

By: Brown

To: Education

HOUSE BILL NO. 1393

1 AN ACT TO PROVIDE THAT LOCAL SCHOOL DISTRICTS ISSUING DEBT
2 MAY TAKE CERTAIN ACTIONS THAT MAY BE HELPFUL IN QUALIFYING THE
3 DEBT FOR REDUCED INTEREST OR INTEREST FREE TREATMENT UNDER FEDERAL
4 LAW; AND FOR RELATED PURPOSES.

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

6 SECTION 1. (1) Notwithstanding any law or any provision of
7 any law to the contrary, the following additional and supplemental
8 powers and authorizations are granted to each public school
9 district in connection with the issuance of any debt. For
10 purposes of this section, "debt" means any note, bond, lease or
11 other evidence of indebtedness that a district is authorized to
12 issue under any provision of law. Any school district issuing
13 debt may, by resolution of its board of trustees or board of
14 education, do all things regarding the form, payment structure,
15 purchase price and terms of such debt which may be helpful in
16 qualifying the debt for reduced or interest free treatment under
17 any federal law or the regulations promulgated thereunder and to
18 assure that such debt will be readily acceptable in the municipal
19 bond market, provided the same is not inconsistent with the
20 constitution of the state. However, nothing in this section shall
21 be construed as allowing a school district to exceed the final
22 maturity term or exceed any debt limitation provided in the
23 applicable state law authorizing the debt.

24 (2) This section shall be construed to be supplemental and
25 additional to any powers conferred by other laws to school
26 districts and not in derogation of any such existing powers. This
27 section is remedial in nature and shall be liberally construed.

28 SECTION 2. Section 1 of this act shall be codified as a
29 separate Code section in Chapter 59, Title 37, Mississippi Code of
30 1972.

31 SECTION 3. This act shall take effect and be in force from
32 and after its passage.