

By: Representative Smith

To: Ways and Means

HOUSE BILL NO. 814

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS  
 2 IN THE AMOUNT OF \$5,000,000.00 TO PROVIDE FUNDS FOR THE  
 3 MISSISSIPPI WATERSHED REPAIR AND REHABILITATION COST-SHARE  
 4 PROGRAM; TO AMEND SECTION 51-37-3, MISSISSIPPI CODE OF 1972, TO  
 5 CONFORM TO THE PROVISIONS OF THIS ACT; 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 bonds 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)   The Mississippi Soil and Water Conservation  
20 Commission, at one time, or from time to time, may declare by  
21 resolution the necessity for issuance of general obligation bonds  
22 of the State of Mississippi to provide funds for the Mississippi  
23 Watershed Repair and Rehabilitation Cost-Share Program established  
24 in Section 51-37-3, Mississippi Code of 1972. Upon the adoption  
25 of a resolution by the Mississippi Soil and Water Conservation  
26 Commission, declaring the necessity for the issuance of any part  
27 or all of the general obligation bonds authorized by this  
28 subsection, the Mississippi Soil and Water Conservation Commission  
29 shall deliver a certified copy of its resolution or resolutions to  
30 the commission. Upon receipt of such resolution, the commission,  
31 in its discretion, may act as the issuing agent, prescribe the  
32 form of the bonds, determine the appropriate method for sale of  
33 the bonds, advertise for and accept bids or negotiate the sale of  
34 the bonds, issue and sell the bonds so authorized to be sold and  
35 do any and all other things necessary and advisable in connection  
36 with the issuance and sale of such bonds. The total amount of  
37 bonds issued under this section shall not exceed Five Million  
38 Dollars (\$5,000,000.00). No bonds authorized under this section  
39 shall be issued after July 1, 2022.

40           (b)   The proceeds of bonds issued pursuant to this  
41 section shall be deposited into the special fund authorized in  
42 Section 51-37-3, Mississippi Code of 1972. Any investment  
43 earnings on bonds issued pursuant to this section shall be used to



44 pay debt service on bonds issued under this section, in accordance  
45 with the proceedings authorizing issuance of such bonds.

46 (3) The principal of and interest on the bonds authorized  
47 under this section shall be payable in the manner provided in this  
48 subsection. Such bonds shall bear such date or dates, be in such  
49 denomination or denominations, bear interest at such rate or rates  
50 (not to exceed the limits set forth in Section 75-17-101,  
51 Mississippi Code of 1972), be payable at such place or places  
52 within or without the State of Mississippi, shall mature  
53 absolutely at such time or times not to exceed twenty-five (25)  
54 years from date of issue, be redeemable before maturity at such  
55 time or times and upon such terms, with or without premium, shall  
56 bear such registration privileges, and shall be substantially in  
57 such form, all as shall be determined by resolution of the  
58 commission.

59 (4) The bonds authorized by this section shall be signed by  
60 the chairman of the commission, or by his facsimile signature, and  
61 the official seal of the commission shall be affixed thereto,  
62 attested by the secretary of the commission. The interest  
63 coupons, if any, to be attached to such bonds may be executed by  
64 the facsimile signatures of such officers. Whenever any such  
65 bonds shall have been signed by the officials designated to sign  
66 the bonds who were in office at the time of such signing but who  
67 may have ceased to be such officers before the sale and delivery  
68 of such bonds, or who may not have been in office on the date such



69 bonds may bear, the signatures of such officers upon such bonds  
70 and coupons shall nevertheless be valid and sufficient for all  
71 purposes and have the same effect as if the person so officially  
72 signing such bonds had remained in office until their delivery to  
73 the purchaser, or had been in office on the date such bonds may  
74 bear. However, notwithstanding anything herein to the contrary,  
75 such bonds may be issued as provided in the Registered Bond Act of  
76 the State of Mississippi.

77 (5) All bonds and interest coupons issued under the  
78 provisions of this section have all the qualities and incidents of  
79 negotiable instruments under the provisions of the Uniform  
80 Commercial Code, and in exercising the powers granted by this  
81 section, the commission shall not be required to and need not  
82 comply with the provisions of the Uniform Commercial Code.

83 (6) The commission shall act as issuing agent for the bonds  
84 authorized under this section, prescribe the form of the bonds,  
85 determine the appropriate method for sale of the bonds, advertise  
86 for and accept bids or negotiate the sale of the bonds, issue and  
87 sell the bonds so authorized to be sold, pay all fees and costs  
88 incurred in such issuance and sale, and do any and all other  
89 things necessary and advisable in connection with the issuance and  
90 sale of such bonds. The commission is authorized and empowered to  
91 pay the costs that are incident to the sale, issuance and delivery  
92 of the bonds authorized under this section from the proceeds  
93 derived from the sale of such bonds. The commission may sell such



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

98 If such bonds are sold by sealed bids at public sale, notice  
99 of the sale shall be published at least one time, not less than  
100 ten (10) days before the date of sale, and shall be so published  
101 in one or more newspapers published or having a general  
102 circulation in the City of Jackson, Mississippi, selected by the  
103 commission.

104 The commission, when issuing any bonds under the authority of  
105 this section, may provide that bonds, at the option of the State  
106 of Mississippi, may be called in for payment and redemption at the  
107 call price named therein and accrued interest on such date or  
108 dates named therein.

109 (7) The bonds issued under the provisions of this section  
110 are general obligations of the State of Mississippi, and for the  
111 payment thereof the full faith and credit of the State of  
112 Mississippi is irrevocably pledged. If the funds appropriated by  
113 the Legislature are insufficient to pay the principal of and the  
114 interest on such bonds as they become due, then the deficiency  
115 shall be paid by the State Treasurer from any funds in the State  
116 Treasury not otherwise appropriated. All such bonds shall contain  
117 recitals on their faces substantially covering the provisions of  
118 this subsection.



119           (8) Upon the issuance and sale of bonds under the provisions  
120 of this section, the commission shall transfer the proceeds of any  
121 such sale or sales to the special fund authorized in Section  
122 51-37-3, Mississippi Code of 1972. The proceeds of such bonds  
123 shall be disbursed solely upon the order of the Mississippi Soil  
124 and Water Conservation Commission under such restrictions, if any,  
125 as may be contained in the resolution providing for the issuance  
126 of the bonds.

127           (9) The bonds authorized under this section may be issued  
128 without any other proceedings or the happening of any other  
129 conditions or things other than those proceedings, conditions and  
130 things which are specified or required by this section. Any  
131 resolution providing for the issuance of bonds under the  
132 provisions of this section shall become effective immediately upon  
133 its adoption by the commission, and any such resolution may be  
134 adopted at any regular or special meeting of the commission by a  
135 majority of its members.

136           (10) The bonds authorized under the authority of this  
137 section may be validated in the Chancery Court of the First  
138 Judicial District of Hinds County, Mississippi, in the manner and  
139 with the force and effect provided by Chapter 13, Title 31,  
140 Mississippi Code of 1972, for the validation of county, municipal,  
141 school district and other bonds. The notice to taxpayers required  
142 by such statutes shall be published in a newspaper published or  
143 having a general circulation in the City of Jackson, Mississippi.



144           (11) Any holder of bonds issued under the provisions of this  
145 section or of any of the interest coupons pertaining thereto may,  
146 either at law or in equity, by suit, action, mandamus or other  
147 proceeding, protect and enforce any and all rights granted under  
148 this section, or under such resolution, and may enforce and compel  
149 performance of all duties required by this section to be  
150 performed, in order to provide for the payment of bonds and  
151 interest thereon.

152           (12) All bonds issued under the provisions of this section  
153 shall be legal investments for trustees and other fiduciaries, and  
154 for savings banks, trust companies and insurance companies  
155 organized under the laws of the State of Mississippi, and such  
156 bonds shall be legal securities which may be deposited with and  
157 shall be received by all public officers and bodies of this state  
158 and all municipalities and political subdivisions for the purpose  
159 of securing the deposit of public funds.

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

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

166           (15) The State Treasurer is authorized, without further  
167 process of law, to certify to the Department of Finance and  
168 Administration the necessity for warrants, and the Department of



169 Finance and Administration is authorized and directed to issue  
170 such warrants, in such amounts as may be necessary to pay when due  
171 the principal of, premium, if any, and interest on, or the  
172 accreted value of, all bonds issued under this section; and the  
173 State Treasurer shall forward the necessary amount to the  
174 designated place or places of payment of such bonds in ample time  
175 to discharge such bonds, or the interest thereon, on the due dates  
176 thereof.

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

181 **SECTION 2.** Section 51-37-3, Mississippi Code of 1972, is  
182 amended as follows:

183 51-37-3. (1) There is created the Mississippi Watershed  
184 Repair and Rehabilitation Cost-Share Program to be administered by  
185 the Mississippi Soil and Water Conservation Commission  
186 ("commission") through the Soil and Water Cost-Share Program for  
187 the purpose of assisting local watershed districts in the repair,  
188 rehabilitation or removal of water impoundment structures  
189 constructed with financing from the United States of America under  
190 Public Law 534 and Public Law 566. For the purposes of this  
191 section, the term "watershed district" shall include any  
192 "watershed district, soil and water conservation district,  
193 drainage district, flood control district, or water management





194 district authorized by the Mississippi Legislature which has the  
195 management responsibility for any Public Law 534 or Public Law 566  
196 water impoundment structure."

197 (2) The Legislature may appropriate such sums as it may deem  
198 necessary to a special fund for the commission to be expended by  
199 them in accordance with this section. The commission is  
200 authorized to receive and expend any funds appropriated by the  
201 federal government for the purposes of this section. The  
202 commission is authorized to receive and expend proceeds from bonds  
203 issued under Sections 1 through 14 of House Bill No. 1783, 1998  
204 Regular Session, Section 1 of Chapter 502, Laws of 2008, \* \* \*  
205 Section 17 of Chapter 530, Laws of 2014, and Section 1 of this  
206 act. Unexpended amounts remaining at the end of the fiscal year  
207 shall not lapse into the State General Fund.

208 (3) The commission shall:

209 (a) Establish rules and regulations for participation  
210 and assistance under this cost-share program consistent with the  
211 requirements of this section.

212 (b) Establish a priority list of the watershed  
213 structures for which cost-share assistance has been applied.

214 (c) Determine which structures shall be eligible for  
215 cost-share assistance.

216 (d) Establish maximum sums and cost-share rates which  
217 any eligible entity may receive for implementation of the  
218 cost-share assistance.



219 (e) Award cost-share assistance in accordance with the  
220 rules and regulations. The awarding of cost-share assistance may  
221 be in the form of direct payment to the watershed district or may  
222 be in the form of the commission's directly managing the repair,  
223 renovation or removal as agreed between the commission and the  
224 watershed district.

225 (4) Any watershed district must meet the following minimum  
226 criteria to be eligible for consideration for approval of  
227 cost-share assistance under this program:

228 (a) The water impoundment structure has been certified  
229 not to meet the technical standards established by the United  
230 States Department of Agriculture, Natural Resources Conservation  
231 Service, as a result of needed maintenance, structural defect,  
232 equipment failure or public access.

233 (b) A maintenance agreement has been reached with  
234 either the watershed district or the landowner upon which the  
235 structure is situated. Any impoundment structure where the  
236 watershed district is the maintainer shall have a new maintenance  
237 agreement which includes the concurrence and approval of the  
238 county board of supervisors or city governmental authority as  
239 guarantor of the performance of the watershed district.

240 (c) The local watershed district, county board of  
241 supervisors or landowner upon whose land the structure is located  
242 must agree to provide financial or in-kind match at the rate  
243 established by the commission.



244 (5) The impoundment structure may be situated on land owned  
245 by a private landowner or any state or federal governmental  
246 entity.

247 (6) Any county board of supervisors or municipal  
248 governmental authority, within whose boundaries a qualifying  
249 impoundment structure lies, wishing to participate in this program  
250 shall have the authority to expend public monies, personnel,  
251 and/or equipment on private property to repair, renovate or remove  
252 any impoundment structure authorized by the commission for  
253 participation in this program.

254 (7) This section is supplemental to any powers and  
255 authorities granted watershed districts, county boards of  
256 supervisors, or municipal governmental authorities and does not  
257 supersede existing law.

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

