MISSISSIPPI LEGISLATURE
REGULAR SESSION 2003

By: Representatives Miles, Franks, Holland, Markham, Ward
To: Ways and Means

HOUSE BILL NO. 556

AN ACT TO AUTHORIZE THE DEPARTMENT OF AGRICULTURE AND
COMMERCe TO USE THE PROCEEDS OF THE BONDS AUTHORIZED TO BE ISSUED
UNDER THIS ACT TO PROVIDE GRANTS TO COUNTIES AND MUNICIPALITIES
FOR THE CONSTRUCTION, RENOVATION AND EXPANSION OF LIVESTOCK
FACILITIES; TO PROVIDE THAT ANY COUNTY OR MUNICIPALITY THAT
RECEIVES A GRANT SHALL BE REQUIRED TO MATCH THE AMOUNT OF THE
GRANT WITH AN EQUAL AMOUNT OF CASH; TO LIMIT THE MAXIMUM AMOUNT OF
SUCH GRANTS FOR ANY ONE LOCATION; TO LIMIT THE COUNTIES AND
MUNICIPALITIES THAT MAY APPLY FOR SUCH GRANTS; TO AUTHORIZE THE
ISSUANCE OF GENERAL OBLIGATION BONDS TO PROVIDE A SOURCE OF FUNDS
FOR SUCH GRANTS; AND FOR RELATED PURPOSES.

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

SECTION 1. (1) The Department of Agriculture and Commerce
may use the proceeds of the bonds authorized to be issued by this
act to provide grants to counties and municipalities to provide
funds for the construction, renovation and expansion of livestock
facilities. Counties and municipalities must demonstrate to the
satisfaction of the Department of Agriculture and Commerce that
they are able to operate and maintain the livestock facilities in
order to receive a grant. Any county or municipality that
receives a grant from the Department of Agriculture and Commerce
shall be required to match the amount of the grant with an equal
amount of cash which shall be used together with the grant for the
construction, renovation or expansion of livestock facilities in
the county or municipality; however, a portion of such matching
funds not to exceed Twenty-five Thousand Dollars ($25,000.00) may
be provided in the form of in-kind contributions satisfactory to
the Department of Agriculture and Commerce. Funds for the grant
program authorized in this section shall not be restricted by
congressional districts. The amount of any grant that the
Department of Agriculture and Commerce may provide for the
construction, renovation or expansion of livestock facilities at any one (1) location shall not be more than Five Hundred Thousand Dollars ($500,000.00). Counties and municipalities that received proceeds of bonds issued under Sections 18 through 32 of Chapter 530, Laws of 1995, cannot apply to use bonds authorized to be issued by this act; however, if all the funds have not been obligated for grants, such funds may be utilized for grants for any county or municipality that did not previously reach the maximum amount of grant that may have been awarded by the Department of Agriculture and Commerce under Sections 18 through 32 of Chapter 530, Laws of 1995. The construction, renovation or expansion of livestock facilities using grants from the Department of Agriculture and Commerce shall not be required to be performed by or under the supervision of the Bureau of Building, Grounds and Real Property Management of the Department of Finance and Administration.

(2) The Department of Agriculture and Commerce shall adopt necessary rules and regulations to govern the administration of the program described in subsection (1) of this section, including, but not limited to, rules and regulations governing applications for grants and rules and regulations providing for the equitable distribution of grant funds. The Department of Agriculture and Commerce shall comply with the provisions of the Mississippi Administrative Procedures Law.

SECTION 2. (1) The Department of Agriculture and Commerce, 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 the grant program authorized in Section 1 of this act.

(2) Upon the adoption of a resolution by the Department of Agriculture and Commerce declaring the necessity for the issuance of any part or all of the general obligation bonds authorized by this section, the department shall deliver a certified copy of its
resolution or resolutions to the State Bond Commission. Upon receipt of such resolution, the State Bond 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.

(3) The amount of bonds issued under this act shall not exceed Five Million Dollars ($5,000,000.00).

SECTION 3. The principal of and interest on the bonds authorized under 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 exceeding the limits set forth in Section 75-17-101, 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 (20) 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 determined by resolution of the State Bond Commission.

SECTION 4. The bonds authorized under this act shall be signed by the Chairman of the State Bond Commission, or by his facsimile signature, and the official seal of the State Bond Commission shall be affixed thereto, attested by the Secretary of the State Bond 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 in this act to the contrary, such bonds may be issued as provided in the Registered Bond Act of the State of Mississippi.

SECTION 5. All bonds and interest coupons issued under the provisions of this act have all the qualities and incidents of negotiable instruments under the provisions of the Uniform Commercial Code, and in exercising the powers granted by this act, the State Bond Commission shall not be required to and need not comply with the provisions of the Uniform Commercial Code.

SECTION 6. The State Bond Commission shall act as the issuing agent for the bonds authorized under 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 all other things necessary and advisable in connection with the issuance and sale of the bonds. The State Bond Commission may pay the costs that are incident to the sale, issuance and delivery of the bonds authorized under this act from the proceeds derived from the sale of the bonds. The State Bond 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 may 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 bond shall be published at least one (1) 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 State Bond Commission.

The State Bond Commission, when issuing any bonds under the authority of this act, may provide that the 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 7. The bonds issued under the provisions 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 are 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 8. The State Treasurer is authorized to certify to the State Fiscal Officer the necessity for warrants, and the State Fiscal Officer 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 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 on the bonds, on their due dates.

SECTION 9. Upon the issuance and sale of bonds under this act, the State Bond Commission shall deposit the proceeds of any such sale or sales in a special fund created in the State Treasury to be known as the "Livestock Facilities Grant Fund." The proceeds of such bonds shall be used solely for the purposes...
provided in this act, including the costs incident to the issuance
and sale of such bonds. The costs incident to the issuance and
sale of such bonds shall be disbursed by warrant upon requisition
of the State Bond Commission, signed by the chairman of the
commission. The remaining monies in the fund shall be expended
solely under the direction of the Department of Finance and
Administration under such restrictions, if any, as may be
contained in the resolution providing for the issuance of the
bonds, and such funds shall be paid by the State Treasurer upon
warrants issued by the State Fiscal Officer.

SECTION 10. The bonds authorized under 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 that are specified or required by this act. Any resolution
providing for the issuance of bonds under this act shall become
effective immediately upon its adoption by the State Bond
Commission, and any such resolution may be adopted at any regular
or special meeting of the State Bond Commission by a majority of
its members.

SECTION 11. The bonds authorized under the authority 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 12. Any holder of bonds issued under this act or of
any of the interest coupons pertaining to the bonds may, either at
law or in equity, by suit, action, mandamus or other proceeding,
protect and enforce all rights granted under this act, or under
such resolution, and may enforce and compel performance of all
duties required by this act to be performed, in order to provide
for the payment of bonds and interest on the bonds.

SECTION 13. All bonds issued under 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 that 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 14. Bonds issued under this act and income from the
bonds shall be exempt from all taxation in the State of
Mississippi.

SECTION 15. This act shall be deemed to be full and complete
authority for the exercise of the powers therein granted, but this
act shall not be deemed to repeal or to be in derogation of any
existing law of this state.

SECTION 16. This act shall take effect and be in force from
and after its passage.