

By: Representatives Smith (59th), Rogers,
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To: Ways and Means

HOUSE BILL NO. 1586

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS
2 OF THE STATE OF MISSISSIPPI IN THE AMOUNT OF \$3,500,000.00 TO
3 PROVIDE FUNDS TO CONSTRUCT A REVERSIBLE THIRD LANE ON SPILLWAY
4 ROAD WHICH CROSSES THE ROSS BARNETT RESERVOIR DAM IN HINDS,
5 MADISON AND RANKIN COUNTIES; AND FOR RELATED PURPOSES.

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

7 SECTION 1. As used in this act, the following words shall
8 have the meanings ascribed herein unless the context clearly
9 requires otherwise:

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

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

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

19 SECTION 2. A special fund, to be designated the "1999
20 Spillway Road Improvement Fund," is created within the State
21 Treasury. The fund shall be maintained by the State Treasurer as
22 a separate and special fund, separate and apart from the General
23 Fund of the state, and investment earnings on amounts in the fund
24 shall be deposited into such fund. The expenditure of monies
25 deposited into the fund shall be under the direction of the
26 Department of Finance and Administration, and such funds shall be
27 paid by the State Treasurer upon warrants issued by the Department

28 of Finance and Administration. Monies deposited into such fund
29 shall be disbursed to the Pearl River Valley Water Supply District
30 to pay the cost of constructing a reversible third lane on
31 Spillway Road which crosses the Ross Barnett Reservoir Dam in
32 Hinds, Madison and Rankin Counties; to pay the cost of planning
33 such project; to pay the cost of necessary signalling devices; and
34 to pay any other necessary costs of such project.

35 SECTION 3. (1) Upon recommendation of the Board of
36 Directors of the Pearl River Valley Water Supply District, the
37 Department of Finance and Administration, at one (1) time or from
38 time to time, may declare by resolution the necessity for issuance
39 of general obligation bonds of the State of Mississippi to provide
40 funds for all costs incurred or to be incurred for the purposes
41 described in Section 2 of this act. Upon the adoption of a
42 resolution by the Department of Finance and Administration
43 declaring the necessity for the issuance of any part or all of the
44 general obligation bonds authorized by this section, the
45 Department of Finance and Administration shall deliver a certified
46 copy of its resolution or resolutions to the State Bond
47 Commission. Upon receipt of such resolution the commission, in
48 its discretion, may act as the issuing agent, prescribe the form
49 of the bonds, advertise for and accept bids, issue and sell the
50 bonds so authorized to be sold, and do any and all other things
51 necessary and advisable in connection with the issuance and sale
52 of such bonds. The amount of bonds issued under this act shall
53 not exceed Three Million Five Hundred Thousand Dollars
54 (\$3,500,000.00).

55 (2) Any investment earnings on amounts deposited into the
56 1999 Spillway Road Improvement Fund created in Section 2 of this
57 act shall be used to pay debt service on bonds issued under this
58 act, in accordance with the proceedings authorizing issuance of
59 such bonds.

60 (3) Upon the completion or abandonment of the projects
61 described in Section 2 of this act, as evidenced by a resolution
62 adopted by the Department of Finance and Administration certifying
63 that all such projects have been completed or abandoned, the
64 balance, if any, remaining in the 1999 Spillway Road Improvement

65 Fund shall be promptly applied to pay debt service on bonds issued
66 under this act, in accordance with the proceedings authorizing the
67 issuance of such bonds.

68 SECTION 4. The principal of and interest on the bonds
69 authorized under this act shall be payable in the manner provided
70 in this section. Such bonds shall bear such date or dates, be in
71 such denomination or denominations, bear interest at such rate or
72 rates (not to exceed the limits set forth in Section 75-17-101,
73 Mississippi Code of 1972), be payable at such place or places
74 within or without the State of Mississippi, shall mature
75 absolutely at such time or times not to exceed twenty-five (25)
76 years from date of issue, be redeemable before maturity at such
77 time or times and upon such terms, with or without premium, shall
78 bear such registration privileges, and shall be substantially in
79 such form, all as shall be determined by resolution of the
80 commission.

81 SECTION 5. The bonds authorized by this act shall be signed
82 by the Chairman of the State Bond Commission, or by his facsimile
83 signature, and the official seal of the commission shall be
84 affixed thereto, attested by the secretary of the commission. The
85 interest coupons, if any, to be attached to such bonds may be
86 executed by the facsimile signatures of such officers. Whenever
87 any such bonds shall have been signed by the officials designated
88 to sign the bonds who were in office at the time of such signing
89 but who may have ceased to be such officers before the sale and
90 delivery of such bonds, or who may not have been in office on the
91 date such bonds may bear, the signatures of such officers upon
92 such bonds and coupons shall nevertheless be valid and sufficient
93 for all purposes and have the same effect as if the person so
94 officially signing such bonds had remained in office until their
95 delivery to the purchaser, or had been in office on the date such
96 bonds may bear. However, notwithstanding anything herein to the
97 contrary, such bonds may be issued as provided in the Registered

98 Bond Act of the State of Mississippi.

99 SECTION 6. All bonds and interest coupons issued under the
100 provisions of this act have all the qualities and incidents of
101 negotiable instruments under the provisions of the Mississippi
102 Uniform Commercial Code, and in exercising the powers granted by
103 this act, the commission shall not be required to and need not
104 comply with the provisions of the Mississippi Uniform Commercial
105 Code.

106 SECTION 7. The commission shall act as the issuing agent for
107 the bonds authorized under this act, prescribe the form of the
108 bonds, advertise for and accept bids, issue and sell the bonds so
109 authorized to be sold, pay all fees and costs incurred in such
110 issuance and sale, and do any and all other things necessary and
111 advisable in connection with the issuance and sale of such bonds.

112 The commission is authorized and empowered to pay the costs that
113 are incident to the sale, issuance and delivery of the bonds
114 authorized under this act from the proceeds derived from the sale
115 of such bonds. The commission shall sell such bonds on sealed
116 bids at public sale, and for such price as it may determine to be
117 for the best interest of the State of Mississippi, but no such
118 sale shall be made at a price less than par plus accrued interest
119 to the date of delivery of the bonds to the purchaser. All
120 interest accruing on such bonds so issued shall be payable
121 semiannually or annually; however, the first interest payment may
122 be for any period of not more than one (1) year.

123 Notice of the sale of any such bonds shall be published at
124 least one (1) time, not less than ten (10) days before the date of
125 sale, and shall be so published in one or more newspapers
126 published or having a general circulation in the City of Jackson,
127 Mississippi, and in one or more other newspapers or financial
128 journals with a national circulation, to be selected by the
129 commission.

130 The commission, when issuing any bonds under the authority of

131 this act, may provide that bonds, at the option of the State of
132 Mississippi, may be called in for payment and redemption at the
133 call price named therein and accrued interest on such date or
134 dates named therein.

135 SECTION 8. The bonds issued under the provisions of this act
136 are general obligations of the State of Mississippi, and for the
137 payment thereof the full faith and credit of the State of
138 Mississippi is irrevocably pledged. If the funds appropriated by
139 the Legislature are insufficient to pay the principal of and the
140 interest on such bonds as they become due, then the deficiency
141 shall be paid by the State Treasurer from any funds in the State
142 Treasury not otherwise appropriated. All such bonds shall contain
143 recitals on their faces substantially covering the provisions of
144 this section.

145 SECTION 9. Upon the issuance and sale of bonds under the
146 provisions of this act, the commission shall transfer the proceeds
147 of any such sale or sales to the 1999 Spillway Road Improvement
148 Fund created in Section 2 of this act. The proceeds of such bonds
149 shall be disbursed solely upon the order of the Department of
150 Finance and Administration under such restrictions, if any, as may
151 be contained in the resolution providing for the issuance of the
152 bonds.

153 SECTION 10. The bonds authorized under this act may be
154 issued without any other proceedings or the happening of any other
155 conditions or things other than those proceedings, conditions and
156 things which are specified or required by this act. Any
157 resolution providing for the issuance of bonds under the
158 provisions of this act shall become effective immediately upon its
159 adoption by the commission, and any such resolution may be adopted
160 at any regular or special meeting of the commission by a majority
161 of its members.

162 SECTION 11. The bonds authorized under the authority of this
163 act may be validated in the Chancery Court of the First Judicial

164 District of Hinds County, Mississippi, in the manner and with the
165 force and effect provided by Chapter 13, Title 31, Mississippi
166 Code of 1972, for the validation of county, municipal, school
167 district and other bonds. The notice to taxpayers required by
168 such statutes shall be published in a newspaper published or
169 having a general circulation in the City of Jackson, Mississippi.

170 SECTION 12. Any holder of bonds issued under the provisions
171 of this act or of any of the interest coupons pertaining thereto
172 may, either at law or in equity, by suit, action, mandamus or
173 other proceeding, protect and enforce any and all rights granted
174 under this act, or under such resolution, and may enforce and
175 compel performance of all duties required by this act to be
176 performed, in order to provide for the payment of bonds and
177 interest thereon.

178 SECTION 13. All bonds issued under the provisions of this
179 act shall be legal investments for trustees and other fiduciaries,
180 and for savings banks, trust companies and insurance companies
181 organized under the laws of the State of Mississippi, and such
182 bonds shall be legal securities which may be deposited with and
183 shall be received by all public officers and bodies of this state
184 and all municipalities and political subdivisions for the purpose
185 of securing the deposit of public funds.

186 SECTION 14. Bonds issued under the provisions of this act
187 and income therefrom shall be exempt from all taxation in the
188 State of Mississippi.

189 SECTION 15. The proceeds of the bonds issued under this act
190 shall be used solely for the purposes herein provided, including
191 the costs incident to the issuance and sale of such bonds.

192 SECTION 16. The State Treasurer is authorized, without
193 further process of law, to certify to the Department of Finance
194 and Administration the necessity for warrants, and the Department
195 of Finance and Administration is authorized and directed to issue
196 such warrants, in such amounts as may be necessary to pay when due

197 the principal of, premium, if any, and interest on, or the
198 accreted value of, all bonds issued under this act; and the State
199 Treasurer shall forward the necessary amount to the designated
200 place or places of payment of such bonds in ample time to
201 discharge such bonds, or the interest thereon, on the due dates
202 thereof.

203 SECTION 17. The provisions of this act shall be deemed to be
204 full and complete authority for the exercise of the powers therein
205 granted, but this act shall not be deemed to repeal or to be in
206 derogation of any existing law of this state.

207 SECTION 18. This act shall take effect and be in force from
208 and after its passage.