

By: Brown

To: Education

HOUSE BILL NO. 1393  
(As Sent to Governor)

1 AN ACT TO CODIFY SECTION 37-59-301, MISSISSIPPI CODE OF 1972,  
2 TO AUTHORIZE SCHOOL DISTRICTS TO ISSUE REDUCED OR INTEREST-FREE  
3 DEBT PURSUANT TO FEDERAL LAW; AND FOR RELATED PURPOSES.

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

5 SECTION 1. The following provision shall be codified as

6 Section 37-59-301, Mississippi Code of 1972:

7 37-59-301. Notwithstanding any law or any provision of any  
8 law to the contrary, the following additional and supplemental  
9 powers and authorizations are hereby granted to each public school  
10 district in connection with the issuance of any debt, as defined  
11 herein.

12 (a) For purposes of this act, "debt" means any note,  
13 bond, lease or other evidence of indebtedness, that a district is  
14 authorized to issue under any provision of law.

15 (b) Any school district issuing debt may, by resolution  
16 of its board of trustees or board of education, do all things  
17 regarding the form, payment structure, purchase price and terms of  
18 such debt which may be helpful in qualifying the debt for reduced  
19 or interest-free treatment under any federal law or the  
20 regulations promulgated thereunder and to assure that such debt  
21 will be readily acceptable in the municipal bond market, provided  
22 the same is not inconsistent with the Constitution of the state.  
23 Provided, however, that nothing in this act shall be construed as  
24 allowing a school district to exceed the final maturity term or  
25 exceed any debt limitation provided in the applicable state law  
26 authorizing the debt.

27           (c) This act shall be construed to be supplemental and  
28 additional to any powers conferred by other laws on school  
29 districts and not in derogation of any such powers not existing.  
30 The act is remedial in nature and shall be liberally construed.  
31 Provided, however, that this act shall not grant any extra  
32 authority to a school board to issue debt in any amount exceeding  
33 statutory limitations on assessed value of taxable property within  
34 such school district or the statutory limitations on debt  
35 maturities, and shall not grant any extra authority to impose,  
36 levy or collect a tax which is not otherwise expressly provided  
37 for.

38           SECTION 2. Section 1 of this act shall be codified as a  
39 separate code section in Chapter 59, Title 37, Mississippi Code of  
40 1972.

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