

By: Representatives Chism, McLean, Gibbs
(36th), Mickens, Karriem, Taylor, Roberson

To: Ways and Means

HOUSE BILL NO. 1568

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS TO ASSIST IN CLAY COUNTY, LOWNDES COUNTY
3 AND OKTIBBEHA COUNTY, MISSISSIPPI, IN PAYING COSTS ASSOCIATED WITH
4 VARIOUS ROAD PROJECTS; 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 the "2020
19 Clay County, Lowndes County and Oktibbeha County Road Improvement



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

27 (ii) Monies deposited into the fund shall be
28 disbursed, in the discretion of the Department of Finance and
29 Administration, as follows:

30 1. Not more than One Million Six Hundred
31 Eighty-five Thousand Six Hundred Dollars (\$1,685,600.00) of the
32 monies in the special fund may be used to assist Clay County,
33 Mississippi, in paying costs associated with the acquisition of
34 any right-of-way, if necessary, and the construction and
35 installation of a new sixteen-inch water line running along
36 Yokohama Boulevard from Eshman Avenue to Highway 45 Alternate to
37 connect an existing water line located at or near the intersection
38 of Eshman Avenue and Yokohama Boulevard to another existing water
39 line located at or near the intersection Highway 45 Alternate and
40 Yokohama Boulevard;

41 2. Not more than Two Hundred Fifty-eight
42 Thousand Dollars (\$258,000.00) of the monies in the special fund
43 may be used to assist Clay County, Mississippi, in paying costs
44 associated the expansion and improvement of the roadway connecting



51 and/or signage associated therewith;

45 Eshman Avenue with Yokohama Boulevard to upgrade such roadway to a
46 two-lane, two-way access road, as well as improvements to each of
47 the intersections of such roadway with both Eshman Avenue and
48 Yokohama Boulevard, provided that such funds may also be used to
49 fund the acquisition of any right-of-way, if necessary, for such
50 road and intersection improvements, together with any striping

52 3. Not more than Three Million One Hundred
53 Thousand Dollars (\$3,100,000.00) of the monies in the special fund
54 may be used to assist Lowndes County, Mississippi, in paying costs
55 associated with the completion of Charleigh Ford Drive as a
56 two-lane roadway connecting Artesia Road to the south and Airport
57 Road to north and east, including the widening, improving and
58 paving of that portion of the existing Charleigh Ford Drive, which
59 is formerly known as Guerry Road and located between the
60 intersections thereof with Artesia Road to the south and with Mims
61 Road to the north, and making improvements to the intersections of
62 Charleigh Ford Drive with both Artesia Road and Mims Road,
63 provided that such funds may also be used to fund the acquisition
64 of any right-of-way, if necessary, for such road and intersection
65 improvements, together with any striping and/or signage associated
66 therewith;

67 4. Not more than Five Million Three Hundred
68 Thousand Dollars (\$5,300,000.00) of the monies in the special fund
69 may be used to assist Lowndes County, Mississippi, in paying costs



70 associated with the extension of Manufactures Drive from its
71 current southern terminus to extend first to the east and then
72 northward to interconnect with Artesia Road at a location east of
73 the current intersection of Manufacturers Drive and Artesia Road,
74 provided that such funds may also be used to fund the acquisition
75 of any right-of-way, if necessary, for such roadway extension
76 together with any striping and/or signage associated therewith;
77 and

78 5. Not more than One Million Eight Hundred
79 Eighty Thousand Dollars (\$1,880,000.00) of the monies in the
80 special fund may be used to assist Oktibbeha County, Mississippi,
81 in paying costs associated with the expansion and improvement of
82 the portion of Sudduth Road located between Mississippi Highway
83 389 and Retherford Road to upgrade such segment of Sudduth Road,
84 as well as improvements to each of the intersections of Sudduth
85 Road with both Mississippi Highway 389 and Retherford Road,
86 provided that such funds may also be used to fund the acquisition
87 of any right-of-way, if needed, for such road and intersection
88 improvements, together with any striping and/or signage associated
89 therewith.

90 (b) Amounts deposited into such special fund shall be
91 disbursed to pay the costs of the projects described in paragraph
92 (a) of this subsection. Promptly after the commission has
93 certified, by resolution duly adopted, that the projects described
94 in paragraph (a) of this subsection shall have been completed,



95 abandoned, or cannot be completed in a timely fashion, any amounts
96 remaining in such special fund shall be applied to pay debt
97 service on the bonds issued under this section, in accordance with
98 the proceedings authorizing the issuance of such bonds and as
99 directed by the commission.

100 (3) (a) The commission, at one time, or from time to time,
101 may declare by resolution the necessity for issuance of general
102 obligation bonds of the State of Mississippi to provide funds for
103 all costs incurred or to be incurred for the purposes described in
104 subsection (2) of this section. Upon the adoption of a resolution
105 by the Department of Finance and Administration, declaring the
106 necessity for the issuance of any part or all of the general
107 obligation bonds authorized by this subsection, the department
108 shall deliver a certified copy of its resolution or resolutions to
109 the commission. Upon receipt of such resolution, the commission,
110 in its discretion, may act as the issuing agent, prescribe the
111 form of the bonds, determine the appropriate method for sale of
112 the bonds, advertise for and accept bids or negotiate the sale of
113 the bonds, issue and sell the bonds so authorized to be sold, and
114 do any and all other things necessary and advisable in connection
115 with the issuance and sale of such bonds. The total amount of
116 bonds issued under this section shall not exceed Twelve Million
117 Two Hundred Twenty-three Thousand Six Hundred Dollars
118 (\$12,223,600.00). No bonds shall be issued under this section
119 after July 1, 2024.



120 (b) Any investment earnings on amounts deposited into
121 the special fund created in subsection (2) of this section shall
122 be used to pay debt service on bonds issued under this section, in
123 accordance with the proceedings authorizing issuance of such
124 bonds.

125 (4) The principal of and interest on the bonds authorized
126 under this section shall be payable in the manner provided in this
127 subsection. Such bonds shall bear such date or dates, be in such
128 denomination or denominations, bear interest at such rate or rates
129 (not to exceed the limits set forth in Section 75-17-101,
130 Mississippi Code of 1972), be payable at such place or places
131 within or without the State of Mississippi, shall mature
132 absolutely at such time or times not to exceed twenty-five (25)
133 years from date of issue, be redeemable before maturity at such
134 time or times and upon such terms, with or without premium, shall
135 bear such registration privileges, and shall be substantially in
136 such form, all as shall be determined by resolution of the
137 commission.

138 (5) The bonds authorized by this section shall be signed by
139 the chairman of the commission, or by his facsimile signature, and
140 the official seal of the commission shall be affixed thereto,
141 attested by the secretary of the commission. The interest
142 coupons, if any, to be attached to such bonds may be executed by
143 the facsimile signatures of such officers. Whenever any such
144 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



170 pay the costs that are incident to the sale, issuance and delivery
171 of the bonds authorized under this section from the proceeds
172 derived from the sale of such bonds. The commission may sell such
173 bonds on sealed bids at public sale or may negotiate the sale of
174 the bonds for such price as it may determine to be for the best
175 interest of the State of Mississippi. All interest accruing on
176 such bonds so issued shall be payable semiannually or annually.

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

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

188 (8) The bonds issued under the provisions of this section
189 are general obligations of the State of Mississippi, and for the
190 payment thereof the full faith and credit of the State of
191 Mississippi is irrevocably pledged. If the funds appropriated by
192 the Legislature are insufficient to pay the principal of and the
193 interest on such bonds as they become due, then the deficiency
194 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,



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

223 (12) Any holder of bonds issued under the provisions of this
224 section or of any of the interest coupons pertaining thereto may,
225 either at law or in equity, by suit, action, mandamus or other
226 proceeding, protect and enforce any and all rights granted under
227 this section, or under such resolution, and may enforce and compel
228 performance of all duties required by this section to be
229 performed, in order to provide for the payment of bonds and
230 interest thereon.

231 (13) All bonds issued under the provisions of this section
232 shall be legal investments for trustees and other fiduciaries, and
233 for savings banks, trust companies and insurance companies
234 organized under the laws of the State of Mississippi, and such
235 bonds shall be legal securities which may be deposited with and
236 shall be received by all public officers and bodies of this state
237 and all municipalities and political subdivisions for the purpose
238 of securing the deposit of public funds.

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

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



245 (16) The State Treasurer is authorized, without further
246 process of law, to certify to the Department of Finance and
247 Administration the necessity for warrants, and the Department of
248 Finance and Administration is authorized and directed to issue
249 such warrants, in such amounts as may be necessary to pay when due
250 the principal of, premium, if any, and interest on, or the
251 accreted value of, all bonds issued under this section; and the
252 State Treasurer shall forward the necessary amount to the
253 designated place or places of payment of such bonds in ample time
254 to discharge such bonds, or the interest thereon, on the due dates
255 thereof.

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

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

