## REPORT OF CONFERENCE COMMITTEE

## MR. SPEAKER AND MADAM PRESIDENT:

We, the undersigned conferees, have had under consideration the amendments to the following entitled BILL:

H. B. No. 1592: Bonds; issue bonds to provide funds for the Water Pollution Control Revolving Fund.

We, therefore, respectfully submit the following report and recommendation:

- 1. That the Senate recede from its Amendment No. 1.
- 2. That the House and Senate adopt the following amendment:

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

- 10 SECTION 1. As used in Sections 1 through 16 of this act, the
- 11 following words shall have the meanings ascribed herein unless the
- 12 context clearly requires otherwise:
- 13 (a) "Accreted value" of any bonds means, as of any date
- 14 of computation, an amount equal to the sum of (i) the stated
- 15 initial value of such bond, plus (ii) the interest accrued thereon
- 16 from the issue date to the date of computation at the rate,
- 17 compounded semiannually, that is necessary to produce the
- 18 approximate yield to maturity shown for bonds of the same
- 19 maturity.
- 20 (b) "State" means the State of Mississippi.
- 21 (c) "Commission" means the State Bond Commission.
- 22 **SECTION 2.** (1) The Commission on Environmental Quality, at
- 23 one time, or from time to time, may declare by resolution the
- 24 necessity for issuance of general obligation bonds of the State of
- 25 Mississippi to provide funds for the Water Pollution Control
- 26 Revolving Fund established in Section 49-17-85. Upon the adoption
- 27 of a resolution by the Commission on Environmental Quality,
- 28 declaring the necessity for the issuance of any part or all of the
- 29 general obligation bonds authorized by this section, the
- 30 Commission on Environmental Quality shall deliver a certified copy
- 31 of its resolution or resolutions to the commission. Upon receipt

- 32 of such resolution, the commission, in its discretion, may act as
- 33 the issuing agent, prescribe the form of the bonds, advertise for
- 34 and accept bids, issue and sell the bonds so authorized to be sold
- 35 and do any and all other things necessary and advisable in
- 36 connection with the issuance and sale of such bonds. The total
- 37 amount of bonds issued under Sections 1 through 16 of this act
- 38 shall not exceed Four Million Two Hundred Thousand Dollars
- 39 (\$4,200,000.00).
- 40 (2) The proceeds of bonds issued pursuant to Sections 1
- 41 through 16 of this act shall be deposited into the Water Pollution
- 42 Control Revolving Fund created pursuant to Section 49-17-85.
- 43 **SECTION 3.** The principal of and interest on the bonds
- 44 authorized under Sections 1 through 16 of this act shall be
- 45 payable in the manner provided in this section. Such bonds shall
- 46 bear such date or dates, be in such denomination or denominations,
- 47 bear interest at such rate or rates (not to exceed the limits set
- 48 forth in Section 75-17-101, Mississippi Code of 1972), be payable
- 49 at such place or places within or without the State of
- 50 Mississippi, shall mature absolutely at such time or times not to
- 51 exceed twenty-five (25) years from date of issue, be redeemable
- 52 before maturity at such time or times and upon such terms, with or
- 53 without premium, shall bear such registration privileges, and
- 54 shall be substantially in such form, all as shall be determined by
- 55 resolution of the commission.
- 56 **SECTION 4.** The bonds authorized by Sections 1 through 16 of
- 57 this act shall be signed by the chairman of the commission, or by
- 58 his facsimile signature, and the official seal of the commission
- 59 shall be affixed thereto, attested by the secretary of the
- 60 commission. The interest coupons, if any, to be attached to such
- 61 bonds may be executed by the facsimile signatures of such
- 62 officers. Whenever any such bonds shall have been signed by the
- officials designated to sign the bonds who were in office at the
- 64 time of such signing but who may have ceased to be such officers
- 65 before the sale and delivery of such bonds, or who may not have
- 66 been in office on the date such bonds may bear, the signatures of
- 67 such officers upon such bonds and coupons shall nevertheless be

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valid and sufficient for all purposes and have the same effect as
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     if the person so officially signing such bonds had remained in
     office until their delivery to the purchaser, or had been in
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     office on the date such bonds may bear. However, notwithstanding
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     anything herein to the contrary, such bonds may be issued as
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     provided in the Registered Bond Act of the State of Mississippi.
          SECTION 5. All bonds and interest coupons issued under the
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     provisions of Sections 1 through 16 of this act have all the
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     qualities and incidents of negotiable instruments under the
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     provisions of the Uniform Commercial Code, and in exercising the
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     powers granted by Sections 1 through 16 of this act, the
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     commission shall not be required to and need not comply with the
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     provisions of the Uniform Commercial Code.
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          SECTION 6. The commission shall act as the issuing agent for
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     the bonds authorized under Sections 1 through 16 of this act,
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     prescribe the form of the bonds, advertise for and accept bids,
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     issue and sell the bonds so authorized to be sold, pay all fees
     and costs incurred in such issuance and sale, and do any and all
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     other things necessary and advisable in connection with the
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     issuance and sale of such bonds. The commission is authorized and
     empowered to pay the costs that are incident to the sale, issuance
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     and delivery of the bonds authorized under Sections 1 through 16
     of this act from the proceeds derived from the sale of such bonds.
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      The commission shall sell such bonds on sealed bids at public
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     sale, and for such price as it may determine to be for the best
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     interest of the State of Mississippi, but no such sale shall be
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     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
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     such bonds so issued shall be payable semiannually or annually;
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     however, the first interest payment may be for any period of not
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     more than one (1) year.
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          Notice of the sale of any such bonds shall be published at
     least one time, not less than ten (10) days before the date of
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     sale, and shall be so published in one or more newspapers
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     published or having a general circulation in the City of Jackson,
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Mississippi, and in one or more other newspapers or financial

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- journals with a national circulation, to be selected by the commission.
- The commission, when issuing any bonds under the authority of
- 107 Sections 1 through 16 of this act, may provide that bonds, at the
- 108 option of the State of Mississippi, may be called in for payment
- 109 and redemption at the call price named therein and accrued
- 110 interest on such date or dates named therein.
- 111 **SECTION 7.** The bonds issued under the provisions of Sections
- 112 1 through 16 of this act are general obligations of the State of
- 113 Mississippi, and for the payment thereof the full faith and credit
- 114 of the State of Mississippi is irrevocably pledged. If the funds
- 115 appropriated by the Legislature are insufficient to pay the
- 116 principal of and the interest on such bonds as they become due,
- 117 then the deficiency shall be paid by the State Treasurer from any
- 118 funds in the State Treasury not otherwise appropriated. All such
- 119 bonds shall contain recitals on their faces substantially covering
- 120 the provisions of this section.
- 121 SECTION 8. Upon the issuance and sale of bonds under the
- 122 provisions of Sections 1 through 16 of this act, the commission
- 123 shall transfer the proceeds of any such sale or sales to the Water
- 124 Pollution Control Revolving Fund created in Section 49-17-85.
- 125 After the transfer of the proceeds of any such sale or sales to
- 126 the Water Pollution Control Revolving Fund, any investment
- 127 earnings or interest earned on the proceeds of such bonds shall be
- 128 deposited to the credit of the Water Pollution Control Revolving
- 129 Fund and shall be used only for the purposes provided in Section
- 130 49-17-85. The proceeds of such bonds shall be disbursed solely
- 131 upon the order of the Commission on Environmental Quality under
- 132 such restrictions, if any, as may be contained in the resolution
- 133 providing for the issuance of the bonds.
- 134 SECTION 9. The bonds authorized under Sections 1 through 16
- 135 of this act may be issued without any other proceedings or the
- 136 happening of any other conditions or things other than those
- 137 proceedings, conditions and things which are specified or required
- 138 by Sections 1 through 16 of this act. Any resolution providing
- 139 for the issuance of bonds under the provisions of Sections 1

- 140 through 16 of this act shall become effective immediately upon its
- 141 adoption by the commission, and any such resolution may be adopted
- 142 at any regular or special meeting of the commission by a majority
- 143 of its members.
- 144 **SECTION 10.** The bonds authorized under the authority of
- 145 Sections 1 through 16 of this act may be validated in the Chancery
- 146 Court of the First Judicial District of Hinds County, Mississippi,
- 147 in the manner and with the force and effect provided by Chapter
- 148 13, Title 31, Mississippi Code of 1972, for the validation of
- 149 county, municipal, school district and other bonds. The notice to
- 150 taxpayers required by such statutes shall be published in a
- 151 newspaper published or having a general circulation in the City of
- 152 Jackson, Mississippi.
- 153 **SECTION 11.** Any holder of bonds issued under the provisions
- 154 of Sections 1 through 16 of this act or of any of the interest
- 155 coupons pertaining thereto may, either at law or in equity, by
- 156 suit, action, mandamus or other proceeding, protect and enforce
- 157 any and all rights granted under Sections 1 through 16 of this
- 158 act, or under such resolution, and may enforce and compel
- 159 performance of all duties required by Sections 1 through 16 of
- 160 this act to be performed, in order to provide for the payment of
- 161 bonds and interest thereon.
- 162 SECTION 12. All bonds issued under the provisions of
- 163 Sections 1 through 16 of this act shall be legal investments for
- 164 trustees and other fiduciaries, and for savings banks, trust
- 165 companies and insurance companies organized under the laws of the
- 166 State of Mississippi, and such bonds shall be legal securities
- 167 which may be deposited with and shall be received by all public
- 168 officers and bodies of this state and all municipalities and
- 169 political subdivisions for the purpose of securing the deposit of
- 170 public funds.
- 171 **SECTION 13.** Bonds issued under the provisions of Sections 1
- 172 through 16 of this act and income therefrom shall be exempt from
- 173 all taxation in the State of Mississippi.
- 174 SECTION 14. The proceeds of the bonds issued under Sections
- 175 1 through 16 of this act shall be used solely for the purposes

- therein provided, including the costs incident to the issuance and sale of such bonds.
- 178 **SECTION 15.** The State Treasurer is authorized, without
- 179 further process of law, to certify to the Department of Finance
- 180 and Administration the necessity for warrants, and the Department
- 181 of Finance and Administration is authorized and directed to issue
- 182 such warrants, in such amounts as may be necessary to pay when due
- 183 the principal of, premium, if any, and interest on, or the
- 184 accreted value of, all bonds issued under Sections 1 through 16 of
- 185 this act; and the State Treasurer shall forward the necessary
- 186 amount to the designated place or places of payment of such bonds
- 187 in ample time to discharge such bonds, or the interest thereon, on
- 188 the due dates thereof.
- 189 **SECTION 16.** Sections 1 through 16 of this act shall be
- 190 deemed to be full and complete authority for the exercise of the
- 191 powers therein granted, but Sections 1 through 16 of this act
- 192 shall not be deemed to repeal or to be in derogation of any
- 193 existing law of this state.
- 194 SECTION 17. Sections 6 through 20, Chapter 521, Laws of
- 195 1995, are amended as follows:
- 196 Section 6. The board created in Section <u>41-3-16</u>, at one
- 197 time, or from time to time, may declare by resolution the
- 198 necessity for issuance of general obligation bonds of the State of
- 199 Mississippi to provide funds for all costs incurred or to be
- 200 incurred by the board in constructing new water systems or
- 201 repairing existing water systems described in Section  $\underline{41-3-16}$ .
- 202 Upon the adoption of a resolution by the board, declaring the
- 203 necessity for the issuance of any part or all of the general
- 204 obligation bonds authorized by this section, the board shall
- 205 deliver a certified copy of its resolution or resolutions to the
- 206 State Bond Commission. Upon receipt of such resolution, the State
- 207 Bond Commission, in its discretion, may act as the issuing agent,
- 208 prescribe the form of the bonds, advertise for and accept bids,
- 209 issue and sell the tax exempt or taxable bonds so authorized to be
- 210 sold, and do any and all other things necessary and advisable in
- 211 connection with the issuance and sale of such bonds. The amount

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exceed Fifteen Million One Hundred Thirty Thousand Dollars
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     ($15,130,000.00), the proceeds of which shall be deposited in the
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     revolving fund and Five Million Dollars ($5,000,000.00), the
     proceeds of which shall be deposited in the emergency fund.
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          Section 7. The principal of and interest on the bonds
     authorized under Section 6 of this act shall be payable in the
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     manner provided in this section. Such bonds shall bear such date
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     or dates, be in such denomination or denominations, bear interest
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     at such rate or rates (not to exceed the limits set forth in
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     Section 75-17-101), be payable at such place or places within or
     without the State of Mississippi, shall mature absolutely at such
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     time or times not to exceed twenty-five (25) years from date of
     issue, be redeemable before maturity at such time or times and
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     upon such terms, with or without premium, shall bear such
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     registration privileges, and shall be substantially in such form,
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     all as shall be determined by resolution of the State Bond
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     Commission.
          Section 8. The bonds authorized by Section 6 of this act
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     shall be signed by the Chairman of the State Bond Commission, or
     by his facsimile signature, and the official seal of the State
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     Bond Commission shall be affixed thereto, attested by the
     Secretary of the State Bond Commission. The interest coupons, if
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     any, to be attached to such bonds may be executed by the facsimile
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     signatures of such officers. Whenever any such bonds shall have
     been signed by the officials designated to sign the bonds who were
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     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
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     who may not have been in office on the date such bonds may bear,
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     the signatures of such officers upon such bonds and coupons shall
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     nevertheless be valid and sufficient for all purposes and have the
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     same effect as if the person so officially signing such bonds had
     remained in office until their delivery to the purchaser, or had
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     been in office on the date such bonds may bear. However,
     notwithstanding anything herein to the contrary, such bonds may be
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issued as provided in the Registered Bond Act of the State of

of bonds issued under Sections 6 through 20 of this act shall not

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- 248 Mississippi.
- Section 9. All bonds and interest coupons issued under the
- 250 provisions of Sections 6 through 20 of this act have all the
- 251 qualities and incidents of negotiable instruments under the
- 252 provisions of the Mississippi Uniform Commercial Code, and in
- 253 exercising the powers granted by Sections 6 through 20 of this
- 254 act, the State Bond Commission shall not be required to and need
- 255 not comply with the provisions of the Mississippi Uniform
- 256 Commercial Code.
- 257 Section 10. The State Bond Commission shall act as the
- 258 issuing agent for the bonds authorized under Sections 6 through 20
- 259 of this act, prescribe the form of the bonds, advertise for and
- 260 accept bids, issue and sell the bonds so authorized to be sold,
- 261 pay all fees and costs incurred in such issuance and sale, and do
- 262 all other things necessary and advisable in connection with the
- 263 issuance and sale of the bonds. The State Bond Commission may pay
- 264 the costs that are incident to the sale, issuance and delivery of
- 265 the bonds authorized under Sections 6 through 20 of this act from
- 266 the proceeds derived from the sale of the bonds. The State Bond
- 267 Commission shall sell such bonds on sealed bids at public sale,
- 268 and for such price as it may determine to be for the best interest
- 269 of the State of Mississippi, but no such sale may be made at a
- 270 price less than par plus accrued interest to the date of delivery
- 271 of the bonds to the purchaser. All interest accruing on such
- 272 bonds so issued shall be payable semiannually or annually;
- 273 however, the first interest payment may be for any period of not
- 274 more than one (1) year.
- Notice of the sale of any such bond shall be published at
- 276 least one time, not less than ten (10) days before the date of
- 277 sale, and shall be so published in one or more newspapers
- 278 published or having a general circulation in the City of Jackson,
- 279 Mississippi, and in one or more other newspapers or financial
- 280 journals with a national circulation, to be selected by the State
- 281 Bond Commission.
- The State Bond Commission, when issuing any bonds under the
- 283 authority of Sections 6 through 20 of this act, may provide that

- 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 11. The bonds issued under the provisions of

  Sections 6 through 20 of this act are general obligations of the

  State of Mississippi, and for the payment thereof the full faith
- 290 and credit of the State of Mississippi is irrevocably pledged. If
- 291 the funds appropriated by the Legislature are insufficient to pay
- 292 the principal of and interest on such bonds as they become due,
- 293 then the deficiency shall be paid by the State Treasurer from any
- 294 funds in the State Treasury not otherwise appropriated. All such
- 295 bonds shall contain recitals on their faces substantially covering
- 296 the provisions of this section.
- 297 Section 12. The State Treasurer is authorized, without
- 298 further process of law, to certify to the Department of Finance
- 299 and Administration the necessity for warrants, and the Department
- 300 of Finance and Administration is authorized and directed to issue
- 301 such warrants, in such amounts as may be necessary to pay when due
- 302 the principal of, premium, if any, and interest on, or the
- 303 accreted value of, all bonds issued under <u>Sections 6 through 20 of</u>
- 304 this act; and the State Treasurer shall forward the necessary
- 305 amount to the designated place or places of payment of such bonds
- 306 in ample time to discharge such bonds, or the interest on the
- 307 bonds, on their due dates.
- 308 Section 13. Upon the issuance and sale of bonds under the
- 309 provisions of Sections 6 through 20 of this act, the State Bond
- 310 Commission shall transfer the proceeds of any sale or sales of
- 311 bonds to the revolving fund and the emergency fund in the amounts
- 312 specified in Section 6 of this act. After such transfer, all
- 313 <u>investment earnings or interest earned on the proceeds of such</u>
- 314 bonds shall be deposited to the credit of the revolving fund and
- 315 the emergency fund, and shall be used only for the purposes
- 316 <u>established in Section 41-3-16.</u> The proceeds of such bonds shall
- 317 be disbursed solely upon the order of the board created in Section
- 318 1 of this act under such restrictions, if any, as may be contained
- 319 in the resolution providing for the issuance of the bonds.

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     of this act may be issued without any other proceedings or the
     happening of any other conditions or things other than those
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     proceedings, conditions and things which are specified or required
     by Sections 6 through 20 of this act. Any resolution providing
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     for the issuance of bonds under the provisions of Sections 6
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     through 20 of this act shall become effective immediately upon its
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     adoption by the State Bond Commission, and any such resolution may
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     be adopted at any regular or special meeting of the State Bond
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     Commission by a majority of its members.
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          Section 15. The bonds authorized under the authority of
     Sections 6 through 20 of this act may be validated in the Chancery
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     Court of the First Judicial District of Hinds County, Mississippi,
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     in the manner and with the force and effect provided by Chapter
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     13, Title 31, Mississippi Code of 1972, for the validation of
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     county, municipal, school district and other bonds. The notice to
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     taxpayers required by such statutes shall be published in a
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     newspaper published or having a general circulation in the City of
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     Jackson, Mississippi.
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          Section 16. Any holder of bonds issued under the provisions
     of Sections 6 through 20 of this act or of any of the interest
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     coupons pertaining thereto may, either at law or in equity, by
     suit, action, mandamus or other proceeding, protect and enforce
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     all rights granted under Sections 6 through 20 of this act, or
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     under such resolution, and may enforce and compel performance of
     all duties required by Sections 6 through 20 of this act to be
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     performed, in order to provide for the payment of bonds and
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     interest thereon.
          Section 17. All bonds issued under the provisions of
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     Sections 6 through 20 of this act shall be legal investments for
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     trustees and other fiduciaries, and for savings banks, trust
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     companies and insurance companies organized under the laws of the
     State of Mississippi, and such bonds shall be legal securities
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     which may be deposited with and shall be received by all public
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     officers and bodies of this state and all municipalities and
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political subdivisions for the purpose of securing the deposit of

Section 14. The bonds authorized under Sections 6 through 20

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- 356 public funds.
- 357 Section 18. Bonds issued under the provisions of Sections 6
- 358 through 20 of this act and income therefrom shall be exempt from
- 359 all taxation in the State of Mississippi.
- 360 Section 19. The proceeds of the bonds issued under the
- 361 provisions of Sections 6 through 20 of this act shall be used
- 362 solely for the purposes herein provided, including the costs
- 363 incident to the issuance and sale of such bonds.
- 364 Section 20. Sections 6 through 20 of this act shall be
- 365 deemed to be full and complete authority for the exercise of the
- 366 powers granted, but Sections 6 through 20 of this act shall not be
- 367 deemed to repeal or to be in derogation of any existing law of
- 368 this state.

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- 369 **SECTION 18.** This act shall take effect and be in force from
- 370 and after its passage.

CONFEREES FOR THE HOUSE

Further, amend by striking the title in its entirety and inserting in lieu thereof the following:

AN ACT TO AUTHORIZE THE ISSUANCE OF \$4,200,000.00 IN STATE GENERAL OBLIGATION BONDS TO PROVIDE MATCHING FUNDS FOR FEDERAL FUNDS FOR THE WATER POLLUTION CONTROL REVOLVING FUND; TO AMEND SECTIONS 6 THROUGH 20, CHAPTER 521, LAWS OF 1995, TO INCREASE FROM \$15,000,000.00 TO \$15,130,000.00 THE AMOUNT OF STATE GENERAL OBLIGATION BONDS THAT MAY BE ISSUED FOR THE LOCAL GOVERNMENTS AND RURAL WATER SYSTEMS IMPROVEMENTS REVOLVING LOAN FUND; AND FOR RELATED PURPOSES.

x	x
Jeffrey C. Smith	William R. Minor
x	x
Leonard Morris	Alan Nunnelee
x	x
Bobby B. Howell	Nolan Mettetal

CONFEREES FOR THE SENATE