

By: Representative Scott (80th)

To: Ways and Means

HOUSE BILL NO. 1451

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 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 interest earned or
62 investment earnings on amounts in the fund shall be deposited to
63 the credit of the fund. Money in the fund shall be used or
64 expended by the Mississippi Development Authority for the purposes
65 authorized in 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.

