

By: Representative Scott (80th)

To: Ways and Means

HOUSE BILL NO. 1044

1 AN ACT TO CREATE THE LOCAL GOVERNMENTS LIVABLE COMMUNITIES  
 2 INVESTMENT PROGRAM TO BE ADMINISTERED BY THE MISSISSIPPI  
 3 DEVELOPMENT AUTHORITY; TO PROVIDE GRANTS TO COUNTIES AND  
 4 MUNICIPALITIES UNDER SUCH PROGRAM, TO FUND OR ASSIST IN FUNDING  
 5 CERTAIN INFRASTRUCTURE INVESTMENTS THAT IMPROVE THE QUALITY OF  
 6 LIFE AND SUPPORT ECONOMIC DEVELOPMENT IN SUCH COMMUNITIES; TO  
 7 PROVIDE FOR THE ADMINISTRATION OF THE PROGRAM; TO CREATE A SPECIAL  
 8 FUND FROM WHICH GRANTS PURSUANT TO THIS PROGRAM SHALL BE MADE; TO  
 9 AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION BONDS IN THE  
 10 AMOUNT OF ONE MILLION DOLLARS TO PARTIALLY FUND THE LOCAL  
 11 GOVERNMENTS LIVABLE COMMUNITIES INVESTMENT PROGRAM; AND FOR  
 12 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 Mississippi Development Authority for the purpose of making grants  
 17 to counties and municipalities to fund or assist in funding  
 18 infrastructure investments that improve the quality of life and  
 19 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 Mississippi Development Authority for a grant under  
35 the Local Governments Livable Communities Investment Program.

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

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

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

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

64 Mississippi Development Authority for the purposes authorized in  
65 this act.

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

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

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

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

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

95 (2) Any investment earnings on amounts deposited into the  
96 special fund created in Section 3 of this act shall be used to pay

97 debt service on bonds issued under this act, in accordance with  
98 the proceedings authorizing issuance of such bonds.

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

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

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

137 SECTION 9. The commission shall act as the issuing agent for  
138 the bonds authorized under Sections 4 through 19 of this act,  
139 prescribe the form of the bonds, advertise for and accept bids,  
140 issue and sell the bonds so authorized to be sold, pay all fees  
141 and costs incurred in such issuance and sale, and do any and all  
142 other things necessary and advisable in connection with the  
143 issuance and sale of such bonds. The commission is authorized and  
144 empowered to pay the costs that are incident to the sale, issuance  
145 and delivery of the bonds authorized under Sections 4 through 19  
146 of this act from the proceeds derived from the sale of such bonds.  
147 The commission shall sell such bonds on sealed bids at public  
148 sale, and for such price as it may determine to be for the best  
149 interest of the State of Mississippi, but no such sale shall be  
150 made at a price less than par plus accrued interest to the date of  
151 delivery of the bonds to the purchaser. All interest accruing on  
152 such bonds so issued shall be payable semiannually or annually;  
153 however, the first interest payment may be for any period of not  
154 more than one (1) year.

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

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

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

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

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

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

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

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

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

225 SECTION 17. The proceeds of the bonds issued under Sections  
226 4 through 19 of this act shall be used solely for the purposes

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

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

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

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