

By: Scott (80th)

To: Ways and Means

HOUSE BILL NO. 1488

1 AN ACT TO CREATE THE LOCAL GOVERNMENTS LIVABLE COMMUNITIES
2 INVESTMENT PROGRAM TO BE ADMINISTERED BY THE DEPARTMENT OF
3 ECONOMIC AND COMMUNITY DEVELOPMENT; TO PROVIDE GRANTS TO COUNTIES
4 AND MUNICIPALITIES UNDER SUCH PROGRAM, TO FUND OR ASSIST IN
5 FUNDING CERTAIN INFRASTRUCTURE INVESTMENTS THAT IMPROVE THE
6 QUALITY OF LIFE AND SUPPORT ECONOMIC DEVELOPMENT IN SUCH
7 COMMUNITIES; TO PROVIDE FOR THE ADMINISTRATION OF THE PROGRAM; TO
8 CREATE A SPECIAL FUND FROM WHICH GRANTS PURSUANT TO THIS PROGRAM
9 SHALL BE MADE; TO AUTHORIZE THE ISSUANCE OF STATE GENERAL
10 OBLIGATION BONDS IN THE AMOUNT OF ONE MILLION DOLLARS TO PARTIALLY
11 FUND THE LOCAL GOVERNMENTS LIVABLE COMMUNITIES INVESTMENT PROGRAM;
12 AND FOR RELATED PURPOSES.

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

14 SECTION 1. (1) There is established the Local Governments
15 Livable Communities Investment Program to be administered by the
16 Department of Economic and Community Development for the purpose
17 of making grants to counties and municipalities to fund or assist
18 in funding infrastructure investments that improve the quality of
19 life and support economic development in such communities.

20 (2) For purposes of this section, "infrastructure
21 investments" include any of the following:

22 (a) Renovation and repair of public parks and
23 recreational facilities;

24 (b) Construction of new parks and recreational
25 facilities at local public schools;

26 (c) Renovation of public school buildings to support
27 expanded community use while restricting access to classrooms and
28 administrative offices;

29 (d) Construction, purchase, renovation or repair of any
30 building to be utilized as a community family resource center; or

31 (e) Construction, purchase, renovation or repair of any

32 building to be utilized as a community youth offender facility.

33 SECTION 2. (1) A county or an incorporated municipality may
34 apply to the Department of Economic and Community Development for
35 a grant under the Local Governments Livable Communities Investment
36 Program.

37 (2) The Department of Economic and Community Development
38 shall establish the grant program authorized by to this act and
39 grants may be made under this program in amounts not to exceed one
40 hundred percent (100%) of eligible project costs as established by
41 the Department of Economic and Community Development. The
42 Department of Economic and Community Development shall establish a
43 formula for the distribution of available grant money under this
44 program that takes into account the per capita income of the
45 county or incorporated municipality and is weighted to target
46 counties and municipalities where the per capita income is below
47 the state average.

48 (3) Each applicant for a grant shall document the need for
49 the proposed project and the benefits to the community and local
50 economic development efforts. Each applicant shall commit to a
51 plan for the long-range maintenance of the facility funded by
52 grants from this program that is considered satisfactory by the
53 Department of Economic and Community Development.

54 (4) All grants shall be funded from the Local Governments
55 Livable Communities Investment Fund created in Section 3 of this
56 act.

57 SECTION 3. There is created a special fund in the State
58 Treasury to be designated the "Local Governments Livable
59 Communities Investment Fund," which shall consist of proceeds from
60 bonds issued under Sections 4 through 19 of this act, and such
61 money as may be appropriated by the Legislature. Unexpended
62 amounts remaining in the fund at the end of a fiscal year shall
63 not lapse into the State General Fund, and any interest earned on
64 amounts in the fund shall be deposited to the credit of the fund.

65 Money in the fund shall be used or expended by the Department of
66 Economic and Community Development for the purposes authorized in
67 this act.

68 SECTION 4. As used in Sections 4 through 19 of this act, the
69 following words shall have the meanings ascribed herein unless the
70 context clearly requires otherwise:

71 (a) "Accreted value" of any bond means, as of any date
72 of computation, an amount equal to the sum of (i) the stated
73 initial value of such bond, plus (ii) the interest accrued thereon
74 from the issue date to the date of computation at the rate,
75 compounded semiannually, that is necessary to produce the
76 approximate yield to maturity shown for bonds of the same
77 maturity.

78 (b) "State" means the State of Mississippi.

79 (c) "Commission" means the State Bond Commission.

80 SECTION 5. (1) The commission, at one time, or from time to
81 time, may declare by resolution the necessity for issuance of
82 general obligation bonds of the State of Mississippi to provide
83 funds for all costs incurred or to be incurred for the purposes
84 described in Sections 1 through 3 of this act. Upon the adoption
85 of a resolution by the Department of Economic and Community
86 Development, declaring the necessity for the issuance of any part
87 or all of the general obligation bonds authorized by this section,
88 the Department of Economic and Community Development shall deliver
89 a certified copy of its resolution or resolutions to the
90 commission. Upon receipt of such resolution, the commission, in
91 its discretion, may act as the issuing agent, prescribe the form
92 of the bonds, advertise for and accept bids, issue and sell the
93 bonds so authorized to be sold and do any and all other things
94 necessary and advisable in connection with the issuance and sale
95 of such bonds. The total amount of bonds issued under Sections 4
96 through 19 of this act shall not exceed One Million Dollars
97 (\$1,000,000.00).

98 (2) Any investment earnings on amounts deposited into the
99 special fund created in Section 3 of this act shall be used to pay
100 debt service on bonds issued under this act, in accordance with
101 the proceedings authorizing issuance of such bonds.

102 SECTION 6. The principal of and interest on the bonds
103 authorized under Sections 4 through 19 of this act shall be
104 payable in the manner provided in this section. Such bonds shall
105 bear such date or dates, be in such denomination or denominations,
106 bear interest at such rate or rates (not to exceed the limits set
107 forth in Section 75-17-101, Mississippi Code of 1972), be payable
108 at such place or places within or without the State of
109 Mississippi, shall mature absolutely at such time or times not to
110 exceed twenty-five (25) years from date of issue, be redeemable
111 before maturity at such time or times and upon such terms, with or
112 without premium, shall bear such registration privileges, and
113 shall be substantially in such form, all as shall be determined by
114 resolution of the commission.

115 SECTION 7. The bonds authorized by Sections 4 through 19 of
116 this act shall be signed by the chairman of the commission, or by
117 his facsimile signature, and the official seal of the commission
118 shall be affixed thereto, attested by the secretary of the
119 commission. The interest coupons, if any, to be attached to such
120 bonds may be executed by the facsimile signatures of such
121 officers. Whenever any such bonds shall have been signed by the
122 officials designated to sign the bonds who were in office at the
123 time of such signing but who may have ceased to be such officers
124 before the sale and delivery of such bonds, or who may not have
125 been in office on the date such bonds may bear, the signatures of
126 such officers upon such bonds and coupons shall nevertheless be
127 valid and sufficient for all purposes and have the same effect as
128 if the person so officially signing such bonds had remained in
129 office until their delivery to the purchaser, or had been in
130 office on the date such bonds may bear. However, notwithstanding

131 anything herein to the contrary, such bonds may be issued as
132 provided in the Registered Bond Act of the State of Mississippi.

133 SECTION 8. All bonds and interest coupons issued under the
134 provisions of Sections 4 through 19 of this act have all the
135 qualities and incidents of negotiable instruments under the
136 provisions of the Mississippi Uniform Commercial Code, and in
137 exercising the powers granted by Sections 4 through 19 of this
138 act, the commission shall not be required to and need not comply
139 with the provisions of the Mississippi Uniform Commercial Code.

140 SECTION 9. The commission shall act as the issuing agent for
141 the bonds authorized under Sections 4 through 19 of this act,
142 prescribe the form of the bonds, advertise for and accept bids,
143 issue and sell the bonds so authorized to be sold, pay all fees
144 and costs incurred in such issuance and sale, and do any and all
145 other things necessary and advisable in connection with the
146 issuance and sale of such bonds. The commission is authorized and
147 empowered to pay the costs that are incident to the sale, issuance
148 and delivery of the bonds authorized under Sections 4 through 19
149 of this act from the proceeds derived from the sale of such bonds.

150 The commission shall sell such bonds on sealed bids at public
151 sale, and for such price as it may determine to be for the best
152 interest of the State of Mississippi, but no such sale shall be
153 made at a price less than par plus accrued interest to the date of
154 delivery of the bonds to the purchaser. All interest accruing on
155 such bonds so issued shall be payable semiannually or annually;
156 however, the first interest payment may be for any period of not
157 more than one (1) year.

158 Notice of the sale of any such bonds shall be published at
159 least one time, not less than ten (10) days before the date of
160 sale, and shall be so published in one or more newspapers
161 published or having a general circulation in the City of Jackson,
162 Mississippi, and in one or more other newspapers or financial
163 journals with a national circulation, to be selected by the

164 commission.

165 The commission, when issuing any bonds under the authority of
166 Sections 4 through 19 of this act, may provide that bonds, at the
167 option of the State of Mississippi, may be called in for payment
168 and redemption at the call price named therein and accrued
169 interest on such date or dates named therein.

170 SECTION 10. The bonds issued under the provisions of
171 Sections 4 through 19 of this act are general obligations of the
172 State of Mississippi, and for the payment thereof the full faith
173 and credit of the State of Mississippi is irrevocably pledged. If
174 the funds appropriated by the Legislature are insufficient to pay
175 the principal of and the interest on such bonds as they become
176 due, then the deficiency shall be paid by the State Treasurer from
177 any funds in the State Treasury not otherwise appropriated. All
178 such bonds shall contain recitals on their faces substantially
179 covering the provisions of this section.

180 SECTION 11. Upon the issuance and sale of bonds under the
181 provisions of Sections 4 through 19 of this act, the commission
182 shall transfer the proceeds of any such sale or sales to the
183 special fund created in Section 3 of this act. The proceeds of
184 such bonds shall be disbursed solely upon the order of the
185 Department of Economic and Community Development under such
186 restrictions, if any, as may be contained in the resolution
187 providing for the issuance of the bonds.

188 SECTION 12. The bonds authorized under Sections 4 through 19
189 of this act may be issued without any other proceedings or the
190 happening of any other conditions or things other than those
191 proceedings, conditions and things which are specified or required
192 by Sections 4 through 19 of this act. Any resolution providing
193 for the issuance of bonds under the provisions of Sections 4
194 through 19 of this act shall become effective immediately upon its
195 adoption by the commission, and any such resolution may be adopted
196 at any regular or special meeting of the commission by a majority

197 of its members.

198 SECTION 13. The bonds authorized under the authority
199 Sections 4 through 19 of this act may be validated in the Chancery
200 Court of the First Judicial District of Hinds County, Mississippi,
201 in the manner and with the force and effect provided by Chapter
202 13, Title 31, Mississippi Code of 1972, for the validation of
203 county, municipal, school district and other bonds. The notice to
204 taxpayers required by such statutes shall be published in a
205 newspaper published or having a general circulation in the City of
206 Jackson, Mississippi.

207 SECTION 14. Any holder of bonds issued under the provisions
208 of Sections 4 through 19 of this act or of any of the interest
209 coupons pertaining thereto may, either at law or in equity, by
210 suit, action, mandamus or other proceeding, protect and enforce
211 any and all rights granted under Sections 4 through 19 of this
212 act, or under such resolution, and may enforce and compel
213 performance of all duties required by Sections 4 through 19 of
214 this act to be performed, in order to provide for the payment of
215 bonds and interest thereon.

216 SECTION 15. All bonds issued under the provisions of
217 Sections 4 through 19 of this act shall be legal investments for
218 trustees and other fiduciaries, and for savings banks, trust
219 companies and insurance companies organized under the laws of the
220 State of Mississippi, and such bonds shall be legal securities
221 which may be deposited with and shall be received by all public
222 officers and bodies of this state and all municipalities and
223 political subdivisions for the purpose of securing the deposit of
224 public funds.

225 SECTION 16. Bonds issued under the provisions of Sections 4
226 through 19 of this act and income therefrom shall be exempt from
227 all taxation in the State of Mississippi.

228 SECTION 17. The proceeds of the bonds issued under Sections
229 4 through 19 of this act shall be used solely for the purposes

230 provided in this act, including the costs incident to the issuance
231 and sale of such bonds.

232 SECTION 18. The State Treasurer is authorized, without
233 further process of law, to certify to the Department of Finance
234 and Administration the necessity for warrants, and the Department
235 of Finance and Administration is authorized and directed to issue
236 such warrants, in such amounts as may be necessary to pay when due
237 the principal of, premium, if any, and interest on, or the
238 accreted value of, all bonds issued under Sections 4 through 19 of
239 this act; and the State Treasurer shall forward the necessary
240 amount to the designated place or places of payment of such bonds
241 in ample time to discharge such bonds, or the interest thereon, on
242 the due dates thereof.

243 SECTION 19. Sections 4 through 19 of this act shall be
244 deemed to be full and complete authority for the exercise of the
245 powers herein granted, but Sections 4 through 19 of this act shall
246 not be deemed to repeal or to be in derogation of any existing law
247 of this state.

248 SECTION 20. This act shall take effect and be in force from
249 and after its passage.