

By: Representative Harness

To: Ways and Means

HOUSE BILL NO. 1576

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS TO PROVIDE FUNDS TO ASSIST THE CITY OF PORT GIBSON,  
3 MISSISSIPPI, IN PAYING COSTS ASSOCIATED WITH THE CONSTRUCTION AND  
4 DEVELOPMENT OF A NEW WATER WELL AND RELATED EQUIPMENT AND  
5 FACILITIES; AND FOR RELATED PURPOSES.

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

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

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

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

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



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

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

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



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

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

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



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

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

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

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



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

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

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

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



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

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

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

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



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

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

151 **SECTION 2.** (1) (a) (i) A special fund, to be designated  
152 as the "2023 City of Port Gibson Water Well Fund," is created  
153 within the State Treasury. The fund shall be maintained by the  
154 State Treasurer as a separate and special fund, separate and apart  
155 from the General Fund of the state. Unexpended amounts remaining  
156 in the fund at the end of a fiscal year shall not lapse into the  
157 State General Fund, and any interest earned or investment earnings  
158 on amounts in the fund 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, to assist the City of Port Gibson, Mississippi, in  
162 paying costs associated with the construction and development of a  
163 new water well and related equipment and facilities.

164 (b) Amounts deposited into such special fund shall be  
165 disbursed to pay the costs of the projects described in paragraph  
166 (a) of this subsection. Promptly after the commission has  
167 certified, by resolution duly adopted, that the projects described  
168 in paragraph (a) of this subsection shall have been completed,



169 abandoned, or cannot be completed in a timely fashion, any amounts  
170 remaining in such special fund shall be applied to pay debt  
171 service on the bonds issued under this section, in accordance with  
172 the proceedings authorizing the issuance of such bonds and as  
173 directed by the commission.

174       (2) (a) The commission, at one time, or from time to time,  
175 may declare by resolution the necessity for issuance of general  
176 obligation bonds of the State of Mississippi to provide funds for  
177 all costs incurred or to be incurred for the purposes described in  
178 subsection (1) of this section. Upon the adoption of a resolution  
179 by the Department of Finance and Administration, declaring the  
180 necessity for the issuance of any part or all of the general  
181 obligation bonds authorized by this section, the department shall  
182 deliver a certified copy of its resolution or resolutions to the  
183 commission. Upon receipt of such resolution, the commission is  
184 authorized to proceed under the provisions of Section 1(5) of this  
185 act. The total amount of bonds issued under this section shall  
186 not exceed Two Million Five Hundred Thousand Dollars  
187 (\$2,500,000.00). No bonds shall be issued under this section  
188 after July 1, 2027.

189       (b) Any investment earnings on amounts deposited into  
190 the special fund created in subsection (1) of this section shall  
191 be used to pay debt service on bonds issued under this section, in  
192 accordance with the proceedings authorizing issuance of such  
193 bonds.





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

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

