

By: Representative Scott (80th)

To: Ways and Means

HOUSE BILL NO. 1235

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 (3) A county or an incorporated municipality may apply to
34 the Mississippi Development Authority for a grant under the Local
35 Governments Livable Communities Investment Program.

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

46 (5) 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 (6) All grants shall be funded from the Local Governments
53 Livable Communities Investment Fund created in Section 3 of this
54 act.

55 **SECTION 2.** 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 3 through 18 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 3.** As used in Sections 3 through 18 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 4.** (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 and 2 of this act. Upon the adoption of a
83 resolution by the Mississippi Development Authority, declaring the
84 necessity for the issuance of any part or all of the general
85 obligation bonds authorized by this section, the Mississippi
86 Development Authority shall deliver a certified copy of its
87 resolution or resolutions to the commission. Upon receipt of such
88 resolution, the commission, in its discretion, may act as the
89 issuing agent, prescribe the form of the bonds, advertise for and
90 accept bids, issue and sell the bonds so authorized to be sold and
91 do any and all other things necessary and advisable in connection
92 with the issuance and sale of such bonds. The total amount of
93 bonds issued under Sections 3 through 18 of this act shall not
94 exceed One Million Dollars (\$1,000,000.00).

95 (2) Any investment earnings on amounts deposited into the
96 special fund created in Section 2 of this act shall be used to pay
97 debt service on bonds issued under Sections 3 through 18 of this



98 act, in accordance with the proceedings authorizing issuance of
99 such bonds.

100 **SECTION 5.** The principal of and interest on the bonds
101 authorized under Sections 3 through 18 of this act shall be
102 payable in the manner provided in this section. Such bonds shall
103 bear such date or dates, be in such denomination or denominations,
104 bear interest at such rate or rates (not to exceed the limits set
105 forth in Section 75-17-101, Mississippi Code of 1972), be payable
106 at such place or places within or without the State of
107 Mississippi, shall mature absolutely at such time or times not to
108 exceed twenty-five (25) years from date of issue, be redeemable
109 before maturity at such time or times and upon such terms, with or
110 without premium, shall bear such registration privileges, and
111 shall be substantially in such form, all as shall be determined by
112 resolution of the commission.

113 **SECTION 6.** The bonds authorized by Sections 3 through 18 of
114 this act shall be signed by the chairman of the commission, or by
115 his facsimile signature, and the official seal of the commission
116 shall be affixed thereto, attested by the secretary of the
117 commission. The interest coupons, if any, to be attached to such
118 bonds may be executed by the facsimile signatures of such
119 officers. Whenever any such bonds shall have been signed by the
120 officials designated to sign the bonds who were in office at the
121 time of such signing but who may have ceased to be such officers
122 before the sale and delivery of such bonds, or who may not have
123 been in office on the date such bonds may bear, the signatures of
124 such officers upon such bonds and coupons shall nevertheless be
125 valid and sufficient for all purposes and have the same effect as
126 if the person so officially signing such bonds had remained in
127 office until their delivery to the purchaser, or had been in
128 office on the date such bonds may bear. However, notwithstanding
129 anything herein to the contrary, such bonds may be issued as
130 provided in the Registered Bond Act of the State of Mississippi.



131 **SECTION 7.** All bonds and interest coupons issued under the
132 provisions of Sections 3 through 18 of this act have all the
133 qualities and incidents of negotiable instruments under the
134 provisions of the Uniform Commercial Code, and in exercising the
135 powers granted by Sections 3 through 18 of this act, the
136 commission shall not be required to and need not comply with the
137 provisions of the Uniform Commercial Code.

138 **SECTION 8.** The commission shall act as the issuing agent for
139 the bonds authorized under Sections 3 through 18 of this act,
140 prescribe the form of the bonds, advertise for and accept bids,
141 issue and sell the bonds so authorized to be sold, pay all fees
142 and costs incurred in such issuance and sale, and do any and all
143 other things necessary and advisable in connection with the
144 issuance and sale of such bonds. The commission is authorized and
145 empowered to pay the costs that are incident to the sale, issuance
146 and delivery of the bonds authorized under Sections 3 through 18
147 of this act from the proceeds derived from the sale of such bonds.
148 The commission shall sell such bonds on sealed bids at public
149 sale, and for such price as it may determine to be for the best
150 interest of the State of Mississippi, but no such sale shall be
151 made at a price less than par plus accrued interest to the date of
152 delivery of the bonds to the purchaser. All interest accruing on
153 such bonds so issued shall be payable semiannually or annually;
154 however, the first interest payment may be for any period of not
155 more than one (1) year.

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



163 The commission, when issuing any bonds under the authority of
164 Sections 3 through 18 of this act, may provide that bonds, at the
165 option of the State of Mississippi, may be called in for payment
166 and redemption at the call price named therein and accrued
167 interest on such date or dates named therein.

168 **SECTION 9.** The bonds issued under the provisions of Sections
169 3 through 18 of this act are general obligations of the State of
170 Mississippi, and for the payment thereof the full faith and credit
171 of the State of Mississippi is irrevocably pledged. If the funds
172 appropriated by the Legislature are insufficient to pay the
173 principal of and the interest on such bonds as they become due,
174 then the deficiency shall be paid by the State Treasurer from any
175 funds in the State Treasury not otherwise appropriated. All such
176 bonds shall contain recitals on their faces substantially covering
177 the provisions of this section.

178 **SECTION 10.** Upon the issuance and sale of bonds under the
179 provisions of Sections 3 through 18 of this act, the commission
180 shall transfer the proceeds of any such sale or sales to the
181 special fund created in Section 2 of this act. The proceeds of
182 such bonds shall be disbursed solely upon the order of the
183 Mississippi Development Authority under such restrictions, if any,
184 as may be contained in the resolution providing for the issuance
185 of the bonds.

186 **SECTION 11.** The bonds authorized under Sections 3 through 18
187 of this act may be issued without any other proceedings or the
188 happening of any other conditions or things other than those
189 proceedings, conditions and things which are specified or required
190 by Sections 3 through 18 of this act. Any resolution providing
191 for the issuance of bonds under the provisions of Sections 3
192 through 18 of this act shall become effective immediately upon its
193 adoption by the commission, and any such resolution may be adopted
194 at any regular or special meeting of the commission by a majority
195 of its members.



196 **SECTION 12.** The bonds authorized under the authority of
197 Sections 3 through 18 of this act may be validated in the Chancery
198 Court of the First Judicial District of Hinds County, Mississippi,
199 in the manner and with the force and effect provided by Chapter
200 13, Title 31, Mississippi Code of 1972, for the validation of
201 county, municipal, school district and other bonds. The notice to
202 taxpayers required by such statutes shall be published in a
203 newspaper published or having a general circulation in the City of
204 Jackson, Mississippi.

205 **SECTION 13.** Any holder of bonds issued under the provisions
206 of Sections 3 through 18 of this act or of any of the interest
207 coupons pertaining thereto may, either at law or in equity, by
208 suit, action, mandamus or other proceeding, protect and enforce
209 any and all rights granted under Sections 3 through 18 of this
210 act, or under such resolution, and may enforce and compel
211 performance of all duties required by Sections 3 through 18 of
212 this act to be performed, in order to provide for the payment of
213 bonds and interest thereon.

214 **SECTION 14.** All bonds issued under the provisions of
215 Sections 3 through 18 of this act shall be legal investments for
216 trustees and other fiduciaries, and for savings banks, trust
217 companies and insurance companies organized under the laws of the
218 State of Mississippi, and such bonds shall be legal securities
219 which may be deposited with and shall be received by all public
220 officers and bodies of this state and all municipalities and
221 political subdivisions for the purpose of securing the deposit of
222 public funds.

223 **SECTION 15.** Bonds issued under the provisions of Sections 3
224 through 18 of this act and income therefrom shall be exempt from
225 all taxation in the State of Mississippi.

226 **SECTION 16.** The proceeds of the bonds issued under Sections
227 3 through 18 of this act shall be used solely for the purposes



228 provided in this act, including the costs incident to the issuance
229 and sale of such bonds.

230 **SECTION 17.** The State Treasurer is authorized, without
231 further process of law, to certify to the Department of Finance
232 and Administration the necessity for warrants, and the Department
233 of Finance and Administration is authorized and directed to issue
234 such warrants, in such amounts as may be necessary to pay when due
235 the principal of, premium, if any, and interest on, or the
236 accreted value of, all bonds issued under Sections 3 through 18 of
237 this act; and the State Treasurer shall forward the necessary
238 amount to the designated place or places of payment of such bonds
239 in ample time to discharge such bonds, or the interest thereon, on
240 the due dates thereof.

241 **SECTION 18.** Sections 3 through 18 of this act shall be deemed
242 to be full and complete authority for the exercise of the powers
243 herein granted, but Sections 3 through 18 of this act shall not be
244 deemed to repeal or to be in derogation of any existing law of
245 this state.

246 **SECTION 19.** This act shall take effect and be in force from
247 and after its passage.

