

By: Representatives Baria, Ladner, Willis

To: Ways and Means

HOUSE BILL NO. 1607

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS TO PROVIDE FUNDS TO ASSIST IN PAYING COSTS ASSOCIATED WITH  
3 DREDGING AT PORT BIENVILLE IN HANCOCK COUNTY; AND FOR RELATED  
4 PURPOSES.

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

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

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

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

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

18 (2) (a) (i) A special fund, to be designated the "2019  
19 Port Bienville Dredging Fund," is created within the State



20 Treasury. The fund shall be maintained by the State Treasurer as  
21 a separate and special fund, separate and apart from the General  
22 Fund of the state. Unexpended amounts remaining in the fund at  
23 the end of a fiscal year shall not lapse into the State General  
24 Fund, and any interest earned or investment earnings on amounts in  
25 the fund shall be deposited into such fund.

26 (ii) Monies deposited into the fund shall be  
27 disbursed, in the discretion of the Department of Finance and  
28 Administration, to assist in paying costs associated with dredging  
29 at Port Bienville in Hancock County, Mississippi.

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

40 (c) The Department of Finance and Administration,  
41 acting through the Bureau of Building, Grounds and Real Property  
42 Management, is expressly authorized and empowered to receive and  
43 expend any local or other source funds in connection with the  
44 expenditure of funds provided for in this subsection. The



45 expenditure of monies deposited into the special fund shall be  
46 under the direction of the Department of Finance and  
47 Administration, and such funds shall be paid by the State  
48 Treasurer upon warrants issued by such department, which warrants  
49 shall be issued upon requisitions signed by the Executive Director  
50 of the Department of Finance and Administration, or his designee.

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 Two Million  
68 Dollars (\$2,000,000.00). No bonds shall be issued under this  
69 section after July 1, 2023.



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 time, not less than  
129 ten (10) days before the date of sale, and shall be so published  
130 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 July 1, 2019.

