

By: Senator(s) Frazier, Horhn

To: Finance

SENATE BILL NO. 3150

1 AN ACT TO AMEND SECTION 10, CHAPTER 567, LAWS OF 2013, AS
 2 AMENDED BY SECTION 1, CHAPTER 437, LAWS OF 2020, TO INCREASE BY
 3 \$20,000,000.00 THE AMOUNT OF BONDS AUTHORIZED TO BE ISSUED FOR THE
 4 HINDS COUNTY DEVELOPMENT PROJECT LOAN FUND; TO AUTHORIZE MONEY IN
 5 THE FUND TO BE UTILIZED AS A LOAN TO HINDS COUNTY, MISSISSIPPI, TO
 6 ASSIST IN FUNDING INFRASTRUCTURE IMPROVEMENTS, INCLUDING
 7 DEVELOPMENT AND CONSTRUCTION OF A STRUCTURED PARKING FACILITY, AND
 8 OTHER IMPROVEMENTS ASSOCIATED WITH A CERTAIN ENTERTAINMENT
 9 DEVELOPMENT PROJECT; AND FOR RELATED PURPOSES.

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

11 **SECTION 1.** Section 10, Chapter 567, Laws of 2013, as amended
 12 by Section 1, Chapter 437, Laws of 2020, is amended as follows:

13 Section 10. (1) As used in this act:

14 (a) "Accreted value" of any bond means, as of any date
 15 of computation, an amount equal to the sum of the stated initial
 16 value of the bond, plus the interest accrued on the bond from the
 17 issue date to the date of computation at the rate, compounded
 18 semiannually, that is necessary to produce the approximate yield
 19 to maturity shown for bonds of the same maturity.

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

21 (c) "County" means Hinds County, Mississippi.



22 (d) "State" means the State of Mississippi.

23 (2) (a) (i) There is created in the State Treasury a
24 special fund to be known as the "Hinds County Development Project
25 Loan Fund." The fund shall be maintained by the State Treasurer
26 as a special fund, separate and apart from the State General Fund.
27 Unexpended amounts remaining in the special fund at the end of a
28 fiscal year shall not lapse into the State General Fund, and any
29 interest earned or investment earnings on amounts in the special
30 fund shall be deposited to the credit of the special fund. Monies
31 in the special fund may not be used or expended for any purpose
32 except as provided in this subsection.

33 (ii) Money deposited into the special fund shall
34 be disbursed, in the discretion of the Mississippi Development
35 Authority, to provide loans to the county to be utilized by the
36 county:

37 1. To assist in the construction of a hotel
38 in the county with at least two hundred (200) guest rooms, an
39 associated parking garage and related improvements; and

40 2. To assist in the development and
41 construction of infrastructure improvements, including a
42 structured parking facility, and other improvements associated
43 with an entertainment development project.

44 (b) The county may apply to the Mississippi Development
45 Authority for a loan under this section. The proceeds of the loan



46 shall be utilized by the county for the purposes provided for in
47 paragraph (a)(ii) of this subsection.

48 (c) (i) The Mississippi Development Authority may
49 require county participation or funding from other sources.

50 (ii) The rate of interest on loans made under this
51 section shall be at the true interest cost on the most recent
52 issue of twenty-year state general obligation bonds occurring
53 prior to the date such loan is made.

54 (d) If the county receives a loan under this section,
55 the county shall pledge for repayment of the loan any part of the
56 homestead exemption annual tax loss reimbursement to which it may
57 be entitled under Section 27-33-77, and any revenue generated for
58 the county by a project funded by a loan made pursuant to this
59 act. The loan agreement shall provide for (i) monthly payments,
60 (ii) semiannual payments, or (iii) other periodic payments, as set
61 forth in the loan agreement. The loan agreement shall provide for
62 the repayment of all funds received within not more than twenty
63 (20) years from the date of issuance.

64 (e) Loan payments of the county shall be deposited into
65 the bond sinking fund created in subsection (4) of this section.

66 (f) If the loan payments of the county appear to be in
67 arrears, the State Auditor, upon request of the Mississippi
68 Development Authority, shall audit the receipts and expenditures
69 of the county, and if he finds that the county is in arrears in
70 such payments, he shall immediately notify the Executive Director



71 of the Department of Finance and Administration who shall withhold
72 all future payments to the county of homestead exemption
73 reimbursements under Section 27-33-77 until such time as the
74 county is again current in its loan payments as certified by the
75 Mississippi Development Authority.

76 (g) Evidences of indebtedness which are issued pursuant
77 to this act shall not be deemed indebtedness of the county within
78 the meaning specified in Section 19-9-5.

79 (3) In administering the provisions of this act, the
80 Mississippi Development Authority shall have the following powers
81 and duties:

82 (a) To supervise the use of all funds made available
83 under this act;

84 (b) To review and certify that the funds that are made
85 available under this act are utilized as authorized under this
86 act;

87 (c) To requisition money in the Hinds County
88 Development Project Loan Fund and distribute it in accordance with
89 the provisions of this act;

90 (d) To maintain an accurate record of all funds made
91 available to the county under this act; and

92 (e) To adopt and promulgate such rules and regulations
93 as may be necessary or desirable for the purpose of implementing
94 the provisions of this act.



95 (4) (a) For the purposes of providing for the payment of
96 the principal of and interest on bonds issued under this section,
97 there is created in the State Treasury a special fund to be known
98 as the "Hinds County Development Project Loan Fund Bond Sinking
99 Fund." The bond sinking fund shall consist of monies deposited
100 into the fund by the county for repayment of loans issued under
101 this act, and such other amounts as may be paid into the bond
102 sinking fund by appropriation or other authorization by the
103 Legislature. Unexpended amounts remaining in the bond sinking
104 fund at the end of a fiscal year shall not lapse into the State
105 General Fund, and any interest earned or investment earnings on
106 amounts in the bond sinking fund shall be deposited into the bond
107 sinking fund.

108 (b) At any time when the funds required to pay the
109 principal of and interest on the bonds issued under this act are
110 more than the amounts available in the bond sinking fund, the
111 Legislature shall appropriate the balance of the amount necessary
112 to pay the principal of and interest on the bonds issued under
113 this act from the State General Fund.

114 (c) The total amount of all payments deposited into the
115 bond sinking fund until the maturity date of the bonds authorized
116 under this act shall be in an amount sufficient to retire the
117 bonds.

118 (5) (a) The Mississippi Development Authority, at one time,
119 or from time to time, may declare by resolution the necessity for



120 issuance of general obligation bonds of the State of Mississippi
121 to provide funds for all costs incurred or to be incurred for the
122 purposes described in subsection (2) of this section. Upon the
123 adoption of a resolution by the Mississippi Development Authority
124 declaring the necessity for the issuance of any part or all of the
125 bonds authorized by this section, the Mississippi Development
126 Authority shall deliver a certified copy of its resolution or
127 resolutions to the commission. Upon receipt of the resolution,
128 the commission, in its discretion, may act as the issuing agent,
129 prescribe the form of the bonds, determine the appropriate method
130 for sale of the bonds, advertise for and accept bids or negotiate
131 the sale of the bonds, issue and sell the bonds so authorized to
132 be sold, and do any and all other things necessary and advisable
133 in connection with the issuance and sale of the bonds. The total
134 amount of bonds issued under this act shall not exceed * * * Fifty
135 Million Dollars (\$50,000,000.00); however, not more than * * *
136 Twenty Million Dollars (\$20,000,000.00) of such bonds may be
137 issued during any fiscal year.

138 (b) Any investment earnings on amounts deposited into
139 the special fund created in subsection (2) of this section shall
140 be used to pay debt service on bonds issued under this section, in
141 accordance with the proceedings authorizing issuance of the bonds.

142 (6) The principal of and interest on the bonds authorized
143 under this section shall be payable in the manner provided in this
144 subsection. The bonds shall bear such date or dates, be in such



145 denomination or denominations, bear interest at such rate or rates
146 (not to exceed the limits set forth in Section 75-17-101,
147 Mississippi Code of 1972), be payable at such place or places
148 within or without the State of Mississippi, shall mature
149 absolutely at such time or times not to exceed twenty-five (25)
150 years from date of issue, be redeemable before maturity at such
151 time or times and upon such terms, with or without premium, shall
152 bear such registration privileges, and shall be substantially in
153 such form, all as determined by resolution of the commission.

154 (7) The bonds authorized by this section shall be signed by
155 the chairman of the commission, or by his facsimile signature, and
156 the official seal of the commission shall be affixed thereto,
157 attested by the secretary of the commission. The interest
158 coupons, if any, to be attached to the bonds may be executed by
159 the facsimile signatures of those officers. Whenever any such
160 bonds have been signed by the officials designated to sign the
161 bonds who were in office at the time of the signing but who may
162 have ceased to be those officers before the sale and delivery of
163 the bonds, or who may not have been in office on the date that the
164 bonds may bear, the signatures of those officers upon the bonds
165 and coupons shall nevertheless be valid and sufficient for all
166 purposes and have the same effect as if the person so officially
167 signing the bonds had remained in office until their delivery to
168 the purchaser, or had been in office on the date the bonds may
169 bear. However, notwithstanding anything in this act to the



170 contrary, the bonds may be issued as provided in the Registered
171 Bond Act of the State of Mississippi.

172 (8) All bonds and interest coupons issued under the
173 provisions of this section have all the qualities and incidents of
174 negotiable instruments under the provisions of the Uniform
175 Commercial Code, and in exercising the powers granted by this
176 section, the commission shall not be required to and need not
177 comply with the provisions of the Uniform Commercial Code.

178 (9) The commission shall act as the issuing agent for the
179 bonds authorized under this section, prescribe the form of the
180 bonds, determine the appropriate method for sale of the bonds,
181 advertise for and accept bids or negotiate the sale of the bonds,
182 issue and sell the bonds so authorized to be sold, pay all fees
183 and costs incurred in the issuance and sale, and do any and all
184 other things necessary and advisable in connection with the
185 issuance and sale of the bonds. The commission is authorized and
186 empowered to pay the costs that are incident to the sale, issuance
187 and delivery of the bonds authorized under this section from the
188 proceeds derived from the sale of the bonds. The commission may
189 sell the bonds on sealed bids at public sale or may negotiate the
190 sale of the bonds for such price as it may determine to be for the
191 best interest of the State of Mississippi. All interest accruing
192 on the bonds so issued shall be payable semiannually or annually.

193 If the bonds are to be sold on sealed bids at public sale,
194 notice of the sale of any such bonds shall be published at least



195 one time, not less than ten (10) days before the date of sale, and
196 shall be so published in one or more newspapers published or
197 having a general circulation in the City of Jackson, Mississippi,
198 selected by the commission.

199 The commission, when issuing any bonds under the authority of
200 this section, may provide that bonds, at the option of the State
201 of Mississippi, may be called in for payment and redemption at the
202 call price named therein and accrued interest on such date or
203 dates named therein.

204 (10) The bonds issued under the provisions of this section
205 are general obligations of the State of Mississippi, and for the
206 payment thereof, the full faith and credit of the State of
207 Mississippi is irrevocably pledged. The principal of and the
208 interest on the bonds shall be payable primarily from the bond
209 sinking fund created in subsection (4) of this section in the
210 manner provided in that subsection. If the funds available in the
211 bond sinking fund and any funds appropriated by the Legislature
212 for those purposes are insufficient to pay the principal of and
213 the interest on the bonds as they become due, then the amount of
214 the deficiency shall be paid by the State Treasurer from any funds
215 in the State Treasury not otherwise appropriated. All those bonds
216 shall contain recitals on their faces substantially covering the
217 provisions of this section.

218 (11) Upon the issuance and sale of bonds under the
219 provisions of this section, the commission shall transfer the



220 proceeds of any such sale or sales to the special fund created in
221 subsection (2) of this section. The proceeds of the bonds shall
222 be disbursed solely upon the order of the Mississippi Development
223 Authority under such restrictions, if any, as may be contained in
224 the resolution providing for the issuance of the bonds.

225 (12) The bonds authorized under this section may be issued
226 without any other proceedings or the happening of any other
227 conditions or things other than those proceedings, conditions and
228 things that are specified or required by this section. Any
229 resolution providing for the issuance of bonds under the
230 provisions of this section shall become effective immediately upon
231 its adoption by the commission, and any such resolution may be
232 adopted at any regular or special meeting of the commission by a
233 majority of its members.

234 (13) The bonds authorized under this section may be
235 validated in the Chancery Court of the First Judicial District of
236 Hinds County, Mississippi, in the manner and with the force and
237 effect provided by Chapter 13, Title 31, Mississippi Code of 1972,
238 for the validation of county, municipal, school district and other
239 bonds. The notice to taxpayers required by those statutes shall
240 be published in a newspaper published or having a general
241 circulation in the City of Jackson, Mississippi.

242 (14) Any holder of bonds issued under the provisions of this
243 section or of any of the interest coupons pertaining to those
244 bonds may, either at law or in equity, by suit, action, mandamus



245 or other proceeding, protect and enforce any and all rights
246 granted under this section, or under the resolution, and may
247 enforce and compel performance of all duties required by this
248 section to be performed, in order to provide for the payment of
249 bonds and interest on the bonds.

250 (15) All bonds issued under the provisions of this section
251 shall be legal investments for trustees and other fiduciaries, and
252 for savings banks, trust companies and insurance companies
253 organized under the laws of the State of Mississippi, and the
254 bonds shall be legal securities that may be deposited with and
255 shall be received by all public officers and bodies of this state
256 and all municipalities and political subdivisions for the purpose
257 of securing the deposit of public funds.

258 (16) Bonds issued under the provisions of this section and
259 income from the bonds shall be exempt from all taxation in the
260 State of Mississippi.

261 (17) The proceeds of the bonds issued under this section
262 shall be used solely for the purposes herein provided, including
263 the costs incident to the issuance and sale of such bonds.

264 (18) The State Treasurer is authorized, without further
265 process of law, to certify to the Department of Finance and
266 Administration the necessity for warrants, and the department is
267 authorized and directed to issue those warrants, in such amounts
268 as may be necessary to pay when due the principal of, premium, if
269 any, and interest on, or the accreted value of, all bonds issued



270 under this section; and the State Treasurer shall forward the
271 necessary amount to the designated place or places of payment of
272 those bonds in ample time to discharge the bonds, or the interest
273 on the bonds, on the due dates thereof.

274 (19) This section shall be deemed to be full and complete
275 authority for the exercise of the powers granted in this section,
276 but this section shall not be deemed to repeal or to be in
277 derogation of any existing law of this state.

278 **SECTION 2.** This act shall take effect and be in force from
279 and after its passage.

