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Chapter No. 534  
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***SENATE BILL NO. 2564***

Originated in Senate  Secretary

SENATE BILL NO. 2564

AN ACT TO AMEND SECTION 57-40-1, MISSISSIPPI CODE OF 1972, TO REVISE THE DEFINITION OF THE TERM "PROJECT" AS USED IN THE ENERGY INFRASTRUCTURE REVOLVING LOAN PROGRAM; TO AMEND SECTION 57-40-3, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE FUND MAY BE USED TO ASSIST ENERGY-PROVIDING UTILITIES; TO AMEND SECTIONS 57-40-5 AND 57-40-7, MISSISSIPPI CODE OF 1972, TO CONFORM; AND FOR RELATED PURPOSES.

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

**SECTION 1.** Section 57-40-1, Mississippi Code of 1972, is amended as follows:

57-40-1. \* \* \* As used in this chapter:

(a) "Project" means a facility constructed after \* \* \* July 1, 2012, \* \* \* with a capital investment from private sources of not less than \* \* \* Fifty Million Dollars (\$50,000,000.00).

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

**SECTION 2.** Section 57-40-3, Mississippi Code of 1972, is amended as follows:

57-40-3. There is established an energy infrastructure revolving loan program to be administered by the MDA for the purpose of assisting counties and municipalities in:

(a) Constructing, repairing or improving infrastructure related to a project, including, but not limited to, making a contribution in aid of construction to an energy-providing utility or cooperative for its constructing, repairing, improving and owning such infrastructure;

(b) Site preparation related to a project on property owned by a county or municipality; and

(c) Site preparation on property owned by the enterprise owning or operating a project.

**SECTION 3.** Section 57-40-5, Mississippi Code of 1972, is amended as follows:

57-40-5. (1) There is created a special fund in the State Treasury to be designated as the "Energy Infrastructure Revolving Loan Fund," which shall consist of such money authorized to be deposited into such fund from any source. The fund shall be maintained in perpetuity for the purposes established in this chapter. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the fund shall be deposited to the credit of the fund. Money in the fund may not be used or expended for any purpose except as authorized under this chapter.

(2) A county or an incorporated municipality may apply to the MDA for a loan under the energy infrastructure revolving loan program established under this chapter.

(3) (a) The MDA shall establish a loan program by which loans, at the rate of interest set by the MDA, may be made available to counties and incorporated municipalities \* \* \* for the purposes provided in Section 57-40-3.

(b) Loans from the revolving fund may be made to counties and municipalities as set forth in a loan agreement in amounts not to exceed one hundred percent (100%) of eligible costs as established by the MDA. The MDA may require county \* \* \* municipal or private participation or funding from other sources, or otherwise limit the percentage of costs covered by loans from the revolving loan fund. The MDA may establish a maximum amount for any loan. Loan repayments shall be deposited into the revolving loan fund.

(4) A county that receives a loan from the revolving fund shall pledge for repayment of the loan any part of the homestead exemption annual tax loss reimbursement to which it may be entitled under Section 27-33-77. An incorporated municipality that receives a loan from the revolving fund shall pledge for repayment of the loan any part of the sales tax revenue distribution to which it may be entitled under Section 27-65-75. Each loan agreement shall provide for (i) monthly payments, (ii) semiannual payments, or (iii) other periodic payments. The loan agreement shall provide for the repayment of all funds received within not more than twenty (20) years from the date of project completion.

(5) Prior to the execution of a loan agreement, relevant parties to the project shall enter into an agreement, in a manner acceptable to MDA, that stipulates the terms of the energy infrastructure investment and responsibilities among parties.

( \* \* \*6) The State Auditor, upon request of the MDA, shall audit the receipts and expenditures of a county or an incorporated municipality whose loan payments appear to be in arrears, and if he finds that the \* \* \* entity is in arrears in such payments, he shall immediately notify the Executive Director of the Department of Finance and Administration who shall withhold all future payments to the county of homestead exemption reimbursements under Section 27-33-77 and all sums allocated to the county or the municipality under Section 27-65-75 until such time as the county or the municipality is again current in its loan payments as certified by the MDA.

( \* \* \*7) Evidences of indebtedness which are issued pursuant to this chapter shall not be deemed indebtedness within the meaning specified in Section 21-33-303 with regard to cities or incorporated towns, and in Section 19-9-5 with regard to counties.

**SECTION 4.** Section 57-40-7, Mississippi Code of 1972, is amended as follows:

57-40-7. In administering the provisions of this chapter, the MDA shall have the following powers and duties:

(a) To supervise the use of all funds made available under this chapter for \* \* \* infrastructure improvements;

(b) To review and certify all projects for which funds are authorized to be made available under this chapter;

(c) To requisition money in the Energy Infrastructure Revolving Loan Fund and distribute that money on a project-by-project basis in accordance with the provisions of this chapter;

(d) To maintain an accurate record of all energy infrastructure revolving loan program funds made available to counties and municipalities and the costs for each project; and

(e) To adopt and promulgate such rules and regulations as may be necessary or desirable for the purpose of implementing the provisions of this chapter.

**SECTION 5.** This act shall take effect and be in force from and after July 1, 2013.

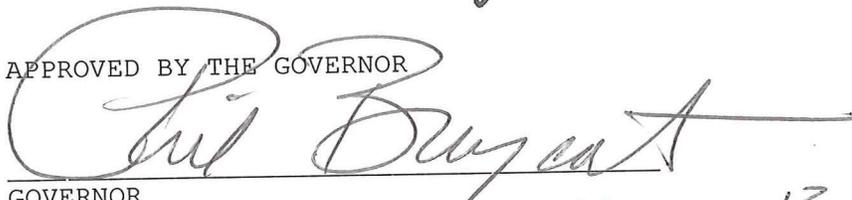
PASSED BY THE SENATE  
February 6, 2013

  
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PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES  
March 1, 2013

  
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SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR

  
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GOVERNOR

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