

By: Representative Harness

To: Ways and Means

HOUSE BILL NO. 1570

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS TO PROVIDE FUNDS TO ASSIST THE TOWN OF BUDE, MISSISSIPPI, IN  
3 PAYING COSTS ASSOCIATED WITH THE RELOCATION OF AND REPAIR,  
4 RENOVATION, RESTORATION, FURNISHING AND EQUIPPING OF THE BUDE  
5 DEPOT AND RELOCATION OF AND REPAIR, RENOVATION AND RESTORATION OF  
6 THE DEPOT CABOOSE; AND FOR RELATED PURPOSES.

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

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

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

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

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



21 years from date of issue, be redeemable before maturity at such  
22 time or times and upon such terms, with or without premium, shall  
23 bear such registration privileges, and shall be substantially in  
24 such form, all as shall be determined by resolution of the  
25 commission.

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

44 (4) All bonds and interest coupons issued under the  
45 provisions of this act have all the qualities and incidents of



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

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

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



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

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

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

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



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

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

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

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



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

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

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

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



145 necessary to produce the approximate yield to maturity shown for  
146 bonds of the same maturity.

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

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

160 (ii) Monies deposited into the fund shall be  
161 disbursed, in the discretion of the Department of Finance and  
162 Administration, to assist the Town of Bude, Mississippi, in paying  
163 costs associated with the relocation of and repair, renovation,  
164 restoration, furnishing and equipping of the Bude Depot and  
165 relocation of and repair, renovation and restoration of the depot  
166 caboose.

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(5) of this  
188 act. The total amount of bonds issued under this section shall  
189 not exceed Five Hundred Twenty-seven Thousand Dollars  
190 (\$527,000.00). No bonds shall be issued under this section after  
191 July 1, 2027.

192         (b) Any investment earnings on amounts deposited into  
193 the special fund created in subsection (1) of this section shall  
194 be used to pay debt service on bonds issued under this section, in





195 accordance with the proceedings authorizing issuance of such  
196 bonds.

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

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

