

By: Dearing

To: Finance

SENATE BILL NO. 2470
(As Sent to Governor)

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS
2 OF THE STATE OF MISSISSIPPI FOR THE PURPOSE OF RIGHT-OF-WAY
3 ACQUISITION NECESSARY TO COMPLETE THE TERMINUS OF THE NATCHEZ
4 TRACE PARKWAY IN NATCHEZ, MISSISSIPPI; AND FOR RELATED PURPOSES.

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

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

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

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

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

18 SECTION 2. (1) (a) A special fund, to be designated as the
19 "2000 Natchez Trace Parkway Terminus Fund" is created within the
20 State Treasury. The fund shall be maintained by the State
21 Treasurer as a separate and special fund, separate and apart from
22 the General Fund of the state. Unexpended amounts remaining in
23 the fund at the end of a fiscal year shall not lapse into the
24 State General Fund, and any interest earned or investment earnings
25 on amounts in the fund shall be deposited into such fund.

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

28 to pay the costs of right-of-way acquisition necessary to complete
29 the terminus of the Natchez Trace Parkway in Natchez, Mississippi,
30 at or near Liberty Road.

31 (2) Amounts deposited into such special fund shall be
32 disbursed to pay the costs of projects described in subsection (1)
33 of this section. If any monies in such special fund are not used
34 within four (4) years after the date the proceeds of the bonds
35 authorized under this act are deposited into the special fund,
36 then the Executive Director of the Mississippi Department of
37 Transportation shall provide an accounting of such unused monies
38 to the commission. Promptly after the commission has certified,
39 by resolution duly adopted, that the projects described in
40 subsection (1) of this section shall have been completed,
41 abandoned, or cannot be completed in a timely fashion, any amounts
42 remaining in such special fund shall be applied to pay debt
43 service on the bonds issued under this act, in accordance with the
44 proceedings authorizing the issuance of such bonds and as directed
45 by the commission.

46 (3) The expenditure of monies deposited into the special
47 fund shall be under the direction of the Mississippi
48 Transportation Commission. Such funds shall be paid by the State
49 Treasurer upon warrants issued by the Department of Finance and
50 Administration, which warrants shall be issued upon requisitions
51 signed by the Executive Director of the Mississippi Department of
52 Transportation or his designee.

53 SECTION 3. (1) The commission, at one time, or from time to
54 time, may declare by resolution the necessity for issuance of
55 general obligation bonds of the State of Mississippi to provide
56 funds for all costs incurred or to be incurred for the purposes
57 described in Section 2 of this act. Upon the adoption of a
58 resolution by the Mississippi Transportation Commission, declaring
59 the necessity for the issuance of any part or all of the general
60 obligation bonds authorized by this section, the Mississippi
61 Transportation Commission shall deliver a certified copy of its
62 resolution or resolutions to the commission. Upon receipt of such
63 resolution, the commission, in its discretion, may act as the
64 issuing agent, prescribe the form of the bonds, advertise for and

65 accept bids, issue and sell the bonds so authorized to be sold and
66 do any and all other things necessary and advisable in connection
67 with the issuance and sale of such bonds. The total amount of
68 bonds issued under this act shall not exceed Eight Million Five
69 Hundred Thousand Dollars (\$8,500,000.00). The bonds authorized
70 under this act may not be issued after July 1, 2003.

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

75 SECTION 4. The principal of and interest on the bonds
76 authorized under this act shall be payable in the manner provided
77 in this section. Such bonds shall bear such date or dates, be in
78 such denomination or denominations, bear interest at such rate or
79 rates (not to exceed the limits set forth in Section 75-17-101,
80 Mississippi Code of 1972), be payable at such place or places
81 within or without the State of Mississippi, shall mature
82 absolutely at such time or times not to exceed twenty-five (25)
83 years from date of issue, be redeemable before maturity at such
84 time or times and upon such terms, with or without premium, shall
85 bear such registration privileges, and shall be substantially in
86 such form, all as shall be determined by resolution of the
87 commission.

88 SECTION 5. The bonds authorized by this act shall be signed
89 by the chairman of the commission, or by his facsimile signature,
90 and the official seal of the commission shall be affixed thereto,
91 attested by the secretary of the commission. The interest
92 coupons, if any, to be attached to such bonds may be executed by
93 the facsimile signatures of such officers. Whenever any such
94 bonds shall have been signed by the officials designated to sign
95 the bonds who were in office at the time of such signing but who
96 may have ceased to be such officers before the sale and delivery
97 of such bonds, or who may not have been in office on the date such

98 bonds may bear, the signatures of such officers upon such bonds
99 and coupons shall nevertheless be valid and sufficient for all
100 purposes and have the same effect as if the person so officially
101 signing such bonds had remained in office until their delivery to
102 the purchaser, or had been in office on the date such bonds may
103 bear. However, notwithstanding anything herein to the contrary,
104 such bonds may be issued as provided in the Registered Bond Act of
105 the State of Mississippi.

106 SECTION 6. All bonds and interest coupons issued under the
107 provisions of this act have all the qualities and incidents of
108 negotiable instruments under the provisions of the Mississippi
109 Uniform Commercial Code, and in exercising the powers granted by
110 this act, the commission shall not be required to and need not
111 comply with the provisions of the Mississippi Uniform Commercial
112 Code.

113 SECTION 7. The commission shall act as the issuing agent for
114 the bonds authorized under this act, prescribe the form of the
115 bonds, advertise for and accept bids, issue and sell the bonds so
116 authorized to be sold, pay all fees and costs incurred in such
117 issuance and sale, and do any and all other things necessary and
118 advisable in connection with the issuance and sale of such bonds.

119 The commission is authorized and empowered to pay the costs that
120 are incident to the sale, issuance and delivery of the bonds
121 authorized under this act from the proceeds derived from the sale
122 of such bonds. The commission shall sell such bonds on sealed
123 bids at public sale, and for such price as it may determine to be
124 for the best interest of the State of Mississippi, but no such
125 sale shall be made at a price less than par plus accrued interest
126 to the date of delivery of the bonds to the purchaser. All
127 interest accruing on such bonds so issued shall be payable
128 semiannually or annually; however, the first interest payment may
129 be for any period of not more than one (1) year.

130 Notice of the sale of any such bonds shall be published at

131 least one (1) time, not less than ten (10) days before the date of
132 sale, and shall be so published in one or more newspapers
133 published or having a general circulation in the City of Jackson,
134 Mississippi, and in one or more other newspapers or financial
135 journals with a national circulation, to be selected by the
136 commission.

137 The commission, when issuing any bonds under the authority of
138 this act, may provide that bonds, at the option of the State of
139 Mississippi, may be called in for payment and redemption at the
140 call price named therein and accrued interest on such date or
141 dates named therein.

142 SECTION 8. The bonds issued under the provisions of this act
143 are general obligations of the State of Mississippi, and for the
144 payment thereof the full faith and credit of the State of
145 Mississippi is irrevocably pledged. If the funds appropriated by
146 the Legislature are insufficient to pay the principal of and the
147 interest on such bonds as they become due, then the deficiency
148 shall be paid by the State Treasurer from any funds in the State
149 Treasury not otherwise appropriated. All such bonds shall contain
150 recitals on their faces substantially covering the provisions of
151 this section.

152 SECTION 9. Upon the issuance and sale of bonds under the
153 provisions of this act, the commission shall transfer the proceeds
154 of any such sale or sales to the special fund created in Section 2
155 of this act. The proceeds of such bonds shall be disbursed solely
156 upon the order of the Mississippi Transportation Commission under
157 such restrictions, if any, as may be contained in the resolution
158 providing for the issuance of the bonds.

159 SECTION 10. The bonds authorized under this act may be
160 issued without any other proceedings or the happening of any other
161 conditions or things other than those proceedings, conditions and
162 things which are specified or required by this act. Any
163 resolution providing for the issuance of bonds under the

164 provisions of this act shall become effective immediately upon its
165 adoption by the commission, and any such resolution may be adopted
166 at any regular or special meeting of the commission by a majority
167 of its members.

168 SECTION 11. The bonds authorized under the authority of this
169 act may be validated in the Chancery Court of the First Judicial
170 District of Hinds County, Mississippi, in the manner and with the
171 force and effect provided by Chapter 13, Title 31, Mississippi
172 Code of 1972, for the validation of county, municipal, school
173 district and other bonds. The notice to taxpayers required by
174 such statutes shall be published in a newspaper published or
175 having a general circulation in the City of Jackson, Mississippi.

176 SECTION 12. Any holder of bonds issued under the provisions
177 of this act or of any of the interest coupons pertaining thereto
178 may, either at law or in equity, by suit, action, mandamus or
179 other proceeding, protect and enforce any and all rights granted
180 under this act, or under such resolution, and may enforce and
181 compel performance of all duties required by this act to be
182 performed, in order to provide for the payment of bonds and
183 interest thereon.

184 SECTION 13. All bonds issued under the provisions of this
185 act shall be legal investments for trustees and other fiduciaries,
186 and for savings banks, trust companies and insurance companies
187 organized under the laws of the State of Mississippi, and such
188 bonds shall be legal securities which may be deposited with and
189 shall be received by all public officers and bodies of this state
190 and all municipalities and political subdivisions for the purpose
191 of securing the deposit of public funds.

192 SECTION 14. Bonds issued under the provisions of this act
193 and income therefrom shall be exempt from all taxation in the
194 State of Mississippi.

195 SECTION 15. The proceeds of the bonds issued under this act
196 shall be used solely for the purposes herein provided, including

197 the costs incident to the issuance and sale of such bonds.

198 SECTION 16. The State Treasurer is authorized, without
199 further process of law, to certify to the Department of Finance
200 and Administration the necessity for warrants, and the Department
201 of Finance and Administration is authorized and directed to issue
202 such warrants, in such amounts as may be necessary to pay when due
203 the principal of, premium, if any, and interest on, or the
204 accreted value of, all bonds issued under this act; and the State
205 Treasurer shall forward the necessary amount to the designated
206 place or places of payment of such bonds in ample time to
207 discharge such bonds, or the interest thereon, on the due dates
208 thereof.

209 SECTION 17. This act shall be deemed to be full and complete
210 authority for the exercise of the powers herein granted, but this
211 act shall not be deemed to repeal or to be in derogation of any
212 existing law of this state.

213 SECTION 18. This act shall take effect and be in force from
214 and after its passage.