

By: Senator(s) Doty

To: Finance

SENATE BILL NO. 3029

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS TO PROVIDE FUNDS TO ASSIST LAWRENCE COUNTY IN PAYING THE  
3 COSTS ASSOCIATED WITH THE CONSTRUCTION OF A NEW FRONTAGE ROAD; AND  
4 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 Lawrence County Frontage Road Construction Fund," is created



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

26 (ii) Monies deposited into the fund shall be  
27 disbursed, in the discretion of the Department of Finance and  
28 Administration, to assist Lawrence County in paying the costs  
29 associated with the construction of a new frontage road.

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

40 (3) (a) The commission, at one time, or from time to time,  
41 may declare by resolution the necessity for issuance of general  
42 obligation bonds of the State of Mississippi to provide funds for  
43 all costs incurred or to be incurred for the purposes described in  
44 subsection (2) of this section. Upon the adoption of a resolution



45 by the Department of Finance and Administration, declaring the  
46 necessity for the issuance of any part or all of the general  
47 obligation bonds authorized by this subsection, the department  
48 shall deliver a certified copy of its resolution or resolutions to  
49 the commission. Upon receipt of such resolution, the commission,  
50 in its discretion, may act as the issuing agent, prescribe the  
51 form of the bonds, determine the appropriate method for sale of  
52 the bonds, advertise for and accept bids or negotiate the sale of  
53 the bonds, issue and sell the bonds so authorized to be sold, and  
54 do any and all other things necessary and advisable in connection  
55 with the issuance and sale of such bonds. The total amount of  
56 bonds issued under this section shall not exceed Two Hundred Fifty  
57 Thousand Dollars (\$250,000.00). No bonds shall be issued under  
58 this section after July 1, 2024.

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

64 (4) The principal of and interest on the bonds authorized  
65 under this section shall be payable in the manner provided in this  
66 subsection. Such bonds shall bear such date or dates, be in such  
67 denomination or denominations, bear interest at such rate or rates  
68 (not to exceed the limits set forth in Section 75-17-101,  
69 Mississippi Code of 1972), be payable at such place or places



70 within or without the State of Mississippi, shall mature  
71 absolutely at such time or times not to exceed twenty-five (25)  
72 years from date of issue, be redeemable before maturity at such  
73 time or times and upon such terms, with or without premium, shall  
74 bear such registration privileges, and shall be substantially in  
75 such form, all as shall be determined by resolution of the  
76 commission.

77 (5) The bonds authorized by this section shall be signed by  
78 the chairman of the commission, or by his facsimile signature, and  
79 the official seal of the commission shall be affixed thereto,  
80 attested by the secretary of the commission. The interest  
81 coupons, if any, to be attached to such bonds may be executed by  
82 the facsimile signatures of such officers. Whenever any such  
83 bonds have been signed by the officials designated to sign the  
84 bonds who were in office at the time of such signing, but who may  
85 have ceased to be such officers before the sale and delivery of  
86 such bonds, or who may not have been in office on the date such  
87 bonds may bear, the signatures of such officers upon such bonds  
88 and coupons shall nevertheless be valid and sufficient for all  
89 purposes and have the same effect as if the person so officially  
90 signing such bonds had remained in office until their delivery to  
91 the purchaser, or had been in office on the date such bonds may  
92 bear. However, notwithstanding anything herein to the contrary,  
93 such bonds may be issued as provided in the Registered Bond Act of  
94 the State of Mississippi.



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

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

116           If such bonds are sold by sealed bids at public sale, notice  
117 of the sale shall be published at least one time, not less than  
118 ten (10) days before the date of sale, and shall be so published  
119 in one or more newspapers published or having a general



120 circulation in the City of Jackson, Mississippi, selected by the  
121 commission.

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

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

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



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

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

162           (12) Any holder of bonds issued under the provisions of this  
163 section or of any of the interest coupons pertaining thereto may,  
164 either at law or in equity, by suit, action, mandamus or other  
165 proceeding, protect and enforce any and all rights granted under  
166 this section, or under such resolution, and may enforce and compel  
167 performance of all duties required by this section to be  
168 performed, in order to provide for the payment of bonds and  
169 interest thereon.



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

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

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

184 (16) The State Treasurer is authorized, without further  
185 process of law, to certify to the Department of Finance and  
186 Administration the necessity for warrants. The Department of  
187 Finance and Administration is authorized and directed to issue  
188 such warrants, in such amounts as may be necessary to pay when due  
189 the principal of, premium, if any, and interest on, or the  
190 accreted value of, all bonds issued under this section. The State  
191 Treasurer shall forward the necessary amount to the designated  
192 place or places of payment of such bonds in ample time to  
193 discharge such bonds, or the interest thereon, on the due dates  
194 thereof.





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

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

