

Senate Amendments to House Bill No. 1492

TO THE CLERK OF THE HOUSE:

THIS IS TO INFORM YOU THAT THE SENATE HAS ADOPTED THE AMENDMENTS SET OUT BELOW:

AMENDMENT NO. 1

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

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

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

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

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

23 **SECTION 2.** (1) (a) A special fund, to be designated as the
24 "Wayne, Clarke, Lauderdale, Tishomingo, Alcorn, Union, Lafayette
25 and Tippah Counties Railroad Lines Improvements Fund" is created
26 within the State Treasury. The fund shall be maintained by the
27 State Treasurer as a separate and special fund, separate and apart
28 from the General Fund of the state. Unexpended amounts remaining
29 in the fund at the end of a fiscal year shall not lapse into the
30 State General Fund, and any interest earned or investment earnings
31 on amounts in the fund shall be deposited into such fund.

32 (b) Monies deposited into the fund shall be allocated
33 and disbursed as follows:

34 (i) Two Million Dollars (\$2,000,000.00) shall be
35 disbursed, in the discretion of the Mississippi Development
36 Authority, to assist Wayne County, Clarke County and Lauderdale

37 County, and municipalities located within such counties, in paying
38 costs associated with construction and improvement of railroad
39 lines and related facilities, including projects necessary to
40 ensure safety and structural integrity of rail lines and rail
41 beds, located in such counties and which constitute part of a
42 cooperative plan of such counties for the improvement of rail
43 transportation; provided, however:

44 1. Not more than One Million Dollars
45 (\$1,000,000.00) may be disbursed for such purposes in any fiscal
46 year; and

47 2. No bonds shall be issued for the projects
48 described in this section until the Mississippi Development
49 Authority is provided proof that the owner or operator of the
50 railroad line has incurred debt or has otherwise dedicated funds
51 or a combination of debt and funds in the amount of not less than
52 Four Million Dollars (\$4,000,000.00) for capital improvements,
53 capital investments or capital upgrades on such railroad line.

54 (ii) Two Million Dollars (\$2,000,000.00) shall be
55 disbursed, in the discretion of the Mississippi Development
56 Authority, to assist Tishomingo County and Alcorn County, and
57 municipalities located within such counties, in paying costs
58 associated with construction and improvement of railroad lines and
59 related facilities, including projects necessary to ensure safety
60 and structural integrity of rail lines and rail beds, located in
61 such counties and which constitute part of a cooperative plan of
62 such counties for the improvement of rail transportation;
63 provided, however, not more than One Million Dollars
64 (\$1,000,000.00) may be disbursed for such purposes in any fiscal
65 year.

66 (iii) Two Million Dollars (\$2,000,000.00) shall be
67 disbursed, in the discretion of the Mississippi Development
68 Authority, to assist Tippah County, Lafayette County and Union
69 County, and municipalities located within such counties, in paying
70 costs associated with construction and improvement of railroad
71 lines and related facilities, including projects necessary to

72 ensure safety and structural integrity of rail lines and rail
73 beds, located in such counties and which constitute part of a
74 cooperative plan of such counties for the improvement of rail
75 transportation; provided, however, not more than One Million
76 Dollars (\$1,000,000.00) may be disbursed for such purposes in any
77 fiscal year.

78 (c) If the owner or operator of a railroad line that is
79 benefited from assistance provided under this section sells such
80 railroad line within ten (10) years of the date the assistance was
81 provided, then such owner or operator shall repay to the State of
82 Mississippi the amount of assistance provided under this section
83 that benefited the railroad line as follows:

84 (i) If the railroad line is sold within one (1)
85 year of such assistance, one hundred percent (100%) of the amount
86 of the assistance;

87 (ii) If the railroad line is sold within two (2)
88 years of such assistance, ninety percent (90%) of the amount of
89 the assistance;

90 (iii) If the railroad line is sold within three
91 (3) years of such assistance, eighty percent (80%) of the amount
92 of the assistance;

93 (iv) If the railroad line is sold within four (4)
94 years of such assistance, seventy percent (70%) of the amount of
95 the assistance;

96 (v) If the railroad line is sold within five (5)
97 years of such assistance, sixty percent (60%) of the amount of the
98 assistance;

99 (vi) If the railroad line is sold within six (6)
100 years of such assistance, fifty percent (50%) of the amount of the
101 assistance;

102 (vii) If the railroad line is sold within seven
103 (7) years of such assistance, forty percent (40%) of the amount of
104 the assistance;

105 (viii) If the railroad line is sold within eight
106 (8) years of such assistance, thirty percent (30%) of the amount
107 of the assistance;

108 (ix) If the railroad line is sold within nine (9)
109 years of such assistance, twenty percent (20%) of the amount of
110 the assistance; and

111 (x) If the railroad line is sold within ten (10)
112 years of such assistance, ten percent (10%) of the amount of the
113 assistance.

114 (d) Monies in the special fund may be used to reimburse
115 reasonable actual and necessary costs incurred by the Mississippi
116 Development Authority in providing assistance related to a project
117 for which funding is provided under this act. The Mississippi
118 Development Authority shall maintain an accounting of actual costs
119 incurred for each project for which reimbursements are sought.
120 Reimbursements under this paragraph (c) shall not exceed Fifteen
121 Thousand Dollars (\$15,000.00) in the aggregate. Reimbursements
122 under this paragraph (c) shall satisfy any applicable federal tax
123 law requirements.

124 (2) Amounts deposited into such special fund shall be
125 disbursed to pay the costs of the projects described in subsection
126 (1) of this section. Promptly after the commission has certified,
127 by resolution duly adopted, that the projects described in
128 subsection (1) of this section shall have been completed,
129 abandoned, or cannot be completed in a timely fashion, any amounts
130 remaining in such special fund shall be applied to pay debt
131 service on the bonds issued under this act, in accordance with the
132 proceedings authorizing the issuance of such bonds and as directed
133 by the commission.

134 **SECTION 3.** (1) The commission, at one time, or from time to
135 time, may declare by resolution the necessity for issuance of
136 general obligation bonds of the State of Mississippi to provide
137 funds for all costs incurred or to be incurred for the purposes
138 described in Section 2 of this act. Except as otherwise provided
139 in Section 2(1)(b) of this act, upon the adoption of a resolution

140 by the Mississippi Development Authority, declaring the necessity
141 for the issuance of any part or all of the general obligation
142 bonds authorized by this section, the Mississippi Development
143 Authority shall deliver a certified copy of its resolution or
144 resolutions to the commission. Upon receipt of such resolution,
145 the commission, in its discretion, may act as the issuing agent,
146 prescribe the form of the bonds, advertise for and accept bids,
147 issue and sell the bonds so authorized to be sold and do any and
148 all other things necessary and advisable in connection with the
149 issuance and sale of such bonds. The total amount of bonds issued
150 under this act shall not exceed Six Million Dollars
151 (\$6,000,000.00); provided, however, that not more than Three
152 Million Dollars (\$3,000,000.00) of bonds may be issued in any
153 fiscal year.

154 (2) Any investment earnings on amounts deposited into the
155 special fund created in Section 2 of this act shall be used to pay
156 debt service on bonds issued under this act, in accordance with
157 the proceedings authorizing issuance of such bonds.

158 **SECTION 4.** The principal of and interest on the bonds
159 authorized under this act shall be payable in the manner provided
160 in this section. Such bonds shall bear such date or dates, be in
161 such denomination or denominations, bear interest at such rate or
162 rates (not to exceed the limits set forth in Section 75-17-101,
163 Mississippi Code of 1972), be payable at such place or places
164 within or without the State of Mississippi, shall mature
165 absolutely at such time or times not to exceed twenty-five (25)
166 years from date of issue, be redeemable before maturity at such
167 time or times and upon such terms, with or without premium, shall
168 bear such registration privileges, and shall be substantially in
169 such form, all as shall be determined by resolution of the
170 commission.

171 **SECTION 5.** The bonds authorized by this act shall be signed
172 by the chairman of the commission, or by his facsimile signature,
173 and the official seal of the commission shall be affixed thereto,
174 attested by the secretary of the commission. The interest

175 coupons, if any, to be attached to such bonds may be executed by
176 the facsimile signatures of such officers. Whenever any such
177 bonds shall have been signed by the officials designated to sign
178 the bonds who were in office at the time of such signing but who
179 may have ceased to be such officers before the sale and delivery
180 of such bonds, or who may not have been in office on the date such
181 bonds may bear, the signatures of such officers upon such bonds
182 and coupons shall nevertheless be valid and sufficient for all
183 purposes and have the same effect as if the person so officially
184 signing such bonds had remained in office until their delivery to
185 the purchaser, or had been in office on the date such bonds may
186 bear. However, notwithstanding anything herein to the contrary,
187 such bonds may be issued as provided in the Registered Bond Act of
188 the State of Mississippi.

189 **SECTION 6.** All bonds and interest coupons issued under the
190 provisions of this act have all the qualities and incidents of
191 negotiable instruments under the provisions of the Uniform
192 Commercial Code, and in exercising the powers granted by this act,
193 the commission shall not be required to and need not comply with
194 the provisions of the Uniform Commercial Code.

195 **SECTION 7.** The commission shall act as the issuing agent for
196 the bonds authorized under this act, prescribe the form of the
197 bonds, advertise for and accept bids, issue and sell the bonds so
198 authorized to be sold, pay all fees and costs incurred in such
199 issuance and sale, and do any and all other things necessary and
200 advisable in connection with the issuance and sale of such bonds.
201 The commission is authorized and empowered to pay the costs that
202 are incident to the sale, issuance and delivery of the bonds
203 authorized under this act from the proceeds derived from the sale
204 of such bonds. The commission shall sell such bonds on sealed
205 bids at public sale, and for such price as it may determine to be
206 for the best interest of the State of Mississippi, but no such
207 sale shall be made at a price less than par plus accrued interest
208 to the date of delivery of the bonds to the purchaser. All
209 interest accruing on such bonds so issued shall be payable

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

212 Notice of the sale of any such bonds shall be published at
213 least one time, not less than ten (10) days before the date of
214 sale, and shall be so published in one or more newspapers
215 published or having a general circulation in the City of Jackson,
216 Mississippi, and in one or more other newspapers or financial
217 journals with a national circulation, to be selected by the
218 commission.

219 The commission, when issuing any bonds under the authority of
220 this act, may provide that bonds, at the option of the State of
221 Mississippi, may be called in for payment and redemption at the
222 call price named therein and accrued interest on such date or
223 dates named therein.

224 **SECTION 8.** The bonds issued under the provisions of this act
225 are general obligations of the State of Mississippi, and for the
226 payment thereof the full faith and credit of the State of
227 Mississippi is irrevocably pledged. If the funds appropriated by
228 the Legislature are insufficient to pay the principal of and the
229 interest on such bonds as they become due, then the deficiency
230 shall be paid by the State Treasurer from any funds in the State
231 Treasury not otherwise appropriated. All such bonds shall contain
232 recitals on their faces substantially covering the provisions of
233 this section.

234 **SECTION 9.** Upon the issuance and sale of bonds under the
235 provisions of this act, the commission shall transfer the proceeds
236 of any such sale or sales to the special fund created in Section 2
237 of this act. The proceeds of such bonds shall be disbursed solely
238 upon the order of the Mississippi Development Authority under such
239 restrictions, if any, as may be contained in the resolution
240 providing for the issuance of the bonds.

241 **SECTION 10.** The bonds authorized under this act may be
242 issued without any other proceedings or the happening of any other
243 conditions or things other than those proceedings, conditions and
244 things which are specified or required by this act. Any

245 resolution providing for the issuance of bonds under the
246 provisions of this act shall become effective immediately upon its
247 adoption by the commission, and any such resolution may be adopted
248 at any regular or special meeting of the commission by a majority
249 of its members.

250 **SECTION 11.** The bonds authorized under the authority of this
251 act may be validated in the Chancery Court of the First Judicial
252 District of Hinds County, Mississippi, in the manner and with the
253 force and effect provided by Chapter 13, Title 31, Mississippi
254 Code of 1972, for the validation of county, municipal, school
255 district and other bonds. The notice to taxpayers required by
256 such statutes shall be published in a newspaper published or
257 having a general circulation in the City of Jackson, Mississippi.

258 **SECTION 12.** Any holder of bonds issued under the provisions
259 of this act or of any of the interest coupons pertaining thereto
260 may, either at law or in equity, by suit, action, mandamus or
261 other proceeding, protect and enforce any and all rights granted
262 under this act, or under such resolution, and may enforce and
263 compel performance of all duties required by this act to be
264 performed, in order to provide for the payment of bonds and
265 interest thereon.

266 **SECTION 13.** All bonds issued under the provisions of this
267 act shall be legal investments for trustees and other fiduciaries,
268 and for savings banks, trust companies and insurance companies
269 organized under the laws of the State of Mississippi, and such
270 bonds shall be legal securities which may be deposited with and
271 shall be received by all public officers and bodies of this state
272 and all municipalities and political subdivisions for the purpose
273 of securing the deposit of public funds.

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

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

280 **SECTION 16.** The State Treasurer is authorized, without
281 further process of law, to certify to the Department of Finance
282 and Administration the necessity for warrants, and the Department
283 of Finance and Administration is authorized and directed to issue
284 such warrants, in such amounts as may be necessary to pay when due
285 the principal of, premium, if any, and interest on, or the
286 accreted value of, all bonds issued under this act; and the State
287 Treasurer shall forward the necessary amount to the designated
288 place or places of payment of such bonds in ample time to
289 discharge such bonds, or the interest thereon, on the due dates
290 thereof.

291 **SECTION 17.** This act shall be deemed to be full and complete
292 authority for the exercise of the powers herein granted, but this
293 act shall not be deemed to repeal or to be in derogation of any
294 existing law of this state.

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

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS IN THE AMOUNT OF \$4,000,000.00 TO PROVIDE FUNDS TO ASSIST
3 WAYNE COUNTY, CLARKE COUNTY, LAUDERDALE COUNTY, TISHOMINGO COUNTY,
4 ALCORN COUNTY, UNION COUNTY, LAFAYETTE COUNTY AND TIPPAAH COUNTY,
5 AND MUNICIPALITIES LOCATED WITHIN SUCH COUNTIES, IN PAYING COSTS
6 ASSOCIATED WITH CONSTRUCTION AND IMPROVEMENT OF RAILROAD LINES AND
7 RELATED FACILITIES LOCATED IN SUCH COUNTIES AND WHICH CONSTITUTE
8 PART OF A COOPERATIVE PLAN OF SUCH COUNTIES FOR THE IMPROVEMENT OF
9 RAIL TRANSPORTATION; AND FOR RELATED PURPOSES.

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John O. Gilbert
Secretary of the Senate