

By: Representative Hudson

To: Ways and Means

HOUSE BILL NO. 377

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS TO ASSIST SUNFLOWER COUNTY, MISSISSIPPI, IN
3 PAYING COSTS ASSOCIATED WITH RESEARCHING WHETHER WINDMILLS OR
4 OTHER FORMS OF WIND ENERGY ARE A VIABLE SOURCE FOR PROVIDING POWER
5 FOR THE COUNTY; AND FOR 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 the "2018
20 Sunflower County Wind Energy Research Fund" is created within the
21 State Treasury. The fund shall be maintained by the State
22 Treasurer as a separate and special fund, separate and apart from
23 the General Fund of the state. Unexpended amounts remaining in
24 the fund at the end of a fiscal year shall not lapse into the
25 State General Fund, and any interest earned or investment earnings
26 on amounts in the fund shall be deposited into such fund.

27 (ii) Monies deposited into the fund shall be
28 disbursed, in the discretion of the Department of Finance and
29 Administration, to assist Sunflower County, Mississippi, in paying
30 costs associated with researching whether windmills or other forms
31 of wind energy are a viable source of power for the county.

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

42 (c) The expenditure of monies deposited into the
43 special fund shall be under the direction of the Department of



44 Finance and Administration, and such funds shall be paid by the
45 State Treasurer upon warrants issued by such department, which
46 warrants shall be issued upon requisitions signed by the Executive
47 Director of the Department of Finance and Administration, or his
48 designee.

49 (3) (a) The commission, at one time, or from time to time,
50 may declare by resolution the necessity for issuance of general
51 obligation bonds of the State of Mississippi to provide funds for
52 all costs incurred or to be incurred for the purposes described in
53 subsection (2) of this section. Upon the adoption of a resolution
54 by the Department of Finance and Administration, declaring the
55 necessity for the issuance of any part or all of the general
56 obligation bonds authorized by this section, the department shall
57 deliver a certified copy of its resolution or resolutions to the
58 commission. Upon receipt of such resolution, the commission, in
59 its discretion, may act as the issuing agent, prescribe the form
60 of the bonds, determine the appropriate method for sale of the
61 bonds, advertise for and accept bids or negotiate the sale of the
62 bonds, issue and sell the bonds so authorized to be sold and do
63 any and all other things necessary and advisable in connection
64 with the issuance and sale of such bonds. The total amount of
65 bonds issued under this section shall not exceed One Hundred
66 Thousand Dollars (\$100,000.00). No bonds shall be issued under
67 this section after July 1, 2022.



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

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

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



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

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

110 (7) The commission shall act as issuing agent for the bonds
111 authorized under this section, prescribe the form of the bonds,
112 determine the appropriate method for sale of the bonds, advertise
113 for and accept bids or negotiate the sale of the bonds, issue and
114 sell the bonds so authorized to be sold, pay all fees and costs
115 incurred in such issuance and sale, and do any and all other
116 things necessary and advisable in connection with the issuance and
117 sale of such bonds. The commission is authorized and empowered to



118 pay the costs that are incident to the sale, issuance and delivery
119 of the bonds authorized under this section from the proceeds
120 derived from the sale of such bonds. The commission may sell such
121 bonds on sealed bids at public sale or may negotiate the sale of
122 the bonds for such price as it may determine to be for the best
123 interest of the State of Mississippi. All interest accruing on
124 such bonds so issued shall be payable semiannually or annually.

125 If such bonds are sold by sealed bids at public sale, notice
126 of the sale shall be published at least one (1) time, not less
127 than ten (10) days before the date of sale, and shall be so
128 published in one or more newspapers published or having a general
129 circulation in the City of Jackson, Mississippi, selected by the
130 commission.

131 The commission, when issuing any bonds under the authority of
132 this section, may provide that bonds, at the option of the State
133 of Mississippi, may be called in for payment and redemption at the
134 call price named therein and accrued interest on such date or
135 dates named therein.

136 (8) The bonds issued under the provisions of this section
137 are general obligations of the State of Mississippi, and for the
138 payment thereof the full faith and credit of the State of
139 Mississippi is irrevocably pledged. If the funds appropriated by
140 the Legislature are insufficient to pay the principal of and the
141 interest on such bonds as they become due, then the deficiency
142 shall be paid by the State Treasurer from any funds in the State



143 Treasury not otherwise appropriated. All such bonds shall contain
144 recitals on their faces substantially covering the provisions of
145 this subsection.

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

154 (10) The bonds authorized under this section may be issued
155 without any other proceedings or the happening of any other
156 conditions or things other than those proceedings, conditions and
157 things which are specified or required by this section. Any
158 resolution providing for the issuance of bonds under the
159 provisions of this section shall become effective immediately upon
160 its adoption by the commission, and any such resolution may be
161 adopted at any regular or special meeting of the commission by a
162 majority of its members.

163 (11) The bonds authorized under the authority of this
164 section may be validated in the Chancery Court of the First
165 Judicial District of Hinds County, Mississippi, in the manner and
166 with the force and effect provided by Chapter 13, Title 31,
167 Mississippi Code of 1972, for the validation of county, municipal,



168 school district and other bonds. The notice to taxpayers required
169 by such statutes shall be published in a newspaper published or
170 having a general circulation in the City of Jackson, Mississippi.

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

179 (13) All bonds issued under the provisions of this section
180 shall be legal investments for trustees and other fiduciaries, and
181 for savings banks, trust companies and insurance companies
182 organized under the laws of the State of Mississippi, and such
183 bonds shall be legal securities which may be deposited with and
184 shall be received by all public officers and bodies of this state
185 and all municipalities and political subdivisions for the purpose
186 of securing the deposit of public funds.

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

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



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

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

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

