

By: Representatives Stringer, Cummings,  
Sullivan, Montgomery, Formby, Reynolds, Lott,  
Hudson

To: County Affairs;  
Appropriations

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 191

1 AN ACT TO AMEND SECTION 17-23-1, MISSISSIPPI CODE OF 1972, TO  
2 AUTHORIZE AN EIGHTH ROUND OF FIRE TRUCKS FOR COUNTIES AND  
3 MUNICIPALITIES UNDER THE RURAL FIRE TRUCK ACQUISITION ASSISTANCE  
4 PROGRAM; TO AMEND SECTIONS 136 THROUGH 151 OF CHAPTER 1, LAWS OF  
5 2004, THIRD EXTRAORDINARY SESSION, AS AMENDED BY SECTION 1 OF  
6 CHAPTER 347, LAWS OF 2005, TO REVISE THE PURPOSES FOR WHICH A  
7 CERTAIN PORTION OF THE PROCEEDS OF BONDS DEPOSITED INTO THE RURAL  
8 FIRE TRUCK FUND CREATED UNDER SECTION 17-23-1 MAY BE EXPENDED; AND  
9 FOR RELATED PURPOSES.

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

11 **SECTION 1.** Section 17-23-1, Mississippi Code of 1972, is  
12 amended as follows:

13 17-23-1. (1) There is established a rural fire truck  
14 acquisition assistance program to be administered by the  
15 Department of Insurance for the purpose of assisting counties and  
16 municipalities in the acquisition of fire trucks.

17 (2) There is created in the State Treasury a special fund to  
18 be designated as the "Rural Fire Truck Fund." The Legislature may  
19 appropriate that amount necessary to fulfill the obligations  
20 created under this section by the Department of Insurance, from  
21 the State General Fund to such special fund, which sum shall be  
22 added to the remainder of the money transferred on July 1, 1995,  
23 and during the 1996 Regular Session to the Rural Fire Truck Fund.  
24 Unexpended amounts remaining in the fund at the end of a fiscal  
25 year shall not lapse into the State General Fund, and any interest  
26 earned on amounts in the fund shall be deposited to the credit of  
27 the fund. Unobligated amounts remaining in the Rural Fire Truck  
28 Fund, Fund No. 3507, or in Fund No. 3508, or in Fund No. 3504, or  
29 in any fund created for funds appropriated or otherwise made  
30 available for this program, may be used as matching funds by any

31 county with remaining eligibility as provided herein. It is the  
32 intent of the Legislature that the Department of Insurance  
33 continue to accept applications from the counties for fire trucks  
34 as provided in subsection (3) of this section.

35 (3) (a) A county that meets the requirements provided  
36 herein may receive an amount not to exceed Four Hundred Forty  
37 Thousand Dollars (\$440,000.00) as provided in subparagraphs (i),  
38 (ii), (iii), (iv), (v), (vi), (vii) and (viii) of this paragraph,  
39 and such amount shall be divided as follows: an amount of not  
40 more than Fifty Thousand Dollars (\$50,000.00) per fire truck for  
41 the first six (6) trucks and not more than Seventy Thousand  
42 Dollars (\$70,000.00) per fire truck for the seventh and eighth  
43 trucks. Monies distributed under this chapter shall be expended  
44 only for the purchase of new fire trucks and such trucks must meet  
45 the National Fire Protection Association (NFPA) standards in the  
46 1900 series.

47 (i) Any county that has not applied for a fire  
48 truck under this section is eligible to submit applications for  
49 eight (8) fire trucks as follows: six (6) fire trucks at not more  
50 than Fifty Thousand Dollars (\$50,000.00) per truck and two (2)  
51 fire trucks at not more than Seventy Thousand Dollars (\$70,000.00)  
52 per truck or a total of Four Hundred Forty Thousand Dollars  
53 (\$440,000.00).

54 (ii) Any county that has received one (1) fire  
55 truck under this section is eligible to submit applications for  
56 seven (7) fire trucks as follows: five (5) fire trucks at not  
57 more than Fifty Thousand Dollars (\$50,000.00) per truck and two  
58 (2) fire trucks at not more than Seventy Thousand Dollars  
59 (\$70,000.00) per truck or a total of Three Hundred Ninety Thousand  
60 Dollars (\$390,000.00).

61 (iii) Any county that has received two (2) fire  
62 trucks under this section is eligible to submit an application for  
63 six (6) fire trucks as follows: four (4) fire trucks at not more

64 than Fifty Thousand Dollars (\$50,000.00) per truck and two (2)  
65 fire trucks at not more than Seventy Thousand Dollars (\$70,000.00)  
66 per truck or a total of not more than Three Hundred Forty Thousand  
67 Dollars (\$340,000.00).

68 (iv) Any county that has received three (3) fire  
69 trucks under this section is eligible to submit an application for  
70 five (5) fire trucks as follows: three (3) fire trucks at not  
71 more than Fifty Thousand Dollars (\$50,000.00) per truck and two  
72 (2) fire trucks at not more than Seventy Thousand Dollars  
73 (\$70,000.00) per truck or a total of not more than Two Hundred  
74 Ninety Thousand Dollars (\$290,000.00).

75 (v) Any county that has received four (4) fire  
76 trucks under this section is eligible to submit an application for  
77 four (4) fire trucks as follows: two (2) fire trucks at not more  
78 than Fifty Thousand Dollars (\$50,000.00) per truck and two (2)  
79 fire trucks at not more than Seventy Thousand Dollars (\$70,000.00)  
80 per truck or a total of not more than Two Hundred Forty Thousand  
81 Dollars (\$240,000.00).

82 (vi) Any county that has received five (5) fire  
83 trucks under this section is eligible to submit an application for  
84 three (3) fire trucks as follows: one (1) fire truck at not more  
85 than Fifty Thousand Dollars (\$50,000.00) per truck and two (2)  
86 fire trucks at not more than Seventy Thousand Dollars (\$70,000.00)  
87 per truck or a total of not more than One Hundred Ninety Thousand  
88 Dollars (\$190,000.00).

89 (vii) Any county that has received six (6) fire  
90 trucks under this section is eligible to submit an application for  
91 two (2) fire trucks at not more than Seventy Thousand Dollars  
92 (\$70,000.00) per truck or a total of not more than One Hundred  
93 Forty Thousand Dollars (\$140,000.00).

94 (viii) Any county that has received seven (7) fire  
95 trucks under this section is eligible to submit an application for

96 one (1) fire truck at not more than Seventy Thousand Dollars  
97 (\$70,000.00).

98 (b) The board of supervisors of the county shall submit  
99 its request for the receipt of monies to the Department of  
100 Insurance. A committee composed of the Commissioner of Insurance,  
101 the State Fire Coordinator, the Director of the Rating Bureau and  
102 the Director of the State Fire Academy shall review the requests  
103 by the boards of supervisors and shall determine whether the  
104 county or municipality for which the board of supervisors has  
105 requested a truck meets the requirements of eligibility under this  
106 chapter.

107 (c) To be eligible to receive monies under this  
108 chapter:

109 (i) A county or municipality must pledge to set  
110 aside or dedicate each year as matching funds, for a period not to  
111 extend over ten (10) years, local funds in an amount equal to or  
112 not less than one-tenth (1/10) of the amount of monies for which  
113 it is requesting distribution from the Rural Fire Truck Fund,  
114 which pledged monies may be derived from local ad valorem tax  
115 authorized by law or from any other funds available to the county  
116 or municipality, except for those funds received by municipalities  
117 or counties from the Municipal Fire Protection Fund or the County  
118 Volunteer Fire Department Fund, as defined in Sections 83-1-37 and  
119 83-1-39.

120 (ii) A municipality must provide adequate  
121 documentation of its contract with the county that requires the  
122 municipality to provide fire protection in rural areas. The term  
123 "rural areas" means any area within the county located outside the  
124 boundaries of an incorporated municipality or any incorporated  
125 municipality with a population of two thousand five hundred  
126 (2,500) or less.

127 (d) The Department of Insurance shall maintain an  
128 accurate record of all monies distributed to counties and

129 municipalities and the number of fire trucks purchased and the  
130 cost for each fire truck, such records to be kept separate from  
131 other records of the Department of Insurance; notify counties and  
132 municipalities of the rural fire truck acquisition assistance  
133 program and the requirements for them to become eligible to  
134 participate; adopt and promulgate such rules and regulations as  
135 may be necessary and desirable to implement the provisions of this  
136 chapter; and file with the Legislature a report detailing how  
137 monies made available under this chapter were distributed and  
138 spent during the preceding portion of the fiscal year in each  
139 county and municipality, the number of fire trucks purchased, the  
140 counties and municipalities making such purchases and the cost of  
141 each fire truck purchased.

142       **SECTION 2.** Sections 136 through 151 of Chapter 1, Laws of  
143 2004, Third Extraordinary Session, as amended by Section 1 of  
144 Chapter 347, Laws of 2005, are amended as follows:

145       Section 136. As used in Sections 136 through 151 of this  
146 act, the following words shall have the meanings ascribed herein  
147 unless the context clearly requires otherwise:

148           (a) "Accreted value" of any bonds means, as of any date  
149 of computation, an amount equal to the sum of (i) the stated  
150 initial value of such bonds, plus (ii) the interest accrued  
151 thereon from the issue date to the date of computation at the  
152 rate, compounded semiannually, that is necessary to produce the  
153 approximate yield to maturity shown for bonds of the same  
154 maturity.

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

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

157       Section 137. (1) The Department of Finance and  
158 Administration, at one time, or from time to time, may declare by  
159 resolution the necessity for issuance of general obligation bonds  
160 of the State of Mississippi to provide funds for the Supplementary  
161 Rural Fire Truck Fund created in Section 17-23-11, and the Rural

162 Fire Truck Fund created in Section 17-23-1. Upon the adoption of  
163 a resolution by the Department of Finance and Administration,  
164 declaring the necessity for the issuance of any part or all of the  
165 general obligation bonds authorized by this section, the  
166 Department of Finance and Administration shall deliver a certified  
167 copy of its resolution or resolutions to the commission. Upon  
168 receipt of such resolution, the commission, in its discretion, may  
169 act as the issuing agent, prescribe the form of the bonds,  
170 advertise for and accept bids, issue and sell the bonds so  
171 authorized to be sold and do any and all other things necessary  
172 and advisable in connection with the issuance and sale of such  
173 bonds. The total amount of bonds issued under Sections 136  
174 through 151 of this act shall not exceed Ten Million Dollars  
175 (\$10,000,000.00). No bonds authorized under Sections 136 through  
176 151 of this act shall be issued after July 1, 2008.

177 (2) Four Million Two Hundred Sixty Thousand Dollars  
178 (\$4,260,000.00) of the proceeds of bonds issued pursuant to  
179 Sections 136 through 151 of this act shall be deposited into the  
180 Supplementary Rural Fire Truck Fund created in Section 152 of  
181 Senate Bill No. 2010, 2004 Third Extraordinary Session. Five  
182 Million Seven Hundred Forty Thousand Dollars (\$5,740,000.00) of  
183 the proceeds of bonds issued pursuant to Sections 136 through 151,  
184 Laws of Chapter 1, 2004 Third Extraordinary Session, as amended by  
185 Section 1 of Chapter 347, Laws of 2005, shall be deposited into  
186 the Rural Fire Truck Fund created in Section 17-23-1 \* \* \*. Any  
187 investment earnings on bonds issued pursuant to Sections 136  
188 through 151 of this act shall be used to pay debt service on bonds  
189 issued under Sections 136 through 151 of this act, in accordance  
190 with the proceedings authorizing issuance of such bonds.

191 Section 138. The principal of and interest on the bonds  
192 authorized under Sections 136 through 151 of this act shall be  
193 payable in the manner provided in this section. Such bonds shall  
194 bear such date or dates, be in such denomination or denominations,

195 bear interest at such rate or rates (not to exceed the limits set  
196 forth in Section 75-17-101, Mississippi Code of 1972), be payable  
197 at such place or places within or without the State of  
198 Mississippi, shall mature absolutely at such time or times not to  
199 exceed twenty-five (25) years from date of issue, be redeemable  
200 before maturity at such time or times and upon such terms, with or  
201 without premium, shall bear such registration privileges, and  
202 shall be substantially in such form, all as shall be determined by  
203 resolution of the commission.

204 Section 139. The bonds authorized by Sections 136 through  
205 151 of this act shall be signed by the chairman of the commission,  
206 or by his facsimile signature, and the official seal of the  
207 commission shall be affixed thereto, attested by the secretary of  
208 the commission. The interest coupons, if any, to be attached to  
209 such bonds may be executed by the facsimile signatures of such  
210 officers. Whenever any such bonds shall have been signed by the  
211 officials designated to sign the bonds who were in office at the  
212 time of such signing but who may have ceased to be such officers  
213 before the sale and delivery of such bonds, or who may not have  
214 been in office on the date such bonds may bear, the signatures of  
215 such officers upon such bonds and coupons shall nevertheless be  
216 valid and sufficient for all purposes and have the same effect as  
217 if the person so officially signing such bonds had remained in  
218 office until their delivery to the purchaser, or had been in  
219 office on the date such bonds may bear. However, notwithstanding  
220 anything herein to the contrary, such bonds may be issued as  
221 provided in the Registered Bond Act of the State of Mississippi.

222 Section 140. All bonds and interest coupons issued under the  
223 provisions of Sections 136 through 151 of this act have all the  
224 qualities and incidents of negotiable instruments under the  
225 provisions of the Uniform Commercial Code, and in exercising the  
226 powers granted by Sections 136 through 151 of this act, the

227 commission shall not be required to and need not comply with the  
228 provisions of the Uniform Commercial Code.

229         Section 141. The commission shall act as the issuing agent  
230 for the bonds authorized under Sections 136 through 151 of this  
231 act, prescribe the form of the bonds, advertise for and accept  
232 bids, issue and sell the bonds so authorized to be sold, pay all  
233 fees and costs incurred in such issuance and sale, and do any and  
234 all other things necessary and advisable in connection with the  
235 issuance and sale of such bonds. The commission is authorized and  
236 empowered to pay the costs that are incident to the sale, issuance  
237 and delivery of the bonds authorized under Sections 136 through  
238 151 of this act from the proceeds derived from the sale of such  
239 bonds. The commission shall sell such bonds on sealed bids at  
240 public sale, and for such price as it may determine to be for the  
241 best interest of the State of Mississippi, but no such sale shall  
242 be made at a price less than par plus accrued interest to the date  
243 of delivery of the bonds to the purchaser. All interest accruing  
244 on such bonds so issued shall be payable semiannually or annually;  
245 however, the first interest payment may be for any period of not  
246 more than one (1) year.

247         Notice of the sale of any such bonds shall be published at  
248 least one time, not less than ten (10) days before the date of  
249 sale, and shall be so published in one or more newspapers  
250 published or having a general circulation in the City of Jackson,  
251 Mississippi, and in one or more other newspapers or financial  
252 journals with a national circulation, to be selected by the  
253 commission.

254         The commission, when issuing any bonds under the authority of  
255 Sections 136 through 151 of this act, may provide that bonds, at  
256 the option of the State of Mississippi, may be called in for  
257 payment and redemption at the call price named therein and accrued  
258 interest on such date or dates named therein.



259           Section 142. The bonds issued under the provisions of  
260 Sections 136 through 151 of this act are general obligations of  
261 the State of Mississippi, and for the payment thereof the full  
262 faith and credit of the State of Mississippi is irrevocably  
263 pledged. If the funds appropriated by the Legislature are  
264 insufficient to pay the principal of and the interest on such  
265 bonds as they become due, then the deficiency shall be paid by the  
266 State Treasurer from any funds in the State Treasury not otherwise  
267 appropriated. All such bonds shall contain recitals on their  
268 faces substantially covering the provisions of this section.

269           Section 143. Upon the issuance and sale of bonds under the  
270 provisions of Sections 136 through 151 of this act, the commission  
271 shall transfer the proceeds of any such sale or sales to the  
272 Supplementary Rural Fire Truck Fund created in Section 17-23-11,  
273 and the Rural Fire Truck Fund created in Section 17-23-1 in the  
274 amounts provided for in Section 137 of this act. The proceeds of  
275 such bonds shall be disbursed solely upon the order of the  
276 Department of Finance and Administration under such restrictions,  
277 if any, as may be contained in the resolution providing for the  
278 issuance of the bonds.

279           Section 144. The bonds authorized under Sections 136 through  
280 151 of this act may be issued without any other proceedings or the  
281 happening of any other conditions or things other than those  
282 proceedings, conditions and things which are specified or required  
283 by Sections 136 through 151 of this act. Any resolution providing  
284 for the issuance of bonds under the provisions of Sections 136  
285 through 151 of this act shall become effective immediately upon  
286 its adoption by the commission, and any such resolution may be  
287 adopted at any regular or special meeting of the commission by a  
288 majority of its members.

289           Section 145. The bonds authorized under the authority of  
290 Sections 136 through 151 of this act may be validated in the  
291 Chancery Court of the First Judicial District of Hinds County,

292 Mississippi, in the manner and with the force and effect provided  
293 by Chapter 13, Title 31, Mississippi Code of 1972, for the  
294 validation of county, municipal, school district and other bonds.  
295 The notice to taxpayers required by such statutes shall be  
296 published in a newspaper published or having a general circulation  
297 in the City of Jackson, Mississippi.

298       Section 146. Any holder of bonds issued under the provisions  
299 of Sections 136 through 151 of this act or of any of the interest  
300 coupons pertaining thereto may, either at law or in equity, by  
301 suit, action, mandamus or other proceeding, protect and enforce  
302 any and all rights granted under Sections 136 through 151 of this  
303 act, or under such resolution, and may enforce and compel  
304 performance of all duties required by Sections 136 through 151 of  
305 this act to be performed, in order to provide for the payment of  
306 bonds and interest thereon.

307       Section 147. All bonds issued under the provisions of  
308 Sections 136 through 151 of this act shall be legal investments  
309 for trustees and other fiduciaries, and for savings banks, trust  
310 companies and insurance companies organized under the laws of the  
311 State of Mississippi, and such bonds shall be legal securities  
312 which may be deposited with and shall be received by all public  
313 officers and bodies of this state and all municipalities and  
314 political subdivisions for the purpose of securing the deposit of  
315 public funds.

316       Section 148. Bonds issued under the provisions of Sections  
317 136 through 151 of this act and income therefrom shall be exempt  
318 from all taxation in the State of Mississippi.

319       Section 149. The proceeds of the bonds issued under Sections  
320 136 through 151 of this act shall be used solely for the purposes  
321 therein provided, including the costs incident to the issuance and  
322 sale of such bonds.

323       Section 150. The State Treasurer is authorized, without  
324 further process of law, to certify to the Department of Finance

325 and Administration the necessity for warrants, and the Department  
326 of Finance and Administration is authorized and directed to issue  
327 such warrants, in such amounts as may be necessary to pay when due  
328 the principal of, premium, if any, and interest on, or the  
329 accreted value of, all bonds issued under Sections 136 through 151  
330 of this act; and the State Treasurer shall forward the necessary  
331 amount to the designated place or places of payment of such bonds  
332 in ample time to discharge such bonds, or the interest thereon, on  
333 the due dates thereof.

334       Section 151. Sections 136 through 151 of this act shall be  
335 deemed to be full and complete authority for the exercise of the  
336 powers therein granted, but Sections 136 through 151 of this act  
337 shall not be deemed to repeal or to be in derogation of any  
338 existing law of this state.

339       **SECTION 3.** This act shall take effect and be in force from  
340 and after its passage.