

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

SENATE BILL NO. 3098  
(As Passed the Senate)

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.