

By: Senator(s) Tollison

To: Finance

SENATE BILL NO. 2056

1 AN ACT TO AMEND SECTIONS 18 THROUGH 32 OF CHAPTER 530, LAWS
2 OF 1995, TO INCREASE THE AMOUNT OF STATE GENERAL OBLIGATION BONDS
3 WHICH MAY BE ISSUED TO PROVIDE GRANTS TO COUNTIES AND
4 MUNICIPALITIES TO FUND THE CONSTRUCTION, RENOVATION AND EXPANSION
5 OF LIVESTOCK FACILITIES; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Sections 18 through 32 of Chapter 530, Laws of
8 1995, is amended as follows:

9 Section 18. (1) The Department of Agriculture and Commerce
10 is hereby authorized and empowered to use the proceeds of the
11 bonds authorized to be issued by Sections 18 through 32 of this
12 act to provide grants to counties and municipalities to provide
13 funds for the construction, renovation and expansion of livestock
14 facilities. Counties and municipalities must demonstrate to the
15 satisfaction of the Department of Agriculture and Commerce that
16 they are able to operate and maintain the livestock facilities in
17 order to receive a grant. Any county or municipality that
18 receives a grant from the Department of Agriculture and Commerce
19 shall be required to match the amount of the grant with an equal
20 amount of cash, which shall be used together with the grant for
21 the construction, renovation or expansion of livestock facilities
22 in the county or municipality; provided, however, that a portion
23 of such matching funds not to exceed Twenty-five Thousand Dollars
24 (\$25,000.00) may be provided in the form of in-kind contributions
25 satisfactory to the Department of Agriculture and Commerce. The
26 amount of any grant that the Department of Agriculture and
27 Commerce may provide for the construction, renovation or expansion
28 of livestock facilities at any one location shall not be more than



29 Five Hundred Thousand Dollars (\$500,000.00). The maximum
30 aggregate amount of grants that may be awarded by the Department
31 of Agriculture and Commerce in any one congressional district as
32 such congressional district existed on July 1, 2002, shall be
33 Three Million Dollars (\$3,000,000.00); provided, however, that if
34 all the funds that are allocated to a congressional district have
35 not been obligated for grants for locations in such congressional
36 district by July 1, 2004, such funds may be utilized for grants
37 for locations in other congressional districts. The construction,
38 renovation or expansion of livestock facilities using grants from
39 the Department of Agriculture and Commerce shall not be required
40 to be performed by or under the supervision of the Bureau of
41 Building, Grounds and Real Property Management of the Department
42 of Finance and Administration.

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

51 Section 19. (1) The Department of Agriculture and Commerce,
52 at one time, or from time to time, may declare by resolution the
53 necessity for issuance of general obligation bonds of the State of
54 Mississippi to provide funds for the grant program authorized in
55 Section 18 of this act.

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



62 discretion, may act as the issuing agent, prescribe the form of
63 the bonds, advertise for and accept bids, issue and sell the bonds
64 so authorized to be sold, and do any and all other things
65 necessary and advisable in connection with the issuance and sale
66 of such bonds.

67 (3) The amount of bonds issued under Sections 18 through 32
68 of this act shall not exceed Fifteen Million Dollars
69 (\$15,000,000.00).

70 Section 20. The principal of and interest on the bonds
71 authorized under Sections 18 through 32 of this act shall be
72 payable in the manner provided in this section. Such bonds shall
73 bear such date or dates, be in such denomination or denominations,
74 bear interest at such rate or rates not exceeding the limits set
75 forth in Section 75-17-101, be payable at such place or places
76 within or without the State of Mississippi, shall mature
77 absolutely at such time or times not to exceed twenty (20) years
78 from date of issue, be redeemable before maturity at such time or
79 times and upon such terms, with or without premium, shall bear
80 such registration privileges, and shall be substantially in such
81 form, all as determined by resolution of the State Bond
82 Commission.

83 Section 21. The bonds authorized under Sections 18 through
84 32 of this act shall be signed by the Chairman of the State Bond
85 Commission, or by his facsimile signature, and the official seal
86 of the State Bond Commission shall be affixed thereto, attested by
87 the Secretary of the State Bond Commission. The interest coupons,
88 if any, to be attached to such bonds may be executed by the
89 facsimile signatures of such officers. Whenever any such bonds
90 shall have been signed by the officials designated to sign the
91 bonds who were in office at the time of such signing but who may
92 have ceased to be such officers before the sale and delivery of
93 such bonds, or who may not have been in office on the date such
94 bonds may bear, the signatures of such officers upon such bonds



95 and coupons shall nevertheless be valid and sufficient for all
96 purposes and have the same effect as if the person so officially
97 signing such bonds had remained in office until their delivery to
98 the purchaser, or had been in office on the date such bonds may
99 bear. However, notwithstanding anything in Sections 18 through 32
100 of this act to the contrary, such bonds may be issued as provided
101 in the Registered Bond Act of the State of Mississippi.

102 Section 22. All bonds and interest coupons issued under the
103 provisions of Sections 18 through 32 of this act have all the
104 qualities and incidents of negotiable instruments under the
105 provisions of the Uniform Commercial Code, and in exercising the
106 powers granted by Sections 18 through 32 of this act, the State
107 Bond Commission shall not be required to and need not comply with
108 the provisions of the Uniform Commercial Code.

109 Section 23. The State Bond Commission shall act as the
110 issuing agent for the bonds authorized under Sections 18 through
111 32 of this act, prescribe the form of the bonds, advertise for and
112 accept bids, issue and sell the bonds so authorized to be sold,
113 pay all fees and costs incurred in such issuance and sale, and do
114 all other things necessary and advisable in connection with the
115 issuance and sale of the bonds. The State Bond Commission may pay
116 the costs that are incident to the sale, issuance and delivery of
117 the bonds authorized under Sections 18 through 32 of this act from
118 the proceeds derived from the sale of the bonds. The State Bond
119 Commission shall sell such bonds on sealed bids at public sale,
120 and for such price as it may determine to be for the best interest
121 of the State of Mississippi, but no such sale may be made at a
122 price less than par plus accrued interest to the date of delivery
123 of the bonds to the purchaser. All interest accruing on such
124 bonds so issued shall be payable semiannually or annually;
125 however, the first interest payment may be for any period of not
126 more than one year.



127 Notice of the sale of any such bond shall be published at
128 least one time, not less than ten (10) days before the date of
129 sale, and shall be so published in one or more newspapers
130 published or having a general circulation in the City of Jackson,
131 Mississippi, and in one or more other newspapers or financial
132 journals with a national circulation, to be selected by the State
133 Bond Commission.

134 The State Bond Commission, when issuing any bonds under the
135 authority of Sections 18 through 32 of this act, may provide that
136 the bonds, at the option of the State of Mississippi, may be
137 called in for payment and redemption at the call price named
138 therein and accrued interest on such date or dates named therein.

139 Section 24. The bonds issued under the provisions of
140 Sections 18 through 32 of this act are general obligations of the
141 State of Mississippi, and for the payment thereof the full faith
142 and credit of the State of Mississippi are irrevocably pledged.
143 If the funds appropriated by the Legislature are insufficient to
144 pay the principal of and the interest on such bonds as they become
145 due, then the deficiency shall be paid by the State Treasurer from
146 any funds in the State Treasury not otherwise appropriated. All
147 such bonds shall contain recitals on their faces substantially
148 covering the provisions of this section.

149 Section 25. The State Treasurer is authorized to certify to
150 the State Fiscal Officer the necessity for warrants, and the State
151 Fiscal Officer is authorized and directed to issue such warrants
152 in such amounts as may be necessary to pay when due the principal
153 of, premium, if any, and interest on, or the accreted value of,
154 all bonds issued under Sections 18 through 32 of this act; and the
155 State Treasurer shall forward the necessary amount to the
156 designated place or places of payment of such bonds in ample time
157 to discharge such bonds, or the interest on the bonds, on their
158 due dates.



159 Section 26. Upon the issuance and sale of bonds under
160 Sections 18 through 32 of this act, the State Bond Commission
161 shall deposit the proceeds of any such sale or sales in a special
162 fund created in the State Treasury to be known as the "Livestock
163 Facilities Grant Fund." The proceeds of such bonds shall be used
164 solely for the purposes provided in Sections 18 through 32 of this
165 act, including the costs incident to the issuance and sale of such
166 bonds. The costs incident to the issuance and sale of such bonds
167 shall be disbursed by warrant upon requisition of the State Bond
168 Commission, signed by the chairman of the commission. The
169 remaining monies in the fund shall be expended solely under the
170 direction of the Department of Finance and Administration under
171 such restrictions, if any, as may be contained in the resolution
172 providing for the issuance of the bonds, and such funds shall be
173 paid by the State Treasurer upon warrants issued by the State
174 Fiscal Officer.

175 Section 27. The bonds authorized under Sections 18 through
176 32 of this act may be issued without any other proceedings or the
177 happening of any other conditions or things other than those
178 proceedings, conditions and things that are specified or required
179 by this act. Any resolution providing for the issuance of bonds
180 under Sections 18 through 32 of this act shall become effective
181 immediately upon its adoption by the State Bond Commission, and
182 any such resolution may be adopted at any regular or special
183 meeting of the State Bond Commission by a majority of its members.

184 Section 28. The bonds authorized under the authority of
185 Sections 18 through 32 of this act may be validated in the
186 Chancery Court of the First Judicial District of Hinds County,
187 Mississippi, in the manner and with the force and effect provided
188 by Chapter 13, Title 31, Mississippi Code of 1972, for the
189 validation of county, municipal, school district and other bonds.
190 The notice to taxpayers required by such statutes shall be



191 published in a newspaper published or having a general circulation
192 in the City of Jackson, Mississippi.

193 Section 29. Any holder of bonds issued under Sections 18
194 through 32 of this act or of any of the interest coupons
195 pertaining to the bonds may, either at law or in equity, by suit,
196 action, mandamus or other proceeding, protect and enforce all
197 rights granted under Sections 18 through 32 of this act, or under
198 such resolution, and may enforce and compel performance of all
199 duties required by Sections 18 through 32 of this act to be
200 performed, in order to provide for the payment of bonds and
201 interest on the bonds.

202 Section 30. All bonds issued under Sections 18 through 32 of
203 this act shall be legal investments for trustees and other
204 fiduciaries, and for savings banks, trust companies and insurance
205 companies organized under the laws of the State of Mississippi,
206 and such bonds shall be legal securities that may be deposited
207 with and shall be received by all public officers and bodies of
208 this state and all municipalities and political subdivisions for
209 the purpose of securing the deposit of public funds.

210 Section 31. Bonds issued under Sections 18 through 32 of
211 this act and income from the bonds shall be exempt from all
212 taxation in the State of Mississippi.

213 Section 32. Sections 18 through 32 of this act shall be
214 deemed to be full and complete authority for the exercise of the
215 powers therein granted, but Sections 18 through 32 of this act
216 shall not be deemed to repeal or to be in derogation of any
217 existing law of this state.

218 **SECTION 2.** This act shall take effect and be in force from
219 and after its passage.

