

By: Senator(s) Younger

To: Finance

SENATE BILL NO. 2702

1 AN ACT TO AMEND SECTION 69-2-19, MISSISSIPPI CODE OF 1972, TO
 2 EXTEND THE AUTHORITY FOR THE ISSUANCE OF GENERAL OBLIGATION BONDS
 3 FOR THE EMERGING CROPS FUND UNDER THE MISSISSIPPI FARM REFORM ACT;
 4 TO BRING FORWARD SECTIONS 69-2-21, 69-2-23, 69-2-25, 69-2-27,
 5 69-2-29, 69-2-30, 69-2-31, 69-2-33, 69-2-35, 69-2-37 AND 69-2-39,
 6 MISSISSIPPI CODE OF 1972, FOR THE PURPOSE OF POSSIBLE AMENDMENT;
 7 AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** Section 69-2-19, Mississippi Code of 1972, is
 10 amended as follows:

11 69-2-19. (1) The Mississippi Development Authority is
 12 authorized, at one time, or from time to time, to declare by
 13 resolution the necessity for issuance of negotiable general
 14 obligation bonds of the State of Mississippi to provide funds for
 15 the Emerging Crops Fund established in Section 69-2-13. Upon the
 16 adoption of a resolution by the board, declaring the necessity for
 17 the issuance of any part or all of the general obligation bonds
 18 authorized by Sections 69-2-19 through 69-2-39, the authority
 19 shall deliver a certified copy of its resolution or resolutions to
 20 the State Bond Commission. Upon receipt of same, the State Bond



21 Commission, in its discretion, shall act as the issuing agent,
22 prescribe the form of the bonds, advertise for and accept bids,
23 issue and sell the bonds so authorized to be sold, and do any and
24 all other things necessary and advisable in connection with the
25 issuance and sale of such bonds. The amount of bonds issued under
26 Sections 69-2-19 through 69-2-39 shall not exceed One Hundred
27 Fourteen Million Dollars (\$114,000,000.00) in the aggregate;
28 however:

29 (a) An additional amount of bonds may be issued under
30 Sections 69-2-19 through 69-2-39 in an amount not to exceed Two
31 Million Dollars (\$2,000,000.00), and the proceeds of any such
32 additional bonds shall be used solely for the purposes described
33 in Section 69-2-13(14); and

34 (b) An additional amount of bonds may be issued under
35 Sections 69-2-19 through 69-2-39 in an amount not to exceed
36 Seventeen Million Dollars (\$17,000,000.00), and the proceeds of
37 such additional bonds shall be used solely for the purposes
38 described in Section 69-2-13(16).

39 (2) No bonds may be issued under Sections 69-2-19 through
40 69-2-39 after October 1, * * * 2027.

41 **SECTION 2.** Section 69-2-21, Mississippi Code of 1972, is
42 brought forward as follows:

43 69-2-21. For the payment of such bonds and the interest
44 thereon, the full faith, credit, and taxing power of the State of
45 Mississippi are hereby irrevocably pledged. If the Legislature



46 finds that there are sufficient funds available in the General
47 Fund of the State Treasury to pay maturing principal and accruing
48 interest of the bonds, and if the Legislature appropriates such
49 available funds for the purpose of paying such maturing principal
50 and accruing interest, then the maturing principal and accruing
51 interest of the bonds shall be paid from appropriations made by
52 the Legislature from the General Fund of the State Treasury.
53 However, if there are not sufficient funds available in the
54 General Fund of the State Treasury to pay the maturing principal
55 and accruing interest of the bonds, or if such funds are available
56 but the Legislature fails to appropriate a sufficient amount
57 thereof to pay such maturing principal and accruing interest as
58 the same becomes due, then there shall be levied annually upon all
59 taxable property in the State of Mississippi an ad valorem tax at
60 the rate sufficient to provide the funds required to pay the bonds
61 at maturity and the interest on the bonds as it accrues.

62 **SECTION 3.** Section 69-2-23, Mississippi Code of 1972, is
63 brought forward as follows:

64 69-2-23. Such bonds may be executed and delivered by the
65 state at any time and from time to time, may be in such form and
66 denominations and of such terms and maturities, may be in fully
67 registered form or in bearer form registrable either as to
68 principal or interest, or both, may bear such conversion
69 privileges and be payable in such installments and at such time or
70 times not exceeding twenty (20) years from the date thereof, may



71 be payable at such place or places, whether within or without the
72 State of Mississippi, may bear interest payable at such time or
73 times and at such place or places and evidenced in such manner,
74 and may contain such provisions not inconsistent herewith, all as
75 shall be provided in the proceedings of the State Bond Commission
76 under which the bonds are authorized to be issued. Such bonds
77 shall not bear a greater overall maximum interest rate to maturity
78 than that authorized by law for general obligation bonds. If
79 deemed advisable by the State Bond Commission, there may be
80 retained in the proceedings under which any such bonds are
81 authorized to be issued an option to redeem all or any part
82 thereof as may be specified in such proceedings, at such price or
83 prices and after such notice or notices and on such terms and
84 conditions as may be set forth in such proceedings and briefly
85 recited or referred to on the face of the bonds, but nothing
86 herein contained shall be construed to confer on the state any
87 right or option to redeem any bonds, except as may be provided in
88 the proceedings under which they shall be issued. Any such bonds
89 shall be sold on sealed bids at public sale, and for such price as
90 the State Bond Commission determines to be in the best interest of
91 the State of Mississippi, but no such sale shall be made at a
92 price less than par value plus accrued interest to date of
93 delivery of the bonds to the purchaser. The state may pay all
94 expenses, premiums and commissions which the State Bond Commission
95 may deem necessary or advantageous in connection with the issuance



96 thereof, but solely from the proceeds of the bonds. The issuance
97 by the state of one or more series of bonds shall not preclude it
98 from issuing other series of bonds, but the proceedings under
99 which any subsequent bonds may be issued shall recognize and
100 protect any prior pledge made for any prior issuance of bonds.

101 **SECTION 4.** Section 69-2-25, Mississippi Code of 1972, is
102 brought forward as follows:

103 69-2-25. No bond issued under Sections 69-2-19 through
104 69-2-39 of this chapter shall bear more than one (1) rate of
105 interest; each bond shall bear interest from its date to its
106 stated maturity date at the interest rate specified on the bonds;
107 and all bonds of the same maturity shall bear the same rate of
108 interest from date to maturity. All interest accruing on bonds
109 shall be payable semiannually or annually, except the first
110 interest coupon attached to any bond may be for any period not
111 exceeding one (1) year. If bonds are issued in coupon form, no
112 interest payment shall be evidenced by more than one (1) coupon,
113 and neither cancelled nor supplemental coupons shall be permitted.
114 If serial bonds, such bonds shall mature annually, and the first
115 maturity date thereof shall not be more than five (5) years from
116 the date of such bonds.

117 **SECTION 5.** Section 69-2-27, Mississippi Code of 1972, is
118 brought forward as follows:

119 69-2-27. Notice of the sale of any such bonds shall be
120 published at least one time which shall be made not less than ten



121 (10) days prior to the date of sale, and shall be so published in
122 one or more newspapers having a general circulation in the City of
123 Jackson selected by the State Bond Commission.

124 **SECTION 6.** Section 69-2-29, Mississippi Code of 1972, is
125 brought forward as follows:

126 69-2-29. All bonds shall be executed on behalf of the state
127 by the manual or facsimile signature of the Chairman of the State
128 Bond Commission and shall be countersigned by the manual or
129 facsimile signature of the Secretary of the State Bond Commission.
130 All coupons shall be executed on behalf of the state by the
131 facsimile signatures of the Chairman and Secretary of the State
132 Bond Commission. If the officers whose signatures or
133 countersignatures appear on the bonds or interest coupons shall
134 cease to be such officers before delivery of the bonds, such
135 signatures or countersignatures shall nevertheless be valid and
136 sufficient for all purposes, the same as if they had remained in
137 office until such delivery, or had been in office on the date such
138 bonds may bear.

139 **SECTION 7.** Section 69-2-30, Mississippi Code of 1972, is
140 brought forward as follows:

141 69-2-30. (1) In lieu of the issuance of bonds pursuant to
142 the authority granted in Section 69-2-19, Mississippi Code of
143 1972, the State Bond Commission is authorized and empowered, if
144 more economically feasible, to borrow funds in an aggregate
145 principal amount not to exceed the amount specified in Section



146 69-2-19, Mississippi Code of 1972. The Bond Commission, to
147 evidence such loan, may issue and sell the negotiable coupon notes
148 of the State of Mississippi, which notes may be issued in series,
149 from time to time, as the proceeds thereof are needed. The notes
150 shall be in such form and shall have such details as may be
151 provided by the commission, except that the notes of each series
152 shall be issued with final maturity not more than five (5) years
153 from the date of such series. For the prompt payment of such
154 notes at maturity, both principal and interest, the same pledges
155 may be made as are authorized for the repayment of bonds in
156 Section 69-2-21, Mississippi Code of 1972.

157 (2) The notes herein authorized shall be sold from time to
158 time by the Bond Commission as the need for the proceeds thereof
159 may arise, and the Bond Commission shall advertise and accept bids
160 therefor and issue and sell such notes at a price which will
161 result in the lowest interest rate on the best terms obtainable
162 for the state.

163 (3) The Bond Commission in providing for the issuance of the
164 notes herein authorized shall have discretion in fixing the terms
165 and details thereof and may provide for the issuance of such notes
166 in such form, executed in such manner, and payable at such place
167 or places, and containing such terms, covenants and provisions as
168 the Bond Commission may provide.

169 **SECTION 8.** Section 69-2-31, Mississippi Code of 1972, is
170 brought forward as follows:



171 69-2-31. Upon the issuance and sale of bonds or notes, the
172 State Bond Commission shall transfer the proceeds of any such sale
173 or sales to the Emerging Crops Fund. The proceeds of such bonds
174 or notes shall be disbursed solely upon the order of the
175 department under such restrictions, if any, as may be contained in
176 the resolution providing for the issuance of the bonds or notes.

177 **SECTION 9.** Section 69-2-33, Mississippi Code of 1972, is
178 brought forward as follows:

179 69-2-33. Except as otherwise authorized in Section 7-5-39,
180 the Attorney General of the State of Mississippi shall represent
181 the department in issuing, selling and validating bonds or notes
182 authorized under Sections 69-2-19 through 69-2-39 of this chapter,
183 and the department is authorized to pay from the proceeds derived
184 from the sale of such bonds or notes, or from other funds
185 available to the department, the reasonable cost of approving
186 attorney's fees, validating, printing and cost of delivery of such
187 bonds or notes.

188 **SECTION 10.** Section 69-2-35, Mississippi Code of 1972, is
189 brought forward as follows:

190 69-2-35. Bonds or notes issued under Sections 69-2-19
191 through 69-2-39 of this chapter shall be legal investments for
192 commercial banks, trust companies, savings and loan associations,
193 and insurance companies organized under the laws of this state.

194 **SECTION 11.** Section 69-2-37, Mississippi Code of 1972, is
195 brought forward as follows:



196 69-2-37. All bonds or notes issued under Sections 69-2-19
197 through 69-2-39 of this chapter and the income therefrom shall be
198 exempt from all taxation in the State of Mississippi except gift,
199 transfer and inheritance taxes.

200 **SECTION 12.** Section 69-2-39, Mississippi Code of 1972, is
201 brought forward as follows:

202 69-2-39. Sections 69-2-19 through 69-2-39 of this chapter,
203 without reference to any statute not referred to herein, shall be
204 deemed to be full and complete authority for the issuance of such
205 bonds or notes, and shall be construed as an additional and
206 alternative method therefor, and none of the present restrictions,
207 requirements, conditions or limitations of law applicable to the
208 issuance or sale of bonds, notes or other obligations by the state
209 shall apply to the issuance and sale of bonds or notes under
210 Sections 69-2-19 through 69-2-39 of this chapter, and no
211 proceedings shall be required for the issuance of such bonds or
212 notes other than those provided for and required herein, and all
213 powers necessary to be exercised in order to carry out the
214 provisions of Sections 69-2-13 through 69-2-37 of this chapter are
215 hereby conferred.

216 **SECTION 13.** This act shall take effect and be in force from
217 and after July 1, 2023.

