

By: Senator(s) Moffatt

To: Finance

SENATE BILL NO. 2071

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.