

By: Harden, Tollison

To: Education;  
Appropriations

SENATE BILL NO. 3185  
(As Passed the Senate)

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

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

7 SECTION 1. Section 37-59-111, Mississippi Code of 1972, is  
8 amended as follows:[MS1]

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

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

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

43 SECTION 2. This act shall take effect and be in force from  
44 and after July 1, 2000.