

By: Senator(s) Younger, Blackwell,  
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To: Finance

SENATE BILL NO. 2483

1 AN ACT TO AMEND SECTION 67-1-211, MISSISSIPPI CODE OF 1972,  
2 TO REQUIRE THAT, BEFORE MONIES IN THE ABC WAREHOUSE CONSTRUCTION  
3 FUND MAY BE SPENT FOR ANY PURCHASE ASSOCIATED WITH LAND  
4 ACQUISITION FOR, OR WITH THE DESIGN, CONSTRUCTION, FURNISHING AND  
5 EQUIPPING OF, A NEW WAREHOUSE FOR THE DEPARTMENT OF REVENUE'S  
6 ALCOHOLIC BEVERAGE CONTROL DIVISION, THE DEPARTMENT OF REVENUE AND  
7 THE DEPARTMENT OF FINANCE AND ADMINISTRATION MUST DETERMINE THAT  
8 THE TOTAL PROJECT CAN BE COMPLETED FOR THE AMOUNT OF REVENUE BONDS  
9 AUTHORIZED IN SECTION 7, CHAPTER 483, LAWS OF 2022, TO BE ISSUED  
10 FOR THE ABC WAREHOUSE CONSTRUCTION FUND, WHICH AMOUNT IS  
11 \$55,000,000.00; TO BRING FORWARD SECTION 7, CHAPTER 483, LAWS OF  
12 2022, FOR THE PURPOSE OF POSSIBLE AMENDMENT; AND FOR RELATED  
13 PURPOSES.

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

15 **SECTION 1.** Section 67-1-211, Mississippi Code of 1972, is  
16 amended as follows:

17 67-1-211. **Special funds.** (1) A special fund, to be  
18 designated the "ABC Warehouse Construction Fund," is created  
19 within the State Treasury. The fund shall be maintained by the  
20 State Treasurer as a separate and special fund, separate and apart  
21 from the General Fund of the state. Monies in this special fund  
22 shall be used to assist the Department of Finance and  
23 Administration in paying the costs associated with land



24 acquisition for, and the design, construction, furnishing and  
25 equipping of, a new warehouse for the Department of Revenue's  
26 Alcoholic Beverage Control Division. In addition, monies in this  
27 special fund shall be used to pay the costs of relocating  
28 inventory to the new warehouse from the warehouse that is in  
29 service on July 1, 2022. Unexpended amounts remaining in the fund  
30 at the end of a fiscal year shall not lapse into the State General  
31 Fund, and any interest earned or investment earnings or interest  
32 earned on amounts in the fund shall be deposited to the credit of  
33 the fund. Of the amounts deposited to the ABC Warehouse  
34 Construction Fund, no funds shall be expended for any purchase  
35 associated with land acquisition for, or with the design,  
36 construction, furnishing and equipping of, a new warehouse, unless  
37 the Department of Revenue and the Department of Finance and  
38 Administration have determined that the total project can be  
39 completed for the amount of revenue bonds authorized in Section  
40 7(4), Chapter 483, Laws of 2022, to be issued for the ABC  
41 Warehouse Construction Fund.

42 (2) A special fund, to be designated the "ABC Warehouse  
43 Improvements Fund," is created within the State Treasury. The  
44 fund shall be maintained by the State Treasurer as a separate and  
45 special fund, separate and apart from the General Fund of the  
46 state. Monies in this special fund shall be used to assist the  
47 Department of Revenue in paying the costs associated with  
48 occasional improvements. Unexpended amounts remaining in the fund



49 at the end of a fiscal year shall not lapse into the State General  
50 Fund, and any interest earned or investment earnings or interest  
51 earned on amounts in the fund shall be deposited to the credit of  
52 the fund.

53 **SECTION 2.** Section 7, Chapter 483, Laws of 2022, is brought  
54 forward as follows:

55 Section 7. **Revenue bonds.** (1) As used in this section, the  
56 following words shall have the meanings ascribed herein unless the  
57 context clearly requires otherwise:

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

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

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

67 (2) (a) Monies deposited into the ABC Warehouse  
68 Construction Fund created in Section 6(1) of this act shall be  
69 disbursed, in the discretion of the Department of Finance and  
70 Administration, to assist in paying the costs associated with land  
71 acquisition for, and the design, construction, furnishing and  
72 equipping of, a new warehouse for the Department of Revenue's  
73 Alcoholic Beverage Control Division.



74           (b) Amounts deposited into the ABC Warehouse  
75 Construction Fund created in Section 6(1) of this act shall be  
76 disbursed to pay the costs of the projects described in paragraph  
77 (a) of this subsection. Promptly after the commission has  
78 certified, by resolution duly adopted, that the projects described  
79 in paragraph (a) of this subsection have been completed,  
80 abandoned, or cannot be completed in a timely fashion, any amounts  
81 remaining in such special fund shall be applied to pay debt  
82 service on the bonds issued under this section, in accordance with  
83 the proceedings authorizing the issuance of such bonds and as  
84 directed by the commission.

85           (3) For the purpose of providing for the payment of the  
86 principal of and interest upon bonds issued under this section,  
87 there is created a special bond sinking fund in the State  
88 Treasury. The special bond sinking fund shall consist of such  
89 amounts as may be paid into such fund under this act, by  
90 appropriation or by other authorization by the Legislature.  
91 Except as otherwise provided in this section, monies in the  
92 special bond sinking fund shall be used to pay the debt service  
93 requirements of the bonds issued under this section. If the  
94 special bond sinking fund has a balance below the minimum amount  
95 specified in the resolution providing for the issuance of the  
96 bonds, or below one and one-half (1-1/2) times the amount needed  
97 to pay the annual debt obligations related to the bonds issued  
98 under this section, whichever is the lesser amount, the



99 Commissioner of Revenue shall transfer the deficit amount to the  
100 bond sinking fund from revenue derived from the twenty-seven and  
101 one-half percent (27-1/2%) markup provided for in Section  
102 27-71-11. Unexpended amounts remaining in the special bond  
103 sinking fund at the end of a fiscal year shall not lapse into the  
104 State General Fund, and any interest earned or investment earnings  
105 on amounts in the special bond sinking fund shall be deposited  
106 into such sinking fund. If the special bond sinking fund has a  
107 balance in excess of the amount needed to pay the debt service and  
108 meet the obligations related to the bonds issued under this  
109 section, as determined in the resolution providing for the  
110 issuance of the bonds, the excess monies shall be transferred to  
111 the State General Fund.

112 (4) (a) The commission, at one time, or from time to time,  
113 may declare by resolution the necessity for issuance of revenue  
114 bonds of the State of Mississippi to provide funds for all costs  
115 incurred or to be incurred for the purposes described in  
116 subsection (2) of this section. Upon the adoption of a resolution  
117 by the Department of Finance and Administration, declaring the  
118 necessity for the issuance of any part or all of the revenue bonds  
119 authorized by this subsection, the Department of Finance and  
120 Administration shall deliver a certified copy of its resolution or  
121 resolutions to the commission. Upon receipt of such resolution,  
122 the commission, in its discretion, may act as the issuing agent,  
123 prescribe the form of the bonds, determine the appropriate method



124 for sale of the bonds, advertise for and accept bids or negotiate  
125 the sale of the bonds, issue and sell the bonds so authorized to  
126 be sold, and do any and all other things necessary and advisable  
127 in connection with the issuance and sale of such bonds. The total  
128 amount of bonds issued under this section shall not exceed  
129 Fifty-five Million Dollars (\$55,000,000.00).

130 (b) Any investment earnings on amounts deposited into  
131 the ABC Warehouse Construction Fund created in Section 6(1) of  
132 this act shall be used to pay debt service on bonds issued under  
133 this section, in accordance with the proceedings authorizing  
134 issuance of such bonds.

135 (5) The principal of and interest on the bonds authorized  
136 under this section shall be payable in the manner provided in this  
137 subsection. Such bonds shall bear such date or dates, be in such  
138 denomination or denominations, bear interest at such rate or rates  
139 (not to exceed the limits set forth in Section 75-17-101,  
140 Mississippi Code of 1972), be payable at such place or places  
141 within or without the State of Mississippi, shall mature  
142 absolutely at such time or times not to exceed twenty-five (25)  
143 years from date of issue, be redeemable before maturity at such  
144 time or times and upon such terms, with or without premium, shall  
145 bear such registration privileges, and shall be substantially in  
146 such form, all as shall be determined by resolution of the  
147 commission.



148           (6) The bonds authorized by this section shall be signed by  
149 the chairman of the commission, or by his facsimile signature, and  
150 the official seal of the commission shall be affixed thereto,  
151 attested by the secretary of the commission. The interest  
152 coupons, if any, to be attached to such bonds may be executed by  
153 the facsimile signatures of such officers. Whenever any such  
154 bonds have been signed by the officials designated to sign the  
155 bonds who were in office at the time of such signing, but who may  
156 have ceased to be such officers before the sale and delivery of  
157 such bonds, or who may not have been in office on the date such  
158 bonds may bear, the signatures of such officers upon such bonds  
159 and coupons shall nevertheless be valid and sufficient for all  
160 purposes and have the same effect as if the person so officially  
161 signing such bonds had remained in office until their delivery to  
162 the purchaser, or had been in office on the date such bonds may  
163 bear. However, notwithstanding anything herein to the contrary,  
164 such bonds may be issued as provided in the Registered Bond Act of  
165 the State of Mississippi.

166           (7) All bonds and interest coupons issued under the  
167 provisions of this section have all the qualities and incidents of  
168 negotiable instruments under the provisions of the Uniform  
169 Commercial Code, and in exercising the powers granted by this  
170 section, the commission shall not be required to and need not  
171 comply with the provisions of the Uniform Commercial Code.



172           (8) The commission shall act as issuing agent for the bonds  
173 authorized under this section, prescribe the form of the bonds,  
174 determine the appropriate method for sale of the bonds, advertise  
175 for and accept bids or negotiate the sale of the bonds, issue and  
176 sell the bonds so authorized to be sold, pay all fees and costs  
177 incurred in such issuance and sale, and do any and all other  
178 things necessary and advisable in connection with the issuance and  
179 sale of such bonds. The commission is authorized and empowered to  
180 pay the costs that are incident to the sale, issuance and delivery  
181 of the bonds authorized under this section from the proceeds  
182 derived from the sale of such bonds. The commission may sell such  
183 bonds on sealed bids at public sale or may negotiate the sale of  
184 the bonds for such price as it may determine to be for the best  
185 interest of the State of Mississippi. All interest accruing on  
186 such bonds so issued shall be payable semiannually or annually.

187           If such bonds are sold by sealed bids at public sale, notice  
188 of the sale shall be published at least one time, not less than  
189 ten (10) days before the date of sale, and shall be so published  
190 in one or more newspapers published or having a general  
191 circulation in the City of Jackson, Mississippi, selected by the  
192 commission.

193           The commission, when issuing any bonds under the authority of  
194 this section, may provide that bonds, at the option of the State  
195 of Mississippi, may be called in for payment and redemption at the





196 call price named therein and accrued interest on such date or  
197 dates named therein.

198 (9) The bonds issued under the provisions of this section  
199 shall be revenue bonds of the state, the principal of and interest  
200 on which shall be payable solely from and shall be secured by the  
201 special bond sinking fund created in subsection (3) of this  
202 section. The bonds shall never constitute an indebtedness of the  
203 state within the meaning of any state constitutional provision or  
204 statutory limitation, and shall never constitute or give rise to a  
205 pecuniary liability of the state, or a charge against its general  
206 credit or taxing powers, and such fact shall be plainly stated on  
207 the face of each such bond. The bonds shall not be considered  
208 when computing any limitation of indebtedness of the state. All  
209 bonds issued under the authority of this section and all interest  
210 coupons applicable thereto shall be construed to be negotiable  
211 instruments, despite the fact that they are payable solely from a  
212 specified source.

213 (10) Upon the issuance and sale of bonds under the  
214 provisions of this section, the commission shall transfer the  
215 proceeds of any such sale or sales to the ABC Warehouse  
216 Construction Fund created in Section 6(1) of this act. The  
217 proceeds of such bonds shall be disbursed solely upon the order of  
218 the Department of Finance and Administration under such  
219 restrictions, if any, as may be contained in the resolution  
220 providing for the issuance of the bonds.



221 (11) The bonds authorized under this section may be issued  
222 without any other proceedings or the happening of any other  
223 conditions or things other than those proceedings, conditions and  
224 things which are specified or required by this section. Any  
225 resolution providing for the issuance of bonds under the  
226 provisions of this section shall become effective immediately upon  
227 its adoption by the commission, and any such resolution may be  
228 adopted at any regular or special meeting of the commission by a  
229 majority of its members.

230 (12) The bonds authorized under the authority of this  
231 section may be validated in the Chancery Court of the First  
232 Judicial District of Hinds County, Mississippi, in the manner and  
233 with the force and effect provided by Title 31, Chapter 13,  
234 Mississippi Code of 1972, for the validation of county, municipal,  
235 school district and other bonds. The notice to taxpayers required  
236 by such statutes shall be published in a newspaper published or  
237 having a general circulation in the City of Jackson, Mississippi.

238 (13) Any holder of bonds issued under the provisions of this  
239 section or of any of the interest coupons pertaining thereto may,  
240 either at law or in equity, by suit, action, mandamus or other  
241 proceeding, protect and enforce any and all rights granted under  
242 this section, or under such resolution, and may enforce and compel  
243 performance of all duties required by this section to be  
244 performed, in order to provide for the payment of bonds and  
245 interest thereon.



246 (14) All bonds issued under the provisions of this section  
247 shall be legal investments for trustees and other fiduciaries, and  
248 for savings banks, trust companies and insurance companies  
249 organized under the laws of the State of Mississippi, and such  
250 bonds shall be legal securities which may be deposited with and  
251 shall be received by all public officers and bodies of this state  
252 and all municipalities and political subdivisions for the purpose  
253 of securing the deposit of public funds.

254 (15) Bonds issued under the provisions of this section and  
255 income therefrom shall be exempt from all taxation in the State of  
256 Mississippi.

257 (16) The proceeds of the bonds issued under this section  
258 shall be used solely for the purposes herein provided, including  
259 the costs incident to the issuance and sale of such bonds.

260 (17) The State Treasurer is authorized, without further  
261 process of law, to certify to the Department of Finance and  
262 Administration the necessity for warrants. The Department of  
263 Finance and Administration is authorized and directed to issue  
264 such warrants, in such amounts as may be necessary to pay when due  
265 the principal of, premium, if any, and interest on, or the  
266 accreted value of, all bonds issued under this section. The State  
267 Treasurer shall forward the necessary amount to the designated  
268 place or places of payment of such bonds in ample time to  
269 discharge such bonds, or the interest thereon, on the due dates  
270 thereof.



271           (18) This section shall be deemed to be full and complete  
272 authority for the exercise of the powers herein granted, but this  
273 section shall not be deemed to repeal or to be in derogation of  
274 any existing law of this state.

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

