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To: Ways and Means

COMMITTEE SUBSTITUTE  
FOR  
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 THE RAILROAD OR OTHER ENTITY WILL LEASE THE RAIL LINE FROM  
9 THE STATE FOR COMMERCIAL PURPOSES; TO AUTHORIZE THE MISSISSIPPI  
10 DEVELOPMENT AUTHORITY TO ENTER INTO CONTRACTS OR OTHER AGREEMENTS  
11 WITH ANY PERSON, CORPORATION, ASSOCIATION, PARTNERSHIP,  
12 GOVERNMENTAL UNIT OR OTHER ENTITY NECESSARY TO PERFORM REPAIRS AND  
13 UPGRADES TO THE RAIL LINE; TO AUTHORIZE THE ISSUANCE OF  
14 \$20,000,000.00 IN STATE REVENUE BONDS TO PROVIDE FUNDS FOR REPAIRS  
15 AND UPGRADES TO SUCH RAIL LINE NECESSARY TO PROVIDE INTERMODAL  
16 ACCESS TO AND FROM THE STATE PORT AT GULFPORT, MISSISSIPPI; TO  
17 PROVIDE THAT THE REVENUE BONDS MAY NOT BE ISSUED UNLESS THE  
18 MISSISSIPPI DEVELOPMENT AUTHORITY HAS ENTERED INTO AN AGREEMENT  
19 WITH A RAILROAD OR OTHER ENTITY PROVIDING THAT THE RAILROAD OR  
20 OTHER ENTITY WILL LEASE THE RAIL LINE FROM THE STATE FOR  
21 COMMERCIAL PURPOSES; TO PROVIDE THAT THE PAYMENTS RECEIVED FROM  
22 ANY SUCH LEASE SHALL BE DEPOSITED INTO A SPECIAL BOND SINKING FUND  
23 CREATED FOR THE PURPOSE OF RETIRING BONDS ISSUED UNDER THIS ACT;  
24 TO PROVIDE THAT MONIES IN SUCH SINKING FUND SHALL BE USED FIRST TO  
25 RETIRE REVENUE BONDS ISSUED UNDER THIS ACT; TO PROVIDE THAT WHEN  
26 THE BALANCE IN THE SPECIAL BOND SINKING FUND IS EQUAL TO THE NEXT  
27 TWO DEBT SERVICE REQUIREMENTS OF THE REVENUE BONDS ISSUED UNDER  
28 THIS ACT, THE EXCESS MONIES IN THE FUND SHALL BE USED TO PAY THE  
29 DEBT SERVICE REQUIREMENTS OF GENERAL OBLIGATION BONDS ISSUED UNDER  
30 THIS ACT PROVIDED THAT THE BALANCE IN THE SPECIAL BOND SINKING  
31 FUND SHALL NOT FALL BELOW THE AMOUNT EQUAL TO THE NEXT TWO DEBT  
32 SERVICE REQUIREMENTS OF THE REVENUE BONDS; TO AUTHORIZE THE  
33 MISSISSIPPI DEVELOPMENT AUTHORITY TO BORROW FUNDS FROM THE  
34 MISSISSIPPI DEVELOPMENT BANK FOR THE PURPOSE OF ACQUIRING,  
35 REPAIRING AND UPGRADING THE RAIL LINE; TO PROVIDE THAT THE  
36 MISSISSIPPI DEVELOPMENT AUTHORITY MUST SATISFY CERTAIN CONDITIONS  
37 BEFORE TAKING ANY ACTIONS TO ACQUIRE, REPAIR OR UPGRADE THE RAIL  
38 LINE AND BEFORE ANY BONDS MAY BE ISSUED OR OTHER DEBT MAY BE  
39 INCURRED UNDER THIS ACT; AND FOR RELATED PURPOSES.

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

41 SECTION 1. As used in this act, the following words shall  
42 have the meanings ascribed herein unless the context clearly  
43 requires otherwise:

44 (a) "Accreted value" of any bond means, as of any date  
45 of computation, an amount equal to the sum of (i) the stated  
46 initial value of such bond, plus (ii) the interest accrued thereon  
47 from the issue date to the date of computation at the rate,  
48 compounded semiannually, that is necessary to produce the  
49 approximate yield to maturity shown for bonds of the same  
50 maturity.

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

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

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

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

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

74 service requirements of the general obligation bonds issued under  
75 Sections 4 through 18 of this act; provided however, that the  
76 balance in the special bond sinking fund shall not fall below the  
77 amount equal to the next two (2) debt service requirements of the  
78 revenue bonds issued under Sections 20 through 34 of this act.  
79 Funds required in excess of the amount available in the special  
80 bond sinking fund to pay the principal of and interest upon the  
81 general obligation bonds issued under Sections 4 through 18 of  
82 this act shall be appropriated from the State General Fund.  
83 Unexpended amounts remaining in the sinking fund at the end of a  
84 fiscal year shall not lapse into the State General Fund, and any  
85 interest earned or investment earnings on amounts in the sinking  
86 fund shall be deposited into such sinking fund.

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

95 (b) Monies deposited into the fund shall be disbursed,  
96 in the discretion of the Mississippi Development Authority to pay  
97 the costs incurred by the Mississippi Development Authority in  
98 acquisition of the rail line.

99 (2) Amounts deposited into such special fund shall be  
100 disbursed to pay the costs of the project described in subsection  
101 (1) of this section. If any monies in the special fund are not  
102 used within four (4) years after the date the proceeds of the  
103 bonds authorized under Sections 4 through 18 of this act are  
104 deposited into such fund, then the Mississippi Development  
105 Authority shall provide an accounting of such unused monies to the  
106 commission. Promptly after the commission has certified, by

107 resolution duly adopted, that the project described in subsection  
108 (1) shall have been completed, abandoned, or cannot be completed  
109 in a timely fashion, any amounts remaining in such special fund  
110 shall be applied to pay debt service on the bonds issued under  
111 Sections 4 through 18 of this act, in accordance with the  
112 proceedings authorizing the issuance of such bonds and as directed  
113 by the commission.

114 SECTION 5. (1) The commission, at one time, or from time to  
115 time, may declare by resolution the necessity for issuance of  
116 general obligation bonds of the State of Mississippi to provide  
117 funds for all costs incurred or to be incurred for the purposes  
118 described in Section 4 of this act. Upon the adoption of a  
119 resolution by the Mississippi Development Authority, declaring the  
120 necessity for the issuance of any part or all of the general  
121 obligation bonds authorized by this section, the Mississippi  
122 Development Authority shall deliver a certified copy of its  
123 resolution or resolutions to the commission. Upon receipt of such  
124 resolution, the commission, in its discretion, may act as the  
125 issuing agent, prescribe the form of the bonds, advertise for and  
126 accept bids, issue and sell the bonds so authorized to be sold and  
127 do any and all other things necessary and advisable in connection  
128 with the issuance and sale of such bonds. The total amount of  
129 bonds issued under Sections 4 through 18 of this act shall not  
130 exceed Twenty Million Dollars (\$20,000,000.00). No bonds shall be  
131 issued under Sections 4 through 18 of this act after July 1, 2004.

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

137 SECTION 6. The principal of and interest on the bonds  
138 authorized under Sections 4 through 18 of this act shall be  
139 payable in the manner provided in this section. Such bonds shall

140 bear such date or dates, be in such denomination or denominations,  
141 bear interest at such rate or rates (not to exceed the limits set  
142 forth in Section 75-17-101, Mississippi Code of 1972), be payable  
143 at such place or places within or without the State of  
144 Mississippi, shall mature absolutely at such time or times not to  
145 exceed twenty (20) years from date of issue, be redeemable before  
146 maturity at such time or times and upon such terms, with or  
147 without premium, shall bear such registration privileges, and  
148 shall be substantially in such form, all as shall be determined by  
149 resolution of the commission.

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

168 SECTION 8. All bonds and interest coupons issued under the  
169 provisions of Sections 4 through 18 of this act have all the  
170 qualities and incidents of negotiable instruments under the  
171 provisions of the Mississippi Uniform Commercial Code, and in  
172 exercising the powers granted by Sections 4 through 18 of this

173 act, the commission shall not be required to and need not comply  
174 with the provisions of the Mississippi Uniform Commercial Code.

175 SECTION 9. The commission shall act as the issuing agent for  
176 the bonds authorized under Sections 4 through 18 of this act,  
177 prescribe the form of the bonds, advertise for and accept bids,  
178 issue and sell the bonds so authorized to be sold, pay all fees  
179 and costs incurred in such issuance and sale, and do any and all  
180 other things necessary and advisable in connection with the  
181 issuance and sale of such bonds. The commission is authorized and  
182 empowered to pay the costs that are incident to the sale, issuance  
183 and delivery of the bonds authorized under Sections 4 through 18  
184 of this act from the proceeds derived from the sale of such bonds.  
185 The commission shall sell such bonds on sealed bids at public  
186 sale, and for such price as it may determine to be for the best  
187 interest of the State of Mississippi, but no such sale shall be  
188 made at a price less than par plus accrued interest to the date of  
189 delivery of the bonds to the purchaser. All interest accruing on  
190 such bonds so issued shall be payable semiannually or annually;  
191 however, the first interest payment may be for any period of not  
192 more than one (1) year.

193 Notice of the sale of any such bonds shall be published at  
194 least one time, not less than ten (10) days before the date of  
195 sale, and shall be so published in one or more newspapers  
196 published or having a general circulation in the City of Jackson,  
197 Mississippi, and in one or more other newspapers or financial  
198 journals with a national circulation, to be selected by the  
199 commission.

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

205           SECTION 10. The bonds issued under the provisions of  
206 Sections 4 through 18 of this act are general obligations of the  
207 State of Mississippi, and for the payment thereof the full faith  
208 and credit of the State of Mississippi is irrevocably pledged.  
209 Such bonds shall be payable from the special bond sinking fund  
210 created in Section 3 of this act in the manner provided in such  
211 section. If the funds available in such special bond sinking fund  
212 for payment of the bonds and any funds appropriated by the  
213 Legislature for such purposes are insufficient to pay the  
214 principal of and the interest on such bonds as they become due,  
215 then the deficiency shall be paid by the State Treasurer from any  
216 funds in the State Treasury not otherwise appropriated. All such  
217 bonds shall contain recitals on their faces substantially covering  
218 the provisions of this section.

219           SECTION 11. Upon the issuance and sale of bonds under the  
220 provisions of Sections 4 through 18 of this act, the commission  
221 shall transfer the proceeds of any such sale or sales to the  
222 special fund created in Section 4 of this act. The proceeds of  
223 such bonds shall be disbursed solely upon the order of the  
224 Mississippi Development Authority under such restrictions, if any,  
225 as may be contained in the resolution providing for the issuance  
226 of the bonds.

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

237 SECTION 13. The bonds authorized under the authority of  
238 Sections 4 through 18 of this act may be validated in the Chancery  
239 Court of the First Judicial District of Hinds County, Mississippi,  
240 in the manner and with the force and effect provided by Chapter  
241 13, Title 31, Mississippi Code of 1972, for the validation of  
242 county, municipal, school district and other bonds. The notice to  
243 taxpayers required by such statutes shall be published in a  
244 newspaper published or having a general circulation in the City of  
245 Jackson, Mississippi.

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

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

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

267 SECTION 17. The proceeds of the bonds issued under Sections  
268 4 through 18 of this act shall be used solely for the purposes



269 provided in Sections 4 through 18 of this act, including the costs  
270 incident to the issuance and sale of such bonds.

271 SECTION 18. The State Treasurer is authorized, without  
272 further process of law, to certify to the Department of Finance  
273 and Administration the necessity for warrants, and the Department  
274 of Finance and Administration is authorized and directed to issue  
275 such warrants, in such amounts as may be necessary to pay when due  
276 the principal of, premium, if any, and interest on, or the  
277 accreted value of, all bonds issued under Sections 4 through 18 of  
278 this act; and the State Treasurer shall forward the necessary  
279 amount to the designated place or places of payment of such bonds  
280 in ample time to discharge such bonds, or the interest thereon, on  
281 the due dates thereof.

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

299 (2) If the Mississippi Development Authority acquires the  
300 rail line, it may enter into any contracts or other agreements  
301 with any person, corporation, association, partnership,

302 governmental unit or other entity necessary to perform repairs and  
303 upgrades to the rail line for the purpose of providing intermodal  
304 access to and from the State Port at Gulfport, Mississippi. The  
305 Mississippi Development Authority may enter into any contracts or  
306 other agreements with a railroad or other entity for the  
307 operation, management and maintenance of the rail line.

308 (3) If the Mississippi Development Authority acquires the  
309 rail line, the Mississippi Development Authority shall have, as  
310 far as is practicable, all powers authorized for railroad  
311 authorities under Section 19-29-1 et seq., Mississippi Code of  
312 1972, and such additional powers as may be determined necessary to  
313 carry out the provisions of this act.

314 SECTION 20. (1) (a) A special fund, to be designated as  
315 the "South Mississippi Rail Line Upgrade and Repair Fund" is  
316 created within the State Treasury. The fund shall be maintained  
317 by the State Treasurer as a separate and special fund, separate  
318 and apart from the General Fund of the state. Unexpended amounts  
319 remaining in the fund at the end of a fiscal year shall not lapse  
320 into the State General Fund, and any interest earned or investment  
321 earnings on amounts in the fund shall be deposited into such fund.

322 (b) Monies deposited into the fund shall be disbursed,  
323 in the discretion of the Mississippi Development Authority, to pay  
324 the costs incurred in performing repairs and upgrades to the rail  
325 line for the purpose of providing intermodal access to and from  
326 the State Port at Gulfport, Mississippi.

327 (2) Amounts deposited into such special fund shall be  
328 disbursed to pay the costs of the projects described in subsection  
329 (1) of this section. If any monies in the special fund are not  
330 used within four (4) years after the date the proceeds of the  
331 bonds authorized under Sections 20 through 34 of this act are  
332 deposited into such fund, then the Mississippi Development  
333 Authority shall provide an accounting of such unused monies to the  
334 commission. Promptly after the commission has certified, by

335 resolution duly adopted, that the projects described in subsection  
336 (1) shall have been completed, abandoned, or cannot be completed  
337 in a timely fashion, any amounts remaining in such special fund  
338 shall be applied to pay debt service on the bonds issued under  
339 Sections 20 through 34 of this act, in accordance with the  
340 proceedings authorizing the issuance of such bonds and as directed  
341 by the commission.

342 SECTION 21. (1) The commission, at one time or from time to  
343 time, may declare by resolution the necessity for issuance of  
344 revenue bonds of the State of Mississippi to provide funds for all  
345 costs incurred or to be incurred for the purposes described in  
346 Section 20 of this act. However, the commission may not issue  
347 revenue bonds under Sections 20 through 34 of this act unless the  
348 Mississippi Development Authority first has entered into an  
349 agreement with a railroad or other entity which satisfies the  
350 lease requirements of Section 19 of this act. Upon the adoption  
351 of a resolution by the Mississippi Development Authority,  
352 declaring the necessity for the issuance of any part or all of the  
353 revenue bonds authorized by this section and that the requirements  
354 of Section 19 of this act have been satisfied, the Mississippi  
355 Development Authority shall deliver a certified copy of its  
356 resolution or resolutions to the commission. Upon receipt of such  
357 resolution, the commission, in its discretion, may act as the  
358 issuing agent, prescribe the form of the bonds, advertise for and  
359 accept bids, issue and sell the bonds so authorized to be sold and  
360 do any and all other things necessary and advisable in connection  
361 with the issuance and sale of such bonds. The total amount of  
362 bonds issued under Sections 20 through 34 of this act shall not  
363 exceed Twenty Million Dollars (\$20,000,000.00). No bonds shall be  
364 issued under Sections 20 through 34 of this act after July 1,  
365 2004.

366 (2) Any investment earnings on amounts deposited into the  
367 special fund created in Section 20 of this act shall be used to

368 pay debt service on bonds issued under Sections 20 through 34 of  
369 this act, in accordance with the proceedings authorizing issuance  
370 of such bonds.

371 SECTION 22. The principal of and interest on the bonds  
372 authorized under Sections 20 through 34 of this act shall be  
373 payable in the manner provided in this section. Such bonds shall  
374 bear such date or dates, be in such denomination or denominations,  
375 bear interest at such rate or rates (not to exceed the limits set  
376 forth in Section 75-17-103, Mississippi Code of 1972), be payable  
377 at such place or places within or without the State of  
378 Mississippi, shall mature absolutely at such time or times not to  
379 exceed twenty (20) years from date of issue, be redeemable before  
380 maturity at such time or times and upon such terms, with or  
381 without premium, shall bear such registration privileges, and  
382 shall be substantially in such form, all as shall be determined by  
383 resolution of the commission.

384 SECTION 23. The bonds authorized by Sections 20 through 34  
385 of this act shall be signed by the chairman of the commission, or  
386 by his facsimile signature, and the official seal of the  
387 commission shall be affixed thereto, attested by the secretary of  
388 the commission. The interest coupons, if any, to be attached to  
389 such bonds may be executed by the facsimile signatures of such  
390 officers. Whenever any such bonds shall have been signed by the  
391 officials designated to sign the bonds who were in office at the  
392 time of such signing but who may have ceased to be such officers  
393 before the sale and delivery of such bonds, or who may not have  
394 been in office on the date such bonds may bear, the signatures of  
395 such officers upon such bonds and coupons shall nevertheless be  
396 valid and sufficient for all purposes and have the same effect as  
397 if the person so officially signing such bonds had remained in  
398 office until their delivery to the purchaser, or had been in  
399 office on the date such bonds may bear. However, notwithstanding

400 anything herein to the contrary, such bonds may be issued as  
401 provided in the Registered Bond Act of the State of Mississippi.

402 SECTION 24. All bonds and interest coupons issued under the  
403 provisions of Sections 20 through 34 of this act have all the  
404 qualities and incidents of negotiable instruments under the  
405 provisions of the Uniform Commercial Code, and in exercising the  
406 powers granted by Sections 20 through 34 of this act, the  
407 commission shall not be required to and need not comply with the  
408 provisions of the Uniform Commercial Code.

409 SECTION 25. The commission shall act as the issuing agent  
410 for the bonds authorized under Sections 20 through 34 of this act,  
411 prescribe the form of the bonds, advertise for and accept bids,  
412 issue and sell the bonds so authorized to be sold, pay all fees  
413 and costs incurred in such issuance and sale, and do any and all  
414 other things necessary and advisable in connection with the  
415 issuance and sale of such bonds. The commission is authorized and  
416 empowered to pay the costs that are incident to the sale, issuance  
417 and delivery of the bonds authorized under Sections 20 through 34  
418 of this act from the proceeds derived from the sale of such bonds.  
419 The commission shall sell such bonds on sealed bids at public  
420 sale, and for such price as it may determine to be for the best  
421 interest of the State of Mississippi, but no such sale shall be  
422 made at a price less than par plus accrued interest to the date of  
423 delivery of the bonds to the purchaser. All interest accruing on  
424 such bonds so issued shall be payable semiannually or annually;  
425 however, the first interest payment may be for any period of not  
426 more than one (1) year.

427 Notice of the sale of any such bonds shall be published at  
428 least one time, not less than ten (10) days before the date of  
429 sale, and shall be so published in one or more newspapers  
430 published or having a general circulation in the City of Jackson,  
431 Mississippi, and in one or more other newspapers or financial

432 journals with a national circulation, to be selected by the  
433 commission.

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

439 SECTION 26. Bonds issued under authority of Sections 20  
440 through 34 of this act shall be revenue bonds of the state, the  
441 principal of and interest on which shall be payable solely from  
442 and shall be secured by the special bond sinking fund created in  
443 Section 3 of this act. The bonds shall never constitute an  
444 indebtedness of the state within the meaning of any state  
445 constitutional provision or statutory limitation, and shall never  
446 constitute or give rise to a pecuniary liability of the state, or  
447 a charge against its general credit or taxing powers, and such  
448 fact shall be plainly stated on the face of each such bond. The  
449 bonds shall not be considered when computing any limitation of  
450 indebtedness of the state. All bonds issued under the authority  
451 of Sections 20 through 34 of this act and all interest coupons  
452 applicable thereto shall be construed to be negotiable  
453 instruments, despite the fact that they are payable solely from a  
454 specified source.

455 SECTION 27. Upon the issuance and sale of bonds under the  
456 provisions of Sections 20 through 34 of this act, the commission  
457 shall transfer the proceeds of any such sale or sales to the  
458 special fund created in Section 20 of this act. The proceeds of  
459 such bonds shall be disbursed solely upon the order of the  
460 Mississippi Development Authority under such restrictions, if any,  
461 as may be contained in the resolution providing for the issuance  
462 of the bonds.

463 SECTION 28. The bonds authorized under Sections 20 through  
464 34 of this act may be issued without any other proceedings or the

465 happening of any other conditions or things other than those  
466 proceedings, conditions and things which are specified or required  
467 by Sections 20 through 34 of this act. Any resolution providing  
468 for the issuance of bonds under the provisions of Sections 20  
469 through 34 of this act shall become effective immediately upon its  
470 adoption by the commission, and any such resolution may be adopted  
471 at any regular or special meeting of the commission by a majority  
472 of its members.

473 SECTION 29. The bonds authorized under the authority of  
474 Sections 20 through 34 of this act may be validated in the  
475 Chancery Court of the First Judicial District of Hinds County,  
476 Mississippi, in the manner and with the force and effect provided  
477 by Chapter 13, Title 31, Mississippi Code of 1972, for the  
478 validation of county, municipal, school district and other bonds.  
479 The notice to taxpayers required by such statutes shall be  
480 published in a newspaper published or having a general circulation  
481 in the City of Jackson, Mississippi.

482 SECTION 30. Any holder of bonds issued under the provisions  
483 of Sections 20 through 34 of this act or of any of the interest  
484 coupons pertaining thereto may, either at law or in equity, by  
485 suit, action, mandamus or other proceeding, protect and enforce  
486 any and all rights granted under Sections 20 through 34 of this  
487 act, or under such resolution, and may enforce and compel  
488 performance of all duties required by Sections 20 through 34 of  
489 this act to be performed, in order to provide for the payment of  
490 bonds and interest thereon.

491 SECTION 31. All bonds issued under the provisions of  
492 Sections 20 through 34 of this act shall be legal investments for  
493 trustees and other fiduciaries, and for savings banks, trust  
494 companies and insurance companies organized under the laws of the  
495 State of Mississippi, and such bonds shall be legal securities  
496 which may be deposited with and shall be received by all public  
497 officers and bodies of this state and all municipalities and

498 political subdivisions for the purpose of securing the deposit of  
499 public funds.

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

503 SECTION 33. The proceeds of the bonds issued under Sections  
504 20 through 34 of this act; shall be used solely for the purposes  
505 provided in Sections 20 through 34 of this act, including the  
506 costs incident to the issuance and sale of such bonds.

507 SECTION 34. The State Treasurer is authorized, without  
508 further process of law, to certify to the Department of Finance  
509 and Administration the necessity for warrants, and the Department  
510 of Finance and Administration is authorized and directed to issue  
511 such warrants, in such amounts as may be necessary to pay when due  
512 the principal of, premium, if any, and interest on, or the  
513 accreted value of, all bonds issued under Sections 20 through 34  
514 of this act; and the State Treasurer shall forward the necessary  
515 amount to the designated place or places of payment of such bonds  
516 in ample time to discharge such bonds, or the interest thereon, on  
517 the due dates thereof.

518 SECTION 35. In addition to, and not as a limitation of, the  
519 availability of the use of proceeds from general obligation bonds  
520 issued under Sections 4 through 18 of this act or the use of  
521 proceeds from revenue bonds issued under Sections 20 through 34 of  
522 this act, the Mississippi Development Authority may borrow money  
523 from the Mississippi Development Bank pursuant to Section 31-25-1  
524 et seq., Mississippi Code of 1972, to provide funds to acquire the  
525 rail line and/or to perform repairs and upgrades necessary to  
526 provide intermodal access to and from the State Port at Gulfport,  
527 Mississippi. Any loan made by the Mississippi Development Bank to  
528 the Mississippi Development Authority for the purposes stated in  
529 this section may be made upon such terms and conditions as  
530 prescribed by and between the Mississippi Development Bank and the



531 Mississippi Development Authority pursuant to Section 31-25-1 et  
532 seq., without regard to any other provision of this act. The  
533 Mississippi Development Authority may not borrow money from the  
534 Mississippi Development Bank for the purposes stated in this  
535 section after July 1, 2004.

536 SECTION 36. (1) Notwithstanding any other provision of this  
537 act to the contrary, before the Mississippi Development Authority  
538 may take any action under this act regarding the acquisition,  
539 repair or upgrade of the rail line and before any bonds may be  
540 issued or other debt may be incurred under this act, the  
541 Mississippi Development Authority shall undertake, conduct and  
542 complete the following:

543 (a) A cost benefit analysis regarding the purchase of  
544 the rail line;

545 (b) A study regarding the condition of the rail line  
546 and any needed repairs or upgrades;

547 (c) A study regarding the cost of purchasing the rail  
548 line; and

549 (d) A review of all existing rail line employee  
550 contracts, collective bargaining agreements and other agreements  
551 realizing that employee livelihoods are dependent on the rail line  
552 and for the purpose of ensuring to the maximum extent practicable,  
553 that the provisions of the National Railway Labor Act are followed  
554 with regard to such employee contracts, collective bargaining  
555 agreements and other agreements.

556 (2) The Mississippi Development Authority is authorized to  
557 employ or contract with all necessary and competent professionals  
558 including, but not limited to, attorneys, engineers, appraisers,  
559 consultants, certified public accountants and other related  
560 professionals, to assist the Mississippi Development Authority in  
561 carrying out its duties and responsibilities under this section.

562 (3) The authority granted to the Mississippi Development  
563 Authority under this section is plenary and intended to assist the

564 Mississippi Development Authority in gauging and evaluating the  
565 feasibility and profitability of the state acquiring and operating  
566 the rail line.

567 SECTION 37. This act shall be deemed to be full and complete  
568 authority for the exercise of the powers herein granted, but this  
569 act shall not be deemed to repeal or to be in derogation of any  
570 existing law of this state.

571 SECTION 38. The powers and authority granted under this act  
572 shall be additional and supplemental to any other powers and  
573 authority granted by law and shall not amend, repeal or supersede  
574 any other powers and authority granted by law.

575 SECTION 39. This act shall take effect and be in force from  
576 and after its passage.