

By: Senator(s) Minor

To: Finance

SENATE BILL NO. 2584
(As Passed the Senate)

1 AN ACT TO AMEND SECTION 57-75-3, MISSISSIPPI CODE OF 1972, TO
2 GRANT THE MISSISSIPPI MAJOR ECONOMIC IMPACT AUTHORITY A CERTAIN
3 AMOUNT OF DISCRETION IN THE IMPLEMENTATION OF THE MISSISSIPPI
4 MAJOR ECONOMIC IMPACT ACT; TO AMEND SECTION 57-75-5, MISSISSIPPI
5 CODE OF 1972, TO REVISE THE DEFINITION OF THE TERM "PROJECT" FOR
6 PURPOSES OF THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO AMEND
7 SECTION 57-75-11, MISSISSIPPI CODE OF 1972, TO MAKE IT CLEAR THAT
8 THE AUTHORITY MAY PURCHASE AND PROVIDE WATER TO CERTIFICATED WATER
9 PROVIDERS FOR CONNECTION WITH SURFACE WATER TRANSMISSION LINES
10 OWNED BY THE AUTHORITY, AND THAT THE AUTHORITY LEASE SUCH LINES TO
11 CERTIFICATED WATER PROVIDERS; TO GRANT CERTAIN ADDITIONAL POWERS
12 TO THE MISSISSIPPI MAJOR ECONOMIC IMPACT AUTHORITY; TO AMEND
13 SECTION 57-75-15, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE
14 ISSUANCE OF STATE GENERAL OBLIGATION BONDS IN THE AMOUNT OF
15 \$40,000,000.00 FOR CERTAIN PROJECTS UNDER THE MISSISSIPPI MAJOR
16 ECONOMIC IMPACT ACT AND TO REVISE THE PURPOSES FOR WHICH THE BOND
17 PROCEEDS MAY BE UTILIZED; AND FOR RELATED PURPOSES.

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

19 **SECTION 1.** Section 57-75-3, Mississippi Code of 1972, is
20 amended as follows:

21 57-75-3. The Legislature hereby finds and declares that:

22 (a) There exists in the State of Mississippi a
23 continuing need for gainful employment for the citizens of this
24 state.

25 (b) To help provide employment opportunities, a
26 division within the Mississippi Development Authority should be
27 created with power to secure the location and expansion within
28 this state of major economic impact projects by providing
29 assistance and incentives in connection with such projects.

30 (c) In accomplishing this purpose, such division will
31 be acting in all respects for the benefit of the people of the
32 state in the performance of essential public functions and is
33 serving a valid public purpose in improving and otherwise
34 promoting their health, welfare and prosperity, and the enactment



35 of the provisions hereinafter set forth is for a valid public
36 purpose.

37 (d) Public agencies of the state, as herein defined,
38 must be authorized and empowered to contract with and cooperate
39 with the authority for the purposes herein set out.

40 (e) The borrowing of money and the issuance of bonds
41 for the purposes hereinafter set out serves valid public purposes
42 in that the project will significantly contribute to the
43 employment base and scientific and educational growth of the
44 state.

45 (f) The Mississippi Major Economic Impact Authority
46 created pursuant to this chapter shall implement the provisions of
47 this chapter and exercise all power as authorized in this chapter;
48 however, the application of this chapter or the offering of any
49 assistance and incentives as to any particular project or person
50 shall be in the sole discretion of the Mississippi Major Economic
51 Impact Authority, and nothing in this chapter shall be deemed to
52 vest in any person any right to any assistance or incentive
53 contained herein unless the assistance or incentive is approved by
54 the Mississippi Major Economic Impact Authority pursuant to this
55 chapter. The exercise of powers conferred by this chapter shall
56 be deemed and held to be the performance of essential public
57 purposes.

58 **SECTION 2.** Section 57-75-5, Mississippi Code of 1972, is
59 amended as follows:

60 57-75-5. Words and phrases used in this chapter shall have
61 meanings as follows, unless the context clearly indicates a
62 different meaning:

63 (a) "Act" means the Mississippi Major Economic Impact
64 Act as originally enacted or as hereafter amended.

65 (b) "Authority" means the Mississippi Major Economic
66 Impact Authority created pursuant to the act.



67 (c) "Bonds" means general obligation bonds, interim
68 notes and other evidences of debt of the State of Mississippi
69 issued pursuant to this chapter.

70 (d) "Facility related to the project" means and
71 includes any of the following, as the same may pertain to the
72 project within the project area: (i) facilities to provide
73 potable and industrial water supply systems, sewage and waste
74 disposal systems and water, natural gas and electric transmission
75 systems to the site of the project; (ii) airports, airfields and
76 air terminals; (iii) rail lines; (iv) port facilities; (v)
77 highways, streets and other roadways; (vi) public school
78 buildings, classrooms and instructional facilities, training
79 facilities and equipment, including any functionally related
80 facilities; (vii) parks, outdoor recreation facilities and
81 athletic facilities; (viii) auditoriums, pavilions, campgrounds,
82 art centers, cultural centers, folklore centers and other public
83 facilities; (ix) health care facilities, public or private; and
84 (x) fire protection facilities, equipment and elevated water
85 tanks.

86 (e) "Person" means any natural person, corporation,
87 association, partnership, receiver, trustee, guardian, executor,
88 administrator, fiduciary, governmental unit, public agency,
89 political subdivision, or any other group acting as a unit, and
90 the plural as well as the singular.

91 (f) "Project" means:

92 (i) Any industrial, commercial, research and
93 development, warehousing, distribution, transportation,
94 processing, mining, United States government or tourism enterprise
95 together with all real property required for construction,
96 maintenance and operation of the enterprise with an initial
97 capital investment of not less than Three Hundred Million Dollars
98 (\$300,000,000.00) from private or United States government sources
99 together with all buildings, and other supporting land and



100 facilities, structures or improvements of whatever kind required
101 or useful for construction, maintenance and operation of the
102 enterprise; or with an initial capital investment of not less than
103 One Hundred Fifty Million Dollars (\$150,000,000.00) from private
104 or United States government sources together with all buildings
105 and other supporting land and facilities, structures or
106 improvements of whatever kind required or useful for construction,
107 maintenance and operation of the enterprise and which creates at
108 least one thousand (1,000) net new full-time jobs; or which
109 creates at least one thousand (1,000) net new full-time jobs which
110 provides an average salary, excluding benefits which are not
111 subject to Mississippi income taxation, of at least one hundred
112 twenty-five percent (125%) of the most recently published average
113 annual wage of the state as determined by the Mississippi
114 Employment Security Commission. "Project" shall include any
115 addition to or expansion of an existing enterprise if such
116 addition or expansion has an initial capital investment of not
117 less than Three Hundred Million Dollars (\$300,000,000.00) from
118 private or United States government sources, or has an initial
119 capital investment of not less than One Hundred Fifty Million
120 Dollars (\$150,000,000.00) from private or United States government
121 sources together with all buildings and other supporting land and
122 facilities, structures or improvements of whatever kind required
123 or useful for construction, maintenance and operation of the
124 enterprise and which creates at least one thousand (1,000) net new
125 full-time jobs; or which creates at least one thousand (1,000) net
126 new full-time jobs which provides an average salary, excluding
127 benefits which are not subject to Mississippi income taxation, of
128 at least one hundred twenty-five percent (125%) of the most
129 recently published average annual wage of the state as determined
130 by the Mississippi Employment Security Commission. "Project"
131 shall also include any ancillary development or business resulting
132 from the enterprise, of which the authority is notified, within



133 three (3) years from the date that the enterprise entered into
134 commercial production, that the project area has been selected as
135 the site for the ancillary development or business.

136 (ii) Any major capital project designed to
137 improve, expand or otherwise enhance any active duty United States
138 Air Force or Navy training bases or naval stations, their support
139 areas or their military operations, upon designation by the
140 authority that any such base was or is at risk to be recommended
141 for closure or realignment pursuant to the Defense Base Closure
142 and Realignment Act of 1990; or any major development project
143 determined by the authority to be necessary to acquire base
144 properties and to provide employment opportunities through
145 construction of projects as defined in Section 57-3-5, which shall
146 be located on or provide direct support service or access to such
147 military installation property as such property exists on July 1,
148 1993, in the event of closure or reduction of military operations
149 at the installation. From and after July 1, 1997, projects
150 described in this subparagraph (ii) shall not be considered to be
151 within the meaning of the term "project" for purposes of this
152 section, unless such projects are commenced before July 1, 1997,
153 and shall not be eligible for any funding provided under the
154 Mississippi Major Economic Impact Act.

155 (iii) Any enterprise to be maintained, improved or
156 constructed in Tishomingo County by or for a National Aeronautics
157 and Space Administration facility in such county.

158 (iv) 1. Any major capital project with an initial
159 capital investment from private sources of not less than Seven
160 Hundred Fifty Million Dollars (\$750,000,000.00) which will create
161 at least three thousand (3,000) jobs meeting criteria established
162 by the Mississippi Development Authority.

163 2. "Project" shall also include any ancillary
164 development or business resulting from an enterprise operating a
165 project as defined in item 1 of this paragraph (f)(iv), of which



166 the authority is notified, within three (3) years from the date
167 that the enterprise entered into commercial production, that the
168 state has been selected as the site for the ancillary development
169 or business.

170 (v) Any manufacturing, processing or industrial
171 project determined by the authority, in its sole discretion, to
172 contribute uniquely and significantly to the economic growth and
173 development of the state, and which meets the following criteria:

174 1. The project shall create at least two
175 thousand (2,000) net new full-time jobs meeting criteria
176 established by the authority, which criteria shall include, but
177 not be limited to, the requirement that such jobs must be held by
178 persons eligible for employment in the United States under
179 applicable state and federal law.

180 2. The project and any facility related to
181 the project shall include a total investment from private sources
182 of not less than Sixty Million Dollars (\$60,000,000.00), or from
183 any combination of sources of not less than Eighty Million Dollars
184 (\$80,000,000.00).

185 (vi) Any real property owned or controlled by the
186 National Aeronautics and Space Administration, the United States
187 government, or any agency thereof, which is legally conveyed to
188 the State of Mississippi or to the State of Mississippi for the
189 benefit of the Mississippi Major Economic Impact Authority, its
190 successors and assigns pursuant to Section 212 of Public Law
191 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

192 * * *

193 (vii) Any major capital project related to the
194 establishment, improvement, expansion and/or other enhancement of
195 any active duty military installation and having a minimum capital
196 investment from any source or combination of sources other than
197 the State of Mississippi of at least Forty Million Dollars
198 (\$40,000,000.00), and which will create at least five hundred



199 (500) military installation related full-time jobs, which jobs may
200 be military jobs, civilian jobs or a combination of military and
201 civilian jobs.

202 * * *

203 (g) "Project area" means the project site, together
204 with any area or territory within the state lying within
205 sixty-five (65) miles of any portion of the project site whether
206 or not such area or territory be contiguous; provided, however,
207 that for the project defined in paragraph (f) (iv) of this section
208 the term "project area" means any area or territory within the
209 state. The project area shall also include all territory within a
210 county if any portion of such county lies within sixty-five (65)
211 miles of any portion of the project site. "Project site" means
212 the real property on which the principal facilities of the
213 enterprise will operate.

214 (h) "Public agency" means:

215 (i) Any department, board, commission, institution
216 or other agency or instrumentality of the state;

217 (ii) Any city, town, county, political
218 subdivision, school district or other district created or existing
219 under the laws of the state or any public agency of any such city,
220 town, county, political subdivision or district or any other
221 public entity created or existing under local and private
222 legislation;

223 (iii) Any department, commission, agency or
224 instrumentality of the United States of America; and

225 (iv) Any other state of the United States of
226 America which may be cooperating with respect to location of the
227 project within the state, or any agency thereof.

228 (i) "State" means State of Mississippi.

229 (j) "Fee-in-lieu" means a negotiated fee to be paid by
230 the project in lieu of any franchise taxes imposed on the project
231 by Chapter 13, Title 27, Mississippi Code of 1972. The



232 fee-in-lieu shall not be less than Twenty-five Thousand Dollars
233 (\$25,000.00) annually. A fee-in-lieu may be negotiated with an
234 enterprise operating an existing project defined in Section
235 57-75-5(f)(iv)1; however, a fee-in-lieu shall not be negotiated
236 for other existing enterprises that fall within the definition of
237 the term "project."

238 **SECTION 3.** Section 57-75-11, Mississippi Code of 1972, is
239 amended as follows:

240 57-75-11. The authority, in addition to any and all powers
241 now or hereafter granted to it, is empowered and shall exercise
242 discretion and the use of these powers depending on the
243 circumstances of the project or projects:

244 (a) To maintain an office at a place or places within
245 the state.

246 (b) To employ or contract with architects, engineers,
247 attorneys, accountants, construction and financial experts and
248 such other advisors, consultants and agents as may be necessary in
249 its judgment and to fix and pay their compensation.

250 (c) To make such applications and enter into such
251 contracts for financial assistance as may be appropriate under
252 applicable federal or state law.

253 (d) To apply for, accept and utilize grants, gifts and
254 other funds or aid from any source for any purpose contemplated by
255 the act, and to comply, subject to the provisions of this act,
256 with the terms and conditions thereof.

257 (e) (i) To acquire by purchase, lease, gift, or in
258 other manner, including quick-take eminent domain, or obtain
259 options to acquire, and to own, maintain, use, operate and convey
260 any and all property of any kind, real, personal, or mixed, or any
261 interest or estate therein, within the project area, necessary for
262 the project or any facility related to the project. The
263 provisions of this paragraph that allow the acquisition of



264 property by quick-take eminent domain shall be repealed by
265 operation of law on July 1, 1994; and

266 (ii) Notwithstanding any other provision of this
267 paragraph (e), from and after November 6, 2000, to exercise the
268 right of immediate possession pursuant to the provisions of
269 Sections 11-27-81 through 11-27-89 for the purpose of acquiring
270 land, property and/or rights-of-way in the county in which a
271 project as defined in Section 57-75-5(f)(iv)1 is located, that are
272 necessary for such project or any facility related to the project.

273 (f) To acquire by purchase or lease any public lands
274 and public property, including sixteenth section lands and lieu
275 lands, within the project area, which are necessary for the
276 project. Sixteenth section lands or lieu lands acquired under
277 this act shall be deemed to be acquired for the purposes of
278 industrial development thereon and such acquisition will serve a
279 higher public interest in accordance with the purposes of this
280 act.

281 (g) If the authority identifies any land owned by the
282 state as being necessary, for the location or use of the project,
283 or any facility related to the project, to recommend to the
284 Legislature the conveyance of such land or any interest therein,
285 as the Legislature deems appropriate.

286 (h) To make or cause to be made such examinations and
287 surveys as may be necessary to the planning, design, construction
288 and operation of the project.

289 (i) From and after the date of notification to the
290 authority by the enterprise that the state has been finally
291 selected as the site of the project, to acquire by condemnation
292 and to own, maintain, use, operate and convey or otherwise dispose
293 of any and all property of any kind, real, personal or mixed, or
294 any interest or estate therein, within the project area, necessary
295 for the project or any facility related to the project, with the
296 concurrence of the affected public agency, and the exercise of the



297 powers granted by this act, according to the procedures provided
298 by Chapter 27, Title 11, Mississippi Code of 1972, except as
299 modified by this act.

300 (i) Except as otherwise provided in subparagraph
301 (iii) of this paragraph (i), in acquiring lands by condemnation,
302 the authority shall not acquire minerals or royalties in minerals
303 unless a competent registered professional engineer shall have
304 certified that the acquisition of such minerals and royalties in
305 minerals is necessary for purposes of the project; provided that
306 limestone, clay, chalk, sand and gravel shall not be considered as
307 minerals for the purposes of subparagraphs (i) and (ii) of this
308 paragraph (i);

309 (ii) Unless minerals or royalties in minerals have
310 been acquired by condemnation or otherwise, no person or persons
311 owning the drilling rights or the right to share in production of
312 minerals shall be prevented from exploring, developing, or
313 producing oil or gas with necessary rights-of-way for ingress and
314 egress, pipelines and other means of transporting interests on any
315 land or interest therein of the authority held or used for the
316 purposes of this act; but any such activities shall be under such
317 reasonable regulation by the authority as will adequately protect
318 the project contemplated by this act as provided in paragraph (r)
319 of this section; and

320 (iii) In acquiring lands by condemnation,
321 including the exercise of immediate possession, for a project, as
322 defined in Section 57-75-5(f)(iv)1, the authority may acquire
323 minerals or royalties in minerals.

324 (j) To negotiate the necessary relocation or rerouting
325 of roads and highways, railroad, telephone and telegraph lines and
326 properties, electric power lines, pipelines and related
327 facilities, or to require the anchoring or other protection of any
328 of these, provided due compensation is paid to the owners thereof
329 or agreement is had with such owners regarding the payment of the



330 cost of such relocation, and to acquire by condemnation or
331 otherwise easements or rights-of-way for such relocation or
332 rerouting and to convey the same to the owners of the facilities
333 being relocated or rerouted in connection with the purposes of
334 this act.

335 (k) To negotiate the necessary relocation of graves and
336 cemeteries and to pay all reasonable costs thereof.

337 (l) To perform or have performed any and all acts and
338 make all payments necessary to comply with all applicable federal
339 laws, rules or regulations including, but not limited to, the
340 Uniform Relocation Assistance and Real Property Acquisition
341 Policies Act of 1970 (42 USCS 4601, 4602, 4621 to 4638, and 4651
342 to 4655) and relocation rules and regulations promulgated by any
343 agency or department of the federal government.

344 (m) To construct, extend, improve, maintain, and
345 reconstruct, to cause to be constructed, extended, improved,
346 maintained, and reconstructed, and to use and operate any and all
347 components of the project or any facility related to the project,
348 with the concurrence of the affected public agency, within the
349 project area, necessary to the project and to the exercise of such
350 powers, rights, and privileges granted the authority.

351 (n) To incur or defray any designated portion of the
352 cost of any component of the project or any facility related to
353 the project acquired or constructed by any public agency.

354 (o) To lease, sell or convey any or all property
355 acquired by the authority under the provisions of this act to the
356 enterprise, its successors or assigns, and in connection therewith
357 to pay the costs of title search, perfection of title, title
358 insurance and recording fees as may be required. The authority
359 may provide in the instrument conveying such property a provision
360 that such property shall revert to the authority if, as and when
361 the property is declared by the enterprise to be no longer needed.



362 (p) To enter into contracts with any person or public
363 agency, including, but not limited to, contracts authorized by
364 Section 57-75-17, in furtherance of any of the purposes authorized
365 by this act upon such consideration as the authority and such
366 person or public agency may agree. Any such contract may extend
367 over any period of time, notwithstanding any rule of law to the
368 contrary, may be upon such terms as the parties thereto shall
369 agree, and may provide that it shall continue in effect until
370 bonds specified therein, refunding bonds issued in lieu of such
371 bonds, and all other obligations specified therein are paid or
372 terminated. Any such contract shall be binding upon the parties
373 thereto according to its terms. Such contracts may include an
374 agreement to reimburse the enterprise, its successors and assigns
375 for any assistance provided by the enterprise in the acquisition
376 of real property for the project or any facility related to the
377 project.

378 (q) To establish and maintain reasonable rates and
379 charges for the use of any facility within the project area owned
380 or operated by the authority, and from time to time to adjust such
381 rates and to impose penalties for failure to pay such rates and
382 charges when due.

383 (r) To adopt and enforce with the concurrence of the
384 affected public agency all necessary and reasonable rules and
385 regulations to carry out and effectuate the implementation of the
386 project and any land use plan or zoning classification adopted for
387 the project area, including, but not limited to, rules,
388 regulations, and restrictions concerning mining, construction,
389 excavation or any other activity the occurrence of which may
390 endanger the structure or operation of the project. Such rules
391 may be enforced within the project area and without the project
392 area as necessary to protect the structure and operation of the
393 project. The authority is authorized to plan or replan, zone or
394 rezone, and make exceptions to any regulations, whether local or



395 state, with the concurrence of the affected public agency which
396 are inconsistent with the design, planning, construction or
397 operation of the project and facilities related to the project.

398 (s) To plan, design, coordinate and implement measures
399 and programs to mitigate impacts on the natural environment caused
400 by the project or any facility related to the project.

401 (t) To develop plans for technology transfer activities
402 to ensure private sector conduits for exchange of information,
403 technology and expertise related to the project to generate
404 opportunities for commercial development within the state.

405 (u) To consult with the State Department of Education
406 and other public agencies for the purpose of improving public
407 schools and curricula within the project area.

408 (v) To consult with the State Board of Health and other
409 public agencies for the purpose of improving medical centers,
410 hospitals and public health centers in order to provide
411 appropriate health care facilities within the project area.

412 (w) To consult with the Office of Minority Business
413 Enterprise Development and other public agencies for the purpose
414 of developing plans for technical assistance and loan programs to
415 maximize the economic impact related to the project for minority
416 business enterprises within the State of Mississippi.

417 (x) To deposit into the "Yellow Creek Project Area
418 Fund" created pursuant to Section 57-75-31:

419 (i) Any funds or aid received as authorized in
420 this section for the project described in Section 57-75-5(f)(vi),
421 and

422 (ii) Any funds received from the sale or lease of
423 property from the project described in Section 57-75-5(f)(vi)
424 pursuant to the powers exercised under this section.

425 (y) To manage and develop the project described in
426 Section 57-75-5(f)(vi).



427 (z) To promulgate rules and regulations necessary to
428 effectuate the purposes of this act.

429 (aa) To negotiate a fee-in-lieu with the owners of the
430 project.

431 (bb) To enter into contractual agreements to warrant
432 any site work for a project defined in Section 57-75-5(f)(iv)1;
433 provided, however, that the aggregate amount of such warranties
434 shall not exceed Fifteen Million Dollars (\$15,000,000.00).

435 (cc) To provide grant funds to an enterprise operating
436 a project defined in Section 57-75-5(f)(iv)1 in an amount not to
437 exceed Thirty-nine Million Dollars (\$39,000,000.00).

438 (dd) (i) To own surface water transmission lines
439 constructed with the proceeds of bonds issued pursuant to this act
440 and in connection therewith to purchase and provide water to any
441 project defined in Section 57-75-5(f)(iv) and to certificated
442 water providers; and

443 (ii) To lease such surface water transmission
444 lines to a public agency or public utility to provide water to
445 such project and to certificated water providers.

446 (ee) To provide grant funds to an enterprise operating
447 a project defined in Section 57-75-5(f)(v) or, in connection with
448 a facility related to such a project, for job training, recruiting
449 and infrastructure.

450 (ff) To establish such guidelines, rules and
451 regulations as the authority may deem necessary and appropriate
452 from time to time in its sole discretion, to promote the purposes
453 of this act.

454 **SECTION 4.** Section 57-75-15, Mississippi Code of 1972, is
455 amended as follows:

456 57-75-15. (1) Upon notification to the authority by the
457 enterprise that the state has been finally selected as the site
458 for the project, the State Bond Commission shall have the power
459 and is hereby authorized and directed, upon receipt of a



460 declaration from the authority as hereinafter provided, to borrow
461 money and issue general obligation bonds of the state in one or
462 more series for the purposes herein set out. Upon such
463 notification, the authority may thereafter from time to time
464 declare the necessity for the issuance of general obligation bonds
465 as authorized by this section and forward such declaration to the
466 State Bond Commission, provided that before such notification, the
467 authority may enter into agreements with the United States
468 government, private companies and others that will commit the
469 authority to direct the State Bond Commission to issue bonds for
470 eligible undertakings set out in subsection (4) of this section,
471 conditioned on the siting of the project in the state.

472 (2) Upon receipt of any such declaration from the authority,
473 the State Bond Commission shall verify that the state has been
474 selected as the site of the project and shall act as the issuing
475 agent for the series of bonds directed to be issued in such
476 declaration pursuant to authority granted in this section.

477 (3) (a) Bonds issued under the authority of this section
478 for projects as defined in Section 57-75-5(f)(i) shall not exceed
479 an aggregate principal amount in the sum of Sixty-seven Million
480 Three Hundred Fifty Thousand Dollars (\$67,350,000.00).

481 (b) Bonds issued under the authority of this section
482 for projects as defined in Section 57-75-5(f)(ii) shall not exceed
483 Fifty Million Dollars (\$50,000,000.00), nor shall the bonds issued
484 for projects related to any single military installation exceed
485 Sixteen Million Six Hundred Sixty-seven Thousand Dollars
486 (\$16,667,000.00). If any proceeds of bonds issued for projects
487 related to the Meridian Naval Auxiliary Air Station ("NAAS") are
488 used for the development of a water and sewer service system by
489 the City of Meridian, Mississippi, to serve the NAAS and if the
490 City of Meridian annexes any of the territory served by the water
491 and sewer service system, the city shall repay the State of
492 Mississippi the amount of all bond proceeds expended on any



493 portion of the water and sewer service system project; and if
494 there are any monetary proceeds derived from the disposition of
495 any improvements located on real property in Kemper County
496 purchased pursuant to this act for projects related to the NAAS
497 and if there are any monetary proceeds derived from the
498 disposition of any timber located on real property in Kemper
499 County purchased pursuant to this act for projects related to the
500 NAAS, all of such proceeds (both from the disposition of
501 improvements and the disposition of timber) commencing July 1,
502 1996, through June 30, 2010, shall be paid to the Board of
503 Education of Kemper County, Mississippi, for expenditure by such
504 board of education to benefit the public schools of Kemper County.
505 No bonds shall be issued under this paragraph (b) until the State
506 Bond Commission by resolution adopts a finding that the issuance
507 of such bonds will improve, expand or otherwise enhance the
508 military installation, its support areas or military operations,
509 or will provide employment opportunities to replace those lost by
510 closure or reductions in operations at the military installation.
511 From and after July 1, 1997, bonds shall not be issued for any
512 projects, as defined in Section 57-75-5(f)(ii), which are not
513 commenced before July 1, 1997. The proceeds of any bonds issued
514 for projects commenced before July 1, 1997, shall be used for the
515 purposes for which the bonds were issued until completion of the
516 projects.

517 (c) Bonds issued under the authority of this section
518 for projects as defined in Section 57-75-5(f)(iii) shall not
519 exceed Ten Million Dollars (\$10,000,000.00). No bonds shall be
520 issued under this paragraph after December 31, 1996.

521 (d) Bonds issued under the authority of this section
522 for projects defined in Section 57-75-5(f)(iv) shall not exceed
523 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An
524 additional amount of bonds in an amount not to exceed Twelve
525 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be



526 issued under the authority of this section for the purpose of
527 defraying costs associated with the construction of surface water
528 transmission lines for a project defined in Section 57-75-5(f) (iv)
529 or for any facility related to the project. No bonds shall be
530 issued under this paragraph after June 30, 2005.

531 (e) Bonds issued under the authority of this section
532 for * * * projects defined in Section 57-75-5(f) (v) and for
533 facilities related to such projects shall not exceed Forty Million
534 Dollars (\$40,000,000.00). * * * No bonds shall be issued under
535 this paragraph after December 31, 2005.

536 (f) Bonds issued under the authority of this section
537 for projects defined in Section 57-75-5(f) (vii) shall not exceed
538 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
539 under this paragraph after June 30, 2006.

540 * * *

541 (4) (a) The proceeds from the sale of the bonds issued
542 under this section may be applied for the following
543 purposes * * *:

544 (i) Defraying all or any designated portion of the
545 costs incurred with respect to acquisition, planning, design,
546 construction, installation, rehabilitation, improvement,
547 relocation and with respect to state-owned property, operation and
548 maintenance of the project and any facility related to the project
549 located within the project area, including costs of design and
550 engineering, all costs incurred to provide land, easements and
551 rights-of-way, relocation costs with respect to the project and
552 with respect to any facility related to the project located within
553 the project area, and costs associated with mitigation of
554 environmental impacts and environmental impact studies;

555 (ii) Defraying the cost of providing for the
556 recruitment, screening, selection, training or retraining of
557 employees, candidates for employment or replacement employees of
558 the project and any related activity;



559 (iii) Reimbursing the Mississippi Development
560 Authority for expenses it incurred in regard to projects defined
561 in Section 57-75-5(f)(iv) prior to November 6, 2000. The
562 Mississippi Development Authority shall submit an itemized list of
563 expenses it incurred in regard to such projects to the Chairmen of
564 the Finance and Appropriations Committees of the Senate and the
565 Chairmen of the Ways and Means and Appropriations Committees of
566 the House of Representatives;

567 (iv) Providing grants to enterprises operating
568 projects defined in Section 57-75-5(f)(iv)1;

569 (v) Paying any warranty made by the authority
570 regarding site work for a project defined in Section
571 57-75-5(f)(iv)1;

572 (vi) Defraying the cost of marketing and promotion
573 of a project as defined in Section 57-75-5(f)(iv)1. The authority
574 shall submit an itemized list of costs incurred for marketing and
575 promotion of such project to the Chairmen of the Finance and
576 Appropriations Committees of the Senate and the Chairmen of the
577 Ways and Means and Appropriations Committees of the House of
578 Representatives;

579 (vii) Providing for the payment of interest on the
580 bonds;

581 (viii) Providing debt service reserves;

582 (ix) Paying underwriters' discount, original issue
583 discount, accountants' fees, engineers' fees, attorneys' fees,
584 rating agency fees and other fees and expenses in connection with
585 the issuance of the bonds; * * *

586 (x) For purposes authorized in paragraphs (b) and
587 (c) of this subsection (4); and

588 (xi) Providing grants to enterprises operating
589 projects defined in Sections 57-75-5(f)(v), or, in connection with
590 a facility related to such a project, for any purposes deemed by



591 the authority in its sole discretion to be necessary and
592 appropriate.

593 Such bonds shall be issued from time to time and in such
594 principal amounts as shall be designated by the authority, not to
595 exceed in aggregate principal amounts the amount authorized in
596 subsection (3) of this section. Proceeds from the sale of the
597 bonds issued under this section may be invested, subject to
598 federal limitations, pending their use, in such securities as may
599 be specified in the resolution authorizing the issuance of the
600 bonds or the trust indenture securing them, and the earning on
601 such investment applied as provided in such resolution or trust
602 indenture.

603 (b) The proceeds of bonds issued after June 21, 2002,
604 under this section for projects described in Section
605 57-75-5(f)(iv) may be used to reimburse reasonable, actual and
606 necessary costs incurred by the Mississippi Development Authority
607 in providing assistance related to a project for which funding is
608 provided from the use of proceeds of such bonds. The Mississippi
609 Development Authority shall maintain an accounting of actual costs
610 incurred for each project for which reimbursements are sought.
611 Reimbursements under this paragraph (b) shall not exceed Three
612 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
613 Reimbursements under this paragraph (b) shall satisfy any
614 applicable federal tax law requirements.

615 (c) The proceeds of bonds issued after June 21, 2002,
616 under this section for projects described in Section
617 57-75-5(f)(iv) may be used to reimburse reasonable, actual and
618 necessary costs incurred by the Department of Audit in providing
619 services related to a project for which funding is provided from
620 the use of proceeds of such bonds. The Department of Audit shall
621 maintain an accounting of actual costs incurred for each project
622 for which reimbursements are sought. The Department of Audit may
623 escalate its budget and expend such funds in accordance with rules



624 and regulations of the Department of Finance and Administration in
625 a manner consistent with the escalation of federal funds.
626 Reimbursements under this paragraph (c) shall not exceed One
627 Hundred Thousand Dollars (\$100,000.00) in the aggregate.
628 Reimbursements under this paragraph (c) shall satisfy any
629 applicable federal tax law requirements.

630 (5) The principal of and the interest on the bonds shall be
631 payable in the manner hereinafter set forth. The bonds shall bear
632 date or dates; be in such denomination or denominations; bear
633 interest at such rate or rates; be payable at such place or places
634 within or without the state; mature absolutely at such time or
635 times; be redeemable before maturity at such time or times and
636 upon such terms, with or without premium; bear such registration
637 privileges; and be substantially in such form; all as shall be
638 determined by resolution of the State Bond Commission except that
639 such bonds shall mature or otherwise be retired in annual
640 installments beginning not more than five (5) years from the date
641 thereof and extending not more than twenty-five (25) years from
642 the date thereof. The bonds shall be signed by the Chairman of
643 the State Bond Commission, or by his facsimile signature, and the
644 official seal of the State Bond Commission shall be imprinted on
645 or affixed thereto, attested by the manual or facsimile signature
646 of the Secretary of the State Bond Commission. Whenever any such
647 bonds have been signed by the officials herein designated to sign
648 the bonds, who were in office at the time of such signing but who
649 may have ceased to be such officers before the sale and delivery
650 of such bonds, or who may not have been in office on the date such
651 bonds may bear, the signatures of such officers upon such bonds
652 shall nevertheless be valid and sufficient for all purposes and
653 have the same effect as if the person so officially signing such
654 bonds had remained in office until the delivery of the same to the
655 purchaser, or had been in office on the date such bonds may bear.



656 (6) All bonds issued under the provisions of this section
657 shall be and are hereby declared to have all the qualities and
658 incidents of negotiable instruments under the provisions of the
659 Uniform Commercial Code and in exercising the powers granted by
660 this chapter, the State Bond Commission shall not be required to
661 and need not comply with the provisions of the Uniform Commercial
662 Code.

663 (7) The State Bond Commission shall sell the bonds on sealed
664 bids at public sale, and for such price as it may determine to be
665 for the best interest of the State of Mississippi, but no such
666 sale shall be made at a price less than par plus accrued interest
667 to date of delivery of the bonds to the purchaser. The bonds
668 shall bear interest at such rate or rates not exceeding the limits
669 set forth in Section 75-17-101 as shall be fixed by the State Bond
670 Commission. All interest accruing on such bonds so issued shall
671 be payable semiannually or annually; provided that the first
672 interest payment may be for any period of not more than one (1)
673 year.

674 Notice of the sale of any bonds shall be published at least
675 one time, the first of which shall be made not less than ten (10)
676 days prior to the date of sale, and shall be so published in one
677 or more newspapers having a general circulation in the City of
678 Jackson and in one or more other newspapers or financial journals
679 with a large national circulation, to be selected by the State
680 Bond Commission.

681 The State Bond Commission, when issuing any bonds under the
682 authority of this section, may provide that the bonds, at the
683 option of the state, may be called in for payment and redemption
684 at the call price named therein and accrued interest on such date
685 or dates named therein.

686 (8) State bonds issued under the provisions of this section
687 shall be the general obligations of the state and backed by the
688 full faith and credit of the state. The Legislature shall



689 appropriate annually an amount sufficient to pay the principal of
690 and the interest on such bonds as they become due. All bonds
691 shall contain recitals on their faces substantially covering the
692 foregoing provisions of this section.

693 (9) The State Treasurer is authorized to certify to the
694 Department of Finance and Administration the necessity for
695 warrants, and the Department of Finance and Administration is
696 authorized and directed to issue such warrants payable out of any
697 funds appropriated by the Legislature under this section for such
698 purpose, in such amounts as may be necessary to pay when due the
699 principal of and interest on all bonds issued under the provisions
700 of this section. The State Treasurer shall forward the necessary
701 amount to the designated place or places of payment of such bonds
702 in ample time to discharge such bonds, or the interest thereon, on
703 the due dates thereof.

704 (10) The bonds may be issued without any other proceedings
705 or the happening of any other conditions or things other than
706 those proceedings, conditions and things which are specified or
707 required by this chapter. Any resolution providing for the
708 issuance of general obligation bonds under the provisions of this
709 section shall become effective immediately upon its adoption by
710 the State Bond Commission, and any such resolution may be adopted
711 at any regular or special meeting of the State Bond Commission by
712 a majority of its members.

713 (11) In anticipation of the issuance of bonds hereunder, the
714 State Bond Commission is authorized to negotiate and enter into
715 any purchase, loan, credit or other agreement with any bank, trust
716 company or other lending institution or to issue and sell interim
717 notes for the purpose of making any payments authorized under this
718 section. All borrowings made under this provision shall be
719 evidenced by notes of the state which shall be issued from time to
720 time, for such amounts not exceeding the amount of bonds
721 authorized herein, in such form and in such denomination and



722 subject to such terms and conditions of sale and issuance,
723 prepayment or redemption and maturity, rate or rates of interest
724 not to exceed the maximum rate authorized herein for bonds, and
725 time of payment of interest as the State Bond Commission shall
726 agree to in such agreement. Such notes shall constitute general
727 obligations of the state and shall be backed by the full faith and
728 credit of the state. Such notes may also be issued for the
729 purpose of refunding previously issued notes; except that no notes
730 shall mature more than three (3) years following the date of
731 issuance of the first note hereunder and provided further, that
732 all outstanding notes shall be retired from the proceeds of the
733 first issuance of bonds hereunder. The State Bond Commission is
734 authorized to provide for the compensation of any purchaser of the
735 notes by payment of a fixed fee or commission and for all other
736 costs and expenses of issuance and service, including paying agent
737 costs. Such costs and expenses may be paid from the proceeds of
738 the notes.

739 (12) The bonds and interim notes authorized under the
740 authority of this section may be validated in the First Judicial
741 District of the Chancery Court of Hinds County, Mississippi, in
742 the manner and with the force and effect provided now or hereafter
743 by Chapter 13, Title 31, Mississippi Code of 1972, for the
744 validation of county, municipal, school district and other bonds.
745 The necessary papers for such validation proceedings shall be
746 transmitted to the State Bond Attorney, and the required notice
747 shall be published in a newspaper published in the City of
748 Jackson, Mississippi.

749 (13) Any bonds or interim notes issued under the provisions
750 of this chapter, a transaction relating to the sale or securing of
751 such bonds or interim notes, their transfer and the income
752 therefrom shall at all times be free from taxation by the state or
753 any local unit or political subdivision or other instrumentality
754 of the state, excepting inheritance and gift taxes.



755 (14) All bonds issued under this chapter shall be legal
756 investments for trustees, other fiduciaries, savings banks, trust
757 companies and insurance companies organized under the laws of the
758 State of Mississippi; and such bonds shall be legal securities
759 which may be deposited with and shall be received by all public
760 officers and bodies of the state and all municipalities and other
761 political subdivisions thereof for the purpose of securing the
762 deposit of public funds.

763 (15) The Attorney General of the State of Mississippi shall
764 represent the State Bond Commission in issuing, selling and
765 validating bonds herein provided for, and the Bond Commission is
766 hereby authorized and empowered to expend from the proceeds
767 derived from the sale of the bonds authorized hereunder all
768 necessary administrative, legal and other expenses incidental and
769 related to the issuance of bonds authorized under this chapter.

770 (16) There is hereby created a special fund in the State
771 Treasury to be known as the Mississippi Major Economic Impact
772 Authority Fund wherein shall be deposited the proceeds of the
773 bonds issued under this chapter and all monies received by the
774 authority to carry out the purposes of this chapter. Expenditures
775 authorized herein shall be paid by the State Treasurer upon
776 warrants drawn from the fund, and the Department of Finance and
777 Administration shall issue warrants upon requisitions signed by
778 the director of the authority.

779 (17) (a) There is hereby created the Mississippi Economic
780 Impact Authority Sinking Fund from which the principal of and
781 interest on such bonds shall be paid by appropriation. All monies
782 paid into the sinking fund not appropriated to pay accruing bonds
783 and interest shall be invested by the State Treasurer in such
784 securities as are provided by law for the investment of the
785 sinking funds of the state.

786 (b) In the event that all or any part of the bonds and
787 notes are purchased, they shall be canceled and returned to the



788 loan and transfer agent as canceled and paid bonds and notes and
789 thereafter all payments of interest thereon shall cease and the
790 canceled bonds, notes and coupons, together with any other
791 canceled bonds, notes and coupons, shall be destroyed as promptly
792 as possible after cancellation but not later than two (2) years
793 after cancellation. A certificate evidencing the destruction of
794 the canceled bonds, notes and coupons shall be provided by the
795 loan and transfer agent to the seller.

796 (c) The State Treasurer shall determine and report to
797 the Department of Finance and Administration and Legislative
798 Budget Office by September 1 of each year the amount of money
799 necessary for the payment of the principal of and interest on
800 outstanding obligations for the following fiscal year and the
801 times and amounts of the payments. It shall be the duty of the
802 Governor to include in every executive budget submitted to the
803 Legislature full information relating to the issuance of bonds and
804 notes under the provisions of this chapter and the status of the
805 sinking fund for the payment of the principal of and interest on
806 the bonds and notes.

807 **SECTION 5.** This act shall take effect and be in force from
808 and after its passage.

