

By: Senator(s) Smith, Horhn, Johnson (19th) To: Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3098

1 AN ACT TO AMEND SECTION 57-1-307, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT AN ADDITIONAL \$10,000,000.00 IN STATE GENERAL
3 OBLIGATION BONDS MAY BE ISSUED UNDER THE LOCAL GOVERNMENTS CAPITAL
4 IMPROVEMENTS REVOLVING LOAN PROGRAM; TO PROVIDE THAT ANY SUCH
5 ADDITIONAL AMOUNT OF BONDS SO ISSUED SHALL BE UTILIZED SOLELY TO
6 PROVIDE LOANS FOR CAPITAL IMPROVEMENTS THAT WOULD QUALIFY FOR THE
7 ISSUANCE OF BONDS WHOSE INTEREST IS EXEMPT FROM INCOME TAXATION
8 UNDER THE PROVISIONS OF THE INTERNAL REVENUE CODE; AND FOR RELATED
9 PURPOSES.

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

11 SECTION 1. Section 57-1-307, Mississippi Code of 1972, is
12 amended as follows:

13 57-1-307. (1) The State Bond Commission, at one time, or
14 from time to time, may declare by resolution the necessity for
15 issuance of general obligation bonds of the State of Mississippi
16 to provide funds for all costs incurred or to be incurred for the
17 purposes described in Section 57-1-303. Upon the adoption of a
18 resolution by the Department of Economic and Community
19 Development, declaring the necessity for the issuance of any part
20 or all of the general obligation bonds authorized by this section,
21 the Department of Economic and Community Development shall deliver
22 a certified copy of its resolution or resolutions to the State
23 Bond Commission. Upon receipt of such resolution, the State Bond
24 Commission, in its discretion, may act as the issuing agent,
25 prescribe the form of the bonds, advertise for and accept bids,
26 issue and sell the bonds so authorized to be sold and do any and
27 all other things necessary and advisable in connection with the
28 issuance and sale of such bonds. The total amount of bonds issued
29 under Sections 57-1-307 through 57-1-335 shall not exceed

30 Ninety-five Million Dollars (\$95,000,000.00); provided, however,
31 that an additional amount of bonds may be issued under Sections
32 57-1-307 and 57-1-335 in an amount not to exceed Ten Million
33 Dollars (\$10,000,000.00), and the proceeds of any such additional
34 amount of bonds so issued shall be utilized solely to provide
35 loans for capital improvements that would qualify for the issuance
36 of bonds whose interest is exempt from income taxation under the
37 provisions of the Internal Revenue Code.

38 (2) Proceeds from the sale of bonds shall be deposited in
39 the special fund created in Section 57-1-303. Any investment
40 earnings on amounts deposited into the special fund created in
41 Section 57-1-303 shall be used to pay debt service on bonds issued
42 under Sections 57-1-307 through 57-1-335, in accordance with the
43 proceedings authorizing issuance of such bonds.

44 SECTION 2. This act shall take effect and be in force from
45 and after July 1, 1999.