

By: Representatives Ketchings, Green (96th), To: Ways and Means
Janus, West

HOUSE BILL NO. 1568
(As Passed the House)

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO THE CITY OF NATCHEZ,
3 MISSISSIPPI, FOR MATCHING FUNDS REQUIRED FOR THE UNITED STATES
4 ARMY CORPS OF ENGINEERS BLUFF STABILIZATION PROJECT FOR THE CITY
5 OF NATCHEZ; TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS
6 OF THE STATE OF MISSISSIPPI IN THE AMOUNT OF \$500,000.00 TO
7 PROVIDE FUNDS FOR THE PAT HARRISON WATERWAY DISTRICT; AND FOR
8 RELATED PURPOSES.

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

10 SECTION 1. As used in Sections 1 through 17 of this act, the
11 following words shall have the meanings ascribed herein unless the
12 context clearly requires otherwise:

13 (a) "Accreted value" of any bond means, as of any date
14 of computation, an amount equal to the sum of (i) the stated
15 initial value of such bond, plus (ii) the interest accrued thereon
16 from the issue date to the date of computation at the rate,
17 compounded semiannually, that is necessary to produce the
18 approximate yield to maturity shown for bonds of the same
19 maturity.

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

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

22 SECTION 2. (1) (a) A special fund, to be designated as the
23 "1999 City of Natchez, Mississippi, Bluff Stabilization Project
24 Fund," is created within the State Treasury. The fund shall be
25 maintained by the State Treasurer as a separate and special fund,
26 separate and apart from the General Fund of the state. Unexpended
27 amounts remaining in the fund at the end of a fiscal year shall
28 not lapse into the State General Fund, and any interest earned or
29 investment earnings on amounts in the fund shall be deposited into
30 such fund.

31 (b) Monies deposited into the fund shall be disbursed,
32 in the discretion of the Department of Finance and Administration,
33 for the purpose of providing funds to the City of Natchez,
34 Mississippi, for matching funds required for the United States
35 Army Corps of Engineers Bluff Stabilization Project for the City
36 of Natchez, Mississippi.

37 (2) Amounts deposited into such special fund shall be
38 disbursed to provide matching funds to pay the costs of the
39 project described in subsection (1) of this section. Promptly
40 after the commission has certified, by resolution duly adopted,
41 that the project described in subsection (1) of this section shall
42 have been completed, abandoned, or cannot be completed in a timely
43 fashion, any amounts remaining in such special fund shall be
44 applied to pay debt service on the bonds issued under Sections 1
45 through 17 of this act, in accordance with the proceedings
46 authorizing the issuance of such bonds and as directed by the
47 commission.

48 (3) The Department of Finance and Administration is
49 expressly authorized and empowered to receive and expend any local
50 or other source funds in connection with the expenditure of funds
51 provided for in this section. The expenditure of monies deposited
52 into the special fund shall be under the direction of the
53 Department of Finance and Administration, and such funds shall be
54 paid by the State Treasurer upon warrants issued by such
55 department, which warrants shall be issued upon requisitions
56 signed by the Executive Director of the Department of Finance and
57 Administration or his designee.

58 (4) If any land is reclaimed in the downtown area of the
59 City of Natchez as a result of monies made available under the
60 provisions of this act, and such property is used for commercial
61 or other income producing purposes, then fifty percent (50%) of
62 the income derived by the City of Natchez from such property, not
63 to exceed the total costs of the debt service on the bonds issued
64 under Sections 1 through 17 of this act, shall be repaid by the

65 city to the state to retire the debt service on the bonds.

66 SECTION 3. (1) The commission, at one (1) time, or from
67 time to time, may declare by resolution the necessity for issuance
68 of general obligation bonds of the State of Mississippi to provide
69 funds for all costs incurred or to be incurred for the purposes
70 described in Section 2 of this act. Upon the adoption of a
71 resolution by the Department of Finance and Administration,
72 declaring the necessity for the issuance of any part or all of the
73 general obligation bonds authorized by this section, the
74 Department of Finance and Administration shall deliver a certified
75 copy of its resolution or resolutions to the commission. Upon
76 receipt of such resolution, the commission, in its discretion, may
77 act as the issuing agent, prescribe the form of the bonds,
78 advertise for and accept bids, issue and sell the bonds so
79 authorized to be sold and do any and all other things necessary
80 and advisable in connection with the issuance and sale of such
81 bonds. The total amount of bonds issued under Sections 1 through
82 17 of this act shall not exceed three Million Two Hundred Thousand
83 Dollars (\$3,200,000.00).

84 (2) Any investment earnings on amounts deposited into the
85 special fund created in Section 2 of this act shall be used to pay
86 debt service on bonds issued under Sections 1 through 17 of this
87 act, in accordance with the proceedings authorizing issuance of
88 such bonds.

89 SECTION 4. The principal of and interest on the bonds
90 authorized under Sections 1 through 17 of this act shall be
91 payable in the manner provided in this section. Such bonds shall
92 bear such date or dates, be in such denomination or denominations,
93 bear interest at such rate or rates (not to exceed the limits set
94 forth in Section 75-17-101, Mississippi Code of 1972), be payable
95 at such place or places within or without the State of
96 Mississippi, shall mature absolutely at such time or times not to
97 exceed twenty-five (25) years from date of issue, be redeemable
98 before maturity at such time or times and upon such terms, with or

99 without premium, shall bear such registration privileges, and
100 shall be substantially in such form, all as shall be determined by
101 resolution of the commission.

102 SECTION 5. The bonds authorized by Sections 1 through 17 of
103 this act shall be signed by the chairman of the commission, or by
104 his facsimile signature, and the official seal of the commission
105 shall be affixed thereto, attested by the secretary of the
106 commission. The interest coupons, if any, to be attached to such
107 bonds may be executed by the facsimile signatures of such
108 officers. Whenever any such bonds shall have been signed by the
109 officials designated to sign the bonds who were in office at the
110 time of such signing but who may have ceased to be such officers
111 before the sale and delivery of such bonds, or who may not have
112 been in office on the date such bonds may bear, the signatures of
113 such officers upon such bonds and coupons shall nevertheless be
114 valid and sufficient for all purposes and have the same effect as
115 if the person so officially signing such bonds had remained in
116 office until their delivery to the purchaser, or had been in
117 office on the date such bonds may bear. However, notwithstanding
118 anything herein to the contrary, such bonds may be issued as
119 provided in the Registered Bond Act of the State of Mississippi.

120 SECTION 6. All bonds and interest coupons issued under the
121 provisions of Sections 1 through 17 of this act have all the
122 qualities and incidents of negotiable instruments under the
123 provisions of the Mississippi Uniform Commercial Code, and in
124 exercising the powers granted by Sections 1 through 17 of this
125 act, the commission shall not be required to and need not comply
126 with the provisions of the Mississippi Uniform Commercial Code.

127 SECTION 7. The commission shall act as the issuing agent for
128 the bonds authorized under Sections 1 through 17 of this act,
129 prescribe the form of the bonds, advertise for and accept bids,
130 issue and sell the bonds so authorized to be sold, pay all fees
131 and costs incurred in such issuance and sale, and do any and all
132 other things necessary and advisable in connection with the

133 issuance and sale of such bonds. The commission is authorized and
134 empowered to pay the costs that are incident to the sale, issuance
135 and delivery of the bonds authorized under Sections 1 through 17
136 of this act from the proceeds derived from the sale of such bonds.

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

145 Notice of the sale of any such bonds shall be published at
146 least one (1) time, not less than ten (10) days before the date of
147 sale, and shall be so published in one or more newspapers
148 published or having a general circulation in the City of Jackson,
149 Mississippi, and in one or more other newspapers or financial
150 journals with a national circulation, to be selected by the
151 commission.

152 The commission, when issuing any bonds under the authority of
153 Sections 1 through 17 of this act, may provide that bonds, at the
154 option of the State of Mississippi, may be called in for payment
155 and redemption at the call price named therein and accrued
156 interest on such date or dates named therein.

157 SECTION 8. The bonds issued under the provisions of Sections
158 1 through 17 of this act are general obligations of the State of
159 Mississippi, and for the payment thereof the full faith and credit
160 of the State of Mississippi is irrevocably pledged. If the funds
161 appropriated by the Legislature are insufficient to pay the
162 principal of and the interest on such bonds as they become due,
163 then the deficiency shall be paid by the State Treasurer from any
164 funds in the State Treasury not otherwise appropriated. All such
165 bonds shall contain recitals on their faces substantially covering
166 the provisions of this section.

167 SECTION 9. Upon the issuance and sale of bonds under the
168 provisions of Sections 1 through 17 of this act, the commission
169 shall transfer the proceeds of any such sale or sales to the
170 special fund created in Section 2 of this act. The proceeds of
171 such bonds shall be disbursed solely upon the order of the
172 Department of Finance and Administration under such restrictions,
173 if any, as may be contained in the resolution providing for the
174 issuance of the bonds.

175 SECTION 10. The bonds authorized under Sections 1 through 17
176 of this act may be issued without any other proceedings or the
177 happening of any other conditions or things other than those
178 proceedings, conditions and things which are specified or required
179 by Sections 1 through 17 of this act. Any resolution providing
180 for the issuance of bonds under the provisions of Sections 1
181 through 17 of this act shall become effective immediately upon its
182 adoption by the commission, and any such resolution may be adopted
183 at any regular or special meeting of the commission by a majority
184 of its members.

185 SECTION 11. The bonds authorized under the authority of
186 Sections 1 through 17 of this act may be validated in the Chancery
187 Court of the First Judicial District of Hinds County, Mississippi,
188 in the manner and with the force and effect provided by Chapter
189 13, Title 31, Mississippi Code of 1972, for the validation of
190 county, municipal, school district and other bonds. The notice to
191 taxpayers required by such statutes shall be published in a
192 newspaper published or having a general circulation in the City of
193 Jackson, Mississippi.

194 SECTION 12. Any holder of bonds issued under the provisions
195 of Sections 1 through 17 of this act or of any of the interest
196 coupons pertaining thereto may, either at law or in equity, by
197 suit, action, mandamus or other proceeding, protect and enforce
198 any and all rights granted under Sections 1 through 17 of this
199 act, or under such resolution, and may enforce and compel
200 performance of all duties required by Sections 1 through 17 of

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

203 SECTION 13. All bonds issued under the provisions of
204 Sections 1 through 17 of this act shall be legal investments for
205 trustees and other fiduciaries, and for savings banks, trust
206 companies and insurance companies organized under the laws of the
207 State of Mississippi, and such bonds shall be legal securities
208 which may be deposited with and shall be received by all public
209 officers and bodies of this state and all municipalities and
210 political subdivisions for the purpose of securing the deposit of
211 public funds.

212 SECTION 14. Bonds issued under the provisions of Sections 1
213 through 17 of this act and income therefrom shall be exempt from
214 all taxation in the State of Mississippi.

215 SECTION 15. The proceeds of the bonds issued under Sections
216 1 through 17 of this act shall be used solely for the purposes
217 herein provided, including the costs incident to the issuance and
218 sale of such bonds.

219 SECTION 16. The State Treasurer is authorized, without
220 further process of law, to certify to the Department of Finance
221 and Administration the necessity for warrants, and the Department
222 of Finance and Administration is authorized and directed to issue
223 such warrants, in such amounts as may be necessary to pay when due
224 the principal of, premium, if any, and interest on, or the
225 accreted value of, all bonds issued under Sections 1 through 17 of
226 his act; and the State Treasurer shall forward the necessary
227 amount to the designated place or places of payment of such bonds
228 in ample time to discharge such bonds, or the interest thereon, on
229 the due dates thereof.

230 SECTION 17. Sections 1 through 17 of this act shall be
231 deemed to be full and complete authority for the exercise of the
232 powers herein granted, but this act shall not be deemed to repeal
233 or to be in derogation of any existing law of this state.

234 SECTION 18. A special fund, to be designated the "1999 Pat

235 Harrison Waterway District Fund," is created within the State
236 Treasury. The fund shall be maintained by the State Treasurer as
237 a separate and special fund, separate and apart from the General
238 Fund of the state, and investment earnings on amounts in the fund
239 shall be deposited into such fund. The expenditure of monies
240 deposited into the fund shall be under the direction of the
241 Department of Finance and Administration, and such funds shall be
242 paid by the State Treasurer upon warrants issued by the Department
243 of Finance and Administration. Monies deposited into such fund
244 shall be disbursed, in the discretion of the Department of Finance
245 and Administration, for the purpose of providing funds for
246 matching federal funds for streamside stabilization and
247 conservation projects of any local governmental entity.

248 SECTION 19. (1) The Department of Finance and
249 Administration, at one (1) time or from time to time, may declare
250 by resolution the necessity for issuance of general obligation
251 bonds of the State of Mississippi to provide funds for all costs
252 incurred or to be incurred for the purposes described in Section
253 18 of this act. Upon the adoption of a resolution by the
254 Department of Finance and Administration declaring the necessity
255 for the issuance of any part or all of the general obligation
256 bonds authorized by this section, the Department of Finance and
257 Administration shall deliver a certified copy of its resolution or
258 resolutions to the State Bond Commission. Upon receipt of such
259 resolution, the commission, in its discretion, may act as the
260 issuing agent, prescribe the form of the bonds, advertise for and
261 accept bids, issue and sell the bonds so authorized to be sold,
262 and do any and all other things necessary and advisable in
263 connection with the issuance and sale of such bonds. The total
264 amount of bonds issued under Sections 18 through 33 of this act
265 shall not exceed Five Hundred Thousand Dollars (\$500,000.00).

266 (2) Any investment earnings on amounts deposited into the
267 fund created in Section 18 of this act shall be used to pay debt
268 service on bonds issued under Sections 18 through 33 of this act,

269 in accordance with the proceedings authorizing issuance of such
270 bonds.

271 (3) Upon the completion or abandonment of the projects
272 described in Section 18 of this act, as evidenced by a resolution
273 adopted by the Department of Finance and Administration certifying
274 that all such projects have been completed or abandoned, the
275 balance, if any, remaining in the 1999 Pat Harrison Waterway
276 District Fund shall be promptly applied to pay debt service on
277 bonds issued under Sections 18 through 33 of this act, in
278 accordance with the proceedings authorizing the issuance of such
279 bonds.

280 SECTION 20. The principal of and interest on the bonds
281 authorized under Sections 18 through 33 of this act shall be
282 payable in the manner provided in this section. Such bonds shall
283 bear such date or dates, be in such denomination or denominations,
284 bear interest at such rate or rates (not to exceed the limits set
285 forth in Section 75-17-101), be payable at such place or places
286 within or without the State of Mississippi, shall mature
287 absolutely at such time or times not to exceed twenty-five (25)
288 years from date of issue, be redeemable before maturity at such
289 time or times and upon such terms, with or without premium, shall
290 bear such registration privileges, and shall be substantially in
291 such form, all as shall be determined by resolution of the
292 commission.

293 SECTION 21. The bonds authorized by Sections 18 through 33
294 of this act shall be signed by the Chairman of the State Bond
295 Commission, or by his facsimile signature, and the official seal
296 of the commission shall be affixed thereto, attested by the
297 secretary of the commission. The interest coupons, if any, to be
298 attached to such bonds may be executed by the facsimile signatures
299 of such officers. Whenever any such bonds shall have been signed
300 by the officials designated to sign the bonds who were in office
301 at the time of such signing but who may have ceased to be such
302 officers before the sale and delivery of such bonds, or who may

303 not have been in office on the date such bonds may bear, the
304 signatures of such officers upon such bonds and coupons shall
305 nevertheless be valid and sufficient for all purposes and have the
306 same effect as if the person so officially signing such bonds had
307 remained in office until their delivery to the purchaser, or had
308 been in office on the date such bonds may bear. However,
309 notwithstanding anything herein to the contrary, such bonds may be
310 issued as provided in the Registered Bond Act of the State of
311 Mississippi.

312 SECTION 22. All bonds and interest coupons issued under
313 Sections 18 through 33 of this act have all the qualities and
314 incidents of negotiable instruments under the provisions of the
315 Mississippi Uniform Commercial Code, and in exercising the powers
316 granted by Sections 18 through 33 of this act, the commission
317 shall not be required to and need not comply with the provisions
318 of the Mississippi Uniform Commercial Code.

319 SECTION 23. The commission shall act as the issuing agent
320 for the bonds authorized under Sections 18 through 33 of this act,
321 prescribe the form of the bonds, advertise for and accept bids,
322 issue and sell the bonds so authorized to be sold, pay all fees
323 and costs incurred in such issuance and sale, and do any and all
324 other things necessary and advisable in connection with the
325 issuance and sale of such bonds. The commission is authorized and
326 empowered to pay the costs that are incident to the sale, issuance
327 and delivery of the bonds authorized under Sections 18 through 33
328 of this act from the proceeds derived from the sale of such bonds.

329 The commission shall sell such bonds on sealed bids at public
330 sale, and for such price as it may determine to be for the best
331 interest of the State of Mississippi, but no such sale shall be
332 made at a price less than par plus accrued interest to the date of
333 delivery of the bonds to the purchaser. All interest accruing on
334 such bonds so issued shall be payable semiannually or annually;
335 however, the first interest payment may be for any period of not
336 more than one (1) year.

337 Notice of the sale of any such bonds shall be published at
338 least one (1) time, not less than ten (10) days before the date of
339 sale, and shall be so published in one or more newspapers
340 published or having a general circulation in the City of Jackson,
341 Mississippi, and in one or more other newspapers or financial
342 journals with a national circulation, to be selected by the
343 commission.

344 The commission, when issuing any bonds under the authority of
345 Sections 18 through 33 of this act, may provide that bonds, at the
346 option of the State of Mississippi, may be called in for payment
347 and redemption at the call price named therein and accrued
348 interest on such date or dates named therein.

349 SECTION 24. The bonds issued under Sections 18 through 33 of
350 this act are general obligations of the State of Mississippi, and
351 for the payment thereof the full faith and credit of the State of
352 Mississippi is irrevocably pledged. If the funds appropriated by
353 the Legislature are insufficient to pay the principal of and the
354 interest on such bonds as they become due, then the deficiency
355 shall be paid by the State Treasurer from any funds in the State
356 Treasury not otherwise appropriated. All such bonds shall contain
357 recitals on their faces substantially covering the provisions of
358 this section.

359 SECTION 25. Upon the issuance and sale of bonds under
360 Sections 18 through 33 of this act, the commission shall transfer
361 the proceeds of any such sale or sales to the 1999 Pat Harrison
362 Waterway District Fund created in Section 18 of this act. The
363 proceeds of such bonds shall be disbursed solely upon the order of
364 the Department of Finance and Administration under such
365 restrictions, if any, as may be contained in the resolution
366 providing for the issuance of the bonds.

367 SECTION 26. The bonds authorized under Sections 18 through
368 33 of this act may be issued without any other proceedings or the
369 happening of any other conditions or things other than those
370 proceedings, conditions and things which are specified or required

371 by Sections 18 through 33 of this act. Any resolution providing
372 for the issuance of bonds under Sections 18 through 33 of this act
373 shall become effective immediately upon its adoption by the
374 commission, and any such resolution may be adopted at any regular
375 or special meeting of the commission by a majority of its members.

376 SECTION 27. The bonds authorized under the authority of
377 Sections 18 through 33 of this act may be validated in the
378 Chancery Court of the First Judicial District of Hinds County,
379 Mississippi, in the manner and with the force and effect provided
380 by Chapter 13, Title 31, Mississippi Code of 1972, for the
381 validation of county, municipal, school district and other bonds.

382 The notice to taxpayers required by such statutes shall be
383 published in a newspaper published or having a general circulation
384 in the City of Jackson, Mississippi.

385 SECTION 28. Any holder of bonds issued under Sections 18
386 through 33 of this act or of any of the interest coupons
387 pertaining thereto may, either at law or in equity, by suit,
388 action, mandamus or other proceeding, protect and enforce any and
389 all rights granted under Sections 18 through 33 of this act, or
390 under such resolution, and may enforce and compel performance of
391 all duties required by Sections 18 through 33 of this act to be
392 performed, in order to provide for the payment of bonds and
393 interest thereon.

394 SECTION 29. All bonds issued under Sections 18 through 33 of
395 this act shall be legal investments for trustees and other
396 fiduciaries, and for savings banks, trust companies and insurance
397 companies organized under the laws of the State of Mississippi,
398 and such bonds shall be legal securities which may be deposited
399 with and shall be received by all public officers and bodies of
400 this state and all municipalities and political subdivisions for
401 the purpose of securing the deposit of public funds.

402 SECTION 30. Bonds issued under Sections 18 through 33 of
403 this act and income therefrom shall be exempt from all taxation in
404 the State of Mississippi.

405 SECTION 31. The proceeds of the bonds issued under Sections
406 18 through 33 of this act shall be used solely for the purposes
407 herein provided, including the costs incident to the issuance and
408 sale of such bonds.

409 SECTION 32. The State Treasurer is authorized, without
410 further process of law, to certify to the Department of Finance
411 and Administration the necessity for warrants, and the Department
412 of Finance and Administration is authorized and directed to issue
413 such warrants, in such amounts as may be necessary to pay when due
414 the principal of, premium, if any, and interest on, or the
415 accreted value of, all bonds issued under Sections 18 through 33
416 of this act; and the State Treasurer shall forward the necessary
417 amount to the designated place or places of payment of such bonds
418 in ample time to discharge such bonds, or the interest thereon, on
419 the due dates thereof.

420 SECTION 33. The provisions of Sections 18 through 33 of this
421 act shall be deemed to be full and complete authority for the
422 exercise of the powers therein granted, but Sections 18 through 33
423 of this act shall not be deemed to repeal or to be in derogation
424 of any existing law of this state.

425 SECTION 34. This act shall take effect and be in force from
426 and after July 1, 1999.