

By: Representatives Franks,
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To: Ways and Means

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 24

1 AN ACT TO AMEND SECTION 27-107-321, MISSISSIPPI CODE OF 1972,
2 TO AUTHORIZE THE DEPARTMENT OF FINANCE AND ADMINISTRATION TO MAKE
3 GRANTS TO LOCAL GOVERNMENTS FROM THE EMERGENCY AID TO LOCAL
4 GOVERNMENTS FUND; TO PROVIDE THAT INTEREST EARNED OR INVESTMENT
5 EARNINGS ON AMOUNTS IN THE FUND SHALL BE DEPOSITED TO THE CREDIT
6 OF THE FUND AND TO PROVIDE THAT GRANTS FROM THE FUND MAY NOT
7 EXCEED \$3,000,000.00 AND THAT THE TOTAL AGGREGATE AMOUNT OF ALL
8 GRANTS SHALL NOT EXCEED \$25,000,000.00; TO ESTABLISH A GRANT
9 PROGRAM TO PROVIDE FUNDS TO CERTAIN COUNTIES AND MUNICIPALITIES
10 FOR THE PURPOSE OF MAKING GRANTS TO INDIVIDUALS WHO SUSTAINED
11 PHYSICAL DAMAGE TO HOMES DUE TO FLOODING, STORM SURGE OR OTHER
12 CATEGORIES OF DAMAGE SET FORTH IN RULES AND REGULATIONS OF THE
13 DEPARTMENT OF FINANCE AND ADMINISTRATION, AS A RESULT OF HURRICANE
14 KATRINA, WHO HAD NO FLOOD INSURANCE OR OTHER INSURANCE PROVIDING
15 COVERAGE FOR SUCH DAMAGE OR HAD FLOOD INSURANCE BUT HAD A FLOOD
16 LOSS THAT EXCEEDED SUCH INSURANCE, AND WHO WERE NOT COVERED BY
17 OTHER INSURANCE OR SOURCE OF REIMBURSEMENT; TO PROVIDE THAT THE
18 DEPARTMENT OF FINANCE AND ADMINISTRATION SHALL ADMINISTER THE
19 PROGRAM; TO PROVIDE THE MAXIMUM AMOUNT FOR SUCH GRANTS; TO
20 ESTABLISH CERTAIN ELIGIBILITY REQUIREMENTS FOR THE RECEIPT OF SUCH
21 GRANTS; TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
22 BONDS FOR THE PURPOSE OF PROVIDING FUNDS FOR THE GRANT PROGRAM; TO
23 REQUIRE NOTICE TO BE GIVEN TO CERTAIN MEMBERS OF THE LEGISLATURE
24 BEFORE A PUBLIC CEREMONY TO ANNOUNCE THE AWARD OF A GRANT UNDER
25 THIS ACT; TO REQUIRE THAT CERTAIN DOCUMENTS PREPARED IN CONNECTION
26 WITH A GRANT MADE UNDER THIS ACT CONTAIN LANGUAGE THAT THE GRANT
27 FUNDS WERE MADE AVAILABLE BY THE LEGISLATURE; AND FOR RELATED
28 PURPOSES.

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

30 **SECTION 1.** Section 27-107-321, Mississippi Code of 1972, is
31 amended as follows:

32 27-107-321. (1) (a) There are established two (2)
33 emergency aid to local governments loan and grant programs to be
34 administered by the Department of Finance and Administration,
35 referred to in this section as "department," for the purposes of
36 (i) assisting counties, incorporated municipalities and public
37 school districts that suffer revenue losses as a result of a
38 natural disaster for which a state of emergency has been duly
39 proclaimed, and (ii) providing funds to counties and
40 municipalities for the purposes of making grants available to

41 individuals who reside in Hancock, Harrison, Jackson, Pearl River,
42 Stone and George Counties and municipalities located in such
43 counties, who sustained physical damage to homes due to flooding,
44 storm surge or other categories of damage set forth in rules and
45 regulations promulgated by the department, as a result of
46 Hurricane Katrina, and who had no flood insurance or other
47 insurance providing coverage for such damage or had flood
48 insurance but had a flood loss that exceeded such insurance, and
49 who were not covered by other insurance or source of
50 reimbursement, as attested to by the homeowner. For the purposes
51 of the program authorized under this subparagraph (ii), a home
52 shall be the primary homestead of the applicant.

53 (b) The department may contract for facilities and
54 staff needed to administer this section, including routine
55 management, as it deems necessary. The department may advertise
56 for or solicit proposals from public or private sources, or both,
57 for administration of this section or any services required for
58 administration of this section or any portion thereof. It is the
59 intent of the Legislature that the department endeavor to ensure
60 that the costs of administration of this section are as low as
61 possible.

62 (c) The provisions of subsections (2) through (5) of
63 this section shall apply to the program described in paragraph
64 (a)(i) of this subsection, and the provisions of subsections (6)
65 through (11) of this section shall apply to the program described
66 in paragraph (a)(ii) of this subsection. The provisions of
67 subsections (12) through (14) of this section shall apply to both
68 programs described in paragraph (a) of this subsection.

69 (2) (a) There is created a special fund in the State
70 Treasury to be designated as the "Emergency Aid to Local
71 Governments Fund," referred to in this section as "fund," which
72 fund shall consist of money transferred from the Disaster Recovery
73 Fund created in Section 31-17-123 and money designated for deposit

74 therein from any other source, public or private, including, but
75 not limited to, appropriations, bond proceeds, grants, gifts or
76 donations. The fund shall be credited with all repayments of
77 principal and interest derived from loans made from the fund.
78 Unexpended amounts remaining in the fund at the end of a fiscal
79 year shall not lapse into the State General Fund, and any interest
80 earned or investment earnings on amounts in the fund shall be
81 deposited to the credit of the Emergency Aid to Local Governments
82 Fund. Monies in the fund may not be used or expended for any
83 purpose except as authorized under subsections (2) through (5) of
84 this section.

85 (b) The department shall establish a loan and grant
86 program by which loans and grants may be made available to
87 counties, incorporated municipalities and public school districts,
88 to assist those counties, incorporated municipalities and public
89 school districts. Loan and grant proceeds distributed to
90 counties, incorporated municipalities and public school districts
91 shall be considered to be, and shall be utilized by recipient in
92 the same manner as, governmental, enterprise or internal service
93 fund type revenues, specifically for essential government
94 services, including the payment of debt service. Any governmental
95 entity in the current fiscal year that demonstrates a projected
96 revenue loss equal to or exceeding twenty-five percent (25%) of
97 its governmental fund type revenues in the fiscal year prior to
98 the occurrence of the natural disaster eligible under subsections
99 (2) through (5) this section may qualify for a loan and/or grant.
100 The interest rate on loans made under this section may vary from
101 time to time and from loan to loan, and shall be at or below
102 market interest rates as determined by the department. The
103 department shall act as quickly as is practicable and prudent in
104 deciding on any loan or grant request that it receives. No loan
105 or grant shall be approved under subsections (2) through (5) of
106 this section unless the county, municipality or public school

107 district requesting the loan or grant has exhausted all other
108 available public or private programs to obtain funds for the
109 revenue loss that it is projected to suffer. Such public or
110 private programs shall include, but not be limited to, loans,
111 grants and donations.

112 (c) The aggregate amount of any loans or grants
113 received under subsections (2) through (5) of this section by a
114 county, incorporated municipality or public school district shall
115 not exceed one hundred percent (100%) of the difference between
116 the revenue received by a county, incorporated municipality or
117 public school district from governmental fund type revenues that
118 are used to fund essential services in the fiscal year prior to
119 the occurrence of the natural disaster and the estimated revenue
120 from such sources after the occurrence of the natural disaster
121 plus available cash reserves or fund balances at the fiscal year
122 end, as determined by the department. The State Bond Commission
123 shall set the maximum amount of any loan or grant made under
124 subsections (2) through (5) of this section at an amount that will
125 ensure the equitable distribution of the amounts available for
126 loans and grants to the eligible governmental entities affected by
127 the natural disaster, but in no event shall a grant exceed Three
128 Million Dollars (\$3,000,000.00) or the total aggregate amount of
129 all grants exceed Twenty-five Million Dollars (\$25,000,000.00).

130 (d) A county or public school district that receives a
131 loan from the fund shall pledge for repayment of the loan any part
132 of the homestead exemption annual tax loss reimbursement to which
133 it may be entitled under Section 27-33-77, as may be required by
134 the department. An incorporated municipality that receives a loan
135 from the fund or the emergency fund shall pledge for repayment of
136 the loan any part of the sales tax revenue distribution to which
137 it may be entitled under Section 27-65-75 or any part of the
138 homestead exemption annual tax loss reimbursement to which it may
139 be entitled under Section 27-33-77, as may be required by the

140 department. All recipients of such loans shall establish a
141 dedicated source of revenue for repayment of the loan. Before any
142 county, incorporated municipality or public school district shall
143 receive any loan, it shall have executed with the department a
144 loan agreement evidencing that loan, a copy of which shall be
145 filed by the department with the State Tax Commission. The loan
146 agreement shall not be construed to prohibit any recipient from
147 prepaying any part or all of the funds received. The repayment
148 schedule in each loan agreement shall provide for (i) monthly
149 payments, (ii) semiannual payments or (iii) other periodic
150 payments. The loan agreement shall provide for the repayment of
151 all funds received from the fund within not more than three (3)
152 years. The State Tax Commission shall, at the direction of the
153 department, withhold semiannually from counties, incorporated
154 municipalities and public school districts and monthly from
155 incorporated municipalities, from the amount to be remitted to the
156 county, municipality or public school district, the sum necessary
157 to pay all or a portion of the periodic payments for the loan.

158 (e) Any county, incorporated municipality or public
159 school district which receives a loan from the state for that
160 purpose but which is not eligible to pledge for repayment under
161 the provisions of paragraph (d) of this subsection, shall repay
162 that loan by making payments each month to the State Treasurer
163 through the Department of Finance and Administration for and on
164 behalf of the department according to Section 7-7-15, to be
165 credited to the fund in lieu of pledging homestead exemption
166 annual tax loss reimbursement or sales tax revenue distribution.

167 Loan repayments shall be according to a repayment schedule
168 contained in each loan agreement as provided in paragraph (d) of
169 this subsection.

170 (f) Evidences of indebtedness which are issued pursuant
171 to subsections (2) through (5) of this section shall not be deemed
172 indebtedness within the meaning specified in Section 21-33-303

173 with regard to cities and incorporated towns, in Section 19-9-5
174 with regard to counties and in Section 37-59-5 with regard to
175 public school districts.

176 (g) The State Auditor, upon request of the department,
177 shall audit the receipts and expenditures of a county, an
178 incorporated municipality or a public school district if loan
179 repayments appear to be in arrears, and if the Auditor finds that
180 the county, incorporated municipality or public school district is
181 in arrears in those repayments, the Auditor shall immediately
182 notify the executive director of the department who may take any
183 action as may be necessary to enforce the terms of the loan
184 agreement, including liquidation and enforcement of the security
185 given for repayment of the loan, and the executive director of the
186 department may, in his discretion, notify the State Tax Commission
187 to withhold all future payments to the county, incorporated
188 municipality or school district of homestead exemption annual tax
189 loss reimbursements under Section 27-33-77 and/or all sums
190 allocated to the incorporated municipality under Section 27-65-75,
191 until such time as the county, incorporated municipality or public
192 school district is again current in its loan repayments as
193 certified by the department.

194 (h) All monies deposited in the fund shall be used only
195 for providing the loans and grants authorized under subsections
196 (2) through (5) of this section. In addition, any amounts in the
197 fund may be used to defray the reasonable costs of administering
198 the fund; however, no monies in the fund which are to be used for
199 grant purposes may be used to defray any costs of administering
200 the fund or program. The department is authorized to use amounts
201 available to it from the fund to contract for those facilities and
202 staff needed to administer and provide routine management for the
203 funds and loan program.

204 * * *

205 (3) The State Bond Commission, at one time, or from time to
206 time, may declare the necessity for funds for the purposes
207 provided in subsections (2) through (5) of this section, including
208 the costs incident to the administration of the loan and grant
209 program described under subsection (1)(a)(i). Upon approval by
210 the State Bond Commission, the department is authorized to
211 transfer any necessary amount from the Disaster Recovery Fund
212 created in Section 31-17-123 to the fund in ample time to
213 discharge such loans, grants and incidental costs.

214 (4) The department is authorized, without further process of
215 law, to certify the necessity for warrants and is authorized and
216 directed to issue such warrants, in such amounts as may be
217 necessary to make loans and grants under the program described
218 under subsection (1)(a)(i).

219 (5) After any state funds in the fund are no longer needed
220 for the particular purpose for which they were appropriated,
221 deposited or transferred into the fund, the department shall
222 transfer those state funds back to the particular fund or funds in
223 the State Treasury from which they were appropriated or
224 transferred into the fund, upon certification of the State Fiscal
225 Officer that the state funds are not currently needed.

226 (6) A county or municipality desiring funds under
227 subsections (6) through (11) of this section must submit an
228 application to the department that contains the amount of funds
229 requested and any other information required by the department. A
230 county or municipality receiving funds under subsections (6)
231 through (11) of this section may contract with the local planning
232 and development district in which the county or municipality is
233 located or other entity approved by the department for the
234 administration of grant funds to individuals. A county or
235 municipality that contracts with a planning and development
236 district or other entity for such purposes may use part of the

237 funds received from the department for the purpose of defraying
238 the costs of such a contract.

239 (7) (a) The amount of a grant made by a county or
240 municipality, or both, under subsections (6) through (11) of this
241 section shall not exceed Fifty Thousand Dollars (\$50,000.00) in
242 the aggregate; however, grants made under subsections (6) through
243 (11) of this section shall be made only to the extent that federal
244 or other assistance is not available to an individual or does not
245 provide adequate assistance or coverage needed to repair or
246 rebuild a home for which a grant is made under subsections (6)
247 through (11) of this section. The proceeds of the grants
248 authorized under subsections (6) through (11) of this section
249 shall be used only for the purpose of repairing or rebuilding a
250 home for which a grant is made under subsections (6) through (11)
251 of this section. An individual receiving a grant to rebuild a
252 home must rebuild the home in the county in which it was located
253 at the time of the damage. In making funds available to counties
254 and municipalities under subsections (6) through (11) of this
255 section, the department shall attempt to provide for the equitable
256 distribution of such funds in order to address the housing needs
257 caused as a result of Hurricane Katrina.

258 (b) To be eligible for a grant under subsections (6)
259 through (11) of this section, an individual must:

260 (i) Own or have owned a home that sustained
261 physical damage due to flooding, storm surge or other categories
262 of damage set forth in rules and regulations promulgated by the
263 department, as a result of Hurricane Katrina;

264 (ii) Not have had flood insurance or other
265 insurance providing coverage for such damage, or had flood
266 insurance but had a flood loss that exceeded such insurance, and
267 was not covered by other insurance or source of reimbursement;

268 (iii) Agree to obtain and maintain flood insurance
269 coverage on the property for which assistance is requested; and

270 (iv) Have an aggregate household income that does
271 not exceed three hundred percent (300%) of the United States
272 poverty level.

273 (8) Any individual who receives a grant under subsections
274 (6) through (11) of this section and who fails to maintain flood
275 insurance coverage on the property for which assistance is
276 provided as required in subsections (6) through (11) of this
277 section shall not be eligible for state assistance for any flood
278 damage that occurs after the grant is made.

279 (9) An individual desiring assistance under subsections (6)
280 through (11) of this section must submit an application to the
281 department. The application must include a description of the
282 property and the purpose for which assistance is requested, the
283 cost of the project for which assistance is requested and any
284 other information required by the department.

285 (10) The department shall have all powers necessary to
286 implement and administer the program established under subsections
287 (6) through (11) of this section, and the department shall
288 promulgate rules and regulations, in accordance with the
289 Mississippi Administrative Procedures Law, necessary for the
290 implementation of subsections (6) through (11) of this section.
291 However, if the department desires to contract with any entity or
292 entities to assist in the administration of the program
293 established under subsections (6) through (11) of this section,
294 the department shall utilize a request for proposals procedure
295 before awarding any contract for any such assistance purposes.

296 (11) (a) There is created in the State Treasury a special
297 fund to be designated as the "Mississippi Disaster Home Flood
298 Grant Fund," which shall consist of funds appropriated or
299 otherwise made available by the Legislature in any manner and
300 funds from any other source designated for deposit into such fund.
301 Unexpended amounts remaining in the fund at the end of a fiscal
302 year shall not lapse into the State General Fund, and any

303 investment earnings or interest earned on amounts in the fund
304 shall be deposited to the credit of the fund. Monies in the fund
305 shall be used by the department for the purposes described in
306 subsections (6) through (11) of this section.

307 (12) In administering this section the department shall have
308 the following powers and duties:

309 (a) To supervise the use of all funds made available
310 under this section;

311 (b) To promulgate rules and regulations, to make
312 variances and exceptions thereto, and to establish procedures in
313 accordance with this section for the implementation of the loan
314 and grant programs described in subsection (1)(a);

315 (c) To requisition monies in the appropriate special
316 fund and distribute those monies in accordance with this section;

317 (d) To maintain, in accordance with generally accepted
318 government accounting standards, an accurate record of all monies
319 in each special fund made available to counties, incorporated
320 municipalities and public school districts under this section; and

321 (e) To file annually with the Legislature a report
322 detailing how monies in each special fund were distributed during
323 the preceding fiscal year to each county, incorporated
324 municipality and public school district.

325 (13) At least five (5) days before any public ceremony to
326 announce the award of a grant to a county, municipality or public
327 school district under this section, the department shall notify
328 all of the members of the Mississippi House of Representatives and
329 Mississippi Senate whose districts include any portion of the
330 county, municipality or school district to which the grant is
331 being made.

332 (14) The department shall include the following language at
333 a prominent location on any documents prepared by the department
334 in connection with a grant made under this section that are to be
335 provided to the county, municipality or school district to which

336 the grant is made or to the public: "The funds for this grant
337 were made available by the Mississippi Legislature."

338 **SECTION 2.** (1) As used in this section, the following words
339 shall have the meanings ascribed herein unless the context clearly
340 requires otherwise:

341 (a) "Accreted value" of any bonds means, as of any date
342 of computation, an amount equal to the sum of (i) the stated
343 initial value of such bond, plus (ii) the interest accrued thereon
344 from the issue date to the date of computation at the rate,
345 compounded semiannually, that is necessary to produce the
346 approximate yield to maturity shown for bonds of the same
347 maturity.

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

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

350 (d) "Department" means the Department of Finance and
351 Administration.

352 (2) (a) The commission, at one time, or from time to time,
353 may declare by resolution the necessity for issuance of general
354 obligation bonds of the State of Mississippi to provide funds for
355 the program authorized in Section 27-107-321(1)(a)(ii),
356 Mississippi Code of 1972. Upon the adoption of a resolution by
357 the department, declaring the necessity for the issuance of any
358 part or all of the general obligation bonds authorized by this
359 section, the department shall deliver a certified copy of its
360 resolution or resolutions to the commission. Upon receipt of such
361 resolution, the commission, in its discretion, may act as the
362 issuing agent, prescribe the form of the bonds, advertise for and
363 accept bids, issue and sell the bonds so authorized to be sold and
364 do any and all other things necessary and advisable in connection
365 with the issuance and sale of such bonds. The total amount of
366 bonds issued under this section shall not exceed One Hundred
367 Million Dollars (\$100,000,000.00).

368 (b) The proceeds of bonds issued pursuant to this
369 section shall be deposited into the special fund created in
370 Section 27-107-321(11), Mississippi Code of 1972. Any investment
371 earnings on bonds issued pursuant to this section shall be used to
372 pay debt service on bonds issued under this section, in accordance
373 with the proceedings authorizing issuance of such bonds.

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

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

401 the purchaser, or had been in office on the date such bonds may
402 bear. However, notwithstanding anything herein to the contrary,
403 such bonds may be issued as provided in the Registered Bond Act of
404 the State of Mississippi.

405 (5) All bonds and interest coupons issued under the
406 provisions of this section have all the qualities and incidents of
407 negotiable instruments under the provisions of the Uniform
408 Commercial Code, and in exercising the powers granted by this
409 section, the commission shall not be required to and need not
410 comply with the provisions of the Uniform Commercial Code.

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

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

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

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

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

450 (8) Upon the issuance and sale of bonds under the provisions
451 of this section, the commission shall transfer the proceeds of any
452 such sale or sales to the special fund created in Section
453 27-107-321(11), Mississippi Code of 1972. The proceeds of such
454 bonds shall be disbursed solely upon the order of the department
455 under such restrictions, if any, as may be contained in the
456 resolution providing for the issuance of the bonds.

457 (9) The bonds authorized under this section may be issued
458 without any other proceedings or the happening of any other
459 conditions or things other than those proceedings, conditions and
460 things which are specified or required by this section. Any
461 resolution providing for the issuance of bonds under the
462 provisions of this section shall become effective immediately upon
463 its adoption by the commission, and any such resolution may be
464 adopted at any regular or special meeting of the commission by a
465 majority of its members.

466 (10) The bonds authorized under the authority of this
467 section may be validated in the Chancery Court of the First
468 Judicial District of Hinds County, Mississippi, in the manner and
469 with the force and effect provided by Chapter 13, Title 31,
470 Mississippi Code of 1972, for the validation of county, municipal,
471 school district and other bonds. The notice to taxpayers required
472 by such statutes shall be published in a newspaper published or
473 having a general circulation in the City of Jackson, Mississippi.

474 (11) Any holder of bonds issued under the provisions of this
475 section or of any of the interest coupons pertaining thereto may,
476 either at law or in equity, by suit, action, mandamus or other
477 proceeding, protect and enforce any and all rights granted under
478 this section, or under such resolution, and may enforce and compel
479 performance of all duties required by this section to be
480 performed, in order to provide for the payment of bonds and
481 interest thereon.

482 (12) All bonds issued under the provisions of this section
483 shall be legal investments for trustees and other fiduciaries, and
484 for savings banks, trust companies and insurance companies
485 organized under the laws of the State of Mississippi, and such
486 bonds shall be legal securities which may be deposited with and
487 shall be received by all public officers and bodies of this state
488 and all municipalities and political subdivisions for the purpose
489 of securing the deposit of public funds.

490 (13) Bonds issued under the provisions of this section and
491 income therefrom shall be exempt from all taxation in the State of
492 Mississippi.

493 (14) The proceeds of the bonds issued under this section
494 shall be used solely for the purposes therein provided, including
495 the costs incident to the issuance and sale of such bonds.

496 (15) The State Treasurer is authorized, without further
497 process of law, to certify to the department the necessity for
498 warrants, and the department is authorized and directed to issue

499 such warrants, in such amounts as may be necessary to pay when due
500 the principal of, premium, if any, and interest on, or the
501 accreted value of, all bonds issued under this section; and the
502 State Treasurer shall forward the necessary amount to the
503 designated place or places of payment of such bonds in ample time
504 to discharge such bonds, or the interest thereon, on the due dates
505 thereof.

506 (16) This section shall be deemed to be full and complete
507 authority for the exercise of the powers therein granted, but this
508 section shall not be deemed to repeal or to be in derogation of
509 any existing law of this state.

510 **SECTION 3.** This act shall take effect and be in force from
511 and after its passage.