

By: Representatives Haney, Hulum

To: Ways and Means

HOUSE BILL NO. 1685

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS TO ASSIST THE CITY OF GULFPORT, MISSISSIPPI,
3 IN PAYING COSTS ASSOCIATED WITH THE CITY'S COMMERCE CORRIDOR
4 PROJECT; 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 City of Gulfport Commerce Corridor Project Fund," is
152 created within the State Treasury. The fund shall be maintained
153 by the State Treasurer as a separate and special fund, separate
154 and apart from the General Fund of the state. Unexpended amounts
155 remaining in the fund at the end of a fiscal year shall not lapse
156 into the State General Fund, and any interest earned or investment
157 earnings on amounts in the fund shall be deposited into such fund.

158 (ii) Monies deposited into the fund shall be
159 disbursed, in the discretion of the Department of Finance and
160 Administration, to assist the City of Gulfport, Mississippi, in
161 paying costs associated with the city's commerce corridor project.

162 (b) Amounts deposited into such special fund shall be
163 disbursed to pay the costs of the projects described in paragraph
164 (a) of this subsection. Promptly after the commission has
165 certified, by resolution duly adopted, that the projects described
166 in paragraph (a) of this subsection shall have been completed,
167 abandoned, or cannot be completed in a timely fashion, any amounts



168 remaining in such special fund shall be applied to pay debt
169 service on the bonds issued under this section, in accordance with
170 the proceedings authorizing the issuance of such bonds and as
171 directed by the commission.

172 (2) (a) The commission, at one time, or from time to time,
173 may declare by resolution the necessity for issuance of general
174 obligation bonds of the State of Mississippi to provide funds for
175 all costs incurred or to be incurred for the purposes described in
176 subsection (1) of this section. Upon the adoption of a resolution
177 by the Department of Finance and Administration, declaring the
178 necessity for the issuance of any part or all of the general
179 obligation bonds authorized by this section, the department shall
180 deliver a certified copy of its resolution or resolutions to the
181 commission. Upon receipt of such resolution, the commission is
182 authorized to proceed under the provisions of Section 1(5) of this
183 act. The total amount of bonds issued under this section shall
184 not exceed Twenty-five Million Dollars (\$25,000,000.00). No bonds
185 shall be issued under this section after July 1, 2027.

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

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



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

