

By: Representative Byrd

To: Ways and Means

HOUSE BILL NO. 523

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS TO ASSIST FORREST COUNTY, MISSISSIPPI, IN
3 PAYING COSTS ASSOCIATED WITH CONSTRUCTION OF THE EVELYN GANDY
4 PARKWAY NORTH EXTENSION PROJECT IN FORREST COUNTY; AND FOR RELATED
5 PURPOSES.

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

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

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

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

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



19 (2) (a) (i) A special fund, to be designated the "2022
20 Forrest County - Evelyn Gandy Parkway North Extension Fund," is
21 created within the State Treasury. The fund shall be maintained
22 by the State Treasurer as a separate and special fund, separate
23 and apart from the General Fund of the state. Unexpended amounts
24 remaining in the fund at the end of a fiscal year shall not lapse
25 into the State General Fund, and any interest earned or investment
26 earnings on amounts in the fund shall be deposited into such fund.

27 (ii) Monies deposited into the fund shall be
28 disbursed, in the discretion of the Department of Finance and
29 Administration, to assist Forrest County, Mississippi, in paying
30 the costs associated with construction of the Evelyn Gandy Parkway
31 North Extension project extending from at or near the intersection
32 of Interstate 59 and Mississippi Highway 42 in Forrest County, and
33 extending to at or near the intersection of U.S. Highway 49 and
34 Pep's Point Road in Forrest County.

35 (b) Amounts deposited into such special fund shall be
36 disbursed to pay the costs of the projects described in paragraph
37 (a) of this subsection. Promptly after the commission has
38 certified, by resolution duly adopted, that the projects described
39 in paragraph (a) of this subsection shall have been completed,
40 abandoned, or cannot be completed in a timely fashion, any amounts
41 remaining in such special fund shall be applied to pay debt
42 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 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 the 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 Sixty-five Million Dollars (\$65,000,000.00). No bonds shall be issued under this section after July 1, 2026.

(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



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

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

82 (5) The bonds authorized by this section shall be signed by
83 the chairman of the commission, or by his facsimile signature, and
84 the official seal of the commission shall be affixed thereto,
85 attested by the secretary of the commission. The interest
86 coupons, if any, to be attached to such bonds may be executed by
87 the facsimile signatures of such officers. Whenever any such
88 bonds shall have been signed by the officials designated to sign
89 the bonds who were in office at the time of such signing but who
90 may have ceased to be such officers before the sale and delivery
91 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 (1) 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.



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

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

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



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

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

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

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

189 (16) The State Treasurer is authorized, without further
190 process of law, to certify to the Department of Finance and
191 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 to discharge such bonds, or the interest thereon, on the due dates thereof.

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

SECTION 2. This act shall take effect and be in force from and after July 1, 2022.

