

By: Representatives Taylor, Osborne, Sanders To: Ways and Means

HOUSE BILL NO. 642

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS TO PROVIDE FUNDS TO ASSIST CLAY COUNTY, LOWNDES COUNTY AND  
3 OKTIBBEHA COUNTY, MISSISSIPPI, IN PAYING COSTS ASSOCIATED WITH  
4 VARIOUS ROAD PROJECTS; AND FOR RELATED PURPOSES.

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

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

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

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

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



20 time or times and upon such terms, with or without premium, shall  
21 bear such registration privileges, and shall be substantially in  
22 such form, all as shall be determined by resolution of the  
23 commission.

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

42 (4) All bonds and interest coupons issued under the  
43 provisions of this act have all the qualities and incidents of  
44 negotiable instruments under the provisions of the Uniform



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

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

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



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

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

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

90           (8) The bonds authorized under this act may be issued  
91 without any other proceedings or the happening of any other  
92 conditions or things other than those proceedings, conditions and  
93 things which are specified or required by this act. Any



94 resolution providing for the issuance of bonds under the  
95 provisions of this act shall become effective immediately upon its  
96 adoption by the commission, and any such resolution may be adopted  
97 at any regular or special meeting of the commission by a majority  
98 of its members.

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

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

114 (11) All bonds issued under the provisions of this act shall  
115 be legal investments for trustees and other fiduciaries, and for  
116 savings banks, trust companies and insurance companies organized  
117 under the laws of the State of Mississippi, and such bonds shall  
118 be legal securities which may be deposited with and shall be



119 received by all public officers and bodies of this state and all  
120 municipalities and political subdivisions for the purpose of  
121 securing the deposit of public funds.

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

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

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



143 necessary to produce the approximate yield to maturity shown for  
144 bonds of the same maturity.

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

150 **SECTION 2.** (1) (a) (i) A special fund, to be designated  
151 as the "2023 Clay County, Lowndes County and Oktibbeha County Road  
152 Improvement Fund," is created within the State Treasury. The fund  
153 shall be maintained by the State Treasurer as a separate and  
154 special fund, separate and apart from the General Fund of the  
155 state. Unexpended amounts remaining in the fund at the end of a  
156 fiscal year shall not lapse into the State General Fund, and any  
157 interest earned or investment earnings on amounts in the fund  
158 shall be deposited into such fund.

159 (ii) Monies deposited into the fund shall be  
160 disbursed, in the discretion of the Department of Finance and  
161 Administration, as follows:

162 1. Not more than One Million Six Hundred  
163 Eighty-five Thousand Six Hundred Dollars (\$1,685,600.00) of the  
164 monies in the special fund may be used to assist Clay County,  
165 Mississippi, in paying costs associated with the acquisition of  
166 any right-of-way, if necessary, and the construction and  
167 installation of a new sixteen-inch water line running along



168 Yokohama Boulevard from Eshman Avenue to Highway 45 Alternate to  
169 connect an existing water line located at or near the intersection  
170 of Eshman Avenue and Yokohama Boulevard to another existing water  
171 line located at or near the intersection of Highway 45 Alternate  
172 and Yokohama Boulevard;

173                   2. Not more than Two Hundred Fifty-eight  
174 Thousand Dollars (\$258,000.00) of the monies in the special fund  
175 may be used to assist Clay County, Mississippi, in paying costs  
176 associated with the expansion and improvement of the roadway  
177 connecting Eshman Avenue with Yokohama Boulevard to upgrade such  
178 roadway to a two-lane, two-way access road, as well as  
179 improvements to each of the intersections of such roadway with  
180 both Eshman Avenue and Yokohama Boulevard, provided that such  
181 funds may also be used to fund the acquisition of any  
182 right-of-way, if necessary, for such road and intersection  
183 improvements, together with any striping and/or signage associated  
184 therewith;

185                   3. Not more than Three Million One Hundred  
186 Thousand Dollars (\$3,100,000.00) of the monies in the special fund  
187 may be used to assist Lowndes County, Mississippi, in paying costs  
188 associated with the completion of Charleigh Ford Drive as a  
189 two-lane roadway connecting Artesia Road to the south and Airport  
190 Road to the north and east, including the widening, improving and  
191 paving of that portion of the existing Charleigh Ford Drive, which  
192 was formerly known as Guerry Road and is located between the





193 intersections thereof with Artesia Road to the south and with Mims  
194 Road to the north, and making improvements to the intersections of  
195 Charleigh Ford Drive with both Artesia Road and Mims Road,  
196 provided that such funds may also be used to fund the acquisition  
197 of any right-of-way, if necessary, for such road and intersection  
198 improvements, together with any striping and/or signage associated  
199 therewith;

200                   4. Not more than Six Hundred Seventy-five  
201 Thousand Dollars (\$675,000.00) of the monies in the special fund  
202 may be used to assist Lowndes County, Mississippi, in paying costs  
203 associated with the extension of Manufactures Drive from its  
204 current southern terminus to extend first to the east and then  
205 northward to interconnect with Artesia Road at a location east of  
206 the current intersection of Manufactures Drive and Artesia Road,  
207 provided that such funds may also be used to fund the acquisition  
208 of any right-of-way, if necessary, for such roadway extension,  
209 together with any striping and/or signage associated therewith;  
210 and

211                   5. Not more than One Million Eight Hundred  
212 Eighty Thousand Dollars (\$1,880,000.00) of the monies in the  
213 special fund may be used to assist Oktibbeha County, Mississippi,  
214 in paying costs associated with the expansion and improvement of  
215 the portion of Sudduth Road located between Mississippi Highway  
216 389 and Retherford Road to upgrade such segment of Sudduth Road,  
217 as well as improvements to each of the intersections of Sudduth



218 Road with both Mississippi Highway 389 and Retherford Road,  
219 provided that such funds may also be used to fund the acquisition  
220 of any right-of-way, if needed, for such road and intersection  
221 improvements, together with any striping and/or signage associated  
222 therewith.

223 (b) Amounts deposited into such special fund shall be  
224 disbursed to pay the costs of the projects described in paragraph  
225 (a) of this subsection. Promptly after the commission has  
226 certified, by resolution duly adopted, that the projects described  
227 in paragraph (a) of this subsection shall have been completed,  
228 abandoned, or cannot be completed in a timely fashion, any amounts  
229 remaining in such special fund shall be applied to pay debt  
230 service on the bonds issued under this section, in accordance with  
231 the proceedings authorizing the issuance of such bonds and as  
232 directed by the commission.

233 (2) (a) The commission, at one time, or from time to time,  
234 may declare by resolution the necessity for issuance of general  
235 obligation bonds of the State of Mississippi to provide funds for  
236 all costs incurred or to be incurred for the purposes described in  
237 subsection (1) of this section. Upon the adoption of a resolution  
238 by the Department of Finance and Administration, declaring the  
239 necessity for the issuance of any part or all of the general  
240 obligation bonds authorized by this section, the department shall  
241 deliver a certified copy of its resolution or resolutions to the  
242 commission. Upon receipt of such resolution, the commission is



243 authorized to proceed under the provisions of Section 1(5) of this  
244 act. The total amount of bonds issued under this section shall  
245 not exceed Seven Million Five Hundred Ninety-eight Thousand Six  
246 Hundred Dollars (\$7,598,600.00). No bonds shall be issued under  
247 this section after July 1, 2027.

248 (b) Any investment earnings on amounts deposited into  
249 the special fund created in subsection (1) of this section shall  
250 be used to pay debt service on bonds issued under this section, in  
251 accordance with the proceedings authorizing issuance of such  
252 bonds.

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

255 **SECTION 3.** This act shall take effect and be in force from  
256 and after July 1, 2023.

