

By: Senator(s) Turner-Ford

To: Finance

SENATE BILL NO. 2091

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS TO ASSIST THE CITY OF WEST POINT,
3 MISSISSIPPI, IN PAYING THE COSTS ASSOCIATED WITH PAVING CITY
4 STREETS AND RENOVATING THE WEST POINT WATER AND LIGHT DEPARTMENT
5 BUILDING; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** (1) The provisions of this section shall apply
8 to every section of this act that relates to the issuance of bonds
9 unless otherwise provided in this act.

10 (2) As used in this act, the following words shall have the
11 meanings ascribed herein unless the context clearly requires
12 otherwise:

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

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

15 (3) The principal of and interest on the bonds authorized
16 under this act shall be payable in the manner provided in this
17 subsection. Such bonds shall bear such date or dates, be in such
18 denomination or denominations, bear interest at such rate or rates
19 (not to exceed the limits set forth in Section 75-17-101,



20 Mississippi Code of 1972), be payable at such place or places
21 within or without the State of Mississippi, shall mature
22 absolutely at such time or times not to exceed twenty-five (25)
23 years from date of issue, be redeemable before maturity at such
24 time or times and upon such terms, with or without premium, shall
25 bear such registration privileges, and shall be substantially in
26 such form, all as shall be determined by resolution of the
27 commission.

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



44 issued as provided in the Registered Bond Act of the State of
45 Mississippi.

46 (5) All bonds and interest coupons issued under the
47 provisions of this act have all the qualities and incidents of
48 negotiable instruments under the provisions of the Uniform
49 Commercial Code, and in exercising the powers granted by this act,
50 the commission shall not be required to and need not comply with
51 the provisions of the Uniform Commercial Code.

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

67 If such bonds are sold by sealed bids at public sale, notice
68 of the sale shall be published at least one time, not less than



69 ten (10) days before the date of sale, and shall be so published
70 in one or more newspapers published or having a general
71 circulation in the City of Jackson, Mississippi, selected by the
72 commission.

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

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

88 (8) Upon the issuance and sale of bonds under the provisions
89 of this act, the commission shall transfer the proceeds of any
90 such sale or sales to the special fund created in subsection (1)
91 of the applicable section of this act. The proceeds of such bonds
92 shall be disbursed from the special fund under such restrictions,



93 if any, as may be contained in the resolution providing for the
94 issuance of the bonds.

95 (9) The bonds authorized under this act may be issued
96 without any other proceedings or the happening of any other
97 conditions or things other than those proceedings, conditions and
98 things which are specified or required by this act. Any
99 resolution providing for the issuance of bonds under the
100 provisions of this act shall become effective immediately upon its
101 adoption by the commission, and any such resolution may be adopted
102 at any regular or special meeting of the commission by a majority
103 of its members.

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

112 (11) Any holder of bonds issued under the provisions of this
113 act or of any of the interest coupons pertaining thereto may,
114 either at law or in equity, by suit, action, mandamus or other
115 proceeding, protect and enforce any and all rights granted under
116 this act, or under such resolution, and may enforce and compel



117 performance of all duties required by this act to be performed, in
118 order to provide for the payment of bonds and interest thereon.

119 (12) All bonds issued under the provisions of this act shall
120 be legal investments for trustees and other fiduciaries, and for
121 savings banks, trust companies and insurance companies organized
122 under the laws of the State of Mississippi, and such bonds shall
123 be legal securities which may be deposited with and shall be
124 received by all public officers and bodies of this state and all
125 municipalities and political subdivisions for the purpose of
126 securing the deposit of public funds.

127 (13) Bonds issued under the provisions of this act and
128 income therefrom shall be exempt from all taxation in the State of
129 Mississippi.

130 (14) The proceeds of the bonds issued under this act shall
131 be used solely for the purposes herein provided, including the
132 costs incident to the issuance and sale of such bonds.

133 (15) The State Treasurer is authorized, without further
134 process of law, to certify to the Department of Finance and
135 Administration the necessity for warrants, and the Department of
136 Finance and Administration is authorized and directed to issue
137 such warrants, in such amounts as may be necessary to pay when due
138 the principal of, premium, if any, and interest on, or the
139 accreted value of, all bonds issued under this act; and the State
140 Treasurer shall forward the necessary amount to the designated
141 place or places of payment of such bonds in ample time to



142 discharge such bonds, or the interest thereon, on the due dates
143 thereof. As used in this section, the "accreted value" of any
144 bond means, as of any date of computation, an amount equal to the
145 sum of (a) the stated initial value of such bond, plus (b) the
146 interest accrued thereon from the issue date to the date of
147 computation at the rate, compounded semiannually, that is
148 necessary to produce the approximate yield to maturity shown for
149 bonds of the same maturity.

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

155 **SECTION 2.** (1) (a) (i) A special fund, to be designated
156 as the "2024 City of West Point Improvements Fund," is created
157 within the State Treasury. The fund shall be maintained by the
158 State Treasurer as a separate and special fund, separate and apart
159 from the General Fund of the state. Unexpended amounts remaining
160 in the fund at the end of a fiscal year shall not lapse into the
161 State General Fund, and any interest earned or investment earnings
162 on amounts in the fund shall be deposited into such fund.

163 (ii) Monies deposited into the fund shall be
164 disbursed, in the discretion of the Department of Finance and
165 Administration, to assist the City of West Point, Mississippi, in
166 paying the costs associated with:



167 Paving city streets.....\$1,500,000.00
168 Renovating the West Point Water and
169 Light Department Building.....\$2,000,000.00

170 (b) Amounts deposited into such special fund shall be
171 disbursed to pay the costs of the projects described in paragraph
172 (a) of this subsection. Promptly after the commission has
173 certified, by resolution duly adopted, that the projects described
174 in paragraph (a) of this subsection shall have been completed,
175 abandoned, or cannot be completed in a timely fashion, any amounts
176 remaining in such special fund shall be applied to pay debt
177 service on the bonds issued under this section, in accordance with
178 the proceedings authorizing the issuance of such bonds and as
179 directed by the commission.

180 (2) (a) The commission, at one time, or from time to time,
181 may declare by resolution the necessity for issuance of general
182 obligation bonds of the State of Mississippi to provide funds for
183 all costs incurred or to be incurred for the purposes described in
184 subsection (1) of this section. Upon the adoption of a resolution
185 by the Department of Finance and Administration, declaring the
186 necessity for the issuance of any part or all of the general
187 obligation bonds authorized by this section, the department shall
188 deliver a certified copy of its resolution or resolutions to the
189 commission. Upon receipt of such resolution, the commission is
190 authorized to proceed under the provisions of Section 1(6) of this
191 act. The total amount of bonds issued under this section shall



192 not exceed Three Million Five Hundred Thousand Dollars
193 (\$3,500,000.00). No bonds shall be issued under this section
194 after July 1, 2028.

195 (b) Any investment earnings on amounts deposited into
196 the special fund created in subsection (1) of this section shall
197 be used to pay debt service on bonds issued under this section, in
198 accordance with the proceedings authorizing issuance of such
199 bonds.

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

202 **SECTION 3.** This act shall take effect and be in force from
203 and after its passage.

