

By: Senator(s) Chaney

To: Finance

SENATE BILL NO. 2777

1 AN ACT TO AMEND SECTION 57-1-52, MISSISSIPPI CODE OF 1972, TO  
 2 CREATE THE MISSISSIPPI DEVELOPMENT COUNCIL TO PROVIDE THE POLICY  
 3 DIRECTION FOR THE MISSISSIPPI DEVELOPMENT AUTHORITY; TO PROVIDE  
 4 FOR THE MEMBERSHIP AND APPOINTMENT OF THE COUNCIL; TO PROVIDE THAT  
 5 THE EXECUTIVE DIRECTOR SHALL BE APPOINTED BY THE COUNCIL WITH THE  
 6 ADVICE AND CONSENT OF THE SENATE; TO AMEND SECTION 57-1-5,  
 7 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE EXECUTIVE DIRECTOR  
 8 SHALL SERVE AS SECRETARY AND EXECUTIVE OFFICER TO THE COUNCIL AND  
 9 SHALL BE VESTED WITH ALL THE AUTHORITY OF THE COUNCIL WHEN IT IS  
 10 NOT IN SESSION; TO PROVIDE THAT THE EXECUTIVE DIRECTOR SHALL BE  
 11 RESPONSIBLE TO THE COUNCIL FOR THE PROPER ADMINISTRATION OF ALL  
 12 PROGRAMS UNDER THE JURISDICTION OF THE COUNCIL; TO AMEND SECTIONS  
 13 25-3-31, 43-35-504, 57-1-2, 57-1-7, 57-1-11, 57-1-13, 57-1-17,  
 14 57-1-19, 57-1-21, 57-1-25, 57-1-27, 57-1-29, 57-1-33, 57-1-45,  
 15 57-1-54, 57-57-5 AND 54-61-5, MISSISSIPPI CODE OF 1972, IN  
 16 CONFORMITY THERETO; AND FOR RELATED PURPOSES.

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

18 **SECTION 1.** Section 57-1-52, Mississippi Code of 1972, is  
 19 amended as follows:

20 57-1-52. (1) There is hereby created the Mississippi  
 21 Development Authority, whose principal offices shall be located in  
 22 Jackson, Mississippi which shall be under the policy direction of  
 23 the Mississippi Development Council created in subsection (2) of  
 24 this section.

25 (2) (a) There is created the Mississippi Development  
 26 Council, which shall consist of nine (9) members, with six (6)  
 27 members appointed by the Governor and three (3) members appointed  
 28 by the Lieutenant Governor. All initial and subsequent  
 29 appointments to the council shall be with the advice and consent  
 30 of the Senate.

31 (b) Of the Governor's appointments, one (1) member of  
 32 the council shall be appointed from each of the four (4)  
 33 congressional districts as constituted on July 1, 2003, and two  
 34 (2) members of the council shall be appointed from the state at



35 large. Of the Lieutenant Governor's appointments, one (1) member  
36 of the council shall be appointed from each of the three (3)  
37 Supreme Court districts as constituted on July 1, 2003.

38 (c) The initial members of the council shall be  
39 appointed for staggered terms, as follows: Of the Governor's  
40 appointments, two (2) members shall be appointed for terms that  
41 end on June 30, 2004; one (1) member shall be appointed for a term  
42 that ends on June 30, 2005; two (2) members shall be appointed for  
43 terms that end on June 30, 2006; and one (1) member shall be  
44 appointed for a term that ends on June 30, 2007. Of the  
45 Lieutenant Governor's appointments, one (1) member shall be  
46 appointed for a term that ends on June 30, 2003; one (1) member  
47 shall be appointed for a term that ends on June 30, 2006; and one  
48 (1) member shall be appointed for a term that ends on June 30,  
49 2007. All subsequent appointments to the council shall be made by  
50 the original appointing officer for terms of four (4) years from  
51 the expiration date of the previous term. No person shall be  
52 appointed to the council for more than two (2) consecutive terms.

53 (d) Any vacancy on the council before the expiration of  
54 a term shall be filled by appointment of the original appointing  
55 officer, with the advice and consent of the Senate. The person  
56 appointed to fill the vacancy shall serve for the remainder of the  
57 unexpired term.

58 (e) The members of the council shall elect one (1)  
59 member to serve as chairman of the council at the first meeting.  
60 The council shall elect a chairman once every two (2) years, and  
61 any person who has previously served as chairman may be reelected  
62 as chairman.

63 (f) Five (5) members of the council shall constitute a  
64 quorum for the transaction of any business of the council. The  
65 council shall hold regular monthly meetings, and other meetings as  
66 may be necessary for the purpose of conducting such business as  
67 may be required. All meetings shall be called by the chairman or



68 by a majority of the members of the council, except the first  
69 meeting, which shall be called by the Governor. Any member who  
70 does not attend three (3) consecutive regular meetings of the  
71 council, except for illness, shall be subject to removal by a  
72 majority vote of the members of the council.

73 (g) Members of the council shall receive the per diem  
74 authorized under Section 25-3-69 for each day actually engaged in  
75 the discharge of their official duties, and shall receive  
76 reimbursement for mileage and necessary travel expenses incurred,  
77 as provided in Section 25-3-41.

78 (3) The Mississippi Development Authority shall be organized  
79 into the following offices:

- 80 (a) Office of Economic Development;
- 81 (b) Office of Community Development;
- 82 (c) Office of Support Services.

83 (4) The authority shall be headed by an executive director,  
84 who shall be appointed by and serve at the pleasure of the  
85 council. The appointment of the executive director shall be made  
86 with the advice and consent of the Senate. The executive  
87 director, with the approval of the council, may assign to the  
88 appropriate offices such powers and duties as deemed appropriate  
89 to carry out the authority's lawful functions.

90 (5) The executive director, with the approval of the  
91 council, shall appoint heads of offices, who shall serve at the  
92 pleasure of the executive director. The executive director, with  
93 the approval of the council, shall have the authority to organize  
94 the offices established by subsection (2) of this section as  
95 deemed appropriate to carry out the responsibilities of the  
96 authority. The organization charts of the authority shall be  
97 presented annually with the budget request of the authority for  
98 review by the Legislature.

99 **SECTION 2.** Section 57-1-5, Mississippi Code of 1972, is  
100 amended as follows:



101           57-1-5. (1) The council shall, with the advice and consent  
102 of the Senate, appoint an executive director who:

103                   (a) Shall have at least a bachelor's degree, and

104                   (b) Shall be an experienced administrator and have at  
105 least five (5) years' experience in at least one (1) of the  
106 following areas:

107                           (i) Industrial development, or

108                           (ii) Economic development.

109           (2) The executive director shall serve as secretary and  
110 executive officer of the council and shall be the executive  
111 officer of the authority in the execution of any and all  
112 provisions of this chapter. The executive director shall be  
113 vested with all the authority of the council when it is not in  
114 session, and shall be subject to such rules and regulations as may  
115 be prescribed by the council. The executive director shall be  
116 responsible to the council for the proper administration of all  
117 programs under the jurisdiction of the authority. The salary of  
118 the executive director shall be fixed by the council not to exceed  
119 any maximum amount set by the Legislature.

120           (3) The executive director shall, with the approval of the  
121 council, have the following powers and duties:

122                   (a) To formulate the policy of the authority regarding  
123 the economic and tourist development of the state.

124                   (b) To use and expend any funds from state, federal or  
125 private sources coming into the authority for the purposes herein  
126 provided. State funds appropriated for the authority shall be  
127 expended in accordance with the regulations governing the  
128 expenditures of other state funds.

129                   (c) To implement the duties assigned to the authority  
130 and consistent with specific requirements of law, including but  
131 not limited to:



132 (i) Support services to include legal, finance,  
133 data processing, personnel, communications and advertising,  
134 purchasing and accounting;

135 (ii) Research and planning;

136 (iii) Outreach, agency liaison and community  
137 development;

138 (iv) Tourism, business travel, and film;

139 (v) Programs and assistance for existing state  
140 business and industry;

141 (vi) Recruiting new business and industry into the  
142 state;

143 (vii) Fostering and promoting of entrepreneurship  
144 and the creation of new business in the state;

145 (viii) Programs aimed at competing effectively in  
146 the international economy by increasing exports of state products  
147 and services and by promoting, developing and creating the  
148 conditions and programs that will bring about significant  
149 increases in investment in the state from other countries;

150 (ix) Programs relating to the development of  
151 ports;

152 (x) Such other areas as are within the  
153 jurisdiction and authority of the authority and will foster and  
154 promote the economic development of this state;

155 (xi) Salaries of the associate directors, deputy  
156 directors and bureau directors may be set by the executive  
157 director of the authority. The positions of associate directors,  
158 deputy directors and bureau directors shall not be state service  
159 positions.

160 **SECTION 3.** Section 25-3-39, Mississippi Code of 1972, is  
161 amended as follows:

162 25-3-39. (1) No public officer, public employee,  
163 administrator, or executive head of any arm or agency of the  
164 state, in the executive branch of government, shall be paid a



165 salary or compensation, directly or indirectly, in excess of the  
166 salary fixed in Section 25-3-31 for the Governor. All academic  
167 officials, members of the teaching staffs and employees of the  
168 state institutions of higher learning, the State Board for  
169 Community and Junior Colleges, and community and junior colleges,  
170 and licensed physicians who are public employees, shall be exempt  
171 from this subsection. In addition, the Executive Director of the  
172 Mississippi Development Authority and the Chief of Staff of the  
173 Governor's Office shall be exempt from this subsection. The  
174 Governor shall fix the annual salary of the \* \* \* Chief of Staff  
175 of the Governor's Office, which salary shall be completely paid by  
176 the state and may not be supplemented with any funds from any  
177 source, including federal or private funds. Provided, however,  
178 that the salary of the Executive Director of the Mississippi  
179 Development Authority and the Governor's Chief of Staff shall not  
180 be greater than fifty percent (50%) in excess of the salary of the  
181 Governor.

182 (2) No public officer, employee or administrator shall be  
183 paid a salary or compensation, directly or indirectly, in excess  
184 of the salary of the executive head of the state agency or  
185 department in which he is employed. The State Personnel Board,  
186 based upon its findings of fact, may exempt physicians and  
187 actuaries from this subsection when the acquisition of such  
188 professional services is precluded based on the prevailing wage in  
189 the relevant labor market.

190 **SECTION 4.** Section 43-35-504, Mississippi Code of 1972, is  
191 amended as follows:

192 43-35-504. (1) (a) Except as provided in subsection (2) of  
193 this section, the Executive Director of the Mississippi  
194 Development Authority shall not award a community development  
195 block grant to any county or municipality for the purpose of  
196 making improvements, including expansions, rehabilitation or  
197 repair, to an existing public water system, unless that system is



198 determined to be viable. The Mississippi Development Authority  
199 may require any applicant for which a determination of viability  
200 is required under this section to submit information deemed  
201 necessary by the executive director for that determination. A  
202 preliminary determination of viability shall be made by the  
203 Executive Director of the Mississippi Development Authority  
204 following receipt of a written recommendation on viability from  
205 the State Health Officer and the Executive Director of the Public  
206 Utilities Staff. The recommendation of the State Health Officer  
207 and the Executive Director of the Public Utilities Staff shall be  
208 based on information received from the Mississippi Development  
209 Authority and any other information available to the State  
210 Department of Health or Public Utilities Staff, as applicable.  
211 The State Department of Health and the Public Utilities Staff  
212 shall assist the Mississippi Development Authority in developing  
213 appropriate forms as required for implementation of this section.

214 (b) Within five (5) days following a preliminary  
215 determination that a public water system is not viable by the  
216 Executive Director of the Mississippi Development Authority, the  
217 executive director shall provide written notice by certified mail,  
218 return receipt requested to the owner or president of the board of  
219 the system and the governing authority of the applicant. The  
220 notice shall contain the reasons for the determination of  
221 nonviability. The owner or president of the board of the system  
222 may appeal the preliminary determination to the \* \* \* Mississippi  
223 Development Council, which shall make a final determination.

224 (2) The Executive Director of the Mississippi Development  
225 Authority may award a community development block grant to any  
226 county or municipality for the purpose of making improvements,  
227 including expansions, rehabilitation or repair, to an existing  
228 public water system, if after receipt of a written recommendation  
229 from the State Health Officer and the Executive Director of the  
230 Public Utilities Staff, the Executive Director of the Mississippi



231 Development Authority makes a final determination that the public  
232 water system may become viable as the result of the grant award.  
233 The Executive Director of the Mississippi Development Authority  
234 may also award a grant if an extreme emergency exists. In making  
235 a grant award, the Executive Director of the Mississippi  
236 Development Authority may impose any conditions on the grant  
237 deemed necessary after consultation with the State Health Officer  
238 and the Executive Director of the Public Utilities Staff,  
239 including, but not limited to, interconnection with another  
240 existing system or satellite or contract management.

241 **SECTION 5.** Section 57-1-2, Mississippi Code of 1972, is  
242 amended as follows:

243 57-1-2. For the purposes of this chapter, the following  
244 words shall have the meanings ascribed herein, unless the context  
245 otherwise requires:

246 (a) "Department" means the Mississippi Development  
247 Authority.

248 (b) "Office" means an administrative subdivision of the  
249 authority.

250 (c) "Executive director" means the executive officer of  
251 the authority.

252 (d) "Agricultural and Industrial Board," "Department of  
253 Economic Development," "Board of Economic Development,"  
254 "Department of Economic and Community Development" and  
255 "Mississippi Department of Economic and Community Development"  
256 wherever they appear in the laws of the State of Mississippi,  
257 means the "Mississippi Development Authority," operating through  
258 its executive director.

259 (e) "Authority" means Mississippi Development  
260 Authority.

261 (f) "Council" means Mississippi Development Council.

262 **SECTION 6.** Section 57-1-7, Mississippi Code of 1972, is  
263 amended as follows:





264           57-1-7. The authority may carry on each motor vehicle of the  
265 authority property damage insurance and uninsured and underinsured  
266 motorists coverage for any physical damage which is sustained by  
267 such motor vehicles while such motor vehicles are being operated  
268 by a duly authorized authority employee in the performance of his  
269 official duties. The coverage authorized in this section shall be  
270 purchased in a policy or policies written by the agent or agents  
271 of an insurance company authorized to do, and doing business, in  
272 this state, and the amount of coverage purchased shall be  
273 determined by the executive director. Premiums on such policies  
274 shall be paid as are other expenses of the authority.

275           **SECTION 7.** Section 57-1-11, Mississippi Code of 1972, is  
276 amended as follows:

277           57-1-11. The executive director, with the approval of the  
278 council, is hereby authorized and empowered to promulgate and put  
279 into effect all reasonable rules and regulations that he may deem  
280 necessary to carry out the provisions of Sections 57-1-1 through  
281 57-1-51, not inconsistent herewith.

282           **SECTION 8.** Section 57-1-13, Mississippi Code of 1972, is  
283 amended as follows:

284           57-1-13. It shall be the duty of the executive director,  
285 with the approval of the council, to prepare and perfect plans for  
286 the advertisement and development of the state in such manner and  
287 through such means as he may deem proper and within such  
288 appropriations as shall be made for expenditure.

289           **SECTION 9.** Section 57-1-17, Mississippi Code of 1972, is  
290 amended as follows:

291           57-1-17. It shall be the duty of the executive director and  
292 he is hereby authorized to prepare and execute, with the approval  
293 of the council, a program of publicity and advertising that will  
294 bring into favorable notice the industrial, commercial,  
295 recreational, educational and social advantages, opportunities,  
296 possibilities, resources, farm and dairy products, and facilities



297 of the state, and in the preparation and execution of such program  
298 he may use any funds which may be appropriated or otherwise made  
299 available for the purpose of carrying out the provisions of  
300 Sections 57-1-1 through 57-1-51. The authority may erect, equip,  
301 maintain and operate a research laboratory for the purpose of  
302 finding new and additional uses for Mississippi products and is  
303 authorized and empowered to receive, use and expend any funds from  
304 state, federal or private sources which it may receive for that  
305 purpose.

306 **SECTION 10.** Section 57-1-19, Mississippi Code of 1972, is  
307 amended as follows:

308 57-1-19. The authority is charged with the duty of making  
309 effective the declared public policy of the state and  
310 municipalities as hereinabove set forth, and for that purpose is  
311 hereby authorized and empowered to determine whether the public  
312 convenience and necessity require that any municipality shall have  
313 the right to acquire lands, and thereon to erect enterprises, and  
314 expansions thereof and thereto, conditioned, however, that the  
315 municipality, if so required by the authority, shall take security  
316 upon the existing building or buildings at the time of entering  
317 into contract for the expansion of existing buildings and  
318 facilities, and to operate them and to dispose of or rent, let or  
319 lease such lands and enterprises. Each municipality within this  
320 state shall have the right to apply to the council for a  
321 certificate of public convenience and necessity as to whether the  
322 general welfare requires that such municipality enter into a given  
323 enterprise. In determining whether such certificate shall be  
324 issued, the council may hold public hearings or private hearings,  
325 make such investigations as it may consider necessary; and it  
326 shall have power to summon witnesses, administer oaths, hear  
327 testimony and make a record of all things had and done at such  
328 hearing or investigation, and may issue such certificates of  
329 convenience and necessity as he deems advisable.



330           **SECTION 11.** Section 57-1-21, Mississippi Code of 1972, is  
331 amended as follows:

332           57-1-21. The council shall investigate, find and determine  
333 upon application of any municipality therefor, as to whether a  
334 certificate of public convenience and necessity shall be issued to  
335 such municipality to engage in any of the enterprises deemed  
336 essential under the above declared public policy for the economic  
337 development and advancement of such municipality; and in  
338 considering and determining whether or not such certificate shall  
339 issue, the council shall find and determine affirmatively the  
340 following:

341           (a) That there are sufficient natural resources readily  
342 and economically available for the operation of the particular  
343 enterprise for at least ten (10) years, but in no event less than  
344 the period of time for which any bonds may be issued for acquiring  
345 or constructing such enterprise.

346           (b) That there is available a labor supply to furnish  
347 at least one and one-half workers between the ages of eighteen  
348 (18) and fifty (50) for each operative job in such enterprise  
349 within an area of twenty-five (25) miles from the proposed  
350 location.

351           (c) That there are adequate property values and  
352 suitable financial conditions so that the total bonded  
353 indebtedness of the municipality, solely for the purposes  
354 authorized by Sections 57-1-1 through 57-1-51, shall not exceed  
355 twenty percent (20%) of the total assessed valuation of all the  
356 property in the municipality.

357           When the council has determined the foregoing facts  
358 favorably, it is authorized and empowered, having due regard to  
359 the promotion of the public policy and the general welfare herein  
360 declared, to issue or refuse to issue a certificate of public  
361 convenience and necessity to the municipality to engage in such  
362 enterprise. If and when such certificate is issued, it shall



363 authorize the particular municipality to acquire, to own, to  
364 operate, to sell, to convey, to let, to lease or to rent the  
365 particular enterprise found suited to the general welfare of that  
366 municipality; but the certificate shall expire in twelve (12)  
367 months from its date unless within that time such enterprise shall  
368 have been established, subject, however, to any delays  
369 necessitated by any legislation or acts of God, delaying the  
370 establishment of the enterprise. In no event shall the council  
371 authorize any municipality actually to operate any enterprise,  
372 unless it shall further find and determine that the enterprise is  
373 well conceived, has a reasonable prospect of success, will provide  
374 proper economic development and employment, will add materially to  
375 the general welfare of the municipality, and will not become a  
376 burden upon the taxpayers of the municipality.

377 If and when a certificate is issued, the council therein  
378 shall fix and determine: (a) the extent and the amount to which  
379 the municipality may issue bonds or make expenditures for such  
380 enterprise; (b) what property may be acquired therefor; (c) the  
381 terms upon which such acquisition may be had; (d) what  
382 expenditures may be made, and the construction of buildings, and  
383 of equipment with its installation; and (e) the method of  
384 operation of the enterprise by the municipality. If the governing  
385 board of the municipality fails or refuses to follow the  
386 requirements made by the council in the certificate, then the  
387 members of the governing board of the municipality voting for such  
388 failure or refusal shall be individually and personally liable,  
389 and liable upon their official bonds for any loss that the  
390 municipality may sustain by reason of such failure or refusal to  
391 follow the requirements, and in addition may be compelled by  
392 injunction to comply with such requirements.

393 \* \* \*

394 **SECTION 12.** Section 57-1-25, Mississippi Code of 1972, is  
395 amended as follows:



396           57-1-25. The governing board of any municipality desiring to  
397 enter into the plan herein authorized, after receiving a  
398 certificate of public convenience and necessity from the council,  
399 as provided by Sections 57-1-19 and 57-1-21, by resolution spread  
400 upon its minutes, shall declare its intention of entering into  
401 such plan, and shall call an election to be held in the manner now  
402 provided by law for holding county or municipal elections, and  
403 shall fix in such resolution a date upon which such an election  
404 shall be held in the municipality, of which not less than three  
405 (3) weeks' notice shall be given by the clerk of such board, by a  
406 notice in a newspaper published in the municipality once each week  
407 for three (3) consecutive weeks preceding the same, or if no  
408 newspaper is published in the municipality, then by posting a  
409 notice for three (3) weeks preceding the election at three (3)  
410 public places in the municipality. At such election, all  
411 qualified electors of the municipality may vote, and the ballots  
412 used shall have printed thereon a brief statement of the purpose  
413 of the board to enter into the plan hereby authorized and to issue  
414 bonds therefor or to expend other municipal funds available  
415 together with the words "For the Proposed Enterprise," and the  
416 words "Against the Proposed Enterprise," and the voter shall vote  
417 by placing a cross (X) opposite his choice of the proposition.  
418 Should the election provided for herein result in favor of the  
419 proposed plan and bond issue or expenditure by at least sixty  
420 percent (60%) of those voting in favor of the plan, provided that  
421 the total number of votes cast in the election shall be not less  
422 than thirty percent (30%) of the qualified electors of the  
423 territory included in the proposal, then the governing board may  
424 proceed to exercise the authority granted under the provisions of  
425 Sections 57-1-1 through 57-1-51 within three (3) years after the  
426 date of such election or within three (3) years after final,  
427 favorable determination of any litigation affecting the industrial  
428 plan or bond issue. If such election results unfavorably to the



429 proposition, then no second or other election shall be ordered or  
430 held until the board shall determine that such election may be  
431 held.

432 Where the separate supervisors' district or districts of a  
433 county indicate a desire to enter into the plan herein authorized,  
434 but not to affect the remainder of the county, then the board of  
435 supervisors shall direct the holding of such election only in the  
436 supervisors' district or districts affected, and the board of  
437 supervisors is hereby authorized to carry out the provisions of  
438 Sections 57-1-1 through 57-1-51 for such separate supervisors'  
439 district or districts.

440 In the event the proposal to be voted on at the election  
441 required herein includes bonds to be issued covering a  
442 supervisors' district or districts, but not the entire county,  
443 includes a town or city of a population of more than five hundred,  
444 (500) as well as territory outside the corporate limits of such  
445 town or city and the proposed enterprise is to be located in such  
446 town or city or within one (1) mile of the corporate limits  
447 thereof, the qualified electors voting in the election residing  
448 outside the corporate limits of the town or city shall vote  
449 separately from those residing in such town or city.

450 All qualified electors shall vote at their usual voting  
451 places and in event the usual voting place of electors residing  
452 outside the corporate limits of such town or city is in such town  
453 or city, such elector shall vote in a separate ballot box provided  
454 for the purpose, and the officers holding the election shall make  
455 separate returns of the results of the vote of those residing  
456 within the town or city and those residing outside such town or  
457 city.

458 Unless sixty percent (60%) of the qualified electors residing  
459 in such town or city voting in the election and sixty percent  
460 (60%) of the qualified electors residing outside such town or city  
461 voting in such election shall vote for the proposed bond issue,



462 computed and declared separately, the proposed bond issue shall be  
463 declared as disapproved.

464 It shall be the duty of the county election commissioners to  
465 provide necessary ballot boxes, separate voting lists containing  
466 the names of electors residing within and without the corporate  
467 limits of towns and cities when such is required by the proposal  
468 submitted, and records for the conduct of the election in  
469 accordance with the requirements of this section.

470 And in event the proposal to be voted on at the election  
471 required by this section includes bonds to be issued covering the  
472 entire county and the proposed industry is to be located in a town  
473 or city or within one (1) mile of the corporate limits thereof,  
474 the qualified electors voting in the election residing outside the  
475 corporate limits of the city or town, and whose regular voting  
476 place is within the corporate limits of the city or town, shall  
477 vote separately from those residing in such city or town, in  
478 separate ballot boxes to be provided for such purposes, and the  
479 votes so cast shall be counted separately.

480 At the election, unless sixty percent (60%) of the qualified  
481 electors voting in the election and residing within the corporate  
482 limits of the city or town in which the proposed enterprise is to  
483 be located, or the town or city within one (1) mile of the  
484 proposed location of the enterprise shall vote for the proposed  
485 bond issue and sixty percent (60%) of all the other qualified  
486 electors of the county voting in the election shall vote for the  
487 proposed bond issue, computed and declared separately, the  
488 proposed bond issue shall be declared as disapproved. All  
489 qualified electors voting in such election shall vote at their  
490 usual voting precincts, and the county election commissioners  
491 shall provide necessary boxes, separate voting lists containing  
492 the names of electors residing within and without the corporate  
493 limits of the town or city wherein such enterprise is proposed to  
494 be located, or such town or city within one (1) mile of the



495 proposed location of the enterprise, and records for the conduct  
496 of the election in accordance with the requirements of this  
497 section.

498       **SECTION 13.** Section 57-1-27, Mississippi Code of 1972, is  
499 amended as follows:

500       57-1-27. Before any bonds shall be issued under Sections  
501 57-1-1 through 57-1-51 by any municipality, or any contract shall  
502 be made to dispose of any public property hereunder acquired, the  
503 same must be approved in its entirety by the council, but such  
504 approval shall not in any way render the State of Mississippi  
505 liable.

506       **SECTION 14.** Section 57-1-29, Mississippi Code of 1972, is  
507 amended as follows:

508       57-1-29. A municipality, having been authorized by the  
509 council, as herein provided, may expend, for acquiring and  
510 operating such municipal enterprise under rules and regulations  
511 adopted by the council, any funds of the municipality then on hand  
512 or available and not already appropriated or necessary for other  
513 municipal purposes. A municipality, after the terms and  
514 conditions have been fixed by the council and with his approval,  
515 is hereby authorized from and after July 1, 1944, to issue bonds  
516 of such municipality for the purpose of effectuating the  
517 provisions of Sections 57-1-1 through 57-1-51 and promoting  
518 thereby the public policy of this state in bringing about the  
519 general welfare of its people. When, if and to the extent that a  
520 bond issue shall be approved by the council, then the same may be  
521 authorized by the governing authority of the municipality, and to  
522 secure such bond issue the municipality may mortgage or pledge  
523 property used and useful for the industrial enterprise; and the  
524 income therefrom, and confer upon the holders of such bonds the  
525 rights of a first mortgage bondholder. Such bond issue shall be  
526 first approved by the council, and thereafter shall be authorized  
527 by resolution or ordinance of the governing board of the





528 municipality in such form and with such provisions, terms and  
529 conditions as may be fixed in the resolution or ordinance not  
530 inconsistent with the provisions of Sections 57-1-1 through  
531 57-1-51. Present limitations on the amount of other bonds that  
532 may be issued by such municipality shall not apply to bonds issued  
533 hereunder other than as herein otherwise provided. All such bonds  
534 shall be lithographed or engraved, and printed in two (2) or more  
535 colors to prevent counterfeiting, and shall be in sums not less  
536 than One Thousand Dollars (\$1,000.00) or multiples thereof, and  
537 shall be numbered in a regular series from one (1) upward, be  
538 executed by the manual or facsimile signature of the president of  
539 the board of supervisors and the clerk of such board; or by the  
540 mayor and clerk of the municipality, and either of such clerks  
541 shall impress the county or municipal seal, as the case may be,  
542 upon each bond as it is issued. At least one (1) signature on  
543 each bond shall be a manual signature, as specified in the issuing  
544 resolution. The coupons may bear only the facsimile signatures of  
545 such president and clerk of the board of supervisors or such mayor  
546 and clerk, as the case may be. Every such bond shall specify on  
547 its face the purpose for which it was issued, the total amount  
548 authorized to be issued, and each shall be made payable to bearer,  
549 and on request of any holder of such bonds the same may be  
550 registered as to principal by the clerk of the issuing board. The  
551 governing authorities shall annually levy a tax, or shall  
552 otherwise provide funds sufficient for paying interest on such  
553 bonds, and the bonds maturing within one (1) year and shall  
554 provide a sinking fund for the redemption of the bonds issued.  
555 Such bonds shall be issued maturing annually with all maturities  
556 not longer than twenty (20) years with not less than one-fiftieth  
557 (1/50) of the total issue to mature each year during the first  
558 five (5) years of the life of the bonds, and not less than  
559 one-twenty-fifth (1/25) of the total issue to mature annually  
560 during the succeeding ten-year period of the life of the bonds,



561 and the remainder to be amortized, as to the principal and  
562 interest, into approximately equal payments, one (1) payment to  
563 mature during each year for the remaining life of the bonds. Such  
564 bonds shall not bear a greater overall maximum rate of interest  
565 than that allowed in Section 75-17-101, Mississippi Code of 1972.  
566 No bond shall bear more than one (1) rate of interest; each bond  
567 shall bear interest from its date to its stated maturity date at  
568 the interest rate specified in the bid; all bonds of the same  
569 maturity shall bear the same rate of interest from date to  
570 maturity; all interest accruing on such bonds so issued shall be  
571 payable semiannually or annually, except that the first interest  
572 coupon attached to any such bond may be for any period not  
573 exceeding one (1) year.

574 No interest payment shall be evidenced by more than one (1)  
575 coupon and neither cancelled nor supplemental coupons shall be  
576 permitted; the lowest interest rate specified for any bonds issued  
577 shall not be less than seventy percent (70%) of the highest  
578 interest rate specified for the same bond issue. The interest  
579 rate of any one (1) interest coupon shall not exceed the maximum  
580 interest rate allowed on such bonds.

581 Each interest rate specified in any bid must be in multiples  
582 of one-eighth of one percent ( $1/8$  of 1%) or in multiples of  
583 one-tenth of one percent ( $1/10$  of 1%).

584 The denomination, form and place of payment shall be fixed in  
585 the authorization therefor, and for the payment thereof the full  
586 faith, credit and resources of the municipality shall be pledged  
587 and a tax levied on all taxable property in the municipality,  
588 adequate to pay principal and interest on such bonds as the same  
589 fall due. Proceeds of such bonds shall be placed in the municipal  
590 treasury as a special fund and shall be used for no other purpose  
591 than the purpose set forth in the original resolution, and any  
592 officer diverting or assisting to divert any such fund to any  
593 other purpose than the purpose originally set forth in the



594 resolution of the governing authority of the municipality shall be  
595 guilty of a misdemeanor, shall be punished accordingly, and shall  
596 also be liable both personally and on his official bond for such  
597 diversion, together with the costs of collection and reasonable  
598 attorney's fees. The Attorney General is authorized to proceed by  
599 action for injunction or mandamus to require compliance with the  
600 original resolution by any officer or municipal board.

601 **SECTION 15.** Section 57-1-33, Mississippi Code of 1972, is  
602 amended as follows:

603 57-1-33. When the council authorizes any municipality to  
604 issue bonds under the provisions of Sections 57-1-1 through  
605 57-1-51, he shall find and determine the total amount of bonds to  
606 be issued. He shall fix the maturity dates of the bonds  
607 consistent with the provisions of the aforesaid sections. He  
608 shall determine the amount of taxes necessary to be levied and  
609 collected annually to retire the bonds and pay interest coupons  
610 and to create a sinking fund for the payment of the bonds and  
611 interest so that the annual tax levy shall be uniform throughout  
612 the period for which the bonds are issued. He shall require the  
613 municipality to report annually to him payments made on the bonds  
614 and on interest, with the dates of payments, and to report the  
615 amount passed to the sinking fund, together with a list and amount  
616 of the bonds remaining outstanding for purposes of the aforesaid  
617 sections, and a failure so to do shall make the members of the  
618 governing board guilty of a misdemeanor and punishable  
619 accordingly. All of such reports shall be permanent public  
620 records of the authority.

621 **SECTION 16.** Section 57-1-45, Mississippi Code of 1972, is  
622 amended as follows:

623 57-1-45. The several municipalities when and to the extent  
624 authorized by the council pursuant hereto, are hereby authorized  
625 and empowered, if they so desire, by and through their governing  
626 board, to sell, lease or otherwise dispose of such enterprise or



627 enterprises, in whole or in part, on such terms and conditions and  
628 with such safeguards as will best promote and protect the public  
629 interest, and are authorized, acting with the approval of the  
630 council by and through their respective governing boards, to  
631 transfer title or possession to such industry or to any property  
632 utilized therein, by warranty deed, lease, bill of sale, contract  
633 or other customary business instrument, in the same manner and to  
634 the same extent, when so thus authorized by the council, that any  
635 private corporation, association or person may now contract, with  
636 reference to such property of a similar nature, provided that such  
637 disposition shall not be made except by the affirmative vote of at  
638 least two-thirds (2/3) of the members elected to the governing  
639 body of such municipality, and all votes shall be of record. All  
640 income from any lease or contract for the operation or from the  
641 disposition of such industrial enterprise shall be paid into the  
642 bond sinking fund provided for the bonds issued under the  
643 provisions of Sections 57-1-1 through 57-1-51 for the retirement  
644 of such bonds and the interest thereon, and such income or  
645 proceeds shall not be used by the municipality for any other  
646 purpose except as to disposition of surplus income authorized  
647 above, and shall be subject to all of the provisions hereof  
648 relative to such sinking fund.

649 **SECTION 17.** Section 57-1-54, Mississippi Code of 1972, is  
650 amended as follows:

651 57-1-54. The Mississippi Development Authority shall be the  
652 Department of Economic and Community Development and shall retain  
653 all powers and duties granted by law to the Mississippi Department  
654 of Economic and Community Development and wherever the term  
655 "Mississippi Department of Economic and Community Development,"  
656 "Department of Economic and Community Development," "Mississippi  
657 Department of Economic Development" or "Department of Economic  
658 Development" appears in any law the same shall mean the  
659 Mississippi Development Authority. The Mississippi Development



660 Authority may continue to refer to itself as the Mississippi  
661 Department of Economic and Community Development for as long as it  
662 may deem necessary. The Executive Director of the Mississippi  
663 Development Authority may, with the approval of the council,  
664 assign to the appropriate divisions such powers and duties as he  
665 deems appropriate to carry out its lawful duties.

666 Nothing in the Mississippi Executive Reorganization Act of  
667 1989 [Laws, 1989, Chapter 544] shall be construed to eliminate or  
668 change in any manner the duties, functions or operations of the  
669 planning and development districts heretofore created by executive  
670 order of the Governor.

671 **SECTION 18.** Section 57-57-5, Mississippi Code of 1972, is  
672 amended as follows:

673 57-57-5. For the purposes of this chapter, the following  
674 terms shall have the meanings ascribed to them in this section,  
675 unless the context clearly indicates otherwise:

676 (a) "Committee" means a committee, consisting of  
677 Chairman of the Certified Development Company of Mississippi,  
678 Inc., or his designee, two (2) bankers and two (2) Mississippi  
679 businessmen who are members of the Certified Development Company  
680 of Mississippi, Inc., created pursuant to Section 57-10-167, and  
681 actively involved in exporting.

682 (b) "Company" means the Certified Development Company  
683 of Mississippi, Inc., created pursuant to Section 57-10-167.

684 (c) "Bank" means any state or national bank doing  
685 business in Mississippi, which is approved by the company.

686 (d) "Eligible export trade transaction" means a  
687 transaction consisting of a loan from any Mississippi bank to  
688 finance an international pre-export or export, which in the  
689 judgment of the company will create or maintain employment in  
690 Mississippi and shall contain at least fifty percent (50%) of  
691 value added in goods or services at a location in Mississippi.



692 (e) "Guarantee" means additional security by the State  
693 of Mississippi for the eligible export trade transaction of any  
694 Mississippi business.

695 (f) "Business" means any person, corporation,  
696 partnership, proprietorship, association, organization or agency  
697 domiciled in the State of Mississippi.

698 (g) "Guarantee fee" means a fee charged by the  
699 Certified Development Company of Mississippi, Inc., for processing  
700 the guarantee.

701 (h) "Board" means the Mississippi Development  
702 Council \* \* \*.

703 (i) "Commercial loss" means failure of the buyer to pay  
704 to the Mississippi business when due all or part of the gross  
705 invoice value of an eligible export trade transaction due to the  
706 insolvency of the buyer.

707 (j) "Political loss" means failure of the buyer to pay  
708 to the Mississippi business when due all or part of the gross  
709 invoice value of an eligible export trade transaction due to  
710 dollar transfer delays, war, revolution, license revocation or  
711 diversion of goods.

712 **SECTION 19.** Section 57-61-5, Mississippi Code of 1972, is  
713 amended as follows:

714 57-61-5. The following words and phrases, when used in this  
715 chapter, shall have the meanings given to them in this section  
716 unless the context clearly indicates otherwise:

717 (a) "Department" means the Mississippi Development  
718 Authority.

719 (b) "Board" means the Mississippi Development  
720 Council \* \* \*.

721 (c) "Improvements" means the construction,  
722 rehabilitation or repair of drainage systems; energy facilities  
723 (power generation and distribution); fire safety facilities  
724 (excluding vehicles); sewer systems (pipe treatment);



725 transportation directly affecting the site of the proposed  
726 investment, including roads, sidewalks, bridges, rail, port,  
727 river, airport or pipeline (excluding vehicles); bulkheads;  
728 buildings; and facilities necessary to accommodate a United States  
729 Navy home port; and means land reclamation; waste disposal; water  
730 supply (storage, treatment and distribution); land acquisition;  
731 and the dredging of channels and basins.

732 (d) "Municipality" means any county or any incorporated  
733 city, or town, acting individually or jointly, or any agency of  
734 the State of Mississippi operating a state-owned port.

735 (e) "Private company" means any agricultural,  
736 aquacultural, maricultural, industrial, manufacturing, service,  
737 tourism, or research and development enterprise or enterprises.  
738 The term "private company" shall not include any retail trade  
739 enterprise except regional shopping malls having a minimum capital  
740 investment of One Hundred Million Dollars (\$100,000,000.00). No  
741 more than fifteen percent (15%) of the aggregate funds made  
742 available under this chapter shall be used to fund aquacultural,  
743 maricultural and tourism enterprises. The funds made available to  
744 tourism enterprises under this chapter shall be limited to  
745 infrastructure improvements and to the acquisition of land and  
746 shall not be made available to fund tourism promotions or to fund  
747 the construction, improvement or acquisition of hotels and/or  
748 motels or to finance or refinance any obligations of hotels and/or  
749 motels.

750 (f) "Governmental unit" means a department or  
751 subsidiary of the United States government, or an agency of the  
752 State of Mississippi operating a state-owned port.

753 (g) "Private match" means any new private investment by  
754 the private company and/or governmental unit in land, buildings,  
755 depreciable fixed assets, and improvements of the project used to  
756 match improvements funded under this chapter. The term "private  
757 match" includes improvements made prior to the effective date of



758 this chapter [Laws, 1986, Chapter 419, effective March 31, 1986]  
759 pursuant to contracts entered into contingent upon assistance  
760 being made available under this chapter.

761 (h) "Publicly owned property" means property which is  
762 owned by the local, state or United States government and is not  
763 under the control of a private company.

764 (i) "Director" means the Executive Director of the  
765 Mississippi Development Authority.

766 (j) "Small community" means a county with a population  
767 of twenty-five thousand (25,000) or less; or a municipality with a  
768 population of ten thousand (10,000) or less and any area within  
769 five (5) miles of the limits of such municipality, according to  
770 the most recent federal decennial census.

771 (k) "Strategic investment" means an investment by the  
772 private and public sectors that will have a major impact on job  
773 creation and maintenance in the state of no less than one hundred  
774 fifty (150) jobs, that will have a major impact on enlargement and  
775 enhancement of international and foreign trade and commerce to and  
776 from the State of Mississippi, or which is considered to be unique  
777 to the state and have statewide or regional impact as determined  
778 by the department.

779 (l) "Seller" means the State Bond Commission or the  
780 State Development Bank.

781 **SECTION 20.** This act shall take effect and be in force from  
782 and after July 1, 2003.

