

By: Senator(s) McMahan

To: Finance

SENATE BILL NO. 3084

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
 2 BONDS TO PROVIDE FUNDS TO ASSIST THE BOARD OF SUPERVISORS OF
 3 ITAWAMBA COUNTY, MISSISSIPPI, IN PAYING THE COSTS ASSOCIATED WITH
 4 THE PURCHASE OF A FIRE ENGINE FOR THE HOUSTON FIRE DEPARTMENT,
 5 WITH ANY EXCESS FUNDS USED TO ASSIST THE BOARD OF SUPERVISORS OF
 6 ITAWAMBA COUNTY, MISSISSIPPI, IN PAYING THE COSTS ASSOCIATED WITH
 7 THE PURCHASE OF PLAYGROUND EQUIPMENT IN THE HOUSTON COMMUNITY
 8 PARK; AND FOR RELATED PURPOSES.

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

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

13 (2) As used in this act, the following words shall have the
 14 meanings ascribed herein unless the context clearly requires
 15 otherwise:

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

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

18 (3) The principal of and interest on the bonds authorized
 19 under this act shall be payable in the manner provided in this
 20 subsection. Such bonds shall bear such date or dates, be in such
 21 denomination or denominations, bear interest at such rate or rates



22 (not to exceed the limits set forth in Section 75-17-101,
23 Mississippi Code of 1972), be payable at such place or places
24 within or without the State of Mississippi, shall mature
25 absolutely at such time or times not to exceed twenty-five (25)
26 years from date of issue, be redeemable before maturity at such
27 time or times and upon such terms, with or without premium, shall
28 bear such registration privileges, and shall be substantially in
29 such form, all as shall be determined by resolution of the
30 commission.

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



47 issued as provided in the Registered Bond Act of the State of
48 Mississippi.

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

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

70 If such bonds are sold by sealed bids at public sale, notice
71 of the sale shall be published at least one time, not less than



72 ten (10) days before the date of sale, and shall be so published
73 in one or more newspapers published or having a general
74 circulation in the City of Jackson, Mississippi, selected by the
75 commission.

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

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

91 (8) Upon the issuance and sale of bonds under the provisions
92 of this act, the commission shall transfer the proceeds of any
93 such sale or sales to the special fund created in subsection (1)
94 of the applicable section of this act. The proceeds of such bonds
95 shall be disbursed from the special fund under such restrictions,



96 if any, as may be contained in the resolution providing for the
97 issuance of the bonds.

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

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

115 (11) Any holder of bonds issued under the provisions of this
116 act or of any of the interest coupons pertaining thereto may,
117 either at law or in equity, by suit, action, mandamus or other
118 proceeding, protect and enforce any and all rights granted under
119 this act, or under such resolution, and may enforce and compel



120 performance of all duties required by this act to be performed, in
121 order to provide for the payment of bonds and interest thereon.

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

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

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

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



145 discharge such bonds, or the interest thereon, on the due dates
146 thereof. As used in this section, the "accreted value" of any
147 bond means, as of any date of computation, an amount equal to the
148 sum of (a) the stated initial value of such bond, plus (b) the
149 interest accrued thereon from the issue date to the date of
150 computation at the rate, compounded semiannually, that is
151 necessary to produce the approximate yield to maturity shown for
152 bonds of the same maturity.

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

158 **SECTION 2.** (1) (a) (i) A special fund, to be designated
159 as the "2022 Itawamba County Equipment Purchase Fund," is created
160 within the State Treasury. The fund shall be maintained by the
161 State Treasurer as a separate and special fund, separate and apart
162 from the General Fund of the state. Unexpended amounts remaining
163 in the fund at the end of a fiscal year shall not lapse into the
164 State General Fund, and any interest earned or investment earnings
165 on amounts in the fund shall be deposited into such fund.

166 (ii) Monies deposited into the fund shall be
167 disbursed, in the discretion of the Department of Finance and
168 Administration, to assist the Board of Supervisors of Itawamba
169 County, Mississippi, in paying the costs associated with the



170 purchase of a fire engine for the Houston Fire Department, with
171 any excess funds used to assist the Board of Supervisors of
172 Itawamba County, Mississippi, in paying the costs associated with
173 the purchase of playground equipment in the Houston Community
174 Park.

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

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



195 authorized to proceed under the provisions of Section 1(6) of this
196 act. The total amount of bonds issued under this section shall
197 not exceed Three Hundred Fifty Thousand Dollars (\$350,000.00). No
198 bonds shall be issued under this section after July 1, 2026.

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

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

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

