

By: Representative Creekmore IV

To: Ways and Means

HOUSE BILL NO. 1492

1 AN ACT TO ESTABLISH A GRANT PROGRAM TO BE ADMINISTERED BY THE
 2 MISSISSIPPI DEVELOPMENT AUTHORITY FOR THE PURPOSE OF MAKING GRANTS
 3 TO MUNICIPALITIES AND COUNTIES TO ASSIST WITH THE ESTABLISHMENT,
 4 DEVELOPMENT AND PROMOTION OF TRAILS AND TRAILS RELATED ACTIVITIES
 5 AND THE PROMOTION OF TOURISM AND OTHER BUSINESS AND ECONOMIC
 6 DEVELOPMENT PURPOSES ASSOCIATED WITH SUCH TRAILS AND TRAILS
 7 RELATED ACTIVITIES; TO CREATE A SPECIAL FUND IN THE STATE
 8 TREASURY, DESIGNATED AS THE "MUNICIPALITIES AND COUNTIES TRAILS
 9 FUND"; TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION BONDS
 10 TO PROVIDE FUNDS FOR THE "MUNICIPALITIES AND COUNTIES TRAILS
 11 FUND"; AND FOR RELATED PURPOSES.

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

13 **SECTION 1.** (1) For the purposes of this section, the
 14 following words and phrases shall have the meanings ascribed in
 15 this section unless the context clearly indicates otherwise:

16 (a) "MDA" means the Mississippi Development Authority.

17 (b) "Trails" means bicycle trails, hiking trails, horse
 18 riding trails, nature trails, rail trails, walking trails, water
 19 trails, all-terrain vehicle (ATV) trails and other types of trails
 20 as determined by the MDA.

21 (2) (a) There is hereby created in the State Treasury a
 22 special fund to be designated as the "Municipalities and Counties



23 Trails Fund," which shall consist of funds appropriated or
24 otherwise made available by the Legislature in any manner and
25 funds from any other source designated for deposit into such fund.
26 Unexpended amounts remaining in the fund at the end of a fiscal
27 year shall not lapse into the State General Fund, and any
28 investment earnings or interest earned on amounts in the fund
29 shall be deposited to the credit of the fund. Monies in the fund
30 shall be used to make grants to municipalities and counties as
31 provided in this section.

32 (3) (a) The MDA shall establish a program to provide grants
33 to municipalities and counties to assist with the establishment,
34 development and promotion of trails and trails related activities
35 and the promotion of tourism and other business and economic
36 development purposes associated with such trails and trails
37 related activities.

38 (b) A county or municipality desiring a grant under
39 this section must submit an application to the MDA. The
40 application must include a description of the purpose for which
41 the grant is requested, the amount of the grant requested and any
42 other information required by the MDA. The maximum amount of a
43 grant made to a municipality or a county under this section cannot
44 exceed Fifty Thousand Dollars (\$50,000.00).

45 (4) The MDA shall have all powers necessary to implement and
46 administer the program established under this section, and the MDA
47 shall promulgate rules and regulations, in accordance with the



48 Mississippi Administrative Procedures Law, necessary for the
49 implementation of this section.

50 (5) The MDA shall file an annual report with the Governor,
51 the Secretary of the Senate and the Clerk of the House of
52 Representatives not later than December 1 of each year, describing
53 all assistance provided under this section.

54 **SECTION 2.** (1) As used in this section, the following words
55 shall have the meanings ascribed herein unless the context clearly
56 requires otherwise:

57 (a) "Accreted value" of any bonds means, as of any date
58 of computation, an amount equal to the sum of (i) the stated
59 initial value of such bond, plus (ii) the interest accrued thereon
60 from the issue date to the date of computation at the rate,
61 compounded semiannually, that is necessary to produce the
62 approximate yield to maturity shown for bonds of the same
63 maturity.

64 (b) "State" means the State of Mississippi.

65 (c) "Commission" means the State Bond Commission.

66 (2) (a) The Mississippi Development Authority, at one time,
67 or from time to time, may declare by resolution the necessity for
68 issuance of general obligation bonds of the State of Mississippi
69 to provide funds for the program authorized in Section 1 of this
70 act. Upon the adoption of a resolution by the Mississippi
71 Development Authority declaring the necessity for the issuance of
72 any part or all of the general obligation bonds authorized by this



73 subsection, the Mississippi Development Authority shall deliver a
74 certified copy of its resolution or resolutions to the commission.
75 Upon receipt of such resolution, the commission, in its
76 discretion, may act as the issuing agent, prescribe the form of
77 the bonds, determine the appropriate method for sale of the bonds,
78 advertise for and accept bids or negotiate the sale of the bonds,
79 issue and sell the bonds so authorized to be sold, and do any and
80 all other things necessary and advisable in connection with the
81 issuance and sale of such bonds. The total amount of bonds issued
82 under this section shall not exceed One Million Dollars
83 (\$1,000,000.00). No bonds authorized under this section shall be
84 issued after July 1, 2028.

85 (b) The proceeds of bonds issued pursuant to this
86 section shall be deposited into the Municipalities and Counties
87 Trails Fund created pursuant to Section 1 of this act. Any
88 investment earnings on bonds issued pursuant to this section shall
89 be used to pay debt service on bonds issued under this section, in
90 accordance with the proceedings authorizing issuance of such
91 bonds.

92 (3) The principal of and interest on the bonds authorized
93 under this section shall be payable in the manner provided in this
94 subsection. Such bonds shall bear such date or dates, be in such
95 denomination or denominations, bear interest at such rate or rates
96 (not to exceed the limits set forth in Section 75-17-101,
97 Mississippi Code of 1972), be payable at such place or places



98 within or without the State of Mississippi, shall mature
99 absolutely at such time or times not to exceed twenty-five (25)
100 years from date of issue, be redeemable before maturity at such
101 time or times and upon such terms, with or without premium, shall
102 bear such registration privileges, and shall be substantially in
103 such form, all as shall be determined by resolution of the
104 commission.

105 (4) The bonds authorized by this section shall be signed by
106 the chairman of the commission, or by his facsimile signature, and
107 the official seal of the commission shall be affixed thereto,
108 attested by the secretary of the commission. The interest
109 coupons, if any, to be attached to such bonds may be executed by
110 the facsimile signatures of such officers. Whenever any such
111 bonds shall have been signed by the officials designated to sign
112 the bonds who were in office at the time of such signing but who
113 may have ceased to be such officers before the sale and delivery
114 of such bonds, or who may not have been in office on the date such
115 bonds may bear, the signatures of such officers upon such bonds
116 and coupons shall nevertheless be valid and sufficient for all
117 purposes and have the same effect as if the person so officially
118 signing such bonds had remained in office until their delivery to
119 the purchaser, or had been in office on the date such bonds may
120 bear. However, notwithstanding anything herein to the contrary,
121 such bonds may be issued as provided in the Registered Bond Act of
122 the State of Mississippi.



123 (5) All bonds and interest coupons issued under the
124 provisions of this section have all the qualities and incidents of
125 negotiable instruments under the provisions of the Uniform
126 Commercial Code, and in exercising the powers granted by this
127 section, the commission shall not be required to and need not
128 comply with the provisions of the Uniform Commercial Code.

129 (6) The commission shall act as the issuing agent for the
130 bonds authorized under this section, prescribe the form of the
131 bonds, determine the appropriate method for sale of the bonds,
132 advertise for and accept bids or negotiate the sale of the bonds,
133 issue and sell the bonds so authorized to be sold, pay all fees
134 and costs incurred in such issuance and sale, and do any and all
135 other things necessary and advisable in connection with the
136 issuance and sale of such bonds. The commission is authorized and
137 empowered to pay the costs that are incident to the sale, issuance
138 and delivery of the bonds authorized under this section from the
139 proceeds derived from the sale of such bonds. The commission
140 shall sell such bonds on sealed bids at public sale or may
141 negotiate the sale of the bonds for such price as it may determine
142 to be for the best interest of the State of Mississippi. All
143 interest accruing on such bonds so issued shall be payable
144 semiannually or annually.

145 If the bonds are to be sold on sealed bids at public sale,
146 notice of the sale of any such bonds shall be published at least
147 one time, not less than ten (10) days before the date of sale, and



148 shall be so published in one or more newspapers published or
149 having a general circulation in the City of Jackson, Mississippi,
150 selected by the commission.

151 The commission, when issuing any bonds under the authority of
152 this section, may provide that bonds, at the option of the State
153 of Mississippi, may be called in for payment and redemption at the
154 call price named therein and accrued interest on such date or
155 dates named therein.

156 (7) The bonds issued under the provisions of this section
157 are general obligations of the State of Mississippi, and for the
158 payment thereof the full faith and credit of the State of
159 Mississippi is irrevocably pledged. If the funds appropriated by
160 the Legislature are insufficient to pay the principal of and the
161 interest on such bonds as they become due, then the deficiency
162 shall be paid by the State Treasurer from any funds in the State
163 Treasury not otherwise appropriated. All such bonds shall contain
164 recitals on their faces substantially covering the provisions of
165 this subsection.

166 (8) Upon the issuance and sale of bonds under the provisions
167 of this section, the commission shall transfer the proceeds of any
168 such sale or sales to the Municipalities and Counties Trails Fund
169 created in Section 1 of this act. The proceeds of such bonds
170 shall be disbursed solely upon the order of the Mississippi
171 Development Authority under such restrictions, if any, as may be



172 contained in the resolution providing for the issuance of the
173 bonds.

174 (9) The bonds authorized under this section may be issued
175 without any other proceedings or the happening of any other
176 conditions or things other than those proceedings, conditions and
177 things which are specified or required by this section. Any
178 resolution providing for the issuance of bonds under the
179 provisions of this section shall become effective immediately upon
180 its adoption by the commission, and any such resolution may be
181 adopted at any regular or special meeting of the commission by a
182 majority of its members.

183 (10) The bonds authorized under the authority of this
184 section may be validated in the Chancery Court of the First
185 Judicial District of Hinds County, Mississippi, in the manner and
186 with the force and effect provided by Chapter 13, Title 31,
187 Mississippi Code of 1972, for the validation of county, municipal,
188 school district and other bonds. The notice to taxpayers required
189 by such statutes shall be published in a newspaper published or
190 having a general circulation in the City of Jackson, Mississippi.

191 (11) Any holder of bonds issued under the provisions of this
192 section or of any of the interest coupons pertaining thereto may,
193 either at law or in equity, by suit, action, mandamus or other
194 proceeding, protect and enforce any and all rights granted under
195 this section, or under such resolution, and may enforce and compel
196 performance of all duties required by this section to be



197 performed, in order to provide for the payment of bonds and
198 interest thereon.

199 (12) All bonds issued under the provisions of this section
200 shall be legal investments for trustees and other fiduciaries, and
201 for savings banks, trust companies and insurance companies
202 organized under the laws of the State of Mississippi, and such
203 bonds shall be legal securities which may be deposited with and
204 shall be received by all public officers and bodies of this state
205 and all municipalities and political subdivisions for the purpose
206 of securing the deposit of public funds.

207 (13) Bonds issued under the provisions of this section and
208 income therefrom shall be exempt from all taxation in the State of
209 Mississippi.

210 (14) The proceeds of the bonds issued under this section
211 shall be used solely for the purposes therein provided, including
212 the costs incident to the issuance and sale of such bonds.

213 (15) The State Treasurer is authorized, without further
214 process of law, to certify to the Department of Finance and
215 Administration the necessity for warrants, and the Department of
216 Finance and Administration is authorized and directed to issue
217 such warrants, in such amounts as may be necessary to pay when due
218 the principal of, premium, if any, and interest on, or the
219 accreted value of, all bonds issued under this section; and the
220 State Treasurer shall forward the necessary amount to the
221 designated place or places of payment of such bonds in ample time



222 to discharge such bonds, or the interest thereon, on the due dates
223 thereof.

224 (16) This section shall be deemed to be full and complete
225 authority for the exercise of the powers therein granted, but this
226 section shall not be deemed to repeal or to be in derogation of
227 any existing law of this state.

228 **SECTION 3.** This act shall take effect and be in force from
229 and after July 1, 2024.

