

By: Representatives Gunn, Wilson

To: Ways and Means

HOUSE BILL NO. 1553

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
 2 BONDS TO PROVIDE FUNDS TO ASSIST IN PAYING THE COSTS ASSOCIATED
 3 WITH PRECONSTRUCTION, DESIGN, ENGINEERING, LAND ACQUISITION,
 4 RIGHT-OF-WAY ACQUISITION, CONSTRUCTION AND DEVELOPMENT OF THE
 5 REUNION PARKWAY PROJECT FROM BOZEMAN ROAD TO PARKWAY EAST IN
 6 MADISON COUNTY, MISSISSIPPI; AND FOR 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 Reunion Parkway Fund," is created within the State Treasury. The
22 fund shall be maintained by the State Treasurer as a separate and
23 special fund, separate and apart from the General Fund of the
24 state. Unexpended amounts remaining in the fund at the end of a
25 fiscal year shall not lapse into the State General Fund, and any
26 interest earned or investment earnings on amounts in the fund
27 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 in paying the costs associated with
31 preconstruction, design, engineering, land acquisition,
32 right-of-way acquisition, construction and development of the
33 Reunion Parkway project from Bozeman Road to Parkway East in
34 Madison County, Mississippi.

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



45 (3) (a) The commission, at one time, or from time to time,
46 may declare by resolution the necessity for issuance of general
47 obligation bonds of the State of Mississippi to provide funds for
48 all costs incurred or to be incurred for the purposes described in
49 subsection (2) of this section. Upon the adoption of a resolution
50 by the Department of Finance and Administration, declaring the
51 necessity for the issuance of any part or all of the general
52 obligation bonds authorized by this subsection, the department
53 shall deliver a certified copy of its resolution or resolutions to
54 the commission. Upon receipt of such resolution, the commission,
55 in its discretion, may act as the issuing agent, prescribe the
56 form of the bonds, determine the appropriate method for sale of
57 the bonds, advertise for and accept bids or negotiate the sale of
58 the bonds, issue and sell the bonds so authorized to be sold and
59 do any and all other things necessary and advisable in connection
60 with the issuance and sale of such bonds. The total amount of
61 bonds issued under this section shall not exceed Twenty-four
62 Million Dollars (\$24,000,000.00); however, not more than Eight
63 Million Dollars (\$8,000,000.00) of such bonds may be issued in any
64 one (1) fiscal year. No bonds shall be issued under this section
65 after July 1, 2022.

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



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

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

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



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

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

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



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

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

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

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



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

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

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



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

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

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

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

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



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

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

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

