

By: Senator(s) Kirby

To: Finance

SENATE BILL NO. 2899

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS TO ASSIST THE CITY OF PEARL, MISSISSIPPI,
3 IN PAYING COSTS ASSOCIATED WITH CONSTRUCTION OF A BRIDGE EXTENDING
4 FROM THE INTERSECTION OF THE EXTENSION OF WARE STREET AND
5 RELOCATED ST. AUGUSTINE DRIVE TO PEARSON ROAD IN THE CITY OF
6 PEARL; AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** (1) As used in this section, the following words
9 shall have the meanings ascribed herein unless the context clearly
10 requires otherwise:

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

18 (b) "State" means the State of Mississippi.

19 (c) "Commission" means the State Bond Commission.



20 (2) (a) (i) A special fund, to be designated the "2021
21 City of Pearl Bridge Construction Fund," is created within the
22 State Treasury. The fund shall be maintained by the State
23 Treasurer as a separate and special fund, separate and apart from
24 the General Fund of the state. Unexpended amounts remaining in
25 the fund at the end of a fiscal year shall not lapse into the
26 State General Fund, and any interest earned or investment earnings
27 on amounts in the fund shall be deposited into such fund.

28 (ii) Monies deposited into the fund shall be
29 disbursed, in the discretion of the Department of Finance and
30 Administration, to assist with construction of a bridge extending
31 from the intersection of the extension of Ware Street and
32 relocated St. Augustine Drive to Pearson Road in the City of
33 Pearl, Mississippi.

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



44 (3) (a) The commission, at one time, or from time to time,
45 may declare by resolution the necessity for issuance of general
46 obligation bonds of the State of Mississippi to provide funds for
47 all costs incurred or to be incurred for the purposes described in
48 subsection (2) of this section. Upon the adoption of a resolution
49 by the Department of Finance and Administration, declaring the
50 necessity for the issuance of any part or all of the general
51 obligation bonds authorized by this subsection, the department
52 shall deliver a certified copy of its resolution or resolutions to
53 the commission. Upon receipt of such resolution, the commission,
54 in its discretion, may act as the issuing agent, prescribe the
55 form of the bonds, determine the appropriate method for sale of
56 the bonds, advertise for and accept bids or negotiate the sale of
57 the bonds, issue and sell the bonds so authorized to be sold, and
58 do any and all other things necessary and advisable in connection
59 with the issuance and sale of such bonds. The total amount of
60 bonds issued under this section shall not exceed Four Million
61 Dollars (\$4,000,000.00); however, not more than Two Million
62 Dollars (\$2,000,00.00) of such bonds may be issued during any one
63 (1) fiscal year. No bonds shall be issued under this section
64 after July 1, 2025.

65 (b) Any investment earnings on amounts deposited into
66 the special fund created in subsection (2) of this section shall
67 be used to pay debt service on bonds issued under this section, in



68 accordance with the proceedings authorizing issuance of such
69 bonds.

70 (4) The principal of and interest on the bonds authorized
71 under this section shall be payable in the manner provided in this
72 subsection. Such bonds shall bear such date or dates, be in such
73 denomination or denominations, bear interest at such rate or rates
74 (not to exceed the limits set forth in Section 75-17-101,
75 Mississippi Code of 1972), be payable at such place or places
76 within or without the State of Mississippi, shall mature
77 absolutely at such time or times not to exceed twenty-five (25)
78 years from date of issue, be redeemable before maturity at such
79 time or times and upon such terms, with or without premium, shall
80 bear such registration privileges, and shall be substantially in
81 such form, all as shall be determined by resolution of the
82 commission.

83 (5) The bonds authorized by this section shall be signed by
84 the chairman of the commission, or by his facsimile signature, and
85 the official seal of the commission shall be affixed thereto,
86 attested by the secretary of the commission. The interest
87 coupons, if any, to be attached to such bonds may be executed by
88 the facsimile signatures of such officers. Whenever any such
89 bonds shall have been signed by the officials designated to sign
90 the bonds who were in office at the time of such signing but who
91 may have ceased to be such officers before the sale and delivery
92 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 pay the costs that are incident to the sale, issuance and delivery of the bonds authorized under this section from the proceeds derived from the sale of such bonds. The commission may sell such



bonds on sealed bids at public sale or may negotiate the sale of the bonds for such price as it may determine to be for the best interest of the State of Mississippi. All interest accruing on such bonds so issued shall be payable semiannually or annually.

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

The commission, when issuing any bonds under the authority of 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.



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

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

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



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

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

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

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

190 (16) The State Treasurer is authorized, without further
191 process of law, to certify to the Department of Finance and
192 Administration the necessity for warrants, and the Department of



193 Finance and Administration is authorized and directed to issue
194 such warrants, in such amounts as may be necessary to pay when due
195 the principal of, premium, if any, and interest on, or the
196 accreted value of, all bonds issued under this section; and the
197 State Treasurer shall forward the necessary amount to the
198 designated place or places of payment of such bonds in ample time
199 to discharge such bonds, or the interest thereon, on the due dates
200 thereof.

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

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

