

By: Senator(s) Minor

To: Finance

SENATE BILL NO. 2984

1 AN ACT TO AUTHORIZE THE ISSUANCE OF \$4,200,000.00 IN STATE  
2 GENERAL OBLIGATION BONDS TO PROVIDE MATCHING FUNDS FOR FEDERAL  
3 FUNDS FOR THE WATER POLLUTION CONTROL REVOLVING FUND; AND FOR  
4 RELATED PURPOSES.

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

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 Commission on Environmental Quality, 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 Water Pollution Control  
22 Revolving Fund established in Section 49-17-85. Upon the adoption  
23 of a resolution by the Commission on Environmental Quality,  
24 declaring the necessity for the issuance of any part or all of the  
25 general obligation bonds authorized by this section, the  
26 Commission on Environmental Quality shall deliver a certified copy  
27 of its resolution or resolutions to the commission. Upon receipt  
28 of such resolution, the commission, in its discretion, may act as



29 the issuing agent, prescribe the form of the bonds, advertise for  
30 and accept bids, issue and sell the bonds so authorized to be sold  
31 and do any and all other things necessary and advisable in  
32 connection with the issuance and sale of such bonds. The total  
33 amount of bonds issued under this act shall not exceed Four  
34 Million Two Hundred Thousand Dollars (\$4,200,000.00).

35 (2) The proceeds of bonds issued pursuant to this act shall  
36 be deposited into the Water Pollution Control Revolving Fund  
37 created pursuant to Section 49-17-85.

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

51 **SECTION 4.** The bonds authorized by this act shall be signed  
52 by the chairman of the commission, or by his facsimile signature,  
53 and the official seal of the commission shall be affixed thereto,  
54 attested by the secretary of the commission. The interest  
55 coupons, if any, to be attached to such bonds may be executed by  
56 the facsimile signatures of such officers. Whenever any such  
57 bonds shall have been signed by the officials designated to sign  
58 the bonds who were in office at the time of such signing but who  
59 may have ceased to be such officers before the sale and delivery  
60 of such bonds, or who may not have been in office on the date such  
61 bonds may bear, the signatures of such officers upon such bonds



62 and coupons shall nevertheless be valid and sufficient for all  
63 purposes and have the same effect as if the person so officially  
64 signing such bonds had remained in office until their delivery to  
65 the purchaser, or had been in office on the date such bonds may  
66 bear. However, notwithstanding anything herein to the contrary,  
67 such bonds may be issued as provided in the Registered Bond Act of  
68 the State of Mississippi.

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

75 **SECTION 6.** The commission shall act as the issuing agent for  
76 the bonds authorized under this act, prescribe the form of the  
77 bonds, advertise for and accept bids, issue and sell the bonds so  
78 authorized to be sold, pay all fees and costs incurred in such  
79 issuance and sale, and do any and all other things necessary and  
80 advisable in connection with the issuance and sale of such bonds.  
81 The commission is authorized and empowered to pay the costs that  
82 are incident to the sale, issuance and delivery of the bonds  
83 authorized under this act from the proceeds derived from the sale  
84 of such bonds. The commission shall sell such bonds on sealed  
85 bids at public sale, and for such price as it may determine to be  
86 for the best interest of the State of Mississippi, but no such  
87 sale shall be made at a price less than par plus accrued interest  
88 to the date of delivery of the bonds to the purchaser. All  
89 interest accruing on such bonds so issued shall be payable  
90 semiannually or annually; however, the first interest payment may  
91 be for any period of not more than one (1) year.

92 Notice of the sale of any such bonds shall be published at  
93 least one time, not less than ten (10) days before the date of  
94 sale, and shall be so published in one or more newspapers



95 published or having a general circulation in the City of Jackson,  
96 Mississippi, and in one or more other newspapers or financial  
97 journals with a national circulation, to be selected by the  
98 commission.

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

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

114       **SECTION 8.** Upon the issuance and sale of bonds under the  
115 provisions of this act, the commission shall transfer the proceeds  
116 of any such sale or sales to the Water Pollution Control Revolving  
117 Fund created in Section 49-17-85. The proceeds of such bonds  
118 shall be disbursed solely upon the order of the Commission on  
119 Environmental Quality under such restrictions, if any, as may be  
120 contained in the resolution providing for the issuance of the  
121 bonds.

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



128 adoption by the commission, and any such resolution may be adopted  
129 at any regular or special meeting of the commission by a majority  
130 of its members.

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

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

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

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

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



161           **SECTION 15.** The State Treasurer is authorized, without  
162 further process of law, to certify to the Department of Finance  
163 and Administration the necessity for warrants, and the Department  
164 of Finance and Administration is authorized and directed to issue  
165 such warrants, in such amounts as may be necessary to pay when due  
166 the principal of, premium, if any, and interest on, or the  
167 accreted value of, all bonds issued under this act; and the State  
168 Treasurer shall forward the necessary amount to the designated  
169 place or places of payment of such bonds in ample time to  
170 discharge such bonds, or the interest thereon, on the due dates  
171 thereof.

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

176           **SECTION 17.** This act shall take effect and be in force from  
177 and after its passage.

