

**\*\*\*Adopted\*\*\*  
AMENDMENT No. 1 PROPOSED TO**

**House Bill NO. 581**

**By Senator(s) Committee**

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

6           **SECTION 1.** As used in this act, the following words shall  
7 have the meanings ascribed herein unless the context clearly  
8 requires otherwise:

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

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

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

18           **SECTION 2.** (1) The Mississippi Development Authority, at  
19 one time, or from time to time, may declare by resolution the  
20 necessity for issuance of general obligation bonds of the State of  
21 Mississippi to provide funds for the grant program authorized in  
22 Section 57-1-18. Upon the adoption of a resolution by the  
23 Mississippi Development Authority, declaring the necessity for the  
24 issuance of any part or all of the general obligation bonds  
25 authorized by this section, the Mississippi Development Authority

26 shall deliver a certified copy of its resolution or resolutions to  
27 the commission. Upon receipt of such resolution, the commission,  
28 in its discretion, may act as the issuing agent, prescribe the  
29 form of the bonds, advertise for and accept bids, issue and sell  
30 the bonds so authorized to be sold and do any and all other things  
31 necessary and advisable in connection with the issuance and sale  
32 of such bonds. The total amount of bonds issued under this act  
33 shall not exceed Five Million Dollars (\$5,000,000.00). No bonds  
34 authorized under this act shall be issued after July 1, 2006.

35 (2) The proceeds of bonds issued pursuant to this act shall  
36 be deposited into the Small Municipalities and Limited Population  
37 Counties Fund created pursuant to Section 57-1-18. Any investment  
38 earnings on bonds issued pursuant to this act shall be used to pay  
39 debt service on bonds issued under this act, in accordance with  
40 the proceedings authorizing issuance of such bonds.

41 **SECTION 3.** The principal of and interest on the bonds  
42 authorized under this act shall be payable in the manner provided  
43 in this section. Such bonds shall bear such date or dates, be in  
44 such denomination or denominations, bear interest at such rate or  
45 rates (not to exceed the limits set forth in Section 75-17-101,  
46 Mississippi Code of 1972), be payable at such place or places  
47 within or without the State of Mississippi, shall mature  
48 absolutely at such time or times not to exceed twenty-five (25)  
49 years from date of issue, be redeemable before maturity at such  
50 time or times and upon such terms, with or without premium, shall  
51 bear such registration privileges, and shall be substantially in  
52 such form, all as shall be determined by resolution of the  
53 commission.

54 **SECTION 4.** The bonds authorized by this act shall be signed  
55 by the chairman of the commission, or by his facsimile signature,  
56 and the official seal of the commission shall be affixed thereto,  
57 attested by the secretary of the commission. The interest  
58 coupons, if any, to be attached to such bonds may be executed by  
59 the facsimile signatures of such officers. Whenever any such  
60 bonds shall have been signed by the officials designated to sign

61 the bonds who were in office at the time of such signing but who  
62 may have ceased to be such officers before the sale and delivery  
63 of such bonds, or who may not have been in office on the date such  
64 bonds may bear, the signatures of such officers upon such bonds  
65 and coupons shall nevertheless be valid and sufficient for all  
66 purposes and have the same effect as if the person so officially  
67 signing such bonds had remained in office until their delivery to  
68 the purchaser, or had been in office on the date such bonds may  
69 bear. However, notwithstanding anything herein to the contrary,  
70 such bonds may be issued as provided in the Registered Bond Act of  
71 the State of Mississippi.

72 **SECTION 5.** All bonds and interest coupons issued under the  
73 provisions of this act have all the qualities and incidents of  
74 negotiable instruments under the provisions of the Uniform  
75 Commercial Code, and in exercising the powers granted by this act,  
76 the commission shall not be required to and need not comply with  
77 the provisions of the Uniform Commercial Code.

78 **SECTION 6.** The commission shall act as the issuing agent for  
79 the bonds authorized under this act, prescribe the form of the  
80 bonds, advertise for and accept bids, issue and sell the bonds so  
81 authorized to be sold, pay all fees and costs incurred in such  
82 issuance and sale, and do any and all other things necessary and  
83 advisable in connection with the issuance and sale of such bonds.

84 The commission is authorized and empowered to pay the costs that  
85 are incident to the sale, issuance and delivery of the bonds  
86 authorized under this act from the proceeds derived from the sale  
87 of such bonds. The commission shall sell such bonds on sealed  
88 bids at public sale, and for such price as it may determine to be  
89 for the best interest of the State of Mississippi, but no such  
90 sale shall be made at a price less than par plus accrued interest  
91 to the date of delivery of the bonds to the purchaser. All  
92 interest accruing on such bonds so issued shall be payable  
93 semiannually or annually; however, the first interest payment may  
94 be for any period of not more than one (1) year.

95 Notice of the sale of any such bonds shall be published at

96 least one time, not less than ten (10) days before the date of  
97 sale, and shall be so published in one or more newspapers  
98 published or having a general circulation in the City of Jackson,  
99 Mississippi, and in one or more other newspapers or financial  
100 journals with a national circulation, to be selected by the  
101 commission.

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

107 **SECTION 7.** The bonds issued under the provisions of this act  
108 are general obligations of the State of Mississippi, and for the  
109 payment thereof the full faith and credit of the State of  
110 Mississippi is irrevocably pledged. If the funds appropriated by  
111 the Legislature are insufficient to pay the principal of and the  
112 interest on such bonds as they become due, then the deficiency  
113 shall be paid by the State Treasurer from any funds in the State  
114 Treasury not otherwise appropriated. All such bonds shall contain  
115 recitals on their faces substantially covering the provisions of  
116 this section.

117 **SECTION 8.** Upon the issuance and sale of bonds under the  
118 provisions of this act, the commission shall transfer the proceeds  
119 of any such sale or sales to the Small Municipalities and Limited  
120 Population Counties Fund created in Section 57-1-18. The proceeds  
121 of such bonds shall be disbursed solely upon the order of the  
122 Mississippi Development Authority under such restrictions, if any,  
123 as may be contained in the resolution providing for the issuance  
124 of the bonds.

125 **SECTION 9.** The bonds authorized under this act may be issued  
126 without any other proceedings or the happening of any other  
127 conditions or things other than those proceedings, conditions and  
128 things which are specified or required by this act. Any  
129 resolution providing for the issuance of bonds under the  
130 provisions of this act shall become effective immediately upon its

131 adoption by the commission, and any such resolution may be adopted  
132 at any regular or special meeting of the commission by a majority  
133 of its members.

134         **SECTION 10.** The bonds authorized under the authority of this  
135 act may be validated in the Chancery Court of the First Judicial  
136 District of Hinds County, Mississippi, in the manner and with the  
137 force and effect provided by Chapter 13, Title 31, Mississippi  
138 Code of 1972, for the validation of county, municipal, school  
139 district and other bonds. The notice to taxpayers required by  
140 such statutes shall be published in a newspaper published or  
141 having a general circulation in the City of Jackson, Mississippi.

142         **SECTION 11.** Any holder of bonds issued under the provisions  
143 of this act or of any of the interest coupons pertaining thereto  
144 may, either at law or in equity, by suit, action, mandamus or  
145 other proceeding, protect and enforce any and all rights granted  
146 under this act, or under such resolution, and may enforce and  
147 compel performance of all duties required by this act to be  
148 performed, in order to provide for the payment of bonds and  
149 interest thereon.

150         **SECTION 12.** All bonds issued under the provisions of this  
151 act shall be legal investments for trustees and other fiduciaries,  
152 and for savings banks, trust companies and insurance companies  
153 organized under the laws of the State of Mississippi, and such  
154 bonds shall be legal securities which may be deposited with and  
155 shall be received by all public officers and bodies of this state  
156 and all municipalities and political subdivisions for the purpose  
157 of securing the deposit of public funds.

158         **SECTION 13.** Bonds issued under the provisions of this act  
159 and income therefrom shall be exempt from all taxation in the  
160 State of Mississippi.

161         **SECTION 14.** The proceeds of the bonds issued under this act  
162 shall be used solely for the purposes therein provided, including  
163 the costs incident to the issuance and sale of such bonds.

164         **SECTION 15.** The State Treasurer is authorized, without  
165 further process of law, to certify to the Department of Finance

166 and Administration the necessity for warrants, and the Department  
167 of Finance and Administration is authorized and directed to issue  
168 such warrants, in such amounts as may be necessary to pay when due  
169 the principal of, premium, if any, and interest on, or the  
170 accreted value of, all bonds issued under this act; and the State  
171 Treasurer shall forward the necessary amount to the designated  
172 place or places of payment of such bonds in ample time to  
173 discharge such bonds, or the interest thereon, on the due dates  
174 thereof.

175         **SECTION 16.** This act shall be deemed to be full and complete  
176 authority for the exercise of the powers therein granted, but this  
177 act shall not be deemed to repeal or to be in derogation of any  
178 existing law of this state.

179         **SECTION 17.** This act shall take effect and be in force from  
180 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 \$5,000,000.00 IN STATE  
2 GENERAL OBLIGATION BONDS TO PROVIDE FUNDS FOR THE SMALL  
3 MUNICIPALITIES AND LIMITED POPULATION COUNTIES FUND; AND FOR  
4 RELATED PURPOSES.