

**Adopted  
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

**House Bill No. 1297**

**BY: Committee**

**Amend by striking all after the enacting clause and inserting  
in lieu thereof the following:**

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

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



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

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

22 (2) (a) The Commission on Environmental Quality, at one  
23 time, or from time to time, may declare by resolution the  
24 necessity for issuance of general obligation bonds of the State of  
25 Mississippi to provide funds for the Water Pollution Control  
26 Revolving Fund established in Section 49-17-85, Mississippi Code  
27 of 1972. Upon the adoption of a resolution by the Commission on  
28 Environmental Quality declaring the necessity for the issuance of  
29 any part or all of the general obligation bonds authorized by this  
30 subsection, the Commission on Environmental Quality shall deliver  
31 a certified copy of its resolution or resolutions to the  
32 commission; however, the Commission on Environmental Quality shall  
33 declare the necessity for the issuance of bonds only in the amount  
34 necessary to match projected federal funds available through the  
35 following federal fiscal year. Upon receipt of such resolution,  
36 the commission, in its discretion, may act as the issuing agent,  
37 prescribe the form of the bonds, determine the appropriate method  
38 for sale of the bonds, advertise for and accept bids or negotiate  
39 the sale of the bonds, issue and sell the bonds so authorized to  
40 be sold, and do any and all other things necessary and advisable  
41 in connection with the issuance and sale of such bonds. The total  
42 amount of bonds issued under this section shall not exceed Two  
43 Million Eight Hundred Seventy Thousand Dollars (\$2,870,000.00).



44           (b) The proceeds of bonds issued pursuant to this  
45 subsection shall be deposited into the Water Pollution Control  
46 Revolving Fund created pursuant to Section 49-17-85, Mississippi  
47 Code of 1972.

48           (3) The principal of and interest on the bonds authorized  
49 under this section shall be payable in the manner provided in this  
50 section. Such bonds shall bear such date or dates, be in such  
51 denomination or denominations, bear interest at such rate or rates  
52 (not to exceed the limits set forth in Section 75-17-101,  
53 Mississippi Code of 1972), be payable at such place or places  
54 within or without the State of Mississippi, shall mature  
55 absolutely at such time or times not to exceed twenty-five (25)  
56 years from date of issue, be redeemable before maturity at such  
57 time or times and upon such terms, with or without premium, shall  
58 bear such registration privileges, and shall be substantially in  
59 such form, all as shall be determined by resolution of the  
60 commission.

61           (4) The bonds authorized by this section shall be signed by  
62 the chairman of the commission, or by his facsimile signature, and  
63 the official seal of the commission shall be affixed thereto,  
64 attested by the secretary of the commission. The interest  
65 coupons, if any, to be attached to such bonds may be executed by  
66 the facsimile signatures of such officers. Whenever any such  
67 bonds shall have been signed by the officials designated to sign  
68 the bonds who were in office at the time of such signing but who



69 may have ceased to be such officers before the sale and delivery  
70 of such bonds, or who may not have been in office on the date such  
71 bonds may bear, the signatures of such officers upon such bonds  
72 and coupons shall nevertheless be valid and sufficient for all  
73 purposes and have the same effect as if the person so officially  
74 signing such bonds had remained in office until their delivery to  
75 the purchaser, or had been in office on the date such bonds may  
76 bear. However, notwithstanding anything herein to the contrary,  
77 such bonds may be issued as provided in the Registered Bond Act of  
78 the State of Mississippi.

79 (5) All bonds and interest coupons issued under the  
80 provisions of this section have all the qualities and incidents of  
81 negotiable instruments under the provisions of the Uniform  
82 Commercial Code, and in exercising the powers granted by this  
83 section, the commission shall not be required to and need not  
84 comply with the provisions of the Uniform Commercial Code.

85 (6) The commission shall act as the issuing agent for the  
86 bonds authorized under this section, prescribe the form of the  
87 bonds, determine the appropriate method for sale of the bonds,  
88 advertise for and accept bids or negotiate the sale of the bonds,  
89 issue and sell the bonds so authorized to be sold, pay all fees  
90 and costs incurred in such issuance and sale, and do any and all  
91 other things necessary and advisable in connection with the  
92 issuance and sale of such bonds. The commission is authorized and  
93 empowered to pay the costs that are incident to the sale, issuance



94 and delivery of the bonds authorized under this section from the  
95 proceeds derived from the sale of such bonds. The commission may  
96 sell such bonds on sealed bids at public sale or may negotiate the  
97 sale of the bonds for such price as it may determine to be for the  
98 best interest of the State of Mississippi. All interest accruing  
99 on such bonds so issued shall be payable semiannually or annually.

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

106 The commission, when issuing any bonds under the authority of  
107 this section, may provide that bonds, at the option of the State  
108 of Mississippi, may be called in for payment and redemption at the  
109 call price named therein and accrued interest on such date or  
110 dates named therein.

111 (7) The bonds issued under the provisions of this section  
112 are general obligations of the State of Mississippi, and for the  
113 payment thereof the full faith and credit of the State of  
114 Mississippi is irrevocably pledged. Interest and investment  
115 earnings on money in the Water Pollution Control Revolving Fund  
116 shall be utilized to pay the principal and interest on such bonds  
117 as they become due. If the interest and investment earnings of  
118 the fund and any funds appropriated by the Legislature are



119 insufficient to pay the principal of and the interest on such  
120 bonds as they become due, then the deficiency shall be paid by the  
121 State Treasurer from any funds in the State Treasury not otherwise  
122 appropriated. All such bonds shall contain recitals on their  
123 faces substantially covering the provisions of this section.

124 (8) Upon the issuance and sale of bonds under the provisions  
125 of this section, the commission shall transfer the proceeds of any  
126 such sale or sales to the Water Pollution Control Revolving Fund  
127 created in Section 49-17-85, Mississippi Code of 1972. After the  
128 transfer of the proceeds of any such sale or sales to the Water  
129 Pollution Control Revolving Fund, any investment earnings or  
130 interest earned on the proceeds of such bonds shall be deposited  
131 to the credit of the Water Pollution Control Revolving Fund and  
132 shall be used only for the purposes provided in Section 49-17-85,  
133 Mississippi Code of 1972. The proceeds of such bonds shall be  
134 disbursed solely upon the order of the Commission on Environmental  
135 Quality under such restrictions, if any, as may be contained in  
136 the resolution providing for the issuance of the bonds.

137 (9) The bonds authorized under this section may be issued  
138 without any other proceedings or the happening of any other  
139 conditions or things other than those proceedings, conditions and  
140 things which are specified or required by this section. Any  
141 resolution providing for the issuance of bonds under the  
142 provisions of this section shall become effective immediately upon  
143 its adoption by the commission, and any such resolution may be



144 adopted at any regular or special meeting of the commission by a  
145 majority of its members.

146 (10) The bonds authorized under the authority of this  
147 section may be validated in the Chancery Court of the First  
148 Judicial District of Hinds County, Mississippi, in the manner and  
149 with the force and effect provided by Title 31, Chapter 13,  
150 Mississippi Code of 1972, for the validation of county, municipal,  
151 school district and other bonds. The notice to taxpayers required  
152 by such statutes shall be published in a newspaper published or  
153 having a general circulation in the City of Jackson, Mississippi.

154 (11) Any holder of bonds issued under the provisions of this  
155 section or of any of the interest coupons pertaining thereto may,  
156 either at law or in equity, by suit, action, mandamus or other  
157 proceeding, protect and enforce any and all rights granted under  
158 this section, or under such resolution, and may enforce and compel  
159 performance of all duties required by this section to be  
160 performed, in order to provide for the payment of bonds and  
161 interest thereon.

162 (12) All bonds issued under the provisions of this section  
163 shall be legal investments for trustees and other fiduciaries, and  
164 for savings banks, trust companies and insurance companies  
165 organized under the laws of the State of Mississippi, and such  
166 bonds shall be legal securities which may be deposited with and  
167 shall be received by all public officers and bodies of this state



168 and all municipalities and political subdivisions for the purpose  
169 of securing the deposit of public funds.

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

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

176 (15) The State Treasurer is authorized, without further  
177 process of law, to certify to the Department of Finance and  
178 Administration the necessity for warrants, and the Department of  
179 Finance and Administration is authorized and directed to issue  
180 such warrants, in such amounts as may be necessary to pay when due  
181 the principal of, premium, if any, and interest on, or the  
182 accreted value of, all bonds issued under this section; and the  
183 State Treasurer shall forward the necessary amount to the  
184 designated place or places of payment of such bonds in ample time  
185 to discharge such bonds, or the interest thereon, on the due dates  
186 thereof.

187 (16) This section shall be deemed to be full and complete  
188 authority for the exercise of the powers therein granted, but this  
189 section shall not be deemed to repeal or to be in derogation of  
190 any existing law of this state.

191 **SECTION 2.** Section 49-17-85, Mississippi Code of 1972, is  
192 amended as follows:





193           49-17-85. (1) There is established in the State Treasury a  
194 fund to be known as the "Water Pollution Control Revolving Fund,"  
195 which shall be administered by the commission acting through the  
196 department. The revolving fund may receive bond proceeds and  
197 funds appropriated or otherwise made available by the Legislature  
198 in any manner and funds from any other source, public or private.  
199 The revolving fund shall be maintained in perpetuity for the  
200 purposes established in this section.

201           (2) There is established in the State Treasury a fund to be  
202 known as the "Water Pollution Control Hardship Grants Fund," which  
203 shall be administered by the commission acting through the  
204 department. The grants fund shall be maintained in perpetuity for  
205 the purposes established in this section. Any interest earned on  
206 monies in the grants fund shall be credited to that fund.

207           (3) The commission shall promulgate regulations for the  
208 administration of the revolving fund program, the hardship grants  
209 program and for related programs authorized under this section.  
210 The regulations shall be in accordance with the federal Water  
211 Quality Act of 1987, as amended, and regulations and guidance  
212 issued under that act. The commission may enter into  
213 capitalization grant agreements with the United States  
214 Environmental Protection Agency and may accept capitalization  
215 grant awards made under Title VI of the Water Quality Act of 1987,  
216 as amended.



217           (4) The commission shall establish a loan program which  
218 shall commence after October 1, 1988, to assist political  
219 subdivisions in the construction of water pollution control  
220 projects. Loans from the revolving fund may be made to political  
221 subdivisions as set forth in a loan agreement in amounts not  
222 exceeding one hundred percent (100%) of eligible project costs as  
223 established by the commission. Notwithstanding loan amount  
224 limitations set forth in Section 49-17-61, the commission may  
225 require local participation or funding from other sources, or  
226 otherwise limit the percentage of costs covered by loans from the  
227 revolving fund. The commission may establish a maximum amount for  
228 any loan in order to provide for broad and equitable participation  
229 in the program.

230           (5) The commission shall establish a hardship grants program  
231 for rural communities, which shall commence after July 1, 1997, to  
232 assist severely economically disadvantaged small rural political  
233 subdivisions in the construction of water pollution control  
234 projects. The commission may receive and administer state or  
235 federal funds, or both, appropriated for the operation of this  
236 grants program and may take all actions necessary to implement the  
237 program in accordance with the federal hardship grants program.  
238 The hardship grants program shall operate in conjunction with the  
239 revolving loan program administered under this section.

240           (6) The commission shall act for the state in all matters  
241 and with respect to all determinations under Title VI of the



242 federal Water Quality Act of 1987, as amended, and the federal  
243 Omnibus Appropriations and Recision Act of 1996.

244 (7) Except as otherwise provided in this section, the  
245 revolving fund may be used only:

246 (a) To make loans on the condition that:

247 (i) The loans are made at or below market interest  
248 rates, at terms not to exceed the maximum time allowed by federal  
249 law after project completion; the interest rate and term may vary  
250 from time to time and from loan to loan at the discretion of the  
251 commission;

252 (ii) Periodic principal and interest payments will  
253 commence when required by the commission but not later than one  
254 (1) year after project completion and all loans will be fully  
255 amortized when required by the commission but not later than the  
256 maximum time allowed by federal law after project completion;

257 (iii) The recipient of a loan will establish a  
258 dedicated source of revenue for repayment of loans;

259 (b) To buy or refinance the debt obligation of  
260 political subdivisions at or below market rates, where the debt  
261 obligations were incurred after March 7, 1985, and where the  
262 projects were constructed in compliance with applicable federal  
263 and state regulations;

264 (c) To guarantee, or purchase insurance for,  
265 obligations of political subdivisions where the action would  
266 improve credit market access or reduce interest rates;



267 (d) To provide loan guarantees for similar revolving  
268 funds established by municipalities or intermunicipal agencies;

269 (e) To earn interest on fund accounts;

270 (f) To establish nonpoint source pollution control  
271 management programs;

272 (g) To establish estuary conservation and management  
273 programs;

274 (h) For the reasonable costs of administering the  
275 revolving fund and conducting activities under this act, subject  
276 to the limitations established in Section 603(d)(7) of Title VI of  
277 the federal Clean Water Act, as amended, and subject to annual  
278 appropriation by the Legislature;

279 (i) In connection with the issuance, sale and purchase  
280 of bonds under Section 31-25-1 et seq., related to the funding of  
281 projects, to provide security or a pledge of revenues for the  
282 repayment of the bonds; and

283 (j) To pay the principal and interest on bonds issued  
284 pursuant to Section 11 of Chapter 580, Laws of 2007, Section 1 of  
285 Chapter 492, Laws of 2008, Section 47 of Chapter 557, Laws of  
286 2009, Section 45 of Chapter 533, Laws of 2010, Section 3 of  
287 Chapter 480, Laws of 2011, Section 36 of Chapter 569, Laws of  
288 2013, Section 9 of Chapter 452, Laws of 2018, Section 1 of Chapter  
289 415, Laws of 2019, \* \* \* Section 16 of Chapter 492, Laws of 2020,  
290 and Section 1 of this act, as they become due; however, only



291 interest and investment earnings on money in the fund may be  
292 utilized for this purpose.

293 (8) The hardship grants program shall be used only to  
294 provide hardship grants consistent with the federal hardship  
295 grants program for rural communities, regulations and guidance  
296 issued by the United States Environmental Protection Agency,  
297 subsections (3) and (5) of this section and regulations  
298 promulgated and guidance issued by the commission under this  
299 section.

300 (9) The commission shall establish by regulation a system of  
301 priorities and a priority list of projects eligible for funding  
302 with loans from the revolving fund.

303 (10) The commission may provide a loan from the revolving  
304 fund only with respect to a project if that project is on the  
305 priority list established by the commission.

306 (11) The revolving fund shall be credited with all payments  
307 of principal and interest derived from the fund uses described in  
308 subsection (7) of this section. However, notwithstanding any  
309 other provision of law to the contrary, all or any portion of  
310 payments of principal and interest derived from the fund uses  
311 described in subsection (7) of this section may be designated or  
312 pledged for repayment of a loan as provided in Section 31-25-28 in  
313 connection with a loan from the Mississippi Development Bank.

314 (12) The commission may establish and collect fees to defray  
315 the reasonable costs of administering the revolving fund if it



316 determines that the administrative costs will exceed the  
317 limitations established in Section 603(d)(7) of Title VI of the  
318 federal Clean Water Act, as amended. The administration fees may  
319 be included in loan amounts to political subdivisions for the  
320 purpose of facilitating payment to the commission. The fees may  
321 not exceed five percent (5%) of the loan amount.

322 (13) Except as otherwise provided in this section, the  
323 commission may, on a case-by-case basis and to the extent allowed  
324 by federal law, renegotiate the payment of principal and interest  
325 on loans made under this section to the six (6) most southern  
326 counties of the state covered by the Presidential Declaration of  
327 Major Disaster for the State of Mississippi (FEMA-1604-DR) dated  
328 August 29, 2005, and to political subdivisions located in such  
329 counties; however, the interest on the loans shall not be forgiven  
330 for a period of more than twenty-four (24) months and the maturity  
331 of the loans shall not be extended for a period of more than  
332 forty-eight (48) months.

333 (14) The commission may, on a case-by-case basis and to the  
334 extent allowed by federal law, renegotiate the payment of  
335 principal and interest on loans made under this section to Hancock  
336 County as a result of coverage under the Presidential Declaration  
337 of Major Disaster for the State of Mississippi (FEMA-1604-DR)  
338 dated August 29, 2005, and to political subdivisions located in  
339 Hancock County.



340           **SECTION 3.** This act shall take effect and be in force from  
341 and after July 1, 2021, and shall stand repealed on June 30, 2021.

**Further, amend by striking the title in its entirety and  
inserting in lieu thereof the following:**

1           AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS IN THE AMOUNT OF \$2,870,000.00 TO PROVIDE MATCHING FUNDS FOR  
3 FEDERAL FUNDS FOR THE WATER POLLUTION CONTROL REVOLVING FUND; TO  
4 AMEND SECTION 49-17-85, MISSISSIPPI CODE OF 1972, TO AUTHORIZE  
5 INTEREST AND INVESTMENT EARNINGS ON MONEY IN THE WATER POLLUTION  
6 CONTROL REVOLVING FUND TO BE UTILIZED TO PAY DEBT SERVICE ON THE  
7 BONDS AUTHORIZED TO BE ISSUED BY THIS ACT; AND FOR RELATED  
8 PURPOSES.

