

By: Representatives Crudup, Lamar

To: Ways and Means

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 298

1 AN ACT TO AMEND SECTION 29-5-201, MISSISSIPPI CODE OF 1972,  
2 TO AMEND THE DEFINITION OF "IMPROVEMENT PROJECTS" TO ALLOW FOR THE  
3 DEMOLITION OF SLUM AND BLIGHTED STATE-OWNED PROPERTIES LOCATED  
4 WITHIN THE CAPITOL COMPLEX IMPROVEMENT DISTRICT; TO PROVIDE THAT  
5 THE DEPARTMENT OF FINANCE AND ADMINISTRATION SHALL ESTABLISH A  
6 PROGRAM TO PROVIDE GRANTS TO ASSIST DEVELOPERS IN PAYING COSTS  
7 ASSOCIATED WITH ACQUISITION AND DEVELOPMENT OF TAX-FORFEITED  
8 PROPERTY WITHIN THE CAPITOL COMPLEX IMPROVEMENT DISTRICT THAT HAS  
9 BEEN STRUCK OFF TO THE STATE FOR THE NONPAYMENT OF AD VALOREM  
10 TAXES, AND TO PLACE SUCH PROPERTY INTO USE AFTER DEVELOPMENT,  
11 WHICH WILL INCREASE THE VALUE OF THE PROPERTY AND PROMOTE ECONOMIC  
12 DEVELOPMENT AND THE PUBLIC INTEREST WITHIN THE DISTRICT; TO  
13 PROVIDE AN APPLICATION PROCESS FOR ENTITIES WHO DESIRE TO  
14 PARTICIPATE IN THE GRANT PROGRAM; TO CREATE THE "CAPITOL COMPLEX  
15 IMPROVEMENT DISTRICT TAX-FORFEITED PROPERTY FUND" AS A SPECIAL  
16 FUND IN THE STATE TREASURY AND TO PROVIDE THAT MONIES IN THE  
17 SPECIAL FUND SHALL BE EXPENDED BY THE DEPARTMENT OF FINANCE AND  
18 ADMINISTRATION, UPON APPROPRIATION BY THE LEGISLATURE, TO PROVIDE  
19 GRANTS AUTHORIZED UNDER THIS ACT; TO AUTHORIZE THE DEPARTMENT OF  
20 FINANCE AND ADMINISTRATION TO CONTRACT WITH A NONPROFIT  
21 CORPORATION FOR THE PURPOSE OF ASSISTING THE DEPARTMENT IN  
22 CARRYING OUT THE PROVISIONS OF THIS ACT; TO AUTHORIZE THE ISSUANCE  
23 OF STATE GENERAL OBLIGATION BONDS FOR THE PURPOSE OF PROVIDING  
24 FUNDS FOR THE "CAPITOL COMPLEX IMPROVEMENT DISTRICT TAX-FORFEITED  
25 PROPERTY FUND"; AND FOR RELATED PURPOSES.

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

27 **SECTION 1.** Section 29-5-201, Mississippi Code of 1972, is  
28 amended as follows:

29 29-5-201. As used in Sections 29-5-201 through 29-5-217:



30 (a) "District" means the Capitol Complex Improvement  
31 District.

32 (b) "Improvement projects" means the following types of  
33 projects in the public areas of the district:

34 (i) Street reconstruction, resurfacing and other  
35 repairs to roadways, curbs and gutters;

36 (ii) Bridge construction, reconstruction and  
37 repair;

38 (iii) Reconstructing and repairing of surface  
39 water drainage systems including street drains, ditches, culverts  
40 and other components of the system;

41 (iv) Installing and replacing street lighting;

42 (v) Installing and replacing traffic signals;

43 (vi) Installation of new water and sewer lines and  
44 rehabilitation of existing water and sewer lines serving the  
45 district, including those portions extending beyond the district  
46 boundary required to perform the work;

47 (vii) Reconstruction and repair of parks and  
48 public rights-of-way;

49 (viii) Reconstruction and repair of sidewalks  
50 along public streets;

51 (ix) Planting and replacing landscaping materials,  
52 trees, and site amenities within public parks and rights-of-way;

53 (x) Relocation underground of power and  
54 communication lines serving the district, including those portions



55 extending beyond the district boundary required to perform the  
56 work; \* \* \*

57 (xi) Infrastructure, public safety, and other  
58 improvements as determined necessary by the Executive Director of  
59 the Department of Finance and Administration \* \* \*; and

60 (xii) Demolition and removal of state-owned  
61 structures, property and debris designated by the Capitol Complex  
62 Improvement District Advisory Committee as slum or blight, which  
63 constitute a nuisance to public health, safety and welfare.

64 Before the Capitol Complex Improvement District Advisory  
65 Committee may designate any state-owned structure, property or  
66 debris as slum or blight, which constitute a nuisance to public  
67 health, safety or welfare, under paragraph (xii), the committee  
68 must provide notice to the Department of Finance and  
69 Administration of its intent to make such a designation and the  
70 department shall have fifteen (15) days from receipt of such  
71 notice to object to the designation. If the Department of Finance  
72 and Administration objects to the proposed designation, then the  
73 state-owned structure, property or debris may not be designated as  
74 blight or slum, which constitute a nuisance to public health,  
75 safety or welfare, except as agreed to by the Department of  
76 Finance and Administration and the Capitol Complex Improvement  
77 District Advisory Committee.



78           **SECTION 2.** (1) As used in this section, the following words  
79 and phrases shall have the meanings ascribed herein unless the  
80 context clearly requires otherwise:

81                   (a) "Department" means the Department of Finance and  
82 Administration.

83                   (b) "Developer" means any person, firm, corporation,  
84 partnership or other entity who constructs, repairs, renovates,  
85 operates and/or maintains and/or procures the construction,  
86 repair, renovation, operation and/or maintenance of property such  
87 as buildings and other facilities.

88                   (c) "District" means the Capitol Complex Improvement  
89 District created in Section 29-5-203, Mississippi Code of 1972.

90           (2) (a) The department shall establish a program to provide  
91 grants to assist developers in paying costs associated with  
92 acquisition and development of tax-forfeited property within the  
93 district that has been struck off to the state for the nonpayment  
94 of ad valorem taxes, and to place such developed property into  
95 use, which will increase the value of the property and promote  
96 economic development and the public interest within the district.

97                   (b) An entity desiring assistance under the grant  
98 program established under this section must submit an application  
99 to the department. The application must contain a development  
100 plan that provides:

101                           (i) A description of:



102                   1. The property to be acquired and developed  
103 as well as documentation from the Office of the Secretary of State  
104 verifying that the property is tax-forfeited property that has  
105 been struck off to the state for the nonpayment of ad valorem  
106 taxes, and

107                   2. The type of work the applicant will  
108 perform as part of development of the property and the purpose or  
109 purposes for which the property will be placed into use after  
110 development;

111                   (ii) The costs required for the applicant to  
112 acquire the property and the costs associated with the development  
113 of the property for which the applicant is requesting assistance;

114                   (iii) The amount of grant funds requested; and

115                   (iv) Any other information requested by the  
116 department.

117                   (c) The department shall review such application and  
118 determine whether the applicant is eligible to participate in the  
119 grant program. If the department approves the applicant for  
120 participation in the grant program, it shall issue a certificate  
121 of participation to the applicant designating the applicant as a  
122 developer under the program. The department may provide grant  
123 funds to the applicant in an amount as determined by the  
124 department; however, the amount of a grant cannot exceed twenty  
125 percent (20%) of the aggregate costs for the acquisition and  
126 development of the property for which the grant is provided.



127 Eligible costs for which grant proceeds may be used include, but  
128 are not limited to, costs associated with construction, repairs,  
129 renovations, operation and/or maintenance and/or procuring the  
130 construction, repair, renovation, operation and/or maintenance of  
131 property such as buildings and other facilities.

132 (3) In addition to any other authority granted under this  
133 section or any other provision of law, the department may contract  
134 with a nonprofit corporation for the purpose of assisting the  
135 department in carrying out the provisions of this section.

136 (4) There is created in the State Treasury a special fund,  
137 to be designated as the "Capitol Complex Improvement District  
138 Tax-Forfeited Property Fund", which shall consist of funds made  
139 available by the Legislature in any manner. The fund shall be  
140 maintained by the State Treasurer as a separate and special fund,  
141 separate and apart from the General Fund of the state. Unexpended  
142 amounts remaining in the fund at the end of a fiscal year shall  
143 not lapse into the State General Fund, and any interest earned or  
144 investment earnings on amounts in the fund shall be deposited into  
145 such fund. Monies in the fund shall be disbursed, upon  
146 appropriation by the Legislature, in the discretion of the  
147 Department of Finance and Administration, to provide grants for  
148 the purposes described in this section.

149 (5) The department shall have all powers necessary to  
150 implement and administer the program established under this  
151 section, and the department shall promulgate rules and



152 regulations, in accordance with the Mississippi Administrative  
153 Procedures Law, necessary for the implementation of this section.

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

157           (a) "Accreted value" of any bond means, as of any date  
158 of computation, an amount equal to the sum of (i) the stated  
159 initial value of such bond, plus (ii) the interest accrued thereon  
160 from the issue date to the date of computation at the rate,  
161 compounded semiannually, that is necessary to produce the  
162 approximate yield to maturity shown for bonds of the same  
163 maturity.

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

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

166       (2) (a) The commission, at one time, or from time to time,  
167 may declare by resolution the necessity for issuance of general  
168 obligation bonds of the State of Mississippi to provide funds for  
169 the grant program authorized in Section 2 of this act. Upon the  
170 adoption of a resolution by the Department of Finance and  
171 Administration, declaring the necessity for the issuance of any  
172 part or all of the general obligation bonds authorized by this  
173 subsection, the department shall deliver a certified copy of its  
174 resolution or resolutions to the commission. Upon receipt of such  
175 resolution, the commission, in its discretion, may act as the  
176 issuing agent, prescribe the form of the bonds, determine the



177 appropriate method for sale of the bonds, advertise for and accept  
178 bids or negotiate the sale of the bonds, issue and sell the bonds  
179 so authorized to be sold and do any and all other things necessary  
180 and advisable in connection with the issuance and sale of such  
181 bonds. The total amount of bonds issued under this section shall  
182 not exceed Six Million Dollars (\$6,000,000.00); however, not more  
183 than Two Million Dollars (\$2,000,000.00) of such bonds may be  
184 issued during any fiscal year.

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

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





202           (4) The bonds authorized by this section shall be signed by  
203 the chairman of the commission, or by his facsimile signature, and  
204 the official seal of the commission shall be affixed thereto,  
205 attested by the secretary of the commission. The interest  
206 coupons, if any, to be attached to such bonds may be executed by  
207 the facsimile signatures of such officers. Whenever any such  
208 bonds shall have been signed by the officials designated to sign  
209 the bonds who were in office at the time of such signing but who  
210 may have ceased to be such officers before the sale and delivery  
211 of such bonds, or who may not have been in office on the date such  
212 bonds may bear, the signatures of such officers upon such bonds  
213 and coupons shall nevertheless be valid and sufficient for all  
214 purposes and have the same effect as if the person so officially  
215 signing such bonds had remained in office until their delivery to  
216 the purchaser, or had been in office on the date such bonds may  
217 bear. However, notwithstanding anything herein to the contrary,  
218 such bonds may be issued as provided in the Registered Bond Act of  
219 the State of Mississippi.

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



226 (6) The commission shall act as the issuing agent for the  
227 bonds authorized under this section, prescribe the form of the  
228 bonds, determine the appropriate method for sale of the bonds,  
229 advertise for and accept bids or negotiate the sale of the bonds,  
230 issue and sell the bonds so authorized to be sold, pay all fees  
231 and costs incurred in such issuance and sale, and do any and all  
232 other things necessary and advisable in connection with the  
233 issuance and sale of such bonds. The commission is authorized and  
234 empowered to pay the costs that are incident to the sale, issuance  
235 and delivery of the bonds authorized under this section from the  
236 proceeds derived from the sale of such bonds. The commission may  
237 sell such bonds on sealed bids at public sale or may negotiate the  
238 sale of the bonds for such price as it may determine to be for the  
239 best interest of the State of Mississippi. All interest accruing  
240 on such bonds so issued shall be payable semiannually or annually.

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

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



250 call price named therein and accrued interest on such date or  
251 dates named therein.

252 (7) The bonds issued under the provisions of this section  
253 are general obligations of the State of Mississippi, and for the  
254 payment thereof the full faith and credit of the State of  
255 Mississippi is irrevocably pledged. If the funds appropriated by  
256 the Legislature are insufficient to pay the principal of and the  
257 interest on such bonds as they become due, then the deficiency  
258 shall be paid by the State Treasurer from any funds in the State  
259 Treasury not otherwise appropriated. All such bonds shall contain  
260 recitals on their faces substantially covering the provisions of  
261 this subsection.

262 (8) Upon the issuance and sale of bonds under the provisions  
263 of this section, the commission shall transfer the proceeds of any  
264 such sale or sales to the special fund created in Section 2 of  
265 this act. The proceeds of such bonds shall be disbursed solely  
266 upon the order of the Department of Finance and Administration  
267 under such restrictions, if any, as may be contained in the  
268 resolution providing for the issuance of the bonds.

269 (9) The bonds authorized under this section may be issued  
270 without any other proceedings or the happening of any other  
271 conditions or things other than those proceedings, conditions and  
272 things which are specified or required by this section. Any  
273 resolution providing for the issuance of bonds under the  
274 provisions of this section shall become effective immediately upon



275 its adoption by the commission, and any such resolution may be  
276 adopted at any regular or special meeting of the commission by a  
277 majority of its members.

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

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

294 (12) All bonds issued under the provisions of this section  
295 shall be legal investments for trustees and other fiduciaries, and  
296 for savings banks, trust companies and insurance companies  
297 organized under the laws of the State of Mississippi, and such  
298 bonds shall be legal securities which may be deposited with and  
299 shall be received by all public officers and bodies of this state



300 and all municipalities and political subdivisions for the purpose  
301 of securing the deposit of public funds.

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

305 (14) The proceeds of the bonds issued under this section  
306 shall be used solely for the purposes herein provided, including  
307 the costs incident to the issuance and sale of such bonds.

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

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

323 **SECTION 4.** This act shall take effect and be in force from  
324 and after July 1, 2024.

