

By: Brown

To: Education; Ways and  
Means

## HOUSE BILL NO. 1529

1 AN ACT TO AMEND SECTION 37-59-111, MISSISSIPPI CODE OF 1972,  
2 TO INCREASE THE TERM OF MATURITY OF NOTES OR CERTIFICATES OF  
3 INDEBTEDNESS ISSUED BY SCHOOL DISTRICTS FOR CAPITAL IMPROVEMENT  
4 AND TRANSPORTATION PURPOSES; AND FOR RELATED PURPOSES.

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

6 SECTION 1. Section 37-59-111, Mississippi Code of 1972, is  
7 amended as follows:[HS1]

8 37-59-111. All indebtedness incurred under the provisions of  
9 this article shall be evidenced by the negotiable notes or  
10 certificates of indebtedness of the school district on whose  
11 behalf the money is borrowed. Said notes or certificates of  
12 indebtedness shall be signed by the president of the school board  
13 and superintendent of schools of such school district. Such notes  
14 or certificates of indebtedness shall not bear a greater overall  
15 maximum interest rate to maturity than the rates now or hereafter  
16 authorized under the provisions of Section 19-9-19. No such notes  
17 or certificates of indebtedness shall be issued and sold for less  
18 than par and accrued interest. All notes or certificates of  
19 indebtedness shall mature in approximately equal annual  
20 installments of principal and interest over a period not to exceed  
21 twenty (20) years from the dates of the issuance thereof.

22 Provided, however, if negotiable notes are outstanding from not  
23 more than one (1) previous issue authorized under the provisions  
24 of this article, then the schedule of payments for a new or  
25 supplementary issue may be so adjusted that the schedule of  
26 maturities of all notes or series of notes hereunder shall, when  
27 combined, mature in approximately equal installments of principal

28 and interest over a period of twenty (20) years from the date of  
29 the new or supplementary issue, or if a lower interest rate will  
30 thereby be secured on notes previously issued and outstanding, a  
31 portion of the proceeds of any issue authorized hereunder may be  
32 used to refund the balance of the indebtedness previously issued  
33 under the authority of this article. Such notes or certificates  
34 of indebtedness shall be issued in such form and in such  
35 denominations as may be determined by the school board, and same  
36 may be made payable at the office of any bank or trust company  
37 selected by the school board, and, in such case, funds for the  
38 payment of principal and interest due thereon shall be provided in  
39 the same manner provided by law for the payment of the principal  
40 and interest due on bonds issued by the taxing districts of this  
41 state.

42 SECTION 2. This act shall take effect and be in force from  
43 and after its passage.