

By: Senator(s) Moffatt, Robertson, Lee
(47th)

To: Finance

SENATE BILL NO. 2582

1 AN ACT TO AMEND CHAPTER 534, LAWS OF 1998, TO AUTHORIZE
2 GENERAL OBLIGATION BONDS ISSUED FOR CERTAIN WORK AT THE PORT OF
3 PASCAGOULA, MISSISSIPPI TO BE UTILIZED FOR CERTAIN ADDITIONAL
4 PURPOSES; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** Chapter 534, Laws of 1998, is amended as follows:

7 Section 1. As used in this act, the following words shall
8 have the meanings ascribed herein unless the context clearly
9 requires otherwise:

10 (a) "Accreted value" of any bond means, as of any date
11 of computation, an amount equal to the sum of (i) the stated
12 initial value of such bond, plus (ii) the interest accrued thereon
13 from the issue date to the date of computation at the rate,
14 compounded semiannually, that is necessary to produce the
15 approximate yield to maturity shown for bonds of the same
16 maturity.

17 (b) "State" means the State of Mississippi.

18 (c) "Commission" means the State Bond Commission.

19 Section 2. (1) A special fund, to be designated the "1998
20 Port of Pascagoula Improvement Fund," is created within the State
21 Treasury. The fund shall be maintained by the State Treasurer as
22 a separate and special fund, separate and apart from the General
23 Fund of the state, and investment earnings on amounts in the fund
24 shall be deposited into such fund. The expenditure of monies
25 deposited into the fund shall be under the direction of the
26 Department of Finance and Administration, and such funds shall be
27 paid by the State Treasurer upon warrants issued by the Department
28 of Finance and Administration. Monies deposited into such fund

29 shall be allocated and disbursed according to the provisions of
30 this act.

31 (2) Monies deposited into the fund shall be disbursed to pay
32 the costs of the following improvements at the Port of Pascagoula:

33 (a) Construction of and mitigation for an appropriate
34 site to manage dredge material;

35 (b) Dredging and otherwise improving the shipping
36 channel of the Port of Pascagoula; * * *

37 (c) Closure of an existing contaminated dredge material
38 placement site on an island owned by the Port of Pascagoula known
39 as Greenwood Island; and

40 (d) Removal of dredged material from an existing
41 dredged material management site in order to provide additional
42 capacity at the site.

43 Section 3. (1) The Department of Finance and
44 Administration, at one time or from time to time, may declare by
45 resolution the necessity for issuance of general obligation bonds
46 of the State of Mississippi to provide funds for all costs
47 incurred or to be incurred for the purposes described in Section 2
48 of this act. Upon the adoption of a resolution by the Department
49 of Finance and Administration declaring the necessity for the
50 issuance of any part or all of the general obligation bonds
51 authorized by this section, the Department of Finance and
52 Administration shall deliver a certified copy of its resolution or
53 resolutions to the State Bond Commission. Upon receipt of such
54 resolution the commission, in its discretion, may act as the
55 issuing agent, prescribe the form of the bonds, advertise for and
56 accept bids, issue and sell the bonds so authorized to be sold,
57 and do any and all other things necessary and advisable in
58 connection with the issuance and sale of such bonds. The amount
59 of bonds issued under this act shall not exceed Twenty Million
60 Dollars (\$20,000,000.00).

61 (2) Any investment earnings on amounts deposited into the
62 1998 Port of Pascagoula Improvement Fund created in Section 2 of
63 this act shall be used to pay debt service on bonds issued under
64 this act, in accordance with the proceedings authorizing issuance
65 of such bonds.

66 (3) Upon the completion or abandonment of the projects
67 described in Section 2 of this act, as evidenced by a resolution
68 adopted by the Department of Finance and Administration certifying
69 that all such projects have been completed or abandoned, the
70 balance, if any, remaining in the 1998 Port of Pascagoula
71 Improvement Fund shall be promptly applied to pay debt service on
72 bonds issued under this act, in accordance with the proceedings
73 authorizing the issuance of such bonds.

74 Section 4. The principal of and interest on the bonds
75 authorized under this act shall be payable in the manner provided
76 in this section. Such bonds shall bear such date or dates, be in
77 such denomination or denominations, bear interest at such rate or
78 rates (not to exceed the limits set forth in Section 75-17-101),
79 be payable at such place or places within or without the State of
80 Mississippi, shall mature absolutely at such time or times not to
81 exceed twenty-five (25) years from date of issue, be redeemable
82 before maturity at such time or times and upon such terms, with or
83 without premium, shall bear such registration privileges, and
84 shall be substantially in such form, all as shall be determined by
85 resolution of the commission.

86 Section 5. The bonds authorized by this act shall be signed
87 by the Chairman of the State Bond Commission, or by his facsimile
88 signature, and the official seal of the commission shall be
89 affixed thereto, attested by the secretary of the commission. The
90 interest coupons, if any, to be attached to such bonds may be
91 executed by the facsimile signatures of such officers. Whenever
92 any such bonds shall have been signed by the officials designated
93 to sign the bonds who were in office at the time of such signing

94 but who may have ceased to be such officers before the sale and
95 delivery of such bonds, or who may not have been in office on the
96 date such bonds may bear, the signatures of such officers upon
97 such bonds and coupons shall nevertheless be valid and sufficient
98 for all purposes and have the same effect as if the person so
99 officially signing such bonds had remained in office until their
100 delivery to the purchaser, or had been in office on the date such
101 bonds may bear. However, notwithstanding anything herein to the
102 contrary, such bonds may be issued as provided in the Registered
103 Bond Act of the State of Mississippi.

104 Section 6. All bonds and interest coupons issued under the
105 provisions of this act have all the qualities and incidents of
106 negotiable instruments under the provisions of the Mississippi
107 Uniform Commercial Code, and in exercising the powers granted by
108 this act, the commission shall not be required to and need not
109 comply with the provisions of the Mississippi Uniform Commercial
110 Code.

111 Section 7. The commission shall act as the issuing agent for
112 the bonds authorized under this act, prescribe the form of the
113 bonds, advertise for and accept bids, issue and sell the bonds so
114 authorized to be sold, pay all fees and costs incurred in such
115 issuance and sale, and do any and all other things necessary and
116 advisable in connection with the issuance and sale of such bonds.
117 The commission is authorized and empowered to pay the costs that
118 are incident to the sale, issuance and delivery of the bonds
119 authorized under this act from the proceeds derived from the sale
120 of such bonds. The commission shall sell such bonds on sealed
121 bids at public sale, and for such price as it may determine to be
122 for the best interest of the State of Mississippi, but no such
123 sale shall be made at a price less than par plus accrued interest
124 to the date of delivery of the bonds to the purchaser. All
125 interest accruing on such bonds so issued shall be payable

126 semiannually or annually; however, the first interest payment may
127 be for any period of not more than one (1) year.

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

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

140 Section 8. The bonds issued under the provisions of this act
141 are general obligations of the State of Mississippi, and for the
142 payment thereof the full faith and credit of the State of
143 Mississippi is irrevocably pledged. If the funds appropriated by
144 the Legislature are insufficient to pay the principal of and the
145 interest on such bonds as they become due, then the deficiency
146 shall be paid by the State Treasurer from any funds in the State
147 Treasury not otherwise appropriated. All such bonds shall contain
148 recitals on their faces substantially covering the provisions of
149 this section.

150 Section 9. Upon the issuance and sale of bonds under the
151 provisions of this act, the commission shall transfer the proceeds
152 of any such sale or sales to the 1998 Port of Pascagoula
153 Improvement Fund created in Section 2 of this act. The proceeds
154 of such bonds shall be disbursed solely upon the order of the
155 Department of Finance and Administration under such restrictions,
156 if any, as may be contained in the resolution providing for the
157 issuance of the bonds.

158 Section 10. The bonds authorized under this act may be
159 issued without any other proceedings or the happening of any other
160 conditions or things other than those proceedings, conditions and
161 things which are specified or required by this act. Any
162 resolution providing for the issuance of bonds under the
163 provisions of this act shall become effective immediately upon its
164 adoption by the commission, and any such resolution may be adopted
165 at any regular or special meeting of the commission by a majority
166 of its members.

167 Section 11. The bonds authorized under the authority of this
168 act may be validated in the Chancery Court of the First Judicial
169 District of Hinds County, Mississippi, in the manner and with the
170 force and effect provided by Chapter 13, Title 31, Mississippi
171 Code of 1972, for the validation of county, municipal, school
172 district and other bonds. The notice to taxpayers required by
173 such statutes shall be published in a newspaper published or
174 having a general circulation in the City of Jackson, Mississippi.

175 Section 12. Any holder of bonds issued under the provisions
176 of this act or of any of the interest coupons pertaining thereto
177 may, either at law or in equity, by suit, action, mandamus or
178 other proceeding, protect and enforce any and all rights granted
179 under this act, or under such resolution, and may enforce and
180 compel performance of all duties required by this act to be
181 performed, in order to provide for the payment of bonds and
182 interest thereon.

183 Section 13. All bonds issued under the provisions of this
184 act shall be legal investments for trustees and other fiduciaries,
185 and for savings banks, trust companies and insurance companies
186 organized under the laws of the State of Mississippi, and such
187 bonds shall be legal securities which may be deposited with and
188 shall be received by all public officers and bodies of this state
189 and all municipalities and political subdivisions for the purpose
190 of securing the deposit of public funds.

191 Section 14. Bonds issued under the provisions of this act
192 and income therefrom shall be exempt from all taxation in the
193 State of Mississippi.

194 Section 15. The proceeds of the bonds issued under this act
195 shall be used solely for the purposes herein provided, including
196 the costs incident to the issuance and sale of such bonds.

197 Section 16. The State Treasurer is authorized, without
198 further process of law, to certify to the Department of Finance
199 and Administration the necessity for warrants, and the Department
200 of Finance and Administration is authorized and directed to issue
201 such warrants, in such amounts as may be necessary to pay when due
202 the principal of, premium, if any, and interest on, or the
203 accreted value of, all bonds issued under this act; and the State
204 Treasurer shall forward the necessary amount to the designated
205 place or places of payment of such bonds in ample time to
206 discharge such bonds, or the interest thereon, on the due dates
207 thereof.

208 Section 17. The provisions of this act shall be deemed to be
209 full and complete authority for the exercise of the powers therein
210 granted, but this act shall not be deemed to repeal or to be in
211 derogation of any existing law of this state.

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