

By: Senator(s) Cuevas, Gollott, Lee, Hewes, To: Finance
Woodfield, Moffatt, Rayborn, Robertson,
Smith, Johnson (19th), Harvey, Kirby,
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Jackson, Furniss, Stogner, Harden, White
(5th), Huggins, Dickerson

SENATE BILL NO. 3213
(As Passed the Senate)

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS
2 OF THE STATE OF MISSISSIPPI IN THE AMOUNT OF \$2,500,000.00 TO
3 PROVIDE FUNDS FOR CERTAIN PROJECTS BY THE HANCOCK COUNTY PORT AND
4 HARBOR COMMISSION AND A CERTAIN PROJECT AT THE STENNIS SPACE
5 CENTER; 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. (1) A special fund, to be designated the "1999
20 Hancock County Port and Harbor Commission and Stennis Space Center
21 Improvement Fund," is created within the State Treasury. The fund
22 shall be maintained by the State Treasurer as a separate and
23 special fund, separate and apart from the General Fund of the
24 state, and investment earnings on amounts in the fund shall be
25 deposited into such fund. The expenditure of monies deposited
26 into the fund shall be under the direction of the Department of
27 Finance and Administration, and such funds shall be paid by the

28 State Treasurer upon warrants issued by the Department of Finance
29 and Administration. Monies deposited into such fund shall be
30 allocated and disbursed according to the provisions of this act.

31 (2) Monies deposited into the fund shall be expended for the
32 purpose of assisting in improving and paving Texas Flat Road
33 extending from Mississippi Highway 603 to the Stennis Space Center
34 fee area in Hancock County, Mississippi, a distance of
35 approximately nine (9) miles; provided, however, that if the
36 funding of the improvements and paving of Texas Flat Road is
37 obtained from other sources, the money in the fund may be
38 utilized, in the discretion of the department, for the following
39 projects:

40 (a) Construction of necessary utilities, roads, parking
41 and wastewater treatment systems on the H-1 site located within
42 the fee area of the Stennis Space Center and consisting of
43 approximately seven hundred (700) acres provided title to such
44 site and any improvements thereon have been donated to the Hancock
45 County Port and Harbor Commission; or

46 (b) Modification of the Mississippi Army Ammunition
47 Plant at the Stennis Space Center and the construction of a fifty
48 thousand (50,000) square foot addition to such plant for the
49 purpose of manufacturing rockets.

50 SECTION 3. (1) The Department of Finance and
51 Administration, at one time or from time to time, may declare by
52 resolution the necessity for issuance of general obligation bonds
53 of the State of Mississippi to provide funds for all costs
54 incurred or to be incurred for the purposes described in Section 2
55 of this act. Upon the adoption of a resolution by the Department
56 of Finance and Administration declaring the necessity for the
57 issuance of any part or all of the general obligation bonds
58 authorized by this section, the Department of Finance and
59 Administration shall deliver a certified copy of its resolution or
60 resolutions to the commission. Upon receipt of such resolution
61 the commission, in its discretion, may act as the issuing agent,
62 prescribe the form of the bonds, advertise for and accept bids,
63 issue and sell the bonds so authorized to be sold, and do any and
64 all other things necessary and advisable in connection with the

65 issuance and sale of such bonds. The amount of bonds issued under
66 this act shall not exceed Two Million Five Hundred Thousand
67 Dollars (\$2,500,000.00).

68 (2) Any investment earnings on amounts deposited into the
69 special fund created in Section 2 of this act shall be used to pay
70 debt service on bonds issued under this act, in accordance with
71 the proceedings authorizing issuance of such bonds.

72 (3) Upon the completion or abandonment of the projects
73 described in Section 2 of this act, as evidenced by a resolution
74 adopted by the Department of Finance and Administration certifying
75 that all such projects have been completed or abandoned, the
76 balance, if any, remaining in the special fund created in Section
77 2 of this act shall be promptly applied to pay debt service on
78 bonds issued under this act, in accordance with the proceedings
79 authorizing the issuance of such bonds.

80 SECTION 4. The principal of and interest on the bonds
81 authorized under this act shall be payable in the manner provided
82 in this section. Such bonds shall bear such date or dates, be in
83 such denomination or denominations, bear interest at such rate or
84 rates (not to exceed the limits set forth in Section 75-17-101),
85 be payable at such place or places within or without the State of
86 Mississippi, shall mature absolutely at such time or times not to
87 exceed twenty-five (25) years from date of issue, be redeemable
88 before maturity at such time or times and upon such terms, with or
89 without premium, shall bear such registration privileges, and
90 shall be substantially in such form, all as shall be determined by
91 resolution of the commission.

92 SECTION 5. The bonds authorized by this act shall be signed
93 by the chairman of the commission, or by his facsimile signature,
94 and the official seal of the commission shall be affixed thereto,
95 attested by the secretary of the commission. The interest
96 coupons, if any, to be attached to such bonds may be executed by
97 the facsimile signatures of such officers. Whenever any such

98 bonds shall have been signed by the officials designated to sign
99 the bonds who were in office at the time of such signing but who
100 may have ceased to be such officers before the sale and delivery
101 of such bonds, or who may not have been in office on the date such
102 bonds may bear, the signatures of such officers upon such bonds
103 and coupons shall nevertheless be valid and sufficient for all
104 purposes and have the same effect as if the person so officially
105 signing such bonds had remained in office until their delivery to
106 the purchaser, or had been in office on the date such bonds may
107 bear. However, notwithstanding anything herein to the contrary,
108 such bonds may be issued as provided in the Registered Bond Act of
109 the State of Mississippi.

110 SECTION 6. All bonds and interest coupons issued under the
111 provisions of this act have all the qualities and incidents of
112 negotiable instruments under the provisions of the Uniform
113 Commercial Code, and in exercising the powers granted by this act,
114 the commission shall not be required to and need not comply with
115 the provisions of the Uniform Commercial Code.

116 SECTION 7. The commission shall act as the issuing agent for
117 the bonds authorized under this act, prescribe the form of the
118 bonds, advertise for and accept bids, issue and sell the bonds so
119 authorized to be sold, pay all fees and costs incurred in such
120 issuance and sale, and do any and all other things necessary and
121 advisable in connection with the issuance and sale of such bonds.
122 The commission is authorized and empowered to pay the costs that
123 are incident to the sale, issuance and delivery of the bonds
124 authorized under this act from the proceeds derived from the sale
125 of such bonds. The commission shall sell such bonds on sealed
126 bids at public sale, and for such price as it may determine to be
127 for the best interest of the State of Mississippi, but no such
128 sale shall be made at a price less than par plus accrued interest
129 to the date of delivery of the bonds to the purchaser. All
130 interest accruing on such bonds so issued shall be payable

131 semiannually or annually; however, the first interest payment may
132 be for any period of not more than one (1) year.

133 Notice of the sale of any such bonds shall be published at
134 least one (1) time, not less than ten (10) days before the date of
135 sale, and shall be so published in one or more newspapers
136 published or having a general circulation in the City of Jackson,
137 Mississippi, and in one or more other newspapers or financial
138 journals with a national circulation, to be selected by the
139 commission.

140 The commission, when issuing any bonds under the authority of
141 this act, may provide that bonds, at the option of the State of
142 Mississippi, may be called in for payment and redemption at the
143 call price named therein and accrued interest on such date or
144 dates named therein.

145 SECTION 8. The bonds issued under the provisions of this act
146 are general obligations of the State of Mississippi, and for the
147 payment thereof the full faith and credit of the State of
148 Mississippi is irrevocably pledged. If the funds appropriated by
149 the Legislature are insufficient to pay the principal of and the
150 interest on such bonds as they become due, then the deficiency
151 shall be paid by the State Treasurer from any funds in the State
152 Treasury not otherwise appropriated. All such bonds shall contain
153 recitals on their faces substantially covering the provisions of
154 this section.

155 SECTION 9. Upon the issuance and sale of bonds under the
156 provisions of this act, the commission shall transfer the proceeds
157 of any such sale or sales to the special fund created in Section 2
158 of this act. The proceeds of such bonds shall be disbursed solely
159 upon the order of the Department of Finance and Administration
160 under such restrictions, if any, as may be contained in the
161 resolution providing for the issuance of the bonds.

162 SECTION 10. The bonds authorized under this act may be
163 issued without any other proceedings or the happening of any other

164 conditions or things other than those proceedings, conditions and
165 things which are specified or required by this act. Any
166 resolution providing for the issuance of bonds under the
167 provisions of this act shall become effective immediately upon its
168 adoption by the commission, and any such resolution may be adopted
169 at any regular or special meeting of the commission by a majority
170 of its members.

171 SECTION 11. The bonds authorized under the authority of this
172 act may be validated in the Chancery Court of the First Judicial
173 District of Hinds County, Mississippi, in the manner and with the
174 force and effect provided by Chapter 13, Title 31, Mississippi
175 Code of 1972, for the validation of county, municipal, school
176 district and other bonds. The notice to taxpayers required by
177 such statutes shall be published in a newspaper published or
178 having a general circulation in the City of Jackson, Mississippi.

179 SECTION 12. Any holder of bonds issued under the provisions
180 of this act or of any of the interest coupons pertaining thereto
181 may, either at law or in equity, by suit, action, mandamus or
182 other proceeding, protect and enforce any and all rights granted
183 under this act, or under such resolution, and may enforce and
184 compel performance of all duties required by this act to be
185 performed, in order to provide for the payment of bonds and
186 interest thereon.

187 SECTION 13. All bonds issued under the provisions of this
188 act shall be legal investments for trustees and other fiduciaries,
189 and for savings banks, trust companies and insurance companies
190 organized under the laws of the State of Mississippi, and such
191 bonds shall be legal securities which may be deposited with and
192 shall be received by all public officers and bodies of this state
193 and all municipalities and political subdivisions for the purpose
194 of securing the deposit of public funds.

195 SECTION 14. Bonds issued under the provisions of this act
196 and income therefrom shall be exempt from all taxation in the

197 State of Mississippi.

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

201 SECTION 16. The State Treasurer is authorized, without
202 further process of law, to certify to the Department of Finance
203 and Administration the necessity for warrants, and the Department
204 of Finance and Administration is authorized and directed to issue
205 such warrants, in such amounts as may be necessary to pay when due
206 the principal of, premium, if any, and interest on, or the
207 accreted value of, all bonds issued under this act; and the State
208 Treasurer shall forward the necessary amount to the designated
209 place or places of payment of such bonds in ample time to
210 discharge such bonds, or the interest thereon, on the due dates
211 thereof.

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

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