

By: Representative Powell

To: Ways and Means

HOUSE BILL NO. 381

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
 2 BONDS TO PROVIDE FUNDS TO ASSIST THE PEARL RIVER VALLEY WATER  
 3 SUPPLY DISTRICT IN PAYING COSTS ASSOCIATED WITH THE REPAIR,  
 4 REHABILITATION, RECONSTRUCTION OR REPLACEMENT OF SEAWALLS AT THE  
 5 ROSS BARNETT RESERVOIR AS REQUIRED BY THE SETTLEMENT AGREEMENT IN  
 6 THE CASE OF BOBBY L. BAKER, JR., ET AL. V. PEARL RIVER VALLEY  
 7 WATER SUPPLY DISTRICT; AND FOR RELATED PURPOSES.

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

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

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

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

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



21 (2) (a) (i) A special fund, to be designated the "2018  
22 Ross Barnett Reservoir Seawall Repair and Renovation Fund," is  
23 created within the State Treasury. The fund shall be maintained  
24 by the State Treasurer as a separate and special fund, separate  
25 and apart from the General Fund of the state. Unexpended amounts  
26 remaining in the fund at the end of a fiscal year shall not lapse  
27 into the State General Fund, and any interest earned or investment  
28 earnings on amounts in the fund shall be deposited into such fund.

29 (ii) Monies deposited into the fund shall be  
30 disbursed, in the discretion of the Department of Finance and  
31 Administration, to assist the Pearl River Valley Water Supply  
32 District in paying costs associated with the repair,  
33 rehabilitation, reconstruction or replacement of seawalls at the  
34 Ross Barnett Reservoir as required by the settlement agreement in  
35 the case of Bobby L. Baker, Jr., et al. v. Pearl River Valley  
36 Water Supply District, in the Circuit Court of Rankin County,  
37 Mississippi, Civil Action No. 212-133E.

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



46 the proceedings authorizing the issuance of such bonds and as  
47 directed by the commission.

48 (3) (a) The commission, at one time, or from time to time,  
49 may declare by resolution the necessity for issuance of general  
50 obligation bonds of the State of Mississippi to provide funds for  
51 all costs incurred or to be incurred for the purposes described in  
52 subsection (2) of this section. Upon the adoption of a resolution  
53 by the Department of Finance and Administration, declaring the  
54 necessity for the issuance of any part or all of the general  
55 obligation bonds authorized by this subsection, the department  
56 shall deliver a certified copy of its resolution or resolutions to  
57 the commission. Upon receipt of such resolution, the commission,  
58 in its discretion, may act as the issuing agent, prescribe the  
59 form of the bonds, determine the appropriate method for sale of  
60 the bonds, advertise for and accept bids or negotiate the sale of  
61 the bonds, issue and sell the bonds so authorized to be sold and  
62 do any and all other things necessary and advisable in connection  
63 with the issuance and sale of such bonds. The total amount of  
64 bonds issued under this section shall not exceed Four Million  
65 Dollars (\$4,000,000.00). No bonds shall be issued under this  
66 section after July 1, 2022.

67 (b) Any investment earnings on amounts deposited into  
68 the special fund created in subsection (2) of this section shall  
69 be used to pay debt service on bonds issued under this section, in



70 accordance with the proceedings authorizing issuance of such  
71 bonds.

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

85 (5) The bonds authorized by this section shall be signed by  
86 the chairman of the commission, or by his facsimile signature, and  
87 the official seal of the commission shall be affixed thereto,  
88 attested by the secretary of the commission. The interest  
89 coupons, if any, to be attached to such bonds may be executed by  
90 the facsimile signatures of such officers. Whenever any such  
91 bonds shall have been signed by the officials designated to sign  
92 the bonds who were in office at the time of such signing but who  
93 may have ceased to be such officers before the sale and delivery  
94 of such bonds, or who may not have been in office on the date such



95 bonds may bear, the signatures of such officers upon such bonds  
96 and coupons shall nevertheless be valid and sufficient for all  
97 purposes and have the same effect as if the person so officially  
98 signing such bonds had remained in office until their delivery to  
99 the purchaser, or had been in office on the date such bonds may  
100 bear. However, notwithstanding anything herein to the contrary,  
101 such bonds may be issued as provided in the Registered Bond Act of  
102 the State of Mississippi.

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

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



120 bonds on sealed bids at public sale or may negotiate the sale of  
121 the bonds for such price as it may determine to be for the best  
122 interest of the State of Mississippi. All interest accruing on  
123 such bonds so issued shall be payable semiannually or annually.

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

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

135 (8) The bonds issued under the provisions of this section  
136 are general obligations of the State of Mississippi, and for the  
137 payment thereof the full faith and credit of the State of  
138 Mississippi is irrevocably pledged. If the funds appropriated by  
139 the Legislature are insufficient to pay the principal of and the  
140 interest on such bonds as they become due, then the deficiency  
141 shall be paid by the State Treasurer from any funds in the State  
142 Treasury not otherwise appropriated. All such bonds shall contain  
143 recitals on their faces substantially covering the provisions of  
144 this subsection.



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

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

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



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

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

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

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

192           (16) The State Treasurer is authorized, without further  
193 process of law, to certify to the Department of Finance and  
194 Administration the necessity for warrants, and the Department of





195 Finance and Administration is authorized and directed to issue  
196 such warrants, in such amounts as may be necessary to pay when due  
197 the principal of, premium, if any, and interest on, or the  
198 accreted value of, all bonds issued under this section; and the  
199 State Treasurer shall forward the necessary amount to the  
200 designated place or places of payment of such bonds in ample time  
201 to discharge such bonds, or the interest thereon, on the due dates  
202 thereof.

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

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

