

By: Robinson (84th), Bailey, Baker, To: Ways and Means  
Blackmon, Broomfield, Cameron, Chism, Clark,  
Coleman (65th), Creel, Cummings, Davis,  
Dedeaux, Denny, Eads, Eakes, Eaton, Ellis,  
Ellzey, Espy, Evans, Fillingane, Fleming,  
Formby, Franks, Fredericks, Gadd, Gibbs,  
Green, Grist, Guice, Hamilton, Harrison, Henderson, Holland, Holloway,  
Hudson, Ishee, Janus, Jennings, Malone, Maples, Markham, Mayo, Masterson,  
Middleton, Miles, Mitchell, Montgomery (15th), Moore (100th), Moore (60th),  
Myers, Nettles, Nicholson, Pierce, Read, Reeves, Reynolds, Roberson, Rogers,  
Rotenberry, Ryals, Rushing, Scott (17th), Simpson, Smith (27th), Smith  
(35th), Smith (59th), Snowden, Straughter, Stringer, Taylor, Thornton, Ward,  
Warren, Watson, Weathersby, West, Whittington, Woods, Young

## HOUSE BILL NO. 1677

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS  
2 OF THE STATE OF MISSISSIPPI TO PROVIDE FUNDS FOR STATE FORESTRY  
3 COMMISSION EQUIPMENT PURCHASES; AND FOR RELATED PURPOSES.

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

5 SECTION 1. As used in this act, the following words shall  
6 have the meanings ascribed herein unless the context clearly  
7 requires otherwise:

8 (a) "Accreted value" of any bond means, as of any date  
9 of computation, an amount equal to the sum of (i) the stated  
10 initial value of such bond, plus (ii) the interest accrued thereon  
11 from the issue date to the date of computation at the rate,  
12 compounded semiannually, that is necessary to produce the  
13 approximate yield to maturity shown for bonds of the same  
14 maturity.

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

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

17 SECTION 2. (1) (a) A special fund, to be designated as the  
18 "State Forestry Commission Equipment Purchase Fund" is created  
19 within the State Treasury. The fund shall be maintained by the  
20 State Treasurer as a separate and special fund, separate and apart  
21 from the General Fund of the state. Unexpended amounts remaining  
22 in the fund at the end of a fiscal year shall not lapse into the  
23 State General Fund, and any interest earned or investment  
24 earnings on amounts in the fund shall be deposited into such fund.

25 (b) Monies deposited into the fund shall be disbursed,  
26 in the discretion of the Department of Finance and Administration,

27 to pay the costs of the purchase of equipment for the State  
28 Forestry Commission.

29 (2) Amounts deposited into such special fund shall be  
30 disbursed to pay the costs of the projects described in subsection  
31 (1) of this section. Promptly after the commission has certified,  
32 by resolution duly adopted, that the projects described in  
33 subsection (1) of this section shall have been completed,  
34 abandoned, or cannot be completed in a timely fashion, any amounts  
35 remaining in such special fund shall be applied to pay debt  
36 service on the bonds issued under this act, in accordance with the  
37 proceedings authorizing the issuance of such bonds and as directed  
38 by the commission.

39 SECTION 3. (1) The commission, at one time, or from time to  
40 time, may declare by resolution the necessity for issuance of  
41 general obligation bonds of the State of Mississippi to provide  
42 funds for all costs incurred or to be incurred for the purposes  
43 described in Section 2 of this act. Upon the adoption of a  
44 resolution by the Department of Finance and Administration,  
45 declaring the necessity for the issuance of any part or all of the  
46 general obligation bonds authorized by this section, the  
47 Department of Finance and Administration shall deliver a certified  
48 copy of its resolution or resolutions to the commission. Upon  
49 receipt of such resolution, the commission, in its discretion, may  
50 act as the issuing agent, prescribe the form of the bonds,  
51 advertise for and accept bids, issue and sell the bonds so  
52 authorized to be sold and do any and all other things necessary  
53 and advisable in connection with the issuance and sale of such  
54 bonds. The total amount of bonds issued under this act shall not  
55 exceed Three Million Five Hundred Thousand Dollars  
56 (\$3,500,000.00).

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

61 SECTION 4. The principal of and interest on the bonds  
62 authorized under this act shall be payable in the manner provided  
63 in this section. Such bonds shall bear such date or dates, be in

64 such denomination or denominations, bear interest at such rate or  
65 rates (not to exceed the limits set forth in Section 75-17-101,  
66 Mississippi Code of 1972), be payable at such place or places  
67 within or without the State of Mississippi, shall mature  
68 absolutely at such time or times not to exceed twenty-five (25)  
69 years from date of issue, be redeemable before maturity at such  
70 time or times and upon such terms, with or without premium, shall  
71 bear such registration privileges, and shall be substantially in  
72 such form, all as shall be determined by resolution of the  
73 commission.

74 SECTION 5. The bonds authorized by this act shall be signed  
75 by the chairman of the commission, or by his facsimile signature,  
76 and the official seal of the commission shall be affixed thereto,  
77 attested by the secretary of the commission. The interest  
78 coupons, if any, to be attached to such bonds may be executed by  
79 the facsimile signatures of such officers. Whenever any such  
80 bonds shall have been signed by the officials designated to sign  
81 the bonds who were in office at the time of such signing but who  
82 may have ceased to be such officers before the sale and delivery  
83 of such bonds, or who may not have been in office on the date such  
84 bonds may bear, the signatures of such officers upon such bonds  
85 and coupons shall nevertheless be valid and sufficient for all  
86 purposes and have the same effect as if the person so officially  
87 signing such bonds had remained in office until their delivery to  
88 the purchaser, or had been in office on the date such bonds may  
89 bear. However, notwithstanding anything herein to the contrary,  
90 such bonds may be issued as provided in the Registered Bond Act of  
91 the State of Mississippi.

92 SECTION 6. All bonds and interest coupons issued under the  
93 provisions of this act have all the qualities and incidents of  
94 negotiable instruments under the provisions of the Mississippi  
95 Uniform Commercial Code, and in exercising the powers granted by  
96 this act, the commission shall not be required to and need not

97 comply with the provisions of the Mississippi Uniform Commercial  
98 Code.

99 SECTION 7. The commission shall act as the issuing agent for  
100 the bonds authorized under this act, prescribe the form of the  
101 bonds, advertise for and accept bids, issue and sell the bonds so  
102 authorized to be sold, pay all fees and costs incurred in such  
103 issuance and sale, and do any and all other things necessary and  
104 advisable in connection with the issuance and sale of such bonds.

105 The commission is authorized and empowered to pay the costs that  
106 are incident to the sale, issuance and delivery of the bonds  
107 authorized under this act from the proceeds derived from the sale  
108 of such bonds. The commission shall sell such bonds on sealed  
109 bids at public sale, and for such price as it may determine to be  
110 for the best interest of the State of Mississippi, but no such  
111 sale shall be made at a price less than par plus accrued interest  
112 to the date of delivery of the bonds to the purchaser. All  
113 interest accruing on such bonds so issued shall be payable  
114 semiannually or annually; however, the first interest payment may  
115 be for any period of not more than one (1) year.

116 Notice of the sale of any such bonds shall be published at  
117 least one time, not less than ten (10) days before the date of  
118 sale, and shall be so published in one or more newspapers  
119 published or having a general circulation in the City of Jackson,  
120 Mississippi, and in one or more other newspapers or financial  
121 journals with a national circulation, to be selected by the  
122 commission.

123 The commission, when issuing any bonds under the authority of  
124 this act, may provide that bonds, at the option of the State of  
125 Mississippi, may be called in for payment and redemption at the  
126 call price named therein and accrued interest on such date or  
127 dates named therein.

128 SECTION 8. The bonds issued under the provisions of this act  
129 are general obligations of the State of Mississippi, and for the

130 payment thereof the full faith and credit of the State of  
131 Mississippi is irrevocably pledged. If the funds appropriated by  
132 the Legislature are insufficient to pay the principal of and the  
133 interest on such bonds as they become due, then the deficiency  
134 shall be paid by the State Treasurer from any funds in the State  
135 Treasury not otherwise appropriated. All such bonds shall contain  
136 recitals on their faces substantially covering the provisions of  
137 this section.

138 SECTION 9. Upon the issuance and sale of bonds under the  
139 provisions of this act, the commission shall transfer the proceeds  
140 of any such sale or sales to the special fund created in Section 2  
141 of this act. The proceeds of such bonds shall be disbursed solely  
142 upon the order of the Department of Finance and Administration  
143 under such restrictions, if any, as may be contained in the  
144 resolution providing for the issuance of the bonds.

145 SECTION 10. The bonds authorized under this act may be  
146 issued without any other proceedings or the happening of any other  
147 conditions or things other than those proceedings, conditions and  
148 things which are specified or required by this act. Any  
149 resolution providing for the issuance of bonds under the  
150 provisions of this act shall become effective immediately upon its  
151 adoption by the commission, and any such resolution may be adopted  
152 at any regular or special meeting of the commission by a majority  
153 of its members.

154 SECTION 11. The bonds authorized under the authority of this  
155 act may be validated in the Chancery Court of the First Judicial  
156 District of Hinds County, Mississippi, in the manner and with the  
157 force and effect provided by Chapter 13, Title 31, Mississippi  
158 Code of 1972, for the validation of county, municipal, school  
159 district and other bonds. The notice to taxpayers required by  
160 such statutes shall be published in a newspaper published or  
161 having a general circulation in the City of Jackson, Mississippi.

162 SECTION 12. Any holder of bonds issued under the provisions

163 of this act or of any of the interest coupons pertaining thereto  
164 may, either at law or in equity, by suit, action, mandamus or  
165 other proceeding, protect and enforce any and all rights granted  
166 under this act, or under such resolution, and may enforce and  
167 compel performance of all duties required by this act to be  
168 performed, in order to provide for the payment of bonds and  
169 interest thereon.

170 SECTION 13. All bonds issued under the provisions of this  
171 act shall be legal investments for trustees and other fiduciaries,  
172 and for savings banks, trust companies and insurance companies  
173 organized under the laws of the State of Mississippi, and such  
174 bonds shall be legal securities which may be deposited with and  
175 shall be received by all public officers and bodies of this state  
176 and all municipalities and political subdivisions for the purpose  
177 of securing the deposit of public funds.

178 SECTION 14. Bonds issued under the provisions of this act  
179 and income therefrom shall be exempt from all taxation in the  
180 State of Mississippi.

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

184 SECTION 16. The State Treasurer is authorized, without  
185 further process of law, to certify to the Department of Finance  
186 and Administration the necessity for warrants, and the Department  
187 of Finance and Administration is authorized and directed to issue  
188 such warrants, in such amounts as may be necessary to pay when due  
189 the principal of, premium, if any, and interest on, or the  
190 accreted value of, all bonds issued under this act; and the State  
191 Treasurer shall forward the necessary amount to the designated  
192 place or places of payment of such bonds in ample time to  
193 discharge such bonds, or the interest thereon, on the due dates  
194 thereof.

195 SECTION 17. This act shall be deemed to be full and complete

196 authority for the exercise of the powers herein granted, but this  
197 act shall not be deemed to repeal or to be in derogation of any  
198 existing law of this state.

199 SECTION 18. This act shall take effect and be in force from  
200 and after July 1, 2000.