

By: Senator(s) Kirby

To: Finance

SENATE BILL NO. 3086

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS TO PROVIDE FUNDS TO ASSIST THE CITY OF FLOWOOD, MISSISSIPPI,  
3 IN PAYING THE COSTS ASSOCIATED WITH EXTENDING LAKE LAND DRIVE TO  
4 MISSISSIPPI HIGHWAY 471; 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 Flowood Lakeland Drive Extension Fund," is  
156 created within the State Treasury. The fund shall be maintained  
157 by the State Treasurer as a separate and special fund, separate  
158 and apart from the General Fund of the state. Unexpended amounts  
159 remaining in the fund at the end of a fiscal year shall not lapse  
160 into the State General Fund, and any interest earned or investment  
161 earnings 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 Flowood, Mississippi, in  
165 paying the costs associated with extending Lakeland Drive to  
166 Mississippi Highway 471.



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

177 (2) (a) The commission, at one time, or from time to time,  
178 may declare by resolution the necessity for issuance of general  
179 obligation bonds of the State of Mississippi to provide funds for  
180 all costs incurred or to be incurred for the purposes described in  
181 subsection (1) of this section. Upon the adoption of a resolution  
182 by the Department of Finance and Administration, declaring the  
183 necessity for the issuance of any part or all of the general  
184 obligation bonds authorized by this section, the department shall  
185 deliver a certified copy of its resolution or resolutions to the  
186 commission. Upon receipt of such resolution, the commission is  
187 authorized to proceed under the provisions of Section 1(6) of this  
188 act. The total amount of bonds issued under this section shall  
189 not exceed Thirty-five Million Dollars (\$35,000,000.00). No bonds  
190 shall be issued under this section 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.

