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To: Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3145

1 AN ACT TO AUTHORIZE THE ISSUANCE OF \$20,000,000.00 IN STATE
2 GENERAL OBLIGATION BONDS TO PROVIDE FUNDS NECESSARY FOR THE
3 MISSISSIPPI DEVELOPMENT AUTHORITY TO ACQUIRE THE RAIL LINE
4 EXTENDING FROM THE STATE PORT AT GULFPORT, MISSISSIPPI, TO THE
5 CITY OF HATTIESBURG, MISSISSIPPI; TO PROVIDE THAT IF THE
6 MISSISSIPPI DEVELOPMENT AUTHORITY ACQUIRES THE RAIL LINE, IT MAY
7 ENTER INTO ANY AGREEMENT WITH A RAILROAD OR OTHER ENTITY PROVIDING
8 THAT UPON COMPLETION OF REPAIRS AND UPGRADES TO THE RAIL LINE, THE
9 RAILROAD OR OTHER ENTITY WILL LEASE THE RAIL LINE FROM THE STATE
10 FOR COMMERCIAL PURPOSES; TO AUTHORIZE THE MISSISSIPPI DEVELOPMENT
11 AUTHORITY TO ENTER INTO CONTRACTS OR OTHER AGREEMENTS WITH ANY
12 PERSON, CORPORATION, ASSOCIATION, PARTNERSHIP, GOVERNMENTAL UNIT
13 OR OTHER ENTITY NECESSARY TO PERFORM REPAIRS AND UPGRADES TO THE
14 RAIL LINE; TO AUTHORIZE THE ISSUANCE OF \$20,000,000.00 IN STATE
15 REVENUE BONDS TO PROVIDE FUNDS FOR REPAIRS AND UPGRADES TO SUCH
16 RAIL LINE NECESSARY TO PROVIDE INTERMODAL ACCESS TO AND FROM THE
17 STATE PORT AT GULFPORT, MISSISSIPPI; TO PROVIDE THAT THE REVENUE
18 BONDS MAY NOT BE ISSUED UNLESS THE MISSISSIPPI DEVELOPMENT
19 AUTHORITY HAS ENTERED INTO AN AGREEMENT WITH A RAILROAD OR OTHER
20 ENTITY PROVIDING THAT UPON COMPLETION OF REPAIRS AND UPGRADES TO
21 THE RAIL LINE, THE RAILROAD OR OTHER ENTITY WILL LEASE THE RAIL
22 LINE FROM THE STATE FOR COMMERCIAL PURPOSES; TO PROVIDE THAT THE
23 PAYMENTS RECEIVED FROM ANY SUCH LEASE SHALL BE DEPOSITED INTO A
24 SPECIAL BOND SINKING FUND CREATED FOR THE PURPOSE OF RETIRING
25 BONDS ISSUED UNDER THIS ACT; TO PROVIDE THAT MONIES IN SUCH
26 SINKING FUND SHALL BE USED FIRST TO RETIRE REVENUE BONDS ISSUED
27 UNDER THIS ACT; TO PROVIDE THAT WHEN THE BALANCE IN THE SPECIAL
28 BOND SINKING FUND IS EQUAL TO THE NEXT TWO DEBT SERVICE
29 REQUIREMENTS OF THE REVENUE BONDS ISSUED UNDER THIS ACT, THE
30 EXCESS MONIES IN THE FUND SHALL BE USED TO PAY THE DEBT SERVICE
31 REQUIREMENTS OF GENERAL OBLIGATION BONDS ISSUED UNDER THIS ACT
32 UNTIL THE BALANCE IN THE SPECIAL BOND SINKING FUND FALLS BELOW THE
33 AMOUNT EQUAL TO THE NEXT TWO DEBT SERVICE REQUIREMENTS OF THE
34 REVENUE BONDS; AND FOR RELATED PURPOSES.

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

36 SECTION 1. As used in this act, the following words shall
37 have the meanings ascribed herein unless the context clearly
38 requires otherwise:

39 (a) "Accreted value" of any bond means, as of any date
40 of computation, an amount equal to the sum of (i) the stated
41 initial value of such bond, plus (ii) the interest accrued thereon
42 from the issue date to the date of computation at the rate,
43 compounded semiannually, that is necessary to produce the



44 approximate yield to maturity shown for bonds of the same
45 maturity.

46 (b) "Commission" means the State Bond Commission.

47 (c) "Rail line" means the rail line extending from the
48 State Port at Gulfport to the City of Hattiesburg, Mississippi.

49 (d) "State" means the State of Mississippi.

50 SECTION 2. The Mississippi Development Authority may use the
51 proceeds from general obligation bonds issued under Sections 4
52 through 18 of this act to acquire the rail line for the purpose of
53 performing repairs and upgrades necessary to provide intermodal
54 access to and from the State Port at Gulfport, Mississippi.

55 SECTION 3. For the purpose of providing for the payment of
56 the principal of and interest upon bonds issued under this act,
57 there is created a special bond sinking fund in the State
58 Treasury. The special bond sinking fund shall consist of the
59 monies required to be deposited into the fund under Section 19 of
60 this act and such other amounts as may be paid into such fund by
61 appropriation or other authorization by the Legislature. Except
62 as otherwise provided in this section, monies in the special bond
63 sinking fund first shall be used to pay the debt service
64 requirements of the revenue bonds issued under Sections 20 through
65 34 of this act. Whenever the balance in the special bond sinking
66 fund is equal to the next two (2) debt service requirements of the
67 revenue bonds issued under Sections 20 through 34 of this act, the
68 excess monies in such sinking fund shall be used to pay the debt
69 service requirements of the general obligation bonds issued under
70 Sections 4 through 18 of this act until the balance in the special
71 bond sinking fund falls below the amount equal to the next two (2)
72 debt service requirements of the revenue bonds issued under
73 Sections 20 through 34 of this act. Funds required in excess of
74 the amount available in the special bond sinking fund to pay the
75 principal of and interest upon the general obligation bonds issued
76 under Sections 4 through 18 of this act shall be appropriated from



77 the State General Fund. Unexpended amounts remaining in the fund
78 at the end of a fiscal year shall not lapse into the State General
79 Fund, and any interest earned or investment earnings on amounts in
80 the fund shall be deposited into such fund.

81 SECTION 4. (1) (a) A special fund, to be designated as the
82 "South Mississippi Rail Line Acquisition Fund" is created within
83 the State Treasury. The fund shall be maintained by the State
84 Treasurer as a separate and special fund, separate and apart from
85 the General Fund of the state. Unexpended amounts remaining in
86 the fund at the end of a fiscal year shall not lapse into the
87 State General Fund, and any interest earned or investment earnings
88 on amounts in the fund shall be deposited into such fund.

89 (b) Monies deposited into the fund shall be disbursed,
90 in the discretion of the Mississippi Development Authority to pay
91 the costs incurred by the Mississippi Development Authority in
92 acquisition of the rail line.

93 (2) Amounts deposited into such special fund shall be
94 disbursed to pay the costs of the project described in subsection
95 (1) of this section. If any monies in the special fund are not
96 used within four (4) years after the date the proceeds of the
97 bonds authorized under Sections 4 through 18 of this act are
98 deposited into such fund, then the Mississippi Development
99 Authority shall provide an accounting of such unused monies to the
100 commission. Promptly after the commission has certified, by
101 resolution duly adopted, that the project described in subsection
102 (1) shall have been completed, abandoned, or cannot be completed
103 in a timely fashion, any amounts remaining in such special fund
104 shall be applied to pay debt service on the bonds issued under
105 Sections 4 through 18 of this act, in accordance with the
106 proceedings authorizing the issuance of such bonds and as directed
107 by the commission.

108 SECTION 5. (1) The commission, at one time, or from time to
109 time, may declare by resolution the necessity for issuance of



110 general obligation bonds of the State of Mississippi to provide
111 funds for all costs incurred or to be incurred for the purposes
112 described in Section 4 of this act. Upon the adoption of a
113 resolution by the Mississippi Development Authority, declaring the
114 necessity for the issuance of any part or all of the general
115 obligation bonds authorized by this section, the Mississippi
116 Development Authority shall deliver a certified copy of its
117 resolution or resolutions to the commission. Upon receipt of such
118 resolution, the commission, in its discretion, may act as the
119 issuing agent, prescribe the form of the bonds, advertise for and
120 accept bids, issue and sell the bonds so authorized to be sold and
121 do any and all other things necessary and advisable in connection
122 with the issuance and sale of such bonds. The total amount of
123 bonds issued under Sections 4 through 18 of this act shall not
124 exceed Twenty Million Dollars (\$20,000,000.00). No bonds shall be
125 issued under Sections 4 through 18 of this act after July 1, 2005.

126 (2) Any investment earnings on amounts deposited into the
127 special fund created in Section 4 of this act shall be used to pay
128 debt service on bonds issued under Sections 4 through 18 of this
129 act, in accordance with the proceedings authorizing issuance of
130 such bonds.

131 SECTION 6. The principal of and interest on the bonds
132 authorized under Sections 4 through 18 of this act shall be
133 payable in the manner provided in this section. Such bonds shall
134 bear such date or dates, be in such denomination or denominations,
135 bear interest at such rate or rates (not to exceed the limits set
136 forth in Section 75-17-101, Mississippi Code of 1972), be payable
137 at such place or places within or without the State of
138 Mississippi, shall mature absolutely at such time or times not to
139 exceed twenty-five (25) years from date of issue, be redeemable
140 before maturity at such time or times and upon such terms, with or
141 without premium, shall bear such registration privileges, and



142 shall be substantially in such form, all as shall be determined by
143 resolution of the commission.

144 SECTION 7. The bonds authorized by Sections 4 through 18 of
145 this act shall be signed by the chairman of the commission, or by
146 his facsimile signature, and the official seal of the commission
147 shall be affixed thereto, attested by the secretary of the
148 commission. The interest coupons, if any, to be attached to such
149 bonds may be executed by the facsimile signatures of such
150 officers. Whenever any such bonds shall have been signed by the
151 officials designated to sign the bonds who were in office at the
152 time of such signing but who may have ceased to be such officers
153 before the sale and delivery of such bonds, or who may not have
154 been in office on the date such bonds may bear, the signatures of
155 such officers upon such bonds and coupons shall nevertheless be
156 valid and sufficient for all purposes and have the same effect as
157 if the person so officially signing such bonds had remained in
158 office until their delivery to the purchaser, or had been in
159 office on the date such bonds may bear. However, notwithstanding
160 anything herein to the contrary, such bonds may be issued as
161 provided in the Registered Bond Act of the State of Mississippi.

162 SECTION 8. All bonds and interest coupons issued under the
163 provisions of Sections 4 through 18 of this act have all the
164 qualities and incidents of negotiable instruments under the
165 provisions of the Mississippi Uniform Commercial Code, and in
166 exercising the powers granted by Sections 4 through 18 of this
167 act, the commission shall not be required to and need not comply
168 with the provisions of the Mississippi Uniform Commercial Code.

169 SECTION 9. The commission shall act as the issuing agent for
170 the bonds authorized under Sections 4 through 18 of this act,
171 prescribe the form of the bonds, advertise for and accept bids,
172 issue and sell the bonds so authorized to be sold, pay all fees
173 and costs incurred in such issuance and sale, and do any and all
174 other things necessary and advisable in connection with the



175 issuance and sale of such bonds. The commission is authorized and
176 empowered to pay the costs that are incident to the sale, issuance
177 and delivery of the bonds authorized under Sections 4 through 18
178 of this act from the proceeds derived from the sale of such bonds.
179 The commission shall sell such bonds on sealed bids at public
180 sale, and for such price as it may determine to be for the best
181 interest of the State of Mississippi, but no such sale shall be
182 made at a price less than par plus accrued interest to the date of
183 delivery of the bonds to the purchaser. All interest accruing on
184 such bonds so issued shall be payable semiannually or annually;
185 however, the first interest payment may be for any period of not
186 more than one (1) year.

187 Notice of the sale of any such bonds shall be published at
188 least one time, not less than ten (10) days before the date of
189 sale, and shall be so published in one or more newspapers
190 published or having a general circulation in the City of Jackson,
191 Mississippi, and in one or more other newspapers or financial
192 journals with a national circulation, to be selected by the
193 commission.

194 The commission, when issuing any bonds under the authority of
195 Sections 4 through 18 of this act, may provide that bonds, at the
196 option of the State of Mississippi, may be called in for payment
197 and redemption at the call price named therein and accrued
198 interest on such date or dates named therein.

199 SECTION 10. The bonds issued under the provisions of
200 Sections 4 through 18 of this act are general obligations of the
201 State of Mississippi, and for the payment thereof the full faith
202 and credit of the State of Mississippi is irrevocably pledged.
203 Such bonds shall be payable from the special bond sinking fund
204 created in Section 3 of this act in the manner provided in such
205 section. If the funds available in such special bond sinking fund
206 for payment of the bonds and any funds appropriated by the
207 Legislature for such purposes are insufficient to pay the



208 principal of and the interest on such bonds as they become due,
209 then the deficiency shall be paid by the State Treasurer from any
210 funds in the State Treasury not otherwise appropriated. All such
211 bonds shall contain recitals on their faces substantially covering
212 the provisions of this section.

213 SECTION 11. Upon the issuance and sale of bonds under the
214 provisions of Sections 4 through 18 of this act, the commission
215 shall transfer the proceeds of any such sale or sales to the
216 special fund created in Section 4 of this act. The proceeds of
217 such bonds shall be disbursed solely upon the order of the
218 Mississippi Development Authority under such restrictions, if any,
219 as may be contained in the resolution providing for the issuance
220 of the bonds.

221 SECTION 12. The bonds authorized under Sections 4 through 18
222 of this act may be issued without any other proceedings or the
223 happening of any other conditions or things other than those
224 proceedings, conditions and things which are specified or required
225 by Sections 4 through 18 of this act. Any resolution providing
226 for the issuance of bonds under the provisions of Sections 4
227 through 18 of this act shall become effective immediately upon its
228 adoption by the commission, and any such resolution may be adopted
229 at any regular or special meeting of the commission by a majority
230 of its members.

231 SECTION 13. The bonds authorized under the authority of
232 Sections 4 through 18 of this act may be validated in the Chancery
233 Court of the First Judicial District of Hinds County, Mississippi,
234 in the manner and with the force and effect provided by Chapter
235 13, Title 31, Mississippi Code of 1972, for the validation of
236 county, municipal, school district and other bonds. The notice to
237 taxpayers required by such statutes shall be published in a
238 newspaper published or having a general circulation in the City of
239 Jackson, Mississippi.



240 SECTION 14. Any holder of bonds issued under the provisions
241 of Sections 4 through 18 of this act or of any of the interest
242 coupons pertaining thereto may, either at law or in equity, by
243 suit, action, mandamus or other proceeding, protect and enforce
244 any and all rights granted under Sections 4 through 18 of this
245 act, or under such resolution, and may enforce and compel
246 performance of all duties required by Sections 4 through 18 of
247 this act to be performed, in order to provide for the payment of
248 bonds and interest thereon.

249 SECTION 15. All bonds issued under the provisions of
250 Sections 4 through 18 of this act shall be legal investments for
251 trustees and other fiduciaries, and for savings banks, trust
252 companies and insurance companies organized under the laws of the
253 State of Mississippi, and such bonds shall be legal securities
254 which may be deposited with and shall be received by all public
255 officers and bodies of this state and all municipalities and
256 political subdivisions for the purpose of securing the deposit of
257 public funds.

258 SECTION 16. Bonds issued under the provisions of Sections 4
259 through 18 of this act and income therefrom shall be exempt from
260 all taxation in the State of Mississippi.

261 SECTION 17. The proceeds of the bonds issued under Sections
262 4 through 18 of this act shall be used solely for the purposes
263 provided in Sections 4 through 18 of this act, including the costs
264 incident to the issuance and sale of such bonds.

265 SECTION 18. The State Treasurer is authorized, without
266 further process of law, to certify to the Department of Finance
267 and Administration the necessity for warrants, and the Department
268 of Finance and Administration is authorized and directed to issue
269 such warrants, in such amounts as may be necessary to pay when due
270 the principal of, premium, if any, and interest on, or the
271 accreted value of, all bonds issued under Sections 4 through 18 of
272 this act; and the State Treasurer shall forward the necessary



273 amount to the designated place or places of payment of such bonds
274 in ample time to discharge such bonds, or the interest thereon, on
275 the due dates thereof.

276 SECTION 19. (1) If the Mississippi Development Authority
277 acquires the rail line, it may enter into any binding agreement
278 with a railroad or other entity providing that upon completion of
279 repairs and upgrades to the rail line, the railroad or other
280 entity shall lease the rail line from the state for commercial
281 purposes. The Mississippi Development Authority may enter into
282 any lease of the rail line to a railroad or other entity for
283 commercial purposes, and the payments from any such lease shall be
284 deposited into the special bond sinking fund created in Section 3
285 of this act. Any lease entered into with a railroad or other
286 entity under this subsection (1) shall terminate no earlier than
287 the date of the maturity of the revenue bonds issued under
288 Sections 20 through 34 of this act. The lease payments paid by
289 the railroad or other entity over a lease term shall be in an
290 amount at least sufficient to retire the revenue bonds issued
291 under Sections 20 through 34 of this act at the date of maturity
292 of the bonds, and the amount of the lease payments may not be
293 reduced until the bonds are retired.

294 (2) If the Mississippi Development Authority acquires the
295 rail line, it may enter into any contracts or other agreements
296 with any person, corporation, association, partnership,
297 governmental unit or other entity necessary to perform repairs and
298 upgrades to the rail line for the purpose of providing intermodal
299 access to and from the State Port at Gulfport, Mississippi. The
300 Mississippi Development Authority may enter into any contracts or
301 other agreements with a railroad or other entity for the operation
302 and maintenance of the rail line.

303 SECTION 20. (1) (a) A special fund, to be designated as
304 the "South Mississippi Rail Line Upgrade and Repair Fund" is
305 created within the State Treasury. The fund shall be maintained



306 by the State Treasurer as a separate and special fund, separate
307 and apart from the General Fund of the state. Unexpended amounts
308 remaining in the fund at the end of a fiscal year shall not lapse
309 into the State General Fund, and any interest earned or investment
310 earnings on amounts in the fund shall be deposited into such fund.

311 (b) Monies deposited into the fund shall be disbursed,
312 in the discretion of the Mississippi Development Authority, to pay
313 the costs incurred in performing repairs and upgrades to the rail
314 line for the purpose of providing intermodal access to and from
315 the State Port at Gulfport, Mississippi.

316 (2) Amounts deposited into such special fund shall be
317 disbursed to pay the costs of the projects described in subsection
318 (1) of this section. If any monies in the special fund are not
319 used within four (4) years after the date the proceeds of the
320 bonds authorized under Sections 20 through 34 of this act are
321 deposited into such fund, then the Mississippi Development
322 Authority shall provide an accounting of such unused monies to the
323 commission. Promptly after the commission has certified, by
324 resolution duly adopted, that the projects described in subsection
325 (1) shall have been completed, abandoned, or cannot be completed
326 in a timely fashion, any amounts remaining in such special fund
327 shall be applied to pay debt service on the bonds issued under
328 Sections 20 through 34 of this act, in accordance with the
329 proceedings authorizing the issuance of such bonds and as directed
330 by the commission.

331 SECTION 21. (1) The commission, at one time or from time to
332 time, may declare by resolution the necessity for issuance of
333 revenue bonds of the State of Mississippi to provide funds for all
334 costs incurred or to be incurred for the purposes described in
335 Section 20 of this act. However, the commission may not issue
336 revenue bonds under Sections 20 through 34 of this act unless the
337 Mississippi Development Authority first has entered into an
338 agreement with a railroad or other entity which satisfies the



339 lease requirements of Section 19 of this act. Upon the adoption
340 of a resolution by the Mississippi Development Authority,
341 declaring the necessity for the issuance of any part or all of the
342 revenue bonds authorized by this section and that the requirements
343 of Section 19 of this act have been satisfied, the Mississippi
344 Development Authority shall deliver a certified copy of its
345 resolution or resolutions to the commission. Upon receipt of such
346 resolution, the commission, in its discretion, may act as the
347 issuing agent, prescribe the form of the bonds, advertise for and
348 accept bids, issue and sell the bonds so authorized to be sold and
349 do any and all other things necessary and advisable in connection
350 with the issuance and sale of such bonds. The total amount of
351 bonds issued under Sections 20 through 34 of this act shall not
352 exceed Twenty Million Dollars (\$20,000,000.00).

353 (2) Any investment earnings on amounts deposited into the
354 special fund created in Section 20 of this act shall be used to
355 pay debt service on bonds issued under Sections 20 through 34 of
356 this act, in accordance with the proceedings authorizing issuance
357 of such bonds.

358 SECTION 22. The principal of and interest on the bonds
359 authorized under Sections 20 through 34 of this act shall be
360 payable in the manner provided in this section. Such bonds shall
361 bear such date or dates, be in such denomination or denominations,
362 bear interest at such rate or rates (not to exceed the limits set
363 forth in Section 75-17-103, Mississippi Code of 1972), be payable
364 at such place or places within or without the State of
365 Mississippi, shall mature absolutely at such time or times not to
366 exceed ten (10) years from date of issue, be redeemable before
367 maturity at such time or times and upon such terms, with or
368 without premium, shall bear such registration privileges, and
369 shall be substantially in such form, all as shall be determined by
370 resolution of the commission.



371 SECTION 23. The bonds authorized by Sections 20 through 34
372 of this act shall be signed by the chairman of the commission, or
373 by his facsimile signature, and the official seal of the
374 commission shall be affixed thereto, attested by the secretary of
375 the commission. The interest coupons, if any, to be attached to
376 such bonds may be executed by the facsimile signatures of such
377 officers. Whenever any such bonds shall have been signed by the
378 officials designated to sign the bonds who were in office at the
379 time of such signing but who may have ceased to be such officers
380 before the sale and delivery of such bonds, or who may not have
381 been in office on the date such bonds may bear, the signatures of
382 such officers upon such bonds and coupons shall nevertheless be
383 valid and sufficient for all purposes and have the same effect as
384 if the person so officially signing such bonds had remained in
385 office until their delivery to the purchaser, or had been in
386 office on the date such bonds may bear. However, notwithstanding
387 anything herein to the contrary, such bonds may be issued as
388 provided in the Registered Bond Act of the State of Mississippi.

389 SECTION 24. All bonds and interest coupons issued under the
390 provisions of Sections 20 through 34 of this act have all the
391 qualities and incidents of negotiable instruments under the
392 provisions of the Uniform Commercial Code, and in exercising the
393 powers granted by Sections 20 through 34 of this act, the
394 commission shall not be required to and need not comply with the
395 provisions of the Uniform Commercial Code.

396 SECTION 25. The commission shall act as the issuing agent
397 for the bonds authorized under Sections 20 through 34 of this act,
398 prescribe the form of the bonds, advertise for and accept bids,
399 issue and sell the bonds so authorized to be sold, pay all fees
400 and costs incurred in such issuance and sale, and do any and all
401 other things necessary and advisable in connection with the
402 issuance and sale of such bonds. The commission is authorized and
403 empowered to pay the costs that are incident to the sale, issuance



404 and delivery of the bonds authorized under Sections 20 through 34
405 of this act from the proceeds derived from the sale of such bonds.
406 The commission shall sell such bonds on sealed bids at public
407 sale, and for such price as it may determine to be for the best
408 interest of the State of Mississippi, but no such sale shall be
409 made at a price less than par plus accrued interest to the date of
410 delivery of the bonds to the purchaser. All interest accruing on
411 such bonds so issued shall be payable semiannually or annually;
412 however, the first interest payment may be for any period of not
413 more than one (1) year.

414 Notice of the sale of any such bonds shall be published at
415 least one time, not less than ten (10) days before the date of
416 sale, and shall be so published in one or more newspapers
417 published or having a general circulation in the City of Jackson,
418 Mississippi, and in one or more other newspapers or financial
419 journals with a national circulation, to be selected by the
420 commission.

421 The commission, when issuing any bonds under the authority of
422 Sections 20 through 34 of this act, may provide that bonds, at the
423 option of the State of Mississippi, may be called in for payment
424 and redemption at the call price named therein and accrued
425 interest on such date or dates named therein.

426 SECTION 26. Bonds issued under authority of Sections 20
427 through 34 of this act shall be revenue bonds of the state, the
428 principal of and interest on which shall be payable solely from
429 and shall be secured by the special bond sinking fund created in
430 Section 3 of this act. The bonds shall never constitute an
431 indebtedness of the state within the meaning of any state
432 constitutional provision or statutory limitation, and shall never
433 constitute or give rise to a pecuniary liability of the state, or
434 a charge against its general credit or taxing powers, and such
435 fact shall be plainly stated on the face of each such bond. The
436 bonds shall not be considered when computing any limitation of



437 indebtedness of the state. All bonds issued under the authority
438 of Sections 20 through 34 of this act and all interest coupons
439 applicable thereto shall be construed to be negotiable
440 instruments, despite the fact that they are payable solely from a
441 specified source.

442 SECTION 27. Upon the issuance and sale of bonds under the
443 provisions of Sections 20 through 34 of this act, the commission
444 shall transfer the proceeds of any such sale or sales to the
445 special fund created in Section 20 of this act. The proceeds of
446 such bonds shall be disbursed solely upon the order of the
447 Mississippi Development Authority under such restrictions, if any,
448 as may be contained in the resolution providing for the issuance
449 of the bonds.

450 SECTION 28. The bonds authorized under Sections 20 through
451 34 of this act may be issued without any other proceedings or the
452 happening of any other conditions or things other than those
453 proceedings, conditions and things which are specified or required
454 by Sections 20 through 34 of this act. Any resolution providing
455 for the issuance of bonds under the provisions of Sections 20
456 through 34 of this act shall become effective immediately upon its
457 adoption by the commission, and any such resolution may be adopted
458 at any regular or special meeting of the commission by a majority
459 of its members.

460 SECTION 29. The bonds authorized under the authority of
461 Sections 20 through 34 of this act may be validated in the
462 Chancery Court of the First Judicial District of Hinds County,
463 Mississippi, in the manner and with the force and effect provided
464 by Chapter 13, Title 31, Mississippi Code of 1972, for the
465 validation of county, municipal, school district and other bonds.
466 The notice to taxpayers required by such statutes shall be
467 published in a newspaper published or having a general circulation
468 in the City of Jackson, Mississippi.



469 SECTION 30. Any holder of bonds issued under the provisions
470 of Sections 20 through 34 of this act or of any of the interest
471 coupons pertaining thereto may, either at law or in equity, by
472 suit, action, mandamus or other proceeding, protect and enforce
473 any and all rights granted under Sections 20 through 34 of this
474 act, or under such resolution, and may enforce and compel
475 performance of all duties required by Sections 20 through 34 of
476 this act to be performed, in order to provide for the payment of
477 bonds and interest thereon.

478 SECTION 31. All bonds issued under the provisions of
479 Sections 20 through 34 of this act shall be legal investments for
480 trustees and other fiduciaries, and for savings banks, trust
481 companies and insurance companies organized under the laws of the
482 State of Mississippi, and such bonds shall be legal securities
483 which may be deposited with and shall be received by all public
484 officers and bodies of this state and all municipalities and
485 political subdivisions for the purpose of securing the deposit of
486 public funds.

487 SECTION 32. Bonds issued under the provisions of Sections 20
488 through 34 of this act and income therefrom shall be exempt from
489 all taxation in the State of Mississippi.

490 SECTION 33. The proceeds of the bonds issued under Sections
491 20 through 34 of this act; shall be used solely for the purposes
492 provided in Sections 20 through 34 of this act, including the
493 costs incident to the issuance and sale of such bonds.

494 SECTION 34. The State Treasurer is authorized, without
495 further process of law, to certify to the Department of Finance
496 and Administration the necessity for warrants, and the Department
497 of Finance and Administration is authorized and directed to issue
498 such warrants, in such amounts as may be necessary to pay when due
499 the principal of, premium, if any, and interest on, or the
500 accreted value of, all bonds issued under Sections 20 through 34
501 of this act; and the State Treasurer shall forward the necessary



502 amount to the designated place or places of payment of such bonds
503 in ample time to discharge such bonds, or the interest thereon, on
504 the due dates thereof.

505 SECTION 35. This act shall be deemed to be full and complete
506 authority for the exercise of the powers herein granted, but this
507 act shall not be deemed to repeal or to be in derogation of any
508 existing law of this state.

509 SECTION 36. This act shall take effect and be in force from
510 and after its passage.

