

*****Adopted*****

AMENDMENT No. 1 PROPOSED TO

Senate Bill NO. 2273

By Representative(s) Committee

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

12 **SECTION 1.** As used in Sections 1 through 19 of this act, the
13 following words shall have the meanings ascribed herein unless the
14 context clearly requires otherwise:

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

22 (b) "Coastal" means within the geographical area of
23 Hancock, Harrison and Jackson Counties.

24 (c) "Coastal preserve" means an exceptional area of
25 uplands, wetlands, tidelands or submerged lands and their
26 associated waters set aside for preserving their ecological
27 integrity and for being maintained essentially in their natural
28 state or existing condition for the public benefit.

29 (d) "Coastal Preserve System" means the entire body of
30 Mississippi coastal preserves as heretofore previously designated
31 by the Mississippi Commission on Marine Resources pursuant to

32 Section 49-27-65(c) and as may be designated in the future.

33 (e) "State" means the State of Mississippi.

34 (f) "Commission" means the State Bond Commission.

35 (g) "Department" means the Mississippi Department of
36 Marine Resources.

37 **SECTION 2.** (1) (a) A special fund, to be designated as the
38 "Deer Island Acquisition, Reclamation and Preservation Fund," is
39 created within the State Treasury. The fund shall be maintained
40 by the State Treasurer as a separate and special fund, separate
41 and apart from the General Fund of the state. Unexpended amounts
42 remaining in the fund at the end of a fiscal year shall not lapse
43 into the State General Fund, and any interest earned or investment
44 earnings on amounts in the fund shall be deposited into such
45 special fund.

46 (b) Monies deposited into the fund shall be disbursed,
47 in the discretion of the Secretary of State, to provide funds for
48 the acquisition, reclamation, and preservation of Deer Island as
49 part of the Coastal Preserve System, with the Coastal Preserve
50 System to be managed by the Department of Marine Resources in
51 cooperation with the Secretary of State. However, the Department
52 of Marine Resources may not take any action relating to Deer
53 Island unless authorized by the Mississippi Commission on Marine
54 Resources at a meeting or meetings complying with the provisions
55 of Section 25-41-1 et seq., Mississippi Code of 1972. The
56 Mississippi Commission on Marine Resources shall comply with the
57 Mississippi Administrative Procedures Law (Section 25-43-1 et
58 seq., Mississippi Code of 1972) in promulgating and adopting rules
59 or regulations, or both, relating to Deer Island.

60 (c) Acquisition of Deer Island shall be based upon
61 appraisal and the acquisition price shall not be an amount in
62 excess of its appraised value. For purposes of this paragraph one
63 (1) appraisal shall be sufficient.

64 (2) Amounts deposited into such special fund shall be
65 disbursed to pay the costs of acquisition, reclamation and
66 preservation of Deer Island as described in subsection (1) of this

67 section. If any monies in such special fund are not used within
68 five (5) years after the date the proceeds of the bonds authorized
69 under Sections 1 through 19 of this act are deposited into the
70 special fund, then the Secretary of State shall provide an
71 accounting of such unused monies to the commission. Promptly
72 after the commission has certified, by resolution duly adopted,
73 that the projects described in subsection (1) of this section
74 shall have been completed, abandoned, or cannot be completed in a
75 timely fashion, any amounts remaining in such special fund shall
76 be applied to pay debt service on the bonds issued under Sections
77 1 through 19 of this act, in accordance with the proceedings
78 authorizing the issuance of such bonds and as directed by the
79 commission.

80 (3) The Secretary of State is expressly authorized and
81 empowered to receive and expend any other source funds in
82 connection with the expenditure of funds provided for in this
83 section. The expenditure of monies deposited into the special
84 fund shall be under the direction of the Secretary of State, and
85 such funds shall be paid by the State Treasurer upon warrants
86 issued by the Department of Finance and Administration, which
87 warrants shall be issued upon requisitions signed by the Executive
88 Director of the Department of Finance and Administration or his
89 designee.

90 **SECTION 3.** For the purpose of providing for the payment of
91 the principal of and the interest upon bonds issued under the
92 provisions of Sections 1 through 19 of this act or any
93 indebtedness incurred under Section 20 of this act, or both, there
94 is hereby created in the State Treasury the "Deer Island
95 Acquisition, Reclamation and Preservation Bond Sinking Fund."
96 Such sinking fund shall consist of the money required to be
97 deposited into such fund pursuant to Section 18 of this act and
98 such other amounts as shall be paid into such fund by
99 appropriation or other authorization by the Legislature. Funds
100 required in excess of the amounts available in the Deer Island
101 Acquisition, Reclamation and Preservation Bond Sinking Fund to pay

102 the principal of and the interest upon bonds issued under the
103 provisions of Sections 1 through 19 of this act shall be
104 appropriated from the State General Fund. Unexpended amounts
105 remaining in the fund at the end of a fiscal year shall not lapse
106 into the State General Fund, and any interest earned or investment
107 earnings on amounts in the fund shall be deposited into such fund.

108 **SECTION 4.** (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 2 of this act. Upon the issuance of a
113 certificate by the Secretary of State, declaring the necessity for
114 the issuance of any part or all of the general obligation bonds
115 authorized by this section, the Secretary of State shall deliver a
116 certified copy of his certificate or certificates to the
117 commission. Upon receipt of such certificate, the commission, in
118 its discretion, may act as the issuing agent, prescribe the form
119 of the bonds, advertise for and accept bids, issue and sell the
120 bonds so authorized to be sold and do any and all other things
121 necessary and advisable in connection with the issuance and sale
122 of such bonds. Subject to the provisions of this act, the total
123 amount of bonds issued under Sections 1 through 19 of this act
124 shall not exceed Ten Million Dollars (\$10,000,000.00).

125 (2) Any investment earnings on amounts deposited into the
126 special fund created in Section 2 of this act shall be used to pay
127 debt service on bonds issued under Sections 1 through 19 of this
128 act, in accordance with the proceedings authorizing issuance of
129 such bonds.

130 **SECTION 5.** The principal of and interest on the bonds
131 authorized under Sections 1 through 19 of this act shall be
132 payable in the manner provided in this section. Such bonds shall
133 bear such date or dates, be in such denomination or denominations,
134 bear interest at such rate or rates (not to exceed the limits set
135 forth in Section 75-17-101, Mississippi Code of 1972), be payable
136 at such place or places within or without the State of

137 Mississippi, shall mature absolutely at such time or times not to
138 exceed ten (10) years from date of issue, be redeemable before
139 maturity at such time or times and upon such terms, with or
140 without premium, shall bear such registration privileges, and
141 shall be substantially in such form, all as shall be determined by
142 resolution of the commission.

143 **SECTION 6.** The bonds authorized by Sections 1 through 19 of
144 this act shall be signed by the chairman of the commission, or by
145 his facsimile signature, and the official seal of the commission
146 shall be affixed thereto, attested by the secretary of the
147 commission. The interest coupons, if any, to be attached to such
148 bonds may be executed by the facsimile signatures of such
149 officers. Whenever any such bonds shall have been signed by the
150 officials designated to sign the bonds who were in office at the
151 time of such signing but who may have ceased to be such officers
152 before the sale and delivery of such bonds, or who may not have
153 been in office on the date such bonds may bear, the signatures of
154 such officers upon such bonds and coupons shall nevertheless be
155 valid and sufficient for all purposes and have the same effect as
156 if the person so officially signing such bonds had remained in
157 office until their delivery to the purchaser, or had been in
158 office on the date such bonds may bear. However, notwithstanding
159 anything herein to the contrary, such bonds may be issued as
160 provided in the Registered Bond Act of the State of Mississippi.

161 **SECTION 7.** All bonds and interest coupons issued under the
162 provisions of Sections 1 through 19 of this act have all the
163 qualities and incidents of negotiable instruments under the
164 provisions of the Uniform Commercial Code, and in exercising the
165 powers granted by Sections 1 through 19 of this act, the
166 commission shall not be required to and need not comply with the
167 provisions of the Uniform Commercial Code.

168 **SECTION 8.** The commission shall act as the issuing agent for
169 the bonds authorized under Sections 1 through 19 of this act,
170 prescribe the form of the bonds, advertise for and accept bids,
171 issue and sell the bonds so authorized to be sold, pay all fees

172 and costs incurred in such issuance and sale, and do any and all
173 other things necessary and advisable in connection with the
174 issuance and sale of such bonds. The commission is authorized and
175 empowered to pay the costs that are incident to the sale, issuance
176 and delivery of the bonds authorized under Sections 1 through 19
177 of this act from the proceeds derived from the sale of such bonds.

178 The commission shall sell such bonds on sealed bids at public
179 sale, and for such price as it may determine to be for the best
180 interest of the State of Mississippi, but no such sale shall be
181 made at a price less than par plus accrued interest to the date of
182 delivery of the bonds to the purchaser. All interest accruing on
183 such bonds so issued shall be payable semiannually or annually;
184 however, the first interest payment may be for any period of not
185 more than one (1) year.

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

193 The commission, when issuing any bonds under the authority of
194 Sections 1 through 19 of this act, may provide that bonds, at the
195 option of the State of Mississippi, may be called in for payment
196 and redemption at the call price named therein and accrued
197 interest on such date or dates named therein.

198 **SECTION 9.** The bonds issued under the provisions of Sections
199 1 through 19 of this act are general obligations of the State of
200 Mississippi, and for the payment thereof the full faith and credit
201 of the State of Mississippi is irrevocably pledged. If the funds
202 available in the Deer Island Acquisition, Reclamation and
203 Preservation Bond Sinking Fund and any funds appropriated by the
204 Legislature are insufficient to pay the principal of and the
205 interest on such bonds as they become due, then the deficiency
206 shall be paid by the State Treasurer from any funds in the State

207 Treasury not otherwise appropriated. All such bonds shall contain
208 recitals on their faces substantially covering the provisions of
209 this section.

210 **SECTION 10.** Upon the issuance and sale of bonds under the
211 provisions of Sections 1 through 19 of this act, the commission
212 shall transfer the proceeds of any such sale or sales to the
213 special fund created in Section 2 of this act. The proceeds of
214 such bonds shall be disbursed solely upon the order of the
215 Secretary of State under such restrictions, if any, as may be
216 contained in the resolution providing for the issuance of the
217 bonds.

218 **SECTION 11.** The bonds authorized under Sections 1 through 19
219 of this act may be issued without any other proceedings or the
220 happening of any other conditions or things other than those
221 proceedings, conditions and things which are specified or required
222 by Sections 1 through 19 of this act. Any resolution providing
223 for the issuance of bonds under the provisions of Sections 1
224 through 19 of this act shall become effective immediately upon its
225 adoption by the commission, and any such resolution may be adopted
226 at any regular or special meeting of the commission by a majority
227 of its members.

228 **SECTION 12.** The bonds authorized under the authority of
229 Sections 1 through 19 of this act may be validated in the Chancery
230 Court of the First Judicial District of Hinds County, Mississippi,
231 in the manner and with the force and effect provided by Chapter
232 13, Title 31, Mississippi Code of 1972, for the validation of
233 county, municipal, school district and other bonds. The notice to
234 taxpayers required by such statutes shall be published in a
235 newspaper published or having a general circulation in the City of
236 Jackson, Mississippi.

237 **SECTION 13.** Any holder of bonds issued under the provisions
238 of Sections 1 through 19 of this act or of any of the interest
239 coupons pertaining thereto may, either at law or in equity, by
240 suit, action, mandamus or other proceeding, protect and enforce
241 any and all rights granted under Sections 1 through 19 of this

242 act, or under such resolution, and may enforce and compel
243 performance of all duties required by Sections 1 through 19 of
244 this act to be performed, in order to provide for the payment of
245 bonds and interest thereon.

246 **SECTION 14.** All bonds issued under the provisions of
247 Sections 1 through 19 of this act shall be legal investments for
248 trustees and other fiduciaries, and for savings banks, trust
249 companies and insurance companies organized under the laws of the
250 State of Mississippi, and such bonds shall be legal securities
251 which may be deposited with and shall be received by all public
252 officers and bodies of this state and all municipalities and
253 political subdivisions for the purpose of securing the deposit of
254 public funds.

255 **SECTION 15.** Bonds issued under the provisions of Sections 1
256 through 19 of this act and income therefrom shall be exempt from
257 all taxation in the State of Mississippi.

258 **SECTION 16.** The proceeds of the bonds issued under Sections
259 1 through 19 of this act shall be used solely for the purposes
260 herein provided, including the costs incident to the issuance and
261 sale of such bonds.

262 **SECTION 17.** The State Treasurer is authorized, without
263 further process of law, to certify to the Department of Finance
264 and Administration the necessity for warrants, and the Department
265 of Finance and Administration is authorized and directed to issue
266 such warrants, in such amounts as may be necessary to pay when due
267 the principal of, premium, if any, and interest on, or the
268 accreted value of, all bonds issued under Sections 1 through 19 of
269 this act; and the State Treasurer shall forward the necessary
270 amount to the designated place or places of payment of such bonds
271 in ample time to discharge such bonds, or the interest thereon, on
272 the due dates thereof.

273 **SECTION 18.** From the funds it receives under Section
274 29-15-9, Mississippi Code of 1972, the Commission on Marine
275 Resources shall deposit the amount of funds necessary to annually
276 pay the principal of and interest on bonds issued pursuant to

277 Sections 1 through 19 of this act or any indebtedness incurred
278 under Section 20 of this act, or both, into the Deer Island
279 Acquisition, Reclamation and Preservation Bond Sinking Fund
280 created in Section 3 of this act. Any funds received by the
281 Commission on Marine Resources under Section 29-15-9, and used by
282 the Commission on Marine Resources for any purpose related to the
283 acquisition, reclamation and preservation of Deer Island, other
284 than for deposit into the Deer Island Acquisition, Reclamation and
285 Preservation Bond Sinking Fund created in Section 3 of this act,
286 shall be subject to legislative appropriation.

287 **SECTION 19.** Except as otherwise provided in this act,
288 Sections 1 through 19 of this act shall be deemed to be full and
289 complete authority for the exercise of the powers herein granted,
290 but Sections 1 through 19 of this act shall not be deemed to
291 repeal or to be in derogation of any existing law of this state.

292 **SECTION 20.** In addition to, and not as a limitation of, the
293 availability of the use of proceeds from general obligation bonds
294 issued under Sections 1 through 19 of this act, the Secretary of
295 State may borrow money from the Mississippi Development Bank
296 pursuant to Section 31-25-1 et seq., Mississippi Code of 1972, to
297 provide funds for the acquisition, reclamation, and preservation
298 of Deer Island as described in Section 2 of this act. Subject to
299 the provisions of this act, any loan made by the Mississippi
300 Development Bank to the Secretary of State for the purposes stated
301 in this section may be made upon such terms and conditions as
302 prescribed by and between the Mississippi Development Bank and the
303 Secretary of State pursuant to Section 31-25-1 et seq. The
304 Secretary of State may not borrow money from the Mississippi
305 Development Bank under this section after July 1, 2005.

306 **SECTION 21.** The total amount of bonds issued under Sections
307 1 through 19 of this act and any indebtedness incurred under
308 Section 20 of this act shall not exceed Ten Million Dollars
309 (\$10,000,000.00) in the aggregate.

310 **SECTION 22.** This act shall take effect and be in force from
311 and after its passage.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS
2 OF THE STATE OF MISSISSIPPI FOR THE PURPOSE OF PROVIDING FUNDS FOR
3 THE ACQUISITION, RECLAMATION AND PRESERVATION OF DEER ISLAND; TO
4 PROVIDE THAT THE COMMISSION ON MARINE RESOURCES SHALL UTILIZE A
5 PORTION OF THE FUNDS IT RECEIVES THAT ARE DERIVED FROM LEASE
6 RENTALS OF TIDELANDS AND SUBMERGED LANDS TO PAY THE ANNUAL DEBT
7 SERVICE ON SUCH BONDS; TO AUTHORIZE THE SECRETARY OF STATE TO
8 BORROW FUNDS FROM THE MISSISSIPPI DEVELOPMENT BANK FOR THE PURPOSE
9 OF PROVIDING FUNDS FOR THE ACQUISITION, RECLAMATION AND
10 PRESERVATION OF DEER ISLAND; AND FOR RELATED PURPOSES.