

By: Representatives Middleton, Holloway,
Johnson

To: Ways and Means

HOUSE BILL NO. 1523

1 AN ACT TO PROVIDE FOR THE ISSUANCE OF GENERAL OBLIGATION
2 BONDS FOR THE PURPOSE OF PAYING THE COSTS OF CONSTRUCTING A NEW
3 TWO-LANE HIGHWAY FROM U.S. HIGHWAY 61 NORTH OF PORT GIBSON,
4 MISSISSIPPI, TO GRAND GULF ROAD ON THE NORTHERN SIDE OF THE GRAND
5 GULF NUCLEAR POWER STATION IN CLAIBORNE COUNTY, MISSISSIPPI; AND
6 FOR RELATED PURPOSES.

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

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

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

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

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

20 **SECTION 2.** A special fund, to be designated the "Grand Gulf
21 Access Road Construction Fund," is created within the State
22 Treasury. The fund shall be maintained by the State Treasurer as
23 a separate and special fund, separate and apart from the General
24 Fund of the state, and investment earnings on amounts in the fund
25 shall be deposited into such fund. The expenditure of monies
26 deposited into the fund shall be under the direction of the
27 Mississippi Transportation Commission, and such funds shall be
28 paid by the State Treasurer upon warrants issued by the Department
29 of Finance and Administration. Money deposited into such fund

30 shall be disbursed to pay the State of Mississippi's portion of
31 the cost of constructing a new two-lane highway from U.S. Highway
32 61 north of Port Gibson, Mississippi, running in a northwesterly
33 direction approximately five and two-tenths (5-2/10) miles to
34 intersect with Grand Gulf Road on the northern side of the Grand
35 Gulf Nuclear Power Station in Claiborne County, Mississippi.

36 **SECTION 3.** (1) At such time as federal funds are available
37 for the project described in Section 2 of this act, which, when
38 combined with the proceeds of bonds issued under this act, will
39 fully fund such project, the Mississippi Transportation
40 Commission, at one time or from time to time, may declare by
41 resolution the necessity for issuance of general obligation bonds
42 of the State of Mississippi to provide funds for all costs
43 incurred or to be incurred for the project described in Section 2
44 of this act. Upon the adoption of a resolution by the Mississippi
45 Transportation Commission declaring the necessity for the issuance
46 of any part or all of the general obligation bonds authorized by
47 this section, the Mississippi Transportation Commission shall
48 deliver a certified copy of its resolution or resolutions to the
49 commission. Upon receipt of such resolution, the commission, in
50 its discretion, may act as the issuing agent, prescribe the form
51 of the bonds, advertise for and accept bids, issue and sell the
52 bonds so authorized to be sold, and do any and all other things
53 necessary and advisable in connection with the issuance and sale
54 of such bonds. The amount of bonds issued under this act shall
55 not exceed Three Million Nine Hundred Thousand Dollars
56 (\$3,900,000.00).

57 (2) Any investment earnings on amounts deposited into the
58 Grand Gulf Access Road Construction Fund created in Section 2 of
59 this act shall be used to pay debt service on bonds issued under
60 this act, in accordance with the proceedings authorizing issuance
61 of such bonds.

62 (3) Upon the completion or abandonment of the project
63 described in Section 2 of this act, as evidenced by a resolution
64 adopted by the Mississippi Transportation Commission certifying
65 that such project has been completed or abandoned, the balance, if
66 any, remaining in the Grand Gulf Access Road Construction Fund
67 shall be promptly applied to pay debt service on bonds issued
68 under this act, in accordance with the proceedings authorizing the
69 issuance of such bonds.

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

82 **SECTION 5.** The bonds authorized by this act shall be signed
83 by the Chairman of the State Bond Commission, or by his facsimile
84 signature, and the official seal of the commission shall be
85 affixed thereto, attested by the secretary of the commission. The
86 interest coupons, if any, to be attached to such bonds may be
87 executed by the facsimile signatures of such officers. Whenever
88 any such bonds shall have been signed by the officials designated
89 to sign the bonds who were in office at the time of such signing
90 but who may have ceased to be such officers before the sale and
91 delivery of such bonds, or who may not have been in office on the
92 date such bonds may bear, the signatures of such officers upon
93 such bonds and coupons shall nevertheless be valid and sufficient
94 for all purposes and have the same effect as if the person so

95 officially signing such bonds had remained in office until their
96 delivery to the purchaser, or had been in office on the date such
97 bonds may bear. However, notwithstanding anything herein to the
98 contrary, such bonds may be issued as provided in the Registered
99 Bond Act of the State of Mississippi.

100 **SECTION 6.** All bonds and interest coupons issued under the
101 provisions of this act have all the qualities and incidents of
102 negotiable instruments under the provisions of the Uniform
103 Commercial Code, and in exercising the powers granted by this act,
104 the commission shall not be required to and need not comply with
105 the provisions of the Uniform Commercial Code.

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

123 Notice of the sale of any such bonds shall be published at
124 least one time, not less than ten (10) days before the date of
125 sale, and shall be so published in one or more newspapers
126 published or having a general circulation in the City of Jackson,
127 Mississippi, and in one or more other newspapers or financial

128 journals with a national circulation, to be selected by the
129 commission.

130 The commission, when issuing any bonds under the authority of
131 this act, may provide that bonds, at the option of the state, may
132 be called in for payment and redemption at the call price named
133 therein and accrued interest on such date or dates named therein.

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

144 **SECTION 9.** Upon the issuance and sale of bonds under the
145 provisions of this act, the commission shall transfer the proceeds
146 of any such sale or sales to the Grand Gulf Access Road
147 Construction Fund created in Section 2 of this act. The proceeds
148 of such bonds shall be disbursed solely upon the order of the
149 Mississippi Transportation Commission under such restrictions, if
150 any, as may be contained in the resolution providing for the
151 issuance of the bonds.

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

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

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

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

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

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

191 **SECTION 16.** The State Treasurer is authorized, without
192 further process of law, to certify to the Department of Finance
193 and Administration the necessity for warrants, and the Department

194 of Finance and Administration is authorized and directed to issue
195 such warrants, in such amounts as may be necessary to pay when due
196 the principal of, premium, if any, and interest on, or the
197 accreted value of, all bonds issued under this act; and the State
198 Treasurer shall forward the necessary amount to the designated
199 place or places of payment of such bonds in ample time to
200 discharge such bonds, or the interest thereon, on the due dates
201 thereof.

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

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