

By: Representatives Lamar, Gunn, Stamps

To: Ways and Means

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1686

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS FOR THE PURPOSE OF DEFEASING MISSISSIPPI
3 DEVELOPMENT BANK SPECIAL OBLIGATION BONDS ISSUED FOR THE PURPOSE
4 OF ACCELERATING CERTAIN HIGHWAY CONSTRUCTION PROJECTS FOR THE
5 MISSISSIPPI DEPARTMENT OF TRANSPORTATION UNDER SECTION 65-1-8; TO
6 AMEND SECTION 65-1-8, MISSISSIPPI CODE OF 1972, TO PROHIBIT NEW
7 AGREEMENTS MADE BY THE MISSISSIPPI TRANSPORTATION COMMISSION UNDER
8 THIS SECTION FOR THE PURPOSE OF ACCELERATING CERTAIN HIGHWAY
9 CONSTRUCTION PROJECTS; TO BRING FORWARD SECTION 3, CHAPTER 520,
10 LAWS OF 2010, AS AMENDED BY SECTION 39, CHAPTER 569, LAWS OF 2013,
11 WHICH AUTHORIZES THE ISSUANCE OF STATE GENERAL OBLIGATION BONDS
12 FOR VARIOUS ROAD AND BRIDGE PURPOSES, FOR THE PURPOSES OF POSSIBLE
13 AMENDMENT; AND FOR RELATED PURPOSES.

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

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

18 (a) "Accreted value" of any bond means, as of any date
19 of computation, an amount equal to the sum of (i) the stated
20 initial value of such bond, plus (ii) the interest accrued thereon
21 from the issue date to the date of computation at the rate,
22 compounded semiannually, that is necessary to produce the



23 approximate yield to maturity shown for bonds of the same
24 maturity.

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

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

27 (2) The commission, at one time, or from time to time, may
28 declare by resolution the necessity for issuance of general
29 obligation bonds of the State of Mississippi to provide funds for
30 all costs incurred or to be incurred for the purpose of defeasing
31 all or any part of the Mississippi Development Bank Special
32 Obligation Bonds issued for the purpose of accelerating highway
33 construction projects for the Mississippi Department of
34 Transportation under Section 65-1-8(2)(z), Mississippi Code of
35 1972. Upon the adoption of a resolution by the Department of
36 Finance and Administration, declaring the necessity for the
37 issuance of any part or all of the general obligation bonds
38 authorized by this subsection, the department shall deliver a
39 certified copy of its resolution or resolutions to the commission.
40 Upon receipt of such resolution, the commission, in its
41 discretion, may act as the issuing agent, prescribe the form of
42 the bonds, determine the appropriate method for sale of the bonds,
43 advertise for and accept bids or negotiate the sale of the bonds,
44 issue and sell the bonds so authorized to be sold and do any and
45 all other things necessary and advisable in connection with the
46 issuance and sale of such bonds. The total amount of bonds issued
47 under this section shall not exceed Six Hundred Fifty Million



48 Dollars (\$650,000,000.00). No bonds shall be issued under this
49 section after July 1, 2026.

50 (3) The principal of and interest on the bonds authorized
51 under this section shall be payable in the manner provided in this
52 subsection. Such bonds shall bear such date or dates, be in such
53 denomination or denominations, bear interest at such rate or rates
54 (not to exceed the limits set forth in Section 75-17-101,
55 Mississippi Code of 1972), be payable at such place or places
56 within or without the State of Mississippi, shall mature
57 absolutely at such time or times not to exceed thirty (30) years
58 from date of issue, be redeemable before maturity at such time or
59 times and upon such terms, with or without premium, shall bear
60 such registration privileges, and shall be substantially in such
61 form, all as shall be determined by resolution of the commission.

62 (4) The bonds authorized by this section shall be signed by
63 the chairman of the commission, or by his facsimile signature, and
64 the official seal of the commission shall be affixed thereto,
65 attested by the secretary of the commission. The interest
66 coupons, if any, to be attached to such bonds may be executed by
67 the facsimile signatures of such officers. Whenever any such
68 bonds shall have been signed by the officials designated to sign
69 the bonds who were in office at the time of such signing but who
70 may have ceased to be such officers before the sale and delivery
71 of such bonds, or who may not have been in office on the date such
72 bonds may bear, the signatures of such officers upon such bonds



73 and coupons shall nevertheless be valid and sufficient for all
74 purposes and have the same effect as if the person so officially
75 signing such bonds had remained in office until their delivery to
76 the purchaser, or had been in office on the date such bonds may
77 bear. However, notwithstanding anything herein to the contrary,
78 such bonds may be issued as provided in the Registered Bond Act of
79 the State of Mississippi.

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

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



98 the bonds for such price as it may determine to be for the best
99 interest of the State of Mississippi. All interest accruing on
100 such bonds so issued shall be payable semiannually or annually.

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

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

112 (7) The bonds issued under the provisions of this section
113 are general obligations of the State of Mississippi, and for the
114 payment thereof the full faith and credit of the State of
115 Mississippi is irrevocably pledged. If the funds appropriated by
116 the Legislature are insufficient to pay the principal of and the
117 interest on such bonds as they become due, then the deficiency
118 shall be paid by the State Treasurer from any funds in the State
119 Treasury not otherwise appropriated. All such bonds shall contain
120 recitals on their faces substantially covering the provisions of
121 this subsection.



122 (8) Upon the issuance and sale of bonds under the provisions
123 of this section, the commission shall transfer the proceeds of any
124 such sale or sales to an escrow account established and used in a
125 manner similar to that authorized under Sections 31-27-9 and
126 31-27-15, Mississippi Code of 1972, for the purpose of defeasing
127 all or any part of the Mississippi Development Bank Special
128 Obligation Bonds issued for the purpose of accelerating highway
129 construction projects for the Mississippi Department of
130 Transportation under Section 65-1-8(2)(z), Mississippi Code of
131 1972.

132 (9) The bonds authorized under this section may be issued
133 without any other proceedings or the happening of any other
134 conditions or things other than those proceedings, conditions and
135 things which are specified or required by this section. Any
136 resolution providing for the issuance of bonds under the
137 provisions of this section shall become effective immediately upon
138 its adoption by the commission, and any such resolution may be
139 adopted at any regular or special meeting of the commission by a
140 majority of its members.

141 (10) The bonds authorized under the authority of this
142 section may be validated in the Chancery Court of the First
143 Judicial District of Hinds County, Mississippi, in the manner and
144 with the force and effect provided by Chapter 13, Title 31,
145 Mississippi Code of 1972, for the validation of county, municipal,
146 school district and other bonds. The notice to taxpayers required



147 by such statutes shall be published in a newspaper published or
148 having a general circulation in the City of Jackson, Mississippi.

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

157 (12) All bonds issued under the provisions of this section
158 shall be legal investments for trustees and other fiduciaries, and
159 for savings banks, trust companies and insurance companies
160 organized under the laws of the State of Mississippi, and such
161 bonds shall be legal securities which may be deposited with and
162 shall be received by all public officers and bodies of this state
163 and all municipalities and political subdivisions for the purpose
164 of securing the deposit of public funds.

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

168 (14) The proceeds of the bonds issued under this section
169 shall be used solely for the purposes herein provided, including
170 the costs incident to the issuance and sale of such bonds.



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

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

186 **SECTION 2.** Section 65-1-8, Mississippi Code of 1972, is
187 amended as follows:

188 65-1-8. (1) The Mississippi Transportation Commission shall
189 have the following general powers, duties and responsibilities:

190 (a) To coordinate and develop a comprehensive, balanced
191 transportation policy for the State of Mississippi;

192 (b) To promote the coordinated and efficient use of all
193 available and future modes of transportation;



194 (c) To make recommendations to the Legislature
195 regarding alterations or modifications in any existing
196 transportation policies;

197 (d) To study means of encouraging travel and
198 transportation of goods by the combination of motor vehicle and
199 other modes of transportation;

200 (e) To take such actions as are necessary and proper to
201 discharge its duties pursuant to the provisions of Chapter 496,
202 Laws of 1992, and any other provision of law;

203 (f) To receive and provide for the expenditure of any
204 funds made available to it by the Legislature, the federal
205 government or any other source.

206 (2) In addition to the general powers, duties and
207 responsibilities listed in subsection (1) of this section, the
208 Mississippi Transportation Commission shall have the following
209 specific powers:

210 (a) To make rules and regulations whereby the
211 Transportation Department shall change or relocate any and all
212 highways herein or hereafter fixed as constituting a part of the
213 state highway system, as may be deemed necessary or economical in
214 the construction or maintenance thereof; to acquire by gift,
215 purchase, condemnation or otherwise, land or other property
216 whatsoever that may be necessary for a state highway system as
217 herein provided, with full consideration to be given to the
218 stimulation of local public and private investment when acquiring



219 such property in the vicinity of Mississippi towns, cities and
220 population centers;

221 (b) To enforce by mandamus, or other proper legal
222 remedies, all legal rights or rights of action of the Mississippi
223 Transportation Commission with other public bodies, corporations
224 or persons;

225 (c) To make and publish rules, regulations and
226 ordinances for the control of and the policing of the traffic on
227 the state highways, and to prevent their abuse by any or all
228 persons, natural or artificial, by trucks, tractors, trailers or
229 any other heavy or destructive vehicles or machines, or by any
230 other means whatsoever, by establishing weights of loads or of
231 vehicles, types of tires, width of tire surfaces, length and width
232 of vehicles, with reasonable variations to meet approximate
233 weather conditions, and all other proper police and protective
234 regulations, and to provide ample means for the enforcement of
235 same. The violation of any of the rules, regulations or
236 ordinances so prescribed by the commission shall constitute a
237 misdemeanor. No rule, regulation or ordinance shall be made that
238 conflicts with any statute now in force or which may hereafter be
239 enacted, or with any ordinance of municipalities. A monthly
240 publication giving general information to the boards of
241 supervisors, employees and the public may be issued under such
242 rules and regulations as the commission may determine;



243 (d) To give suitable numbers to highways and to change
244 the number of any highway that shall become a part of the state
245 highway system. However, nothing herein shall authorize the
246 number of any highway to be changed so as to conflict with any
247 designation thereof as a U.S. numbered highway. Where, by a
248 specific act of the Legislature, the commission has been directed
249 to give a certain number to a highway, the commission shall not
250 have the authority to change such number;

251 (e) (i) To make proper and reasonable rules,
252 regulations, and ordinances for the placing, erection, removal or
253 relocation of telephone, telegraph or other poles, signboards,
254 fences, gas, water, sewerage, oil or other pipelines, and other
255 obstructions that may, in the opinion of the commission,
256 contribute to the hazards upon any of the state highways, or in
257 any way interfere with the ordinary travel upon such highways, or
258 the construction, reconstruction or maintenance thereof, and to
259 make reasonable rules and regulations for the proper control
260 thereof. Any violation of such rules or regulations or
261 noncompliance with such ordinances shall constitute a misdemeanor;

262 (ii) Except as otherwise provided for in this
263 paragraph, whenever the order of the commission shall require the
264 removal of, or other changes in the location of telephone,
265 telegraph or other poles, signboards, gas, water, sewerage, oil or
266 other pipelines; or other similar obstructions on the right-of-way
267 or such other places where removal is required by law, the owners



268 thereof shall at their own expense move or change the same to
269 conform to the order of the commission. Any violation of such
270 rules or regulations or noncompliance with such orders shall
271 constitute a misdemeanor;

272 (iii) Rural water districts, rural water systems,
273 nonprofit water associations and municipal public water systems in
274 municipalities with a population of ten thousand (10,000) or less,
275 according to the latest federal decennial census, shall not be
276 required to bear the cost and expense of removal and relocation of
277 water and sewer lines and facilities constructed or in place in
278 the rights-of-way of state highways. The cost and expense of such
279 removal and relocation, including any unpaid prior to July 1,
280 2002, shall be paid by the Department of Transportation;

281 (iv) Municipal public sewer systems and municipal
282 gas systems owned by municipalities with a population of ten
283 thousand (10,000) or less, according to the latest federal
284 decennial census, shall not be required to bear the cost and
285 expense of removal and relocation of lines and facilities
286 constructed or in place in the rights-of-way of state highways.
287 The cost and expense of such removal and relocation, including any
288 unpaid prior to July 1, 2003, shall be paid by the Department of
289 Transportation;

290 (f) To regulate and abandon grade crossings on any road
291 fixed as a part of the state highway system, and whenever the
292 commission, in order to avoid a grade crossing with the railroad,



293 locates or constructs said road on one side of the railroad, the
294 commission shall have the power to abandon and close such grade
295 crossing, and whenever an underpass or overhead bridge is
296 substituted for a grade crossing, the commission shall have power
297 to abandon such grade crossing and any other crossing adjacent
298 thereto. Included in the powers herein granted shall be the power
299 to require the railroad at grade crossings, where any road of the
300 state highway system crosses the same, to place signal posts with
301 lights or other warning devices at such crossings at the expense
302 of the railroad, and to regulate and abandon underpass or overhead
303 bridges and, where abandoned because of the construction of a new
304 underpass or overhead bridge, to close such old underpass or
305 overhead bridge, or, in its discretion, to return the same to the
306 jurisdiction of the county board of supervisors;

307 (g) To make proper and reasonable rules and regulations
308 to control the cutting or opening of the road surfaces for
309 subsurface installations;

310 (h) To make proper and reasonable rules and regulations
311 for the removal from the public rights-of-way of any form of
312 obstruction, to cooperate in improving their appearance, and to
313 prescribe minimum clearance heights for seed conveyors, pipes,
314 passageways or other structure of private or other ownership above
315 the highways;

316 (i) To establish, and have the Transportation
317 Department maintain and operate, and to cooperate with the state



318 educational institutions in establishing, enlarging, maintaining
319 and operating a laboratory or laboratories for testing materials
320 and for other proper highway purposes;

321 (j) To provide, under the direction and with the
322 approval of the Department of Finance and Administration, suitable
323 offices, shops and barns in the City of Jackson;

324 (k) To establish and have enforced set-back
325 regulations;

326 (l) To cooperate with proper state authorities in
327 producing limerock for highway purposes and to purchase same at
328 cost;

329 (m) To provide for the purchase of necessary equipment
330 and vehicles and to provide for the repair and housing of same, to
331 acquire by gift, purchase, condemnation or otherwise, land or
332 lands and buildings in fee simple, and to authorize the
333 Transportation Department to construct, lease or otherwise provide
334 necessary and proper permanent district offices for the
335 construction and maintenance divisions of the department, and for
336 the repair and housing of the equipment and vehicles of the
337 department; however, in each Supreme Court district only two (2)
338 permanent district offices shall be set up, but a permanent status
339 shall not be given to any such offices until so provided by act of
340 the Legislature and in the meantime, all shops of the department
341 shall be retained at their present location. As many local or
342 subdistrict offices, shops or barns may be provided as is



343 essential and proper to economical maintenance of the state
344 highway system;

345 (n) To cooperate with the Department of Archives and
346 History in having placed and maintained suitable historical
347 markers, including those which have been approved and purchased by
348 the State Historical Commission, along state highways, and to have
349 constructed and maintained roadside driveways for convenience and
350 safety in viewing them when necessary;

351 (o) To cooperate, in its discretion, with the
352 Mississippi Department of Wildlife, Fisheries and Parks in
353 planning and constructing roadside parks upon the right-of-way of
354 state highways, whether constructed, under construction, or
355 planned; said parks to utilize where practical barrow pits used in
356 construction of state highways for use as fishing ponds. Said
357 parks shall be named for abundant flora and fauna existing in the
358 area or for the first flora or fauna found on the site;

359 (p) Unless otherwise prohibited by law, to make such
360 contracts and execute such instruments containing such reasonable
361 and necessary appropriate terms, provisions and conditions as in
362 its absolute discretion it may deem necessary, proper or
363 advisable, for the purpose of obtaining or securing financial
364 assistance, grants or loans from the United States of America or
365 any department or agency thereof, including contracts with several
366 counties of the state pertaining to the expenditure of such funds;



367 (q) To cooperate with the Federal Highway
368 Administration in the matter of location, construction and
369 maintenance of the Great River Road, to expend such funds paid to
370 the commission by the Federal Highway Administration or other
371 federal agency, and to authorize the Transportation Department to
372 erect suitable signs marking this highway, the cost of such signs
373 to be paid from state highway funds other than earmarked
374 construction funds;

375 (r) To cooperate, in its discretion, with the
376 Mississippi Forestry Commission and the School of Forestry,
377 Mississippi State University, in a forestry management program,
378 including planting, thinning, cutting and selling, upon the
379 right-of-way of any highway, constructed, acquired or maintained
380 by the Transportation Department, and to sell and dispose of any
381 and all growing timber standing, lying or being on any
382 right-of-way acquired by the commission for highway purposes in
383 the future; such sale or sales to be made in accordance with the
384 sale of personal property which has become unnecessary for public
385 use as provided for in Section 65-1-123, Mississippi Code of 1972;

386 (s) To expend funds in cooperation with the Division of
387 Plant Industry, Mississippi Department of Agriculture and
388 Commerce, the United States government or any department or agency
389 thereof, or with any department or agency of this state, to
390 control, suppress or eradicate serious insect pests, rodents,



391 plant parasites and plant diseases on the state highway
392 rights-of-way;

393 (t) To provide for the placement, erection and
394 maintenance of motorist services business signs and supports
395 within state highway rights-of-way in accordance with current
396 state and federal laws and regulations governing the placement of
397 traffic control devices on state highways, and to establish and
398 collect reasonable fees from the businesses having information on
399 such signs;

400 (u) To request and to accept the use of persons
401 convicted of an offense, whether a felony or a misdemeanor, for
402 work on any road construction, repair or other project of the
403 Transportation Department. The commission is also authorized to
404 request and to accept the use of persons who have not been
405 convicted of an offense but who are required to fulfill certain
406 court-imposed conditions pursuant to Section 41-29-150(d)(1) or
407 99-15-26, Mississippi Code of 1972, or the Pretrial Intervention
408 Act, being Sections 99-15-101 through 99-15-127, Mississippi Code
409 of 1972. The commission is authorized to enter into any
410 agreements with the Department of Corrections, the State Parole
411 Board, any criminal court of this state, and any other proper
412 official regarding the working, guarding, safekeeping, clothing
413 and subsistence of such persons performing work for the
414 Transportation Department. Such persons shall not be deemed
415 agents, employees or involuntary servants of the Transportation



416 Department while performing such work or while going to and from
417 work or other specified areas;

418 (v) To provide for the administration of the railroad
419 revitalization program pursuant to Section 57-43-1 et seq.;

420 (w) The Mississippi Transportation Commission is
421 further authorized, in its discretion, to expend funds for the
422 purchase of service pins for employees of the Mississippi
423 Transportation Department;

424 (x) To cooperate with the State Tax Commission by
425 providing for weight enforcement field personnel to collect and
426 assess taxes, fees and penalties and to perform all duties as
427 required pursuant to Section 27-55-501 et seq., Sections 27-19-1
428 et seq., 27-55-1 et seq., 27-59-1 et seq. and 27-61-1 et seq.,
429 Mississippi Code of 1972, with regard to vehicles subject to the
430 jurisdiction of the Office of Weight Enforcement. All collections
431 and assessments shall be transferred daily to the State Tax
432 Commission;

433 (y) The Mississippi Transportation Commission may
434 delegate the authority to enter into a supplemental agreement to a
435 contract previously approved by the commission if the supplemental
436 agreement involves an additional expenditure not to exceed One
437 Hundred Thousand Dollars (\$100,000.00);

438 (z) (i) The Mississippi Transportation Commission, in
439 its discretion, may enter into agreements with any county,
440 municipality, county transportation commission, business,



441 corporation, partnership, association, individual or other legal
442 entity, for the purpose of accelerating the completion date of
443 scheduled highway construction projects.

444 (ii) Such an agreement may permit the cost of a
445 highway construction project to be advanced to the commission by a
446 county, municipality, county transportation commission, business,
447 corporation, partnership, association, individual or other legal
448 entity, and repaid to such entity by the commission when highway
449 construction funds become available; provided, however, that
450 repayment of funds advanced to the Mississippi Transportation
451 Commission shall be made no sooner than the commission's
452 identified projected revenue schedule for funding of that
453 particular construction project, and no other scheduled highway
454 construction project established by statute or by the commission
455 may be delayed by an advanced funding project authorized under
456 this paragraph (z). Repayments to a private entity that advances
457 funds to the Mississippi Transportation Commission under this
458 paragraph (z) may not include interest or other fees or charges,
459 and the total amount repaid shall not exceed the total amount of
460 funds advanced to the commission by the entity.

461 (iii) In considering whether to enter into such an
462 agreement, the commission shall consider the availability of
463 financial resources, the effect of such agreement on other ongoing
464 highway construction, the urgency of the public's need for swift
465 completion of the project and any other relevant factors.



466 (iv) Such an agreement shall be executed only upon
467 a finding by the commission, spread upon its minutes, that the
468 acceleration of the scheduled project is both feasible and
469 beneficial. The commission shall also spread upon its minutes its
470 findings with regard to the factors required to be considered
471 pursuant to subparagraph (iii) of this paragraph (z) * * *.

472 (v) Upon the effective date of this act, new
473 agreements shall not be made under this paragraph (z);

474 (aa) The Mississippi Transportation Commission, in its
475 discretion, may purchase employment practices liability insurance,
476 and may purchase an excess policy to cover catastrophic losses
477 incurred under the commission's self-insured workers' compensation
478 program authorized under Section 71-3-5. Such policies shall be
479 written by the agent or agents of a company or companies
480 authorized to do business in the State of Mississippi. The
481 deductibles shall be in an amount deemed reasonable and prudent by
482 the commission, and the premiums thereon shall be paid from the
483 State Highway Fund. Purchase of insurance under this paragraph
484 shall not serve as an actual or implied waiver of sovereign
485 immunity or of any protection afforded the commission under the
486 Mississippi Tort Claims Act;

487 (bb) The Mississippi Transportation Commission is
488 further authorized, in its discretion, to expend funds for the
489 purchase of promotional materials for safety purposes, highway
490 beautification purposes and recruitment purposes;



491 (cc) To lease antenna space on communication towers
492 which it owns;

493 (dd) To receive funds from the Southeastern Association
494 of Transportation Officials and from other nonstate sources and
495 expend those funds for educational scholarships in transportation
496 related fields of study. The commission may adopt rules or
497 regulations as necessary for the implementation of the program. A
498 strict accounting shall be made of all funds deposited with the
499 commission and all funds dispersed.

500 **SECTION 3.** Section 3, Chapter 520, Laws of 2010, as amended
501 by Section 39, Chapter 569, Laws of 2013, is brought forward as
502 follows:

503 Section 39. Section 3, Chapter 520, Laws of 2010, is amended
504 as follows:

505 Section 3. (1) As used in this section, the following words
506 shall have the meanings ascribed herein unless the context clearly
507 requires otherwise:

508 (a) "Accreted value" of any bond means, as of any date
509 of computation, an amount equal to the sum of (i) the stated
510 initial value of such bond, plus (ii) the interest accrued thereon
511 from the issue date to the date of computation at the rate,
512 compounded semiannually, that is necessary to produce the
513 approximate yield to maturity shown for bonds of the same
514 maturity.

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



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

517 (2) (a) (i) A special fund, to be designated as the "State
518 Highway Bridge Rehabilitation Fund," is created within the State
519 Treasury. The fund shall be maintained by the State Treasurer as
520 a separate and special fund, separate and apart from the General
521 Fund of the state. Unexpended amounts remaining in the fund at
522 the end of a fiscal year shall not lapse into the State General
523 Fund, and any interest earned or investment earnings on amounts in
524 the fund shall be deposited into such fund.

525 (ii) Monies deposited into the fund shall be
526 disbursed to pay the costs incurred by the Mississippi
527 Transportation Commission and the Mississippi Department of
528 Transportation for the replacement or rehabilitation of the
529 bridges on state maintained highways with a National Bridge
530 Inspection Standards sufficiency rating of fifty (50) or less.

531 (b) Amounts deposited into such special fund shall be
532 disbursed to pay the costs of projects described in paragraph (a)
533 of this subsection. If any monies in such special fund are not
534 used within four (4) years after the date the proceeds of the
535 bonds authorized under this section are deposited into the special
536 fund, then the Mississippi Transportation Commission shall provide
537 an accounting of such unused monies to the commission. Promptly
538 after the commission has certified, by resolution duly adopted,
539 that the projects described in paragraph (a) of this subsection
540 shall have been completed, abandoned, or cannot be completed in a



541 timely fashion, any amounts remaining in such special fund shall
542 be applied to pay debt service on the bonds issued under this
543 section, in accordance with the proceedings authorizing the
544 issuance of such bonds and as directed by the commission.

545 (c) The Mississippi Transportation Commission is
546 expressly authorized and empowered to receive and expend any
547 federal, local or other source funds in connection with the
548 expenditure of funds provided for under this subsection.

549 (d) The expenditure of monies deposited into the
550 special fund shall be under the direction of the Mississippi
551 Transportation Commission, and such funds shall be paid by the
552 State Treasurer upon warrants issued by the Department of Finance
553 and Administration, which warrants shall be issued upon
554 requisitions signed by the Executive Director of the Mississippi
555 Department of Transportation.

556 (3) (a) (i) A special fund, to be designated as the
557 "Vision 21 High Priority Projects Fund," is created within the
558 State Treasury. The fund shall be maintained by the State
559 Treasurer as a separate and special fund, separate and apart from
560 the General Fund of the state. Unexpended amounts remaining in
561 the fund at the end of a fiscal year shall not lapse into the
562 State General Fund, and any interest earned or investment earnings
563 on amounts in the fund shall be deposited into such fund.

564 (ii) Monies deposited into the special fund shall
565 be disbursed to pay the costs incurred by the Mississippi



566 Transportation Commission and the Mississippi Department of
567 Transportation for the construction and reconstruction or
568 improvement of those highway segments described in Section
569 65-3-97(4)(a). Upon the completion of the construction and
570 reconstruction or improvement of those highway segments, the
571 monies deposited into the special fund shall be disbursed to pay
572 the costs incurred by the Mississippi Transportation Commission
573 and the Mississippi Department of Transportation for the
574 construction and reconstruction or improvement of those highway
575 segments described in Section 65-3-97(5)(f)(xxvi), (f)(xxvii),
576 (f)(xxxiv), (f)(xxxv), (f)(xl), (f)(xli), (h)(xiv) and (h)(xvi).

577 (b) Amounts deposited into such special fund shall be
578 disbursed to pay the costs of projects described in paragraph (a)
579 of this subsection. If any monies in such special fund are not
580 used within four (4) years after the date the proceeds of the
581 bonds authorized under this section are deposited into the special
582 fund, then the Mississippi Transportation Commission shall provide
583 an accounting of such unused monies to the commission. Promptly
584 after the commission has certified, by resolution duly adopted,
585 that the projects described in paragraph (a) of this subsection
586 shall have been completed, abandoned, or cannot be completed in a
587 timely fashion, any amounts remaining in such special fund shall
588 be applied to pay debt service on the bonds issued under this
589 section, in accordance with the proceedings authorizing the
590 issuance of such bonds and as directed by the commission.



591 (c) The Mississippi Transportation Commission is
592 expressly authorized and empowered to receive and expend any
593 federal, local or other source funds in connection with the
594 expenditure of funds provided for under this subsection.

595 (d) The expenditure of monies deposited into the
596 special fund shall be under the direction of the Mississippi
597 Transportation Commission, and such funds shall be paid by the
598 State Treasurer upon warrants issued by the Department of Finance
599 and Administration, which warrants shall be issued upon
600 requisitions signed by the Executive Director of the Mississippi
601 Department of Transportation.

602 (4) (a) (i) A special fund, to be designated as the "Camp
603 Shelby Access Improvement Fund," is created within the State
604 Treasury. The fund shall be maintained by the State Treasurer as
605 a separate and special fund, separate and apart from the General
606 Fund of the state. Unexpended amounts remaining in the fund at
607 the end of a fiscal year shall not lapse into the State General
608 Fund, and any interest earned or investment earnings on amounts in
609 the fund shall be deposited into such fund.

610 (ii) Monies deposited into the fund shall be
611 disbursed to pay the costs incurred by the Mississippi
612 Transportation Commission and the Mississippi Department of
613 Transportation for improvements to U.S. Highway 49 from one (1)
614 mile south of the South Gate of Camp Shelby to U.S. Highway 98.



615 (b) Amounts deposited into such special fund shall be
616 disbursed to pay the costs of projects described in paragraph (a)
617 of this subsection. If any monies in such special fund are not
618 used within four (4) years after the date the proceeds of the
619 bonds authorized under this section are deposited into the special
620 fund, then the Mississippi Transportation Commission shall provide
621 an accounting of such unused monies to the commission. Promptly
622 after the commission has certified, by resolution duly adopted,
623 that the projects described in paragraph (a) of this subsection
624 shall have been completed, abandoned, or cannot be completed in a
625 timely fashion, any amounts remaining in such special fund shall
626 be applied to pay debt service on the bonds issued under this
627 section, in accordance with the proceedings authorizing the
628 issuance of such bonds and as directed by the commission.

629 (c) The Mississippi Transportation Commission is
630 expressly authorized and empowered to receive and expend any
631 federal, local or other source funds in connection with the
632 expenditure of funds provided for under this subsection.

633 (d) The expenditure of monies deposited into the
634 special fund shall be under the direction of the Mississippi
635 Transportation Commission, and such funds shall be paid by the
636 State Treasurer upon warrants issued by the Department of Finance
637 and Administration, which warrants shall be issued upon
638 requisitions signed by the Executive Director of the Mississippi
639 Department of Transportation.



640 (5) (a) For the purposes of providing for the payment of a
641 portion of the principal of and interest on bonds issued under
642 this section, there is created in the State Treasury a special
643 fund to be known as the "Mississippi Highway Construction, Bridge
644 Rehabilitation and State Aid Road Bond Sinking Fund." The bond
645 sinking fund shall consist of monies transferred into the fund by
646 the Mississippi Department of Transportation as required by
647 paragraph (b) of this subsection and shall be utilized to pay a
648 portion of the principal of and interest on bonds issued under
649 this section. Unexpended amounts remaining in the bond sinking
650 fund at the end of a fiscal year shall not lapse into the State
651 General Fund, and any interest earned or investment earnings on
652 amounts in the bond sinking fund shall be deposited into the bond
653 sinking fund.

654 (b) Beginning in the fiscal year during which the bonds
655 authorized to be issued by this section are issued, and each
656 fiscal year thereafter until the principal and interest on such
657 bonds is paid, the Mississippi Department of Transportation shall
658 transfer, from any available funds, an amount equal to Five
659 Million Dollars (\$5,000,000.00), into the Mississippi Highway
660 Construction, Bridge Rehabilitation and State Aid Road Bond
661 Sinking Fund. The transfer of funds required by this paragraph
662 shall be made by the department at such times as the State
663 Treasurer shall require.



664 (6) (a) (i) The commission, at one time, or from time to
665 time, may declare by resolution the necessity for issuance of
666 general obligation bonds of the State of Mississippi to provide
667 funds for all costs incurred or to be incurred for the purposes
668 described in subsections (2), (3) and (4) of this section. Upon
669 the adoption of a resolution by the Mississippi Transportation
670 Commission declaring the necessity for the issuance of any part or
671 all of the general obligation bonds authorized by this section for
672 the purposes described in subsections (2), (3) and (4) of this
673 section, the Mississippi Transportation Commission shall deliver a
674 certified copy of its resolution or resolutions to the commission.
675 If the resolution adopted by the Mississippi Transportation
676 Commission is requesting the issuance of bonds for the purposes
677 described in subsections (2) and (3) of this section, the
678 resolution shall contain a list of the projects proposed to be
679 funded by the issuance of bonds under this section; however, the
680 list of projects in the resolution shall not control or restrict
681 the expenditure of the funds and the expenditure of such funds
682 shall be governed by the provisions of subsections (2) and (3) of
683 this section. Upon receipt of such resolution, the commission, in
684 its discretion, may act as the issuing agent, prescribe the form
685 of the bonds, determine the appropriate method for the sale of the
686 bonds, advertise for and accept bids or negotiate the sale of the
687 bonds, issue and sell the bonds so authorized to be sold, and do



688 any and all other things necessary and advisable in connection
689 with the issuance and sale of such bonds.

690 (ii) The commission, at one time, or from time to
691 time, may declare by resolution the necessity for issuance of
692 general obligation bonds of the State of Mississippi to provide
693 funds for all costs incurred or to be incurred for the purpose of
694 providing additional funds for deposit into the State Aid Road
695 Fund in the State Treasury. Upon the adoption of a resolution by
696 the Office of State Aid Road Construction declaring the necessity
697 for the issuance of any part or all of the general obligation
698 bonds authorized by this section for deposit into the State Aid
699 Road Fund, the Office of State Aid Road Construction shall deliver
700 a certified copy of its resolution or resolutions to the
701 commission. Upon receipt of such resolution, the commission, in
702 its discretion, may act as the issuing agent, prescribe the form
703 of the bonds, determine the appropriate method for the sale of the
704 bonds, advertise for and accept bids or negotiate the sale of the
705 bonds, issue and sell the bonds so authorized to be sold, and do
706 any and all other things necessary and advisable in connection
707 with the issuance and sale of such bonds.

708 (iii) The total amount of bonds issued under this
709 section shall not exceed One Hundred Eighty Million Dollars
710 (\$180,000,000.00). No bonds shall be issued under this section
711 after July 1, 2014.



712 (b) The proceeds of the bonds issued pursuant to this
713 section shall be deposited into the following special funds in not
714 more than the following amounts:

715 (i) The State Highway Bridge Rehabilitation Fund
716 created pursuant to subsection (2) of this
717 section.....\$100,000,000.00.

718 (ii) The Vision 21 High Priority Projects Fund
719 created pursuant to subsection (3) of this
720 section.....\$ 50,000,000.00.

721 (iii) The Camp Shelby Access Improvement Fund
722 created pursuant to subsection (4) of this
723 section.....\$ 10,000,000.00.

724 (iv) The State Aid Road Fund in the
725 State Treasury.....\$ 20,000,000.00.

726 (c) Any investment earnings on bonds issued pursuant to
727 this section shall be used to pay debt service on bonds issued
728 under this section, in accordance with the proceedings authorizing
729 issuance of such bonds.

730 (7) The principal of and interest on the bonds authorized
731 under this section shall be payable in the manner provided in this
732 subsection. Such bonds shall bear such date or dates, be in such
733 denomination or denominations, bear interest at such rate or rates
734 (not to exceed the limits set forth in Section 75-17-101,
735 Mississippi Code of 1972), be payable at such place or places
736 within or without the State of Mississippi, shall mature



737 absolutely at such time or times not to exceed twenty-five (25)
738 years from date of issue, be redeemable before maturity at such
739 time or times and upon such terms, with or without premium, shall
740 bear such registration privileges, and shall be substantially in
741 such form, all as shall be determined by resolution of the
742 commission.

743 (8) The bonds authorized by this section shall be signed by
744 the chairman of the commission, or by his facsimile signature, and
745 the official seal of the commission shall be affixed thereto,
746 attested by the secretary of the commission. The interest
747 coupons, if any, to be attached to such bonds may be executed by
748 the facsimile signatures of such officers. Whenever any such
749 bonds shall have been signed by the officials designated to sign
750 the bonds who were in office at the time of such signing but who
751 may have ceased to be such officers before the sale and delivery
752 of such bonds, or who may not have been in office on the date such
753 bonds may bear, the signatures of such officers upon such bonds
754 and coupons shall nevertheless be valid and sufficient for all
755 purposes and have the same effect as if the person so officially
756 signing such bonds had remained in office until their delivery to
757 the purchaser, or had been in office on the date such bonds may
758 bear. However, notwithstanding anything herein to the contrary,
759 such bonds may be issued as provided in the Registered Bond Act of
760 the State of Mississippi.



761 (9) All bonds and interest coupons issued under the
762 provisions of this section have all the qualities and incidents of
763 negotiable instruments under the provisions of the Uniform
764 Commercial Code, and in exercising the powers granted by this
765 section, the commission shall not be required to and need not
766 comply with the provisions of the Uniform Commercial Code.

767 (10) The commission shall act as the issuing agent for the
768 bonds authorized under this section, prescribe the form of the
769 bonds, advertise for and accept bids or negotiate the sale of the
770 bonds, issue and sell the bonds so authorized to be sold, pay all
771 fees and costs incurred in such issuance and sale, and do any and
772 all other things necessary and advisable in connection with the
773 issuance and sale of such bonds. The commission is authorized and
774 empowered to pay the costs that are incident to the sale, issuance
775 and delivery of the bonds authorized under this section from the
776 proceeds derived from the sale of such bonds. The commission
777 shall sell such bonds on sealed bids at public sale or may
778 negotiate the sale of the bonds for such price as it may determine
779 to be for the best interest of the State of Mississippi. All
780 interest accruing on such bonds so issued shall be payable
781 semiannually or annually.

782 If such bonds are sold by sealed bids at public sale, notice
783 of the sale of any such bonds shall be published at least one
784 time, not less than ten (10) days before the date of sale, and
785 shall be so published in one or more newspapers published or



786 having a general circulation in the City of Jackson, Mississippi,
787 selected by the commission.

788 The commission, when issuing any bonds under the authority of
789 this section, may provide that bonds, at the option of the State
790 of Mississippi, may be called in for payment and redemption at the
791 call price named therein and accrued interest on such date or
792 dates named therein.

793 (11) The bonds issued under the provisions of this section
794 are general obligations of the State of Mississippi, and for the
795 payment thereof the full faith and credit of the State of
796 Mississippi is irrevocably pledged. If the funds in the bond
797 sinking fund created in subsection (5) of this section and any
798 funds appropriated by the Legislature are insufficient to pay the
799 principal of and the interest on such bonds as they become due,
800 then the deficiency shall be paid by the State Treasurer from any
801 funds in the State Treasury not otherwise appropriated. All such
802 bonds shall contain recitals on their faces substantially covering
803 the provisions of this subsection.

804 (12) Upon the issuance and sale of bonds under the
805 provisions of this section, the commission shall transfer the
806 proceeds of any such sale or sales to the special funds created in
807 subsections (2), (3) and (4) of this section and the State Aid
808 Road Fund in the State Treasury in the amounts provided for in
809 subsection (6) (b) of this section. The proceeds of such bonds
810 shall be disbursed solely upon the order of the Mississippi



811 Transportation Commission or the Office of State Aid Road
812 Construction, as the case may be, under such restrictions, if any,
813 as may be contained in the resolution providing for the issuance
814 of the bonds.

815 (13) The bonds authorized under this section may be issued
816 without any other proceedings or the happening of any other
817 conditions or things other than those proceedings, conditions and
818 things which are specified or required by this section. Any
819 resolution providing for the issuance of bonds under the
820 provisions of this section shall become effective immediately upon
821 its adoption by the commission, and any such resolution may be
822 adopted at any regular or special meeting of the commission by a
823 majority of its members.

824 (14) The bonds authorized under the authority of this
825 section may be validated in the Chancery Court of the First
826 Judicial District of Hinds County, Mississippi, in the manner and
827 with the force and effect provided by Chapter 13, Title 31,
828 Mississippi Code of 1972, for the validation of county, municipal,
829 school district and other bonds. The notice to taxpayers required
830 by such statutes shall be published in a newspaper published or
831 having a general circulation in the City of Jackson, Mississippi.

832 (15) Any holder of bonds issued under the provisions of this
833 section or of any of the interest coupons pertaining thereto may,
834 either at law or in equity, by suit, action, mandamus or other
835 proceeding, protect and enforce any and all rights granted under



836 this section, or under such resolution, and may enforce and compel
837 performance of all duties required by this section to be
838 performed, in order to provide for the payment of bonds and
839 interest thereon.

840 (16) All bonds issued under the provisions of this section
841 shall be legal investments for trustees and other fiduciaries, and
842 for savings banks, trust companies and insurance companies
843 organized under the laws of the State of Mississippi, and such
844 bonds shall be legal securities which may be deposited with and
845 shall be received by all public officers and bodies of this state
846 and all municipalities and political subdivisions for the purpose
847 of securing the deposit of public funds.

848 (17) Bonds issued under the provisions of this section and
849 income therefrom shall be exempt from all taxation in the State of
850 Mississippi.

851 (18) The proceeds of the bonds issued under this section
852 shall be used solely for the purposes herein provided, including
853 the costs incident to the issuance and sale of such bonds.

854 (19) The State Treasurer is authorized, without further
855 process of law, to certify to the Department of Finance and
856 Administration the necessity for warrants, and the Department of
857 Finance and Administration is authorized and directed to issue
858 such warrants, in such amounts as may be necessary to pay when due
859 the principal of, premium, if any, and interest on, or the
860 accreted value of, all bonds issued under this section; and the



861 State Treasurer shall forward the necessary amount to the
862 designated place or places of payment of such bonds in ample time
863 to discharge such bonds, or the interest thereon, on the due dates
864 thereof.

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

869 **SECTION 4.** This act shall take effect and be in force from
870 and after its passage.

