

By: Representatives Ladner, Baria, Willis

To: Ways and Means

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1615

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS TO PAY COSTS ASSOCIATED WITH CONSTRUCTION,
3 REPAIR AND RENOVATION OF AND UPGRADES AND IMPROVEMENTS TO
4 BUILDINGS, FACILITIES AND INFRASTRUCTURE AT BUCCANEER STATE PARK
5 IN HANCOCK COUNTY, MISSISSIPPI; TO AUTHORIZE THE ISSUANCE OF STATE
6 GENERAL OBLIGATION BONDS TO PROVIDE FUNDS TO ASSIST IN PAYING
7 COSTS ASSOCIATED WITH DREDGING AT PORT BIENVILLE IN HANCOCK
8 COUNTY; AND FOR RELATED PURPOSES.

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

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

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

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

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



22 (2) (a) (i) A special fund, to be designated the "2019
23 Buccaneer State Park Improvements Fund," is created within the
24 State Treasury. The fund shall be maintained by the State
25 Treasurer as a separate and special fund, separate and apart from
26 the General Fund of the state. Unexpended amounts remaining in
27 the fund at the end of a fiscal year shall not lapse into the
28 State General Fund, and any interest earned or investment earnings
29 on amounts in the fund shall be deposited into such fund.

30 (ii) Monies deposited into the fund shall be
31 disbursed, in the discretion of the Department of Finance and
32 Administration, to pay costs associated with construction, repair
33 and renovation of and upgrades and improvements to buildings,
34 facilities and infrastructure at Buccaneer State Park in Hancock
35 County, Mississippi.

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



46 (3) (a) The commission, at one time, or from time to time,
47 may declare by resolution the necessity for issuance of general
48 obligation bonds of the State of Mississippi to provide funds for
49 all costs incurred or to be incurred for the purposes described in
50 subsection (2) of this section. Upon the adoption of a resolution
51 by the Department of Finance and Administration, declaring the
52 necessity for the issuance of any part or all of the general
53 obligation bonds authorized by this subsection, the department
54 shall deliver a certified copy of its resolution or resolutions to
55 the commission. Upon receipt of such resolution, the commission,
56 in its discretion, may act as the issuing agent, prescribe the
57 form of the bonds, determine the appropriate method for sale of
58 the bonds, advertise for and accept bids or negotiate the sale of
59 the bonds, issue and sell the bonds so authorized to be sold and
60 do any and all other things necessary and advisable in connection
61 with the issuance and sale of such bonds. The total amount of
62 bonds issued under this section shall not exceed One Million
63 Dollars (\$1,000,000.00). No bonds shall be issued under this
64 section after July 1, 2023.

65 (b) Any investment earnings on amounts deposited into
66 the special fund created in subsection (2) of this section shall
67 be used to pay debt service on bonds issued under this section, in
68 accordance with the proceedings authorizing issuance of such
69 bonds.



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

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



purposes and have the same effect as if the person so officially signing such bonds had remained in office until their delivery to the purchaser, or had been in office on the date such bonds may bear. However, notwithstanding anything herein to the contrary, such bonds may be issued as provided in the Registered Bond Act of the State of Mississippi.

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

(7) The commission shall act as issuing agent for the bonds authorized under this section, prescribe the form of the bonds, determine the appropriate method for sale of the bonds, advertise for and accept bids or negotiate the sale of the bonds, issue and sell the bonds so authorized to be sold, pay all fees and costs incurred in such issuance and sale, and do any and all other things necessary and advisable in connection with the issuance and sale of such bonds. The commission is authorized and empowered to pay the costs that are incident to the sale, issuance and delivery of the bonds authorized under this section from the proceeds derived from the sale of such bonds. The commission may sell such bonds on sealed bids at public sale or may negotiate the sale of the bonds for such price as it may determine to be for the best



interest of the State of Mississippi. All interest accruing on such bonds so issued shall be payable semiannually or annually.

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

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

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

(9) Upon the issuance and sale of bonds under the provisions of this section, the commission shall transfer the proceeds of any



such sale or sales to the special fund created in subsection (2) of this section. The proceeds of such bonds shall be disbursed solely upon the order of the Department of Finance and Administration under such restrictions, if any, as may be contained in the resolution providing for the issuance of the bonds.

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

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

(12) Any holder of bonds issued under the provisions of this section or of any of the interest coupons pertaining thereto may,



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

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

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

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

190 (16) The State Treasurer is authorized, without further
191 process of law, to certify to the Department of Finance and
192 Administration the necessity for warrants, and the Department of
193 Finance and Administration is authorized and directed to issue
194 such warrants, in such amounts as may be necessary to pay when due



the principal of, premium, if any, and interest on, or the accreted value of, all bonds issued under this section; and the State Treasurer shall forward the necessary amount to the designated place or places of payment of such bonds in ample time to discharge such bonds, or the interest thereon, on the due dates thereof.

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

SECTION 2. (1) As used in this section, the following words shall have the meanings ascribed herein unless the context clearly requires otherwise:

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

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

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

(2) (a) (i) A special fund, to be designated the "2019 Port Bienville Dredging Fund," is created within the State Treasury. The fund shall be maintained by the State Treasurer as



a separate and special fund, separate and apart from the General Fund of the state. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the fund shall be deposited into such fund.

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

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

(c) The Department of Finance and Administration, acting through the Bureau of Building, Grounds and Real Property Management, is expressly authorized and empowered to receive and expend any local or other source funds in connection with the expenditure of funds provided for in this subsection. The expenditure of monies deposited into the special fund shall be



under the direction of the Department of Finance and Administration, and such funds shall be paid by the State Treasurer upon warrants issued by such department, which warrants shall be issued upon requisitions signed by the Executive Director of the Department of Finance and Administration, or his designee.

(3) (a) The commission, at one time, or from time to time, may declare by resolution the necessity for issuance of general obligation bonds of the State of Mississippi to provide funds for all costs incurred or to be incurred for the purposes described in subsection (2) of this section. Upon the adoption of a resolution by the Department of Finance and Administration, declaring the necessity for the issuance of any part or all of the general obligation bonds authorized by this subsection, the department shall deliver a certified copy of its resolution or resolutions to the commission. Upon receipt of such resolution, the commission, in its discretion, may act as the issuing agent, prescribe the form of the bonds, determine the appropriate method for sale of the bonds, advertise for and accept bids or negotiate the sale of the bonds, issue and sell the bonds so authorized to be sold, and do any and all other things necessary and advisable in connection with the issuance and sale of such bonds. The total amount of bonds issued under this section shall not exceed Two Million Dollars (\$2,000,000.00). No bonds shall be issued under this section after July 1, 2023.



269 (b) Any investment earnings on amounts deposited into
270 the special fund created in subsection (2) of this section shall
271 be used to pay debt service on bonds issued under this section, in
272 accordance with the proceedings authorizing issuance of such
273 bonds.

274 (4) The principal of and interest on the bonds authorized
275 under this section shall be payable in the manner provided in this
276 subsection. Such bonds shall bear such date or dates, be in such
277 denomination or denominations, bear interest at such rate or rates
278 (not to exceed the limits set forth in Section 75-17-101,
279 Mississippi Code of 1972), be payable at such place or places
280 within or without the State of Mississippi, shall mature
281 absolutely at such time or times not to exceed twenty-five (25)
282 years from date of issue, be redeemable before maturity at such
283 time or times and upon such terms, with or without premium, shall
284 bear such registration privileges, and shall be substantially in
285 such form, all as shall be determined by resolution of the
286 commission.

287 (5) The bonds authorized by this section shall be signed by
288 the chairman of the commission, or by his facsimile signature, and
289 the official seal of the commission shall be affixed thereto,
290 attested by the secretary of the commission. The interest
291 coupons, if any, to be attached to such bonds may be executed by
292 the facsimile signatures of such officers. Whenever any such
293 bonds shall have been signed by the officials designated to sign



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

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

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



319 pay the costs that are incident to the sale, issuance and delivery
320 of the bonds authorized under this section from the proceeds
321 derived from the sale of such bonds. The commission may sell such
322 bonds on sealed bids at public sale or may negotiate the sale of
323 the bonds for such price as it may determine to be for the best
324 interest of the State of Mississippi. All interest accruing on
325 such bonds so issued shall be payable semiannually or annually.

326 If such bonds are sold by sealed bids at public sale, notice
327 of the sale shall be published at least one time, not less than
328 ten (10) days before the date of sale, and shall be so published
329 in one or more newspapers published or having a general
330 circulation in the City of Jackson, Mississippi, selected by the
331 commission.

332 The commission, when issuing any bonds under the authority of
333 this section, may provide that bonds, at the option of the State
334 of Mississippi, may be called in for payment and redemption at the
335 call price named therein and accrued interest on such date or
336 dates named therein.

337 (8) The bonds issued under the provisions of this section
338 are general obligations of the State of Mississippi, and for the
339 payment thereof the full faith and credit of the State of
340 Mississippi is irrevocably pledged. If the funds appropriated by
341 the Legislature are insufficient to pay the principal of and the
342 interest on such bonds as they become due, then the deficiency
343 shall be paid by the State Treasurer from any funds in the State



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

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

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

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



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

372 (12) Any holder of bonds issued under the provisions of this
373 section or of any of the interest coupons pertaining thereto may,
374 either at law or in equity, by suit, action, mandamus or other
375 proceeding, protect and enforce any and all rights granted under
376 this section, or under such resolution, and may enforce and compel
377 performance of all duties required by this section to be
378 performed, in order to provide for the payment of bonds and
379 interest thereon.

380 (13) All bonds issued under the provisions of this section
381 shall be legal investments for trustees and other fiduciaries, and
382 for savings banks, trust companies and insurance companies
383 organized under the laws of the State of Mississippi, and such
384 bonds shall be legal securities which may be deposited with and
385 shall be received by all public officers and bodies of this state
386 and all municipalities and political subdivisions for the purpose
387 of securing the deposit of public funds.

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

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



394 (16) The State Treasurer is authorized, without further
395 process of law, to certify to the Department of Finance and
396 Administration the necessity for warrants, and the Department of
397 Finance and Administration is authorized and directed to issue
398 such warrants, in such amounts as may be necessary to pay when due
399 the principal of, premium, if any, and interest on, or the
400 accreted value of, all bonds issued under this section; and the
401 State Treasurer shall forward the necessary amount to the
402 designated place or places of payment of such bonds in ample time
403 to discharge such bonds, or the interest thereon, on the due dates
404 thereof.

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

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

