HOUSE BILL NO. 1451

AN ACT TO CREATE THE LOCAL GOVERNMENTS LIVABLE COMMUNITIES INVESTMENT PROGRAM TO BE ADMINISTERED BY THE MISSISSIPPI DEVELOPMENT AUTHORITY; TO PROVIDE GRANTS TO COUNTIES AND MUNICIPALITIES UNDER SUCH PROGRAM, TO FUND OR ASSIST IN FUNDING CERTAIN INFRASTRUCTURE INVESTMENTS THAT IMPROVE THE QUALITY OF LIFE AND SUPPORT ECONOMIC DEVELOPMENT IN SUCH COMMUNITIES; TO PROVIDE FOR THE ADMINISTRATION OF THE PROGRAM; TO CREATE A SPECIAL FUND FROM WHICH GRANTS PURSUANT TO THIS PROGRAM SHALL BE MADE; TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION BONDS IN THE AMOUNT OF ONE MILLION DOLLARS TO PARTIALLY FUND THE LOCAL GOVERNMENTS LIVABLE COMMUNITIES INVESTMENT PROGRAM; AND FOR RELATED PURPOSES.

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

SECTION 1. (1) There is established the Local Governments Livable Communities Investment Program to be administered by the Mississippi Development Authority for the purpose of making grants to counties and municipalities to fund or assist in funding infrastructure investments that improve the quality of life and support economic development in such communities.

(2) For purposes of this section, "infrastructure investments" include any of the following:

(a) Renovation and repair of public parks and recreational facilities;

(b) Construction of new parks and recreational facilities at local public schools;

(c) Renovation of public school buildings to support expanded community use while restricting access to classrooms and administrative offices;

(d) Construction, purchase, renovation or repair of any building to be utilized as a community family resource center; or

(e) Construction, purchase, renovation or repair of any building to be utilized as a community youth offender facility.
SECTION 2. (1) A county or an incorporated municipality may apply to the Mississippi Development Authority for a grant under the Local Governments Livable Communities Investment Program.

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

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

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

SECTION 3. There is created a special fund in the State Treasury to be designated the "Local Governments Livable Communities Investment Fund," which shall consist of proceeds from bonds issued under Sections 4 through 19 of this act, and such money as may be appropriated by the Legislature. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the fund shall be deposited to the credit of the fund. Money in the fund shall be used or expended by the Mississippi Development Authority for the purposes authorized in this act.
SECTION 4. As used in Sections 4 through 19 of this act, the following words shall have the meanings ascribed herein unless the context clearly requires otherwise:

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

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

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

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

(2) Any investment earnings on amounts deposited into the special fund created in Section 3 of this act shall be used to pay debt service on bonds issued under this act, in accordance with the proceedings authorizing issuance of such bonds.
SECTION 6. The principal of and interest on the bonds authorized under Sections 4 through 19 of this act shall be payable in the manner provided in this section. Such bonds shall bear such date or dates, be in such denomination or denominations, bear interest at such rate or rates (not to exceed the limits set forth in Section 75-17-101, Mississippi Code of 1972), be payable at such place or places within or without the State of Mississippi, shall mature absolutely at such time or times not to exceed twenty-five (25) years from date of issue, be redeemable before maturity at such time or times and upon such terms, with or without premium, shall bear such registration privileges, and shall be substantially in such form, all as shall be determined by resolution of the commission.

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 17. The proceeds of the bonds issued under Sections 4 through 19 of this act shall be used solely for the purposes provided in this act, including the costs incident to the issuance and sale of such bonds.

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

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

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