

By: Representatives Brown, Ishee, Mayo

To: Ways and Means

HOUSE BILL NO. 1080

1 AN ACT TO CREATE A NEW CODE SECTION TO PROHIBIT THE
2 LEGISLATURE FROM AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION
3 BONDS, IN ANY FISCAL YEAR, IN EXCESS OF FIVE PERCENT OF THE TAX
4 REVENUE COLLECTED BY THE STATE TAX COMMISSION AND DEPOSITED IN THE
5 GENERAL FUND IN THE PRECEDING FISCAL YEAR; TO AUTHORIZE SUCH
6 BONDED INDEBTEDNESS TO BE EXCEEDED UNDER CERTAIN CIRCUMSTANCES;
7 AND FOR RELATED PURPOSES.

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

9 SECTION 1. (1) As used in this section:

10 (a) "General obligation bonds" means bonds of the State
11 of Mississippi, to the repayment of which, both as to principal
12 and interest, the full faith, credit and taxing power of the State
13 of Mississippi are irrevocably pledged until the principal and
14 interest is paid in full.

15 (b) "State" means the State of Mississippi and any of
16 its direct agencies, but shall not include political subdivisions
17 and other local districts.

18 (2) The Legislature shall not authorize the issuance of
19 general obligation bonds in any fiscal year in an amount that will
20 cause the state to incur a general obligation bonded indebtedness
21 that is in excess of five percent (5%) of the tax revenue
22 collected by the State Tax Commission and deposited into the
23 General Fund in the preceding fiscal year.

24 (3) In case of an emergency, the bonded indebtedness
25 limitation provided for in this section may be exceeded upon
26 adoption of a concurrent resolution by an affirmative vote of
27 two-thirds (2/3) of the elected membership of each house of the
28 Legislature authorizing the issuance of general obligation bonds
29 in excess of the limitation provided for in this section. Nothing

30 in this subsection shall be construed to authorize the bonded
31 indebtedness of the state to exceed the limitation on bonded
32 indebtedness provided for in Section 115, Mississippi Constitution
33 of 1890.

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