

By: Representative Lamar

To: Ways and Means

HOUSE BILL NO. 1987

1 AN ACT TO PROVIDE THAT THE DEPARTMENT OF FINANCE AND
 2 ADMINISTRATION SHALL ESTABLISH A PROGRAM TO PROVIDE LOANS TO THE
 3 CAPITAL CITY REDEVELOPMENT FOUNDATION TO ASSIST THE FOUNDATION OR
 4 OTHER ENTITIES IN PAYING COSTS ASSOCIATED WITH ACQUISITION AND
 5 DEVELOPMENT OF CERTAIN PROPERTY IN THE CAPITOL COMPLEX IMPROVEMENT
 6 DISTRICT; TO PROVIDE AN APPLICATION PROCESS FOR THE LOAN PROGRAM;
 7 TO CREATE THE "CAPITOL COMPLEX IMPROVEMENT DISTRICT PROPERTY
 8 IMPROVEMENT LOAN FUND" AS A SPECIAL FUND IN THE STATE TREASURY AND
 9 TO PROVIDE THAT MONIES IN THE SPECIAL FUND SHALL BE EXPENDED BY
 10 THE DEPARTMENT OF FINANCE AND ADMINISTRATION TO PROVIDE LOANS
 11 AUTHORIZED UNDER THIS ACT; TO AUTHORIZE THE ISSUANCE OF STATE
 12 GENERAL OBLIGATION BONDS FOR THE PURPOSE OF PROVIDING FUNDS FOR
 13 THE "CAPITOL COMPLEX IMPROVEMENT DISTRICT PROPERTY IMPROVEMENT
 14 LOAN FUND"; AND FOR RELATED PURPOSES.

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

16 **SECTION 1.** (1) As used in this section, the following words
 17 and phrases shall have the meanings as defined in this subsection
 18 unless the context clearly requires otherwise:

19 (a) "Department" means the Department of Finance and
 20 Administration.

21 (b) "Development" means construction, renovation,
 22 repairs, upgrades and improvements to eligible property and/or
 23 procuring the construction, renovation, repairs, upgrades and
 24 improvements to eligible property.



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

27 (d) "Eligible property" means tax-forfeited property
28 within the district that has been struck off to the state for the
29 nonpayment of ad valorem taxes, as well as property that is within
30 the district and owned by the City of Jackson, Mississippi, after
31 being conveyed to the city by the Secretary of State.

32 (d) "Foundation" means the Capital City Redevelopment
33 Foundation.

34 (2) (a) (i) The department shall establish a program to
35 provide loans to the foundation to assist the foundation and/or
36 other entities in paying costs associated with the acquisition and
37 development of eligible property, and to place such developed
38 property into use and commerce, which will increase the value of
39 the property and promote economic development and the public
40 interest within the district.

41 (b) The foundation may submit an application for a loan
42 under this section. The application must contain a development
43 plan that provides:

44 (i) A description of:

45 1. The eligible property or properties for
46 which the assistance is requested, including the projected costs
47 required for the acquisition of the property and the costs
48 associated with the development of the property for which the
49 foundation is requesting assistance;



50 2. The projected starting date and completion
51 date for the development of the eligible property or properties;

52 3. A description of any funds from other
53 sources that may be available to assist with paying the costs of
54 acquisition and development of the eligible property or
55 properties;

56 4. The amount of loan funds requested; and

57 5. Any other information requested by the
58 department.

59 (c) (i) The department shall review such application
60 and determine whether the to approve the application. If the
61 department approves the application, it shall issue a certificate
62 of participation to the foundation designating the foundation as
63 eligible under the program. The department may provide loan funds
64 to the foundation in an amount as determined by the department.

65 (ii) The foundation may use the proceeds of any
66 loan under this section to pay costs incurred by the foundation
67 that are associated with the acquisition and development of
68 eligible property as well as providing funds to assist other
69 entities in paying costs that are associated with the acquisition
70 and development of eligible property.

71 (iii) The foundation shall attempt to develop an
72 agreement with the state, the City of Jackson, Mississippi, and
73 Hinds County, Mississippi, regarding the sharing of incremental ad



74 valorem tax revenues derived from the development of eligible
75 property.

76 (d) Monies repaid to the state from loans authorized in
77 this section shall be deposited into the Capitol Complex
78 Improvement District Property Improvement Loan Fund created in
79 subsection (3) of this section.

80 (3) There is created in the State Treasury a special fund,
81 to be designated as the "Capitol Complex Improvement District
82 Property Improvement Loan Fund", which shall consist of funds made
83 available by the Legislature in any manner and any other monies
84 designated for deposit therein. The fund shall be maintained by
85 the State Treasurer as a separate and special fund, separate and
86 apart from the General Fund of the state. Unexpended amounts
87 remaining in the fund at the end of a fiscal year shall not lapse
88 into the State General Fund, and any interest earned or investment
89 earnings on amounts in the fund shall be deposited into such fund.
90 Monies in the fund shall be disbursed, in the discretion of the
91 Department of Finance and Administration, to provide loans for the
92 purposes described in this section.

93 (4) The department shall have all powers necessary to
94 implement and administer the program established under this
95 section, and the department shall promulgate rules, in accordance
96 with the Mississippi Administrative Procedures Law, as necessary
97 for the implementation of this section.



98 **SECTION 2.** (1) As used in this section, the following words
99 shall have the meanings ascribed herein unless the context clearly
100 requires otherwise:

101 (a) "Accreted value" of any bond means, as of any date
102 of computation, an amount equal to the sum of (i) the stated
103 initial value of such bond, plus (ii) the interest accrued thereon
104 from the issue date to the date of computation at the rate,
105 compounded semiannually, that is necessary to produce the
106 approximate yield to maturity shown for bonds of the same
107 maturity.

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

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

110 (2) (a) The commission, at one time, or from time to time,
111 may declare by resolution the necessity for issuance of general
112 obligation bonds of the State of Mississippi to provide funds for
113 the loan program authorized in Section 1 of this act. Upon the
114 adoption of a resolution by the Department of Finance and
115 Administration, declaring the necessity for the issuance of any
116 part or all of the general obligation bonds authorized by this
117 subsection, the department shall deliver a certified copy of its
118 resolution or resolutions to the commission. Upon receipt of such
119 resolution, the commission, in its discretion, may act as the
120 issuing agent, prescribe the form of the bonds, determine the
121 appropriate method for sale of the bonds, advertise for and accept
122 bids or negotiate the sale of the bonds, issue and sell the bonds



123 so authorized to be sold and do any and all other things necessary
124 and advisable in connection with the issuance and sale of such
125 bonds. The total amount of bonds issued under this section shall
126 not exceed Two Million Dollars (\$2,000,000.00).

127 (b) Any investment earnings on amounts deposited into
128 the special fund created in Section 1 of this act shall be used to
129 pay debt service on bonds issued under this section, in accordance
130 with the proceedings authorizing issuance of such bonds.

131 (3) The principal of and interest on the bonds authorized
132 under this section shall be payable in the manner provided in this
133 subsection. Such bonds shall bear such date or dates, be in such
134 denomination or denominations, bear interest at such rate or rates
135 (not to exceed the limits set forth in Section 75-17-101,
136 Mississippi Code of 1972), be payable at such place or places
137 within or without the State of Mississippi, shall mature
138 absolutely at such time or times not to exceed twenty-five (25)
139 years from date of issue, be redeemable before maturity at such
140 time or times and upon such terms, with or without premium, shall
141 bear such registration privileges, and shall be substantially in
142 such form, all as shall be determined by resolution of the
143 commission.

144 (4) The bonds authorized by this section shall be signed by
145 the chairman of the commission, or by his facsimile signature, and
146 the official seal of the commission shall be affixed thereto,
147 attested by the secretary of the commission. The interest



148 coupons, if any, to be attached to such bonds may be executed by
149 the facsimile signatures of such officers. Whenever any such
150 bonds shall have been signed by the officials designated to sign
151 the bonds who were in office at the time of such signing but who
152 may have ceased to be such officers before the sale and delivery
153 of such bonds, or who may not have been in office on the date such
154 bonds may bear, the signatures of such officers upon such bonds
155 and coupons shall nevertheless be valid and sufficient for all
156 purposes and have the same effect as if the person so officially
157 signing such bonds had remained in office until their delivery to
158 the purchaser, or had been in office on the date such bonds may
159 bear. However, notwithstanding anything herein to the contrary,
160 such bonds may be issued as provided in the Registered Bond Act of
161 the State of Mississippi.

162 (5) All bonds and interest coupons issued under the
163 provisions of this section have all the qualities and incidents of
164 negotiable instruments under the provisions of the Uniform
165 Commercial Code, and in exercising the powers granted by this
166 section, the commission shall not be required to and need not
167 comply with the provisions of the Uniform Commercial Code.

168 (6) The commission shall act as the issuing agent for the
169 bonds authorized under this section, prescribe the form of the
170 bonds, determine the appropriate method for sale of the bonds,
171 advertise for and accept bids or negotiate the sale of the bonds,
172 issue and sell the bonds so authorized to be sold, pay all fees



173 and costs incurred in such issuance and sale, and do any and all
174 other things necessary and advisable in connection with the
175 issuance and sale of such bonds. The commission is authorized and
176 empowered to pay the costs that are incident to the sale, issuance
177 and delivery of the bonds authorized under this section from the
178 proceeds derived from the sale of such bonds. The commission may
179 sell such bonds on sealed bids at public sale or may negotiate the
180 sale of the bonds for such price as it may determine to be for the
181 best interest of the State of Mississippi. All interest accruing
182 on such bonds so issued shall be payable semiannually or annually.

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

189 The commission, when issuing any bonds under the authority of
190 this section, may provide that bonds, at the option of the State
191 of Mississippi, may be called in for payment and redemption at the
192 call price named therein and accrued interest on such date or
193 dates named therein.

194 (7) The bonds issued under the provisions of this section
195 are general obligations of the State of Mississippi, and for the
196 payment thereof the full faith and credit of the State of
197 Mississippi is irrevocably pledged. If the funds appropriated by



198 the Legislature are insufficient to pay the principal of and the
199 interest on such bonds as they become due, then the deficiency
200 shall be paid by the State Treasurer from any funds in the State
201 Treasury not otherwise appropriated. All such bonds shall contain
202 recitals on their faces substantially covering the provisions of
203 this subsection.

204 (8) Upon the issuance and sale of bonds under the provisions
205 of this section, the commission shall transfer the proceeds of any
206 such sale or sales to the special fund created in Section 1 of
207 this act. The proceeds of such bonds shall be disbursed solely
208 upon the order of the Department of Finance and Administration
209 under such restrictions, if any, as may be contained in the
210 resolution providing for the issuance of the bonds.

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

220 (10) The bonds authorized under the authority of this
221 section may be validated in the Chancery Court of the First
222 Judicial District of Hinds County, Mississippi, in the manner and



223 with the force and effect provided by Chapter 13, Title 31,
224 Mississippi Code of 1972, for the validation of county, municipal,
225 school district and other bonds. The notice to taxpayers required
226 by such statutes shall be published in a newspaper published or
227 having a general circulation in the City of Jackson, Mississippi.

228 (11) Any holder of bonds issued under the provisions of this
229 section or of any of the interest coupons pertaining thereto may,
230 either at law or in equity, by suit, action, mandamus or other
231 proceeding, protect and enforce any and all rights granted under
232 this section, or under such resolution, and may enforce and compel
233 performance of all duties required by this section to be
234 performed, in order to provide for the payment of bonds and
235 interest thereon.

236 (12) All bonds issued under the provisions of this section
237 shall be legal investments for trustees and other fiduciaries, and
238 for savings banks, trust companies and insurance companies
239 organized under the laws of the State of Mississippi, and such
240 bonds shall be legal securities which may be deposited with and
241 shall be received by all public officers and bodies of this state
242 and all municipalities and political subdivisions for the purpose
243 of securing the deposit of public funds.

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



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

250 (15) The State Treasurer is authorized, without further
251 process of law, to certify to the Department of Finance and
252 Administration the necessity for warrants, and the Department of
253 Finance and Administration is authorized and directed to issue
254 such warrants, in such amounts as may be necessary to pay when due
255 the principal of, premium, if any, and interest on, or the
256 accreted value of, all bonds issued under this section; and the
257 State Treasurer shall forward the necessary amount to the
258 designated place or places of payment of such bonds in ample time
259 to discharge such bonds, or the interest thereon, on the due dates
260 thereof.

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

265 **SECTION 3.** This act shall take effect and be in force from
266 and after July 1, 2024.

