

By: Senator(s) Gollott, Carter

To: Finance

SENATE BILL NO. 2283

1 AN ACT TO AMEND CHAPTER 460, LAWS OF 2006, AS LAST AMENDED BY  
2 SECTION 10, CHAPTER 511, LAWS OF 2010, TO INCREASE THE AMOUNT OF  
3 GENERAL OBLIGATION BONDS AUTHORIZED TO BE ISSUED FOR THE  
4 DEPARTMENT OF MARINE RESOURCES AND AUTHORIZE A PORTION OF THE BOND  
5 PROCEEDS FOR CERTAIN IMPROVEMENTS AT POINT CADET MARINA; AND FOR  
6 RELATED PURPOSES.

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

8 **SECTION 1.** Chapter 460, Laws of 2006, as amended by Chapter  
9 463, Laws of 2007, as amended by Section 10, Chapter 511, Laws of  
10 2010, is amended as follows:

11 Section 1. As used in Sections 1 through 19 of this act, the  
12 following words shall have the meanings ascribed herein unless the  
13 context clearly requires otherwise:

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



21 (b) "State" means the State of Mississippi.  
22 (c) "Commission" means the State Bond Commission.  
23 (d) "Department" means the Mississippi Department of  
24 Marine Resources.

25 (e) "City" means the City of Biloxi, Mississippi.

26 (f) "Point Cadet Marina" means the marina owned by the  
27 city, as more fully described in the Point Cadet Compromise and  
28 Settlement Agreement recorded in Deed Book 390, Page 600, and  
29 amendment recorded as Instrument 2012 1168D-J2, in the land  
30 records of the Chancery Clerk of the Second Judicial District of  
31 Harrison County, Mississippi.

32 Section 2. (1) (a) A special fund, to be designated as the  
33 "Department of Marine Resources Equipment and Facilities Fund," is  
34 created within the State Treasury. The fund shall be maintained  
35 by the State Treasurer as a separate and special fund, separate  
36 and apart from the General Fund of the state. Unexpended amounts  
37 remaining in the fund at the end of a fiscal year shall not lapse  
38 into the State General Fund, and any interest earned or investment  
39 earnings on amounts in the fund shall be deposited into such  
40 special fund.

41 (b) (i) Except as otherwise authorized in this  
42 paragraph (b), monies deposited into the fund shall be disbursed,  
43 in the discretion of the department, to provide funds to purchase  
44 real property and pay the cost of administration and personnel  
45 expenses, necessary equipment and repairs, renovation and



46 construction of facilities necessary for the improvement of the  
47 marine resources of the state \* \* \*.

48 (ii) Not more than Eighteen Million Dollars  
49 (\$18,000,000.00) of the monies deposited into the fund may be  
50 utilized by the department for all or part of the planning design  
51 and construction of the following projects for renovations,  
52 improvements and expansions of piers, docks, bulkheads, signage  
53 and related facilities and equipment for, on, and in the Point  
54 Cadet Marina for:

55 1. University of Southern Mississippi  
56 research vessels;

57 2. Commercial and recreational vessels;

58 3. The marine breakwater on the east edge of  
59 the Point Cadet Marina to establish a public fishing pier on the  
60 breakwater structure; and

61 4. Dredging of the water bottom in the marina  
62 to remove debris and increase the depth for mooring larger draft  
63 vessels.

64 The department shall consult with and obtain the approval of  
65 the city regarding the design and specifications for the capital  
66 improvements authorized in this subparagraph (ii).

67 (iii) Operational expenses authorized to be paid  
68 under this act shall not exceed three percent (3%) of the total  
69 amount of bonds issued under this act.



70 (c) Before any real estate may be purchased with the  
71 proceeds of bonds authorized to be issued pursuant to this act,  
72 the fair market value of the real estate shall be determined by  
73 the averaging of at least two (2) appraisals by Mississippi  
74 Certified General Appraisers. The proceeds of bonds issued  
75 pursuant to this act may be utilized to pay the cost of the  
76 appraisals.

77 (2) Amounts deposited into such special fund shall be  
78 disbursed to pay the costs described in subsection (1) of this  
79 section. If any monies in such special fund are not used within  
80 five (5) years after the date the proceeds of the bonds authorized  
81 under this act are deposited into the special fund, then the  
82 department shall provide an accounting of such unused monies to  
83 the commission. Promptly after the commission has certified, by  
84 resolution duly adopted, that the projects described in subsection  
85 (1) of this section shall have been completed, abandoned, or  
86 cannot be completed in a timely fashion, any amounts remaining in  
87 such special fund shall be applied to pay debt service on the  
88 bonds issued under this act, in accordance with the proceedings  
89 authorizing the issuance of the bonds and as directed by the  
90 commission.

91 (3) The department is expressly authorized and empowered to  
92 receive and expend any other source funds in connection with the  
93 expenditure of funds provided for in this section.



94 (4) The expenditure of monies deposited into the special  
95 fund shall be under the direction of the department, and those  
96 funds shall be paid by the State Treasurer upon warrants issued by  
97 the Department of Finance and Administration, which warrants shall  
98 be issued upon requisitions signed by the Executive Director of  
99 the Department of Marine Resources or his designee.

100 Section 3. For the purpose of providing for the payment of  
101 the principal of and the interest upon bonds issued under the  
102 provisions of this act, there is hereby created in the State  
103 Treasury the "Department of Marine Resources Equipment and  
104 Facilities Bond Sinking Fund." The sinking fund shall consist of  
105 the money required to be deposited into such fund pursuant to  
106 Section 18 of this act and such other amounts as shall be paid  
107 into such fund by appropriation or other authorization by the  
108 Legislature. Funds required in excess of the amounts available in  
109 the Department of Marine Resources Equipment and Facilities Bond  
110 Sinking Fund to pay the principal of and the interest upon bonds  
111 issued under the provisions of this act shall be appropriated from  
112 the State General Fund. Unexpended amounts remaining in the fund  
113 at the end of a fiscal year shall not lapse into the State General  
114 Fund, and any interest earned or investment earnings on amounts in  
115 the fund shall be deposited into such fund.

116 Section 4. (1) The commission, at one time, or from time to  
117 time, may declare by resolution the necessity for issuance of  
118 general obligation bonds of the State of Mississippi to provide



119 funds for all costs incurred or to be incurred for the purposes  
120 described in Section 2 of this act. Upon the issuance of a  
121 certificate by the executive director of the department, declaring  
122 the necessity for the issuance of any part or all of the general  
123 obligation bonds authorized by this section, the executive  
124 director shall deliver a certified copy of his certificate or  
125 certificates to the commission. Upon receipt of the certificate,  
126 the commission, in its discretion, may act as the issuing agent,  
127 prescribe the form of the bonds, determine the appropriate method  
128 for sale of the bonds, advertise for and accept bids or negotiate  
129 the sale of the bonds, issue and sell the bonds so authorized to  
130 be sold and do any and all other things necessary and advisable in  
131 connection with the issuance and sale of such bonds. The total  
132 amount of bonds issued under this act shall not exceed \* \* \* Fifty  
133 Million Dollars (\$50,000,000.00).

134 (2) Any investment earnings on amounts deposited into the  
135 special fund created in Section 2 of this act shall be used to pay  
136 debt service on bonds issued under this act, in accordance with  
137 the proceedings authorizing issuance of the bonds.

138 Section 5. The principal of and interest on the bonds  
139 authorized under this act shall be payable in the manner provided  
140 in this section. The bonds shall bear such date or dates, be in  
141 such denomination or denominations, bear interest at such rate or  
142 rates (not to exceed the limits set forth in Section 75-17-101,  
143 Mississippi Code of 1972), be payable at such place or places



144 within or without the State of Mississippi, shall mature  
145 absolutely at such time or times not to exceed twenty-five (25)  
146 years from date of issue, be redeemable before maturity at such  
147 time or times and upon such terms, with or without premium, shall  
148 bear such registration privileges, and shall be substantially in  
149 such form, all as shall be determined by resolution of the  
150 commission.

151 Section 6. The bonds authorized by this act shall be signed  
152 by the chairman of the commission, or by his facsimile signature,  
153 and the official seal of the commission shall be affixed thereto,  
154 attested by the secretary of the commission. The interest  
155 coupons, if any, to be attached to the bonds may be executed by  
156 the facsimile signatures of such officers. Whenever any such  
157 bonds shall have been signed by the officials designated to sign  
158 the bonds who were in office at the time of such signing but who  
159 may have ceased to be such officers before the sale and delivery  
160 of the bonds, or who may not have been in office on the date that  
161 the bonds may bear, the signatures of such officers upon the bonds  
162 and coupons shall nevertheless be valid and sufficient for all  
163 purposes and have the same effect as if the person so officially  
164 signing the bonds had remained in office until their delivery to  
165 the purchaser, or had been in office on the date the bonds may  
166 bear. However, notwithstanding anything herein to the contrary,  
167 such bonds may be issued as provided in the Registered Bond Act of  
168 the State of Mississippi.



169 Section 7. All bonds and interest coupons issued under the  
170 provisions of this act have all the qualities and incidents of  
171 negotiable instruments under the provisions of the Uniform  
172 Commercial Code, and in exercising the powers granted by this act,  
173 the commission shall not be required to and need not comply with  
174 the provisions of the Uniform Commercial Code.

175 Section 8. The commission shall act as the issuing agent for  
176 the bonds authorized under this act, prescribe the form of the  
177 bonds, determine the appropriate method for sale of the bonds,  
178 advertise for and accept bids or negotiate the sale of the bonds,  
179 issue and sell the bonds so authorized to be sold, pay all fees  
180 and costs incurred in the issuance and sale, and do any and all  
181 other things necessary and advisable in connection with the  
182 issuance and sale of such bonds. The commission is authorized and  
183 empowered to pay the costs that are incident to the sale, issuance  
184 and delivery of the bonds authorized under this act from the  
185 proceeds derived from the sale of the bonds. The commission shall  
186 sell the bonds on sealed bids at public sale or may negotiate the  
187 sale of the bonds for such price as it may determine to be for the  
188 best interest of the State of Mississippi. All interest accruing  
189 on the bonds so issued shall be payable semiannually or annually.

190 If the bonds are sold by sealed bids at public sale, notice  
191 of the sale of any such bonds shall be published at least one  
192 time, not less than ten (10) days before the date of sale, and  
193 shall be so published in one or more newspapers published or





194 having a general circulation in the City of Jackson,  
195 Mississippi, selected by the commission.

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

201 Section 9. The bonds issued under the provisions of this act  
202 are general obligations of the State of Mississippi, and for the  
203 payment thereof the full faith and credit of the State of  
204 Mississippi is irrevocably pledged. If the funds available in the  
205 Department of Marine Resources Equipment and Facilities Sinking  
206 Fund and any funds appropriated by the Legislature are  
207 insufficient to pay the principal of and the interest on the bonds  
208 as they become due, then the deficiency shall be paid by the State  
209 Treasurer from any funds in the State Treasury not otherwise  
210 appropriated. All the bonds shall contain recitals on their faces  
211 substantially covering the provisions of this section.

212 Section 10. Upon the issuance and sale of bonds under the  
213 provisions of this act, the commission shall transfer the proceeds  
214 of any such sale or sales to the special fund created in Section 2  
215 of this act. The proceeds of the bonds shall be disbursed solely  
216 upon the order of the executive director of the department under  
217 such restrictions, if any, as may be contained in the resolution  
218 providing for the issuance of the bonds.



219 Section 11. The bonds authorized under this act may be  
220 issued without any other proceedings or the happening of any other  
221 conditions or things other than those proceedings, conditions and  
222 things which are specified or required by this act. Any  
223 resolution providing for the issuance of bonds under the  
224 provisions of this act shall become effective immediately upon its  
225 adoption by the commission, and any such resolution may be adopted  
226 at any regular or special meeting of the commission by a majority  
227 of its members.

228 Section 12. The bonds authorized under the authority of this  
229 act may be validated in the Chancery Court of the First Judicial  
230 District of Hinds County, Mississippi, in the manner and with the  
231 force and effect provided by Chapter 13, Title 31, Mississippi  
232 Code of 1972, for the validation of county, municipal, school  
233 district and other bonds. The notice to taxpayers required by  
234 such statutes shall be published in a newspaper published or  
235 having a general circulation in the City of Jackson, Mississippi.

236 Section 13. Any holder of bonds issued under the provisions  
237 of this act or of any of the interest coupons pertaining thereto  
238 may, either at law or in equity, by suit, action, mandamus or  
239 other proceeding, protect and enforce any and all rights granted  
240 under this act, or under such resolution, and may enforce and  
241 compel performance of all duties required by this act to be  
242 performed, in order to provide for the payment of bonds and  
243 interest thereon.



244 Section 14. All bonds issued under the provisions of this  
245 act shall be legal investments for trustees and other fiduciaries,  
246 and for savings banks, trust companies and insurance companies  
247 organized under the laws of the State of Mississippi, and such  
248 bonds shall be legal securities which may be deposited with and  
249 shall be received by all public officers and bodies of this state  
250 and all municipalities and political subdivisions for the purpose  
251 of securing the deposit of public funds.

252 Section 15. Bonds issued under the provisions of this act  
253 and income therefrom shall be exempt from all taxation in the  
254 State of Mississippi.

255 Section 16. The proceeds of the bonds issued under this act  
256 shall be used solely for the purposes herein provided, including  
257 the costs incident to the issuance and sale of such bonds.

258 Section 17. The State Treasurer is authorized, without  
259 further process of law, to certify to the Department of Finance  
260 and Administration the necessity for warrants, and the Department  
261 of Finance and Administration is authorized and directed to issue  
262 such warrants, in such amounts as may be necessary to pay when due  
263 the principal of, premium, if any, and interest on, or the  
264 accreted value of, all bonds issued under this act; and the State  
265 Treasurer shall forward the necessary amount to the designated  
266 place or places of payment of the bonds in ample time to discharge  
267 the bonds, or the interest thereon, on the due dates thereof.



268 Section 18. From the funds it receives under Section  
269 29-15-9, Mississippi Code of 1972, the Commission on Marine  
270 Resources shall deposit the amount of funds necessary to annually  
271 pay the principal of and interest on bonds issued pursuant to this  
272 act into the Department of Marine Resources Equipment and  
273 Facilities Bond Sinking Fund created in Section 3 of this act.  
274 Any funds received by the Commission on Marine Resources under  
275 Section 29-15-9, and used by the Commission on Marine Resources  
276 for any purpose related to the cost of necessary equipment and  
277 repairs, renovation and construction of facilities necessary for  
278 the improvement of the marine resources of the state, other than  
279 for deposit into the Department of Marine Resources Equipment and  
280 Facilities Bond Sinking Fund created in Section 3 of this act,  
281 shall be subject to legislative appropriation.

282 Section 19. This act shall be deemed to be full and complete  
283 authority for the exercise of the powers herein granted, but this  
284 act shall not be deemed to repeal or to be in derogation of any  
285 existing law of this state.

286 **SECTION 2.** This act shall take effect and be in force  
287 from and after July 1, 2019.

