

By: Senator(s) England

To: Finance

SENATE BILL NO. 2837

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
 2 BONDS TO PROVIDE FUNDS TO ASSIST THE WEST JACKSON COUNTY UTILITY  
 3 DISTRICT IN PAYING THE COSTS ASSOCIATED WITH THE REPLACEMENT OF  
 4 FAILING ASBESTOS WATER MAIN PIPING IN THE CEDAR GROVE AREA IN  
 5 JACKSON COUNTY, MISSISSIPPI, AND FOR THE CONSTRUCTION OF A WATER  
 6 TANK; AND FOR RELATED PURPOSES.

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

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

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

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

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

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



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

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



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

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

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

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



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

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

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

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



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

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

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

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



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

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

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

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

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



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

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

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

165 (ii) Monies deposited into the fund shall be  
166 disbursed, in the discretion of the Department of Finance and



167 Administration, to assist the West Jackson County Utility District  
168 in paying the costs associated with the following projects:

169                   1. Five Million Dollars (\$5,000,000.00) for  
170 the replacement of failing asbestos water main piping in the Cedar  
171 Grove area in Jackson County, Mississippi; and

172                   2. Five Hundred Thousand Dollars  
173 (\$500,000.00) for the construction of a water tank.

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

184                   (2) (a) The commission, at one time, or from time to time,  
185 may declare by resolution the necessity for issuance of general  
186 obligation bonds of the State of Mississippi to provide funds for  
187 all costs incurred or to be incurred for the purposes described in  
188 subsection (1) of this section. Upon the adoption of a resolution  
189 by the Department of Finance and Administration, declaring the  
190 necessity for the issuance of any part or all of the general  
191 obligation bonds authorized by this section, the department shall





192 deliver a certified copy of its resolution or resolutions to the  
193 commission. Upon receipt of such resolution, the commission is  
194 authorized to proceed under the provisions of Section 1(6) of this  
195 act. The total amount of bonds issued under this section shall  
196 not exceed Five Million Five Hundred Thousand Dollars  
197 (\$5,500,000.00). No bonds shall be issued under this section  
198 after July 1, 2028.

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

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

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

