

By: Representative Montgomery (15th)

To: Local and Private  
Legislation; Ways and Means

HOUSE BILL NO. 1702

1 AN ACT TO AUTHORIZE THE CITY OF PONTOTOC, MISSISSIPPI, TO  
 2 ACQUIRE AN INDUSTRIAL ENTERPRISE AND REPAIR AND MAINTAIN SUCH  
 3 ENTERPRISE; TO AUTHORIZE THE CITY TO ACQUIRE RAW MATERIALS TO BE  
 4 USED BY SUCH ENTERPRISE; TO AUTHORIZE THE CITY TO PROVIDE WORKING  
 5 CAPITAL FOR SUCH ENTERPRISE; TO AUTHORIZE THE CITY TO LEASE, SELL  
 6 OR OTHERWISE DISPOSE OF THE ENTERPRISE; TO AUTHORIZE THE CITY TO  
 7 ISSUE GENERAL OBLIGATION INDUSTRIAL BONDS IN THE AMOUNT OF  
 8 \$6,000,000.00 TO CARRY OUT THE PURPOSES OF THIS ACT; TO AUTHORIZE  
 9 PONTOTOC COUNTY AND THE CITY TO ENTER INTO CONTRACTS AND  
 10 AGREEMENTS BY WHICH EACH MAY CONTRIBUTE TAX REVENUES OR OTHER  
 11 FUNDS NOT OTHERWISE OBLIGATED TOWARD THE PAYMENT OF THE BONDS  
 12 ISSUED UNDER THIS ACT; AND FOR RELATED PURPOSES.

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

14 SECTION 1. The City of Pontotoc, Mississippi (the "city"),  
 15 acting by and through its Mayor and Board of Aldermen (the  
 16 "governing authorities"), is authorized to accomplish the  
 17 following project (the "project"): the acquisition of an  
 18 industrial enterprise, comprised of land and a building or  
 19 buildings thereon and equipment and machinery for warehousing,  
 20 storing, distributing, manufacturing or processing goods or  
 21 industrial products; the repair and maintenance of the industrial  
 22 enterprise; the acquisition of raw materials to be used by the  
 23 enterprise; and the provision of working capital for the  
 24 enterprise. The city is further authorized to issue its general  
 25 obligation industrial bonds for the project, and to lease or sell  
 26 the project. Such enterprise may be acquired by the city on such  
 27 terms and conditions and for such consideration as the governing  
 28 authorities may determine is in the public interest without the  
 29 necessity for appraisal, advertisement or bidding, notwithstanding  
 30 any other statute or rule of law. The city may pay from the  
 31 proceeds of the bonds or otherwise all costs of the project,

32 including, but not limited to, expenses, premiums, fees and  
33 commissions that it may deem necessary or advantageous in  
34 connection with the issuance and sale of bonds thereof.  
35 Capitalized interest for a period ending six (6) months after the  
36 projected completion of the project may be deemed to be a cost of  
37 the project.

38 SECTION 2. The governing authorities are authorized to  
39 lease, sell or otherwise dispose of the project acquired under the  
40 provisions of Section 1 of this act on such terms and conditions  
41 and with such safeguards as will best promote employment and  
42 promote and protect the public interest; and the governing  
43 authorities are authorized to transfer title or possession to such  
44 project by warranty deed, lease, lease/purchase, bill of sale,  
45 contract or other customary business instrument in the same manner  
46 and to the same extent that any private corporation, association  
47 or person may now contract with reference to property of a similar  
48 nature without the necessity for appraisal, advertising or  
49 bidding, notwithstanding any other statute or rule of law. All  
50 income derived from the sale or lease of the project authorized  
51 hereunder may be applied to the retirement of bonds issued  
52 pursuant to this act or deposited into the general fund of the  
53 city to be used for any lawful purpose.

54 SECTION 3. The general obligation industrial bonds of the  
55 city issued for the purpose set forth in Section 1 of this act  
56 shall not exceed an aggregate principal amount of Six Million  
57 Dollars (\$6,000,000.00) and shall be payable over a term not to  
58 exceed twenty-five (25) years.

59 SECTION 4. All bonds issued under this act shall not be  
60 subject to any debt limitation, notwithstanding any other statute  
61 or rule of law. Such bonds shall be issued and the proceeds  
62 managed in accordance with the terms and provisions of Sections  
63 21-33-307, 21-33-309, 21-33-311, 21-33-313, 21-33-315 (other than  
64 the provisions pertaining to required bond maturities, which shall

65 not apply to bonds issued pursuant to this act), 21-33-317,  
66 21-33-319, 21-33-321 and 21-33-323, Mississippi Code of 1972.

67 SECTION 5. The bonds issued under this act may be sold at  
68 public or private sale. If sold privately, such sale shall be on  
69 such terms and in such manner as the governing authorities shall  
70 determine. If sold publicly, such sale shall be conducted in  
71 accordance with the provisions of Section 31-19-25, Mississippi  
72 Code of 1972.

73 SECTION 6. The city or its designee is authorized to  
74 negotiate contracts for the acquisition and construction of all or  
75 any part of the project if the governing authorities make a  
76 finding that, because of the particular nature of the project and  
77 each of its components, it would be in the best public interest of  
78 the city to negotiate the acquisition and construction of all or  
79 any part of the project and such finding is placed in the minutes  
80 of the governing authorities.

81 SECTION 7. This act, without reference to any other statute  
82 not referred to herein, shall be deemed to be full and complete  
83 authority for the acquisition and/or construction of the project,  
84 the borrowing of money and the issuing of bonds, and shall be  
85 construed as an additional and alternate method therefor.

86 SECTION 8. Any bonds issued under the provisions of this act  
87 shall be validated in the manner provided by law.

88 SECTION 9. (1) Any bonds issued under this act and the  
89 income from such bonds shall be exempt from all State of  
90 Mississippi taxation, except inheritance and gift taxes.

91 (2) Any bonds issued under this act shall be legal  
92 investments for commercial banks, savings and loan associations  
93 and insurance companies organized under the laws of this state.

94 SECTION 10. The governing authorities are further authorized  
95 to adopt any and all lawful resolutions, orders and/or ordinances;  
96 to agree to any covenants regarding the project; to execute  
97 necessary documents, contracts, leases, certificates and

98 indentures; and to do and perform any and all acts and things  
99 necessary and requisite to carry out the purposes of this act.

100 SECTION 11. Pontotoc County and the city are authorized to  
101 enter into contracts and agreements by which each may contribute  
102 tax revenues or other funds, not otherwise obligated by law or  
103 contract to another specific purpose, toward the payment of the  
104 bonds issued pursuant to this act.

105 SECTION 12. The governing authorities of the City of  
106 Pontotoc, Mississippi, shall submit this act, immediately upon  
107 approval by the Governor, or upon approval by the Legislature  
108 subsequent to a veto, to the Attorney General of the United States  
109 or to the United States District Court for the District of  
110 Columbia in accordance with the provisions of the Voting Rights  
111 Act of 1965, as amended and extended.

112 SECTION 13. This act shall take effect and be in force from  
113 and after the date it is effectuated under Section 5 of the Voting  
114 Rights Act of 1965, as amended and extended.