facilities, including projects
853 necessary to ensure safety and structural integrity of rail lines,
854 rail beds and bridges.

855 (3) (a) An entity desiring a grant under this section shall
856 submit an application to the MDA which shall include, at a
857 minimum:

858 (i) A description, including the cost, of the
859 requested assistance;



860 (ii) A description of the purpose for which the
861 assistance is requested; and

862 (iii) Any other information required by the MDA.

863 (b) The MDA shall have sole discretion in providing
864 grants under this section. The terms of a grant shall be within
865 the discretion of the MDA.

866 (4) The MDA shall have all powers necessary to implement and
867 administer the program established under this section, including
868 the establishing of requirements for matching funds and criteria
869 regarding the evaluation of applications for assistance. The MDA
870 shall promulgate rules and regulations, in accordance with the
871 Mississippi Administrative Procedures Law, necessary for the
872 implementation and administration of this section.

873 **SECTION 8.** Section 57-61-25, Mississippi Code of 1972, as
874 amended by Section 4, House Bill No. 1427, 2019 Regular Session,
875 is amended as follows:

876 57-61-25. (1) The seller is authorized to borrow, on the
877 credit of the state upon receipt of a resolution from the
878 Mississippi Development Authority requesting the same, monies not
879 exceeding the aggregate sum of * * * Three Hundred Eighty-two
880 Million Five Hundred Thousand Dollars (\$382,500,000.00), not
881 including monies borrowed to refund outstanding bonds, notes or
882 replacement notes, as may be necessary to carry out the purposes
883 of this chapter. The rate of interest on any such bonds or notes
884 which are not subject to taxation shall not exceed the rates set



885 forth in Section 75-17-101, Mississippi Code of 1972, for general
886 obligation bonds.

887 (2) As evidence of indebtedness authorized in this chapter,
888 general or limited obligation bonds of the state shall be issued,
889 from time to time, to provide monies necessary to carry out the
890 purposes of this chapter for such total amounts, in such form, in
891 such denominations payable in such currencies (either domestic or
892 foreign, or both) and subject to such terms and conditions of
893 issue, redemption and maturity, rate of interest and time of
894 payment of interest as the seller directs, except that such bonds
895 shall mature or otherwise be retired in annual installments
896 beginning not more than five (5) years from date thereof and
897 extending not more than thirty (30) years from date thereof.

898 (3) All bonds and notes issued under authority of this
899 chapter shall be signed by the chairman of the seller, or by his
900 facsimile signature, and the official seal of the seller shall be
901 affixed thereto, attested by the secretary of the seller.

902 (4) All bonds and notes issued under authority of this
903 chapter may be general or limited obligations of the state, and
904 the full faith and credit of the State of Mississippi as to
905 general obligation bonds, or the revenues derived from projects
906 assisted as to limited obligation bonds, are hereby pledged for
907 the payment of the principal of and interest on such bonds and
908 notes.



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

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

915 (7) The seller is authorized to provide, by resolution, for
916 the issuance of refunding bonds for the purpose of refunding any
917 debt issued under the provisions of this chapter and then
918 outstanding, either by voluntary exchange with the holders of the
919 outstanding debt or to provide funds to redeem and the costs of
920 issuance and retirement of the debt, at maturity or at any call
921 date. The issuance of the refunding bonds, the maturities and
922 other details thereof, the rights of the holders thereof and the
923 duties of the issuing officials in respect to the same shall be
924 governed by the provisions of this section, insofar as they may be
925 applicable.

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

930 (9) The proceeds of bonds issued under this chapter after
931 April 9, 2002, may be used to reimburse reasonable actual and
932 necessary costs incurred by the Mississippi Development
933 Authority * * * for the administration of the various grant, loan



934 and financial incentive programs administered by the authority.

935 An accounting of actual costs incurred for which reimbursement is
936 sought shall be maintained * * * by the Mississippi Development
937 Authority. Reimbursement of reasonable actual and necessary
938 costs * * * shall not exceed three percent (3%) of the proceeds of
939 bonds issued * * *. * * * Reimbursements under this subsection
940 shall satisfy any applicable federal tax law requirements.

941 **SECTION 9.** Section 57-85-5, Mississippi Code of 1972, is
942 amended as follows:

943 57-85-5. (1) For the purposes of this section, the
944 following words and phrases shall have the meanings ascribed in
945 this section unless the context clearly indicates otherwise:

946 (a) "MDA" means the Mississippi Development Authority.

947 (b) "Project" means construction, rehabilitation or
948 repair of buildings; sewer systems and transportation directly
949 affecting the site of the proposed rural business; sewer
950 facilities, acquisition of real property, development of real
951 property, improvements to real property, and any other project
952 approved by the Mississippi Development Authority.

953 (c) "Rural business" means a new or existing business
954 located or to be located in a rural community or a business or
955 industry located or to be located within five (5) miles of a rural
956 community. "Rural business" does not include gaming businesses or
957 utility businesses.



958 (d) "Rural community" means a county in the State of
959 Mississippi that meets the population criteria for the term
960 "limited population county" as provided in Section 57-1-18.
961 "Rural community" also means a municipality in the State of
962 Mississippi that meets the population criteria for the term "small
963 municipality" as provided in Section 57-1-18.

964 (2) (a) There is created in the State Treasury a special
965 fund to be designated as the "Mississippi Rural Impact Fund,"
966 which shall consist of funds appropriated or otherwise made
967 available by the Legislature in any manner and funds from any
968 other source designated for deposit into such fund. Unexpended
969 amounts remaining in the fund at the end of a fiscal year shall
970 not lapse into the State General Fund, and any investment earnings
971 or interest earned on amounts in the fund shall be deposited to
972 the credit of the fund. Monies in the fund shall be used to make
973 grants and loans to rural communities and loan guaranties on
974 behalf of rural businesses to assist in completing projects under
975 this section.

976 (b) Monies in the fund which are derived from proceeds
977 of bonds issued after April 15, 2003, may be used to reimburse
978 reasonable actual and necessary costs incurred by the MDA * * *
979 for the administration of the various grant, loan and financial
980 incentive programs administered by the MDA. An accounting of
981 actual costs incurred for which reimbursement is sought shall be
982 maintained * * * by the MDA. Reimbursement of reasonable actual



983 and necessary costs * * * shall not exceed three percent (3%) of
984 the proceeds of bonds issued * * *. Reimbursements under this
985 paragraph (b) shall satisfy any applicable federal tax law
986 requirements.

987 (c) The MDA may use monies in the fund to pay for the
988 services of architects, engineers, attorneys and such other
989 advisors, consultants and agents that the MDA determines are
990 necessary to review loan and grant applications and to implement
991 and administer the program established under this section.

992 (d) The State Auditor may conduct performance and
993 compliance audits under this chapter according to Section
994 7-7-211(o) and may bill the oversight agency.

995 (3) The MDA shall establish a program to make grants and
996 loans to rural communities and loan guaranties on behalf of rural
997 businesses from the Mississippi Rural Impact Fund. A rural
998 community may apply to the MDA for a grant or loan under this
999 section in the manner provided for in this section. A rural
1000 business may apply to the MDA for a loan guaranty under this
1001 section in the manner provided in this section.

1002 (4) A rural community desiring assistance under this section
1003 must submit an application to the MDA. The application must
1004 include a description of the project for which assistance is
1005 requested, the cost of the project for which assistance is
1006 requested and any other information required by the MDA. A rural
1007 business desiring assistance under this section must submit an



1008 application to the MDA. The application must include a
1009 description of the purpose for which assistance is requested and
1010 any other information required by the MDA. The MDA may waive any
1011 requirements of the program established under this section in
1012 order to expedite funding for unique projects.

1013 (5) The MDA shall have all powers necessary to implement and
1014 administer the program established under this section, and the MDA
1015 shall promulgate rules and regulations, in accordance with the
1016 Mississippi Administrative Procedures Law, necessary for the
1017 implementation of this section.

1018 **SECTION 10.** Section 57-93-1, Mississippi Code of 1972, is
1019 amended as follows:

1020 57-93-1. (1) As used in this section:

1021 (a) "Existing industry" means a manufacturing
1022 enterprise that has been operating in this state for not less than
1023 two (2) consecutive years that meets minimum criteria established
1024 by the Mississippi Development Authority.

1025 (b) "Long-term fixed assets" means assets that:

1026 (i) Through new technology will improve an
1027 enterprise's productivity and competitiveness; and

1028 (ii) Meet criteria established by the Mississippi
1029 Development Authority.

1030 (c) "MDA" means the Mississippi Development Authority.



1031 (2) (a) There is established the Mississippi Existing
1032 Industry Productivity Loan Program to be administered by the MDA
1033 for the purpose of providing loans to:

1034 (i) Existing industries to deploy long-term fixed
1035 assets that through new technology will improve productivity and
1036 competitiveness;

1037 (ii) Existing industries for the purchase or
1038 refinancing of land, buildings or equipment; and

1039 (iii) Counties or incorporated municipalities to
1040 assist existing industries in deploying long-term fixed assets
1041 that through new technology will improve productivity and
1042 competitiveness and to assist existing industries through the
1043 purchase of land, buildings and equipment.

1044 (b) (i) An existing industry that accepts a loan under
1045 this program shall not reduce employment by more than twenty
1046 percent (20%) through the use of the long-term fixed assets for
1047 which the loan is granted.

1048 (ii) An existing industry that accepts assistance
1049 from a county or incorporated municipality through a loan made
1050 under this program shall not reduce employment by more than twenty
1051 percent (20%) through the use of the long-term fixed assets for
1052 which the assistance is granted.

1053 (c) An existing industry desiring a loan under this
1054 section must submit an application to the MDA. The application
1055 shall include:



1056 (i) A description of the purpose for which the
1057 loan is requested;

1058 (ii) The amount of the loan requested;

1059 (iii) The estimated total cost of the project;

1060 (iv) A two-year business plan for the project;

1061 (v) Financial statements or tax returns for the
1062 existing industry for the two (2) years immediately prior to the
1063 application;

1064 (vi) Credit reports on all persons or entities
1065 with a twenty percent (20%) or greater interest in the enterprise;
1066 and

1067 (vii) Any other information required by the MDA.

1068 (d) A county or incorporated municipality desiring a
1069 loan under this section must submit an application to the MDA.
1070 The application shall include:

1071 (i) A description of the purpose for which the
1072 loan is requested;

1073 (ii) The amount of the loan requested;

1074 (iii) The estimated total cost of the project;

1075 (iv) A statement showing the sources of funding
1076 for the project;

1077 (v) A two-year business plan for the project;

1078 (vi) Financial statements or tax returns for the
1079 existing industry for the two (2) years immediately prior to the
1080 application;



1081 (vii) Credit reports on all persons or entities
1082 with a twenty percent (20%) or greater interest in the existing
1083 industry;

1084 (viii) Any commitment by the existing industry to
1085 pay rental on, or to make loan repayments related to, the
1086 assistance; and

1087 (ix) Any other information required by the MDA.

1088 (e) The MDA shall require that binding commitments be
1089 entered into requiring that:

1090 (i) The minimum requirements of this section and
1091 such other requirements as the MDA considers proper shall be met;
1092 and

1093 (ii) If such requirements are not met, all or a
1094 portion of the funds provided by this section as determined by the
1095 MDA shall be repaid.

1096 (f) The rate of interest on loans under this section
1097 shall be set by the MDA.

1098 (g) The MDA shall have all powers necessary to
1099 implement and administer the program established under this
1100 section, and the MDA shall promulgate rules and regulations, in
1101 accordance with the Mississippi Administrative Procedures Law,
1102 necessary for the implementation of this section. However, in
1103 making loans under this section, the MDA shall attempt to provide
1104 for an equitable distribution of such loans among each of the



1105 congressional districts of this state in order to promote economic
1106 development across the entire state.

1107 (3) (a) There is created in the State Treasury a special
1108 fund to be designated as the "Mississippi Existing Industry
1109 Productivity Loan Fund," which shall consist of funds appropriated
1110 or otherwise made available by the Legislature in any manner and
1111 funds from any other source designated for deposit into such fund.
1112 Unexpended amounts remaining in the fund at the end of a fiscal
1113 year shall not lapse into the State General Fund, and any
1114 investment earnings or interest earned on amounts in the fund
1115 shall be deposited to the credit of the fund. Monies in the fund
1116 shall be used by the MDA for the purposes described in this
1117 section.

1118 (b) Monies in the fund which are derived from the
1119 proceeds of general obligation bonds may be used to reimburse
1120 reasonable actual and necessary costs incurred by the MDA * * *
1121 for the administration of the various grant, loan and financial
1122 incentive programs administered by the MDA. An accounting of
1123 actual costs incurred for which reimbursement is sought shall be
1124 maintained * * * by the MDA. Reimbursement of reasonable actual
1125 and necessary costs shall not exceed three percent (3%) of the
1126 proceeds of bonds that are deposited into the fund. * * *
1127 Reimbursements made under this subsection shall satisfy any
1128 applicable federal tax law requirements.



1129 (c) (i) There is hereby created the Mississippi
1130 Existing Industry Productivity Loan Program Bond Sinking Fund from
1131 which the principal and interest on bonds whose proceeds are
1132 deposited into the Mississippi Existing Industry Productivity Loan
1133 Fund and utilized to provide loans authorized under this section,
1134 shall be repaid. Unexpended amounts remaining in the bond sinking
1135 fund at the end of a fiscal year shall not lapse into the State
1136 General Fund, and any interest earned or investment earnings on
1137 amounts in the bond sinking fund shall be deposited into the bond
1138 sinking fund. At any time when the funds required to pay the
1139 principal and interest on bonds whose proceeds are deposited into
1140 the Mississippi Existing Industry Productivity Loan Fund and are
1141 utilized to provide loans under this section are more than the
1142 amount available in the bond sinking fund, the Legislature shall
1143 appropriate the balance of the funds necessary to pay the
1144 principal and interest on such bonds.

1145 (ii) Money repaid on loans authorized under this
1146 section that are derived from the proceeds of bonds deposited into
1147 the Mississippi Existing Industry Productivity Loan Fund shall be
1148 deposited into the Mississippi Existing Industry Productivity Loan
1149 Program Bond Sinking Fund.

1150 (4) (a) A county that receives a loan under this section
1151 shall pledge for repayment of the loan any part of the homestead
1152 exemption annual tax loss reimbursement to which it may be
1153 entitled under Section 27-33-77. An incorporated municipality



1154 that receives a loan under this section shall pledge for repayment
1155 of the loan any part of the sales tax revenue distribution to
1156 which it may be entitled under Section 27-65-75. Each loan
1157 agreement shall provide for monthly payments, semiannual payments
1158 or other periodic payments, the annual total of which shall not
1159 exceed the annual total for any other year of the loan by more
1160 than fifteen percent (15%). The loan agreement shall provide for
1161 the repayment of all funds received within not more than twenty
1162 (20) years from the date of project completion.

1163 (b) The State Auditor, upon request of the MDA, shall
1164 audit the receipts and expenditures of a county or an incorporated
1165 municipality whose loan payments appear to be in arrears, and if
1166 he finds that the county or municipality is in arrears in such
1167 payments, he shall immediately notify the Executive Director of
1168 the Department of Finance and Administration who shall withhold
1169 all future payments to the county of homestead exemption
1170 reimbursements under Section 27-33-77 and all sums allocated to
1171 the county or the municipality under Section 27-65-75 until such
1172 time as the county or the municipality is again current in its
1173 loan payments as certified by the MDA. In addition, the State
1174 Auditor may conduct performance and compliance audits under this
1175 chapter according to Section 7-7-211(o) and may bill the oversight
1176 agency.

1177 (c) Evidences of indebtedness which are issued pursuant
1178 to this chapter shall not be deemed indebtedness within the



1179 meaning specified in Section 21-33-303 with regard to cities or
1180 incorporated towns, and in Section 19-9-5 with regard to counties.

1181 **SECTION 11.** Section 57-95-1, Mississippi Code of 1972, is
1182 amended as follows:

1183 57-95-1. (1) As used in this section:

1184 (a) "At-risk industry" means any enterprise that has
1185 been operating in this state for not less than three (3)
1186 consecutive years that has lost jobs or is at risk to lose jobs
1187 because such jobs have been outsourced.

1188 (b) "MDA" means the Mississippi Development Authority.

1189 (c) "Outsource" means to send out work or jobs of a
1190 certain provider or manufacturer of the State of Mississippi to an
1191 overseas provider or manufacturer or a provider or manufacturer
1192 located outside the boundaries of the United States or any
1193 territory of the United States.

1194 (2) (a) There is established the Mississippi Job Protection
1195 Act to be administered by the MDA for the purpose of providing
1196 grants and loans to:

1197 (i) At-risk industries to be used for job
1198 retention and to improve productivity and competitiveness; and

1199 (ii) Counties and incorporated municipalities to
1200 provide assistance to at-risk industries to be used for job
1201 retention and to improve productivity and competitiveness.



1202 (b) (i) An at-risk industry that accepts a grant or
1203 loan under this program shall not reduce employment by more than
1204 twenty percent (20%).

1205 (ii) An at-risk industry that accepts assistance
1206 from a county or incorporated municipality through a loan or grant
1207 made under this section shall not reduce employment by more than
1208 twenty percent (20%).

1209 (c) An at-risk industry desiring a grant or loan under
1210 this section must submit an application to the MDA. The
1211 application shall include:

1212 (i) A description of the purpose for which the
1213 grant or loan is requested;

1214 (ii) The amount of the grant or loan requested;

1215 (iii) The estimated total cost of the project;

1216 (iv) A two-year business plan for the project;

1217 (v) Financial statements or tax returns for the
1218 at-risk industry for the two (2) years immediately prior to the
1219 application;

1220 (vi) Credit reports on all persons or entities
1221 with a twenty percent (20%) or greater interest in the at-risk
1222 industry; and

1223 (vii) Any other information required by the MDA.

1224 (d) A county or incorporated municipality desiring a
1225 grant or loan under this section must submit an application to the
1226 MDA. The application shall include:



1227 (i) A description of the purpose for which the
1228 loan is requested;

1229 (ii) The amount of the grant or loan requested;

1230 (iii) The estimated total cost of the project;

1231 (iv) A statement showing the sources of funding
1232 for the project;

1233 (v) A two-year business plan for the project;

1234 (vi) Financial statements or tax returns for the
1235 at-risk industry for the two (2) years immediately prior to the
1236 application;

1237 (vii) Credit reports on all persons or entities
1238 with a twenty percent (20%) or greater interest in the at-risk
1239 industry;

1240 (viii) Any commitment by the at-risk industry to
1241 pay rental on, or to make loan repayments related to, the
1242 assistance; and

1243 (ix) Any other information required by the MDA.

1244 (e) The MDA shall require that binding commitments be
1245 entered into requiring that:

1246 (i) The minimum requirements of this section and
1247 such other requirements as the MDA considers proper shall be met;
1248 and

1249 (ii) If such requirements are not met, all or a
1250 portion of the funds provided by this section as determined by the
1251 MDA shall be repaid.



1252 (f) The amount of a grant or loan under this section
1253 shall not exceed fifty percent (50%) of the total cost of the
1254 project.

1255 (g) The MDA shall have all powers necessary to
1256 implement and administer the program established under this
1257 section, and the MDA shall promulgate rules and regulations, in
1258 accordance with the Mississippi Administrative Procedures Law,
1259 necessary for the implementation of this section.

1260 (3) Grants under this section shall not exceed Two Hundred
1261 Thousand Dollars (\$200,000.00).

1262 (4) (a) There is created in the State Treasury a special
1263 fund to be designated as the "Mississippi Job Protection Act
1264 Fund," which shall consist of funds appropriated or otherwise made
1265 available by the Legislature in any manner and funds from any
1266 other source designated for deposit into such fund. Unexpended
1267 amounts remaining in the fund at the end of a fiscal year shall
1268 not lapse into the State General Fund, and any investment earnings
1269 or interest earned on amounts in the fund shall be deposited to
1270 the credit of the fund. Monies in the fund shall be used by the
1271 MDA for the purposes described in this section.

1272 (b) Monies in the fund which are derived from the
1273 proceeds of general obligation bonds may be used to reimburse
1274 reasonable actual and necessary costs incurred by the MDA * * *
1275 for the administration of the various grant, loan and financial
1276 incentive programs administered by the MDA. An accounting of



1277 actual costs incurred for which reimbursement is sought shall be
1278 maintained * * * by the MDA. Reimbursement of reasonable actual
1279 and necessary costs shall not exceed three percent (3%) of the
1280 proceeds of bonds issued under Sections 40 through 55 of Chapter
1281 1, Laws of Third Extraordinary Session of 2005. * * *

1282 Reimbursements made under this subsection shall satisfy any
1283 applicable federal tax law requirements.

1284 (c) (i) There is hereby created the Mississippi Job
1285 Protection Act Bond Sinking Fund from which the principal and
1286 interest on bonds whose proceeds are deposited into the
1287 Mississippi Job Protection Act Fund and utilized to provide loans
1288 authorized under this section, shall be repaid. Unexpended
1289 amounts remaining in the bond sinking fund at the end of a fiscal
1290 year shall not lapse into the State General Fund, and any interest
1291 earned or investment earnings on amounts in the bond sinking fund
1292 shall be deposited into the bond sinking fund. At any time when
1293 the funds required to pay the principal and interest on bonds
1294 whose proceeds are deposited into the Mississippi Job Protection
1295 Act Fund and are utilized to provide loans under this section are
1296 more than the amount available in the bond sinking fund, the
1297 Legislature shall appropriate the balance of the funds necessary
1298 to pay the principal and interest on such bonds.

1299 (ii) Money repaid on loans authorized under this
1300 section that are derived from the proceeds of bonds deposited into



1301 the Mississippi Job Protection Act Fund shall be deposited into
1302 the Mississippi Job Protection Act Bond Sinking Fund.

1303 (5) (a) A county that receives a loan under this section
1304 shall pledge for repayment of the loan any part of the homestead
1305 exemption annual tax loss reimbursement to which it may be
1306 entitled under Section 27-33-77. An incorporated municipality
1307 that receives a loan under this section shall pledge for repayment
1308 of the loan any part of the sales tax revenue distribution to
1309 which it may be entitled under Section 27-65-75. Each loan
1310 agreement shall provide for monthly payments, semiannual payments
1311 or other periodic payments, the annual total of which shall not
1312 exceed the annual total for any other year of the loan by more
1313 than fifteen percent (15%). The loan agreement shall provide for
1314 the repayment of all funds received within not more than twenty
1315 (20) years from the date of project completion.

1316 (b) The State Auditor, upon request of the MDA, shall
1317 audit the receipts and expenditures of a county or an incorporated
1318 municipality whose loan payments appear to be in arrears, and if
1319 he finds that the county or municipality is in arrears in such
1320 payments, he shall immediately notify the Executive Director of
1321 the Department of Finance and Administration who shall withhold
1322 all future payments to the county of homestead exemption
1323 reimbursements under Section 27-33-77 and all sums allocated to
1324 the county or the municipality under Section 27-65-75 until such
1325 time as the county or the municipality is again current in its



1326 loan payments as certified by the MDA. The State Auditor may
1327 conduct performance and compliance audits under this chapter
1328 according to Section 7-7-211(o) and may bill the oversight agency.

1329 (c) Evidences of indebtedness which are issued pursuant
1330 to this section shall not be deemed indebtedness within the
1331 meaning specified in Section 21-33-303 with regard to cities or
1332 incorporated towns, and in Section 19-9-5 with regard to counties.

1333 **SECTION 12.** Section 57-111-1, Mississippi Code of 1972, is
1334 amended as follows:

1335 57-111-1. (1) As used in this section:

1336 (a) "MDA" means the Mississippi Development Authority.

1337 (b) "Program" means the Mississippi Small Business and
1338 Existing Forestry Industry Enterprise Participating Loan Program
1339 established in this section.

1340 (c) "Small business" means any commercial enterprise
1341 with less than one hundred (100) full-time employees, less than
1342 Seven Million Dollars (\$7,000,000.00) in gross revenues or less
1343 than Seven Hundred Fifty Thousand Dollars (\$750,000.00) in net
1344 annual profit after taxes.

1345 (d) "Existing forestry industry enterprise" means a
1346 manufacturing enterprise that:

1347 (i) Has its principal place of business in this
1348 state;



1349 (ii) Has been operating in this state for not less
1350 than three (3) consecutive years preceding the date of submitting
1351 an application for assistance under this section;

1352 (iii) Performs the initial processing of pine logs
1353 and/or hardwood logs in the production of lumber products or is
1354 engaged in the production of poles and/or timbers; and

1355 (iv) Has employed an average of not less than
1356 fifteen (15) employees based on the most recent thirty-six-month
1357 period preceding the date that the enterprise submits an
1358 application for assistance under this section.

1359 The term "existing forestry industry enterprise" does not include
1360 any (a) enterprise with the primary business of producing chips or
1361 (b) pulp manufacturer and/or paper manufacturer.

1362 (2) The MDA shall establish a program of loans to be made to
1363 small businesses and existing forestry industry enterprises for
1364 the purpose of encouraging the extension of conventional financing
1365 and the issuance of letters of credit to small businesses and
1366 existing forestry industry enterprises by private institutions.
1367 Money to make the loans under the program shall be drawn by the
1368 MDA from the Small Business Participating Loan Program Revolving
1369 Fund. The amount of a loan to any single small business or
1370 existing forestry industry enterprise under the program shall not
1371 exceed fifty percent (50%) of the total cost of the project for
1372 which financing is sought. Interest shall be charged on the loans
1373 at a rate equal to one percent (1%) above the current published



1374 prime rate. The term of any loan made under this section shall
1375 not exceed five (5) years. Repayments of loans made by the MDA
1376 under the program shall be deposited to the credit of the Small
1377 Business and Existing Forestry Industry Enterprise Participating
1378 Loan Program Revolving Fund. Small businesses may utilize loan
1379 proceeds for buildings, equipment and working capital. An
1380 existing forestry industry enterprise that receives a loan under
1381 this section may use the loan proceeds for the purpose of
1382 providing working capital, acquiring machinery and equipment,
1383 making upgrades and improvements to machinery and equipment,
1384 acquiring raw materials and any other purposes approved by the
1385 MDA.

1386 (3) There is created a special fund in the State Treasury to
1387 be known as the Small Business and Existing Forestry Industry
1388 Enterprise Participating Loan Program Revolving Fund which shall
1389 consist of money from any source designated for deposit into the
1390 fund. Unexpended amounts remaining in the fund at the end of a
1391 fiscal year shall not lapse into the State General Fund, and any
1392 investment earnings or interest earned on amounts in the fund
1393 shall be deposited to the credit of the fund. Money in the fund
1394 shall be disbursed by the Mississippi Development Authority for
1395 the purposes authorized in subsection (2) of this section.

1396 (4) Money in the fund that is derived from the proceeds of
1397 general obligation bonds may be used to reimburse reasonable
1398 actual and necessary costs incurred by the MDA * * * for the



1399 administration of the various grant, loan and financial incentive
1400 programs administered by the MDA. An accounting of actual costs
1401 incurred for which reimbursement is sought shall be
1402 maintained * * * by the MDA. Reimbursement of reasonable actual
1403 and necessary costs * * * shall not exceed three percent (3%) of
1404 the proceeds of bonds issued * * *. Reimbursements made under
1405 this subsection shall satisfy any applicable federal tax law
1406 requirements.

1407 **SECTION 13.** Section 65-4-15, Mississippi Code of 1972, is
1408 amended as follows:

1409 65-4-15. (1) There is hereby established a special fund in
1410 the State Treasury to be known as the "Economic Development
1411 Highway Fund" which shall consist of such monies as the
1412 Legislature shall appropriate thereto or such other monies as the
1413 Legislature may designate to be deposited therein. Any monies to
1414 the credit of such fund may be expended by the Mississippi
1415 Department of Transportation or political subdivision, as
1416 appropriate, upon approval of requisitions therefor by the
1417 Mississippi Development Authority for any expenses incurred by the
1418 Transportation Department or political subdivision in constructing
1419 and improving highways and highway segments which have been
1420 approved by the Mississippi Development Authority under the
1421 provisions of this chapter. From and after July 1, 2004, no
1422 monies to the credit of the fund may be expended for the
1423 construction and improvement of highways for high economic benefit



1424 projects that are being developed for the primary purpose of
1425 conducting retail sales unless the Mississippi Development
1426 Authority has received an application for the project prior to
1427 July 1, 2004. With regard to a high economic benefit project as
1428 defined in Section 65-4-5(1)(c)(xiii) for which the Mississippi
1429 Development Authority approved and allocated monies in the fund
1430 before January 1, 2016, for constructing or improving a highway or
1431 highway segment related to the high economic benefit project, the
1432 Mississippi Development Authority may reallocate such monies from
1433 the original highway or highway segment purpose and allocate the
1434 funds for constructing or improving another highway or highway
1435 segment provided that such highway or highway segment is located
1436 within three (3) miles of the high economic benefit project for
1437 which the Mississippi Development Authority originally allocated
1438 and approved the monies. The Office of State Aid Road
1439 Construction shall be entitled to reimbursement from monies in the
1440 fund, upon approval by the Mississippi Development Authority of
1441 requisitions therefor by the State Aid Engineer, for the actual
1442 expenses incurred by the office in administering and providing
1443 engineering services to political subdivisions. Monies remaining
1444 unexpended to the credit of such special fund at the end of a
1445 fiscal year shall not lapse into the State General Fund, and any
1446 interest earned on the investment of monies in the special fund
1447 shall be deposited to the credit of the fund.



1448 (2) Monies in the Economic Development Highway Fund which
1449 are derived from proceeds of bonds issued under this chapter after
1450 July 1, 2003, may be used to reimburse reasonable actual and
1451 necessary costs incurred by the Mississippi Development
1452 Authority * * * for the administration of the various grant, loan
1453 and financial incentive programs administered by the authority.
1454 An accounting of actual costs incurred for which reimbursement is
1455 sought shall be maintained * * * by the Mississippi Development
1456 Authority. Reimbursement of reasonable actual and necessary
1457 costs * * * shall not exceed three percent (3%) of the proceeds of
1458 bonds issued * * *. * * * Reimbursements to the Mississippi
1459 Development Authority under this subsection shall satisfy any
1460 applicable federal tax law requirements.

1461 **SECTION 14.** Section 5 of this act shall take effect and be
1462 in force from and after its passage, and the remaining sections of
1463 this act shall take effect and be in force from and after July 1,
1464 2019.

