

By: Representative Byrd

To: Ways and Means

HOUSE BILL NO. 1006

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
 2 BONDS TO PROVIDE FUNDS TO ASSIST FORREST COUNTY, MISSISSIPPI, IN
 3 PAYING COSTS ASSOCIATED WITH MAKING IMPROVEMENTS TO A PORTION OF
 4 GLENDALE AVENUE IN FORREST COUNTY, AND WITH CONSTRUCTION OF A NEW
 5 BRIDGE THAT WILL SPAN THE BOUIE RIVER IN FORREST COUNTY; AND FOR
 6 RELATED PURPOSES.

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

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

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

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

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



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

28 (ii) Monies deposited into the fund shall be
29 disbursed, in the discretion of the Department of Finance and
30 Administration, to assist Forrest County, Mississippi, in paying
31 the costs associated with:

32 1. Repair, rehabilitation, resurfacing,
33 construction and reconstruction, including the widening of and
34 addition of lanes to, Glendale Avenue, in Forrest County,
35 Mississippi, from its intersection with Old Mississippi Highway 42
36 to its intersection with the Evelyn Gandy Parkway in Forrest County,
37 Mississippi, and

38 2. Construction and development of a new
39 bridge and related structures that will span the Bouie River in
40 Forrest County, Mississippi.

41 (b) Amounts deposited into such special fund shall be
42 disbursed to pay the costs of the projects described in paragraph
43 (a) of this subsection. Promptly after the commission has
44 certified, by resolution duly adopted, that the projects described



45 in paragraph (a) of this subsection shall have been completed,
46 abandoned, or cannot be completed in a timely fashion, any amounts
47 remaining in such special fund shall be applied to pay debt
48 service on the bonds issued under this section, in accordance with
49 the proceedings authorizing the issuance of such bonds and as
50 directed by the commission.

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, determine the appropriate method for sale of
63 the bonds, advertise for and accept bids or negotiate the sale of
64 the bonds, issue and sell the bonds so authorized to be sold and
65 do any and all other things necessary and advisable in connection
66 with the issuance and sale of such bonds. The total amount of
67 bonds issued under this section shall not exceed Twelve Million
68 Eight Hundred Thousand Dollars (\$12,800,000.00). No bonds shall
69 be issued under this section after July 1, 2022.



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

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

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



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

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

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



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

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

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

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



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

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

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

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



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

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

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

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

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



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

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

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

