

By: Representatives Bounds, Sykes

To: Ways and Means

HOUSE BILL NO. 1616

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS TO PROVIDE FUNDS TO ASSIST NESHOPA COUNTY, MISSISSIPPI, IN  
3 PAYING COSTS ASSOCIATED WITH MAKING IMPROVEMENTS TO COUNTY ROAD  
4 832 AND RELATED INFRASTRUCTURE IN NESHOPA COUNTY; AND FOR RELATED  
5 PURPOSES.

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

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

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

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

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



19           (2)   (a)   (i)   A special fund, to be designated the "2019  
20 Neshoba County - County Road 832 Improvements Fund," is created  
21 within the State Treasury. The fund shall be maintained by the  
22 State Treasurer as a separate and special fund, separate and apart  
23 from the General Fund of the state. Unexpended amounts remaining  
24 in the fund at the end of a fiscal year shall not lapse into the  
25 State General Fund, and any interest earned or investment earnings  
26 on amounts in the fund shall be deposited into such fund.

27                           (ii)   Monies deposited into the fund shall be  
28 disbursed, in the discretion of the Department of Finance and  
29 Administration, to assist Neshoba County, Mississippi, in paying  
30 costs associated with repair, rehabilitation, resurfacing,  
31 construction and reconstruction of portions of County Road 832 and  
32 related infrastructure in Neshoba County.

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



43           (3)   (a)   The commission, at one time, or from time to time,  
44 may declare by resolution the necessity for issuance of general  
45 obligation bonds of the State of Mississippi to provide funds for  
46 all costs incurred or to be incurred for the purposes described in  
47 subsection (2) of this section. Upon the adoption of a resolution  
48 by the Department of Finance and Administration, declaring the  
49 necessity for the issuance of any part or all of the general  
50 obligation bonds authorized by this subsection, the department  
51 shall deliver a certified copy of its resolution or resolutions to  
52 the commission. Upon receipt of such resolution, the commission,  
53 in its discretion, may act as the issuing agent, prescribe the  
54 form of the bonds, determine the appropriate method for sale of  
55 the bonds, advertise for and accept bids or negotiate the sale of  
56 the bonds, issue and sell the bonds so authorized to be sold and  
57 do any and all other things necessary and advisable in connection  
58 with the issuance and sale of such bonds. The total amount of  
59 bonds issued under this section shall not exceed One Hundred  
60 Seventy-five Thousand Dollars (\$175,000.00). No bonds shall be  
61 issued under this section after July 1, 2023.

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



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

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



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

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

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



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

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

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

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

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



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

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

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

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



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

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

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

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

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





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

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

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

