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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.