

By: Representative Moss

To: Ways and Means

HOUSE BILL NO. 371

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS FOR THE PURPOSE OF CONSTRUCTING A LAKE AND RELATED
3 FACILITIES IN, ADJACENT TO OR IN CLOSE PROXIMITY TO THE TUSCUMBIA
4 WILDLIFE MANAGEMENT AREA IN ALCORN COUNTY, MISSISSIPPI; AND FOR
5 RELATED PURPOSES.

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

7 **SECTION 1.** (1) As used in this section, the following words
8 shall 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 (2) (a) (i) A special fund, to be designated as the "2007
20 Alcorn County Lake Project 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. Unexpended amounts remaining in the fund at
24 the end of a fiscal year shall not lapse into the State General
25 Fund, and any interest earned or investment earnings on amounts in
26 the fund shall be deposited into such fund.

27 (ii) Money deposited into the fund shall be
28 disbursed, in the discretion of the Department of Finance and

29 Administration, to pay the costs for the construction of an
30 eighty- to one-hundred-fifty-acre general purpose lake and related
31 facilities located in, adjacent to or in close proximity to the
32 Tuscumbia Wildlife Management Area located in Alcorn County,
33 Mississippi.

34 (b) Amounts deposited into such special fund shall be
35 disbursed to pay the costs of the projects described in paragraph
36 (a) of this subsection. Promptly after the commission has
37 certified, by resolution duly adopted, that the projects described
38 in subsection (1) shall have been completed, abandoned, or cannot
39 be completed in a timely fashion, any amounts remaining in such
40 special fund shall be applied to pay debt service on the bonds
41 issued under this section, in accordance with the proceedings
42 authorizing the issuance of such bonds and as directed by the
43 commission.

44 (c) The Department of Finance and Administration,
45 acting through the Bureau of Building, Grounds and Real Property
46 Management, is expressly authorized and empowered to receive and
47 expend any local or other source funds in connection with the
48 expenditure of funds provided for in this subsection. The
49 expenditure of monies deposited into the special fund shall be
50 under the direction of the Department of Finance and
51 Administration, and such funds shall be paid by the State
52 Treasurer upon warrants issued by such department, which warrants
53 shall be issued upon requisitions signed by the Executive Director
54 of the Department of Finance and Administration, or his designee.

55 (3) (a) The commission, at one time, or from time to time,
56 may declare by resolution the necessity for issuance of general
57 obligation bonds of the State of Mississippi to provide funds for
58 all costs incurred or to be incurred for the purposes described in
59 subsection (2) of this section. Upon the adoption of a resolution
60 by the Department of Finance and Administration, declaring the
61 necessity for the issuance of any part or all of the general

62 obligation bonds authorized by this subsection, the department
63 shall deliver a certified copy of its resolution or resolutions to
64 the commission. Upon receipt of such resolution, the commission,
65 in its discretion, may act as the issuing agent, prescribe the
66 form of the bonds, advertise for and accept bids, issue and sell
67 the bonds so authorized to be sold and do any and all other things
68 necessary and advisable in connection with the issuance and sale
69 of such bonds. The total amount of bonds issued under this
70 section shall not exceed Nine Hundred Thousand Dollars
71 (\$900,000.00). No bonds shall be issued under this section from
72 and after July 1, 2011.

73 (b) Any investment earnings on amounts deposited into
74 the special fund created in subsection (2) of this section shall
75 be used to pay debt service on bonds issued under this section, in
76 accordance with the proceedings authorizing issuance of such
77 bonds.

78 (4) The principal of and interest on the bonds authorized
79 under this section shall be payable in the manner provided in this
80 subsection. Such bonds shall bear such date or dates, be in such
81 denomination or denominations, bear interest at such rate or rates
82 (not to exceed the limits set forth in Section 75-17-101,
83 Mississippi Code of 1972), be payable at such place or places
84 within or without the State of Mississippi, shall mature
85 absolutely at such time or times not to exceed twenty-five (25)
86 years from date of issue, be redeemable before maturity at such
87 time or times and upon such terms, with or without premium, shall
88 bear such registration privileges, and shall be substantially in
89 such form, all as shall be determined by resolution of the
90 commission.

91 (5) The bonds authorized by this section shall be signed by
92 the chairman of the commission, or by his facsimile signature, and
93 the official seal of the commission shall be affixed thereto,
94 attested by the secretary of the commission. The interest

95 coupons, if any, to be attached to such bonds may be executed by
96 the facsimile signatures of such officers. Whenever any such
97 bonds shall have been signed by the officials designated to sign
98 the bonds who were in office at the time of such signing but who
99 may have ceased to be such officers before the sale and delivery
100 of such bonds, or who may not have been in office on the date such
101 bonds may bear, the signatures of such officers upon such bonds
102 and coupons shall nevertheless be valid and sufficient for all
103 purposes and have the same effect as if the person so officially
104 signing such bonds had remained in office until their delivery to
105 the purchaser, or had been in office on the date such bonds may
106 bear. However, notwithstanding anything herein to the contrary,
107 such bonds may be issued as provided in the Registered Bond Act of
108 the State of Mississippi.

109 (6) All bonds and interest coupons issued under the
110 provisions of this section have all the qualities and incidents of
111 negotiable instruments under the provisions of the Uniform
112 Commercial Code, and in exercising the powers granted by this
113 section, the commission shall not be required to and need not
114 comply with the provisions of the Uniform Commercial Code.

115 (7) The commission shall act as the issuing agent for the
116 bonds authorized under this section, prescribe the form of the
117 bonds, advertise for and accept bids, issue and sell the bonds so
118 authorized to be sold, pay all fees and costs incurred in such
119 issuance and sale, and do any and all other things necessary and
120 advisable in connection with the issuance and sale of such bonds.
121 The commission is authorized and empowered to pay the costs that
122 are incident to the sale, issuance and delivery of the bonds
123 authorized under this section from the proceeds derived from the
124 sale of such bonds. The commission shall sell such bonds on
125 sealed bids at public sale, and for such price as it may determine
126 to be for the best interest of the State of Mississippi, but no
127 such sale shall be made at a price less than par plus accrued

128 interest to the date of delivery of the bonds to the purchaser.
129 All interest accruing on such bonds so issued shall be payable
130 semiannually or annually; however, the first interest payment may
131 be for any period of not more than one (1) year.

132 Notice of the sale of any such bonds shall be published at
133 least one (1) time, not less than ten (10) days before the date of
134 sale, and shall be so published in one or more newspapers
135 published or having a general circulation in the City of Jackson,
136 Mississippi, and in one or more other newspapers or financial
137 journals with a national circulation, to be selected by the
138 commission.

139 The commission, when issuing any bonds under the authority of
140 this section, may provide that bonds, at the option of the State
141 of Mississippi, may be called in for payment and redemption at the
142 call price named therein and accrued interest on such date or
143 dates named therein.

144 (8) The bonds issued under the provisions of this section
145 are general obligations of the State of Mississippi, and for the
146 payment thereof the full faith and credit of the State of
147 Mississippi is irrevocably pledged. If the funds appropriated by
148 the Legislature are insufficient to pay the principal of and the
149 interest on such bonds as they become due, then the deficiency
150 shall be paid by the State Treasurer from any funds in the State
151 Treasury not otherwise appropriated. All such bonds shall contain
152 recitals on their faces substantially covering the provisions of
153 this subsection.

154 (9) Upon the issuance and sale of bonds under the provisions
155 of this section, the commission shall transfer the proceeds of any
156 such sale or sales to the special fund created in subsection (2)
157 of this section. The proceeds of such bonds shall be disbursed
158 solely upon the order of the Department of Finance and
159 Administration under such restrictions, if any, as may be

160 contained in the resolution providing for the issuance of the
161 bonds.

162 (10) The bonds authorized under this section may be issued
163 without any other proceedings or the happening of any other
164 conditions or things other than those proceedings, conditions and
165 things which are specified or required by this section. Any
166 resolution providing for the issuance of bonds under the
167 provisions of this section shall become effective immediately upon
168 its adoption by the commission, and any such resolution may be
169 adopted at any regular or special meeting of the commission by a
170 majority of its members.

171 (11) The bonds authorized under the authority of this
172 section may be validated in the Chancery Court of the First
173 Judicial District of Hinds County, Mississippi, in the manner and
174 with the force and effect provided by Chapter 13, Title 31,
175 Mississippi Code of 1972, for the validation of county, municipal,
176 school district and other bonds. The notice to taxpayers required
177 by such statutes shall be published in a newspaper published or
178 having a general circulation in the City of Jackson, Mississippi.

179 (12) Any holder of bonds issued under the provisions of this
180 section or of any of the interest coupons pertaining thereto may,
181 either at law or in equity, by suit, action, mandamus or other
182 proceeding, protect and enforce any and all rights granted under
183 this section, or under such resolution, and may enforce and compel
184 performance of all duties required by this section to be
185 performed, in order to provide for the payment of bonds and
186 interest thereon.

187 (13) All bonds issued under the provisions of this section
188 shall be legal investments for trustees and other fiduciaries, and
189 for savings banks, trust companies and insurance companies
190 organized under the laws of the State of Mississippi, and such
191 bonds shall be legal securities which may be deposited with and
192 shall be received by all public officers and bodies of this state

193 and all municipalities and political subdivisions for the purpose
194 of securing the deposit of public funds.

195 (14) Bonds issued under the provisions of this section and
196 income therefrom shall be exempt from all taxation in the State of
197 Mississippi.

198 (15) The proceeds of the bonds issued under this section
199 shall be used solely for the purposes herein provided, including
200 the costs incident to the issuance and sale of such bonds.

201 (16) The State Treasurer is authorized, without further
202 process of law, to certify to the Department of Finance and
203 Administration the necessity for warrants, and the Department of
204 Finance and Administration is authorized and directed to issue
205 such warrants, in such amounts as may be necessary to pay when due
206 the principal of, premium, if any, and interest on, or the
207 accreted value of, all bonds issued under this section; and the
208 State Treasurer shall forward the necessary amount to the
209 designated place or places of payment of such bonds in ample time
210 to discharge such bonds, or the interest thereon, on the due dates
211 thereof.

212 (17) This section shall be deemed to be full and complete
213 authority for the exercise of the powers herein granted, but this
214 section shall not be deemed to repeal or to be in derogation of
215 any existing law of this state.

216 **SECTION 2.** This act shall take effect and be in force from
217 and after its passage.