

By: Senator(s) Hewes, Moffatt, Cuevas, King, Lee (47th), Gollott, Robertson, Albritton, Dawkins, Morgan, Chaney, Walley To: Finance

SENATE BILL NO. 3074

1 AN ACT TO AUTHORIZE THE ISSUANCE OF \$45,000,000.00 IN STATE
2 GENERAL OBLIGATION BONDS TO PROVIDE THE LOCAL MATCH FOR FEDERAL
3 FUNDS TO BE UTILIZED FOR THE DEEPENING AND WIDENING TO THE ACCESS
4 CHANNEL TO THE MISSISSIPPI STATE PORT AT GULFPORT; AND FOR RELATED
5 PURPOSES.

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

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 "2004
20 Mississippi State Port at Gulfport Access Channel Improvement
21 Fund," is created within the State Treasury. The fund shall be
22 maintained by the State Treasurer as a separate and special fund,
23 separate and apart from the General Fund of the state, and
24 investment earnings on amounts in the fund shall be deposited into
25 such fund. The expenditure of monies deposited into the fund
26 shall be under the direction of the Department of Finance and
27 Administration, and such funds shall be paid by the State
28 Treasurer upon warrants issued by the Department of Finance and

29 Administration. Monies deposited into such fund shall be
30 disbursed to pay the local match for federal funds to be utilized
31 for the widening and deepening of the access channel for the
32 Mississippi State Port at Gulfport.

33 **SECTION 3.** (1) The Department of Finance and
34 Administration, at one time or from time to time, may declare by
35 resolution the necessity for issuance of general obligation bonds
36 of the State of Mississippi to provide funds for all costs
37 incurred or to be incurred for the purposes described in Section 2
38 of this act. Upon the adoption of a resolution by the Department
39 of Finance and Administration declaring the necessity for the
40 issuance of any part or all of the general obligation bonds
41 authorized by this section, the Department of Finance and
42 Administration shall deliver a certified copy of its resolution or
43 resolutions to the State Bond Commission. Upon receipt of such
44 resolution the commission, in its discretion, may act as the
45 issuing agent, prescribe the form of the bonds, advertise for and
46 accept bids, issue and sell the bonds so authorized to be sold,
47 and do any and all other things necessary and advisable in
48 connection with the issuance and sale of such bonds. The amount
49 of bonds issued under this act shall not exceed Forty-five Million
50 Dollars (\$45,000,000.00).

51 (2) Any investment earnings on amounts deposited into the
52 2004 Mississippi State Port at Gulfport Access Channel Improvement
53 Fund created in Section 2 of this act shall be used to pay debt
54 service on bonds issued under this act, in accordance with the
55 proceedings authorizing issuance of such bonds.

56 (3) Upon the completion or abandonment of the projects
57 described in Section 2 of this act, as evidenced by a resolution
58 adopted by the Department of Finance and Administration certifying
59 that all such projects have been completed or abandoned, the
60 balance, if any, remaining in the 2004 Mississippi State Port at
61 Gulfport Access Channel Improvement Fund shall be promptly applied

62 to pay debt service on bonds issued under this act, in accordance
63 with the proceedings authorizing the issuance of such bonds.

64 **SECTION 4.** The principal of and interest on the bonds
65 authorized under this act shall be payable in the manner provided
66 in this section. Such bonds shall bear such date or dates, be in
67 such denomination or denominations, bear interest at such rate or
68 rates (not to exceed the limits set forth in Section 75-17-101),
69 be payable at such place or places within or without the State of
70 Mississippi, shall mature absolutely at such time or times not to
71 exceed twenty-five (25) years from date of issue, be redeemable
72 before maturity at such time or times and upon such terms, with or
73 without premium, shall bear such registration privileges, and
74 shall be substantially in such form, all as shall be determined by
75 resolution of the commission.

76 **SECTION 5.** The bonds authorized by this act shall be signed
77 by the Chairman of the State Bond Commission, or by his facsimile
78 signature, and the official seal of the commission shall be
79 affixed thereto, attested by the secretary of the commission. The
80 interest coupons, if any, to be attached to such bonds may be
81 executed by the facsimile signatures of such officers. Whenever
82 any such bonds shall have been signed by the officials designated
83 to sign the bonds who were in office at the time of such signing
84 but who may have ceased to be such officers before the sale and
85 delivery of such bonds, or who may not have been in office on the
86 date such bonds may bear, the signatures of such officers upon
87 such bonds and coupons shall nevertheless be valid and sufficient
88 for all purposes and have the same effect as if the person so
89 officially signing such bonds had remained in office until their
90 delivery to the purchaser, or had been in office on the date such
91 bonds may bear. However, notwithstanding anything herein to the
92 contrary, such bonds may be issued as provided in the Registered
93 Bond Act of the State of Mississippi.

94 **SECTION 6.** All bonds and interest coupons issued under the
95 provisions of this act have all the qualities and incidents of
96 negotiable instruments under the provisions of the Uniform
97 Commercial Code, and in exercising the powers granted by this act,
98 the commission shall not be required to and need not comply with
99 the provisions of the Uniform Commercial Code.

100 **SECTION 7.** The commission shall act as the issuing agent for
101 the bonds authorized under this act, prescribe the form of the
102 bonds, advertise for and accept bids, issue and sell the bonds so
103 authorized to be sold, pay all fees and costs incurred in such
104 issuance and sale, and do any and all other things necessary and
105 advisable in connection with the issuance and sale of such bonds.
106 The commission is authorized and empowered to pay the costs that
107 are incident to the sale, issuance and delivery of the bonds
108 authorized under this act from the proceeds derived from the sale
109 of such bonds. The commission shall sell such bonds on sealed
110 bids at public sale, and for such price as it may determine to be
111 for the best interest of the State of Mississippi, but no such
112 sale shall be made at a price less than par plus accrued interest
113 to the date of delivery of the bonds to the purchaser. All
114 interest accruing on such bonds so issued shall be payable
115 semiannually or annually; however, the first interest payment may
116 be for any period of not more than one (1) year.

117 Notice of the sale of any such bonds shall be published at
118 least one time, not less than ten (10) days before the date of
119 sale, and shall be so published in one or more newspapers
120 published or having a general circulation in the City of Jackson,
121 Mississippi, and in one or more other newspapers or financial
122 journals with a national circulation, to be selected by the
123 commission.

124 The commission, when issuing any bonds under the authority of
125 this act, may provide that bonds, at the option of the State of
126 Mississippi, may be called in for payment and redemption at the

127 call price named therein and accrued interest on such date or
128 dates named therein.

129 **SECTION 8.** The bonds issued under the provisions of this act
130 are general obligations of the State of Mississippi, and for the
131 payment thereof the full faith and credit of the State of
132 Mississippi is irrevocably pledged. If the funds appropriated by
133 the Legislature are insufficient to pay the principal of and the
134 interest on such bonds as they become due, then the deficiency
135 shall be paid by the State Treasurer from any funds in the State
136 Treasury not otherwise appropriated. All such bonds shall contain
137 recitals on their faces substantially covering the provisions of
138 this section.

139 **SECTION 9.** Upon the issuance and sale of bonds under the
140 provisions of this act, the commission shall transfer the proceeds
141 of any such sale or sales to the 2004 Mississippi State Port at
142 Gulfport Access Channel Improvement Fund created in Section 2 of
143 this act. The proceeds of such bonds shall be disbursed solely
144 upon the order of the Department of Finance and Administration
145 under such restrictions, if any, as may be contained in the
146 resolution providing for the issuance of the bonds.

147 **SECTION 10.** The bonds authorized under this act may be
148 issued without any other proceedings or the happening of any other
149 conditions or things other than those proceedings, conditions and
150 things which are specified or required by this act. Any
151 resolution providing for the issuance of bonds under the
152 provisions of this act shall become effective immediately upon its
153 adoption by the commission, and any such resolution may be adopted
154 at any regular or special meeting of the commission by a majority
155 of its members.

156 **SECTION 11.** The bonds authorized under the authority of this
157 act may be validated in the Chancery Court of the First Judicial
158 District of Hinds County, Mississippi, in the manner and with the
159 force and effect provided by Chapter 13, Title 31, Mississippi

160 Code of 1972, for the validation of county, municipal, school
161 district and other bonds. The notice to taxpayers required by
162 such statutes shall be published in a newspaper published or
163 having a general circulation in the City of Jackson, Mississippi.

164 **SECTION 12.** Any holder of bonds issued under the provisions
165 of this act or of any of the interest coupons pertaining thereto
166 may, either at law or in equity, by suit, action, mandamus or
167 other proceeding, protect and enforce any and all rights granted
168 under this act, or under such resolution, and may enforce and
169 compel performance of all duties required by this act to be
170 performed, in order to provide for the payment of bonds and
171 interest thereon.

172 **SECTION 13.** All bonds issued under the provisions of this
173 act shall be legal investments for trustees and other fiduciaries,
174 and for savings banks, trust companies and insurance companies
175 organized under the laws of the State of Mississippi, and such
176 bonds shall be legal securities which may be deposited with and
177 shall be received by all public officers and bodies of this state
178 and all municipalities and political subdivisions for the purpose
179 of securing the deposit of public funds.

180 **SECTION 14.** Bonds issued under the provisions of this act
181 and income therefrom shall be exempt from all taxation in the
182 State of Mississippi.

183 **SECTION 15.** The proceeds of the bonds issued under this act
184 shall be used solely for the purposes herein provided, including
185 the costs incident to the issuance and sale of such bonds.

186 **SECTION 16.** The State Treasurer is authorized, without
187 further process of law, to certify to the Department of Finance
188 and Administration the necessity for warrants, and the Department
189 of Finance and Administration is authorized and directed to issue
190 such warrants, in such amounts as may be necessary to pay when due
191 the principal of, premium, if any, and interest on, or the
192 accreted value of, all bonds issued under this act; and the State

193 Treasurer shall forward the necessary amount to the designated
194 place or places of payment of such bonds in ample time to
195 discharge such bonds, or the interest thereon, on the due dates
196 thereof.

197 **SECTION 17.** The provisions of this act shall be deemed to be
198 full and complete authority for the exercise of the powers therein
199 granted, but this act shall not be deemed to repeal or to be in
200 derogation of any existing law of this state.

201 **SECTION 18.** This act shall take effect and be in force from
202 and after its passage.