

By: Representatives Reynolds, Bailey

To: Apportionment and
Elections; Ways and Means

HOUSE BILL NO. 562

1 AN ACT TO PROVIDE FOR THE ISSUANCE OF STATE GENERAL
2 OBLIGATION BONDS IN THE AMOUNT OF \$6,000,000.00 FOR THE PURPOSE OF
3 ASSISTING COUNTIES IN THE PURCHASE AND DISTRIBUTION OF VOTING
4 SYSTEMS AND DEVICES; TO CREATE THE "COUNTY VOTING SYSTEMS
5 ASSISTANCE FUND" TO BE ADMINISTERED BY THE SECRETARY OF STATE; TO
6 PROVIDE THAT THE PRINCIPAL AND INTEREST ON THE BONDS AUTHORIZED
7 UNDER THIS ACT WILL BE PAID PRIMARILY FROM CERTAIN UNIFORM
8 COMMERCIAL CODE FILING FEES RECEIVED BY THE SECRETARY OF STATE; TO
9 AMEND SECTION 7-3-59, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT
10 FROM AND AFTER OCTOBER 1, 2007, CERTAIN UNIFORM COMMERCIAL CODE
11 FILING FEES RECEIVED BY THE SECRETARY OF STATE SHALL BE DEPOSITED
12 INTO A BOND SINKING FUND FOR THE PAYMENT OF PRINCIPAL AND INTEREST
13 ON SUCH BONDS; TO PROVIDE THAT THE PROCEEDS OF SUCH FILING FEES
14 REMAINING AFTER THE REPAYMENT OF THE BONDS AUTHORIZED UNDER THIS
15 ACT SHALL BE DEPOSITED INTO THE "HELP MISSISSIPPI VOTE FUND" AND
16 USED TO SUPPORT THE STATE'S EFFORTS UNDER THE FEDERAL MANDATES OF
17 THE HELP AMERICA VOTE ACT; TO REMOVE THE OCTOBER 1, 2007, REPEAL
18 DATE ON SUCH SECTION; TO CREATE THE "HELP MISSISSIPPI VOTE FUND";
19 TO AMEND SECTION 75-9-525, MISSISSIPPI CODE OF 1972, TO MAKE THE
20 INCREASE IN FEES FOR FILING AND INDEXING RECORDS UNDER ARTICLE 9
21 OF THE UNIFORM COMMERCIAL CODE PERMANENT; AND FOR RELATED
22 PURPOSES.

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

24 **SECTION 1.** As used in Sections 1 through 18 of this act, the
25 following words shall have the meanings ascribed herein unless the
26 context clearly requires otherwise:

27 (a) "Accreted value" of any bond means, as of any date
28 of computation, an amount equal to the sum of (i) the stated
29 initial value of such bond, plus (ii) the interest accrued thereon
30 from the issue date to the date of computation at the rate,
31 compounded semiannually, that is necessary to produce the
32 approximate yield to maturity shown for bonds of the same
33 maturity.

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

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

36 **SECTION 2.** (1) A special fund, to be designated the "County
37 Voting Systems Assistance Fund," is created within the State

38 Treasury. The fund shall be maintained by the State Treasurer as
39 a separate and special fund, separate and apart from the General
40 Fund of the state. Unexpended amounts remaining in the fund at
41 the end of a fiscal year shall not lapse into the State General
42 Fund, and any interest earned or investment earnings on amounts in
43 the fund shall be deposited into such fund. Monies in the fund
44 shall be disbursed, in the discretion of the Secretary of State,
45 for the purpose of making funds available to counties to assist in
46 the purchase and distribution of voting systems and devices. The
47 expenditure of monies in the fund shall be under the direction of
48 the Secretary of State, and such funds shall be paid by the State
49 Treasurer upon warrants issued by the Department of Finance and
50 Administration.

51 (2) The Secretary of State shall establish a program to make
52 funds available to counties to assist in the purchase and
53 distribution of voting systems and devices. The Secretary of
54 State shall adopt necessary rules and regulations to govern the
55 administration of the funds provided under this section,
56 including, but not limited to, rules and regulations governing
57 applications for such funds and rules and regulations providing
58 for the equitable distribution of such funds. The Secretary of
59 State shall comply with the provisions of the Mississippi
60 Administrative Procedures Law.

61 **SECTION 3.** (1) For the purpose of providing for the payment
62 of the principal of and interest upon bonds issued under the
63 provisions of Sections 1 through 18 of this act, there is hereby
64 created the "County Voting Systems Assistance Bond Sinking Fund."
65 Such sinking fund shall consist of the monies required to be
66 deposited into such fund pursuant to Section 7-3-59, Mississippi
67 Code of 1972, that are not less than the amount necessary to pay
68 the principal of and interest on bonds issued under Sections 1
69 through 18 of this act, when such principal and interest becomes
70 due, and such other amounts as may be paid into such fund by

71 appropriation or other authorization by the Legislature.
72 Unexpended amounts remaining in the bond sinking fund at the end
73 of a fiscal year shall not lapse into the State General Fund, and
74 any interest earned or investment earnings on amounts in the bond
75 sinking fund shall be deposited into the bond sinking fund.

76 (2) During any period in which debt service payments from
77 the bond sinking fund are deferred as provided in subsection (2)
78 of Section 4 of this act, and at any other time when the funds
79 required to pay the principal of and interest on the bonds issued
80 under Sections 1 through 18 of this act are more than the amounts
81 available in the bond sinking fund, the Legislature shall
82 appropriate the balance of the amount necessary to pay the
83 principal of and interest on the bonds issued under Sections 1
84 through 18 of this act from the State General Fund.

85 (3) The total amount of all payments deposited into the bond
86 sinking fund until the maturity date of the bonds authorized under
87 Sections 1 through 18 of this act shall be in an amount sufficient
88 to retire the bonds, including debt service paid by the state
89 during any period in which debt service payments from the bond
90 sinking fund are deferred as provided in subsection (2) of Section
91 4 of this act.

92 **SECTION 4.** (1) The Secretary of State, at one time or from
93 time to time, may declare by resolution the necessity for issuance
94 of general obligation bonds of the State of Mississippi to provide
95 funds for all costs incurred or to be incurred for the purposes
96 described in Section 2 of this act. Upon the adoption of a
97 resolution by the Secretary of State declaring the necessity for
98 the issuance of any part or all of the general obligation bonds
99 authorized by this section, the Secretary of State shall deliver a
100 certified copy of its resolution or resolutions to the commission.
101 Upon receipt of such resolution, the commission, in its
102 discretion, may act as the issuing agent, prescribe the form of
103 the bonds, advertise for and accept bids, issue and sell the bonds

104 so authorized to be sold, and do any and all other things
105 necessary and advisable in connection with the issuance and sale
106 of such bonds. The amount of bonds issued under Sections 1
107 through 18 of this act shall not exceed Six Million Dollars
108 (\$6,000,000.00).

109 (2) The Secretary of State may provide in the resolution
110 declaring the necessity for the bonds that the payment of the debt
111 service on the bonds from the bond sinking fund created under
112 Section 3 of this act may be deferred for a period of time not to
113 exceed two (2) years from the date of the issuance of the bonds.

114 (3) Any investment earnings on amounts deposited into the
115 County Voting Systems Assistance Fund created in Section 2 of this
116 act shall be used to pay debt service on bonds issued under
117 Sections 1 through 18 of this act, in accordance with the
118 proceedings authorizing issuance of such bonds.

119 **SECTION 5.** The principal of and interest on the bonds
120 authorized under Sections 1 through 18 of this act shall be
121 payable in the manner provided in this section. Such bonds shall
122 bear such date or dates, be in such denomination or denominations,
123 bear interest at such rate or rates (not to exceed the limits set
124 forth in Section 75-17-101), be payable at such place or places
125 within or without the State of Mississippi, shall mature
126 absolutely at such time or times not to exceed twenty-five (25)
127 years from date of issue, be redeemable before maturity at such
128 time or times and upon such terms, with or without premium, shall
129 bear such registration privileges, and shall be substantially in
130 such form, all as shall be determined by resolution of the
131 commission.

132 **SECTION 6.** The bonds authorized by Sections 1 through 18 of
133 this act shall be signed by the Chairman of the State Bond
134 Commission, or by his facsimile signature, and the official seal
135 of the commission shall be affixed thereto, attested by the
136 secretary of the commission. The interest coupons, if any, to be

137 attached to such bonds may be executed by the facsimile signatures
138 of such officers. Whenever any such bonds shall have been signed
139 by the officials designated to sign the bonds who were in office
140 at the time of such signing but who may have ceased to be such
141 officers before the sale and delivery of such bonds, or who may
142 not have been in office on the date such bonds may bear, the
143 signatures of such officers upon such bonds and coupons shall
144 nevertheless be valid and sufficient for all purposes and have the
145 same effect as if the person so officially signing such bonds had
146 remained in office until their delivery to the purchaser, or had
147 been in office on the date such bonds may bear. However,
148 notwithstanding anything herein to the contrary, such bonds may be
149 issued as provided in the Registered Bond Act of the State of
150 Mississippi.

151 **SECTION 7.** All bonds and interest coupons issued under the
152 provisions of Sections 1 through 18 of this act have all the
153 qualities and incidents of negotiable instruments under the
154 provisions of the Uniform Commercial Code, and in exercising the
155 powers granted by Sections 1 through 18 of this act, the
156 commission shall not be required to and need not comply with the
157 provisions of the Uniform Commercial Code.

158 **SECTION 8.** The commission shall act as the issuing agent for
159 the bonds authorized under Sections 1 through 18 of this act,
160 prescribe the form of the bonds, advertise for and accept bids,
161 issue and sell the bonds so authorized to be sold, pay all fees
162 and costs incurred in such issuance and sale, and do any and all
163 other things necessary and advisable in connection with the
164 issuance and sale of such bonds. The commission is authorized and
165 empowered to pay the costs that are incident to the sale, issuance
166 and delivery of the bonds authorized under Sections 1 through 18
167 of this act from the proceeds derived from the sale of such bonds.
168 The commission shall sell such bonds on sealed bids at public
169 sale, and for such price as it may determine to be for the best

170 interest of the state, but no such sale shall be made at a price
171 less than par plus accrued interest to the date of delivery of the
172 bonds to the purchaser. All interest accruing on such bonds so
173 issued shall be payable semiannually or annually; however, the
174 first interest payment may be for any period of not more than one
175 (1) year.

176 Notice of the sale of any such bonds shall be published at
177 least one time, not less than ten (10) days before the date of
178 sale, and shall be so published in one or more newspapers
179 published or having a general circulation in the City of Jackson,
180 Mississippi, and in one or more other newspapers or financial
181 journals with a national circulation, to be selected by the
182 commission.

183 The commission, when issuing any bonds under the authority of
184 Sections 1 through 18 of this act, may provide that bonds, at the
185 option of the state, may be called in for payment and redemption
186 at the call price named therein and accrued interest on such date
187 or dates named therein.

188 **SECTION 9.** The bonds issued under the provision of Sections
189 1 through 18 of this act are general obligations of the State of
190 Mississippi, and for the payment thereof the full faith and credit
191 of the State of Mississippi is irrevocably pledged. The principal
192 of and the interest on the bonds shall be payable primarily from
193 the bond sinking fund created in Section 3 of this act as provided
194 in that section. If the funds available in the bond sinking fund
195 and any funds appropriated by the Legislature for such purpose are
196 insufficient to pay the principal of and the interest upon such
197 bonds as they become due, then the deficiency shall be paid by the
198 State Treasurer from any funds in the State Treasury not otherwise
199 appropriated. All such bonds shall contain recitals on their
200 faces substantially covering the foregoing provisions of this
201 section.

202 **SECTION 10.** Upon the issuance and sale of bonds under the
203 provisions of Sections 1 through 18 of this act, the commission
204 shall transfer the proceeds of any such sale or sales to the
205 special fund created in Section 2 of this act. The proceeds of
206 such bonds shall be disbursed solely upon the order of the
207 Secretary of State under such restrictions, if any, as may be
208 contained in the resolution providing for the issuance of the
209 bonds.

210 **SECTION 11.** The bonds authorized under Sections 1 through 18
211 of this act may be issued without any other proceedings or the
212 happening of any other conditions or things other than those
213 proceedings, conditions and things which are specified or required
214 by Sections 1 through 18 of this act. Any resolution providing
215 for the issuance of bonds under the provisions of Sections 1
216 through 18 of this act shall become effective immediately upon its
217 adoption by the commission, and any such resolution may be adopted
218 at any regular or special meeting of the commission by a majority
219 of its members.

220 **SECTION 12.** The bonds authorized under the authority of
221 Sections 1 through 18 of this act may be validated in the Chancery
222 Court of the First Judicial District of Hinds County, Mississippi,
223 in the manner and with the force and effect provided by Chapter
224 13, Title 31, Mississippi Code of 1972, for the validation of
225 county, municipal, school district and other bonds. The notice to
226 taxpayers required by such statutes shall be published in a
227 newspaper published or having a general circulation in the City of
228 Jackson, Mississippi.

229 **SECTION 13.** Any holder of bonds issued under the provisions
230 of Sections 1 through 18 of this act or of any of the interest
231 coupons pertaining thereto may, either at law or in equity, by
232 suit, action, mandamus or other proceeding, protect and enforce
233 any and all rights granted under Sections 1 through 18 of this
234 act, or under such resolution, and may enforce and compel

235 performance of all duties required by Sections 1 through 18 of
236 this act to be performed, in order to provide for the payment of
237 bonds and interest thereon.

238 **SECTION 14.** All bonds issued under the provisions of
239 Sections 1 through 18 of this act shall be legal investments for
240 trustees and other fiduciaries, and for savings banks, trust
241 companies and insurance companies organized under the laws of the
242 State of Mississippi, and such bonds shall be legal securities
243 which may be deposited with and shall be received by all public
244 officers and bodies of this state and all municipalities and
245 political subdivisions for the purpose of securing the deposit of
246 public funds.

247 **SECTION 15.** Bonds issued under the provisions of Sections 1
248 through 18 of this act and income therefrom shall be exempt from
249 all taxation in the State of Mississippi.

250 **SECTION 16.** The proceeds of the bonds issued under Sections
251 1 through 18 of this act shall be used solely for the purposes
252 herein provided, including the costs incident to the issuance and
253 sale of such bonds.

254 **SECTION 17.** The State Treasurer is authorized, without
255 further process of law, to certify to the Department of Finance
256 and Administration the necessity for warrants, and the Department
257 of Finance and Administration is authorized and directed to issue
258 such warrants, in such amounts as may be necessary to pay when due
259 the principal of, premium, if any, and interest on, or the
260 accreted value of, all bonds issued under Sections 1 through 18 of
261 this act; and the State Treasurer shall forward the necessary
262 amount to the designated place or places of payment of such bonds
263 in ample time to discharge such bonds, or the interest thereon, on
264 the due dates thereof.

265 **SECTION 18.** The provisions of Sections 1 through 18 of this
266 act shall be deemed to be full and complete authority for the
267 exercise of the powers therein granted, but Sections 1 through 18

268 of this act shall not be deemed to repeal or to be in derogation
269 of any existing law of this state.

270 **SECTION 19.** Section 7-3-59, Mississippi Code of 1972, is
271 amended as follows:

272 7-3-59. (1) Except as otherwise provided in this section,
273 all fees collected by the Office of the Secretary of State under
274 Section 75-9-525 shall be deposited in State Treasury Special Fund
275 3111, and shall be used to operate the activities of the Office of
276 the Secretary of State as necessary to administer the filing and
277 research provisions of Revised Article 9 of the Uniform Commercial
278 Code and to pay to each chancery clerk such amounts as that clerk
279 shall be owed under subsection (2) of this section. The
280 expenditure of the funds deposited in this fund shall be paid by
281 the State Treasurer upon requisition signed by the Office of the
282 Secretary of State.

283 (2) (a) Through September 30, 2007, for each filing and
284 indexing of a financing statement under Part 5 (Filing) of Title
285 75, Chapter 9 (Uniform Commercial Code Revised Article 9 - Secured
286 Transactions), the Secretary of State shall remit the following
287 fee to the chancery clerk of the Mississippi county, if any,
288 indicated on the face of the financing statement as the domicile
289 of the debtor, or, if no county is so indicated, the Mississippi
290 county of the address of the debtor stated on the financing
291 statement.

292 (i) Five Dollars (\$5.00), when the financing
293 statement is communicated in writing, either in the standard form
294 prescribed by the Secretary of State or not in the standard form
295 so prescribed, plus Two Dollars (\$2.00) for each additional debtor
296 name more than one (1) required to be indexed.

297 (ii) Five Dollars (\$5.00) if the financing
298 statement is communicated by another medium authorized by
299 filing-office rule.

300 (b) From and after October 1, 2007, for each filing and
301 indexing of a financing statement under Part 5 (Filing) of Title
302 75, Chapter 9 (Uniform Commercial Code Revised Article 9 - Secured
303 Transactions), the Secretary of State shall remit the following
304 fee to the County Voting Systems Assistance Bond Sinking Fund
305 created under Section 3 of House Bill No. 562, 2006 Regular
306 Session, in such amounts as specified in Section 3 of House Bill
307 No. 562, 2006 Regular Session, and shall distribute the remainder
308 of the fees to the "Help Mississippi Vote Fund" created in Section
309 20 of House Bill No. 562, 2006 Regular Session.

310 (i) Five Dollars (\$5.00), when the financing
311 statement is communicated in writing, either in the standard form
312 prescribed by the Secretary of State or not in the standard form
313 so prescribed, plus Two Dollars (\$2.00) for each additional debtor
314 name more than one (1) required to be indexed.

315 (ii) Five Dollars (\$5.00) if the financing
316 statement is communicated by another medium authorized by
317 filing-office rule.

318 (3) The Secretary of State shall remit to each chancery
319 clerk not less than monthly the amount owed under subsection (2)
320 of this section. Each payment shall be accompanied by a detailed
321 accounting of the transactions represented by that payment.
322 However, from and after October 1, 2007, the Secretary of State
323 shall remit to the County Voting Systems Assistance Bond Sinking
324 Fund and the "Help Mississippi Vote Fund" not less than monthly
325 the amount provided under subsection (2) of this section. Each
326 payment shall be accompanied by a detailed accounting of the
327 transactions represented by that payment.

328 * * *

329 **SECTION 20.** (1) (a) There is created in the State Treasury
330 a special fund, to be designated the "Help Mississippi Vote Fund"
331 to the credit of the Secretary of State, which shall be comprised
332 of the monies required to be deposited into the fund under Section

333 7-3-59, and any other funds that may be made available for the
334 fund by the Legislature.

335 (b) Monies in the fund shall be expended by the
336 Secretary of State to support the state's maintenance of efforts
337 as required by the federal mandates of the Help America Vote Act
338 of 2002.

339 (c) Unexpended amounts remaining in the special fund at
340 the end of a fiscal year shall not lapse into the State General
341 Fund, and any interest earned or investment earnings on amounts in
342 the special fund shall be deposited to the credit of the special
343 fund.

344 **SECTION 21.** Section 75-9-525, Mississippi Code of 1972, is
345 amended as follows:

346 75-9-525. (a) Except as otherwise provided in subsection
347 (e), the fee for filing and indexing a record under this part,
348 other than an initial financing statement of the kind described in
349 subsection (b) is the amount specified in subsection (c), if
350 applicable, plus:

351 (1) Ten Dollars (\$10.00) if the record is communicated
352 in writing and is in the standard form prescribed by the Secretary
353 of State;

354 (2) Thirteen Dollars (\$13.00) if the record is
355 communicated in writing and is not in the standard form prescribed
356 by the Secretary of State; and

357 (3) Eight Dollars (\$8.00) if the record is communicated
358 by another medium authorized by filing-office rule.

359 (b) Except as otherwise provided in subsection (e), the fee
360 for filing and indexing an initial financing statement of the
361 following kind is the amount specified in subsection (c), if
362 applicable, plus:

363 (1) Thirteen Dollars (\$13.00) if the financing
364 statement indicates that it is filed in connection with a
365 public-finance transaction;

366 (2) Ten Dollars (\$10.00) if the financing statement
367 indicates that it is filed in connection with a manufactured-home
368 transaction.

369 (c) Except as otherwise provided in subsection (e), if a
370 record is communicated in writing, the fee for each additional
371 debtor name more than one (1) required to be indexed is Four
372 Dollars (\$4.00).

373 (d) The fee for responding to a request for information from
374 the filing office, including for issuing a certificate showing
375 whether there is on file any financing statement naming a
376 particular debtor, is:

377 (1) Five Dollars (\$5.00) if the request is communicated
378 in writing on the standard form prescribed by the Secretary of
379 State;

380 (2) Ten Dollars (\$10.00) if the request is communicated
381 in writing and is not in the standard form prescribed by the
382 Secretary of State;

383 (3) Three Dollars (\$3.00) if the request is
384 communicated by another medium authorized by filing-office rule;
385 and

386 (4) An additional fee of Two Dollars (\$2.00) shall be
387 paid by the requesting party for each financing statement listed
388 on the filing officer's certificate, the aggregate of which shall
389 be billed to the requesting party at the time the filing officer's
390 certificate is issued.

391 (e) This section does not require a fee to the chancery
392 clerk with respect to a record of a mortgage which is effective as
393 a financing statement filed as a fixture filing or as a financing
394 statement covering as-extracted collateral or timber to be cut
395 under Section 75-9-502(c). However, the recording and
396 satisfaction fees to the chancery clerk that otherwise would be
397 applicable under Section 25-7-9 to the record of the mortgage
398 apply.

399 * * *

400 **SECTION 22.** This act shall take effect and be in force from
401 and after its passage.