

By: Representatives Robinson (84th),
Reynolds, McBride

To: Ways and Means

HOUSE BILL NO. 1587

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FOR FUNDS FOR IMPROVEMENTS TO THE NORTH
3 MISSISSIPPI FISH HATCHERY; AND FOR RELATED PURPOSES.

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

5 **SECTION 1.** (1) As used in this section, the following words
6 shall have the meanings ascribed herein unless the context clearly
7 requires otherwise:

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

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

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

17 (2) (a) (i) A special fund, to be designated as the "North
18 Mississippi Fish Hatchery Improvements Fund" is created within the
19 State Treasury. The fund shall be maintained by the State
20 Treasurer as a separate and special fund, separate and apart from
21 the General Fund of the state. Unexpended amounts remaining in
22 the fund at the end of a fiscal year shall not lapse into the
23 State General Fund, and any interest earned or investment earnings
24 on amounts in the fund shall be deposited into such fund.

25 (ii) Money deposited into the fund shall be
26 disbursed, in the discretion of the Department of Finance and
27 Administration, to pay the costs of construction, furnishing,

28 equipping, repair and renovation of the North Mississippi Fish
29 Hatchery in Oakland, Mississippi.

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

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

51 (3) (a) The commission, at one time, or from time to time,
52 may declare by resolution the necessity for issuance of general
53 obligation bonds of the State of Mississippi to provide funds for
54 all costs incurred or to be incurred for the purposes described in
55 subsection (2) of this section. Upon the adoption of a resolution
56 by the Department of Finance and Administration, declaring the
57 necessity for the issuance of any part or all of the general
58 obligation bonds authorized by this subsection, the department
59 shall deliver a certified copy of its resolution or resolutions to
60 the commission. Upon receipt of such resolution, the commission,

61 in its discretion, may act as the issuing agent, prescribe the
62 form of the bonds, advertise for and accept bids, issue and sell
63 the bonds so authorized to be sold and do any and all other things
64 necessary and advisable in connection with the issuance and sale
65 of such bonds. The total amount of bonds issued under this
66 section shall not exceed One Million One Hundred Thousand Dollars
67 (\$1,100,000.00). No bonds shall be issued under this section from
68 and after July 1, 2011.

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

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

87 (5) The bonds authorized by this section shall be signed by
88 the chairman of the commission, or by his facsimile signature, and
89 the official seal of the commission shall be affixed thereto,
90 attested by the secretary of the commission. The interest
91 coupons, if any, to be attached to such bonds may be executed by
92 the facsimile signatures of such officers. Whenever any such
93 bonds shall have been signed by the officials designated to sign

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

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

111 (7) The commission shall act as the issuing agent for the
112 bonds authorized under this section, 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 section from the proceeds derived from the
120 sale of such bonds. The commission shall sell such bonds on
121 sealed bids at public sale, and for such price as it may determine
122 to be for the best interest of the State of Mississippi, but no
123 such sale shall be made at a price less than par plus accrued
124 interest to the date of delivery of the bonds to the purchaser.
125 All 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 section, may provide that bonds, at the option of the State
137 of 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 (8) The bonds issued under the provisions of this section
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 subsection.

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

158 (10) The bonds authorized under this section may be issued
159 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 section. Any
162 resolution providing for the issuance of bonds under the
163 provisions of this section shall become effective immediately upon
164 its adoption by the commission, and any such resolution may be
165 adopted at any regular or special meeting of the commission by a
166 majority of its members.

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

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

183 (13) All bonds issued under the provisions of this section
184 shall be legal investments for trustees and other fiduciaries, and
185 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 (14) Bonds issued under the provisions of this section and
192 income therefrom shall be exempt from all taxation in the State of
193 Mississippi.

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

197 (16) The State Treasurer is authorized, without further
198 process of law, to certify to the Department of Finance and
199 Administration the necessity for warrants, and the Department of
200 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 section; and the
204 State Treasurer shall forward the necessary amount to the
205 designated place or places of payment of such bonds in ample time
206 to discharge such bonds, or the interest thereon, on the due dates
207 thereof.

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

212 **SECTION 2.** This act shall take effect and be in force from
213 and after July 1, 2007.