

REPORT OF CONFERENCE COMMITTEE

MADAM PRESIDENT AND MR. SPEAKER:

We, the undersigned conferees, have had under consideration the amendments to the following entitled BILL:

S. B. No. 2809: Bonds; authorize issuance of bonds to fund the Mississippi Rural Impact Fund.

We, therefore, respectfully submit the following report and recommendation:

1. That the House recede from its Amendment No. 1.
2. That the Senate and House adopt the following amendment:

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

48 **SECTION 1.** As used in Sections 1 through 16 of this act, the
49 following words shall have the meanings ascribed herein unless the
50 context clearly requires otherwise:

51 (a) "Accreted value" of any bonds means, as of any date
52 of computation, an amount equal to the sum of (i) the stated
53 initial value of such bond, plus (ii) the interest accrued thereon
54 from the issue date to the date of computation at the rate,
55 compounded semiannually, that is necessary to produce the
56 approximate yield to maturity shown for bonds of the same
57 maturity.

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

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

60 **SECTION 2.** (1) The Mississippi Development Authority, at
61 one time, or from time to time, may declare by resolution the
62 necessity for issuance of general obligation bonds of the State of
63 Mississippi to provide funds for the program authorized in Section
64 57-85-5. Upon the adoption of a resolution by the Mississippi
65 Development Authority, declaring the necessity for the issuance of
66 any part or all of the general obligation bonds authorized by this
67 section, the Mississippi Development Authority shall deliver a
68 certified copy of its resolution or resolutions to the commission.

69 Upon receipt of such resolution, the commission, in its
70 discretion, may act as the issuing agent, prescribe the form of
71 the bonds, advertise for and accept bids, issue and sell the bonds
72 so authorized to be sold and do any and all other things necessary
73 and advisable in connection with the issuance and sale of such
74 bonds. The total amount of bonds issued under Sections 1 through
75 16 of this act shall not exceed Eight Million Dollars
76 (\$8,000,000.00). No bonds authorized under Sections 1 through 16
77 of this act shall be issued after July 1, 2008.

78 (2) The proceeds of bonds issued pursuant to Sections 1
79 through 16 of this act shall be deposited into the Mississippi
80 Rural Impact Fund created pursuant to Section 57-85-5. Any
81 investment earnings on bonds issued pursuant to Sections 1 through
82 16 of this act shall be used to pay debt service on bonds issued
83 under Sections 1 through 16 of this act, in accordance with the
84 proceedings authorizing issuance of such bonds.

85 **SECTION 3.** The principal of and interest on the bonds
86 authorized under Sections 1 through 16 of this act shall be
87 payable in the manner provided in this section. Such bonds shall
88 bear such date or dates, be in such denomination or denominations,
89 bear interest at such rate or rates (not to exceed the limits set
90 forth in Section 75-17-101, Mississippi Code of 1972), be payable
91 at such place or places within or without the State of
92 Mississippi, shall mature absolutely at such time or times not to
93 exceed twenty-five (25) years from date of issue, be redeemable
94 before maturity at such time or times and upon such terms, with or
95 without premium, shall bear such registration privileges, and
96 shall be substantially in such form, all as shall be determined by
97 resolution of the commission.

98 **SECTION 4.** The bonds authorized by Sections 1 through 16 of
99 this act shall be signed by the chairman of the commission, or by
100 his facsimile signature, and the official seal of the commission

101 shall be affixed thereto, attested by the secretary of the
102 commission. The interest coupons, if any, to be attached to such
103 bonds may be executed by the facsimile signatures of such
104 officers. Whenever any such bonds shall have been signed by the
105 officials designated to sign the bonds who were in office at the
106 time of such signing but who may have ceased to be such officers
107 before the sale and delivery of such bonds, or who may not have
108 been in office on the date such bonds may bear, the signatures of
109 such officers upon such bonds and coupons shall nevertheless be
110 valid and sufficient for all purposes and have the same effect as
111 if the person so officially signing such bonds had remained in
112 office until their delivery to the purchaser, or had been in
113 office on the date such bonds may bear. However, notwithstanding
114 anything herein to the contrary, such bonds may be issued as
115 provided in the Registered Bond Act of the State of Mississippi.

116 **SECTION 5.** All bonds and interest coupons issued under the
117 provisions of Sections 1 through 16 of this act have all the
118 qualities and incidents of negotiable instruments under the
119 provisions of the Uniform Commercial Code, and in exercising the
120 powers granted by Sections 1 through 16 of this act, the
121 commission shall not be required to and need not comply with the
122 provisions of the Uniform Commercial Code.

123 **SECTION 6.** The commission shall act as the issuing agent for
124 the bonds authorized under Sections 1 through 16 of this act,
125 prescribe the form of the bonds, advertise for and accept bids,
126 issue and sell the bonds so authorized to be sold, pay all fees
127 and costs incurred in such issuance and sale, and do any and all
128 other things necessary and advisable in connection with the
129 issuance and sale of such bonds. The commission is authorized and
130 empowered to pay the costs that are incident to the sale, issuance
131 and delivery of the bonds authorized under Sections 1 through 16
132 of this act from the proceeds derived from the sale of such bonds.

133 The commission shall sell such bonds on sealed bids at public
134 sale, and for such price as it may determine to be for the best
135 interest of the State of Mississippi, but no such sale shall be
136 made at a price less than par plus accrued interest to the date of
137 delivery of the bonds to the purchaser. All interest accruing on
138 such bonds so issued shall be payable semiannually or annually;
139 however, the first interest payment may be for any period of not
140 more than one (1) year.

141 Notice of the sale of any such bonds shall be published at
142 least one time, not less than ten (10) days before the date of
143 sale, and shall be so published in one or more newspapers
144 published or having a general circulation in the City of Jackson,
145 Mississippi, and in one or more other newspapers or financial
146 journals with a national circulation, to be selected by the
147 commission.

148 The commission, when issuing any bonds under the authority of
149 Sections 1 through 16 of this act, may provide that bonds, at the
150 option of the State of Mississippi, may be called in for payment
151 and redemption at the call price named therein and accrued
152 interest on such date or dates named therein.

153 **SECTION 7.** The bonds issued under the provisions of Sections
154 1 through 16 of this act are general obligations of the State of
155 Mississippi, and for the payment thereof the full faith and credit
156 of the State of Mississippi is irrevocably pledged. If the funds
157 appropriated by the Legislature are insufficient to pay the
158 principal of and the interest on such bonds as they become due,
159 then the deficiency shall be paid by the State Treasurer from any
160 funds in the State Treasury not otherwise appropriated. All such
161 bonds shall contain recitals on their faces substantially covering
162 the provisions of this section.

163 **SECTION 8.** Upon the issuance and sale of bonds under the
164 provisions of Sections 1 through 16 of this act, the commission

165 shall transfer the proceeds of any such sale or sales to the
166 Mississippi Rural Impact Fund created in Section 57-85-5. The
167 proceeds of such bonds shall be disbursed solely upon the order of
168 the Mississippi Development Authority under such restrictions, if
169 any, as may be contained in the resolution providing for the
170 issuance of the bonds.

171 **SECTION 9.** The bonds authorized under Sections 1 through 16
172 of this act may be issued without any other proceedings or the
173 happening of any other conditions or things other than those
174 proceedings, conditions and things which are specified or required
175 by Sections 1 through 16 of this act. Any resolution providing
176 for the issuance of bonds under the provisions of Sections 1
177 through 16 of this act shall become effective immediately upon its
178 adoption by the commission, and any such resolution may be adopted
179 at any regular or special meeting of the commission by a majority
180 of its members.

181 **SECTION 10.** The bonds authorized under the authority of
182 Sections 1 through 16 of this act may be validated in the Chancery
183 Court of the First Judicial District of Hinds County, Mississippi,
184 in the manner and with the force and effect provided by Chapter
185 13, Title 31, Mississippi Code of 1972, for the validation of
186 county, municipal, school district and other bonds. The notice to
187 taxpayers required by such statutes shall be published in a
188 newspaper published or having a general circulation in the City of
189 Jackson, Mississippi.

190 **SECTION 11.** Any holder of bonds issued under the provisions
191 of Sections 1 through 16 of this act or of any of the interest
192 coupons pertaining thereto may, either at law or in equity, by
193 suit, action, mandamus or other proceeding, protect and enforce
194 any and all rights granted under Sections 1 through 16 of this
195 act, or under such resolution, and may enforce and compel
196 performance of all duties required by Sections 1 through 16 of

197 this act to be performed, in order to provide for the payment of
198 bonds and interest thereon.

199 **SECTION 12.** All bonds issued under the provisions of
200 Sections 1 through 16 of this act shall be legal investments for
201 trustees and other fiduciaries, and for savings banks, trust
202 companies and insurance companies organized under the laws of the
203 State of Mississippi, and such bonds shall be legal securities
204 which may be deposited with and shall be received by all public
205 officers and bodies of this state and all municipalities and
206 political subdivisions for the purpose of securing the deposit of
207 public funds.

208 **SECTION 13.** Bonds issued under the provisions of Sections 1
209 through 16 of this act and income therefrom shall be exempt from
210 all taxation in the State of Mississippi.

211 **SECTION 14.** The proceeds of the bonds issued under Sections
212 1 through 16 of this act shall be used solely for the purposes
213 therein provided, including the costs incident to the issuance and
214 sale of such bonds.

215 **SECTION 15.** The State Treasurer is authorized, without
216 further process of law, to certify to the Department of Finance
217 and Administration the necessity for warrants, and the Department
218 of Finance and Administration is authorized and directed to issue
219 such warrants, in such amounts as may be necessary to pay when due
220 the principal of, premium, if any, and interest on, or the
221 accreted value of, all bonds issued under Sections 1 through 16 of
222 this act; and the State Treasurer shall forward the necessary
223 amount to the designated place or places of payment of such bonds
224 in ample time to discharge such bonds, or the interest thereon, on
225 the due dates thereof.

226 **SECTION 16.** Sections 1 through 16 of this act shall be
227 deemed to be full and complete authority for the exercise of the
228 powers therein granted, but Sections 1 through 16 of this act

229 shall not be deemed to repeal or to be in derogation of any
230 existing law of this state.

231 **SECTION 17.** As used in Sections 17 through 32 of this act,
232 the following words shall have the meanings ascribed herein unless
233 the context clearly requires otherwise:

234 (a) "Accreted value" of any bonds means, as of any date
235 of computation, an amount equal to the sum of (i) the stated
236 initial value of such bond, plus (ii) the interest accrued thereon
237 from the issue date to the date of computation at the rate,
238 compounded semiannually, that is necessary to produce the
239 approximate yield to maturity shown for bonds of the same
240 maturity.

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

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

243 **SECTION 18.** (1) The Mississippi Development Authority, at
244 one time, or from time to time, may declare by resolution the
245 necessity for issuance of general obligation bonds of the State of
246 Mississippi to provide funds for the grant program authorized in
247 Section 57-1-18. Upon the adoption of a resolution by the
248 Mississippi Development Authority, declaring the necessity for the
249 issuance of any part or all of the general obligation bonds
250 authorized by this section, the Mississippi Development Authority
251 shall deliver a certified copy of its resolution or resolutions to
252 the commission. Upon receipt of such resolution, the commission,
253 in its discretion, may act as the issuing agent, prescribe the
254 form of the bonds, advertise for and accept bids, issue and sell
255 the bonds so authorized to be sold and do any and all other things
256 necessary and advisable in connection with the issuance and sale
257 of such bonds. The total amount of bonds issued under Sections 17
258 through 32 of this act shall not exceed Eight Million Dollars
259 (\$8,000,000.00). No bonds authorized under Sections 17 through 32
260 of this act shall be issued after July 1, 2008.

261 (2) The proceeds of bonds issued pursuant to Sections 17
262 through 32 of this act shall be deposited into the Small
263 Municipalities and Limited Population Counties Fund created
264 pursuant to Section 57-1-18. Any investment earnings on bonds
265 issued pursuant to Sections 17 through 32 of this act shall be
266 used to pay debt service on bonds issued under Sections 17 through
267 32 of this act, in accordance with the proceedings authorizing
268 issuance of such bonds.

269 **SECTION 19.** The principal of and interest on the bonds
270 authorized under Sections 17 through 32 of this act shall be
271 payable in the manner provided in this section. Such bonds shall
272 bear such date or dates, be in such denomination or denominations,
273 bear interest at such rate or rates (not to exceed the limits set
274 forth in Section 75-17-101, Mississippi Code of 1972), be payable
275 at such place or places within or without the State of
276 Mississippi, shall mature absolutely at such time or times not to
277 exceed twenty-five (25) years from date of issue, be redeemable
278 before maturity at such time or times and upon such terms, with or
279 without premium, shall bear such registration privileges, and
280 shall be substantially in such form, all as shall be determined by
281 resolution of the commission.

282 **SECTION 20.** The bonds authorized by Sections 17 through 32
283 of this act shall be signed by the chairman of the commission, or
284 by his facsimile signature, and the official seal of the
285 commission shall be affixed thereto, attested by the secretary of
286 the commission. The interest coupons, if any, to be attached to
287 such bonds may be executed by the facsimile signatures of such
288 officers. Whenever any such bonds shall have been signed by the
289 officials designated to sign the bonds who were in office at the
290 time of such signing but who may have ceased to be such officers
291 before the sale and delivery of such bonds, or who may not have
292 been in office on the date such bonds may bear, the signatures of

293 such officers upon such bonds and coupons shall nevertheless be
294 valid and sufficient for all purposes and have the same effect as
295 if the person so officially signing such bonds had remained in
296 office until their delivery to the purchaser, or had been in
297 office on the date such bonds may bear. However, notwithstanding
298 anything herein to the contrary, such bonds may be issued as
299 provided in the Registered Bond Act of the State of Mississippi.

300 **SECTION 21.** All bonds and interest coupons issued under the
301 provisions of Sections 17 through 32 of this act have all the
302 qualities and incidents of negotiable instruments under the
303 provisions of the Uniform Commercial Code, and in exercising the
304 powers granted by Sections 17 through 32 of this act, the
305 commission shall not be required to and need not comply with the
306 provisions of the Uniform Commercial Code.

307 **SECTION 22.** The commission shall act as the issuing agent
308 for the bonds authorized under Sections 17 through 32 of this act,
309 prescribe the form of the bonds, advertise for and accept bids,
310 issue and sell the bonds so authorized to be sold, pay all fees
311 and costs incurred in such issuance and sale, and do any and all
312 other things necessary and advisable in connection with the
313 issuance and sale of such bonds. The commission is authorized and
314 empowered to pay the costs that are incident to the sale, issuance
315 and delivery of the bonds authorized under Sections 17 through 32
316 of this act from the proceeds derived from the sale of such bonds.
317 The commission shall sell such bonds on sealed bids at public
318 sale, and for such price as it may determine to be for the best
319 interest of the State of Mississippi, but no such sale shall be
320 made at a price less than par plus accrued interest to the date of
321 delivery of the bonds to the purchaser. All interest accruing on
322 such bonds so issued shall be payable semiannually or annually;
323 however, the first interest payment may be for any period of not
324 more than one (1) year.

325 Notice of the sale of any such bonds shall be published at
326 least one time, not less than ten (10) days before the date of
327 sale, and shall be so published in one or more newspapers
328 published or having a general circulation in the City of Jackson,
329 Mississippi, and in one or more other newspapers or financial
330 journals with a national circulation, to be selected by the
331 commission.

332 The commission, when issuing any bonds under the authority of
333 Sections 17 through 32 of this act, may provide that bonds, at the
334 option of the State of Mississippi, may be called in for payment
335 and redemption at the call price named therein and accrued
336 interest on such date or dates named therein.

337 **SECTION 23.** The bonds issued under the provisions of
338 Sections 17 through 32 of this act are general obligations of the
339 State of Mississippi, and for the payment thereof the full faith
340 and credit of the State of Mississippi is irrevocably pledged. If
341 the funds appropriated by the Legislature are insufficient to pay
342 the principal of and the interest on such bonds as they become
343 due, then the deficiency shall be paid by the State Treasurer from
344 any funds in the State Treasury not otherwise appropriated. All
345 such bonds shall contain recitals on their faces substantially
346 covering the provisions of this section.

347 **SECTION 24.** Upon the issuance and sale of bonds under the
348 provisions of Sections 17 through 32 of this act, the commission
349 shall transfer the proceeds of any such sale or sales to the Small
350 Municipalities and Limited Population Counties Fund created in
351 Section 57-1-18. The proceeds of such bonds shall be disbursed
352 solely upon the order of the Mississippi Development Authority
353 under such restrictions, if any, as may be contained in the
354 resolution providing for the issuance of the bonds.

355 **SECTION 25.** The bonds authorized under Sections 17 through
356 32 of this act may be issued without any other proceedings or the

357 happening of any other conditions or things other than those
358 proceedings, conditions and things which are specified or required
359 by Sections 17 through 32 of this act. Any resolution providing
360 for the issuance of bonds under the provisions of Sections 17
361 through 32 of this act shall become effective immediately upon its
362 adoption by the commission, and any such resolution may be adopted
363 at any regular or special meeting of the commission by a majority
364 of its members.

365 **SECTION 26.** The bonds authorized under the authority of
366 Sections 17 through 32 of this act may be validated in the
367 Chancery Court of the First Judicial District of Hinds County,
368 Mississippi, in the manner and with the force and effect provided
369 by Chapter 13, Title 31, Mississippi Code of 1972, for the
370 validation of county, municipal, school district and other bonds.
371 The notice to taxpayers required by such statutes shall be
372 published in a newspaper published or having a general circulation
373 in the City of Jackson, Mississippi.

374 **SECTION 27.** Any holder of bonds issued under the provisions
375 of Sections 17 through 32 of this act or of any of the interest
376 coupons pertaining thereto may, either at law or in equity, by
377 suit, action, mandamus or other proceeding, protect and enforce
378 any and all rights granted under Sections 17 through 32 of this
379 act, or under such resolution, and may enforce and compel
380 performance of all duties required by Sections 17 through 32 of
381 this act to be performed, in order to provide for the payment of
382 bonds and interest thereon.

383 **SECTION 28.** All bonds issued under the provisions of
384 Sections 17 through 32 of this act shall be legal investments for
385 trustees and other fiduciaries, and for savings banks, trust
386 companies and insurance companies organized under the laws of the
387 State of Mississippi, and such bonds shall be legal securities
388 which may be deposited with and shall be received by all public

389 officers and bodies of this state and all municipalities and
390 political subdivisions for the purpose of securing the deposit of
391 public funds.

392 **SECTION 29.** Bonds issued under the provisions of Sections 17
393 through 32 of this act and income therefrom shall be exempt from
394 all taxation in the State of Mississippi.

395 **SECTION 30.** The proceeds of the bonds issued under Sections
396 17 through 32 of this act shall be used solely for the purposes
397 therein provided, including the costs incident to the issuance and
398 sale of such bonds.

399 **SECTION 31.** The State Treasurer is authorized, without
400 further process of law, to certify to the Department of Finance
401 and Administration the necessity for warrants, and the Department
402 of Finance and Administration is authorized and directed to issue
403 such warrants, in such amounts as may be necessary to pay when due
404 the principal of, premium, if any, and interest on, or the
405 accreted value of, all bonds issued under Sections 17 through 32
406 of this act; and the State Treasurer shall forward the necessary
407 amount to the designated place or places of payment of such bonds
408 in ample time to discharge such bonds, or the interest thereon, on
409 the due dates thereof.

410 **SECTION 32.** Sections 17 through 32 of this act shall be
411 deemed to be full and complete authority for the exercise of the
412 powers therein granted, but Sections 17 through 32 of this act
413 shall not be deemed to repeal or to be in derogation of any
414 existing law of this state.

415 **SECTION 33.** Section 57-1-18, Mississippi Code of 1972, is
416 amended as follows:

417 57-1-18. (1) For the purposes of this section, the
418 following terms shall have the meanings ascribed in this section
419 unless the context clearly indicates otherwise:

420 (a) "Limited population county" means a county in the
421 State of Mississippi with a population of thirty thousand (30,000)
422 or less according to the most recent federal decennial census at
423 the time the county submits its application to the MDA under this
424 section.

425 (b) "MDA" means the Mississippi Development Authority.

426 (c) "Project" means highways, streets and other
427 roadways, bridges, sidewalks, utilities, airfields, airports,
428 acquisition of equipment, acquisition of real property,
429 development of real property, improvements to real property, and
430 any other project approved by the MDA.

431 (d) "Small municipality" means a municipality in the
432 State of Mississippi with a population of ten thousand (10,000) or
433 less according to the most recent federal decennial census at the
434 time the municipality submits its application to the MDA under
435 this section.

436 (2) (a) There is hereby created in the State Treasury a
437 special fund to be designated as the "Small Municipalities and
438 Limited Population Counties Fund," which shall consist of funds
439 appropriated or otherwise made available by the Legislature in any
440 manner and funds from any other source designated for deposit into
441 such fund. Unexpended amounts remaining in the fund at the end of
442 a fiscal year shall not lapse into the State General Fund, and any
443 investment earnings or interest earned on amounts in the fund
444 shall be deposited to the credit of the fund. Monies in the fund
445 shall be used to make grants to small municipalities and limited
446 population counties or natural gas districts created by law and
447 contained therein to assist in completing projects under this
448 section.

449 (b) Monies in the fund which are derived from proceeds
450 of bonds issued under Sections 1 through 16, Laws of 2002, Chapter
451 538, * * * Sections 1 through 16, Laws of 2003, Chapter 508, or

452 Sections 17 through 32 of Senate Bill No. 2809, 2004 Regular
453 Session, may be used to reimburse reasonable, actual and necessary
454 costs incurred by the MDA in providing assistance related to a
455 project for which funding is provided under this section from the
456 use of proceeds of such bonds. An accounting of actual costs
457 incurred for which reimbursement is sought shall be maintained for
458 each project by the MDA. Reimbursement of reasonable, actual and
459 necessary costs for a project shall not exceed three percent (3%)
460 of the proceeds of bonds issued for such project. Monies
461 authorized for a particular project may not be used to reimburse
462 administrative costs for unrelated projects. Reimbursements under
463 this subsection shall satisfy any applicable federal tax law
464 requirements.

465 (3) The MDA shall establish a grant program to make grants
466 to small municipalities and limited population counties from the
467 Small Municipalities and Limited Population Counties Fund. Grants
468 made under this section to a small municipality or a limited
469 population county shall not exceed Two Hundred Fifty Thousand
470 Dollars (\$250,000.00) during any grant period established by the
471 MDA. A small municipality or limited population county may apply
472 to the MDA for a grant under this section in the manner provided
473 for in this section.

474 (4) A small municipality or limited population county
475 desiring assistance under this section must submit an application
476 to the MDA. The application must include a description of the
477 project for which assistance is requested, the cost of the project
478 for which assistance is requested, the amount of assistance
479 requested and any other information required by the MDA.

480 (5) The MDA shall have all powers necessary to implement and
481 administer the program established under this section, and the
482 department shall promulgate rules and regulations, in accordance

483 with the Mississippi Administrative Procedures Law, necessary for
484 the implementation of this section.

485 (6) The MDA shall file an annual report with the Governor,
486 Secretary of the Senate and the Clerk of the House of
487 Representatives not later than December 1 of each year, describing
488 all assistance provided under this section.

489 **SECTION 34.** As used in Sections 34 through 49 of this act,
490 the following words shall have the meanings ascribed herein unless
491 the context clearly requires otherwise:

492 (a) "Accreted value" of any bond means, as of any date
493 of computation, an amount equal to the sum of (i) the stated
494 initial value of such bond, plus (ii) the interest accrued thereon
495 from the issue date to the date of computation at the rate,
496 compounded semiannually, that is necessary to produce the
497 approximate yield to maturity shown for bonds of the same
498 maturity.

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

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

501 **SECTION 35.** (1) The commission, at one time, or from time
502 to time, may declare by resolution the necessity for issuance of
503 general obligation bonds of the State of Mississippi to provide
504 funds for the Mississippi Land, Water and Timber Resources Fund
505 created in Section 69-46-7, Mississippi Code of 1972. Upon the
506 adoption of a resolution by the Mississippi Land, Water and Timber
507 Resources Board, declaring the necessity for the issuance of any
508 part or all of the general obligation bonds authorized by this
509 section, the Mississippi Land, Water and Timber Resources Board
510 shall deliver a certified copy of its resolution or resolutions to
511 the commission. Upon receipt of such resolution, the commission,
512 in its discretion, may act as the issuing agent, prescribe the
513 form of the bonds, advertise for and accept bids, issue and sell
514 the bonds so authorized to be sold and do any and all other things

515 necessary and advisable in connection with the issuance and sale
516 of such bonds. The total amount of bonds issued under Sections 34
517 through 49 of this act shall not exceed Five Million Dollars
518 (\$5,000,000.00). No bonds shall be issued under Sections 34
519 through 49 of this act after July 1, 2008.

520 (2) The proceeds of bonds issued pursuant to Sections 34
521 through 49 of this act shall be deposited into the Mississippi
522 Land, Water and Timber Resources Fund created pursuant to Section
523 69-46-7. Any investment earnings on bonds issued pursuant to
524 Sections 34 through 49 of this act shall be used to pay debt
525 service on bonds issued under Sections 34 through 49 of this act,
526 in accordance with the proceedings authorizing issuance of such
527 bonds.

528 **SECTION 36.** The principal of and interest on the bonds
529 authorized under Sections 34 through 49 of this act shall be
530 payable in the manner provided in this section. Such bonds shall
531 bear such date or dates, be in such denomination or denominations,
532 bear interest at such rate or rates (not to exceed the limits set
533 forth in Section 75-17-101, Mississippi Code of 1972), be payable
534 at such place or places within or without the State of
535 Mississippi, shall mature absolutely at such time or times not to
536 exceed twenty-five (25) years from date of issue, be redeemable
537 before maturity at such time or times and upon such terms, with or
538 without premium, shall bear such registration privileges, and
539 shall be substantially in such form, all as shall be determined by
540 resolution of the commission.

541 **SECTION 37.** The bonds authorized by Sections 34 through 49
542 of this act shall be signed by the chairman of the commission, or
543 by his facsimile signature, and the official seal of the
544 commission shall be affixed thereto, attested by the secretary of
545 the commission. The interest coupons, if any, to be attached to
546 such bonds may be executed by the facsimile signatures of such

547 officers. Whenever any such bonds shall have been signed by the
548 officials designated to sign the bonds who were in office at the
549 time of such signing but who may have ceased to be such officers
550 before the sale and delivery of such bonds, or who may not have
551 been in office on the date such bonds may bear, the signatures of
552 such officers upon such bonds and coupons shall nevertheless be
553 valid and sufficient for all purposes and have the same effect as
554 if the person so officially signing such bonds had remained in
555 office until their delivery to the purchaser, or had been in
556 office on the date such bonds may bear. However, notwithstanding
557 anything herein to the contrary, such bonds may be issued as
558 provided in the Registered Bond Act of the State of Mississippi.

559 **SECTION 38.** All bonds and interest coupons issued under the
560 provisions of Sections 34 through 49 of this act have all the
561 qualities and incidents of negotiable instruments under the
562 provisions of the Uniform Commercial Code, and in exercising the
563 powers granted by Sections 34 through 49 of this act, the
564 commission shall not be required to and need not comply with the
565 provisions of the Uniform Commercial Code.

566 **SECTION 39.** The commission shall act as the issuing agent
567 for the bonds authorized under Sections 34 through 49 of this act,
568 prescribe the form of the bonds, advertise for and accept bids,
569 issue and sell the bonds so authorized to be sold, pay all fees
570 and costs incurred in such issuance and sale, and do any and all
571 other things necessary and advisable in connection with the
572 issuance and sale of such bonds. The commission is authorized and
573 empowered to pay the costs that are incident to the sale, issuance
574 and delivery of the bonds authorized under Sections 34 through 49
575 of this act from the proceeds derived from the sale of such bonds.
576 The commission shall sell such bonds on sealed bids at public
577 sale, and for such price as it may determine to be for the best
578 interest of the State of Mississippi, but no such sale shall be

579 made at a price less than par plus accrued interest to the date of
580 delivery of the bonds to the purchaser. All interest accruing on
581 such bonds so issued shall be payable semiannually or annually;
582 however, the first interest payment may be for any period of not
583 more than one (1) year.

584 Notice of the sale of any such bonds shall be published at
585 least one time, not less than ten (10) days before the date of
586 sale, and shall be so published in one or more newspapers
587 published or having a general circulation in the City of Jackson,
588 Mississippi, and in one or more other newspapers or financial
589 journals with a national circulation, to be selected by the
590 commission.

591 The commission, when issuing any bonds under the authority of
592 Sections 34 through 49 of this act, may provide that bonds, at the
593 option of the State of Mississippi, may be called in for payment
594 and redemption at the call price named therein and accrued
595 interest on such date or dates named therein.

596 **SECTION 40.** The bonds issued under the provisions of
597 Sections 34 through 49 of this act are general obligations of the
598 State of Mississippi, and for the payment thereof the full faith
599 and credit of the State of Mississippi is irrevocably pledged. If
600 the funds appropriated by the Legislature are insufficient to pay
601 the principal of and the interest on such bonds as they become
602 due, then the deficiency shall be paid by the State Treasurer from
603 any funds in the State Treasury not otherwise appropriated. All
604 such bonds shall contain recitals on their faces substantially
605 covering the provisions of this section.

606 **SECTION 41.** Upon the issuance and sale of bonds under the
607 provisions of Sections 34 through 49 of this act, the commission
608 shall transfer the proceeds of any such sale or sales to the
609 Mississippi Land, Water and Timber Resources Fund created in
610 Section 69-46-7, Mississippi Code of 1972.

611 **SECTION 42.** The bonds authorized under Sections 34 through
612 49 of this act may be issued without any other proceedings or the
613 happening of any other conditions or things other than those
614 proceedings, conditions and things which are specified or required
615 by Sections 34 through 49 of this act. Any resolution providing
616 for the issuance of bonds under the provisions of Sections 34
617 through 49 of this act shall become effective immediately upon its
618 adoption by the commission, and any such resolution may be adopted
619 at any regular or special meeting of the commission by a majority
620 of its members.

621 **SECTION 43.** The bonds authorized under the authority of
622 Sections 34 through 49 of this act may be validated in the
623 Chancery Court of the First Judicial District of Hinds County,
624 Mississippi, in the manner and with the force and effect provided
625 by Chapter 13, Title 31, Mississippi Code of 1972, for the
626 validation of county, municipal, school district and other bonds.
627 The notice to taxpayers required by such statutes shall be
628 published in a newspaper published or having a general circulation
629 in the City of Jackson, Mississippi.

630 **SECTION 44.** Any holder of bonds issued under the provisions
631 of Sections 34 through 49 of this act or of any of the interest
632 coupons pertaining thereto may, either at law or in equity, by
633 suit, action, mandamus or other proceeding, protect and enforce
634 any and all rights granted under Sections 34 through 49 of this
635 act, or under such resolution, and may enforce and compel
636 performance of all duties required by Sections 34 through 49 of
637 this act to be performed, in order to provide for the payment of
638 bonds and interest thereon.

639 **SECTION 45.** All bonds issued under the provisions of
640 Sections 34 through 49 of this act shall be legal investments for
641 trustees and other fiduciaries, and for savings banks, trust
642 companies and insurance companies organized under the laws of the

643 State of Mississippi, and such bonds shall be legal securities
644 which may be deposited with and shall be received by all public
645 officers and bodies of this state and all municipalities and
646 political subdivisions for the purpose of securing the deposit of
647 public funds.

648 **SECTION 46.** Bonds issued under the provisions of Sections 34
649 through 49 of this act and income therefrom shall be exempt from
650 all taxation in the State of Mississippi.

651 **SECTION 47.** The proceeds of the bonds issued under Sections
652 34 through 49 of this act shall be used solely for the purposes
653 herein provided, including the costs incident to the issuance and
654 sale of such bonds.

655 **SECTION 48.** The State Treasurer is authorized, without
656 further process of law, to certify to the Department of Finance
657 and Administration the necessity for warrants, and the Department
658 of Finance and Administration is authorized and directed to issue
659 such warrants, in such amounts as may be necessary to pay when due
660 the principal of, premium, if any, and interest on, or the
661 accreted value of, all bonds issued under Sections 34 through 49
662 of this act; and the State Treasurer shall forward the necessary
663 amount to the designated place or places of payment of such bonds
664 in ample time to discharge such bonds, or the interest thereon, on
665 the due dates thereof.

666 **SECTION 49.** Sections 34 through 49 of this act shall be
667 deemed to be full and complete authority for the exercise of the
668 powers herein granted, but Sections 34 through 49 of this act
669 shall not be deemed to repeal or to be in derogation of any
670 existing law of this state.

671 **SECTION 50.** Section 69-46-5, Mississippi Code of 1972, is
672 amended as follows:

673 69-46-5. The board shall have the following powers and
674 duties:

675 (a) To develop marketing plans and opportunities for
676 independent farmers in Mississippi;

677 (b) To encourage the commercialization of new
678 agricultural technology businesses;

679 (c) To initiate the development of processing
680 facilities for Mississippi agricultural commodities;

681 (d) To initiate the development of Mississippi
682 wholesale distribution businesses for agricultural inputs and
683 products;

684 (e) To promote the development of institutional and
685 specialty markets for Mississippi agriculture products;

686 (f) To encourage additional research for new
687 agricultural product development;

688 (g) To develop a working relationship with the state
689 offices of the United States Department of Agriculture as may be
690 appropriate for the promotion and development of agriculture in
691 Mississippi;

692 (h) To promote the rural quality of life in Mississippi
693 through such programs as 4-H, Future Farmers of America and
694 agricultural education;

695 (i) To encourage, promote and initiate the development
696 of alternative energy strategies, applied research technologies
697 and commercialization enterprises that focus on Mississippi
698 natural resources, including, but not limited to, agriculture,
699 timber and poultry products and byproducts;

700 (j) To file an annual report with the Governor,
701 Secretary of the Senate and the Clerk of the House of
702 Representatives not later than December 1 of each year, with
703 recommendations for any legislation necessary to accomplish the
704 purposes of the Mississippi Land, Water and Timber Resources Act;

705 (k) The board may promulgate and enforce rules and
706 regulations, in accordance with the Mississippi Administrative

707 Procedures Law, as may be necessary to carry out the provisions of
708 the Mississippi Land, Water and Timber Resources Act;

709 (l) To expend funds out of the Mississippi Land, Water
710 and Timber Resources Fund to carry out its powers and duties under
711 the Mississippi Land, Water and Timber Resources Act;

712 (m) The board may provide funds to public entities and
713 private entities through loans, grants, contracts and any other
714 manner the board determines appropriate for the purposes of
715 carrying out the provisions of the Mississippi Land, Water and
716 Timber Resources Act. The board also may provide loan guaranties
717 on behalf of public entities and private entities in any manner
718 the board determines appropriate for the purposes of carrying out
719 the provisions of the Mississippi Land, Water and Timber Resources
720 Act.

721 **SECTION 51.** Section 69-46-7, Mississippi Code of 1972, is
722 amended as follows:

723 69-46-7. (1) (a) The Mississippi Land, Water and Timber
724 Resources Board may accept and expend funds appropriated or
725 otherwise made available by the Legislature and funds from any
726 other source in order to carry out the provisions of the
727 Mississippi Land, Water and Timber Resources Act. Such funds
728 shall be deposited into a special fund hereby established in the
729 State Treasury, to be known as the "Mississippi Land, Water and
730 Timber Resources Fund." Unexpended amounts derived from bond
731 proceeds or private funds, or both, remaining in the fund at the
732 end of a fiscal year shall not lapse into the State General Fund,
733 and any investment earnings or interest earned on such amounts in
734 the fund shall be deposited to the credit of the fund. All other
735 unexpended amounts remaining in the fund at the end of a fiscal
736 year shall lapse into the State General Fund. The board may
737 provide to the Mississippi Department of Agriculture and Commerce
738 not more than Two Hundred Fifty Thousand Dollars (\$250,000.00), in

739 the aggregate, of monies in the fund, that are derived from
740 proceeds of bonds issued under Sections 1 through 16 of Chapter
741 538, Laws of 2001, and/or Sections 1 through 16 of Chapter 542,
742 Laws of 2002, for the purpose of providing additional funds to
743 defray costs incurred by the department in assisting the board in
744 carrying out the provisions of the Mississippi Land, Water and
745 Timber Resources Act. However, the Mississippi Department of
746 Agriculture and Commerce may not use any portion of such funds for
747 the purpose of hiring any person as an employee as defined in
748 Section 25-3-91(c). The Mississippi Department of Agriculture may
749 escalate its budget and expend such funds, when provided by the
750 board, in accordance with rules and regulations of the Department
751 of Finance and Administration in a manner consistent with the
752 escalation of federal funds. The board may provide to the
753 Mississippi Development Authority not more than Two Hundred Fifty
754 Thousand Dollars (\$250,000.00), in the aggregate, of monies in the
755 fund that are derived from proceeds of bonds issued under Sections
756 1 through 16 of Chapter 538, Laws of 2001, and/or Sections 1
757 through 16 of Chapter 542, Laws of 2002, for the purpose of
758 providing additional funds to defray costs incurred by the
759 Mississippi Development Authority in assisting the board in
760 carrying out the provisions of the Mississippi Land, Water and
761 Timber Resources Act. However, the Mississippi Development
762 Authority may not use any portion of such funds for the purpose of
763 hiring any person as an employee as defined in Section 25-3-91(c).
764 The Mississippi Development Authority may escalate its budget and
765 expend such funds, when provided by the board, in accordance with
766 rules and regulations of the Department of Finance and
767 Administration in a manner consistent with the escalation of
768 federal funds.

769 (b) (i) The Mississippi Land, Water and Timber
770 Resources Board may provide to the Mississippi Department of

771 Agriculture and Commerce not more than One Hundred Twenty-five
772 Thousand Dollars (\$125,000.00), in the aggregate, of monies in the
773 fund, that are derived from proceeds of bonds issued under
774 Sections 1 through 16 of Chapter 505, Laws of 2003, for the
775 purpose of providing additional funds to defray costs incurred by
776 the department in assisting the board in carrying out the
777 provisions of the Mississippi Land, Water and Timber Resources
778 Act. However, the Mississippi Department of Agriculture and
779 Commerce may not use any portion of such funds for the purpose of
780 hiring any person as an employee as defined in Section 25-3-91(c).
781 The Mississippi Department of Agriculture and Commerce may
782 escalate its budget and expend such funds, when provided by the
783 board, in accordance with rules and regulations of the Department
784 of Finance and Administration in a manner consistent with the
785 escalation of federal funds.

786 (ii) The Mississippi Land, Water and Timber
787 Resources Board may provide to the Mississippi Development
788 Authority not more than One Hundred Twenty-five Thousand Dollars
789 (\$125,000.00), in the aggregate, of monies in the fund, that are
790 derived from proceeds of bonds issued under Sections 1 through 16
791 of Chapter 505, Laws of 2003, for the purpose of providing
792 additional funds to defray costs incurred by the Mississippi
793 Development Authority in assisting the board in carrying out the
794 provisions of the Mississippi Land, Water and Timber Resources
795 Act. However, the Mississippi Development Authority may not use
796 any portion of such funds for the purpose of hiring any person as
797 an employee as defined in Section 25-3-91(c). The Mississippi
798 Development Authority may escalate its budget and expend such
799 funds, when provided by the board, in accordance with rules and
800 regulations of the Department of Finance and Administration in a
801 manner consistent with the escalation of federal funds.

802 (iii) The Mississippi Land, Water and Timber
803 Resources Board may provide to the Department of Audit not more
804 than Fifty Thousand Dollars (\$50,000.00), in the aggregate, of
805 monies in the fund, that are derived from proceeds of bonds issued
806 under Sections 1 through 16 of Chapter 505, Laws of 2003, for the
807 purpose of providing additional funds to defray costs incurred by
808 the department in assisting the board in carrying out the
809 provisions of the Mississippi Land, Water and Timber Resources
810 Act. However, the Department of Audit may not use any portion of
811 such funds for the purpose of hiring any person as an employee as
812 defined in Section 25-3-91(c). The Department of Audit may
813 escalate its budget and expend such funds, when provided by the
814 board, in accordance with rules and regulations of the Department
815 of Finance and Administration in a manner consistent with the
816 escalation of federal funds.

817 (c) (i) The Mississippi Land, Water and Timber
818 Resources Board may provide to the Mississippi Department of
819 Agriculture and Commerce not more than Two Hundred Fifty Thousand
820 Dollars (\$250,000.00), in the aggregate, of monies in the fund,
821 that are derived from proceeds of bonds issued under Sections 34
822 through 49 of Senate Bill No. 2809, 2004 Regular Session, for the
823 purpose of providing additional funds to defray costs incurred by
824 the department in assisting the board in carrying out the
825 provisions of the Mississippi Land, Water and Timber Resources
826 Act. However, the Mississippi Department of Agriculture and
827 Commerce may not use any portion of such funds for the purpose of
828 hiring any person as an employee as defined in Section 25-3-91(c).
829 The Mississippi Department of Agriculture and Commerce may
830 escalate its budget and expend such funds, when provided by the
831 board, in accordance with rules and regulations of the Department
832 of Finance and Administration in a manner consistent with the
833 escalation of federal funds.

834 (ii) The Mississippi Land, Water and Timber
835 Resources Board may provide to the Mississippi Development
836 Authority not more than Two Hundred Fifty Thousand Dollars
837 (\$250,000.00), in the aggregate, of monies in the fund, that are
838 derived from proceeds of bonds issued under Sections 34 through 49
839 of Senate Bill No. 2809, 2004 Regular Session, for the purpose of
840 providing additional funds to defray costs incurred by the
841 Mississippi Development Authority in assisting the board in
842 carrying out the provisions of the Mississippi Land, Water and
843 Timber Resources Act. However, the Mississippi Development
844 Authority may not use any portion of such funds for the purpose of
845 hiring any person as an employee as defined in Section 25-3-91(c).
846 The Mississippi Development Authority may escalate its budget and
847 expend such funds, when provided by the board, in accordance with
848 rules and regulations of the Department of Finance and
849 Administration in a manner consistent with the escalation of
850 federal funds.

851 (iii) The Mississippi Land, Water and Timber
852 Resources Board may provide to the Department of Audit not more
853 than Fifty Thousand Dollars (\$50,000.00), in the aggregate, of
854 monies in the fund, that are derived from proceeds of bonds issued
855 under Sections 34 through 49 of Senate Bill No. 2809, 2004 Regular
856 Session, for the purpose of providing additional funds to defray
857 costs incurred by the department in assisting the board in
858 carrying out the provisions of the Mississippi Land, Water and
859 Timber Resources Act. However, the Department of Audit may not
860 use any portion of such funds for the purpose of hiring any person
861 as an employee as defined in Section 25-3-91(c). The Department
862 of Audit may escalate its budget and expend such funds, when
863 provided by the board, in accordance with rules and regulations of
864 the Department of Finance and Administration in a manner
865 consistent with the escalation of federal funds.

866 (2) The Mississippi Land, Water and Timber Resources Board
867 shall set aside One Million Dollars (\$1,000,000.00) of the monies
868 in the Mississippi Land, Water and Timber Resources Fund, that are
869 derived from proceeds of bonds issued under Sections 1 through 16
870 of Chapter 505, Laws of 2003, for the purpose of providing funds
871 to the Mississippi Department of Agriculture and Commerce for use
872 in making payments to ethanol producers under Section 69-51-5
873 during the state fiscal year beginning July 1, 2003, and ending
874 June 30, 2004. Any monies set aside which are not used for such
875 purposes during the fiscal year shall no longer be set aside for
876 such purposes after the end of the fiscal year. In addition, if
877 the Commissioner of Agriculture and Commerce determines during
878 such fiscal year that no ethanol producer will be eligible for
879 such payments during the fiscal year, the commissioner shall
880 inform the board of his determination and the monies set aside
881 shall no longer be set aside for such purposes. The Mississippi
882 Department of Agriculture and Commerce may escalate its budget and
883 expend funds, when provided by the board under this subsection
884 (2), in accordance with rules and regulations of the Department of
885 Finance and Administration in a manner consistent with the
886 escalation of federal funds.

887 (3) The Mississippi Land, Water and Timber Resources Board
888 shall set aside Eight Hundred Thousand Dollars (\$800,000.00) of
889 the monies in the Mississippi Land, Water and Timber Resources
890 Fund, that are derived from proceeds of bonds issued under
891 Sections 34 through 49 of Senate Bill No. 2809, 2004 Regular
892 Session, for the purpose of providing any form of assistance
893 described in Section 69-46-5(m) to any private entity engaged in
894 the manufacturing of environmentally responsible products. For
895 the purposes of this subsection (3), the term "environmentally
896 responsible products" means products or services that have been
897 verified by an independent third party to cause less toxic

898 pollution and waste, to conserve resources and habitats, and to
899 minimize global warming and ozone depletion.

900 (4) The Mississippi Land, Water and Timber Resources Board
901 shall set aside at least Eight Hundred Fifty Thousand Dollars
902 (\$850,000.00) of the monies in the fund that are derived from
903 proceeds of bonds issued under Sections 34 through 49 of Senate
904 Bill No. 2809, 2004 Regular Session, to be used for the payment of
905 reasonable costs incurred by the Mississippi Technology Alliance
906 in administering projects described in Section 69-46-5(i).

907 (5) In anticipation of the issuance of bonds authorized for
908 the purpose of providing funds for the Mississippi Land, Water and
909 Timber Resources Fund, the State Bond Commission is authorized to
910 negotiate and enter into any purchase, loan, credit or other
911 agreement with any bank, trust company or other lending
912 institution or to issue and sell interim notes for the purpose of
913 carrying out the provisions of the Mississippi Land, Water and
914 Timber Resources Act. All borrowings made under this subsection
915 (5) shall be evidenced by notes of the State of Mississippi, which
916 shall be issued from time to time, for such amounts, in such form
917 and in such denomination and subject to such terms and conditions
918 of sale and issuance, prepayment or redemption and maturity, rate
919 or rates of interest not to exceed the maximum rate authorized for
920 bonds in Section 75-17-101, and time of payment of interest as the
921 State Bond Commission shall agree to in such agreement. Such
922 notes shall constitute general obligations of the State of
923 Mississippi, and shall be backed by the full faith and credit of
924 the state. Such notes may also be issued for the purpose of
925 refunding previously issued notes. No note shall mature more than
926 three (3) years following the date of its issuance. The State
927 Bond Commission is authorized to provide for the compensation of
928 any purchaser of the notes by payment of a fixed fee or commission
929 and for all other costs and expenses of issuance and service,

930 including paying agent costs. Such costs and expenses may be paid
931 from the proceeds of the notes. Borrowings made under the
932 provisions of this subsection (5) shall not exceed the aggregate
933 sum of Five Million Dollars (\$5,000,000.00) outstanding at any one
934 time.

935 **SECTION 52.** As used in Sections 52 through 70 of this act,
936 the following words shall have the meanings ascribed herein unless
937 the context clearly requires otherwise:

938 (a) "Accreted value" of any bond means, as of any date
939 of computation, an amount equal to the sum of (i) the stated
940 initial value of such bond, plus (ii) the interest accrued thereon
941 from the issue date to the date of computation at the rate,
942 compounded semiannually, that is necessary to produce the
943 approximate yield to maturity shown for bonds of the same
944 maturity.

945 (b) "Commission" means the State Bond Commission.

946 (c) "State shipyard" means the shipyard property owned
947 by the state and located in Jackson County, Mississippi.

948 (d) "State" means the State of Mississippi.

949 (e) "Authority" means the Mississippi Development
950 Authority.

951 **SECTION 53.** (1) The authority may use the proceeds from
952 general obligation bonds issued under Sections 52 through 70 of
953 this act for the purpose of such capital improvements at the state
954 shipyard as it considers necessary to modernize the facility and
955 keep it competitive with other shipyards.

956 (2) The authority, in its discretion, may set aside for
957 minority businesses not more than twenty percent (20%) of its
958 contracts for making such capital improvements at the state
959 shipyard. For the purposes of this subsection (2), the term
960 "minority business" means a business which is owned by a majority
961 of persons who are United States citizens or permanent resident

962 aliens (as defined by the Immigration and Naturalization Service)
963 of the United States, and who are Asian, Black, Hispanic or Native
964 American, according to the following definitions:

965 (a) "Asian" means persons having origins in any of the
966 original people of the Far East, Southeast Asia, the Indian
967 subcontinent, or the Pacific Islands.

968 (b) "Black" means persons having origins in any black
969 racial group of Africa.

970 (c) "Hispanic" means persons of Spanish or Portuguese
971 culture with origins in Mexico, South or Central America, or the
972 Caribbean Islands, regardless of race.

973 (d) "Native American" means persons having origins in
974 any of the original people of North America, including American
975 Indians, Eskimos and Aleuts.

976 **SECTION 54.** (1) (a) A special fund, to be designated as
977 the "2004 State Shipyard Improvement Fund," is created within the
978 State Treasury. The fund shall be maintained by the State
979 Treasurer as a separate and special fund, separate and apart from
980 the General Fund of the state. Unexpended amounts remaining in
981 the fund at the end of a fiscal year shall not lapse into the
982 State General Fund, and any interest earned or investment earnings
983 on amounts in the fund shall be deposited into such fund.

984 (b) Monies deposited into the fund shall be disbursed,
985 in the discretion of the authority, to pay the costs incurred by
986 the authority in making capital improvements to the state
987 shipyard.

988 (c) Monies in the special fund may be used to reimburse
989 reasonable, actual and necessary costs incurred by the authority
990 in providing assistance related to a project for which funding is
991 provided under Sections 52 through 70 of this act. The authority
992 shall maintain an accounting of actual costs incurred for each
993 project for which reimbursements are sought. Reimbursements under

994 this paragraph (c) shall not exceed Three Hundred Thousand Dollars
995 (\$300,000.00) in the aggregate. Reimbursements under this
996 paragraph (c) shall satisfy any applicable federal tax law
997 requirements.

998 (d) Monies in the special fund may be used to reimburse
999 reasonable, actual and necessary costs incurred by the Department
1000 of Audit in providing services related to a project for which
1001 funding is provided under Sections 52 through 70 of this act. The
1002 Department of Audit shall maintain an accounting of actual costs
1003 incurred for each project for which reimbursements are sought.
1004 The Department of Audit may escalate its budget and expend such
1005 funds in accordance with rules and regulations of the Department
1006 of Finance and Administration in a manner consistent with the
1007 escalation of federal funds. Reimbursements under this paragraph
1008 (d) shall not exceed One Hundred Thousand Dollars (\$100,000.00) in
1009 the aggregate. Reimbursements under this paragraph (d) shall
1010 satisfy any applicable federal tax law requirements.

1011 (2) Amounts deposited into such special fund shall be
1012 disbursed to pay the costs of the projects described in subsection
1013 (1) of this section. If any monies in the special fund are not
1014 used within four (4) years after the date the proceeds of the
1015 bonds authorized under Sections 52 through 70 of this act are
1016 deposited into such fund, then the authority shall provide an
1017 accounting of such unused monies to the commission. Promptly
1018 after the commission has certified, by resolution duly adopted,
1019 that the projects described in subsection (1) of this section
1020 shall have been completed, abandoned, or cannot be completed in a
1021 timely fashion, any amounts remaining in such special fund shall
1022 be applied to pay debt service on the bonds issued under Sections
1023 52 through 70 of this act, in accordance with the proceedings
1024 authorizing the issuance of such bonds and as directed by the
1025 commission. Before monies in the special fund may be used for the

1026 projects described in subsection (1) of this section, the
1027 authority shall require that the lessee of the shipyard enter into
1028 binding commitments regarding at least the following: (a) that
1029 such lessee shall create a certain minimum number of jobs over a
1030 certain period of time as determined by the authority (which jobs
1031 must be held by persons eligible for employment in the United
1032 States under applicable state and federal law) and (b) that if
1033 such lessee fails to satisfy any such commitments, the lessee must
1034 repay an amount equal to all or a portion of the funds provided by
1035 the state under Sections 52 through 70 of this act as determined
1036 by the authority.

1037 **SECTION 55.** (1) The commission, at one time, or from time
1038 to time, may declare by resolution the necessity for issuance of
1039 general obligation bonds of the State of Mississippi to provide
1040 funds for all costs incurred or to be incurred for the purposes
1041 described in Section 54 of this act. No bonds shall be issued
1042 under Sections 52 through 70 of this act until the authority is
1043 provided proof that the lessee of the shipyard has incurred debt
1044 or has otherwise irrevocably dedicated funds or a combination of
1045 debt and funds in the amount of not less than Eighty Million
1046 Dollars (\$80,000,000.00) used by the lessee in calendar year 2003,
1047 or thereafter, for capital improvements, capital investments or
1048 capital upgrades at shipyards in Mississippi owned or leased by
1049 the lessee. The debt or dedication of funds or combination of
1050 debt and funds required of the lessee under this section shall be
1051 in addition to any debt or funds required of the lessee under
1052 Section 4 of Chapter 501, Laws of 2003. Upon the adoption of a
1053 resolution by the authority, declaring that the lessee has
1054 incurred the required amount of debt and/or irrevocable dedication
1055 of funds and declaring the necessity for the issuance of any part
1056 or all of the general obligation bonds authorized by this section,
1057 the authority shall deliver a certified copy of its resolution or

1058 resolutions to the commission. Upon receipt of such resolution,
1059 the commission, in its discretion, may act as the issuing agent,
1060 prescribe the form of the bonds, advertise for and accept bids,
1061 issue and sell the bonds so authorized to be sold and do any and
1062 all other things necessary and advisable in connection with the
1063 issuance and sale of such bonds. The total amount of bonds issued
1064 under Sections 52 through 70 of this act shall not exceed Forty
1065 Million Dollars (\$40,000,000.00). No bonds shall be issued under
1066 Sections 52 through 70 of this act after July 1, 2007.

1067 (2) Any investment earnings on amounts deposited into the
1068 special fund created in Section 54 of this act shall be used to
1069 pay debt service on bonds issued under Sections 52 through 70 of
1070 this act, in accordance with the proceedings authorizing issuance
1071 of such bonds.

1072 **SECTION 56.** The principal of and interest on the bonds
1073 authorized under Sections 52 through 70 of this act shall be
1074 payable in the manner provided in this section. Such bonds shall
1075 bear such date or dates, be in such denomination or denominations,
1076 bear interest at such rate or rates (not to exceed the limits set
1077 forth in Section 75-17-101, Mississippi Code of 1972), be payable
1078 at such place or places within or without the State of
1079 Mississippi, shall mature absolutely at such time or times not to
1080 exceed twenty (20) years from date of issue, be redeemable before
1081 maturity at such time or times and upon such terms, with or
1082 without premium, shall bear such registration privileges, and
1083 shall be substantially in such form, all as shall be determined by
1084 resolution of the commission.

1085 **SECTION 57.** The bonds authorized by Sections 52 through 70
1086 of this act shall be signed by the chairman of the commission, or
1087 by his facsimile signature, and the official seal of the
1088 commission shall be affixed thereto, attested by the secretary of
1089 the commission. The interest coupons, if any, to be attached to

1090 such bonds may be executed by the facsimile signatures of such
1091 officers. Whenever any such bonds shall have been signed by the
1092 officials designated to sign the bonds who were in office at the
1093 time of such signing but who may have ceased to be such officers
1094 before the sale and delivery of such bonds, or who may not have
1095 been in office on the date such bonds may bear, the signatures of
1096 such officers upon such bonds and coupons shall nevertheless be
1097 valid and sufficient for all purposes and have the same effect as
1098 if the person so officially signing such bonds had remained in
1099 office until their delivery to the purchaser, or had been in
1100 office on the date such bonds may bear. However, notwithstanding
1101 anything herein to the contrary, such bonds may be issued as
1102 provided in the Registered Bond Act of the State of Mississippi.

1103 **SECTION 58.** All bonds and interest coupons issued under the
1104 provisions of Sections 52 through 70 of this act have all the
1105 qualities and incidents of negotiable instruments under the
1106 provisions of the Uniform Commercial Code, and in exercising the
1107 powers granted by Sections 52 through 70 of this act, the
1108 commission shall not be required to and need not comply with the
1109 provisions of the Uniform Commercial Code.

1110 **SECTION 59.** The commission shall act as the issuing agent
1111 for the bonds authorized under Sections 52 through 70 of this act,
1112 prescribe the form of the bonds, advertise for and accept bids,
1113 issue and sell the bonds so authorized to be sold, pay all fees
1114 and costs incurred in such issuance and sale, and do any and all
1115 other things necessary and advisable in connection with the
1116 issuance and sale of such bonds. The commission is authorized and
1117 empowered to pay the costs that are incident to the sale, issuance
1118 and delivery of the bonds authorized under Sections 52 through 70
1119 of this act from the proceeds derived from the sale of such bonds.
1120 The commission shall sell such bonds on sealed bids at public
1121 sale, and for such price as it may determine to be for the best

1122 interest of the State of Mississippi, but no such sale shall be
1123 made at a price less than par plus accrued interest to the date of
1124 delivery of the bonds to the purchaser. All interest accruing on
1125 such bonds so issued shall be payable semiannually or annually;
1126 however, the first interest payment may be for any period of not
1127 more than one (1) year.

1128 Notice of the sale of any such bonds shall be published at
1129 least one time, not less than ten (10) days before the date of
1130 sale, and shall be so published in one or more newspapers
1131 published or having a general circulation in the City of Jackson,
1132 Mississippi, and in one or more other newspapers or financial
1133 journals with a national circulation, to be selected by the
1134 commission.

1135 The commission, when issuing any bonds under the authority of
1136 Sections 52 through 70 of this act, may provide that bonds, at the
1137 option of the State of Mississippi, may be called in for payment
1138 and redemption at the call price named therein and accrued
1139 interest on such date or dates named therein.

1140 **SECTION 60.** The bonds issued under the provisions of
1141 Sections 52 through 70 of this act are general obligations of the
1142 State of Mississippi, and for the payment thereof the full faith
1143 and credit of the State of Mississippi is irrevocably pledged. If
1144 the funds appropriated by the Legislature for such purposes are
1145 insufficient to pay the principal of and the interest on such
1146 bonds as they become due, then the deficiency shall be paid by the
1147 State Treasurer from any funds in the State Treasury not otherwise
1148 appropriated. All such bonds shall contain recitals on their
1149 faces substantially covering the provisions of this section.

1150 **SECTION 61.** Upon the issuance and sale of bonds under the
1151 provisions of Sections 52 through 70 of this act, the commission
1152 shall transfer the proceeds of any such sale or sales to the
1153 special fund created in Section 54 of this act. The proceeds of

1154 such bonds shall be disbursed solely upon the order of the
1155 authority under such restrictions, if any, as may be contained in
1156 the resolution providing for the issuance of the bonds.

1157 **SECTION 62.** The bonds authorized under Sections 52 through
1158 70 of this act may be issued without any other proceedings or the
1159 happening of any other conditions or things other than those
1160 proceedings, conditions and things which are specified or required
1161 by Sections 52 through 70 of this act. Any resolution providing
1162 for the issuance of bonds under the provisions of Sections 52
1163 through 70 of this act shall become effective immediately upon its
1164 adoption by the commission, and any such resolution may be adopted
1165 at any regular or special meeting of the commission by a majority
1166 of its members.

1167 **SECTION 63.** The bonds authorized under the authority of
1168 Sections 52 through 70 of this act may be validated in the
1169 Chancery Court of the First Judicial District of Hinds County,
1170 Mississippi, in the manner and with the force and effect provided
1171 by Chapter 13, Title 31, Mississippi Code of 1972, for the
1172 validation of county, municipal, school district and other bonds.
1173 The notice to taxpayers required by such statutes shall be
1174 published in a newspaper published or having a general circulation
1175 in the City of Jackson, Mississippi.

1176 **SECTION 64.** Any holder of bonds issued under the provisions
1177 of Sections 52 through 70 of this act or of any of the interest
1178 coupons pertaining thereto may, either at law or in equity, by
1179 suit, action, mandamus or other proceeding, protect and enforce
1180 any and all rights granted under Sections 52 through 70 of this
1181 act, or under such resolution, and may enforce and compel
1182 performance of all duties required by Sections 52 through 70 of
1183 this act to be performed, in order to provide for the payment of
1184 bonds and interest thereon.

1185 **SECTION 65.** All bonds issued under the provisions of
1186 Sections 52 through 70 of this act shall be legal investments for
1187 trustees and other fiduciaries, and for savings banks, trust
1188 companies and insurance companies organized under the laws of the
1189 State of Mississippi, and such bonds shall be legal securities
1190 which may be deposited with and shall be received by all public
1191 officers and bodies of this state and all municipalities and
1192 political subdivisions for the purpose of securing the deposit of
1193 public funds.

1194 **SECTION 66.** Bonds issued under the provisions of Sections 52
1195 through 70 of this act and income therefrom shall be exempt from
1196 all taxation in the State of Mississippi.

1197 **SECTION 67.** The proceeds of the bonds issued under Sections
1198 52 through 70 of this act shall be used solely for the purposes
1199 provided in this act, including the costs incident to the issuance
1200 and sale of such bonds.

1201 **SECTION 68.** The State Treasurer is authorized, without
1202 further process of law, to certify to the Department of Finance
1203 and Administration the necessity for warrants, and the Department
1204 of Finance and Administration is authorized and directed to issue
1205 such warrants, in such amounts as may be necessary to pay when due
1206 the principal of, premium, if any, and interest on, or the
1207 accreted value of, all bonds issued under Sections 52 through 70
1208 of this act; and the State Treasurer shall forward the necessary
1209 amount to the designated place or places of payment of such bonds
1210 in ample time to discharge such bonds, or the interest thereon, on
1211 the due dates thereof.

1212 **SECTION 69.** All improvements made to the state shipyard with
1213 the proceeds of bonds issued pursuant to Sections 52 through 70 of
1214 this act shall, as state-owned property, be exempt from ad valorem
1215 taxation, except ad valorem taxation for school district purposes.

1216 **SECTION 70.** Sections 52 through 70 of this act shall be
1217 deemed to be full and complete authority for the exercise of the
1218 powers herein granted, but Sections 52 through 70 of this act
1219 shall not be deemed to repeal or to be in derogation of any
1220 existing law of this state.

1221 **SECTION 71.** This act shall take effect and be in force from
1222 and after its passage.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AUTHORIZE THE ISSUANCE OF \$8,000,000.00 IN STATE
2 GENERAL OBLIGATION BONDS TO PROVIDE FUNDS FOR THE MISSISSIPPI
3 RURAL IMPACT FUND; TO AUTHORIZE THE ISSUANCE OF \$8,000,000.00 IN
4 STATE GENERAL OBLIGATION BONDS TO PROVIDE FUNDS FOR THE SMALL
5 MUNICIPALITIES AND LIMITED POPULATION COUNTIES FUND; TO AMEND
6 SECTION 57-1-18, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT A
7 PORTION OF THE PROCEEDS OF CERTAIN BONDS MAY BE UTILIZED BY THE
8 MISSISSIPPI DEVELOPMENT AUTHORITY TO REIMBURSE CERTAIN COSTS
9 RELATED TO THE ADMINISTRATION OF THE FUND AND TO LIMIT THE AMOUNT
10 OF GRANTS ISSUED TO A MUNICIPALITY OR COUNTY DURING ANY GRANT
11 PERIOD TO \$250,000.00; TO AUTHORIZE THE ISSUANCE OF \$5,000,000.00
12 IN STATE GENERAL OBLIGATION BONDS OF THE STATE OF MISSISSIPPI FOR
13 THE PURPOSE OF PROVIDING FUNDS FOR THE MISSISSIPPI LAND, WATER AND
14 TIMBER RESOURCES FUND; TO AMEND SECTION 69-46-5, MISSISSIPPI CODE
15 OF 1972, TO PROVIDE THAT THE MISSISSIPPI LAND, WATER AND TIMBER
16 RESOURCES BOARD MAY PROVIDE LOAN GUARANTIES ON BEHALF OF PUBLIC
17 AND PRIVATE ENTITIES IN ANY MANNER THE BOARD DETERMINES
18 APPROPRIATE FOR THE PURPOSES OF CARRYING OUT THE PROVISIONS OF THE
19 MISSISSIPPI LAND, WATER AND TIMBER RESOURCES ACT; TO AMEND SECTION
20 69-46-7, MISSISSIPPI CODE OF 1972, TO REQUIRE THE MISSISSIPPI
21 LAND, WATER AND TIMBER RESOURCES BOARD TO SET ASIDE \$800,000.00 OF
22 THE MONIES IN THE MISSISSIPPI LAND, WATER AND TIMBER RESOURCES
23 FUND FOR THE PURPOSE OF PROVIDING LOANS, GRANTS, CONTRACTS, LOAN
24 GUARANTIES OR OTHER FORMS OF ASSISTANCE TO ANY PRIVATE ENTITY
25 ENGAGED IN THE MANUFACTURE OF ENVIRONMENTALLY RESPONSIBLE
26 PRODUCTS; TO REQUIRE THE MISSISSIPPI LAND, WATER AND TIMBER
27 RESOURCES BOARD TO SET ASIDE \$850,000.00 OF THE MONIES IN THE
28 MISSISSIPPI LAND, WATER AND TIMBER RESOURCES FUND FOR THE PURPOSE
29 OF PAYING REASONABLE COSTS INCURRED BY THE MISSISSIPPI TECHNOLOGY
30 ALLIANCE IN ADMINISTERING CERTAIN PROJECTS; TO AUTHORIZE THE
31 MISSISSIPPI LAND, WATER AND TIMBER RESOURCES BOARD TO PROVIDE A
32 PORTION OF THE MONIES IN THE MISSISSIPPI LAND, WATER AND TIMBER
33 RESOURCES FUND, WHICH ARE DERIVED FROM THE PROCEEDS OF BONDS
34 AUTHORIZED UNDER THIS ACT, TO THE MISSISSIPPI DEPARTMENT OF
35 AGRICULTURE AND COMMERCE, THE MISSISSIPPI DEVELOPMENT AUTHORITY
36 AND THE DEPARTMENT OF AUDIT TO DEFRAY COSTS INCURRED BY SUCH
37 ENTITIES IN ASSISTING THE BOARD IN CARRYING OUT THE PROVISIONS OF
38 THE MISSISSIPPI LAND, WATER AND TIMBER RESOURCES ACT; TO AUTHORIZE
39 THE ISSUANCE OF \$40,000,000.00 IN STATE GENERAL OBLIGATION BONDS
40 TO PROVIDE FUNDS FOR CAPITAL IMPROVEMENTS AT THE STATE-OWNED
41 SHIPYARD LOCATED IN JACKSON COUNTY, MISSISSIPPI; TO PROVIDE THAT
42 THE ISSUANCE OF SUCH BONDS SHALL BE CONDITIONED ON THE LESSEE
43 INCURRING A CERTAIN AMOUNT OF DEBT FOR CAPITAL IMPROVEMENTS,
44 CAPITAL INVESTMENTS OR CAPITAL UPGRADES TO SHIPYARDS IN

45 MISSISSIPPI OWNED OR LEASED BY SUCH LESSEE; AND FOR RELATED
46 PURPOSES.

CONFEREES FOR THE SENATE

X (SIGNED)
Thomas E. Robertson

X (SIGNED)
Nickey Browning

X (SIGNED)
Robert Jackson

CONFEREES FOR THE HOUSE

X (SIGNED)
Percy W. Watson

X (SIGNED)
Jeffrey C. Smith

(NOT SIGNED)
Mary H. Coleman