

By: Senator(s) Burton

To: Elections; Finance

## SENATE BILL NO. 2399

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, AND TO REMOVE THE OCTOBER 1, 2007,  
18 REPEAL DATE ON SUCH SECTION; TO CREATE THE "HELP MISSISSIPPI VOTE  
19 FUND"; TO AMEND SECTION 75-9-525, MISSISSIPPI CODE OF 1972, TO  
20 MAKE THE INCREASE IN FEES FOR FILING AND INDEXING RECORDS UNDER  
21 ARTICLE 9 OF THE UNIFORM COMMERCIAL CODE PERMANENT; AND FOR  
22 RELATED 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 provisions 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 Senate Bill No. 2399, 2006 Regular  
306 Session, in such amounts as specified in Section 3 of Senate Bill  
307 No. 2399, 2006 Regular Session, and shall distribute the remainder  
308 of the fees to the "Help Mississippi Vote Fund" created in Section  
309 20 of Senate Bill No. 2399, 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           **SECTION 20.** (1) There is created in the State Treasury a  
329 special fund, to be designated the "Help Mississippi Vote Fund" to  
330 the credit of the Secretary of State, which shall be comprised of  
331 the monies required to be deposited into the fund under Section

332 7-3-59, and any other funds that may be made available for the  
333 fund by the Legislature.

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

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

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

343 \* \* \*

344 75-9-525. (a) Except as otherwise provided in subsection  
345 (e), the fee for filing and indexing a record under this part,  
346 other than an initial financing statement of the kind described in  
347 subsection (b) is the amount specified in subsection (c), if  
348 applicable, plus:

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

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

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

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

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

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

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

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

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

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

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

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

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

397 \* \* \*

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