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To: Finance; Highways and
Transportation

SENATE BILL NO. 3190

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS IN THE AMOUNT OF \$300,000,000.00 TO PROVIDE ADDITIONAL FUNDS
3 FOR USE BY THE MISSISSIPPI TRANSPORTATION COMMISSION AND THE
4 MISSISSIPPI DEPARTMENT OF TRANSPORTATION FOR THE REPLACEMENT OR
5 REHABILITATION OF BRIDGES ON STATE MAINTAINED HIGHWAYS THAT ARE
6 DETERMINED TO BE DEFICIENT OR FUNCTIONALLY OBSOLETE AND FOR THE
7 CONSTRUCTION AND RECONSTRUCTION OF STATE MAINTAINED HIGHWAYS THAT
8 ARE DETERMINED TO BE DEFICIENT, AND TO PROVIDE ADDITIONAL FUNDS
9 FOR THE STATE AID ROAD FUND IN THE STATE TREASURY; TO AMEND
10 SECTION 3, CHAPTER 538, LAWS OF 2006, TO PROVIDE THAT NO BONDS
11 SHALL BE ISSUED UNDER THIS SECTION FOR THE DISASTER ASSISTANCE
12 TRUST FUND FROM AND AFTER THE EFFECTIVE DATE OF THIS ACT; TO AMEND
13 SECTION 57-75-15, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT NO
14 BONDS SHALL BE ISSUED UNDER THIS SECTION FOR A CERTAIN BIOLOGICAL
15 AND AGRICULTURAL DEFENSE PROJECT OPERATED BY AN AGENCY OF THE
16 GOVERNMENT OF THE UNITED STATES FROM AND AFTER THE EFFECTIVE DATE
17 OF THIS ACT; AND FOR RELATED PURPOSES.

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

19 **SECTION 1.** (1) As used in this section, the following words
20 shall have the meanings ascribed herein unless the context clearly
21 requires otherwise:

22 (a) "Accreted value" of any bond means, as of any date
23 of computation, an amount equal to the sum of (i) the stated
24 initial value of such bond, plus (ii) the interest accrued thereon
25 from the issue date to the date of computation at the rate,
26 compounded semiannually, that is necessary to produce the
27 approximate yield to maturity shown for bonds of the same
28 maturity.

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

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

31 (2) (a) (i) A special fund, to be designated as the "State
32 Highway Bridge Rehabilitation Fund," is created within the State
33 Treasury. The fund shall be maintained by the State Treasurer as



34 a separate and special fund, separate and apart from the General
35 Fund of the state. Unexpended amounts remaining in the fund at
36 the end of a fiscal year shall not lapse into the State General
37 Fund, and any interest earned or investment earnings on amounts in
38 the fund shall be deposited into such fund.

39 (ii) Monies deposited into the fund shall be
40 disbursed to pay the costs incurred by the Mississippi
41 Transportation Commission and the Mississippi Department of
42 Transportation for the replacement or rehabilitation of bridges on
43 state maintained highways that are determined to be deficient or
44 functionally obsolete.

45 (b) Amounts deposited into such special fund shall be
46 disbursed to pay the costs of projects described in paragraph (a)
47 of this subsection. If any monies in such special fund are not
48 used within four (4) years after the date the proceeds of the
49 bonds authorized under this section are deposited into the special
50 fund, then the Mississippi Transportation Commission shall provide
51 an accounting of such unused monies to the commission. Promptly
52 after the commission has certified, by resolution duly adopted,
53 that the projects described in paragraph (a) of this subsection
54 shall have been completed, abandoned, or cannot be completed in a
55 timely fashion, any amounts remaining in such special fund shall
56 be applied to pay debt service on the bonds issued under this
57 section, in accordance with the proceedings authorizing the
58 issuance of such bonds and as directed by the commission.

59 (c) The Mississippi Transportation Commission is
60 expressly authorized and empowered to receive and expend any
61 federal, local or other source funds in connection with the
62 expenditure of funds provided for under this subsection.

63 (d) The expenditure of monies deposited into the
64 special fund shall be under the direction of the Mississippi
65 Transportation Commission, and such funds shall be paid by the
66 State Treasurer upon warrants issued by the Department of Finance



67 and Administration, which warrants shall be issued upon
68 requisitions signed by the Executive Director of the Mississippi
69 Department of Transportation.

70 (3) (a) (i) A special fund, to be designated as the "State
71 Highway System Construction Fund," is created within the State
72 Treasury. The fund shall be maintained by the State Treasurer as
73 a separate and special fund, separate and apart from the General
74 Fund of the state. Unexpended amounts remaining in the fund at
75 the end of a fiscal year shall not lapse into the State General
76 Fund, and any interest earned or investment earnings on amounts in
77 the fund shall be deposited into such fund.

78 (ii) Monies deposited into the fund shall be
79 disbursed in equal amounts for projects in each Supreme Court
80 District to pay the costs incurred by the Mississippi
81 Transportation Commission and the Mississippi Department of
82 Transportation in each Supreme Court District for the construction
83 and reconstruction of state maintained highways that are
84 determined to be deficient.

85 (b) Amounts deposited into such special fund shall be
86 disbursed to pay the costs of projects described in paragraph (a)
87 of this subsection. If any monies in such special fund are not
88 used within four (4) years after the date the proceeds of the
89 bonds authorized under this section are deposited into the special
90 fund, then the Mississippi Transportation Commission shall provide
91 an accounting of such unused monies to the commission. Promptly
92 after the commission has certified, by resolution duly adopted,
93 that the projects described in paragraph (a) of this subsection
94 shall have been completed, abandoned, or cannot be completed in a
95 timely fashion, any amounts remaining in such special fund shall
96 be applied to pay debt service on the bonds issued under this
97 section, in accordance with the proceedings authorizing the
98 issuance of such bonds and as directed by the commission.



99 (c) The Mississippi Transportation Commission is
100 expressly authorized and empowered to receive and expend any
101 federal, local or other source funds in connection with the
102 expenditure of funds provided for under this subsection.

103 (d) The expenditure of monies deposited into the
104 special fund shall be under the direction of the Mississippi
105 Transportation Commission, and such funds shall be paid by the
106 State Treasurer upon warrants issued by the Department of Finance
107 and Administration, which warrants shall be issued upon
108 requisitions signed by the Executive Director of the Mississippi
109 Department of Transportation.

110 (4) (a) For the purposes of providing for the payment of a
111 portion of the principal of and interest on bonds issued under
112 this act, there is created in the State Treasury a special fund to
113 be known as the "Mississippi Highway Construction, Bridge
114 Rehabilitation and State Aid Road Bond Sinking Fund." The bond
115 sinking fund shall consist of monies deposited into the fund by
116 the Mississippi Department of Transportation from any funds
117 available to the Department of Transportation in an amount not
118 less than Five Million Dollars (\$5,000,000.00) to pay a portion of
119 the principal of and interest on bonds issued under this section.
120 Unexpended amounts remaining in the bond sinking fund at the end
121 of a fiscal year shall not lapse into the State General Fund, and
122 any interest earned or investment earnings on amounts in the bond
123 sinking fund shall be deposited into the bond sinking fund.

124 (b) Beginning in the fiscal year during which the bonds
125 authorized to be issued by this section are issued, and each
126 fiscal year thereafter until the principal and interest on such
127 bonds is paid, the Mississippi Department of Transportation shall
128 transfer, from any available funds, an amount equal to Five
129 Million Dollars (\$5,000,000.00), into the Mississippi Highway
130 Construction, Bridge Rehabilitation and State Aid Road Bond
131 Sinking Fund. The transfer of funds required by this paragraph



132 shall be made by the department at such times as the State
133 Treasurer shall require.

134 (5) (a) The commission, at one time, or from time to time,
135 may declare by resolution the necessity for issuance of general
136 obligation bonds of the State of Mississippi to provide funds for
137 all costs incurred or to be incurred for the purposes described in
138 subsections (2) and (3) of this section and for the purpose of
139 providing additional funds for deposit into the State Aid Road
140 Fund in the State Treasury. Upon the adoption of a resolution by
141 the Mississippi Transportation Commission, declaring the necessity
142 for the issuance of any part or all of the general obligation
143 bonds authorized by this section, the Mississippi Transportation
144 Commission shall deliver a certified copy of its resolution or
145 resolutions to the commission. Upon receipt of such resolution,
146 the commission, in its discretion, may act as the issuing agent,
147 prescribe the form of the bonds, advertise for and accept bids,
148 issue and sell the bonds so authorized to be sold and do any and
149 all other things necessary and advisable in connection with the
150 issuance and sale of such bonds. The total amount of bonds issued
151 under this section shall not exceed Three Hundred Million Dollars
152 (\$300,000,000.00). No bonds shall be issued under this section
153 after July 1, 2013.

154 (b) The proceeds of the bonds issued pursuant to this
155 act shall be deposited into the following special funds in not
156 more than the following amounts:

157 (i) The State Highway Bridge Rehabilitation Fund
158 created pursuant to subsection (2) of this section...\$100,000,000.00.

159 (ii) State Highway System Construction Fund
160 created pursuant to subsection (3) of this
161 section.....\$ 180,000,000.00.

162 (iii) The State Aid Road Fund in the State
163 Treasury.....\$ 20,000,000.00.



164 (c) Any investment earnings on bonds issued pursuant to
165 this section shall be used to pay debt service on bonds issued
166 under this section, in accordance with the proceedings authorizing
167 issuance of such bonds.

168 (6) The principal of and interest on the bonds authorized
169 under this section shall be payable in the manner provided in this
170 subsection. Such bonds shall bear such date or dates, be in such
171 denomination or denominations, bear interest at such rate or rates
172 (not to exceed the limits set forth in Section 75-17-101,
173 Mississippi Code of 1972), be payable at such place or places
174 within or without the State of Mississippi, shall mature
175 absolutely at such time or times not to exceed twenty-five (25)
176 years from date of issue, be redeemable before maturity at such
177 time or times and upon such terms, with or without premium, shall
178 bear such registration privileges, and shall be substantially in
179 such form, all as shall be determined by resolution of the
180 commission.

181 (7) The bonds authorized by this section shall be signed by
182 the chairman of the commission, or by his facsimile signature, and
183 the official seal of the commission shall be affixed thereto,
184 attested by the secretary of the commission. The interest
185 coupons, if any, to be attached to such bonds may be executed by
186 the facsimile signatures of such officers. Whenever any such
187 bonds shall have been signed by the officials designated to sign
188 the bonds who were in office at the time of such signing but who
189 may have ceased to be such officers before the sale and delivery
190 of such bonds, or who may not have been in office on the date such
191 bonds may bear, the signatures of such officers upon such bonds
192 and coupons shall nevertheless be valid and sufficient for all
193 purposes and have the same effect as if the person so officially
194 signing such bonds had remained in office until their delivery to
195 the purchaser, or had been in office on the date such bonds may
196 bear. However, notwithstanding anything herein to the contrary,



197 such bonds may be issued as provided in the Registered Bond Act of
198 the State of Mississippi.

199 (8) All bonds and interest coupons issued under the
200 provisions of this section have all the qualities and incidents of
201 negotiable instruments under the provisions of the Uniform
202 Commercial Code, and in exercising the powers granted by this
203 section, the commission shall not be required to and need not
204 comply with the provisions of the Uniform Commercial Code.

205 (9) The commission shall act as the issuing agent for the
206 bonds authorized under this section, prescribe the form of the
207 bonds, advertise for and accept bids, issue and sell the bonds so
208 authorized to be sold, pay all fees and costs incurred in such
209 issuance and sale, and do any and all other things necessary and
210 advisable in connection with the issuance and sale of such bonds.
211 The commission is authorized and empowered to pay the costs that
212 are incident to the sale, issuance and delivery of the bonds
213 authorized under this section from the proceeds derived from the
214 sale of such bonds. The commission shall sell such bonds on
215 sealed bids at public sale, and for such price as it may determine
216 to be for the best interest of the State of Mississippi, but no
217 such sale shall be made at a price less than par plus accrued
218 interest to the date of delivery of the bonds to the purchaser.
219 All interest accruing on such bonds so issued shall be payable
220 semiannually or annually; however, the first interest payment may
221 be for any period of not more than one (1) year.

222 Notice of the sale of any such bonds shall be published at
223 least one time, not less than ten (10) days before the date of
224 sale, and shall be so published in one or more newspapers
225 published or having a general circulation in the City of Jackson,
226 Mississippi, and in one or more other newspapers or financial
227 journals with a national circulation, to be selected by the
228 commission.



229 The commission, when issuing any bonds under the authority of
230 this section, may provide that bonds, at the option of the State
231 of Mississippi, may be called in for payment and redemption at the
232 call price named therein and accrued interest on such date or
233 dates named therein.

234 (10) The bonds issued under the provisions of this section
235 are general obligations of the State of Mississippi, and for the
236 payment thereof the full faith and credit of the State of
237 Mississippi is irrevocably pledged. If the funds in the bond
238 sinking fund created in subsection (4) of this section and any
239 funds appropriated by the Legislature are insufficient to pay the
240 principal of and the interest on such bonds as they become due,
241 then the deficiency shall be paid by the State Treasurer from any
242 funds in the State Treasury not otherwise appropriated. All such
243 bonds shall contain recitals on their faces substantially covering
244 the provisions of this subsection.

245 (11) Upon the issuance and sale of bonds under the
246 provisions of this section, the commission shall transfer the
247 proceeds of any such sale or sales to the special funds created in
248 subsections (2) and (3) of this section and the State Aid Road
249 Fund in the State Treasury in the amounts provided for in
250 subsection (5) (b) of this section. The proceeds of such bonds
251 shall be disbursed solely upon the order of the Mississippi
252 Transportation Commission under such restrictions, if any, as may
253 be contained in the resolution providing for the issuance of the
254 bonds.

255 (12) The bonds authorized under this section may be issued
256 without any other proceedings or the happening of any other
257 conditions or things other than those proceedings, conditions and
258 things which are specified or required by this section. Any
259 resolution providing for the issuance of bonds under the
260 provisions of this section shall become effective immediately upon
261 its adoption by the commission, and any such resolution may be



262 adopted at any regular or special meeting of the commission by a
263 majority of its members.

264 (13) The bonds authorized under the authority of this
265 section may be validated in the Chancery Court of the First
266 Judicial District of Hinds County, Mississippi, in the manner and
267 with the force and effect provided by Chapter 13, Title 31,
268 Mississippi Code of 1972, for the validation of county, municipal,
269 school district and other bonds. The notice to taxpayers required
270 by such statutes shall be published in a newspaper published or
271 having a general circulation in the City of Jackson, Mississippi.

272 (14) Any holder of bonds issued under the provisions of this
273 section or of any of the interest coupons pertaining thereto may,
274 either at law or in equity, by suit, action, mandamus or other
275 proceeding, protect and enforce any and all rights granted under
276 this section, or under such resolution, and may enforce and compel
277 performance of all duties required by this section to be
278 performed, in order to provide for the payment of bonds and
279 interest thereon.

280 (15) All bonds issued under the provisions of this section
281 shall be legal investments for trustees and other fiduciaries, and
282 for savings banks, trust companies and insurance companies
283 organized under the laws of the State of Mississippi, and such
284 bonds shall be legal securities which may be deposited with and
285 shall be received by all public officers and bodies of this state
286 and all municipalities and political subdivisions for the purpose
287 of securing the deposit of public funds.

288 (16) Bonds issued under the provisions of this section and
289 income therefrom shall be exempt from all taxation in the State of
290 Mississippi.

291 (17) The proceeds of the bonds issued under this section
292 shall be used solely for the purposes herein provided, including
293 the costs incident to the issuance and sale of such bonds.



294 (18) The State Treasurer is authorized, without further
295 process of law, to certify to the Department of Finance and
296 Administration the necessity for warrants, and the Department of
297 Finance and Administration is authorized and directed to issue
298 such warrants, in such amounts as may be necessary to pay when due
299 the principal of, premium, if any, and interest on, or the
300 accreted value of, all bonds issued under this section; and the
301 State Treasurer shall forward the necessary amount to the
302 designated place or places of payment of such bonds in ample time
303 to discharge such bonds, or the interest thereon, on the due dates
304 thereof.

305 (19) This section shall be deemed to be full and complete
306 authority for the exercise of the powers herein granted, but this
307 section shall not be deemed to repeal or to be in derogation of
308 any existing law of this state.

309 **SECTION 2.** Section 3, Chapter 538, Laws of 2006, is amended
310 as follows:

311 Section 3. (1) As used in this section, the following words
312 shall have the meanings ascribed herein unless the context clearly
313 requires otherwise:

314 (a) "Accreted value" of any bonds means, as of any date
315 of computation, an amount equal to the sum of (i) the stated
316 initial value of such bond, plus (ii) the interest accrued thereon
317 from the issue date to the date of computation at the rate,
318 compounded semiannually, that is necessary to produce the
319 approximate yield to maturity shown for bonds of the same
320 maturity.

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

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

323 (2) (a) The commission, at one time, or from time to time,
324 may declare by resolution the necessity for issuance of general
325 obligation bonds of the State of Mississippi to provide funds for
326 the state's portion of the cost share for public assistance under



327 the Presidential Declaration of Major Disaster for the State of
328 Mississippi (FEMA-1604-DR) dated August 29, 2005, for hurricane or
329 other storm damage to public facilities and infrastructure as a
330 result of Hurricane Katrina. Upon the adoption of a resolution by
331 the Mississippi Emergency Management Agency, declaring the
332 necessity for the issuance of any part or all of the general
333 obligation bonds authorized by this section, the Mississippi
334 Emergency Management Agency shall deliver a certified copy of its
335 resolution or resolutions to the commission. Upon receipt of such
336 resolution, the commission, in its discretion, may act as the
337 issuing agent, prescribe the form of the bonds, advertise for and
338 accept bids, issue and sell the bonds so authorized to be sold and
339 do any and all other things necessary and advisable in connection
340 with the issuance and sale of such bonds. In the event that other
341 funds are made available for the purposes described in this
342 subsection, the commission may elect to reduce the amount of bonds
343 authorized to be issued under this section by the amounts so
344 received. The total amount of bonds issued under this section
345 shall not exceed Fifty-one Million Dollars (\$51,000,000.00). No
346 bonds authorized under this section shall be issued after the
347 effective date of Senate Bill No. 3190, 2009 Regular Session.

348 (b) The proceeds of bonds issued pursuant to this
349 section shall be deposited into the Disaster Assistance Trust Fund
350 created pursuant to Section 33-15-307.

351 (3) The principal of and interest on the bonds authorized
352 under this section shall be payable in the manner provided in this
353 section. Such bonds shall bear such date or dates, be in such
354 denomination or denominations, bear interest at such rate or rates
355 (not to exceed the limits set forth in Section 75-17-101,
356 Mississippi Code of 1972), be payable at such place or places
357 within or without the State of Mississippi, shall mature
358 absolutely at such time or times not to exceed twenty-five (25)
359 years from date of issue, be redeemable before maturity at such



360 time or times and upon such terms, with or without premium, shall
361 bear such registration privileges, and shall be substantially in
362 such form, all as shall be determined by resolution of the
363 commission.

364 (4) The bonds authorized by this section shall be signed by
365 the chairman of the commission, or by his facsimile signature, and
366 the official seal of the commission shall be affixed thereto,
367 attested by the secretary of the commission. The interest
368 coupons, if any, to be attached to such bonds may be executed by
369 the facsimile signatures of such officers. Whenever any such
370 bonds shall have been signed by the officials designated to sign
371 the bonds who were in office at the time of such signing but who
372 may have ceased to be such officers before the sale and delivery
373 of such bonds, or who may not have been in office on the date such
374 bonds may bear, the signatures of such officers upon such bonds
375 and coupons shall nevertheless be valid and sufficient for all
376 purposes and have the same effect as if the person so officially
377 signing such bonds had remained in office until their delivery to
378 the purchaser, or had been in office on the date such bonds may
379 bear. However, notwithstanding anything herein to the contrary,
380 such bonds may be issued as provided in the Registered Bond Act of
381 the State of Mississippi.

382 (5) All bonds and interest coupons issued under the
383 provisions of this section have all the qualities and incidents of
384 negotiable instruments under the provisions of the Uniform
385 Commercial Code, and in exercising the powers granted by this
386 section, the commission shall not be required to and need not
387 comply with the provisions of the Uniform Commercial Code.

388 (6) The commission shall act as the issuing agent for the
389 bonds authorized under this section, prescribe the form of the
390 bonds, advertise for and accept bids, issue and sell the bonds so
391 authorized to be sold, pay all fees and costs incurred in such
392 issuance and sale, and do any and all other things necessary and



393 advisable in connection with the issuance and sale of such bonds.
394 The commission is authorized and empowered to pay the costs that
395 are incident to the sale, issuance and delivery of the bonds
396 authorized under this section from the proceeds derived from the
397 sale of such bonds. The commission shall sell such bonds on
398 sealed bids at public sale, and for such price as it may determine
399 to be for the best interest of the State of Mississippi, but no
400 such sale shall be made at a price less than par plus accrued
401 interest to the date of delivery of the bonds to the purchaser.
402 All interest accruing on such bonds so issued shall be payable
403 semiannually or annually; however, the first interest payment may
404 be for any period of not more than one (1) year.

405 Notice of the sale of any such bonds shall be published at
406 least one time, not less than ten (10) days before the date of
407 sale, and shall be so published in one or more newspapers
408 published or having a general circulation in the City of Jackson,
409 Mississippi, and in one or more other newspapers or financial
410 journals with a national circulation, to be selected by the
411 commission.

412 The commission, when issuing any bonds under the authority of
413 this section, may provide that bonds, at the option of the State
414 of Mississippi, may be called in for payment and redemption at the
415 call price named therein and accrued interest on such date or
416 dates named therein.

417 (7) The bonds issued under the provisions of this section
418 are general obligations of the State of Mississippi, and for the
419 payment thereof the full faith and credit of the State of
420 Mississippi is irrevocably pledged. If the funds appropriated by
421 the Legislature are insufficient to pay the principal of and the
422 interest on such bonds as they become due, then the deficiency
423 shall be paid by the State Treasurer from any funds in the State
424 Treasury not otherwise appropriated. All such bonds shall contain



425 recitals on their faces substantially covering the provisions of
426 this subsection.

427 (8) Upon the issuance and sale of bonds under the provisions
428 of this section, the commission shall transfer the proceeds of any
429 such sale or sales to the Disaster Assistance Trust Fund created
430 pursuant to Section 33-15-307. The proceeds of such bonds shall
431 be disbursed solely upon the order of the Mississippi Emergency
432 Management Agency under such restrictions, if any, as may be
433 contained in the resolution providing for the issuance of the
434 bonds.

435 (9) The bonds authorized under this section may be issued
436 without any other proceedings or the happening of any other
437 conditions or things other than those proceedings, conditions and
438 things which are specified or required by this section. Any
439 resolution providing for the issuance of bonds under the
440 provisions of this section shall become effective immediately upon
441 its adoption by the commission, and any such resolution may be
442 adopted at any regular or special meeting of the commission by a
443 majority of its members.

444 (10) The bonds authorized under the authority of this
445 section may be validated in the Chancery Court of the First
446 Judicial District of Hinds County, Mississippi, in the manner and
447 with the force and effect provided by Chapter 13, Title 31,
448 Mississippi Code of 1972, for the validation of county, municipal,
449 school district and other bonds. The notice to taxpayers required
450 by such statutes shall be published in a newspaper published or
451 having a general circulation in the City of Jackson, Mississippi.

452 (11) Any holder of bonds issued under the provisions of this
453 section or of any of the interest coupons pertaining thereto may,
454 either at law or in equity, by suit, action, mandamus or other
455 proceeding, protect and enforce any and all rights granted under
456 this section, or under such resolution, and may enforce and compel
457 performance of all duties required by this section to be



458 performed, in order to provide for the payment of bonds and
459 interest thereon.

460 (12) All bonds issued under the provisions of this section
461 shall be legal investments for trustees and other fiduciaries, and
462 for savings banks, trust companies and insurance companies
463 organized under the laws of the State of Mississippi, and such
464 bonds shall be legal securities which may be deposited with and
465 shall be received by all public officers and bodies of this state
466 and all municipalities and political subdivisions for the purpose
467 of securing the deposit of public funds.

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

471 (14) The proceeds of the bonds issued under this section
472 shall be used solely for the purposes therein provided, including
473 the costs incident to the issuance and sale of such bonds.

474 (15) The State Treasurer is authorized, without further
475 process of law, to certify to the Department of Finance and
476 Administration the necessity for warrants, and the Department of
477 Finance and Administration is authorized and directed to issue
478 such warrants, in such amounts as may be necessary to pay when due
479 the principal of, premium, if any, and interest on, or the
480 accreted value of, all bonds issued under this section; and the
481 State Treasurer shall forward the necessary amount to the
482 designated place or places of payment of such bonds in ample time
483 to discharge such bonds, or the interest thereon, on the due dates
484 thereof.

485 (16) This section shall be deemed to be full and complete
486 authority for the exercise of the powers therein granted, but this
487 section shall not be deemed to repeal or to be in derogation of
488 any existing law of this state.

489 **SECTION 3.** Section 57-75-15, Mississippi Code of 1972, is
490 amended as follows:



491 57-75-15. (1) Upon notification to the authority by the
492 enterprise that the state has been finally selected as the site
493 for the project, the State Bond Commission shall have the power
494 and is hereby authorized and directed, upon receipt of a
495 declaration from the authority as hereinafter provided, to borrow
496 money and issue general obligation bonds of the state in one or
497 more series for the purposes herein set out. Upon such
498 notification, the authority may thereafter from time to time
499 declare the necessity for the issuance of general obligation bonds
500 as authorized by this section and forward such declaration to the
501 State Bond Commission, provided that before such notification, the
502 authority may enter into agreements with the United States
503 government, private companies and others that will commit the
504 authority to direct the State Bond Commission to issue bonds for
505 eligible undertakings set out in subsection (4) of this section,
506 conditioned on the siting of the project in the state.

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

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

516 (b) Bonds issued under the authority of this section
517 for projects as defined in Section 57-75-5(f) (ii) shall not exceed
518 Sixty-one Million Dollars (\$61,000,000.00). The authority, with
519 the express direction of the State Bond Commission, is authorized
520 to expend any remaining proceeds of bonds issued under the
521 authority of this act prior to January 1, 1998, for the purpose of
522 financing projects as then defined in Section 57-75-5(f) (ii) or
523 for any other projects as defined in Section 57-75-5(f) (ii), as it



524 may be amended from time to time. If there are any monetary
525 proceeds derived from the disposition of any improvements located
526 on real property in Kemper County purchased pursuant to this act
527 for projects related to the NAAS and if there are any monetary
528 proceeds derived from the disposition of any timber located on
529 real property in Kemper County purchased pursuant to this act for
530 projects related to the NAAS, all of such proceeds (both from the
531 disposition of improvements and the disposition of timber)
532 commencing July 1, 1996, through June 30, 2010, shall be paid to
533 the Board of Education of Kemper County, Mississippi, for
534 expenditure by such board of education to benefit the public
535 schools of Kemper County. No bonds shall be issued under this
536 paragraph (b) until the State Bond Commission by resolution adopts
537 a finding that the issuance of such bonds will improve, expand or
538 otherwise enhance the military installation, its support areas or
539 military operations, or will provide employment opportunities to
540 replace those lost by closure or reductions in operations at the
541 military installation or will support critical studies or
542 investigations authorized by Section 57-75-5(f) (ii).

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

547 (d) Bonds issued under the authority of this section
548 for projects defined in Section 57-75-5(f) (iv) shall not exceed
549 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An
550 additional amount of bonds in an amount not to exceed Twelve
551 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be
552 issued under the authority of this section for the purpose of
553 defraying costs associated with the construction of surface water
554 transmission lines for a project defined in Section 57-75-5(f) (iv)
555 or for any facility related to the project. No bonds shall be
556 issued under this paragraph after June 30, 2005.



557 (e) Bonds issued under the authority of this section
558 for projects defined in Section 57-75-5(f)(v) and for facilities
559 related to such projects shall not exceed Thirty-eight Million
560 Five Hundred Thousand Dollars (\$38,500,000.00). No bonds shall be
561 issued under this paragraph after April 1, 2005.

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

566 (g) Bonds issued under the authority of this section
567 for projects defined in Section 57-75-5(f)(viii) shall not exceed
568 Four Million Five Hundred Thousand Dollars (\$4,500,000.00). No
569 bonds shall be issued under this paragraph after June 30, 2008.

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

574 (i) Bonds issued under the authority of this section
575 for projects defined in Section 57-75-5(f)(x) shall not exceed
576 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
577 under this paragraph after April 1, 2005.

578 (j) Bonds issued under the authority of this section
579 for projects defined in Section 57-75-5(f)(xii) shall not exceed
580 Thirty-three Million Dollars (\$33,000,000.00). The amount of
581 bonds that may be issued under this paragraph for projects defined
582 in Section 57-75-5(f)(xii) may be reduced by the amount of any
583 federal or local funds made available for such projects. No bonds
584 shall be issued under this paragraph until local governments in or
585 near the county in which the project is located have irrevocably
586 committed funds to the project in an amount of not less than Two
587 Million Five Hundred Thousand Dollars (\$2,500,000.00) in the
588 aggregate; however, this irrevocable commitment requirement may be
589 waived by the authority upon a finding that due to the unforeseen



590 circumstances created by Hurricane Katrina, the local governments
591 are unable to comply with such commitment. No bonds shall be
592 issued under this paragraph after June 30, 2008.

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

597 (l) Bonds issued under the authority of this section
598 for projects defined in Section 57-75-5(f)(xiv) shall not exceed
599 Twenty-four Million Dollars (\$24,000,000.00). No bonds shall be
600 issued under this paragraph until local governments in the county
601 in which the project is located have irrevocably committed funds
602 to the project in an amount of not less than Two Million Dollars
603 (\$2,000,000.00). No bonds shall be issued under this paragraph
604 after June 30, 2009.

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

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

613 (o) Bonds issued under the authority of this section
614 for projects defined in Section 57-75-5(f)(xvii) shall not exceed
615 Three Million Five Hundred Thousand Dollars (\$3,500,000.00). No
616 bonds shall be issued under this paragraph after June 30, 2009.

617 (p) Bonds issued under the authority of this section
618 for projects defined in Section 57-75-5(f)(xviii) shall not exceed
619 Ninety-six Million Dollars (\$96,000,000.00). No bonds shall be
620 issued under this paragraph after June 30, 2016.

621 (q) Bonds issued under the authority of this section
622 for projects defined in Section 57-75-5(f)(xix) shall not exceed



623 Fifteen Million Dollars (\$15,000,000.00). No bonds shall be
624 issued under this paragraph after June 30, 2010.

625 (r) Bonds issued under the authority of this section
626 for projects defined in Section 57-75-5(f)(xx) shall not exceed
627 Twenty-three Million Dollars (\$23,000,000.00). No bonds shall be
628 issued under this paragraph after June 30, 2010.

629 (s) Bonds issued under the authority of this section
630 for projects defined in Section 57-75-5(f)(xxi) shall not exceed
631 Two Hundred Ninety-three Million Nine Hundred Thousand Dollars
632 (\$293,900,000.00). No bonds shall be issued under this paragraph
633 after July 1, 2020.

634 (t) Bonds issued under the authority of this section
635 for Tier One suppliers shall not exceed Thirty Million Dollars
636 (\$30,000,000.00). No bonds shall be issued under this paragraph
637 after July 1, 2020.

638 (u) Bonds issued under the authority of this section
639 for projects defined in Section 57-75-5(f)(xxii) shall not exceed
640 Forty-eight Million Four Hundred Thousand Dollars
641 (\$48,400,000.00). No bonds shall be issued under this paragraph
642 after July 1, 2020.

643 (v) Bonds issued under the authority of this section
644 for projects defined in Section 57-75-5(f)(xxiii) shall not exceed
645 Eighty-eight Million Two Hundred Fifty Thousand Dollars
646 (\$88,250,000.00). No bonds shall be issued under this paragraph
647 after the effective date of Senate Bill No. 3190, 2009 Regular
648 Session.

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

651 (i) Defraying all or any designated portion of the
652 costs incurred with respect to acquisition, planning, design,
653 construction, installation, rehabilitation, improvement,
654 relocation and with respect to state-owned property, operation and
655 maintenance of the project and any facility related to the project



656 located within the project area, including costs of design and
657 engineering, all costs incurred to provide land, easements and
658 rights-of-way, relocation costs with respect to the project and
659 with respect to any facility related to the project located within
660 the project area, and costs associated with mitigation of
661 environmental impacts and environmental impact studies;

662 (ii) Defraying the cost of providing for the
663 recruitment, screening, selection, training or retraining of
664 employees, candidates for employment or replacement employees of
665 the project and any related activity;

666 (iii) Reimbursing the Mississippi Development
667 Authority for expenses it incurred in regard to projects defined
668 in Section 57-75-5(f) (iv) prior to November 6, 2000. The
669 Mississippi Development Authority shall submit an itemized list of
670 expenses it incurred in regard to such projects to the Chairmen of
671 the Finance and Appropriations Committees of the Senate and the
672 Chairmen of the Ways and Means and Appropriations Committees of
673 the House of Representatives;

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

676 (v) Paying any warranty made by the authority
677 regarding site work for a project defined in Section
678 57-75-5(f) (iv)1;

679 (vi) Defraying the cost of marketing and promotion
680 of a project as defined in Section 57-75-5(f) (iv)1, Section
681 57-75-5(f) (xxi) or Section 57-75-5(f) (xxii). The authority shall
682 submit an itemized list of costs incurred for marketing and
683 promotion of such project to the Chairmen of the Finance and
684 Appropriations Committees of the Senate and the Chairmen of the
685 Ways and Means and Appropriations Committees of the House of
686 Representatives;

687 (vii) Providing for the payment of interest on the
688 bonds;



689 (viii) Providing debt service reserves;

690 (ix) Paying underwriters' discount, original issue
691 discount, accountants' fees, engineers' fees, attorneys' fees,
692 rating agency fees and other fees and expenses in connection with
693 the issuance of the bonds;

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

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

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

704 (xiii) Providing grant funds or loans to an
705 enterprise owning, leasing or operating a project defined in
706 Section 57-75-5(f) (xiv);

707 (xiv) Providing grants, loans and payments to or
708 for the benefit of an enterprise owning or operating a project
709 defined in Section 57-75-5(f) (xviii);

710 (xv) Purchasing equipment for a project defined in
711 Section 57-75-5(f) (viii) subject to such terms and conditions as
712 the authority considers necessary and appropriate;

713 (xvi) Providing grant funds to an enterprise
714 developing or owning a project defined in Section 57-75-5(f) (xx);

715 (xvii) Providing grants for projects as authorized
716 in Section 57-75-11(kk), (ll) and (mm), or, in connection with a
717 facility related to such a project, for any purposes deemed by the
718 authority in its sole discretion to be necessary and appropriate;
719 and



720 (xviii) Providing grants for projects as
721 authorized in Section 57-75-11(pp) for any purposes deemed by the
722 authority in its sole discretion to be necessary and appropriate.

723 Such bonds shall be issued from time to time and in such
724 principal amounts as shall be designated by the authority, not to
725 exceed in aggregate principal amounts the amount authorized in
726 subsection (3) of this section. Proceeds from the sale of the
727 bonds issued under this section may be invested, subject to
728 federal limitations, pending their use, in such securities as may
729 be specified in the resolution authorizing the issuance of the
730 bonds or the trust indenture securing them, and the earning on
731 such investment applied as provided in such resolution or trust
732 indenture.

733 (b) (i) The proceeds of bonds issued after June 21,
734 2002, under this section for projects described in Section
735 57-75-5(f) (iv) may be used to reimburse reasonable actual and
736 necessary costs incurred by the Mississippi Development Authority
737 in providing assistance related to a project for which funding is
738 provided from the use of proceeds of such bonds. The Mississippi
739 Development Authority shall maintain an accounting of actual costs
740 incurred for each project for which reimbursements are sought.
741 Reimbursements under this paragraph (b) (i) shall not exceed Three
742 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
743 Reimbursements under this paragraph (b) (i) shall satisfy any
744 applicable federal tax law requirements.

745 (ii) The proceeds of bonds issued after June 21,
746 2002, under this section for projects described in Section
747 57-75-5(f) (iv) may be used to reimburse reasonable actual and
748 necessary costs incurred by the Department of Audit in providing
749 services related to a project for which funding is provided from
750 the use of proceeds of such bonds. The Department of Audit shall
751 maintain an accounting of actual costs incurred for each project
752 for which reimbursements are sought. The Department of Audit may



753 escalate its budget and expend such funds in accordance with rules
754 and regulations of the Department of Finance and Administration in
755 a manner consistent with the escalation of federal funds.

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

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

760 (c) (i) The proceeds of bonds issued under this
761 section for projects described in Section 57-75-5(f) (ix) may be
762 used to reimburse reasonable actual and necessary costs incurred
763 by the Mississippi Development Authority in providing assistance
764 related to a project for which funding is provided for the use of
765 proceeds of such bonds. The Mississippi Development Authority
766 shall maintain an accounting of actual costs incurred for each
767 project for which reimbursements are sought. Reimbursements under
768 this paragraph shall not exceed Twenty-five Thousand Dollars
769 (\$25,000.00) in the aggregate.

770 (ii) The proceeds of bonds issued under this
771 section for projects described in Section 57-75-5(f) (ix) may be
772 used to reimburse reasonable actual and necessary costs incurred
773 by the Department of Audit in providing services related to a
774 project for which funding is provided from the use of proceeds of
775 such bonds. The Department of Audit shall maintain an accounting
776 of actual costs incurred for each project for which reimbursements
777 are sought. The Department of Audit may escalate its budget and
778 expend such funds in accordance with rules and regulations of the
779 Department of Finance and Administration in a manner consistent
780 with the escalation of federal funds. Reimbursements under this
781 paragraph shall not exceed Twenty-five Thousand Dollars
782 (\$25,000.00) in the aggregate. Reimbursements under this
783 paragraph shall satisfy any applicable federal tax law
784 requirements.



785 (d) (i) The proceeds of bonds issued under this
786 section for projects described in Section 57-75-5(f) (x) may be
787 used to reimburse reasonable actual and necessary costs incurred
788 by the Mississippi Development Authority in providing assistance
789 related to a project for which funding is provided for the use of
790 proceeds of such bonds. The Mississippi Development Authority
791 shall maintain an accounting of actual costs incurred for each
792 project for which reimbursements are sought. Reimbursements under
793 this paragraph shall not exceed Twenty-five Thousand Dollars
794 (\$25,000.00) in the aggregate.

795 (ii) The proceeds of bonds issued under this
796 section for projects described in Section 57-75-5(f) (x) may be
797 used to reimburse reasonable actual and necessary costs incurred
798 by the Department of Audit in providing services related to a
799 project for which funding is provided from the use of proceeds of
800 such bonds. The Department of Audit shall maintain an accounting
801 of actual costs incurred for each project for which reimbursements
802 are sought. The Department of Audit may escalate its budget and
803 expend such funds in accordance with rules and regulations of the
804 Department of Finance and Administration in a manner consistent
805 with the escalation of federal funds. Reimbursements under this
806 paragraph shall not exceed Twenty-five Thousand Dollars
807 (\$25,000.00) in the aggregate. Reimbursements under this
808 paragraph shall satisfy any applicable federal tax law
809 requirements.

810 (e) (i) The proceeds of bonds issued under this
811 section for projects described in Section 57-75-5(f) (xii) may be
812 used to reimburse reasonable actual and necessary costs incurred
813 by the Mississippi Development Authority in providing assistance
814 related to a project for which funding is provided from the use of
815 proceeds of such bonds. The Mississippi Development Authority
816 shall maintain an accounting of actual costs incurred for each
817 project for which reimbursements are sought. Reimbursements under



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

820 (ii) The proceeds of bonds issued under this
821 section for projects described in Section 57-75-5(f) (xii) may be
822 used to reimburse reasonable actual and necessary costs incurred
823 by the Department of Audit in providing services related to a
824 project for which funding is provided from the use of proceeds of
825 such bonds. The Department of Audit shall maintain an accounting
826 of actual costs incurred for each project for which reimbursements
827 are sought. The Department of Audit may escalate its budget and
828 expend such funds in accordance with rules and regulations of the
829 Department of Finance and Administration in a manner consistent
830 with the escalation of federal funds. Reimbursements under this
831 paragraph (e) (ii) shall not exceed Twenty-five Thousand Dollars
832 (\$25,000.00) in the aggregate. Reimbursements under this
833 paragraph (e) (ii) shall satisfy any applicable federal tax law
834 requirements.

835 (f) (i) The proceeds of bonds issued under this
836 section for projects described in Section 57-75-5(f) (xiii),
837 (f) (xiv), (f) (xv), (f) (xvi), (f) (xvii), (f) (xviii) and (f) (xx) may
838 be used to reimburse reasonable actual and necessary costs
839 incurred by the Mississippi Development Authority in providing
840 assistance related to a project for which funding is provided from
841 the use of proceeds of such bonds. The Mississippi Development
842 Authority shall maintain an accounting of actual costs incurred
843 for each project for which reimbursements are sought.
844 Reimbursements under this paragraph (f) (i) shall not exceed
845 Twenty-five Thousand Dollars (\$25,000.00) for each project.

846 (ii) The proceeds of bonds issued under this
847 section for projects described in Section 57-75-5(f) (xiii),
848 (f) (xiv), (f) (xv), (f) (xvi), (f) (xvii), (f) (xviii) and (f) (xx) may
849 be used to reimburse reasonable actual and necessary costs
850 incurred by the Department of Audit in providing services related



851 to a project for which funding is provided from the use of
852 proceeds of such bonds. The Department of Audit shall maintain an
853 accounting of actual costs incurred for each project for which
854 reimbursements are sought. The Department of Audit may escalate
855 its budget and expend such funds in accordance with rules and
856 regulations of the Department of Finance and Administration in a
857 manner consistent with the escalation of federal funds.
858 Reimbursements under this paragraph (f)(ii) shall not exceed
859 Twenty-five Thousand Dollars (\$25,000.00) for each project.
860 Reimbursements under this paragraph (f)(ii) shall satisfy any
861 applicable federal tax law requirements.

862 (g) (i) The proceeds of bonds issued under this
863 section for projects described in Section 57-75-5(f)(xxi) or
864 projects for a Tier One supplier may be used to reimburse
865 reasonable actual and necessary costs incurred by the Mississippi
866 Development Authority in providing assistance related to a project
867 for which funding is provided from the use of proceeds of such
868 bonds. The Mississippi Development Authority shall maintain an
869 accounting of actual costs incurred for each project for which
870 reimbursements are sought. Reimbursements under this paragraph
871 (g)(i) shall not exceed Twenty-five Thousand Dollars (\$25,000.00)
872 in the aggregate.

873 (ii) The proceeds of bonds issued under this
874 section for projects described in Section 57-75-5(f)(xxi) or
875 projects for a Tier One supplier may be used to reimburse
876 reasonable actual and necessary costs incurred by the Department
877 of Audit in providing services related to a project for which
878 funding is provided from the use of proceeds of such bonds. The
879 Department of Audit shall maintain an accounting of actual costs
880 incurred for each project for which reimbursements are sought.
881 The Department of Audit may escalate its budget and expend such
882 funds in accordance with rules and regulations of the Department
883 of Finance and Administration in a manner consistent with the



884 escalation of federal funds. Reimbursements under this paragraph
885 (g)(ii) shall not exceed Twenty-five Thousand Dollars (\$25,000.00)
886 in the aggregate. Reimbursements under this paragraph (g)(ii)
887 shall satisfy any applicable federal tax law requirements.

888 (h) (i) The proceeds of bonds issued under this
889 section for projects described in Section 57-75-5(f)(xxii) may be
890 used to reimburse reasonable actual and necessary costs incurred
891 by the Mississippi Development Authority in providing assistance
892 related to a project for which funding is provided from the use of
893 proceeds of such bonds. The Mississippi Development Authority
894 shall maintain an accounting of actual costs incurred for each
895 project for which reimbursements are sought. Reimbursements under
896 this paragraph (h)(i) shall not exceed Twenty-five Thousand
897 Dollars (\$25,000.00) in the aggregate.

898 (ii) The proceeds of bonds issued under this
899 section for projects described in Section 57-75-5(f)(xxii) may be
900 used to reimburse reasonable actual and necessary costs incurred
901 by the Department of Audit in providing services related to a
902 project for which funding is provided from the use of proceeds of
903 such bonds. The Department of Audit shall maintain an accounting
904 of actual costs incurred for each project for which reimbursements
905 are sought. The Department of Audit may escalate its budget and
906 expend such funds in accordance with rules and regulations of the
907 Department of Finance and Administration in a manner consistent
908 with the escalation of federal funds. Reimbursements under this
909 paragraph (h)(ii) shall not exceed Twenty-five Thousand Dollars
910 (\$25,000.00) in the aggregate. Reimbursements under this
911 paragraph (h)(ii) shall satisfy any applicable federal tax law
912 requirements.

913 (i) (i) The proceeds of bonds issued under this
914 section for projects described in Section 57-75-5(f)(xxiii) may be
915 used to reimburse reasonable actual and necessary costs incurred
916 by the Mississippi Development Authority in providing assistance



917 related to a project for which funding is provided from the use of
918 proceeds of such bonds. The Mississippi Development Authority
919 shall maintain an accounting of actual costs incurred for each
920 project for which reimbursements are sought. Reimbursements under
921 this paragraph (i)(i) shall not exceed Twenty-five Thousand
922 Dollars (\$25,000.00) in the aggregate.

923 (ii) The proceeds of bonds issued under this
924 section for projects described in Section 57-75-5(f)(xxiii) may be
925 used to reimburse reasonable actual and necessary costs incurred
926 by the Department of Audit in providing services related to a
927 project for which funding is provided from the use of proceeds of
928 such bonds. The Department of Audit shall maintain an accounting
929 of actual costs incurred for each project for which reimbursements
930 are sought. The Department of Audit may escalate its budget and
931 expend such funds in accordance with rules and regulations of the
932 Department of Finance and Administration in a manner consistent
933 with the escalation of federal funds. Reimbursements under this
934 paragraph (i)(ii) shall not exceed Twenty-five Thousand Dollars
935 (\$25,000.00) in the aggregate. Reimbursements under this
936 paragraph (i)(ii) shall satisfy any applicable federal tax law
937 requirements.

938 (5) The principal of and the interest on the bonds shall be
939 payable in the manner hereinafter set forth. The bonds shall bear
940 date or dates; be in such denomination or denominations; bear
941 interest at such rate or rates; be payable at such place or places
942 within or without the state; mature absolutely at such time or
943 times; be redeemable before maturity at such time or times and
944 upon such terms, with or without premium; bear such registration
945 privileges; and be substantially in such form; all as shall be
946 determined by resolution of the State Bond Commission except that
947 such bonds shall mature or otherwise be retired in annual
948 installments beginning not more than five (5) years from the date
949 thereof and extending not more than twenty-five (25) years from



950 the date thereof. The bonds shall be signed by the Chairman of
951 the State Bond Commission, or by his facsimile signature, and the
952 official seal of the State Bond Commission shall be imprinted on
953 or affixed thereto, attested by the manual or facsimile signature
954 of the Secretary of the State Bond Commission. Whenever any such
955 bonds have been signed by the officials herein designated to sign
956 the bonds, who were in office at the time of such signing but who
957 may have ceased to be such officers before the sale and delivery
958 of such bonds, or who may not have been in office on the date such
959 bonds may bear, the signatures of such officers upon such bonds
960 shall nevertheless be valid and sufficient for all purposes and
961 have the same effect as if the person so officially signing such
962 bonds had remained in office until the delivery of the same to the
963 purchaser, or had been in office on the date such bonds may bear.

964 (6) All bonds issued under the provisions of this section
965 shall be and are hereby declared to have all the qualities and
966 incidents of negotiable instruments under the provisions of the
967 Uniform Commercial Code and in exercising the powers granted by
968 this chapter, the State Bond Commission shall not be required to
969 and need not comply with the provisions of the Uniform Commercial
970 Code.

971 (7) The State Bond Commission shall sell the bonds on sealed
972 bids at public sale, and for such price as it may determine to be
973 for the best interest of the State of Mississippi, but no such
974 sale shall be made at a price less than par plus accrued interest
975 to date of delivery of the bonds to the purchaser. The bonds
976 shall bear interest at such rate or rates not exceeding the limits
977 set forth in Section 75-17-101 as shall be fixed by the State Bond
978 Commission. All interest accruing on such bonds so issued shall
979 be payable semiannually or annually; provided that the first
980 interest payment may be for any period of not more than one (1)
981 year.



982 Notice of the sale of any bonds shall be published at least
983 one time, the first of which shall be made not less than ten (10)
984 days prior to the date of sale, and shall be so published in one
985 or more newspapers having a general circulation in the City of
986 Jackson and in one or more other newspapers or financial journals
987 with a large national circulation, to be selected by the State
988 Bond Commission.

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

994 (8) State bonds issued under the provisions of this section
995 shall be the general obligations of the state and backed by the
996 full faith and credit of the state. The Legislature shall
997 appropriate annually an amount sufficient to pay the principal of
998 and the interest on such bonds as they become due. All bonds
999 shall contain recitals on their faces substantially covering the
1000 foregoing provisions of this section.

1001 (9) The State Treasurer is authorized to certify to the
1002 Department of Finance and Administration the necessity for
1003 warrants, and the Department of Finance and Administration is
1004 authorized and directed to issue such warrants payable out of any
1005 funds appropriated by the Legislature under this section for such
1006 purpose, in such amounts as may be necessary to pay when due the
1007 principal of and interest on all bonds issued under the provisions
1008 of this section. The State Treasurer shall forward the necessary
1009 amount to the designated place or places of payment of such bonds
1010 in ample time to discharge such bonds, or the interest thereon, on
1011 the due dates thereof.

1012 (10) The bonds may be issued without any other proceedings
1013 or the happening of any other conditions or things other than
1014 those proceedings, conditions and things which are specified or



1015 required by this chapter. Any resolution providing for the
1016 issuance of general obligation bonds under the provisions of this
1017 section shall become effective immediately upon its adoption by
1018 the State Bond Commission, and any such resolution may be adopted
1019 at any regular or special meeting of the State Bond Commission by
1020 a majority of its members.

1021 (11) In anticipation of the issuance of bonds hereunder, the
1022 State Bond Commission is authorized to negotiate and enter into
1023 any purchase, loan, credit or other agreement with any bank, trust
1024 company or other lending institution or to issue and sell interim
1025 notes for the purpose of making any payments authorized under this
1026 section. All borrowings made under this provision shall be
1027 evidenced by notes of the state which shall be issued from time to
1028 time, for such amounts not exceeding the amount of bonds
1029 authorized herein, in such form and in such denomination and
1030 subject to such terms and conditions of sale and issuance,
1031 prepayment or redemption and maturity, rate or rates of interest
1032 not to exceed the maximum rate authorized herein for bonds, and
1033 time of payment of interest as the State Bond Commission shall
1034 agree to in such agreement. Such notes shall constitute general
1035 obligations of the state and shall be backed by the full faith and
1036 credit of the state. Such notes may also be issued for the
1037 purpose of refunding previously issued notes. No note shall
1038 mature more than three (3) years following the date of its
1039 issuance. The State Bond Commission is authorized to provide for
1040 the compensation of any purchaser of the notes by payment of a
1041 fixed fee or commission and for all other costs and expenses of
1042 issuance and service, including paying agent costs. Such costs
1043 and expenses may be paid from the proceeds of the notes.

1044 (12) The bonds and interim notes authorized under the
1045 authority of this section may be validated in the First Judicial
1046 District of the Chancery Court of Hinds County, Mississippi, in
1047 the manner and with the force and effect provided now or hereafter



1048 by Chapter 13, Title 31, Mississippi Code of 1972, for the
1049 validation of county, municipal, school district and other bonds.
1050 The necessary papers for such validation proceedings shall be
1051 transmitted to the State Bond Attorney, and the required notice
1052 shall be published in a newspaper published in the City of
1053 Jackson, Mississippi.

1054 (13) Any bonds or interim notes issued under the provisions
1055 of this chapter, a transaction relating to the sale or securing of
1056 such bonds or interim notes, their transfer and the income
1057 therefrom shall at all times be free from taxation by the state or
1058 any local unit or political subdivision or other instrumentality
1059 of the state, excepting inheritance and gift taxes.

1060 (14) All bonds issued under this chapter shall be legal
1061 investments for trustees, other fiduciaries, savings banks, trust
1062 companies and insurance companies organized under the laws of the
1063 State of Mississippi; and such bonds shall be legal securities
1064 which may be deposited with and shall be received by all public
1065 officers and bodies of the state and all municipalities and other
1066 political subdivisions thereof for the purpose of securing the
1067 deposit of public funds.

1068 (15) The Attorney General of the State of Mississippi shall
1069 represent the State Bond Commission in issuing, selling and
1070 validating bonds herein provided for, and the Bond Commission is
1071 hereby authorized and empowered to expend from the proceeds
1072 derived from the sale of the bonds authorized hereunder all
1073 necessary administrative, legal and other expenses incidental and
1074 related to the issuance of bonds authorized under this chapter.

1075 (16) There is hereby created a special fund in the State
1076 Treasury to be known as the Mississippi Major Economic Impact
1077 Authority Fund wherein shall be deposited the proceeds of the
1078 bonds issued under this chapter and all monies received by the
1079 authority to carry out the purposes of this chapter. Expenditures
1080 authorized herein shall be paid by the State Treasurer upon



1081 warrants drawn from the fund, and the Department of Finance and
1082 Administration shall issue warrants upon requisitions signed by
1083 the director of the authority.

1084 (17) (a) There is hereby created the Mississippi Economic
1085 Impact Authority Sinking Fund from which the principal of and
1086 interest on such bonds shall be paid by appropriation. All monies
1087 paid into the sinking fund not appropriated to pay accruing bonds
1088 and interest shall be invested by the State Treasurer in such
1089 securities as are provided by law for the investment of the
1090 sinking funds of the state.

1091 (b) In the event that all or any part of the bonds and
1092 notes are purchased, they shall be cancelled and returned to the
1093 loan and transfer agent as cancelled and paid bonds and notes and
1094 thereafter all payments of interest thereon shall cease and the
1095 cancelled bonds, notes and coupons, together with any other
1096 cancelled bonds, notes and coupons, shall be destroyed as promptly
1097 as possible after cancellation but not later than two (2) years
1098 after cancellation. A certificate evidencing the destruction of
1099 the cancelled bonds, notes and coupons shall be provided by the
1100 loan and transfer agent to the seller.

1101 (c) The State Treasurer shall determine and report to
1102 the Department of Finance and Administration and Legislative
1103 Budget Office by September 1 of each year the amount of money
1104 necessary for the payment of the principal of and interest on
1105 outstanding obligations for the following fiscal year and the
1106 times and amounts of the payments. It shall be the duty of the
1107 Governor to include in every executive budget submitted to the
1108 Legislature full information relating to the issuance of bonds and
1109 notes under the provisions of this chapter and the status of the
1110 sinking fund for the payment of the principal of and interest on
1111 the bonds and notes.

1112 (d) Any monies repaid to the state from loans
1113 authorized in Section 57-75-11(hh) shall be deposited into the



1114 Mississippi Major Economic Impact Authority Sinking Fund unless
1115 the State Bond Commission, at the request of the authority, shall
1116 determine that such loan repayments are needed to provide
1117 additional loans as authorized under Section 57-75-11(hh). For
1118 purposes of providing additional loans, there is hereby created
1119 the Mississippi Major Economic Impact Authority Revolving Loan
1120 Fund and loan repayments shall be deposited into the fund. The
1121 fund shall be maintained for such period as determined by the
1122 State Bond Commission for the sole purpose of making additional
1123 loans as authorized by Section 57-75-11(hh). Unexpended amounts
1124 remaining in the fund at the end of a fiscal year shall not lapse
1125 into the State General Fund and any interest earned on amounts in
1126 such fund shall be deposited to the credit of the fund.

1127 (e) Any monies repaid to the state from loans
1128 authorized in Section 57-75-11(ii) shall be deposited into the
1129 Mississippi Major Economic Impact Authority Sinking Fund.

1130 (f) Any monies repaid to the state from loans
1131 authorized in Section 57-75-11(jj) shall be deposited into the
1132 Mississippi Major Economic Impact Authority Sinking Fund.

1133 (18) (a) Upon receipt of a declaration by the authority
1134 that it has determined that the state is a potential site for a
1135 project, the State Bond Commission is authorized and directed to
1136 authorize the State Treasurer to borrow money from any special
1137 fund in the State Treasury not otherwise appropriated to be
1138 utilized by the authority for the purposes provided for in this
1139 subsection.

1140 (b) The proceeds of the money borrowed under this
1141 subsection may be utilized by the authority for the purpose of
1142 defraying all or a portion of the costs incurred by the authority
1143 with respect to acquisition options and planning, design and
1144 environmental impact studies with respect to a project defined in
1145 Section 57-75-5(f) (xi). The authority may escalate its budget and
1146 expend the proceeds of the money borrowed under this subsection in



1147 accordance with rules and regulations of the Department of Finance
1148 and Administration in a manner consistent with the escalation of
1149 federal funds.

1150 (c) The authority shall request an appropriation or
1151 additional authority to issue general obligation bonds to repay
1152 the borrowed funds and establish a date for the repayment of the
1153 funds so borrowed.

1154 (d) Borrowings made under the provisions of this
1155 subsection shall not exceed Five Hundred Thousand Dollars
1156 (\$500,000.00) at any one time.

1157 **SECTION 4.** This act shall take effect and be in force from
1158 and after its passage.

