

By: Representative Haney

To: Ways and Means

HOUSE BILL NO. 1697

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS TO ASSIST THE CITY OF GULFPORT, MISSISSIPPI,
3 IN PAYING COSTS ASSOCIATED WITH THE CONSTRUCTION, RECONSTRUCTION,
4 REPAIRS, UPGRADES AND OTHER IMPROVEMENTS TO THE INTERSTATE 10/U.S.
5 HIGHWAY 49 INTERSECTION AND THE ADJACENT NETWORK AND AREAS IN THE
6 CITY OF GULFPORT; AND FOR RELATED PURPOSES.

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

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

11 (a) "State" means the State of Mississippi.

12 (b) "Commission" means the State Bond Commission.

13 (2) The principal of and interest on the bonds authorized
14 under this act shall be payable in the manner provided in this
15 subsection. Such bonds shall bear such date or dates, be in such
16 denomination or denominations, bear interest at such rate or rates
17 (not to exceed the limits set forth in Section 75-17-101,
18 Mississippi Code of 1972), be payable at such place or places
19 within or without the State of Mississippi, shall mature
20 absolutely at such time or times not to exceed twenty-five (25)



21 years from date of issue, be redeemable before maturity at such
22 time or times and upon such terms, with or without premium, shall
23 bear such registration privileges, and shall be substantially in
24 such form, all as shall be determined by resolution of the
25 commission.

26 (3) The bonds authorized by this act shall be signed by the
27 chairman of the commission, or by his facsimile signature, and the
28 official seal of the commission shall be affixed thereto, attested
29 by the secretary of the commission. The interest coupons, if any,
30 to be attached to such bonds may be executed by the facsimile
31 signatures of such officers. Whenever any such bonds shall have
32 been signed by the officials designated to sign the bonds who were
33 in office at the time of such signing but who may have ceased to
34 be such officers before the sale and delivery of such bonds, or
35 who may not have been in office on the date such bonds may bear,
36 the signatures of such officers upon such bonds and coupons shall
37 nevertheless be valid and sufficient for all purposes and have the
38 same effect as if the person so officially signing such bonds had
39 remained in office until their delivery to the purchaser, or had
40 been in office on the date such bonds may bear. However,
41 notwithstanding anything herein to the contrary, such bonds may be
42 issued as provided in the Registered Bond Act of the State of
43 Mississippi.

44 (4) All bonds and interest coupons issued under the
45 provisions of this act have all the qualities and incidents of



46 negotiable instruments under the provisions of the Uniform
47 Commercial Code, and in exercising the powers granted by this act,
48 the commission shall not be required to and need not comply with
49 the provisions of the Uniform Commercial Code.

50 (5) The commission shall act as issuing agent for the bonds
51 authorized under this act, prescribe the form of the bonds,
52 determine the appropriate method for sale of the bonds, advertise
53 for and accept bids or negotiate the sale of the bonds, issue and
54 sell the bonds so authorized to be sold, pay all fees and costs
55 incurred in such issuance and sale, and do any and all other
56 things necessary and advisable in connection with the issuance and
57 sale of such bonds. The commission is authorized and empowered to
58 pay the costs that are incident to the sale, issuance and delivery
59 of the bonds authorized under this act from the proceeds derived
60 from the sale of such bonds. The commission may sell such bonds
61 on sealed bids at public sale or may negotiate the sale of the
62 bonds for such price as it may determine to be for the best
63 interest of the State of Mississippi. All interest accruing on
64 such bonds so issued shall be payable semiannually or annually.

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



71 The commission, when issuing any bonds under the authority of
72 this act, may provide that bonds, at the option of the State of
73 Mississippi, may be called in for payment and redemption at the
74 call price named therein and accrued interest on such date or
75 dates named therein.

76 (6) The bonds issued under the provisions of this act are
77 general obligations of the State of Mississippi, and for the
78 payment thereof the full faith and credit of the State of
79 Mississippi is irrevocably pledged. If the funds appropriated by
80 the Legislature are insufficient to pay the principal of and the
81 interest on such bonds as they become due, then the deficiency
82 shall be paid by the State Treasurer from any funds in the State
83 Treasury not otherwise appropriated. All such bonds shall contain
84 recitals on their faces substantially covering the provisions of
85 this subsection.

86 (7) Upon the issuance and sale of bonds under the provisions
87 of this act, the commission shall transfer the proceeds of any
88 such sale or sales to the special fund created in subsection (1)
89 of Section 2 of this act. The proceeds of such bonds shall be
90 disbursed from the special fund under such restrictions, if any,
91 as may be contained in the resolution providing for the issuance
92 of the bonds.

93 (8) The bonds authorized under this act may be issued
94 without any other proceedings or the happening of any other
95 conditions or things other than those proceedings, conditions and



96 things which are specified or required by this act. Any
97 resolution providing for the issuance of bonds under the
98 provisions of this act shall become effective immediately upon its
99 adoption by the commission, and any such resolution may be adopted
100 at any regular or special meeting of the commission by a majority
101 of its members.

102 (9) The bonds authorized under the authority of this act may
103 be validated in the Chancery Court of the First Judicial District
104 of Hinds County, Mississippi, in the manner and with the force and
105 effect provided by Chapter 13, Title 31, Mississippi Code of 1972,
106 for the validation of county, municipal, school district and other
107 bonds. The notice to taxpayers required by such statutes shall be
108 published in a newspaper published or having a general circulation
109 in the City of Jackson, Mississippi.

110 (10) Any holder of bonds issued under the provisions of this
111 act or of any of the interest coupons pertaining thereto may,
112 either at law or in equity, by suit, action, mandamus or other
113 proceeding, protect and enforce any and all rights granted under
114 this act, or under such resolution, and may enforce and compel
115 performance of all duties required by this act to be performed, in
116 order to provide for the payment of bonds and interest thereon.

117 (11) All bonds issued under the provisions of this act shall
118 be legal investments for trustees and other fiduciaries, and for
119 savings banks, trust companies and insurance companies organized
120 under the laws of the State of Mississippi, and such bonds shall



121 be legal securities which may be deposited with and shall be
122 received by all public officers and bodies of this state and all
123 municipalities and political subdivisions for the purpose of
124 securing the deposit of public funds.

125 (12) Bonds issued under the provisions of this act and
126 income therefrom shall be exempt from all taxation in the State of
127 Mississippi.

128 (13) The proceeds of the bonds issued under this act shall
129 be used solely for the purposes herein provided, including the
130 costs incident to the issuance and sale of such bonds.

131 (14) The State Treasurer is authorized, without further
132 process of law, to certify to the Department of Finance and
133 Administration the necessity for warrants, and the Department of
134 Finance and Administration is authorized and directed to issue
135 such warrants, in such amounts as may be necessary to pay when due
136 the principal of, premium, if any, and interest on, or the
137 accreted value of, all bonds issued under this act; and the State
138 Treasurer shall forward the necessary amount to the designated
139 place or places of payment of such bonds in ample time to
140 discharge such bonds, or the interest thereon, on the due dates
141 thereof. As used in this section, the "accreted value" of any
142 bond means, as of any date of computation, an amount equal to the
143 sum of (i) the stated initial value of such bond, plus (ii) the
144 interest accrued thereon from the issue date to the date of
145 computation at the rate, compounded semiannually, that is



146 necessary to produce the approximate yield to maturity shown for
147 bonds of the same maturity.

148 (15) This act shall be deemed to be full and complete
149 authority for the exercise of the powers granted in this act that
150 relate to the issuance of bonds, but this act shall not be deemed
151 to repeal or to be in derogation of any existing law of this state
152 that relates to the issuance of bonds.

153 **SECTION 2.** (1) (a) (i) A special fund, to be designated
154 as the "2022 City of Gulfport Interstate 10/U.S. Highway 49
155 Intersection Fund," is created within the State Treasury. The
156 fund shall be maintained by the State Treasurer as a separate and
157 special fund, separate and apart from the General Fund of the
158 state. Unexpended amounts remaining in the fund at the end of a
159 fiscal year shall not lapse into the State General Fund, and any
160 interest earned or investment earnings on amounts in the fund
161 shall be deposited into such fund.

162 (ii) Monies deposited into the fund shall be
163 disbursed, in the discretion of the Department of Finance and
164 Administration, to assist the City of Gulfport, Mississippi, in
165 paying costs associated with the construction, reconstruction,
166 repairs, upgrades and other improvements to the Interstate 10/U.S.
167 Highway 49 intersection and the adjacent network and areas in the
168 City of Gulfport, including, but not limited to, linking the North
169 and South service road areas with an overpass over Interstate 10



170 on the west of U.S. Highway 49 and linking U.S. Highway 49 to
171 Canal Road.

172 (b) Amounts deposited into such special fund shall be
173 disbursed to pay the costs of the projects described in paragraph
174 (a) of this subsection. Promptly after the commission has
175 certified, by resolution duly adopted, that the projects described
176 in paragraph (a) of this subsection shall have been completed,
177 abandoned, or cannot be completed in a timely fashion, any amounts
178 remaining in such special fund shall be applied to pay debt
179 service on the bonds issued under this section, in accordance with
180 the proceedings authorizing the issuance of such bonds and as
181 directed by the commission.

182 (2) (a) The commission, at one time, or from time to time,
183 may declare by resolution the necessity for issuance of general
184 obligation bonds of the State of Mississippi to provide funds for
185 all costs incurred or to be incurred for the purposes described in
186 subsection (1) of this section. Upon the adoption of a resolution
187 by the Department of Finance and Administration, declaring the
188 necessity for the issuance of any part or all of the general
189 obligation bonds authorized by this section, the department shall
190 deliver a certified copy of its resolution or resolutions to the
191 commission. Upon receipt of such resolution, the commission is
192 authorized to proceed under the provisions of Section 1(5) of this
193 act. The total amount of bonds issued under this section shall



194 not exceed Twenty Million Dollars (\$20,000,000.00). No bonds
195 shall be issued under this section after July 1, 2026.

196 (b) Any investment earnings on amounts deposited into
197 the special fund created in subsection (1) of this section shall
198 be used to pay debt service on bonds issued under this section, in
199 accordance with the proceedings authorizing issuance of such
200 bonds.

201 (3) The provisions of Section 1 of this act shall apply to
202 the issuance of bonds authorized under this section.

203 **SECTION 3.** This act shall take effect and be in force from
204 and after July 1, 2022.

