

By: Representative Harness

To: Ways and Means

HOUSE BILL NO. 563

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
 2 BONDS TO PROVIDE FUNDS TO ASSIST THE TOWN OF BUDE, MISSISSIPPI, IN  
 3 PAYING COSTS ASSOCIATED WITH THE RELOCATION OF AND REPAIR,  
 4 RENOVATION, RESTORATION, FURNISHING AND EQUIPPING OF THE BUDE  
 5 DEPOT AND RELOCATION OF AND REPAIR, RENOVATION AND RESTORATION OF  
 6 THE DEPOT CABOOSE; 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 "2022  
21 Town of Bude - Depot Fund," is created within the State Treasury.  
22 The fund shall be maintained by the State Treasurer as a separate  
23 and special fund, separate and apart from the General Fund of the  
24 state. Unexpended amounts remaining in the fund at the end of a  
25 fiscal year shall not lapse into the State General Fund, and any  
26 interest earned or investment earnings on amounts in the fund  
27 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 the Town of Bude, Mississippi, in paying  
31 costs associated with the relocation of and repair, renovation,  
32 restoration, furnishing and equipping of the Bude Depot and  
33 relocation of and repair, renovation and restoration of the depot  
34 caboose.

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  
43 the proceedings authorizing the issuance of such bonds and as  
44 directed by the commission.



45           (3) (a) The commission, at one time, or from time to time,  
46 may declare by resolution the necessity for issuance of general  
47 obligation bonds of the State of Mississippi to provide funds for  
48 all costs incurred or to be incurred for the purposes described in  
49 subsection (2) of this section. Upon the adoption of a resolution  
50 by the Department of Finance and Administration, declaring the  
51 necessity for the issuance of any part or all of the general  
52 obligation bonds authorized by this subsection, the department  
53 shall deliver a certified copy of its resolution or resolutions to  
54 the commission. Upon receipt of such resolution, the commission,  
55 in its discretion, may act as the issuing agent, prescribe the  
56 form of the bonds, determine the appropriate method for sale of  
57 the bonds, advertise for and accept bids or negotiate the sale of  
58 the bonds, issue and sell the bonds so authorized to be sold and  
59 do any and all other things necessary and advisable in connection  
60 with the issuance and sale of such bonds. The total amount of  
61 bonds issued under this section shall not exceed Five Hundred  
62 Twenty-seven Thousand Dollars (\$527,000.00). No bonds shall be  
63 issued under this section after July 1, 2026.

64           (b) Any investment earnings on amounts deposited into  
65 the special fund created in subsection (2) of this section shall  
66 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  
92 bonds may bear, the signatures of such officers upon such bonds  
93 and coupons shall nevertheless be valid and sufficient for all



94 purposes and have the same effect as if the person so officially  
95 signing such bonds had remained in office until their delivery to  
96 the purchaser, or had been in office on the date such bonds may  
97 bear. However, notwithstanding anything herein to the contrary,  
98 such bonds may be issued as provided in the Registered Bond Act of  
99 the State of Mississippi.

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

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



119 interest of the State of Mississippi. All interest accruing on  
120 such bonds so issued shall be payable semiannually or annually.

121 If such bonds are sold by sealed bids at public sale, notice  
122 of the sale shall be published at least one (1) time, not less  
123 than ten (10) days before the date of sale, and shall be so  
124 published in one or more newspapers published or having a general  
125 circulation in the City of Jackson, Mississippi, selected by the  
126 commission.

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

132 (8) The bonds issued under the provisions of this section  
133 are general obligations of the State of Mississippi, and for the  
134 payment thereof the full faith and credit of the State of  
135 Mississippi is irrevocably pledged. If the funds appropriated by  
136 the Legislature are insufficient to pay the principal of and the  
137 interest on such bonds as they become due, then the deficiency  
138 shall be paid by the State Treasurer from any funds in the State  
139 Treasury not otherwise appropriated. All such bonds shall contain  
140 recitals on their faces substantially covering the provisions of  
141 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  
192 Finance and Administration is authorized and directed to issue  
193 such warrants, in such amounts as may be necessary to pay when due





194 the principal of, premium, if any, and interest on, or the  
195 accreted value of, all bonds issued under this section; and the  
196 State Treasurer shall forward the necessary amount to the  
197 designated place or places of payment of such bonds in ample time  
198 to discharge such bonds, or the interest thereon, on the due dates  
199 thereof.

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

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

