

By: Representatives Johnson, Mims

To: Ways and Means

## HOUSE BILL NO. 1362

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS TO ASSIST ADAMS COUNTY, MISSISSIPPI, IN PAYING THE COSTS  
3 RELATED TO THE COMPLETION OF THE BELWOOD LEVEE; AND FOR RELATED  
4 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 "2021  
19 Belwood Levee Construction Fund," is created within the State



20 Treasury. The fund shall be maintained by the State Treasurer as  
21 a separate and special fund, separate and apart from the General  
22 Fund of the state. Unexpended amounts remaining in the fund at  
23 the end of a fiscal year shall not lapse into the State General  
24 Fund, and any interest earned or investment earnings on amounts in  
25 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 Adams County, Mississippi, in paying the  
29 costs related to the completion of the Belwood Levee in Adams  
30 County, Mississippi.

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

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



subsection (2) of this section. Upon the adoption of a resolution by the Department of Finance and Administration, declaring the necessity for the issuance of any part or all of the general obligation bonds authorized by this subsection, the department shall deliver a certified copy of its resolution or resolutions to the commission. Upon receipt of such resolution, the commission, in its discretion, may act as issuing agent, 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, and do any and all other things necessary and advisable in connection with the issuance and sale of such bonds. The total amount of bonds issued under this section shall not exceed Two Million Dollars (\$2,000,000.00). No bonds shall be issued under this section after July 1, 2025.

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

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



70 Mississippi Code of 1972), be payable at such place or places  
71 within or without the State of Mississippi, shall mature  
72 absolutely at such time or times not to exceed twenty-five (25)  
73 years from date of issue, be redeemable before maturity at such  
74 time or times and upon such terms, with or without premium, shall  
75 bear such registration privileges, and shall be substantially in  
76 such form, all as shall be determined by resolution of the  
77 commission.

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



94 such bonds may be issued as provided in the Registered Bond Act of  
95 the State of Mississippi.

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

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

117 If such bonds are sold by sealed bids at public sale, notice  
118 of the sale shall be published at least one time, not less than



119 ten (10) days before the date of sale, and shall be so published  
120 in one or more newspapers published or having a general  
121 circulation in the City of Jackson, Mississippi, selected by the  
122 commission.

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

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

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



144 contained in the resolution providing for the issuance of the  
145 bonds.

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

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

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



performed, in order to provide for the payment of bonds and interest thereon.

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

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

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

(16) The State Treasurer is authorized, without further process of law, to certify to the Department of Finance and Administration the necessity for warrants, and the Department of Finance and Administration is authorized and directed to issue such warrants, in such amounts as may be necessary to pay when due the principal of, premium, if any, and interest on, or the accreted value of, all bonds issued under this section; and the State Treasurer shall forward the necessary amount to the designated place or places of payment of such bonds in ample time





194 to discharge such bonds, or the interest thereon, on the due dates  
195 thereof.

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

200 **SECTION 2.** This act shall take effect and be in force from  
201 and after July 1, 2021.

