

By: Representatives Franks,
Reynolds, Guice, Patterson,
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To: Ways and Means

HOUSE BILL NO. 24
(As Passed the House)

1 AN ACT TO AMEND SECTION 27-107-321, MISSISSIPPI CODE OF 1972,
2 TO AUTHORIZE THE DEPARTMENT OF FINANCE AND ADMINISTRATION TO MAKE
3 GRANTS TO LOCAL GOVERNMENTS FROM THE EMERGENCY AID TO LOCAL
4 GOVERNMENTS FUND; TO PROVIDE THAT INTEREST EARNED OR INVESTMENT
5 EARNINGS ON AMOUNTS IN THE FUND SHALL BE DEPOSITED TO THE CREDIT
6 OF THE FUND AND TO PROVIDE THAT GRANTS FROM THE FUND MAY NOT
7 EXCEED \$3,000,000.00 AND THAT THE TOTAL AGGREGATE AMOUNT OF ALL
8 GRANTS SHALL NOT EXCEED \$25,000,000.00; TO ESTABLISH A GRANT
9 PROGRAM TO PROVIDE FUNDS TO CERTAIN COUNTIES AND MUNICIPALITIES
10 FOR THE PURPOSE OF MAKING GRANTS TO INDIVIDUALS WHO SUSTAINED
11 PHYSICAL DAMAGE TO HOMES DUE TO FLOODING, STORM SURGE OR OTHER
12 CATEGORIES OF DAMAGE SET FORTH IN RULES AND REGULATIONS OF THE
13 DEPARTMENT OF FINANCE AND ADMINISTRATION, AS A RESULT OF HURRICANE
14 KATRINA, WHO HAD NO FLOOD INSURANCE OR OTHER INSURANCE PROVIDING
15 COVERAGE FOR SUCH DAMAGE OR HAD FLOOD INSURANCE BUT HAD A FLOOD
16 LOSS THAT EXCEEDED SUCH INSURANCE, AND WHO WERE NOT COVERED BY
17 OTHER INSURANCE OR SOURCE OF REIMBURSEMENT; TO PROVIDE THAT THE
18 DEPARTMENT OF FINANCE AND ADMINISTRATION SHALL ADMINISTER THE
19 PROGRAM; TO PROVIDE THE MAXIMUM AMOUNT FOR SUCH GRANTS; TO
20 ESTABLISH CERTAIN ELIGIBILITY REQUIREMENTS FOR THE RECEIPT OF SUCH
21 GRANTS; TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
22 BONDS FOR THE PURPOSE OF PROVIDING FUNDS FOR THE GRANT PROGRAM; TO
23 REQUIRE NOTICE TO BE GIVEN TO CERTAIN MEMBERS OF THE LEGISLATURE
24 BEFORE A PUBLIC CEREMONY TO ANNOUNCE THE AWARD OF A GRANT UNDER
25 THIS ACT; TO REQUIRE THAT CERTAIN DOCUMENTS PREPARED IN CONNECTION
26 WITH A GRANT MADE UNDER THIS ACT CONTAIN LANGUAGE THAT THE GRANT
27 FUNDS WERE MADE AVAILABLE BY THE LEGISLATURE; AND FOR RELATED
28 PURPOSES.

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

30 **SECTION 1.** Section 27-107-321, Mississippi Code of 1972, is
31 amended as follows:

32 27-107-321. (1) (a) There are established two (2)
33 emergency aid to local governments loan and grant programs to be
34 administered by the Department of Finance and Administration,
35 referred to in this section as "department," for the purposes of
36 (i) assisting counties, incorporated municipalities and public
37 school districts that suffer revenue losses as a result of a
38 natural disaster for which a state of emergency has been duly
39 proclaimed, and (ii) providing funds to counties and
40 municipalities for the purposes of making grants available to

41 individuals who reside in Hancock, Harrison, Jackson, Pearl River,
42 Stone and George Counties and municipalities located in such
43 counties, who sustained physical damage to homes due to flooding,
44 storm surge or other categories of damage set forth in rules and
45 regulations promulgated by the department, as a result of
46 Hurricane Katrina, and who had no flood insurance or other
47 insurance providing coverage for such damage or had flood
48 insurance but had a flood loss that exceeded such insurance, and
49 who were not covered by other insurance or source of
50 reimbursement, as attested to by the homeowner. For the purposes
51 of the program authorized under this subparagraph (ii), a home
52 shall be the primary homestead of the applicant.

53 (b) The department may contract for facilities and
54 staff needed to administer this section, including routine
55 management, as it deems necessary. The department may advertise
56 for or solicit proposals from public or private sources, or both,
57 for administration of this section or any services required for
58 administration of this section or any portion thereof. It is the
59 intent of the Legislature that the department endeavor to ensure
60 that the costs of administration of this section are as low as
61 possible.

62 (c) The provisions of subsections (2) through (5) of
63 this section shall apply to the program described in paragraph
64 (a)(i) of this subsection, and the provisions of subsections (6)
65 through (11) of this section shall apply to the program described
66 in paragraph (a)(ii) of this subsection. The provisions of
67 subsections (12) and (14) of this section shall apply to both
68 programs described in paragraph (a) of this subsection, and the
69 provisions of subsection (13) of this section shall apply to the
70 program described in paragraph (a)(i) of this subsection.

71 (2) (a) There is created a special fund in the State
72 Treasury to be designated as the "Emergency Aid to Local
73 Governments Fund," referred to in this section as "fund," which

74 fund shall consist of money transferred from the Disaster Recovery
75 Fund created in Section 31-17-123 and money designated for deposit
76 therein from any other source, public or private, including, but
77 not limited to, appropriations, bond proceeds, grants, gifts or
78 donations. The fund shall be credited with all repayments of
79 principal and interest derived from loans made from the fund.
80 Unexpended amounts remaining in the fund at the end of a fiscal
81 year shall not lapse into the State General Fund, and any interest
82 earned or investment earnings on amounts in the fund shall be
83 deposited to the credit of the Emergency Aid to Local Governments
84 Fund. Monies in the fund may not be used or expended for any
85 purpose except as authorized under subsections (2) through (5) of
86 this section.

87 (b) The department shall establish a loan and grant
88 program by which loans and grants may be made available to
89 counties, incorporated municipalities and public school districts,
90 to assist those counties, incorporated municipalities and public
91 school districts. Loan and grant proceeds distributed to
92 counties, incorporated municipalities and public school districts
93 shall be considered to be, and shall be utilized by recipient in
94 the same manner as, governmental, enterprise or internal service
95 fund type revenues, specifically for essential government
96 services, including the payment of debt service. Any governmental
97 entity in the current fiscal year that demonstrates a projected
98 revenue loss equal to or exceeding twenty-five percent (25%) of
99 its governmental fund type revenues in the fiscal year prior to
100 the occurrence of the natural disaster eligible under subsections
101 (2) through (5) this section may qualify for a loan and/or grant.
102 The interest rate on loans made under this section may vary from
103 time to time and from loan to loan, and shall be at or below
104 market interest rates as determined by the department. The
105 department shall act as quickly as is practicable and prudent in
106 deciding on any loan or grant request that it receives. No loan

107 or grant shall be approved under subsections (2) through (5) of
108 this section unless the county, municipality or public school
109 district requesting the loan or grant has exhausted all other
110 available public or private programs to obtain funds for the
111 revenue loss that it is projected to suffer. Such public or
112 private programs shall include, but not be limited to, loans,
113 grants and donations.

114 (c) The aggregate amount of any loans or grants
115 received under subsections (2) through (5) of this section by a
116 county, incorporated municipality or public school district shall
117 not exceed one hundred percent (100%) of the difference between
118 the revenue received by a county, incorporated municipality or
119 public school district from governmental fund type revenues that
120 are used to fund essential services in the fiscal year prior to
121 the occurrence of the natural disaster and the estimated revenue
122 from such sources after the occurrence of the natural disaster
123 plus available cash reserves or fund balances at the fiscal year
124 end, as determined by the department. The State Bond Commission
125 shall set the maximum amount of any loan or grant made under
126 subsections (2) through (5) of this section at an amount that will
127 ensure the equitable distribution of the amounts available for
128 loans and grants to the eligible governmental entities affected by
129 the natural disaster, but in no event shall a grant exceed Three
130 Million Dollars (\$3,000,000.00) or the total aggregate amount of
131 all grants exceed Twenty-five Million Dollars (\$25,000,000.00).

132 (d) A county or public school district that receives a
133 loan from the fund shall pledge for repayment of the loan any part
134 of the homestead exemption annual tax loss reimbursement to which
135 it may be entitled under Section 27-33-77, as may be required by
136 the department. An incorporated municipality that receives a loan
137 from the fund or the emergency fund shall pledge for repayment of
138 the loan any part of the sales tax revenue distribution to which
139 it may be entitled under Section 27-65-75 or any part of the

140 homestead exemption annual tax loss reimbursement to which it may
141 be entitled under Section 27-33-77, as may be required by the
142 department. All recipients of such loans shall establish a
143 dedicated source of revenue for repayment of the loan. Before any
144 county, incorporated municipality or public school district shall
145 receive any loan, it shall have executed with the department a
146 loan agreement evidencing that loan, a copy of which shall be
147 filed by the department with the State Tax Commission. The loan
148 agreement shall not be construed to prohibit any recipient from
149 prepaying any part or all of the funds received. The repayment
150 schedule in each loan agreement shall provide for (i) monthly
151 payments, (ii) semiannual payments or (iii) other periodic
152 payments. The loan agreement shall provide for the repayment of
153 all funds received from the fund within not more than three (3)
154 years. The State Tax Commission shall, at the direction of the
155 department, withhold semiannually from counties, incorporated
156 municipalities and public school districts and monthly from
157 incorporated municipalities, from the amount to be remitted to the
158 county, municipality or public school district, the sum necessary
159 to pay all or a portion of the periodic payments for the loan.

160 (e) Any county, incorporated municipality or public
161 school district which receives a loan from the state for that
162 purpose but which is not eligible to pledge for repayment under
163 the provisions of paragraph (d) of this subsection, shall repay
164 that loan by making payments each month to the State Treasurer
165 through the Department of Finance and Administration for and on
166 behalf of the department according to Section 7-7-15, to be
167 credited to the fund in lieu of pledging homestead exemption
168 annual tax loss reimbursement or sales tax revenue distribution.

169 Loan repayments shall be according to a repayment schedule
170 contained in each loan agreement as provided in paragraph (d) of
171 this subsection.

172 (f) Evidences of indebtedness which are issued pursuant
173 to subsections (2) through (5) of this section shall not be deemed
174 indebtedness within the meaning specified in Section 21-33-303
175 with regard to cities and incorporated towns, in Section 19-9-5
176 with regard to counties and in Section 37-59-5 with regard to
177 public school districts.

178 (g) The State Auditor, upon request of the department,
179 shall audit the receipts and expenditures of a county, an
180 incorporated municipality or a public school district if loan
181 repayments appear to be in arrears, and if the Auditor finds that
182 the county, incorporated municipality or public school district is
183 in arrears in those repayments, the Auditor shall immediately
184 notify the executive director of the department who may take any
185 action as may be necessary to enforce the terms of the loan
186 agreement, including liquidation and enforcement of the security
187 given for repayment of the loan, and the executive director of the
188 department may, in his discretion, notify the State Tax Commission
189 to withhold all future payments to the county, incorporated
190 municipality or school district of homestead exemption annual tax
191 loss reimbursements under Section 27-33-77 and/or all sums
192 allocated to the incorporated municipality under Section 27-65-75,
193 until such time as the county, incorporated municipality or public
194 school district is again current in its loan repayments as
195 certified by the department.

196 (h) All monies deposited in the fund shall be used only
197 for providing the loans and grants authorized under subsections
198 (2) through (5) of this section. In addition, any amounts in the
199 fund may be used to defray the reasonable costs of administering
200 the fund; however, no monies in the fund which are to be used for
201 grant purposes may be used to defray any costs of administering
202 the fund or program. The department is authorized to use amounts
203 available to it from the fund to contract for those facilities and

204 staff needed to administer and provide routine management for the
205 funds and loan program.

206 * * *

207 (3) The State Bond Commission, at one time, or from time to
208 time, may declare the necessity for funds for the purposes
209 provided in subsections (2) through (5) of this section, including
210 the costs incident to the administration of the loan and grant
211 program described under subsection (1)(a)(i). Upon approval by
212 the State Bond Commission, the department is authorized to
213 transfer any necessary amount from the Disaster Recovery Fund
214 created in Section 31-17-123 to the fund in ample time to
215 discharge such loans, grants and incidental costs.

216 (4) The department is authorized, without further process of
217 law, to certify the necessity for warrants and is authorized and
218 directed to issue such warrants, in such amounts as may be
219 necessary to make loans and grants under the program described
220 under subsection (1)(a)(i).

221 (5) After any state funds in the fund are no longer needed
222 for the particular purpose for which they were appropriated,
223 deposited or transferred into the fund, the department shall
224 transfer those state funds back to the particular fund or funds in
225 the State Treasury from which they were appropriated or
226 transferred into the fund, upon certification of the State Fiscal
227 Officer that the state funds are not currently needed.

228 (6) A county or municipality desiring funds under
229 subsections (6) through (11) of this section must submit an
230 application to the department that contains the amount of funds
231 requested and any other information required by the department. A
232 county or municipality receiving funds under subsections (6)
233 through (11) of this section may contract with the local planning
234 and development district in which the county or municipality is
235 located or other entity approved by the department for the
236 administration of grant funds to individuals. A county or

237 municipality that contracts with a planning and development
238 district or other entity for such purposes may use part of the
239 funds received from the department for the purpose of defraying
240 the costs of such a contract.

241 (7) (a) The amount of a grant made by a county or
242 municipality, or both, under subsections (6) through (11) of this
243 section shall not exceed Fifty Thousand Dollars (\$50,000.00) in
244 the aggregate; however, grants made under subsections (6) through
245 (11) of this section shall be made only to the extent that federal
246 or other assistance is not available to an individual or does not
247 provide adequate assistance or coverage needed to repair or
248 rebuild a home for which a grant is made under subsections (6)
249 through (11) of this section. The proceeds of the grants
250 authorized under subsections (6) through (11) of this section
251 shall be used only for the purpose of repairing or rebuilding a
252 home for which a grant is made under subsections (6) through (11)
253 of this section. An individual receiving a grant to rebuild a
254 home must rebuild the home in the county in which it was located
255 at the time of the damage. In making funds available to counties
256 and municipalities under subsections (6) through (11) of this
257 section, the department shall attempt to provide for the equitable
258 distribution of such funds in order to address the housing needs
259 caused as a result of Hurricane Katrina.

260 (b) To be eligible for a grant under subsections (6)
261 through (11) of this section, an individual must:

262 (i) Own or have owned a home that sustained
263 physical damage due to flooding, storm surge or other categories
264 of damage set forth in rules and regulations promulgated by the
265 department, as a result of Hurricane Katrina;

266 (ii) Not have had flood insurance or other
267 insurance providing coverage for such damage, or had flood
268 insurance but had a flood loss that exceeded such insurance, and
269 was not covered by other insurance or source of reimbursement;

270 (iii) Agree to obtain and maintain flood insurance
271 coverage on the property for which assistance is requested; and
272 (iv) Have an aggregate household income that does
273 not exceed three hundred percent (300%) of the United States
274 poverty level.

275 (8) Any individual who receives a grant under subsections
276 (6) through (11) of this section and who fails to maintain flood
277 insurance coverage on the property for which assistance is
278 provided as required in subsections (6) through (11) of this
279 section shall not be eligible for state assistance for any flood
280 damage that occurs after the grant is made.

281 (9) An individual desiring assistance under subsections (6)
282 through (11) of this section must submit an application to the
283 department. The application must include a description of the
284 property and the purpose for which assistance is requested, the
285 cost of the project for which assistance is requested and any
286 other information required by the department.

287 (10) The department shall have all powers necessary to
288 implement and administer the program established under subsections
289 (6) through (11) of this section, and the department shall
290 promulgate rules and regulations, in accordance with the
291 Mississippi Administrative Procedures Law, necessary for the
292 implementation of subsections (6) through (11) of this section.
293 However, if the department desires to contract with any entity or
294 entities to assist in the administration of the program
295 established under subsections (6) through (11) of this section,
296 the department shall utilize a request for proposals procedure
297 before awarding any contract for any such assistance purposes.

298 (11) (a) There is created in the State Treasury a special
299 fund to be designated as the "Mississippi Disaster Home Flood
300 Grant Fund," which shall consist of funds appropriated or
301 otherwise made available by the Legislature in any manner and
302 funds from any other source designated for deposit into such fund.

303 Unexpended amounts remaining in the fund at the end of a fiscal
304 year shall not lapse into the State General Fund, and any
305 investment earnings or interest earned on amounts in the fund
306 shall be deposited to the credit of the fund. Monies in the fund
307 shall be used by the department for the purposes described in
308 subsections (6) through (11) of this section.

309 (12) In administering this section the department shall have
310 the following powers and duties:

311 (a) To supervise the use of all funds made available
312 under this section;

313 (b) To promulgate rules and regulations, to make
314 variances and exceptions thereto, and to establish procedures in
315 accordance with this section for the implementation of the loan
316 and grant programs described in subsection (1)(a);

317 (c) To requisition monies in the appropriate special
318 fund and distribute those monies in accordance with this section;

319 (d) To maintain, in accordance with generally accepted
320 government accounting standards, an accurate record of all monies
321 in each special fund made available to counties, incorporated
322 municipalities and public school districts under this section; and

323 (e) To file annually with the Legislature a report
324 detailing how monies in each special fund were distributed during
325 the preceding fiscal year to each county, incorporated
326 municipality and public school district.

327 (13) At least five (5) days before any public ceremony to
328 announce the award of a grant to a county, municipality or public
329 school district under subsections (2) through (5) of this section,
330 the department shall notify all of the members of the Mississippi
331 House of Representatives and Mississippi Senate whose districts
332 include any portion of the county, municipality or school district
333 to which the grant is being made.

334 (14) The department shall include the following language at
335 a prominent location on any documents prepared by the department

336 in connection with a grant made under this section that are to be
337 provided to the county, municipality or school district to which
338 the grant is made or to the public: "The funds for this grant
339 were made available by the Mississippi Legislature."

340 **SECTION 2.** (1) As used in this section, the following words
341 shall have the meanings ascribed herein unless the context clearly
342 requires otherwise:

343 (a) "Accreted value" of any bonds means, as of any date
344 of computation, an amount equal to the sum of (i) the stated
345 initial value of such bond, plus (ii) the interest accrued thereon
346 from the issue date to the date of computation at the rate,
347 compounded semiannually, that is necessary to produce the
348 approximate yield to maturity shown for bonds of the same
349 maturity.

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

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

352 (d) "Department" means the Department of Finance and
353 Administration.

354 (2) (a) The commission, at one time, or from time to time,
355 may declare by resolution the necessity for issuance of general
356 obligation bonds of the State of Mississippi to provide funds for
357 the program authorized in Section 27-107-321(1)(a)(ii),
358 Mississippi Code of 1972. Upon the adoption of a resolution by
359 the department, declaring the necessity for the issuance of any
360 part or all of the general obligation bonds authorized by this
361 section, the department shall deliver a certified copy of its
362 resolution or resolutions to the commission. Upon receipt of such
363 resolution, the commission, in its discretion, may act as the
364 issuing agent, prescribe the form of the bonds, advertise for and
365 accept bids, issue and sell the bonds so authorized to be sold and
366 do any and all other things necessary and advisable in connection
367 with the issuance and sale of such bonds. The total amount of

368 bonds issued under this section shall not exceed One Hundred
369 Million Dollars (\$100,000,000.00).

370 (b) The proceeds of bonds issued pursuant to this
371 section shall be deposited into the special fund created in
372 Section 27-107-321(11), Mississippi Code of 1972. Any investment
373 earnings on bonds issued pursuant to this section shall be used to
374 pay debt service on bonds issued under this section, in accordance
375 with the proceedings authorizing issuance of such bonds.

376 (3) The principal of and interest on the bonds authorized
377 under this section shall be payable in the manner provided in this
378 section. Such bonds shall bear such date or dates, be in such
379 denomination or denominations, bear interest at such rate or rates
380 (not to exceed the limits set forth in Section 75-17-101,
381 Mississippi Code of 1972), be payable at such place or places
382 within or without the State of Mississippi, shall mature
383 absolutely at such time or times not to exceed twenty-five (25)
384 years from date of issue, be redeemable before maturity at such
385 time or times and upon such terms, with or without premium, shall
386 bear such registration privileges, and shall be substantially in
387 such form, all as shall be determined by resolution of the
388 commission.

389 (4) The bonds authorized by this section shall be signed by
390 the chairman of the commission, or by his facsimile signature, and
391 the official seal of the commission shall be affixed thereto,
392 attested by the secretary of the commission. The interest
393 coupons, if any, to be attached to such bonds may be executed by
394 the facsimile signatures of such officers. Whenever any such
395 bonds shall have been signed by the officials designated to sign
396 the bonds who were in office at the time of such signing but who
397 may have ceased to be such officers before the sale and delivery
398 of such bonds, or who may not have been in office on the date such
399 bonds may bear, the signatures of such officers upon such bonds
400 and coupons shall nevertheless be valid and sufficient for all

401 purposes and have the same effect as if the person so officially
402 signing such bonds had remained in office until their delivery to
403 the purchaser, or had been in office on the date such bonds may
404 bear. However, notwithstanding anything herein to the contrary,
405 such bonds may be issued as provided in the Registered Bond Act of
406 the State of Mississippi.

407 (5) All bonds and interest coupons issued under the
408 provisions of this section have all the qualities and incidents of
409 negotiable instruments under the provisions of the Uniform
410 Commercial Code, and in exercising the powers granted by this
411 section, the commission shall not be required to and need not
412 comply with the provisions of the Uniform Commercial Code.

413 (6) The commission shall act as the issuing agent for the
414 bonds authorized under this section, prescribe the form of the
415 bonds, advertise for and accept bids, issue and sell the bonds so
416 authorized to be sold, pay all fees and costs incurred in such
417 issuance and sale, and do any and all other things necessary and
418 advisable in connection with the issuance and sale of such bonds.
419 The commission is authorized and empowered to pay the costs that
420 are incident to the sale, issuance and delivery of the bonds
421 authorized under this section from the proceeds derived from the
422 sale of such bonds. The commission shall sell such bonds on
423 sealed bids at public sale, and for such price as it may determine
424 to be for the best interest of the State of Mississippi, but no
425 such sale shall be made at a price less than par plus accrued
426 interest to the date of delivery of the bonds to the purchaser.
427 All interest accruing on such bonds so issued shall be payable
428 semiannually or annually; however, the first interest payment may
429 be for any period of not more than one (1) year.

430 Notice of the sale of any such bonds shall be published at
431 least one time, not less than ten (10) days before the date of
432 sale, and shall be so published in one or more newspapers
433 published or having a general circulation in the City of Jackson,

434 Mississippi, and in one or more other newspapers or financial
435 journals with a national circulation, to be selected by the
436 commission.

437 The commission, when issuing any bonds under the authority of
438 this section, may provide that bonds, at the option of the State
439 of Mississippi, may be called in for payment and redemption at the
440 call price named therein and accrued interest on such date or
441 dates named therein.

442 (7) The bonds issued under the provisions of this section
443 are general obligations of the State of Mississippi, and for the
444 payment thereof the full faith and credit of the State of
445 Mississippi is irrevocably pledged. If the funds appropriated by
446 the Legislature are insufficient to pay the principal of and the
447 interest on such bonds as they become due, then the deficiency
448 shall be paid by the State Treasurer from any funds in the State
449 Treasury not otherwise appropriated. All such bonds shall contain
450 recitals on their faces substantially covering the provisions of
451 this section.

452 (8) Upon the issuance and sale of bonds under the provisions
453 of this section, the commission shall transfer the proceeds of any
454 such sale or sales to the special fund created in Section
455 27-107-321(11), Mississippi Code of 1972. The proceeds of such
456 bonds shall be disbursed solely upon the order of the department
457 under such restrictions, if any, as may be contained in the
458 resolution providing for the issuance of the bonds.

459 (9) The bonds authorized under this section may be issued
460 without any other proceedings or the happening of any other
461 conditions or things other than those proceedings, conditions and
462 things which are specified or required by this section. Any
463 resolution providing for the issuance of bonds under the
464 provisions of this section shall become effective immediately upon
465 its adoption by the commission, and any such resolution may be

466 adopted at any regular or special meeting of the commission by a
467 majority of its members.

468 (10) The bonds authorized under the authority of this
469 section may be validated in the Chancery Court of the First
470 Judicial District of Hinds County, Mississippi, in the manner and
471 with the force and effect provided by Chapter 13, Title 31,
472 Mississippi Code of 1972, for the validation of county, municipal,
473 school district and other bonds. The notice to taxpayers required
474 by such statutes shall be published in a newspaper published or
475 having a general circulation in the City of Jackson, Mississippi.

476 (11) Any holder of bonds issued under the provisions of this
477 section or of any of the interest coupons pertaining thereto may,
478 either at law or in equity, by suit, action, mandamus or other
479 proceeding, protect and enforce any and all rights granted under
480 this section, or under such resolution, and may enforce and compel
481 performance of all duties required by this section to be
482 performed, in order to provide for the payment of bonds and
483 interest thereon.

484 (12) All bonds issued under the provisions of this section
485 shall be legal investments for trustees and other fiduciaries, and
486 for savings banks, trust companies and insurance companies
487 organized under the laws of the State of Mississippi, and such
488 bonds shall be legal securities which may be deposited with and
489 shall be received by all public officers and bodies of this state
490 and all municipalities and political subdivisions for the purpose
491 of securing the deposit of public funds.

492 (13) Bonds issued under the provisions of this section and
493 income therefrom shall be exempt from all taxation in the State of
494 Mississippi.

495 (14) The proceeds of the bonds issued under this section
496 shall be used solely for the purposes therein provided, including
497 the costs incident to the issuance and sale of such bonds.

498 (15) The State Treasurer is authorized, without further
499 process of law, to certify to the department the necessity for
500 warrants, and the department is authorized and directed to issue
501 such warrants, in such amounts as may be necessary to pay when due
502 the principal of, premium, if any, and interest on, or the
503 accreted value of, all bonds issued under this section; and the
504 State Treasurer shall forward the necessary amount to the
505 designated place or places of payment of such bonds in ample time
506 to discharge such bonds, or the interest thereon, on the due dates
507 thereof.

508 (16) This section shall be deemed to be full and complete
509 authority for the exercise of the powers therein granted, but this
510 section shall not be deemed to repeal or to be in derogation of
511 any existing law of this state.

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