

By: Representative Smith

To: Ways and Means

HOUSE BILL NO. 1138

1 AN ACT TO AMEND SECTION 31-18-7, MISSISSIPPI CODE OF 1972, TO
2 PROVIDE THAT THE NET PRESENT VALUE SAVINGS TO MATURITY REQUIREMENT
3 FOR THE ISSUANCE OF VARIABLE RATE REFUNDING BONDS BY THE STATE
4 SHALL NOT APPLY IN THE CASE OF THE RESTRUCTURING OF VARIABLE RATE
5 BONDS; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 31-18-7, Mississippi Code of 1972, is
8 amended as follows:

9 31-18-7. (1) This section and other applicable provisions
10 of this chapter, without reference to any other statute, shall be
11 deemed full and complete authority for the issuance of variable
12 rate refunding bonds by the state, and shall be construed as an
13 additional and alternative method therefor.

14 (2) The state, acting by and through the commission, may
15 refund outstanding bonds through the issuance of variable rate
16 refunding bonds. Any such refunding may be effected whether or
17 not the bonds to be refunded shall have then matured or shall
18 thereafter mature.



19 (3) Variable rate refunding bonds issued pursuant to this
20 chapter may be secured by a pledge of: (a) the same source of
21 security as the bonds to be refunded, or (b) such other security
22 as the state may lawfully pledge, or both; all as may be provided
23 by resolution of the commission.

24 (4) At the time of the issuance of such variable rate
25 refunding bonds, the commission shall find by resolution that at
26 the time of such refunding, such refunding is expected to result
27 in an overall net present value savings to maturity of not less
28 than two percent (2%) of the bonds being refunded, except in the
29 case of the restructuring of variable rate bonds.

30 **SECTION 2.** This act shall take effect and be in force from
31 and after July 1, 2018.

