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To: Finance

SENATE BILL NO. 3031

1 AN ACT TO AMEND SECTION 57-75-5, MISSISSIPPI CODE OF 1972, TO  
2 REVISE THE DEFINITION OF THE TERM "PROJECT" FOR PURPOSES OF THE  
3 MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; TO AMEND SECTION 57-75-15,  
4 MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE ISSUANCE OF GENERAL  
5 OBLIGATION BONDS IN THE AMOUNT OF \$16,000,000.00 FOR A PROJECT  
6 UNDER THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; AND FOR RELATED  
7 PURPOSES.

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

9 **SECTION 1.** Section 57-75-5, Mississippi Code of 1972, is  
10 amended as follows:

11 57-75-5. Words and phrases used in this chapter shall have  
12 meanings as follows, unless the context clearly indicates a  
13 different meaning:

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15 Act as originally enacted or as hereafter amended.

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

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

21 (d) "Facility related to the project" means and  
22 includes any of the following, as the same may pertain to the  
23 project within the project area: (i) facilities to provide  
24 potable and industrial water supply systems, sewage and waste  
25 disposal systems and water, natural gas and electric transmission  
26 systems to the site of the project; (ii) airports, airfields and  
27 air terminals; (iii) rail lines; (iv) port facilities; (v)  
28 highways, streets and other roadways; (vi) public school  
29 buildings, classrooms and instructional facilities, training

30 facilities and equipment, including any functionally related  
31 facilities; (vii) parks, outdoor recreation facilities and  
32 athletic facilities; (viii) auditoriums, pavilions, campgrounds,  
33 art centers, cultural centers, folklore centers and other public  
34 facilities; (ix) health care facilities, public or private; and  
35 (x) fire protection facilities, equipment and elevated water  
36 tanks.

37 (e) "Person" means any natural person, corporation,  
38 association, partnership, receiver, trustee, guardian, executor,  
39 administrator, fiduciary, governmental unit, public agency,  
40 political subdivision, or any other group acting as a unit, and  
41 the plural as well as the singular.

42 (f) "Project" means:

43 (i) Any industrial, commercial, research and  
44 development, warehousing, distribution, transportation,  
45 processing, mining, United States government or tourism enterprise  
46 together with all real property required for construction,  
47 maintenance and operation of the enterprise with an initial  
48 capital investment of not less than Three Hundred Million Dollars  
49 (\$300,000,000.00) from private or United States government sources  
50 together with all buildings, and other supporting land and  
51 facilities, structures or improvements of whatever kind required  
52 or useful for construction, maintenance and operation of the  
53 enterprise; or with an initial capital investment of not less than  
54 One Hundred Fifty Million Dollars (\$150,000,000.00) from private  
55 or United States government sources together with all buildings  
56 and other supporting land and facilities, structures or  
57 improvements of whatever kind required or useful for construction,  
58 maintenance and operation of the enterprise and which creates at  
59 least one thousand (1,000) net new full-time jobs; or which  
60 creates at least one thousand (1,000) net new full-time jobs which  
61 provides an average salary, excluding benefits which are not  
62 subject to Mississippi income taxation, of at least one hundred

63 twenty-five percent (125%) of the most recently published average  
64 annual wage of the state as determined by the Mississippi  
65 Department of Employment Security. "Project" shall include any  
66 addition to or expansion of an existing enterprise if such  
67 addition or expansion has an initial capital investment of not  
68 less than Three Hundred Million Dollars (\$300,000,000.00) from  
69 private or United States government sources, or has an initial  
70 capital investment of not less than One Hundred Fifty Million  
71 Dollars (\$150,000,000.00) from private or United States government  
72 sources together with all buildings and other supporting land and  
73 facilities, structures or improvements of whatever kind required  
74 or useful for construction, maintenance and operation of the  
75 enterprise and which creates at least one thousand (1,000) net new  
76 full-time jobs; or which creates at least one thousand (1,000) net  
77 new full-time jobs which provides an average salary, excluding  
78 benefits which are not subject to Mississippi income taxation, of  
79 at least one hundred twenty-five percent (125%) of the most  
80 recently published average annual wage of the state as determined  
81 by the Mississippi Department of Employment Security. "Project"  
82 shall also include any ancillary development or business resulting  
83 from the enterprise, of which the authority is notified, within  
84 three (3) years from the date that the enterprise entered into  
85 commercial production, that the project area has been selected as  
86 the site for the ancillary development or business.

87 (ii) 1. Any major capital project designed to  
88 improve, expand or otherwise enhance any active duty or reserve  
89 United States Armed Services bases and facilities or any major  
90 Mississippi National Guard training installations, their support  
91 areas or their military operations, upon designation by the  
92 authority that any such base was or is at risk to be recommended  
93 for closure or realignment pursuant to the Defense Base Closure  
94 and Realignment Act of 1990, as amended, or other applicable  
95 federal law; or any major development project determined by the

96 authority to be necessary to acquire or improve base properties  
97 and to provide employment opportunities through construction of  
98 projects as defined in Section 57-3-5, which shall be located on  
99 or provide direct support service or access to such military  
100 installation property in the event of closure or reduction of  
101 military operations at the installation.

102                   2. Any major study or investigation related  
103 to such a facility, installation or base, upon a determination by  
104 the authority that the study or investigation is critical to the  
105 expansion, retention or reuse of the facility, installation or  
106 base.

107                   3. Any project as defined in Section 57-3-5,  
108 any business or enterprise determined to be in the furtherance of  
109 the public purposes of this act as determined by the authority or  
110 any facility related to such project each of which shall be,  
111 directly or indirectly, related to any military base or other  
112 military-related facility no longer operated by the United States  
113 Armed Services or the Mississippi National Guard.

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

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

122                   2. "Project" shall also include any ancillary  
123 development or business resulting from an enterprise operating a  
124 project as defined in item 1 of this paragraph (f)(iv), of which  
125 the authority is notified, within three (3) years from the date  
126 that the enterprise entered into commercial production, that the  
127 state has been selected as the site for the ancillary development  
128 or business.

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

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

139                   2. The project and any facility related to  
140 the project shall include a total investment from private sources  
141 of not less than Sixty Million Dollars (\$60,000,000.00), or from  
142 any combination of sources of not less than Eighty Million Dollars  
143 (\$80,000,000.00).

144                   (vi) Any real property owned or controlled by the  
145 National Aeronautics and Space Administration, the United States  
146 government, or any agency thereof, which is legally conveyed to  
147 the State of Mississippi or to the State of Mississippi for the  
148 benefit of the Mississippi Major Economic Impact Authority, its  
149 successors and assigns pursuant to Section 212 of Public Law  
150 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

151                   (vii) Any major capital project related to the  
152 establishment, improvement, expansion and/or other enhancement of  
153 any active duty military installation and having a minimum capital  
154 investment from any source or combination of sources other than  
155 the State of Mississippi of at least Forty Million Dollars  
156 (\$40,000,000.00), and which will create at least four hundred  
157 (400) military installation related full-time jobs, which jobs may  
158 be military jobs, civilian jobs or a combination of military and  
159 civilian jobs. The authority shall require that binding  
160 commitments be entered into requiring that the minimum

161 requirements for the project provided for in this subparagraph  
162 shall be met not later than July 1, 2008.

163 (viii) Any major capital project with an initial  
164 capital investment from any source or combination of sources of  
165 not less than Ten Million Dollars (\$10,000,000.00) which will  
166 create at least eighty (80) full-time jobs which provide an  
167 average annual salary, excluding benefits which are not subject to  
168 Mississippi income taxes, of at least one hundred thirty-five  
169 percent (135%) of the most recently published average annual wage  
170 of the state or the most recently published average annual wage of  
171 the county in which the project is located as determined by the  
172 Mississippi Department of Employment Security, whichever is the  
173 lesser. The authority shall require that binding commitments be  
174 entered into requiring that:

175 1. The minimum requirements for the project  
176 provided for in this subparagraph shall be met, and

177 2. \* \* \* If such commitments are not met, all  
178 or a portion of the funds provided by the state for the project as  
179 determined by the authority shall be repaid.

180 (ix) Any regional retail shopping mall with an  
181 initial capital investment from private sources in excess of One  
182 Hundred Fifty Million Dollars (\$150,000,000.00), with a square  
183 footage in excess of eight hundred thousand (800,000) square feet,  
184 which will create at least seven hundred (700) full-time jobs with  
185 an average hourly wage of Eleven Dollars (\$11.00) per hour. The  
186 authority shall require that binding commitments be entered into  
187 requiring that:

188 1. The minimum requirements for the project  
189 provided for in this subparagraph shall be met, and

190 2. \* \* \* If such commitments are not met, all  
191 or a portion of the funds provided by the state for the project as  
192 determined by the authority shall be repaid.

193                   (x) Any major capital project with an initial  
194 capital investment from any source or combination of sources of  
195 not less than Seventy-five Million Dollars (\$75,000,000.00) which  
196 will create at least one hundred twenty-five (125) full-time jobs  
197 which provide an average annual salary, excluding benefits which  
198 are not subject to Mississippi income taxes, of at least one  
199 hundred thirty-five percent (135%) of the most recently published  
200 average annual wage of the state or the most recently published  
201 average annual wage of the county in which the project is located  
202 as determined by the Mississippi Department of Employment  
203 Security, whichever is the greater. The authority shall require  
204 that binding commitments be entered into requiring that:

205                   1. The minimum requirements for the project  
206 provided for in this subparagraph shall be met; and

207                   2. \* \* \* If such commitments are not met, all  
208 or a portion of the funds provided by the state for the project as  
209 determined by the authority shall be repaid.

210                   (xi) Any potential major capital project that the  
211 authority has determined is feasible to recruit.

212                   (xii) Any project built according to the  
213 specifications and federal provisions set forth by the National  
214 Aeronautics and Space Administration Center Operations Directorate  
215 at Stennis Space Center for the purpose of consolidating common  
216 services from National Aeronautics and Space Administration  
217 centers in human resources, procurement, financial management and  
218 information technology located on land owned or controlled by the  
219 National Aeronautics and Space Administration, which will create  
220 at least four hundred seventy (470) full-time jobs.

221                   (xiii) Any major capital project with an initial  
222 capital investment from any source or combination of sources of  
223 not less than Ten Million Dollars (\$10,000,000.00) which will  
224 create at least two hundred fifty (250) full-time jobs. The

225 authority shall require that binding commitments be entered into  
226 requiring that:

227                   1. The minimum requirements for the project  
228 provided for in this subparagraph shall be met; and

229                   2. \* \* \* If such commitments are not met, all  
230 or a portion of the funds provided by the state for the project as  
231 determined by the authority shall be repaid.

232                   (xiv) Any major pharmaceutical facility with a  
233 capital investment of not less than Fifty Million Dollars  
234 (\$50,000,000.00) made after July 1, 2002, through four (4) years  
235 after the initial date of any loan or grant made by the authority  
236 for such project, which will maintain at least seven hundred fifty  
237 (750) full-time employees. The authority shall require that  
238 binding commitments be entered into requiring that:

239                   1. The minimum requirements for the project  
240 provided for in this subparagraph shall be met; and

241                   2. \* \* \* If such commitments are not met, all  
242 or a portion of the funds provided by the state for the project as  
243 determined by the authority shall be repaid.

244                   (xv) Any pharmaceutical manufacturing, packaging  
245 and distribution facility with an initial capital investment from  
246 any local or federal sources of not less than Five Hundred  
247 Thousand Dollars (\$500,000.00) which will create at least ninety  
248 (90) full-time jobs. The authority shall require that binding  
249 commitments be entered into requiring that:

250                   1. The minimum requirements for the project  
251 provided for in this subparagraph shall be met; and

252                   2. \* \* \* If such commitments are not met, all  
253 or a portion of the funds provided by the state for the project as  
254 determined by the authority shall be repaid.

255                   (xvi) Any major industrial wood processing  
256 facility with an initial capital investment of not less than One  
257 Hundred Million Dollars (\$100,000,000.00) which will create at



258 least one hundred twenty-five (125) full-time jobs which provide  
259 an average annual salary, excluding benefits which are not subject  
260 to Mississippi income taxes, of at least Thirty Thousand Dollars  
261 (\$30,000.00). The authority shall require that binding  
262 commitments be entered into requiring that:

263 1. The minimum requirements for the project  
264 provided for in this subparagraph shall be met; and

265 2. \* \* \* If such commitments are not met, all  
266 or a portion of the funds provided by the state for the project as  
267 determined by the authority shall be repaid.

268 (xvii) Any technical, engineering,  
269 manufacturing-logistic service provider with an initial capital  
270 investment of not less than One Million Dollars (\$1,000,000.00)  
271 which will create at least ninety (90) full-time jobs. The  
272 authority shall require that binding commitments be entered into  
273 requiring that:

274 1. The minimum requirements for the project  
275 provided for in this subparagraph shall be met; and

276 2. \* \* \* If such commitments are not met, all  
277 or a portion of the funds provided by the state for the project as  
278 determined by the authority shall be repaid.

279 (xviii) Any economic development and tourism  
280 destination facility that features a space, science and education  
281 center with an initial capital investment from private, local or  
282 federal sources of not less than Nineteen Million Dollars  
283 (\$19,000,000.00) which will create at least fifty-one (51)  
284 full-time jobs. The authority shall require that binding  
285 commitments be entered into requiring that:

286 1. The minimum requirements for the project  
287 provided for in this subparagraph shall be met; and

288 2. If such commitments are not met, all or a  
289 portion of the funds provided by the state for the project as  
290 determined by the authority shall be repaid.

291 (g) "Project area" means the project site, together  
292 with any area or territory within the state lying within  
293 sixty-five (65) miles of any portion of the project site whether  
294 or not such area or territory be contiguous; however, for the  
295 project defined in paragraph (f)(iv) of this section the term  
296 "project area" means any area or territory within the state. The  
297 project area shall also include all territory within a county if  
298 any portion of such county lies within sixty-five (65) miles of  
299 any portion of the project site. "Project site" means the real  
300 property on which the principal facilities of the enterprise will  
301 operate.

302 (h) "Public agency" means:

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

305 (ii) Any city, town, county, political  
306 subdivision, school district or other district created or existing  
307 under the laws of the state or any public agency of any such city,  
308 town, county, political subdivision or district or any other  
309 public entity created or existing under local and private  
310 legislation;

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

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

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

317 (j) "Fee-in-lieu" means a negotiated fee to be paid by  
318 the project in lieu of any franchise taxes imposed on the project  
319 by Chapter 13, Title 27, Mississippi Code of 1972. The  
320 fee-in-lieu shall not be less than Twenty-five Thousand Dollars  
321 (\$25,000.00) annually. A fee-in-lieu may be negotiated with an  
322 enterprise operating an existing project defined in Section  
323 57-75-5(f)(iv)1; however, a fee-in-lieu shall not be negotiated

324 for other existing enterprises that fall within the definition of  
325 the term "project."

326 **SECTION 2.** Section 57-75-15, Mississippi Code of 1972, is  
327 amended as follows:

328 57-75-15. (1) Upon notification to the authority by the  
329 enterprise that the state has been finally selected as the site  
330 for the project, the State Bond Commission shall have the power  
331 and is hereby authorized and directed, upon receipt of a  
332 declaration from the authority as hereinafter provided, to borrow  
333 money and issue general obligation bonds of the state in one or  
334 more series for the purposes herein set out. Upon such  
335 notification, the authority may thereafter from time to time  
336 declare the necessity for the issuance of general obligation bonds  
337 as authorized by this section and forward such declaration to the  
338 State Bond Commission, provided that before such notification, the  
339 authority may enter into agreements with the United States  
340 government, private companies and others that will commit the  
341 authority to direct the State Bond Commission to issue bonds for  
342 eligible undertakings set out in subsection (4) of this section,  
343 conditioned on the siting of the project in the state.

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

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

353 (b) Bonds issued under the authority of this section  
354 for projects as defined in Section 57-75-5(f)(ii) shall not exceed  
355 Sixty-one Million Dollars (\$61,000,000.00). The authority, with  
356 the express direction of the State Bond Commission, is authorized

357 to expend any remaining proceeds of bonds issued under the  
358 authority of this act prior to January 1, 1998, for the purpose of  
359 financing projects as then defined in Section 57-75-5(f)(ii) or  
360 for any other projects as defined in Section 57-75-5(f)(ii), as it  
361 may be amended from time to time. If any proceeds of bonds issued  
362 for projects related to the Meridian Naval Auxiliary Air Station  
363 ("NAAS") are used for the development of a water and sewer service  
364 system by the City of Meridian, Mississippi, to serve the NAAS and  
365 if the City of Meridian annexes any of the territory served by the  
366 water and sewer service system, the city shall repay the State of  
367 Mississippi the amount of all bond proceeds expended on any  
368 portion of the water and sewer service system project; and if  
369 there are any monetary proceeds derived from the disposition of  
370 any improvements located on real property in Kemper County  
371 purchased pursuant to this act for projects related to the NAAS  
372 and if there are any monetary proceeds derived from the  
373 disposition of any timber located on real property in Kemper  
374 County purchased pursuant to this act for projects related to the  
375 NAAS, all of such proceeds (both from the disposition of  
376 improvements and the disposition of timber) commencing July 1,  
377 1996, through June 30, 2010, shall be paid to the Board of  
378 Education of Kemper County, Mississippi, for expenditure by such  
379 board of education to benefit the public schools of Kemper County.  
380 No bonds shall be issued under this paragraph (b) until the State  
381 Bond Commission by resolution adopts a finding that the issuance  
382 of such bonds will improve, expand or otherwise enhance the  
383 military installation, its support areas or military operations,  
384 or will provide employment opportunities to replace those lost by  
385 closure or reductions in operations at the military installation  
386 or will support critical studies or investigations authorized by  
387 Section 57-75-5(f)(ii); however, not more than One Million Dollars  
388 (\$1,000,000.00) in the aggregate shall be authorized for such  
389 studies or investigations.

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

394 (d) Bonds issued under the authority of this section  
395 for projects defined in Section 57-75-5(f)(iv) shall not exceed  
396 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An  
397 additional amount of bonds in an amount not to exceed Twelve  
398 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be  
399 issued under the authority of this section for the purpose of  
400 defraying costs associated with the construction of surface water  
401 transmission lines for a project defined in Section 57-75-5(f)(iv)  
402 or for any facility related to the project. No bonds shall be  
403 issued under this paragraph after June 30, 2005.

404 (e) Bonds issued under the authority of this section  
405 for projects defined in Section 57-75-5(f)(v) and for facilities  
406 related to such projects shall not exceed Thirty-eight Million  
407 Five Hundred Thousand Dollars (\$38,500,000.00). No bonds shall be  
408 issued under this paragraph after December 31, 2005.

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

413 (g) Bonds issued under the authority of this section  
414 for projects defined in Section 57-75-5(f)(viii) shall not exceed  
415 Four Million Five Hundred Thousand Dollars (\$4,500,000.00). No  
416 bonds shall be issued under this paragraph after June 30, 2007.

417 (h) Bonds issued under the authority of this section  
418 for projects defined in Section 57-75-5(f)(ix) shall not exceed  
419 Five Million Dollars (\$5,000,000.00). No bonds shall be issued  
420 under this paragraph after June 30, 2007.

421 (i) Bonds issued under the authority of this section  
422 for projects defined in Section 57-75-5(f)(x) shall not exceed

423 Five Million Dollars (\$5,000,000.00). No bonds shall be issued  
424 under this paragraph after June 30, 2007.

425 (j) Bonds issued under the authority of this section  
426 for projects defined in Section 57-75-5(f)(xii) shall not exceed  
427 Twenty-three Million Seven Hundred Thousand Dollars  
428 (\$23,700,000.00). No bonds shall be issued under this paragraph  
429 until local governments in or near the county in which the project  
430 is located have irrevocably committed funds to the project in an  
431 amount of not less than Two Million Five Hundred Thousand Dollars  
432 (\$2,500,000.00) in the aggregate. No bonds shall be issued under  
433 this paragraph after June 30, 2008.

434 (k) Bonds issued under the authority of this section  
435 for projects defined in Section 57-75-5(f)(xiii) shall not exceed  
436 Three Million Dollars (\$3,000,000.00). No bonds shall be issued  
437 under this paragraph after June 30, 2009.

438 (l) Bonds issued under the authority of this section  
439 for projects defined in Section 57-75-5(f)(xiv) shall not exceed  
440 Ten Million Dollars (\$10,000,000.00). No bonds shall be issued  
441 under this paragraph until local governments in the county in  
442 which the project is located have irrevocably committed funds to  
443 the project in an amount of not less than Two Million Dollars  
444 (\$2,000,000.00). No bonds shall be issued under this paragraph  
445 after June 30, 2009.

446 (m) Bonds issued under the authority of this section  
447 for projects defined in Section 57-75-5(f)(xv) shall not exceed  
448 Five Hundred Thousand Dollars (\$500,000.00). No bonds shall be  
449 issued under this paragraph after June 30, 2009.

450 (n) Bonds issued under the authority of this section  
451 for projects defined in Section 57-75-5(f)(xvi) shall not exceed  
452 Ten Million Dollars (\$10,000,000.00). No bonds shall be issued  
453 under this paragraph after June 30, 2009.

454 (o) Bonds issued under the authority of this section  
455 for projects defined in Section 57-75-5(f)(xvii) shall not exceed

456 Three Million Five Hundred Thousand Dollars (\$3,500,000.00). No  
457 bonds shall be issued under this paragraph after June 30, 2009.

458 (p) Bonds issued under the authority of this section  
459 for projects defined in Section 57-75-5(f)(xviii) shall not exceed  
460 Sixteen Million Dollars (\$16,000,000.00); however, not more than  
461 Eight Million Dollars (\$8,000,000.00) of the bonds authorized to  
462 be issued under this paragraph may be issued in any one fiscal  
463 year. No bonds shall be issued under this paragraph after June  
464 30, 2010.

465 (4) (a) The proceeds from the sale of the bonds issued  
466 under this section may be applied for the following purposes:

467 (i) Defraying all or any designated portion of the  
468 costs incurred with respect to acquisition, planning, design,  
469 construction, installation, rehabilitation, improvement,  
470 relocation and with respect to state-owned property, operation and  
471 maintenance of the project and any facility related to the project  
472 located within the project area, including costs of design and  
473 engineering, all costs incurred to provide land, easements and  
474 rights-of-way, relocation costs with respect to the project and  
475 with respect to any facility related to the project located within  
476 the project area, and costs associated with mitigation of  
477 environmental impacts and environmental impact studies;

478 (ii) Defraying the cost of providing for the  
479 recruitment, screening, selection, training or retraining of  
480 employees, candidates for employment or replacement employees of  
481 the project and any related activity;

482 (iii) Reimbursing the Mississippi Development  
483 Authority for expenses it incurred in regard to projects defined  
484 in Section 57-75-5(f)(iv) prior to November 6, 2000. The  
485 Mississippi Development Authority shall submit an itemized list of  
486 expenses it incurred in regard to such projects to the Chairmen of  
487 the Finance and Appropriations Committees of the Senate and the

488 Chairmen of the Ways and Means and Appropriations Committees of  
489 the House of Representatives;

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

492 (v) Paying any warranty made by the authority  
493 regarding site work for a project defined in Section  
494 57-75-5(f)(iv)1;

495 (vi) Defraying the cost of marketing and promotion  
496 of a project as defined in Section 57-75-5(f)(iv)1. The authority  
497 shall submit an itemized list of costs incurred for marketing and  
498 promotion of such project to the Chairmen of the Finance and  
499 Appropriations Committees of the Senate and the Chairmen of the  
500 Ways and Means and Appropriations Committees of the House of  
501 Representatives;

502 (vii) Providing for the payment of interest on the  
503 bonds;

504 (viii) Providing debt service reserves;

505 (ix) Paying underwriters' discount, original issue  
506 discount, accountants' fees, engineers' fees, attorneys' fees,  
507 rating agency fees and other fees and expenses in connection with  
508 the issuance of the bonds;

509 (x) For purposes authorized in paragraphs (b),  
510 (c), (d), (e) and (f) of this subsection (4);

511 (xi) Providing grants to enterprises operating  
512 projects defined in Section 57-75-5(f)(v), or, in connection with  
513 a facility related to such a project, for any purposes deemed by  
514 the authority in its sole discretion to be necessary and  
515 appropriate;

516 (xii) Providing grant funds or loans to a public  
517 agency or an enterprise owning, leasing or operating a project  
518 defined in Section 57-75-5(f)(ii); and



519 (xiii) Providing grant funds or loans to an  
520 enterprise owning, leasing or operating a project defined in  
521 Section 57-75-5(f)(xiv).

522 Such bonds shall be issued from time to time and in such  
523 principal amounts as shall be designated by the authority, not to  
524 exceed in aggregate principal amounts the amount authorized in  
525 subsection (3) of this section. Proceeds from the sale of the  
526 bonds issued under this section may be invested, subject to  
527 federal limitations, pending their use, in such securities as may  
528 be specified in the resolution authorizing the issuance of the  
529 bonds or the trust indenture securing them, and the earning on  
530 such investment applied as provided in such resolution or trust  
531 indenture.

532 (b) (i) The proceeds of bonds issued after June 21,  
533 2002, under this section for projects described in Section  
534 57-75-5(f)(iv) may be used to reimburse reasonable actual and  
535 necessary costs incurred by the Mississippi Development Authority  
536 in providing assistance related to a project for which funding is  
537 provided from the use of proceeds of such bonds. The Mississippi  
538 Development Authority shall maintain an accounting of actual costs  
539 incurred for each project for which reimbursements are sought.  
540 Reimbursements under this paragraph (b)(i) shall not exceed Three  
541 Hundred Thousand Dollars (\$300,000.00) in the aggregate.  
542 Reimbursements under this paragraph (b)(i) shall satisfy any  
543 applicable federal tax law requirements.

544 (ii) The proceeds of bonds issued after June 21,  
545 2002, under this section for projects described in Section  
546 57-75-5(f)(iv) may be used to reimburse reasonable actual and  
547 necessary costs incurred by the Department of Audit in providing  
548 services related to a project for which funding is provided from  
549 the use of proceeds of such bonds. The Department of Audit shall  
550 maintain an accounting of actual costs incurred for each project  
551 for which reimbursements are sought. The Department of Audit may

552 escalate its budget and expend such funds in accordance with rules  
553 and regulations of the Department of Finance and Administration in  
554 a manner consistent with the escalation of federal funds.

555 Reimbursements under this paragraph (b)(ii) shall not exceed One  
556 Hundred Thousand Dollars (\$100,000.00) in the aggregate.

557 Reimbursements under this paragraph (b)(ii) shall satisfy any  
558 applicable federal tax law requirements.

559           (c) (i) The proceeds of bonds issued under this  
560 section for projects described in Section 57-75-5(f)(ix) may be  
561 used to reimburse reasonable actual and necessary costs incurred  
562 by the Mississippi Development Authority in providing assistance  
563 related to a project for which funding is provided for the use of  
564 proceeds of such bonds. The Mississippi Development Authority  
565 shall maintain an accounting of actual costs incurred for each  
566 project for which reimbursements are sought. Reimbursements under  
567 this paragraph shall not exceed Twenty-five Thousand Dollars  
568 (\$25,000.00) in the aggregate.

569           (ii) The proceeds of bonds issued under this  
570 section for projects described in Section 57-75-5(f)(ix) may be  
571 used to reimburse reasonable actual and necessary costs incurred  
572 by the Department of Audit in providing services related to a  
573 project for which funding is provided from the use of proceeds of  
574 such bonds. The Department of Audit shall maintain an accounting  
575 of actual costs incurred for each project for which reimbursements  
576 are sought. The Department of Audit may escalate its budget and  
577 expend such funds in accordance with rules and regulations of the  
578 Department of Finance and Administration in a manner consistent  
579 with the escalation of federal funds. Reimbursements under this  
580 paragraph shall not exceed Twenty-five Thousand Dollars  
581 (\$25,000.00) in the aggregate. Reimbursements under this  
582 paragraph shall satisfy any applicable federal tax law  
583 requirements.

584           (d) (i) The proceeds of bonds issued under this  
585 section for projects described in Section 57-75-5(f)(x) may be  
586 used to reimburse reasonable actual and necessary costs incurred  
587 by the Mississippi Development Authority in providing assistance  
588 related to a project for which funding is provided for the use of  
589 proceeds of such bonds. The Mississippi Development Authority  
590 shall maintain an accounting of actual costs incurred for each  
591 project for which reimbursements are sought. Reimbursements under  
592 this paragraph shall not exceed Twenty-five Thousand Dollars  
593 (\$25,000.00) in the aggregate.

594           (ii) The proceeds of bonds issued under this  
595 section for projects described in Section 57-75-5(f)(x) may be  
596 used to reimburse reasonable actual and necessary costs incurred  
597 by the Department of Audit in providing services related to a  
598 project for which funding is provided from the use of proceeds of  
599 such bonds. The Department of Audit shall maintain an accounting  
600 of actual costs incurred for each project for which reimbursements  
601 are sought. The Department of Audit may escalate its budget and  
602 expend such funds in accordance with rules and regulations of the  
603 Department of Finance and Administration in a manner consistent  
604 with the escalation of federal funds. Reimbursements under this  
605 paragraph shall not exceed Twenty-five Thousand Dollars  
606 (\$25,000.00) in the aggregate. Reimbursements under this  
607 paragraph shall satisfy any applicable federal tax law  
608 requirements.

609           (e) (i) The proceeds of bonds issued under this  
610 section for projects described in Section 57-75-5(f)(xii) may be  
611 used to reimburse reasonable actual and necessary costs incurred  
612 by the Mississippi Development Authority in providing assistance  
613 related to a project for which funding is provided from the use of  
614 proceeds of such bonds. The Mississippi Development Authority  
615 shall maintain an accounting of actual costs incurred for each  
616 project for which reimbursements are sought. Reimbursements under

617 this paragraph (e)(i) shall not exceed Twenty-five Thousand  
618 Dollars (\$25,000.00) in the aggregate.

619 (ii) The proceeds of bonds issued under this  
620 section for projects described in Section 57-75-5(f)(xii) may be  
621 used to reimburse reasonable actual and necessary costs incurred  
622 by the Department of Audit in providing services related to a  
623 project for which funding is provided from the use of proceeds of  
624 such bonds. The Department of Audit shall maintain an accounting  
625 of actual costs incurred for each project for which reimbursements  
626 are sought. The Department of Audit may escalate its budget and  
627 expend such funds in accordance with rules and regulations of the  
628 Department of Finance and Administration in a manner consistent  
629 with the escalation of federal funds. Reimbursements under this  
630 paragraph (e)(ii) shall not exceed Twenty-five Thousand Dollars  
631 (\$25,000.00) in the aggregate. Reimbursements under this  
632 paragraph (e)(ii) shall satisfy any applicable federal tax law  
633 requirements.

634 (f) (i) The proceeds of bonds issued under this  
635 section for projects described in Section 57-75-5(f)(xiii),  
636 (f)(xiv), (f)(xv), (f)(xvi) and (f)(xvii) may be used to reimburse  
637 reasonable actual and necessary costs incurred by the Mississippi  
638 Development Authority in providing assistance related to a project  
639 for which funding is provided from the use of proceeds of such  
640 bonds. The Mississippi Development Authority shall maintain an  
641 accounting of actual costs incurred for each project for which  
642 reimbursements are sought. Reimbursements under this paragraph  
643 (f)(i) shall not exceed Twenty-five Thousand Dollars (\$25,000.00)  
644 for each project.

645 (ii) The proceeds of bonds issued under this  
646 section for projects described in Section 57-75-5(f)(xiii),  
647 (f)(xiv), (f)(xv), (f)(xvi) and (f)(xvii) may be used to reimburse  
648 reasonable actual and necessary costs incurred by the Department  
649 of Audit in providing services related to a project for which

650 funding is provided from the use of proceeds of such bonds. The  
651 Department of Audit shall maintain an accounting of actual costs  
652 incurred for each project for which reimbursements are sought.  
653 The Department of Audit may escalate its budget and expend such  
654 funds in accordance with rules and regulations of the Department  
655 of Finance and Administration in a manner consistent with the  
656 escalation of federal funds. Reimbursements under this paragraph  
657 (f)(ii) shall not exceed Twenty-five Thousand Dollars (\$25,000.00)  
658 for each project. Reimbursements under this paragraph (f)(ii)  
659 shall satisfy any applicable federal tax law requirements.

660 (5) The principal of and the interest on the bonds shall be  
661 payable in the manner hereinafter set forth. The bonds shall bear  
662 date or dates; be in such denomination or denominations; bear  
663 interest at such rate or rates; be payable at such place or places  
664 within or without the state; mature absolutely at such time or  
665 times; be redeemable before maturity at such time or times and  
666 upon such terms, with or without premium; bear such registration  
667 privileges; and be substantially in such form; all as shall be  
668 determined by resolution of the State Bond Commission except that  
669 such bonds shall mature or otherwise be retired in annual  
670 installments beginning not more than five (5) years from the date  
671 thereof and extending not more than twenty-five (25) years from  
672 the date thereof. The bonds shall be signed by the Chairman of  
673 the State Bond Commission, or by his facsimile signature, and the  
674 official seal of the State Bond Commission shall be imprinted on  
675 or affixed thereto, attested by the manual or facsimile signature  
676 of the Secretary of the State Bond Commission. Whenever any such  
677 bonds have been signed by the officials herein designated to sign  
678 the bonds, who were in office at the time of such signing but who  
679 may have ceased to be such officers before the sale and delivery  
680 of such bonds, or who may not have been in office on the date such  
681 bonds may bear, the signatures of such officers upon such bonds  
682 shall nevertheless be valid and sufficient for all purposes and

683 have the same effect as if the person so officially signing such  
684 bonds had remained in office until the delivery of the same to the  
685 purchaser, or had been in office on the date such bonds may bear.

686 (6) All bonds issued under the provisions of this section  
687 shall be and are hereby declared to have all the qualities and  
688 incidents of negotiable instruments under the provisions of the  
689 Uniform Commercial Code and in exercising the powers granted by  
690 this chapter, the State Bond Commission shall not be required to  
691 and need not comply with the provisions of the Uniform Commercial  
692 Code.

693 (7) The State Bond Commission shall sell the bonds on sealed  
694 bids at public sale, and for such price as it may determine to be  
695 for the best interest of the State of Mississippi, but no such  
696 sale shall be made at a price less than par plus accrued interest  
697 to date of delivery of the bonds to the purchaser. The bonds  
698 shall bear interest at such rate or rates not exceeding the limits  
699 set forth in Section 75-17-101 as shall be fixed by the State Bond  
700 Commission. All interest accruing on such bonds so issued shall  
701 be payable semiannually or annually; provided that the first  
702 interest payment may be for any period of not more than one (1)  
703 year.

704 Notice of the sale of any bonds shall be published at least  
705 one time, the first of which shall be made not less than ten (10)  
706 days prior to the date of sale, and shall be so published in one  
707 or more newspapers having a general circulation in the City of  
708 Jackson and in one or more other newspapers or financial journals  
709 with a large national circulation, to be selected by the State  
710 Bond Commission.

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

716 (8) State bonds issued under the provisions of this section  
717 shall be the general obligations of the state and backed by the  
718 full faith and credit of the state. The Legislature shall  
719 appropriate annually an amount sufficient to pay the principal of  
720 and the interest on such bonds as they become due. All bonds  
721 shall contain recitals on their faces substantially covering the  
722 foregoing provisions of this section.

723 (9) The State Treasurer is authorized to certify to the  
724 Department of Finance and Administration the necessity for  
725 warrants, and the Department of Finance and Administration is  
726 authorized and directed to issue such warrants payable out of any  
727 funds appropriated by the Legislature under this section for such  
728 purpose, in such amounts as may be necessary to pay when due the  
729 principal of and interest on all bonds issued under the provisions  
730 of this section. The State Treasurer shall forward the necessary  
731 amount to the designated place or places of payment of such bonds  
732 in ample time to discharge such bonds, or the interest thereon, on  
733 the due dates thereof.

734 (10) The bonds may be issued without any other proceedings  
735 or the happening of any other conditions or things other than  
736 those proceedings, conditions and things which are specified or  
737 required by this chapter. Any resolution providing for the  
738 issuance of general obligation bonds under the provisions of this  
739 section shall become effective immediately upon its adoption by  
740 the State Bond Commission, and any such resolution may be adopted  
741 at any regular or special meeting of the State Bond Commission by  
742 a majority of its members.

743 (11) In anticipation of the issuance of bonds hereunder, the  
744 State Bond Commission is authorized to negotiate and enter into  
745 any purchase, loan, credit or other agreement with any bank, trust  
746 company or other lending institution or to issue and sell interim  
747 notes for the purpose of making any payments authorized under this  
748 section. All borrowings made under this provision shall be

749 evidenced by notes of the state which shall be issued from time to  
750 time, for such amounts not exceeding the amount of bonds  
751 authorized herein, in such form and in such denomination and  
752 subject to such terms and conditions of sale and issuance,  
753 prepayment or redemption and maturity, rate or rates of interest  
754 not to exceed the maximum rate authorized herein for bonds, and  
755 time of payment of interest as the State Bond Commission shall  
756 agree to in such agreement. Such notes shall constitute general  
757 obligations of the state and shall be backed by the full faith and  
758 credit of the state. Such notes may also be issued for the  
759 purpose of refunding previously issued notes. No note shall  
760 mature more than three (3) years following the date of its  
761 issuance. The State Bond Commission is authorized to provide for  
762 the compensation of any purchaser of the notes by payment of a  
763 fixed fee or commission and for all other costs and expenses of  
764 issuance and service, including paying agent costs. Such costs  
765 and expenses may be paid from the proceeds of the notes.

766 (12) The bonds and interim notes authorized under the  
767 authority of this section may be validated in the First Judicial  
768 District of the Chancery Court of Hinds County, Mississippi, in  
769 the manner and with the force and effect provided now or hereafter  
770 by Chapter 13, Title 31, Mississippi Code of 1972, for the  
771 validation of county, municipal, school district and other bonds.  
772 The necessary papers for such validation proceedings shall be  
773 transmitted to the State Bond Attorney, and the required notice  
774 shall be published in a newspaper published in the City of  
775 Jackson, Mississippi.

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



782           (14) All bonds issued under this chapter shall be legal  
783 investments for trustees, other fiduciaries, savings banks, trust  
784 companies and insurance companies organized under the laws of the  
785 State of Mississippi; and such bonds shall be legal securities  
786 which may be deposited with and shall be received by all public  
787 officers and bodies of the state and all municipalities and other  
788 political subdivisions thereof for the purpose of securing the  
789 deposit of public funds.

790           (15) The Attorney General of the State of Mississippi shall  
791 represent the State Bond Commission in issuing, selling and  
792 validating bonds herein provided for, and the Bond Commission is  
793 hereby authorized and empowered to expend from the proceeds  
794 derived from the sale of the bonds authorized hereunder all  
795 necessary administrative, legal and other expenses incidental and  
796 related to the issuance of bonds authorized under this chapter.

797           (16) There is hereby created a special fund in the State  
798 Treasury to be known as the Mississippi Major Economic Impact  
799 Authority Fund wherein shall be deposited the proceeds of the  
800 bonds issued under this chapter and all monies received by the  
801 authority to carry out the purposes of this chapter. Expenditures  
802 authorized herein shall be paid by the State Treasurer upon  
803 warrants drawn from the fund, and the Department of Finance and  
804 Administration shall issue warrants upon requisitions signed by  
805 the director of the authority.

806           (17) (a) There is hereby created the Mississippi Economic  
807 Impact Authority Sinking Fund from which the principal of and  
808 interest on such bonds shall be paid by appropriation. All monies  
809 paid into the sinking fund not appropriated to pay accruing bonds  
810 and interest shall be invested by the State Treasurer in such  
811 securities as are provided by law for the investment of the  
812 sinking funds of the state.

813           (b) In the event that all or any part of the bonds and  
814 notes are purchased, they shall be cancelled and returned to the

815 loan and transfer agent as cancelled and paid bonds and notes and  
816 thereafter all payments of interest thereon shall cease and the  
817 cancelled bonds, notes and coupons, together with any other  
818 cancelled bonds, notes and coupons, shall be destroyed as promptly  
819 as possible after cancellation but not later than two (2) years  
820 after cancellation. A certificate evidencing the destruction of  
821 the cancelled bonds, notes and coupons shall be provided by the  
822 loan and transfer agent to the seller.

823 (c) The State Treasurer shall determine and report to  
824 the Department of Finance and Administration and Legislative  
825 Budget Office by September 1 of each year the amount of money  
826 necessary for the payment of the principal of and interest on  
827 outstanding obligations for the following fiscal year and the  
828 times and amounts of the payments. It shall be the duty of the  
829 Governor to include in every executive budget submitted to the  
830 Legislature full information relating to the issuance of bonds and  
831 notes under the provisions of this chapter and the status of the  
832 sinking fund for the payment of the principal of and interest on  
833 the bonds and notes.

834 (d) Any monies repaid to the state from loans  
835 authorized in Section 57-75-11(hh) shall be deposited into the  
836 Mississippi Major Economic Impact Authority Sinking Fund unless  
837 the State Bond Commission, at the request of the authority, shall  
838 determine that such loan repayments are needed to provide  
839 additional loans as authorized under Section 57-75-11(hh). For  
840 purposes of providing additional loans, there is hereby created  
841 the Mississippi Major Economic Impact Authority Revolving Loan  
842 Fund and loan repayments shall be deposited into the fund. The  
843 fund shall be maintained for such period as determined by the  
844 State Bond Commission for the sole purpose of making additional  
845 loans as authorized by Section 57-75-11(hh). Unexpended amounts  
846 remaining in the fund at the end of a fiscal year shall not lapse

847 into the State General Fund and any interest earned on amounts in  
848 such fund shall be deposited to the credit of the fund.

849 (e) Any monies repaid to the state from loans  
850 authorized in Section 57-75-11(ii) shall be deposited into the  
851 Mississippi Major Economic Impact Authority Sinking Fund.

852 (18) (a) Upon receipt of a declaration by the authority  
853 that it has determined that the state is a potential site for a  
854 project, the State Bond Commission is authorized and directed to  
855 authorize the State Treasurer to borrow money from any special  
856 fund in the State Treasury not otherwise appropriated to be  
857 utilized by the authority for the purposes provided for in this  
858 subsection.

859 (b) The proceeds of the money borrowed under this  
860 subsection may be utilized by the authority for the purpose of  
861 defraying all or a portion of the costs incurred by the authority  
862 with respect to acquisition options and planning, design and  
863 environmental impact studies with respect to a project defined in  
864 Section 57-75-5(f)(xi). The authority may escalate its budget and  
865 expend the proceeds of the money borrowed under this subsection in  
866 accordance with rules and regulations of the Department of Finance  
867 and Administration in a manner consistent with the escalation of  
868 federal funds.

869 (c) The authority shall request an appropriation or  
870 additional authority to issue general obligation bonds to repay  
871 the borrowed funds and establish a date for the repayment of the  
872 funds so borrowed.

873 (d) Borrowings made under the provisions of this  
874 subsection shall not exceed Five Hundred Thousand Dollars  
875 (\$500,000.00) at any one time.

876 **SECTION 3.** This act shall take effect and be in force from  
877 and after its passage.