

By: Senator(s) Bean, Farris

To: Finance

SENATE BILL NO. 3092

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS  
2 OF THE STATE OF MISSISSIPPI IN THE AMOUNT OF \$2,000,000.00 FOR  
3 RENOVATION AND REPAIR OF THE INFRASTRUCTURE OF THE PAT HARRISON  
4 WATERWAY AND FOR CAPITAL IMPROVEMENTS ON DISTRICT PROPERTY; AND  
5 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 Pat  
20 Harrison Waterway District Improvement Fund," is created within  
21 the State Treasury. The fund shall be maintained by the State  
22 Treasurer as a separate and special fund, separate and apart from  
23 the General Fund of the state, and investment earnings on amounts  
24 in the fund shall be deposited into such fund. The expenditure of  
25 monies 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 Pat Harrison Waterway District to pay  
30 the cost of repair and renovation of infrastructure of the  
31 district and construction of capital improvements on district  
32 property.

33 SECTION 3. (1) Upon recommendation of the Pat Harrison  
34 Waterway Commission, the Department of Finance and Administration,  
35 at one time or from time to time, may declare by resolution the  
36 necessity for issuance of general obligation bonds of the State of  
37 Mississippi to provide funds for all costs incurred or to be  
38 incurred for the purposes described in Section 2 of this act.  
39 Upon the adoption of a resolution by the Department of Finance and  
40 Administration declaring the necessity for the issuance of any  
41 part or all of the general obligation bonds authorized by this  
42 section, the Department of Finance and Administration shall  
43 deliver a certified copy of its resolution or resolutions to the  
44 State Bond Commission. Upon receipt of such resolution the  
45 commission, in its discretion, may act as the issuing agent,  
46 prescribe the form of the bonds, advertise for and accept bids,  
47 issue and sell the bonds so authorized to be sold, and do any and  
48 all other things necessary and advisable in connection with the  
49 issuance and sale of such bonds. The amount of bonds issued under  
50 this act shall not exceed Two Million Dollars (\$2,000,000.00).

51 (2) Any investment earnings on amounts deposited into the  
52 1999 Pat Harrison Waterway District Improvement Fund created in  
53 Section 2 of this act shall be used to pay debt service on bonds  
54 issued under this act, in accordance with the proceedings  
55 authorizing issuance of such bonds.

56 (3) Upon the completion or abandonment of the projects  
57 described in Section 2 of this act, as evidenced by a resolution  
58 adopted by the Department of Finance and Administration certifying  
59 that all such projects have been completed or abandoned, the  
60 balance, if any, remaining in the 1999 Pat Harrison Waterway  
61 District Improvement Fund shall be promptly applied to pay debt  
62 service on bonds issued under this act, in accordance with the  
63 proceedings authorizing the issuance of such bonds.

64 SECTION 4. The principal of and interest on the bonds

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

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

94 SECTION 6. All bonds and interest coupons issued under the  
95 provisions of this act have all the qualities and incidents of  
96 negotiable instruments under the provisions of the Mississippi  
97 Uniform Commercial Code, and in exercising the powers granted by

98 this act, the commission shall not be required to and need not  
99 comply with the provisions of the Mississippi Uniform Commercial  
100 Code.

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

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

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

125 The commission, when issuing any bonds under the authority of  
126 this act, may provide that bonds, at the option of the State of  
127 Mississippi, may be called in for payment and redemption at the  
128 call price named therein and accrued interest on such date or  
129 dates named therein.

130 SECTION 8. The bonds issued under the provisions of this act

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

140 SECTION 9. Upon the issuance and sale of bonds under the  
141 provisions of this act, the commission shall transfer the proceeds  
142 of any such sale or sales to the special fund created in Section 2  
143 of this act. The proceeds of such bonds shall be disbursed solely  
144 upon the order of the Department of Finance and Administration  
145 under such restrictions, if any, as may be contained in the  
146 resolution providing for the issuance of the bonds.

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

156 SECTION 11. The bonds authorized under the authority of this  
157 act may be validated in the Chancery Court of the First Judicial  
158 District of Hinds County, Mississippi, in the manner and with the  
159 force and effect provided by Chapter 13, Title 31, Mississippi  
160 Code of 1972, for the validation of county, municipal, school  
161 district and other bonds. The notice to taxpayers required by  
162 such statutes shall be published in a newspaper published or  
163 having a general circulation in the City of Jackson, Mississippi.

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

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

180 SECTION 14. Bonds issued under the provisions of this act  
181 and income therefrom shall be exempt from all taxation in the  
182 State of Mississippi.

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

186 SECTION 16. The State Treasurer is authorized, without  
187 further process of law, to certify to the Department of Finance  
188 and Administration the necessity for warrants, and the Department  
189 of Finance and Administration is authorized and directed to issue  
190 such warrants, in such amounts as may be necessary to pay when due  
191 the principal of, premium, if any, and interest on, or the  
192 accreted value of, all bonds issued under this act; and the State  
193 Treasurer shall forward the necessary amount to the designated  
194 place or places of payment of such bonds in ample time to  
195 discharge such bonds, or the interest thereon, on the due dates  
196 thereof.

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

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