

By: Senator(s) Dearing

To: Finance

SENATE BILL NO. 2251

1 AN ACT TO PROVIDE FOR THE ISSUANCE OF GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS FOR THE WATER POLLUTION CONTROL EMERGENCY
3 LOAN PROGRAM; TO AMEND SECTION 1, CHAPTER 471, LAWS OF 1971, TO
4 REDUCE THE AMOUNT OF BONDS AUTHORIZED; AND FOR RELATED PURPOSES.

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

6 SECTION 1. The Legislature recognizes the need for water
7 pollution control infrastructure as essential for the protection
8 of the public health and welfare and the environment and for
9 economic development in our state. Sections 49-17-81 through
10 49-17-87, Mississippi Code of 1972, authorize the Commission on
11 Environmental Quality to provide funds from the water pollution
12 control emergency loan program to assist political subdivisions in
13 making emergency improvements such as repairs to or replacement of
14 machinery, equipment, materials, structures or devices in existing
15 water pollution abatement projects.

16 SECTION 2. The Commission on Environmental Quality, at one
17 time or from time to time, may declare by resolution the necessity
18 for issuance of negotiable general obligation bonds of the State
19 of Mississippi in an aggregate amount not to exceed Three Million
20 Three Hundred Thousand Dollars (\$3,300,000.00) to provide funds
21 for the implementation of the water pollution control emergency
22 loan program established under Sections 49-17-81 through 49-17-87,
23 Mississippi Code of 1972. Upon the adoption of a resolution by
24 the Commission on Environmental Quality, declaring the necessity
25 for the issuance of any part or all of the general obligation
26 bonds authorized by this section, the Commission on Environmental
27 Quality shall deliver a certified copy of its resolution or

28 resolutions to the State Bond Commission. Upon receipt of such
29 resolution, the commission, in its discretion, may act as the
30 issuing agent, prescribe the form of the bonds, advertise for and
31 accept bids, issue and sell the tax exempt or taxable bonds so
32 authorized to be sold and do any and all other things necessary
33 and advisable in connection with the issuance and sale of such
34 bonds.

35 SECTION 3. The principal of and interest on the bonds
36 authorized under Sections 2 through 15 of this act shall be
37 payable in the manner provided in this section. Such bonds shall
38 bear such date or dates, be in such denomination or denominations,
39 bear interest at such rate or rates (not to exceed the limits set
40 forth in Section 75-17-101), be payable at such place or places
41 within or without the State of Mississippi, shall mature
42 absolutely at such time or times not to exceed twenty (20) years
43 from date of issue, be redeemable before maturity at such time or
44 times and upon such terms, with or without premium, shall bear
45 such registration privileges, and shall be substantially in such
46 form, all as shall be determined by resolution of the State Bond
47 Commission.

48 SECTION 4. The bonds authorized by Sections 2 through 15 of
49 this act shall be signed by the Chairman of the State Bond
50 Commission, or by his facsimile signature, and the official seal
51 of the commission shall be affixed thereto, attested by the
52 Secretary of the State Bond Commission. The interest coupons, if
53 any, to be attached to such bonds may be executed by the facsimile
54 signatures of such officers. Whenever any such bonds shall have
55 been signed by the officials designated to sign the bonds who were
56 in office at the time of such signing but who may have ceased to
57 be such officers before the sale and delivery of such bonds, or
58 who may not have been in office on the date such bonds may bear,
59 the signatures of such officers upon such bonds and coupons shall
60 nevertheless be valid and sufficient for all purposes and have the
61 same effect as if the person so officially signing such bonds had
62 remained in office until their delivery to the purchaser, or had
63 been in office on the date such bonds may bear. However,
64 notwithstanding anything herein to the contrary, such bonds may be

65 issued as provided in the Registered Bond Act of the State of
66 Mississippi.

67 SECTION 5. All bonds and interest coupons issued under the
68 provisions of Sections 2 through 15 of this act have all the
69 qualities and incidents of negotiable instruments under the
70 provisions of the Uniform Commercial Code, and in exercising the
71 powers granted by Sections 2 through 15 of this act, the State
72 Bond Commission shall not be required to and need not comply with
73 the provisions of the Uniform Commercial Code.

74 SECTION 6. The State Bond Commission shall act as the
75 issuing agent for the bonds authorized under Sections 2 through 15
76 of this act, prescribe the form of the bonds, advertise for and
77 accept bids, issue and sell the bonds so authorized to be sold,
78 pay all fees and costs incurred in such issuance and sale, and do
79 any and all other things necessary and advisable in connection
80 with the issuance and sale of such bonds. The State Bond
81 Commission is authorized and empowered to pay the costs that are
82 incident to the sale, issuance and delivery of the bonds
83 authorized under Sections 2 through 15 of this act from the
84 proceeds derived from the sale of such bonds. The State Bond
85 Commission shall sell such bonds on sealed bids at public sale,
86 and for such price as it may determine to be for the best interest
87 of the State of Mississippi, but no such sale shall be made at a
88 price less than par plus accrued interest to the date of delivery
89 of the bonds to the purchaser. All interest accruing on such
90 bonds so issued shall be payable semiannually or annually;
91 however, the first interest payment may be for any period of not
92 more than one (1) year.

93 Notice of the sale of any such bond shall be published at
94 least one (1) time, not less than ten (10) days before the date of
95 sale, and shall be so published in one or more newspapers
96 published or having a general circulation in the City of Jackson,
97 Mississippi, and in one or more other newspapers or financial

98 journals with a national circulation, to be selected by the
99 commission.

100 The State Bond Commission, when issuing any bonds under the
101 authority of Sections 2 through 15 of this act, may provide that
102 bonds, at the option of the State of Mississippi, may be called in
103 for payment and redemption at the call price named therein and
104 accrued interest on such date or dates named therein.

105 SECTION 7. The bonds issued under the provisions of Sections
106 2 through 15 of this act are general obligations of the State of
107 Mississippi, and for the payment thereof the full faith and credit
108 of the State of Mississippi is irrevocably pledged. If the funds
109 appropriated by the Legislature are insufficient to pay the
110 principal of and the interest on such bonds as they become due,
111 then the deficiency shall be paid by the State Treasurer from any
112 funds in the State Treasury not otherwise appropriated. All such
113 bonds shall contain recitals on their faces substantially covering
114 the provisions of this section.

115 SECTION 8. Upon the issuance and sale of bonds under the
116 provisions of Sections 2 through 15 of this act, the State Bond
117 Commission shall transfer the proceeds of any such sale or sales
118 to the special fund created in Section 49-17-86, Mississippi Code
119 of 1972. The proceeds of such bonds shall be disbursed solely
120 upon the order of the Commission on Environmental Quality under
121 such restrictions, if any, as may be contained in the resolution
122 providing for the issuance of the bonds.

123 SECTION 9. The bonds authorized under Sections 2 through 15
124 of this act may be issued without any other proceedings or the
125 happening of any other conditions or things other than those
126 proceedings, conditions and things which are specified or required
127 by Sections 2 through 15 of this act. Any resolution providing
128 for the issuance of bonds under the provisions of Sections 2
129 through 15 of this act shall become effective immediately upon its
130 adoption by the State Bond Commission, and any such resolution may

131 be adopted at any regular or special meeting of the State Bond
132 Commission by a majority of its members.

133 SECTION 10. The bonds authorized under the authority of
134 Sections 2 through 15 of this act may be validated in the Chancery
135 Court of the First Judicial District of Hinds County, Mississippi,
136 in the manner and with the force and effect provided by Chapter
137 13, Title 31, Mississippi Code of 1972, for the validation of
138 county, municipal, school district and other bonds. The notice to
139 taxpayers required by such statutes shall be published in a
140 newspaper published or having a general circulation in the City of
141 Jackson, Mississippi.

142 SECTION 11. Any holder of bonds issued under the provisions
143 of Sections 2 through 15 of this act or of any of the interest
144 coupons pertaining thereto may, either at law or in equity, by
145 suit, action, mandamus or other proceeding, protect and enforce
146 any and all rights granted under Sections 2 through 15 of this
147 act, or under such resolution, and may enforce and compel
148 performance of all duties required of Sections 2 through 15 of
149 this act to be performed, in order to provide for the payment of
150 bonds and interest thereon.

151 SECTION 12. All bonds issued under the provisions of
152 Sections 2 through 15 of this act shall be legal investments for
153 trustees and other fiduciaries, and for savings banks, trust
154 companies and insurance companies organized under the laws of the
155 State of Mississippi, and such bonds shall be legal securities
156 which may be deposited with and shall be received by all public
157 officers and bodies of this state and all municipalities and
158 political subdivisions for the purpose of securing the deposit of
159 public funds.

160 SECTION 13. Bonds issued under the provisions of Sections 2
161 through 15 of this act and income therefrom shall be exempt from
162 all taxation in the State of Mississippi.

163 SECTION 14. The proceeds of the bonds issued under Sections

164 2 through 15 of this act shall be used solely for the purposes
165 herein provided, including the costs incident to the issuance and
166 sale of such bonds.

167 SECTION 15. The State Treasurer is authorized, without
168 further process of law, to certify to the Department of Finance
169 and Administration the necessity for warrants, and the Department
170 of Finance and Administration is authorized and directed to issue
171 such warrants, in such amounts as may be necessary to pay when due
172 the principal of, premium, if any, and interest on, or the
173 accreted value of, all bonds issued under Sections 2 through 15 of
174 this act; and the State Treasurer shall forward the necessary
175 amount to the designated place or places of payment of such bonds
176 in ample time to discharge such bonds, or the interest thereon, on
177 the due dates thereof.

178 SECTION 16. The provisions of Sections 2 through 15 of this
179 act shall be deemed to be full and complete authority for the
180 exercise of the powers herein granted, but Sections 2 through 15
181 of this act shall not be deemed to repeal or to be in derogation
182 of any existing law of this state.

183 SECTION 17. Section 1, Chapter 471, Laws of 1971, is amended
184 as follows:

185 Section 1. The purpose of this act is to authorize the
186 issuance of negotiable special obligation water pollution
187 abatement bonds of the State of Mississippi for the purpose of
188 providing funds to be disbursed pursuant to House Bill No. 81,
189 Laws of Mississippi, Regular Session 1971, for the purpose of
190 constructing facilities for the collection, transport, treatment
191 and disposal of sewage and industrial waste. Provided, that in no
192 event shall the aggregate amount of bonds issued hereunder exceed
193 a total principal amount of Eleven Million Seven Hundred Thousand
194 Dollars (\$11,700,000.00).

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