

By: Representative Lancaster

To: Ways and Means

HOUSE BILL NO. 1450

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO ASSIST THE CITY OF HOUSTON, MISSISSIPPI, IN PAYING COSTS
3 ASSOCIATED WITH CONSTRUCTION AND DEVELOPMENT OF A PLAYGROUND IN
4 JOE BRIGANCE PARK IN THE CITY; 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 as defined in this subsection unless the
8 context clearly requires otherwise:

9 (a) "Commission" means the State Bond Commission.

10 (b) "Department" means the Department of Finance and
11 Administration.

12 (c) "State" means the State of Mississippi.

13 (2) (a) (i) A special fund, to be designated as the "Joe
14 Brigance Park Playground Fund," is created within the State
15 Treasury. The fund shall be maintained by the State Treasurer as
16 a separate and special fund, separate and apart from the General
17 Fund of the state. Unexpended amounts remaining in the fund at
18 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 the fund.

(ii) Monies in the fund shall be disbursed, in the discretion of the department, to assist the City of Houston, Mississippi, in paying costs associated with construction and development of a playground and acquisition of related equipment in Joe Brigrance Park in the city.

(b) Amounts in the 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.

(3) (a) The commission, at one time, or from time to time, may declare by resolution the necessity for issuance of general obligation bonds of the State of Mississippi to provide funds for 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, 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



44 resolution or resolutions to the commission. Upon receipt of such
45 resolution, the commission, in its discretion, may act as issuing
46 agent, prescribe the form of the bonds, determine the appropriate
47 method for sale of the bonds, advertise for and accept bids or
48 negotiate the sale of the bonds, issue and sell the bonds so
49 authorized to be sold, and do any and all other things necessary
50 and advisable in connection with the issuance and sale of such
51 bonds. The total amount of bonds issued under this section shall
52 not exceed Two Hundred Thousand Dollars (\$200,000.00). No bonds
53 shall be issued under this section after July 1, 2025.

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

59 (4) The principal of and interest on the bonds authorized
60 under this section shall be payable in the manner provided in this
61 subsection. Such bonds shall bear such date or dates, be in such
62 denomination or denominations, bear interest at such rate or rates
63 (not to exceed the limits set forth in Section 75-17-101,
64 Mississippi Code of 1972), be payable at such place or places
65 within or without the State of Mississippi, shall mature
66 absolutely at such time or times not to exceed twenty-five (25)
67 years from date of issue, be redeemable before maturity at such
68 time or times and upon such terms, with or without premium, shall



69 bear such registration privileges, and shall be substantially in
70 such form, all as shall be determined by resolution of the
71 commission.

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

90 (6) All bonds and interest coupons issued under the
91 provisions of this section have all the qualities and incidents of
92 negotiable instruments under the provisions of the Uniform
93 Commercial Code, and in exercising the powers granted by this



94 section, the commission shall not be required to and need not
95 comply with the provisions of the Uniform Commercial Code.

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

111 If such bonds are sold by sealed bids at public sale, notice
112 of the sale shall be published at least one time, not less than
113 ten (10) days before the date of sale, and shall be so published
114 in one or more newspapers published or having a general
115 circulation in the City of Jackson, Mississippi, selected by the
116 commission.

117 The commission, when issuing any bonds under the authority of
118 this section, may provide that bonds, at the option of the State



of Mississippi, may be called in for payment and redemption at the call price named therein and accrued interest on such date or dates named therein.

(8) The bonds issued under the provisions of this section are general obligations of the State of Mississippi, and for the payment thereof the full faith and credit of the State of Mississippi is irrevocably pledged. If the funds appropriated by the Legislature are insufficient to pay the principal of and the interest on such bonds as they become due, then the deficiency 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 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, school district and other bonds. The notice to taxpayers required by such statutes shall be published in a newspaper published or having a general circulation in the City of Jackson, Mississippi.

(12) Any holder of bonds issued under the provisions of this section or of any of the interest coupons pertaining thereto may, either at law or in equity, by suit, action, mandamus or other proceeding, protect and enforce any and all rights granted under this section, or under such resolution, and may enforce and compel 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 the necessity for warrants, and the department 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 to discharge such bonds, or the interest thereon, on the due dates thereof. For the purposes of this subsection, the "accreted value" of any bond means, as of any date of computation, an amount equal to the sum of (a) the stated initial value of such bond, plus (b) the interest accrued thereon from the issue date to the date of computation at the rate, compounded semiannually, that is necessary to produce the approximate yield to maturity shown for bonds of the same maturity.



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

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

