

## House Amendments to Senate Bill No. 2804

TO THE SECRETARY OF THE SENATE:

THIS IS TO INFORM YOU THAT THE HOUSE HAS ADOPTED THE AMENDMENTS SET OUT BELOW:

### AMENDMENT NO. 1

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

5       **SECTION 1.** As used in this act, the following words shall  
6 have the meanings ascribed herein unless the context clearly  
7 requires otherwise:

8           (a) "Accreted value" of any bonds means, as of any date  
9 of computation, an amount equal to the sum of (i) the stated  
10 initial value of such bond, plus (ii) the interest accrued thereon  
11 from the issue date to the date of computation at the rate,  
12 compounded semiannually, that is necessary to produce the  
13 approximate yield to maturity shown for bonds of the same  
14 maturity.

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

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

17       **SECTION 2.** (1) The Mississippi Development Authority, at  
18 one time, or from time to time, may declare by resolution the  
19 necessity for issuance of general obligation bonds of the State of  
20 Mississippi to provide funds for the program authorized in Section  
21 57-1-16. Upon the adoption of a resolution by the Mississippi  
22 Development Authority, declaring the necessity for the issuance of  
23 any part or all of the general obligation bonds authorized by this  
24 section, the Mississippi Development Authority shall deliver a  
25 certified copy of its resolution or resolutions to the commission.  
26 Upon receipt of such resolution, the commission, in its  
27 discretion, may act as the issuing agent, prescribe the form of  
28 the bonds, advertise for and accept bids, issue and sell the bonds  
29 so authorized to be sold and do any and all other things necessary  
30 and advisable in connection with the issuance and sale of such

bonds. The total amount of bonds issued under this act shall not exceed Nine Hundred Fifty Thousand Dollars (\$950,000.00). No bonds authorized under this act shall be issued after July 1, 2008.

(2) The proceeds of bonds issued pursuant to this act shall be deposited into the ACE Fund created pursuant to 57-1-16. Any investment earnings on bonds issued pursuant to this act shall be used to pay debt service on bonds issued under this act, in accordance with the proceedings authorizing issuance of such bonds.

**SECTION 3.** The principal of and interest on the bonds authorized under this act shall be payable in the manner provided in this section. Such bonds shall bear such date or dates, be in such denomination or denominations, bear interest at such rate or rates (not to exceed the limits set forth in Section 75-17-101, Mississippi Code of 1972), be payable at such place or places within or without the State of Mississippi, shall mature absolutely at such time or times not to exceed twenty-five (25) years from date of issue, be redeemable before maturity at such time or times and upon such terms, with or without premium, shall bear such registration privileges, and shall be substantially in such form, all as shall be determined by resolution of the commission.

**SECTION 4.** The bonds authorized by this act shall be signed by the chairman of the commission, or by his facsimile signature, and the official seal of the commission shall be affixed thereto, attested by the secretary of the commission. The interest coupons, if any, to be attached to such bonds may be executed by the facsimile signatures of such officers. Whenever any such bonds shall have been signed by the officials designated to sign the bonds who were in office at the time of such signing but who may have ceased to be such officers before the sale and delivery of such bonds, or who may not have been in office on the date such bonds may bear, the signatures of such officers upon such bonds and coupons shall nevertheless be valid and sufficient for all

66 purposes and have the same effect as if the person so officially  
67 signing such bonds had remained in office until their delivery to  
68 the purchaser, or had been in office on the date such bonds may  
69 bear. However, notwithstanding anything herein to the contrary,  
70 such bonds may be issued as provided in the Registered Bond Act of  
71 the State of Mississippi.

72       **SECTION 5.** All bonds and interest coupons issued under the  
73 provisions of this act have all the qualities and incidents of  
74 negotiable instruments under the provisions of the Uniform  
75 Commercial Code, and in exercising the powers granted by this act,  
76 the commission shall not be required to and need not comply with  
77 the provisions of the Uniform Commercial Code.

78       **SECTION 6.** The commission shall act as the issuing agent for  
79 the bonds authorized under this act, prescribe the form of the  
80 bonds, advertise for and accept bids, issue and sell the bonds so  
81 authorized to be sold, pay all fees and costs incurred in such  
82 issuance and sale, and do any and all other things necessary and  
83 advisable in connection with the issuance and sale of such bonds.  
84 The commission is authorized and empowered to pay the costs that  
85 are incident to the sale, issuance and delivery of the bonds  
86 authorized under this act from the proceeds derived from the sale  
87 of such bonds. The commission shall sell such bonds on sealed  
88 bids at public sale, and for such price as it may determine to be  
89 for the best interest of the State of Mississippi, but no such  
90 sale shall be made at a price less than par plus accrued interest  
91 to the date of delivery of the bonds to the purchaser. All  
92 interest accruing on such bonds so issued shall be payable  
93 semiannually or annually; however, the first interest payment may  
94 be for any period of not more than one (1) year.

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

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

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

**SECTION 7.** The bonds issued under the provisions of this act  
are general obligations of the State of Mississippi, and for the  
payment thereof the full faith and credit of the State of  
Mississippi is irrevocably pledged. If the funds appropriated by  
the Legislature are insufficient to pay the principal of and the  
interest on such bonds as they become due, then the deficiency  
shall be paid by the State Treasurer from any funds in the State  
Treasury not otherwise appropriated. All such bonds shall contain  
recitals on their faces substantially covering the provisions of  
this section.

**SECTION 8.** Upon the issuance and sale of bonds under the  
provisions of this act, the commission shall transfer the proceeds  
of any such sale or sales to the ACE Fund created in 57-1-16. The  
proceeds of such bonds shall be disbursed solely upon the order of  
the Mississippi Development Authority under such restrictions, if  
any, as may be contained in the resolution providing for the  
issuance of the bonds.

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

**SECTION 10.** The bonds authorized under the authority of this  
act may be validated in the Chancery Court of the First Judicial

District of Hinds County, Mississippi, in the manner and with the force and effect provided by Chapter 13, Title 31, Mississippi Code of 1972, for the validation of county, municipal, school district and other bonds. The notice to taxpayers required by such statutes shall be published in a newspaper published or having a general circulation in the City of Jackson, Mississippi.

**SECTION 11.** Any holder of bonds issued under the provisions of this act or of any of the interest coupons pertaining thereto may, either at law or in equity, by suit, action, mandamus or other proceeding, protect and enforce any and all rights granted under this act, or under such resolution, and may enforce and compel performance of all duties required by this act to be performed, in order to provide for the payment of bonds and interest thereon.

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

**SECTION 13.** Bonds issued under the provisions of this act and income therefrom shall be exempt from all taxation in the State of Mississippi.

**SECTION 14.** The proceeds of the bonds issued under this act shall be used solely for the purposes therein provided, including the costs incident to the issuance and sale of such bonds.

**SECTION 15.** The State Treasurer is authorized, without further process of law, to certify to the Department of Finance and Administration the necessity for warrants, and the Department of Finance and Administration is authorized and directed to issue such warrants, in such amounts as may be necessary to pay when due the principal of, premium, if any, and interest on, or the accreted value of, all bonds issued under this act; and the State

170 Treasurer shall forward the necessary amount to the designated  
171 place or places of payment of such bonds in ample time to  
172 discharge such bonds, or the interest thereon, on the due dates  
173 thereof.

174       **SECTION 16.** This act shall be deemed to be full and complete  
175 authority for the exercise of the powers therein granted, but this  
176 act shall not be deemed to repeal or to be in derogation of any  
177 existing law of this state.

178       **SECTION 17.** This act shall take effect and be in force from  
179 and after its passage.

**Further, amend by striking the title in its entirety and  
inserting in lieu thereof the following:**

1       AN ACT TO AUTHORIZE THE ISSUANCE OF \$950,000.00 IN STATE  
2 GENERAL OBLIGATION BONDS TO PROVIDE FUNDS FOR THE ACE FUND; AND  
3 FOR RELATED PURPOSES.

HR07\SB2804A.J

Don Richardson  
Clerk of the House of Representatives