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To: Ways and Means

HOUSE BILL NO. 1630

1 AN ACT TO AUTHORIZE THE ISSUANCE OF \$20,000,000.00 IN STATE
 2 GENERAL OBLIGATION BONDS TO PROVIDE FUNDS NECESSARY FOR THE
 3 MISSISSIPPI DEVELOPMENT AUTHORITY TO ACQUIRE THE RAIL LINE
 4 EXTENDING FROM THE STATE PORT AT GULFPORT, MISSISSIPPI, TO THE
 5 CITY OF HATTIESBURG, MISSISSIPPI; TO PROVIDE THAT IF THE
 6 MISSISSIPPI DEVELOPMENT AUTHORITY ACQUIRES THE RAIL LINE, IT MAY
 7 ENTER INTO ANY AGREEMENT WITH A RAILROAD OR OTHER ENTITY PROVIDING
 8 THAT UPON COMPLETION OF REPAIRS AND UPGRADES TO THE RAIL LINE, THE
 9 RAILROAD OR OTHER ENTITY WILL LEASE THE RAIL LINE FROM THE STATE
 10 FOR COMMERCIAL PURPOSES; TO AUTHORIZE THE MISSISSIPPI DEVELOPMENT
 11 AUTHORITY TO ENTER INTO CONTRACTS OR OTHER AGREEMENTS WITH ANY
 12 PERSON, CORPORATION, ASSOCIATION, PARTNERSHIP, GOVERNMENTAL UNIT
 13 OR OTHER ENTITY NECESSARY TO PERFORM REPAIRS AND UPGRADES TO THE
 14 RAIL LINE; TO AUTHORIZE THE ISSUANCE OF \$20,000,000.00 IN STATE
 15 REVENUE BONDS TO PROVIDE FUNDS FOR REPAIRS AND UPGRADES TO SUCH
 16 RAIL LINE NECESSARY TO PROVIDE INTERMODAL ACCESS TO AND FROM THE
 17 STATE PORT AT GULFPORT, MISSISSIPPI; TO PROVIDE THAT THE REVENUE
 18 BONDS MAY NOT BE ISSUED UNLESS THE MISSISSIPPI DEVELOPMENT
 19 AUTHORITY HAS ENTERED INTO AN AGREEMENT WITH A RAILROAD OR OTHER
 20 ENTITY PROVIDING THAT UPON COMPLETION OF REPAIRS AND UPGRADES TO
 21 THE RAIL LINE, THE RAILROAD OR OTHER ENTITY WILL LEASE THE RAIL
 22 LINE FROM THE STATE FOR COMMERCIAL PURPOSES; TO PROVIDE THAT THE
 23 PAYMENTS RECEIVED FROM ANY SUCH LEASE SHALL BE DEPOSITED INTO A
 24 SPECIAL BOND SINKING FUND CREATED FOR THE PURPOSE OF RETIRING
 25 BONDS ISSUED UNDER THIS ACT; TO PROVIDE THAT MONIES IN SUCH
 26 SINKING FUND SHALL BE USED FIRST TO RETIRE REVENUE BONDS ISSUED
 27 UNDER THIS ACT; TO PROVIDE THAT WHEN THE BALANCE IN THE SPECIAL
 28 BOND SINKING FUND IS EQUAL TO THE NEXT TWO DEBT SERVICE
 29 REQUIREMENTS OF THE REVENUE BONDS ISSUED UNDER THIS ACT, THE
 30 EXCESS MONIES IN THE FUND SHALL BE USED TO PAY THE DEBT SERVICE
 31 REQUIREMENTS OF GENERAL OBLIGATION BONDS ISSUED UNDER THIS ACT
 32 UNTIL THE BALANCE IN THE SPECIAL BOND SINKING FUND FALLS BELOW THE
 33 AMOUNT EQUAL TO THE NEXT TWO DEBT SERVICE REQUIREMENTS OF THE
 34 REVENUE BONDS; AND FOR RELATED PURPOSES.

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

36 SECTION 1. As used in this act, the following words shall
 37 have the meanings ascribed herein unless the context clearly
 38 requires otherwise:

39 (a) "Accreted value" of any bond means, as of any date
 40 of computation, an amount equal to the sum of (i) the stated

41 initial value of such bond, plus (ii) the interest accrued thereon
42 from the issue date to the date of computation at the rate,
43 compounded semiannually, that is necessary to produce the
44 approximate yield to maturity shown for bonds of the same
45 maturity.

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

47 (c) "Rail line" means the rail line extending from the
48 State Port at Gulfport to the City of Hattiesburg, Mississippi.

49 (d) "State" means the State of Mississippi.

50 SECTION 2. The Mississippi Development Authority may use the
51 proceeds from general obligation bonds issued under Sections 4
52 through 18 of this act to acquire the rail line for the purpose of
53 performing repairs and upgrades necessary to provide intermodal
54 access to and from the State Port at Gulfport, Mississippi.

55 SECTION 3. For the purpose of providing for the payment of
56 the principal of and interest upon bonds issued under this act,
57 there is created a special bond sinking fund in the State
58 Treasury. The special bond sinking fund shall consist of the
59 monies required to be deposited into the fund under Section 19 of
60 this act and such other amounts as may be paid into such fund by
61 appropriation or other authorization by the Legislature. Except
62 as otherwise provided in this section, monies in the special bond
63 sinking fund first shall be used to pay the debt service
64 requirements of the revenue bonds issued under Sections 20 through
65 34 of this act. Whenever the balance in the special bond sinking
66 fund is equal to the next two (2) debt service requirements of the
67 revenue bonds issued under Sections 20 through 34 of this act, the
68 excess monies in such sinking fund shall be used to pay the debt
69 service requirements of the general obligation bonds issued under
70 Sections 4 through 18 of this act until the balance in the special
71 bond sinking fund falls below the amount equal to the next two (2)
72 debt service requirements of the revenue bonds issued under
73 Sections 20 through 34 of this act. Funds required in excess of

74 the amount available in the special bond sinking fund to pay the
75 principal of and interest upon the general obligation bonds issued
76 under Sections 4 through 18 of this act shall be appropriated from
77 the State General Fund. Unexpended amounts remaining in the fund
78 at the end of a fiscal year shall not lapse into the State General
79 Fund, and any interest earned or investment earnings on amounts in
80 the fund shall be deposited into such fund.

81 SECTION 4. (1) (a) A special fund, to be designated as the
82 "South Mississippi Rail Line Acquisition Fund" is created within
83 the State Treasury. The fund shall be maintained by the State
84 Treasurer as a separate and special fund, separate and apart from
85 the General Fund of the state. Unexpended amounts remaining in
86 the fund at the end of a fiscal year shall not lapse into the
87 State General Fund, and any interest earned or investment
88 earnings on amounts in the fund shall be deposited into such fund.

89 (b) Monies deposited into the fund shall be disbursed,
90 in the discretion of the Mississippi Development Authority to pay
91 the costs incurred by the Mississippi Development Authority in
92 acquisition of the rail line.

93 (2) Amounts deposited into such special fund shall be
94 disbursed to pay the costs of the project described in subsection
95 (1) of this section. If any monies in the special fund are not
96 used within four (4) years after the date the proceeds of the
97 bonds authorized under Sections 4 through 18 of this act are
98 deposited into such fund, then the Mississippi Development
99 Authority shall provide an accounting of such unused monies to the
100 commission. Promptly after the commission has certified, by
101 resolution duly adopted, that the project described in subsection
102 (1) shall have been completed, abandoned, or cannot be completed
103 in a timely fashion, any amounts remaining in such special fund
104 shall be applied to pay debt service on the bonds issued under
105 Sections 4 through 18 of this act, in accordance with the

106 proceedings authorizing the issuance of such bonds and as directed
107 by the commission.

108 SECTION 5. (1) The commission, at one time, or from time to
109 time, may declare by resolution the necessity for issuance of
110 general obligation bonds of the State of Mississippi to provide
111 funds for all costs incurred or to be incurred for the purposes
112 described in Section 4 of this act. Upon the adoption of a
113 resolution by the Mississippi Development Authority, declaring the
114 necessity for the issuance of any part or all of the general
115 obligation bonds authorized by this section, the Mississippi
116 Development Authority shall deliver a certified copy of its
117 resolution or resolutions to the commission. Upon receipt of such
118 resolution, the commission, in its discretion, may act as the
119 issuing agent, prescribe the form of the bonds, advertise for and
120 accept bids, issue and sell the bonds so authorized to be sold and
121 do any and all other things necessary and advisable in connection
122 with the issuance and sale of such bonds. The total amount of
123 bonds issued under Sections 4 through 18 of this act shall not
124 exceed Twenty Million Dollars (\$20,000,000.00).

125 (2) Any investment earnings on amounts deposited into the
126 special fund created in Section 4 of this act shall be used to pay
127 debt service on bonds issued under Sections 4 through 18 of this
128 act, in accordance with the proceedings authorizing issuance of
129 such bonds.

130 SECTION 6. The principal of and interest on the bonds
131 authorized under Sections 4 through 18 of this act shall be
132 payable in the manner provided in this section. Such bonds shall
133 bear such date or dates, be in such denomination or denominations,
134 bear interest at such rate or rates (not to exceed the limits set
135 forth in Section 75-17-101, Mississippi Code of 1972), be payable
136 at such place or places within or without the State of
137 Mississippi, shall mature absolutely at such time or times not to
138 exceed twenty-five (25) years from date of issue, be redeemable

139 before maturity at such time or times and upon such terms, with or
140 without premium, shall bear such registration privileges, and
141 shall be substantially in such form, all as shall be determined by
142 resolution of the commission.

143 SECTION 7. The bonds authorized by Sections 4 through 18 of
144 this act shall be signed by the chairman of the commission, or by
145 his facsimile signature, and the official seal of the commission
146 shall be affixed thereto, attested by the secretary of the
147 commission. The interest coupons, if any, to be attached to such
148 bonds may be executed by the facsimile signatures of such
149 officers. Whenever any such bonds shall have been signed by the
150 officials designated to sign the bonds who were in office at the
151 time of such signing but who may have ceased to be such officers
152 before the sale and delivery of such bonds, or who may not have
153 been in office on the date such bonds may bear, the signatures of
154 such officers upon such bonds and coupons shall nevertheless be
155 valid and sufficient for all purposes and have the same effect as
156 if the person so officially signing such bonds had remained in
157 office until their delivery to the purchaser, or had been in
158 office on the date such bonds may bear. However, notwithstanding
159 anything herein to the contrary, such bonds may be issued as
160 provided in the Registered Bond Act of the State of Mississippi.

161 SECTION 8. All bonds and interest coupons issued under the
162 provisions of Sections 4 through 18 of this act have all the
163 qualities and incidents of negotiable instruments under the
164 provisions of the Mississippi Uniform Commercial Code, and in
165 exercising the powers granted by Sections 4 through 18 of this
166 act, the commission shall not be required to and need not comply
167 with the provisions of the Mississippi Uniform Commercial Code.

168 SECTION 9. The commission shall act as the issuing agent for
169 the bonds authorized under Sections 4 through 18 of this act,
170 prescribe the form of the bonds, advertise for and accept bids,
171 issue and sell the bonds so authorized to be sold, pay all fees

172 and costs incurred in such issuance and sale, and do any and all
173 other things necessary and advisable in connection with the
174 issuance and sale of such bonds. The commission is authorized and
175 empowered to pay the costs that are incident to the sale, issuance
176 and delivery of the bonds authorized under Sections 4 through 18
177 of this act from the proceeds derived from the sale of such bonds.
178 The commission shall sell such bonds on sealed bids at public
179 sale, and for such price as it may determine to be for the best
180 interest of the State of Mississippi, but no such sale shall be
181 made at a price less than par plus accrued interest to the date of
182 delivery of the bonds to the purchaser. All interest accruing on
183 such bonds so issued shall be payable semiannually or annually;
184 however, the first interest payment may be for any period of not
185 more than one (1) year.

186 Notice of the sale of any such bonds shall be published at
187 least one time, not less than ten (10) days before the date of
188 sale, and shall be so published in one or more newspapers
189 published or having a general circulation in the City of Jackson,
190 Mississippi, and in one or more other newspapers or financial
191 journals with a national circulation, to be selected by the
192 commission.

193 The commission, when issuing any bonds under the authority of
194 Sections 4 through 18 of this act, may provide that bonds, at the
195 option of the State of Mississippi, may be called in for payment
196 and redemption at the call price named therein and accrued
197 interest on such date or dates named therein.

198 SECTION 10. The bonds issued under the provisions of
199 Sections 4 through 18 of this act are general obligations of the
200 State of Mississippi, and for the payment thereof the full faith
201 and credit of the State of Mississippi is irrevocably pledged.
202 Such bonds shall be payable from the special bond sinking fund
203 created in Section 3 of this act in the manner provided in such
204 section. If the funds available in such special bond sinking fund

205 for payment of the bonds and any funds appropriated by the
206 Legislature for such purposes are insufficient to pay the
207 principal of and the interest on such bonds as they become due,
208 then the deficiency shall be paid by the State Treasurer from any
209 funds in the State Treasury not otherwise appropriated. All such
210 bonds shall contain recitals on their faces substantially covering
211 the provisions of this section.

212 SECTION 11. Upon the issuance and sale of bonds under the
213 provisions of Sections 4 through 18 of this act, the commission
214 shall transfer the proceeds of any such sale or sales to the
215 special fund created in Section 4 of this act. The proceeds of
216 such bonds shall be disbursed solely upon the order of the
217 Mississippi Development Authority under such restrictions, if any,
218 as may be contained in the resolution providing for the issuance
219 of the bonds.

220 SECTION 12. The bonds authorized under Sections 4 through 18
221 of this act may be issued without any other proceedings or the
222 happening of any other conditions or things other than those
223 proceedings, conditions and things which are specified or required
224 by Sections 4 through 18 of this act. Any resolution providing
225 for the issuance of bonds under the provisions of Sections 4
226 through 18 of this act shall become effective immediately upon its
227 adoption by the commission, and any such resolution may be adopted
228 at any regular or special meeting of the commission by a majority
229 of its members.

230 SECTION 13. The bonds authorized under the authority of
231 Sections 4 through 18 of this act may be validated in the Chancery
232 Court of the First Judicial District of Hinds County, Mississippi,
233 in the manner and with the force and effect provided by Chapter
234 13, Title 31, Mississippi Code of 1972, for the validation of
235 county, municipal, school district and other bonds. The notice to
236 taxpayers required by such statutes shall be published in a

237 newspaper published or having a general circulation in the City of
238 Jackson, Mississippi.

239 SECTION 14. Any holder of bonds issued under the provisions
240 of Sections 4 through 18 of this act or of any of the interest
241 coupons pertaining thereto may, either at law or in equity, by
242 suit, action, mandamus or other proceeding, protect and enforce
243 any and all rights granted under Sections 4 through 18 of this
244 act, or under such resolution, and may enforce and compel
245 performance of all duties required by Sections 4 through 18 of
246 this act to be performed, in order to provide for the payment of
247 bonds and interest thereon.

248 SECTION 15. All bonds issued under the provisions of
249 Sections 4 through 18 of this act shall be legal investments for
250 trustees and other fiduciaries, and for savings banks, trust
251 companies and insurance companies organized under the laws of the
252 State of Mississippi, and such bonds shall be legal securities
253 which may be deposited with and shall be received by all public
254 officers and bodies of this state and all municipalities and
255 political subdivisions for the purpose of securing the deposit of
256 public funds.

257 SECTION 16. Bonds issued under the provisions of Sections 4
258 through 18 of this act and income therefrom shall be exempt from
259 all taxation in the State of Mississippi.

260 SECTION 17. The proceeds of the bonds issued under Sections
261 4 through 18 of this act shall be used solely for the purposes
262 provided in Sections 4 through 18 of this act, including the costs
263 incident to the issuance and sale of such bonds.

264 SECTION 18. The State Treasurer is authorized, without
265 further process of law, to certify to the Department of Finance
266 and Administration the necessity for warrants, and the Department
267 of Finance and Administration is authorized and directed to issue
268 such warrants, in such amounts as may be necessary to pay when due
269 the principal of, premium, if any, and interest on, or the

270 accreted value of, all bonds issued under Sections 4 through 18 of
271 this act; and the State Treasurer shall forward the necessary
272 amount to the designated place or places of payment of such bonds
273 in ample time to discharge such bonds, or the interest thereon, on
274 the due dates thereof.

275 SECTION 19. (1) If the Mississippi Development Authority
276 acquires the rail line, it may enter into any binding agreement
277 with a railroad or other entity providing that upon completion of
278 repairs and upgrades to the rail line, the railroad or other
279 entity shall lease the rail line from the state for commercial
280 purposes. The Mississippi Development Authority may enter into
281 any lease of the rail line to a railroad or other entity for
282 commercial purposes, and the payments from any such lease shall be
283 deposited into the special bond sinking fund created in Section 3
284 of this act. Any lease entered into with a railroad or other
285 entity under this subsection (1) shall terminate no earlier than
286 the date of the maturity of the revenue bonds issued under
287 Sections 20 through 34 of this act. The lease payments paid by
288 the railroad or other entity over a lease term shall be in an
289 amount at least sufficient to retire the revenue bonds issued
290 under Sections 20 through 34 of this act at the date of maturity
291 of the bonds, and the amount of the lease payments may not be
292 reduced until the bonds are retired.

293 (2) If the Mississippi Development Authority acquires the
294 rail line, it may enter into any contracts or other agreements
295 with any person, corporation, association, partnership,
296 governmental unit or other entity necessary to perform repairs and
297 upgrades to the rail line for the purpose of providing intermodal
298 access to and from the State Port at Gulfport, Mississippi. The
299 Mississippi Development Authority may enter into any contracts or
300 other agreements with a railroad or other entity for the operation
301 and maintenance of the rail line.

302 SECTION 20. (1) (a) A special fund, to be designated as
303 the "South Mississippi Rail Line Upgrade and Repair Fund" is
304 created within the State Treasury. The fund shall be maintained
305 by the State Treasurer as a separate and special fund, separate
306 and apart from the General Fund of the state. Unexpended amounts
307 remaining in the fund at the end of a fiscal year shall not lapse
308 into the State General Fund, and any interest earned or investment
309 earnings on amounts in the fund shall be deposited into such fund.

310 (b) Monies deposited into the fund shall be disbursed,
311 in the discretion of the Mississippi Development Authority, to pay
312 the costs incurred in performing repairs and upgrades to the rail
313 line for the purpose of providing intermodal access to and from
314 the State Port at Gulfport, Mississippi.

315 (2) Amounts deposited into such special fund shall be
316 disbursed to pay the costs of the projects described in subsection
317 (1) of this section. If any monies in the special fund are not
318 used within four (4) years after the date the proceeds of the
319 bonds authorized under Sections 20 through 34 of this act are
320 deposited into such fund, then the Mississippi Development
321 Authority shall provide an accounting of such unused monies to the
322 commission. Promptly after the commission has certified, by
323 resolution duly adopted, that the projects described in subsection
324 (1) shall have been completed, abandoned, or cannot be completed
325 in a timely fashion, any amounts remaining in such special fund
326 shall be applied to pay debt service on the bonds issued under
327 Sections 20 through 34 of this act, in accordance with the
328 proceedings authorizing the issuance of such bonds and as directed
329 by the commission.

330 SECTION 21. (1) The commission, at one time or from time to
331 time, may declare by resolution the necessity for issuance of
332 revenue bonds of the State of Mississippi to provide funds for all
333 costs incurred or to be incurred for the purposes described in
334 Section 20 of this act. However, the commission may not issue

335 revenue bonds under Sections 20 through 34 of this act unless the
336 Mississippi Development Authority first has entered into an
337 agreement with a railroad or other entity which satisfies the
338 lease requirements of Section 19 of this act. Upon the adoption
339 of a resolution by the Mississippi Development Authority,
340 declaring the necessity for the issuance of any part or all of the
341 revenue bonds authorized by this section and that the requirements
342 of Section 19 of this act have been satisfied, the Mississippi
343 Development Authority shall deliver a certified copy of its
344 resolution or resolutions to the commission. Upon receipt of such
345 resolution, the commission, in its discretion, may act as the
346 issuing agent, prescribe the form of the bonds, advertise for and
347 accept bids, issue and sell the bonds so authorized to be sold and
348 do any and all other things necessary and advisable in connection
349 with the issuance and sale of such bonds. The total amount of
350 bonds issued under Sections 20 through 34 of this act shall not
351 exceed Twenty Million Dollars (\$20,000,000.00).

352 (2) Any investment earnings on amounts deposited into the
353 special fund created in Section 20 of this act shall be used to
354 pay debt service on bonds issued under Sections 20 through 34 of
355 this act, in accordance with the proceedings authorizing issuance
356 of such bonds.

357 SECTION 22. The principal of and interest on the bonds
358 authorized under Sections 20 through 34 of this act shall be
359 payable in the manner provided in this section. Such bonds shall
360 bear such date or dates, be in such denomination or denominations,
361 bear interest at such rate or rates (not to exceed the limits set
362 forth in Section 75-17-103, Mississippi Code of 1972), be payable
363 at such place or places within or without the State of
364 Mississippi, shall mature absolutely at such time or times not to
365 exceed ten (10) years from date of issue, be redeemable before
366 maturity at such time or times and upon such terms, with or
367 without premium, shall bear such registration privileges, and

368 shall be substantially in such form, all as shall be determined by
369 resolution of the commission.

370 SECTION 23. The bonds authorized by Sections 20 through 34
371 of this act shall be signed by the chairman of the commission, or
372 by his facsimile signature, and the official seal of the
373 commission shall be affixed thereto, attested by the secretary of
374 the commission. The interest coupons, if any, to be attached to
375 such bonds may be executed by the facsimile signatures of such
376 officers. Whenever any such bonds shall have been signed by the
377 officials designated to sign the bonds who were in office at the
378 time of such signing but who may have ceased to be such officers
379 before the sale and delivery of such bonds, or who may not have
380 been in office on the date such bonds may bear, the signatures of
381 such officers upon such bonds and coupons shall nevertheless be
382 valid and sufficient for all purposes and have the same effect as
383 if the person so officially signing such bonds had remained in
384 office until their delivery to the purchaser, or had been in
385 office on the date such bonds may bear. However, notwithstanding
386 anything herein to the contrary, such bonds may be issued as
387 provided in the Registered Bond Act of the State of Mississippi.

388 SECTION 24. All bonds and interest coupons issued under the
389 provisions of Sections 20 through 34 of this act have all the
390 qualities and incidents of negotiable instruments under the
391 provisions of the Uniform Commercial Code, and in exercising the
392 powers granted by Sections 20 through 34 of this act, the
393 commission shall not be required to and need not comply with the
394 provisions of the Uniform Commercial Code.

395 SECTION 25. The commission shall act as the issuing agent
396 for the bonds authorized under Sections 20 through 34 of this act,
397 prescribe the form of the bonds, advertise for and accept bids,
398 issue and sell the bonds so authorized to be sold, pay all fees
399 and costs incurred in such issuance and sale, and do any and all
400 other things necessary and advisable in connection with the

401 issuance and sale of such bonds. The commission is authorized and
402 empowered to pay the costs that are incident to the sale, issuance
403 and delivery of the bonds authorized under Sections 20 through 34
404 of this act from the proceeds derived from the sale of such bonds.
405 The commission shall sell such bonds on sealed bids at public
406 sale, and for such price as it may determine to be for the best
407 interest of the State of Mississippi, but no such sale shall be
408 made at a price less than par plus accrued interest to the date of
409 delivery of the bonds to the purchaser. All interest accruing on
410 such bonds so issued shall be payable semiannually or annually;
411 however, the first interest payment may be for any period of not
412 more than one (1) year.

413 Notice of the sale of any such bonds shall be published at
414 least one time, not less than ten (10) days before the date of
415 sale, and shall be so published in one or more newspapers
416 published or having a general circulation in the City of Jackson,
417 Mississippi, and in one or more other newspapers or financial
418 journals with a national circulation, to be selected by the
419 commission.

420 The commission, when issuing any bonds under the authority of
421 Sections 20 through 34 of this act, may provide that bonds, at the
422 option of the State of Mississippi, may be called in for payment
423 and redemption at the call price named therein and accrued
424 interest on such date or dates named therein.

425 SECTION 26. Bonds issued under authority of Sections 20
426 through 34 of this act shall be revenue bonds of the state, the
427 principal of and interest on which shall be payable solely from
428 and shall be secured by the special bond sinking fund created in
429 Section 3 of this act. The bonds shall never constitute an
430 indebtedness of the state within the meaning of any state
431 constitutional provision or statutory limitation, and shall never
432 constitute or give rise to a pecuniary liability of the state, or
433 a charge against its general credit or taxing powers, and such

434 fact shall be plainly stated on the face of each such bond. The
435 bonds shall not be considered when computing any limitation of
436 indebtedness of the state. All bonds issued under the authority
437 of Sections 20 through 34 of this act and all interest coupons
438 applicable thereto shall be construed to be negotiable
439 instruments, despite the fact that they are payable solely from a
440 specified source.

441 SECTION 27. Upon the issuance and sale of bonds under the
442 provisions of Sections 20 through 34 of this act, the commission
443 shall transfer the proceeds of any such sale or sales to the
444 special fund created in Section 20 of this act. The proceeds of
445 such bonds shall be disbursed solely upon the order of the
446 Mississippi Development Authority under such restrictions, if any,
447 as may be contained in the resolution providing for the issuance
448 of the bonds.

449 SECTION 28. The bonds authorized under Sections 20 through
450 34 of this act may be issued without any other proceedings or the
451 happening of any other conditions or things other than those
452 proceedings, conditions and things which are specified or required
453 by Sections 20 through 34 of this act. Any resolution providing
454 for the issuance of bonds under the provisions of Sections 20
455 through 34 of this act shall become effective immediately upon its
456 adoption by the commission, and any such resolution may be adopted
457 at any regular or special meeting of the commission by a majority
458 of its members.

459 SECTION 29. The bonds authorized under the authority of
460 Sections 20 through 34 of this act may be validated in the
461 Chancery Court of the First Judicial District of Hinds County,
462 Mississippi, in the manner and with the force and effect provided
463 by Chapter 13, Title 31, Mississippi Code of 1972, for the
464 validation of county, municipal, school district and other bonds.
465 The notice to taxpayers required by such statutes shall be

466 published in a newspaper published or having a general circulation
467 in the City of Jackson, Mississippi.

468 SECTION 30. Any holder of bonds issued under the provisions
469 of Sections 20 through 34 of this act or of any of the interest
470 coupons pertaining thereto may, either at law or in equity, by
471 suit, action, mandamus or other proceeding, protect and enforce
472 any and all rights granted under Sections 20 through 34 of this
473 act, or under such resolution, and may enforce and compel
474 performance of all duties required by Sections 20 through 34 of
475 this act to be performed, in order to provide for the payment of
476 bonds and interest thereon.

477 SECTION 31. All bonds issued under the provisions of
478 Sections 20 through 34 of this act shall be legal investments for
479 trustees and other fiduciaries, and for savings banks, trust
480 companies and insurance companies organized under the laws of the
481 State of Mississippi, and such bonds shall be legal securities
482 which may be deposited with and shall be received by all public
483 officers and bodies of this state and all municipalities and
484 political subdivisions for the purpose of securing the deposit of
485 public funds.

486 SECTION 32. Bonds issued under the provisions of Sections 20
487 through 34 of this act and income therefrom shall be exempt from
488 all taxation in the State of Mississippi.

489 SECTION 33. The proceeds of the bonds issued under Sections
490 20 through 34 of this act; shall be used solely for the purposes
491 provided in Sections 20 through 34 of this act, including the
492 costs incident to the issuance and sale of such bonds.

493 SECTION 34. The State Treasurer is authorized, without
494 further process of law, to certify to the Department of Finance
495 and Administration the necessity for warrants, and the Department
496 of Finance and Administration is authorized and directed to issue
497 such warrants, in such amounts as may be necessary to pay when due
498 the principal of, premium, if any, and interest on, or the

499 accreted value of, all bonds issued under Sections 20 through 34
500 of this act; and the State Treasurer shall forward the necessary
501 amount to the designated place or places of payment of such bonds
502 in ample time to discharge such bonds, or the interest thereon, on
503 the due dates thereof.

504 SECTION 35. This act shall be deemed to be full and complete
505 authority for the exercise of the powers herein granted, but this
506 act shall not be deemed to repeal or to be in derogation of any
507 existing law of this state.

508 SECTION 36. This act shall take effect and be in force from
509 and after its passage.