

By: Senator(s) Turner-Ford

To: Finance

SENATE BILL NO. 3073

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS TO ASSIST THE CITY OF WEST POINT,
3 MISSISSIPPI, IN PAYING THE COSTS ASSOCIATED WITH THE PAVING OF
4 CITY STREETS; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** (1) The provisions of this section shall apply
7 to every section of this act that relates to the issuance of bonds
8 unless otherwise provided in this act.

9 (2) As used in this act, the following words shall have the
10 meanings ascribed herein unless the context clearly requires
11 otherwise:

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

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

14 (3) The principal of and interest on the bonds authorized
15 under this act shall be payable in the manner provided in this
16 subsection. Such bonds shall bear such date or dates, be in such
17 denomination or denominations, bear interest at such rate or rates
18 (not to exceed the limits set forth in Section 75-17-101,
19 Mississippi Code of 1972), be payable at such place or places



20 within or without the State of Mississippi, shall mature
21 absolutely at such time or times not to exceed twenty-five (25)
22 years from date of issue, be redeemable before maturity at such
23 time or times and upon such terms, with or without premium, shall
24 bear such registration privileges, and shall be substantially in
25 such form, all as shall be determined by resolution of the
26 commission.

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



45 (5) All bonds and interest coupons issued under the
46 provisions of this act have all the qualities and incidents of
47 negotiable instruments under the provisions of the Uniform
48 Commercial Code, and in exercising the powers granted by this act,
49 the commission shall not be required to and need not comply with
50 the provisions of the Uniform Commercial Code.

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

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



70 circulation in the City of Jackson, Mississippi, selected by the
71 commission.

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

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

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



94 (9) The bonds authorized under this act may be issued
95 without any other proceedings or the happening of any other
96 conditions or things other than those proceedings, conditions and
97 things which are specified or required by this act. Any
98 resolution providing for the issuance of bonds under the
99 provisions of this act shall become effective immediately upon its
100 adoption by the commission, and any such resolution may be adopted
101 at any regular or special meeting of the commission by a majority
102 of its members.

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

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



118 (12) All bonds issued under the provisions of this act shall
119 be legal investments for trustees and other fiduciaries, and for
120 savings banks, trust companies and insurance companies organized
121 under the laws of the State of Mississippi, and such bonds shall
122 be legal securities which may be deposited with and shall be
123 received by all public officers and bodies of this state and all
124 municipalities and political subdivisions for the purpose of
125 securing the deposit of public funds.

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

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

132 (15) The State Treasurer is authorized, without further
133 process of law, to certify to the Department of Finance and
134 Administration the necessity for warrants, and the Department of
135 Finance and Administration is authorized and directed to issue
136 such warrants, in such amounts as may be necessary to pay when due
137 the principal of, premium, if any, and interest on, or the
138 accreted value of, all bonds issued under this act; and the State
139 Treasurer shall forward the necessary amount to the designated
140 place or places of payment of such bonds in ample time to
141 discharge such bonds, or the interest thereon, on the due dates
142 thereof. As used in this section, the "accreted value" of any



143 bond means, as of any date of computation, an amount equal to the
144 sum of (a) the stated initial value of such bond, plus (b) the
145 interest accrued thereon from the issue date to the date of
146 computation at the rate, compounded semiannually, that is
147 necessary to produce the approximate yield to maturity shown for
148 bonds of the same maturity.

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

154 **SECTION 2.** (1) (a) (i) A special fund, to be designated
155 as the "2022 City of West Point Street Paving Fund," is created
156 within the State Treasury. The fund shall be maintained by the
157 State Treasurer as a separate and special fund, separate and apart
158 from the General Fund of the state. Unexpended amounts remaining
159 in the fund at the end of a fiscal year shall not lapse into the
160 State General Fund, and any interest earned or investment earnings
161 on amounts in the fund 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 West Point, Mississippi, in
165 paying the costs associated with the paving of city streets.

166 (b) Amounts deposited into such special fund shall be
167 disbursed to pay the costs of the projects described in paragraph



168 (a) of this subsection. Promptly after the commission has
169 certified, by resolution duly adopted, that the projects described
170 in paragraph (a) of this subsection shall have been completed,
171 abandoned, or cannot be completed in a timely fashion, any amounts
172 remaining in such special fund shall be applied to pay debt
173 service on the bonds issued under this section, in accordance with
174 the proceedings authorizing the issuance of such bonds and as
175 directed by the commission.

176 (2) (a) The commission, at one time, or from time to time,
177 may declare by resolution the necessity for issuance of general
178 obligation bonds of the State of Mississippi to provide funds for
179 all costs incurred or to be incurred for the purposes described in
180 subsection (1) of this section. Upon the adoption of a resolution
181 by the Department of Finance and Administration, declaring the
182 necessity for the issuance of any part or all of the general
183 obligation bonds authorized by this section, the department shall
184 deliver a certified copy of its resolution or resolutions to the
185 commission. Upon receipt of such resolution, the commission is
186 authorized to proceed under the provisions of Section 1(6) of this
187 act. The total amount of bonds issued under this section shall
188 not exceed One Million Five Hundred Thousand Dollars
189 (\$1,500,000.00). No bonds shall be issued under this section
190 after July 1, 2026.

191 (b) Any investment earnings on amounts deposited into
192 the special fund created in subsection (1) of this section shall



193 be used to pay debt service on bonds issued under this section, in
194 accordance with the proceedings authorizing issuance of such
195 bonds.

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

198 **SECTION 3.** This act shall take effect and be in force from
199 and after its passage.

