

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.

