

By: Representatives Johnson (87th), McNeal, To: Ways and Means
Barnett

HOUSE BILL NO. 1702

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS TO ASSIST PERRY COUNTY, MISSISSIPPI, IN
3 PAYING COSTS ASSOCIATED WITH CERTAIN ROAD AND BRIDGE IMPROVEMENTS
4 IN THE COUNTY; AND FOR RELATED 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 as the "2019
19 Perry County Road and Bridge Improvements 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, as follows:

1. Not more than Six Hundred Thousand Five Hundred Dollars (\$600,500.00) of the monies in the fund shall be used to assist Perry County, Mississippi, in paying costs associated with repair, rehabilitation, paving, repaving, overlay and other improvements to a portion of Leonard Clark Road between Mississippi Highway 42 and Whitfield Road in Perry County;

2. Not more than Four Hundred Ninety Thousand Dollars (\$490,000.00) of the monies in the fund shall be used to assist Perry County, Mississippi, in paying costs associated with repair, rehabilitation, paving, repaving, overlay and other improvements to a portion of Tower Road between East Bond Road and Jumping Creek in Perry County;

3. Not more than Four Hundred Seventy-five Thousand Dollars (\$475,000.00) of the monies in the fund shall be used to assist Perry County, Mississippi, in paying costs associated with repair, rehabilitation, paving, repaving, overlay



and other improvements to a portion of Clay Hill Road between
Mississippi Highway 42 and Old Augusta Road in Perry County;

4. Not more than Five Hundred Fifty Thousand
Eight Hundred Dollars (\$550,800.00) of the monies in the fund
shall be used to assist Perry County, Mississippi, in paying costs
associated with repair, rehabilitation, paving, repaving, overlay
and other improvements to a portion of Forest Lake Road between
U.S. Highway 98 and the Perry/Green County Line, in Perry County,
and a portion of Lake Perry Road between Carter Creek and the Lake
Perry entrance in Perry County; and

5. Not more than Five Hundred Eighty-three
Thousand Dollars (\$583,000.00) of the monies in the fund shall be
used to assist Perry County, Mississippi, in paying costs
associated with repair and replacement of a bridge and related
infrastructure on Ellis Odom Road in Perry County.

(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.



70 (3) (a) The commission, at one time, or from time to time,
71 may declare by resolution the necessity for issuance of general
72 obligation bonds of the State of Mississippi to provide funds for
73 all costs incurred or to be incurred for the purposes described in
74 subsection (2) of this section. Upon the adoption of a resolution
75 by the Department of Finance and Administration, declaring the
76 necessity for the issuance of any part or all of the general
77 obligation bonds authorized by this subsection, the department
78 shall deliver a certified copy of its resolution or resolutions to
79 the commission. Upon receipt of such resolution, the commission,
80 in its discretion, may act as issuing agent, prescribe the form of
81 the bonds, determine the appropriate method for sale of the bonds,
82 advertise for and accept bids or negotiate the sale of the bonds,
83 issue and sell the bonds so authorized to be sold, and do any and
84 all other things necessary and advisable in connection with the
85 issuance and sale of such bonds. The total amount of bonds issued
86 under this section shall not exceed Two Million Six Hundred
87 Ninety-nine Thousand Three Hundred Dollars (\$2,699,300.00). No
88 bonds shall be issued under this section after July 1, 2023.

89 (b) Any investment earnings on amounts deposited into
90 the special fund created in subsection (2) of this section shall
91 be used to pay debt service on bonds issued under this section, in
92 accordance with the proceedings authorizing issuance of such
93 bonds.



94 (4) The principal of and interest on the bonds authorized
95 under this section shall be payable in the manner provided in this
96 subsection. Such bonds shall bear such date or dates, be in such
97 denomination or denominations, bear interest at such rate or rates
98 (not to exceed the limits set forth in Section 75-17-101,
99 Mississippi Code of 1972), be payable at such place or places
100 within or without the State of Mississippi, shall mature
101 absolutely at such time or times not to exceed twenty-five (25)
102 years from date of issue, be redeemable before maturity at such
103 time or times and upon such terms, with or without premium, shall
104 bear such registration privileges, and shall be substantially in
105 such form, all as shall be determined by resolution of the
106 commission.

107 (5) The bonds authorized by this section shall be signed by
108 the chairman of the commission, or by his facsimile signature, and
109 the official seal of the commission shall be affixed thereto,
110 attested by the secretary of the commission. The interest
111 coupons, if any, to be attached to such bonds may be executed by
112 the facsimile signatures of such officers. Whenever any such
113 bonds shall have been signed by the officials designated to sign
114 the bonds who were in office at the time of such signing but who
115 may have ceased to be such officers before the sale and delivery
116 of such bonds, or who may not have been in office on the date such
117 bonds may bear, the signatures of such officers upon such bonds
118 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



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

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

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

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

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



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

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

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

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



194 either at law or in equity, by suit, action, mandamus or other
195 proceeding, protect and enforce any and all rights granted under
196 this section, or under such resolution, and may enforce and compel
197 performance of all duties required by this section to be
198 performed, in order to provide for the payment of bonds and
199 interest thereon.

200 (13) All bonds issued under the provisions of this section
201 shall be legal investments for trustees and other fiduciaries, and
202 for savings banks, trust companies and insurance companies
203 organized under the laws of the State of Mississippi, and such
204 bonds shall be legal securities which may be deposited with and
205 shall be received by all public officers and bodies of this state
206 and all municipalities and political subdivisions for the purpose
207 of securing the deposit of public funds.

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

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

214 (16) The State Treasurer is authorized, without further
215 process of law, to certify to the Department of Finance and
216 Administration the necessity for warrants, and the Department of
217 Finance and Administration is authorized and directed to issue
218 such warrants, in such amounts as may be necessary to pay when due



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

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

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

